

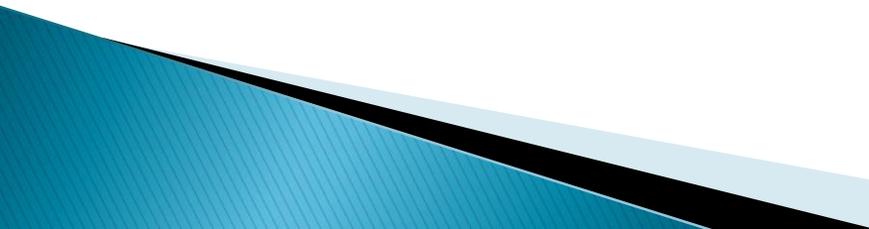
Impacts of Welfare Reform on Council tenants

Mark Faulkner – Money Advisor
Nick Jones – Housing and Strategic Projects
Team Leader

Welfare Reform – Context

- ▶ Introduction of the benefit cap
 - ▶ Removal of spare room subsidy (bedroom tax)
 - ▶ Changes to benefits for people with disability, reform of ESA; Phasing out DLA and replacement with PIP
 - ▶ Universal Credit
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Principals of UC

- ▶ Mimics work– changes to reflect tenants circumstances e.g. increased hours
 - ▶ Paid monthly in arrears
 - ▶ Digital claim paid directly into tenant's bank account
 - ▶ 5 week wait for first payment
 - ▶ Advance payments possible BUT repayment needed over 12 months from ongoing UC
 - ▶ Provision made for vulnerable tenants (APA's)
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Effects of Universal Credit on tenants so far

- ▶ Waiting times and issues with advance payments
 - ▶ Financial responsibility– difficulties budgeting, paying housing costs
 - ▶ Reduction in claims for Council Tax reduction
 - ▶ Increased demands on money advice and support services
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Impact on the Council

- ▶ Arrears £300 higher on average than non-UC tenants
 - ▶ 75% of UC claimants in rent arrears
 - ▶ 10 new UC claimants each week (as a result of tenants change of circs)
 - ▶ Legacy benefits transfer over has been delayed to 2024
 - ▶ Arrears could increase to 6% on rent roll (£1.2m)
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What the Council is doing

Vale Homes Awareness campaign

- ▶ Campaign images designed by Resource LTD
- ▶ “Carl”, a blue monster” is ready for Universal Credit
- ▶ Tenants are informed to “Be Like Carl” to get ready themselves



Outreach

- ▶ Door knocking
- ▶ Roadshows
- ▶ Standalone events
- ▶ Residents boards
- ▶ Community Investment events



Support

- ▶ Income team complete rent cost verification and let Money Advice know that the tenant is now on UC.
- ▶ Income Team attempt to maintain contact with tenants once on UC.
- ▶ Digital ready sessions
- ▶ Signposting – bank accounts, credit unions etc.
- ▶ Money Advice call new UC tenants to give general advice, confirm they have requested advance if required and offer further support
- ▶ Awareness campaign continuing by leaflet, social media and outreach events
- ▶ 824 visits by money advisor have so far generated £223,433 in additional income for tenants

Case study 1

- ▶ Ms K– Death of relative

Case study 2

- ▶ Mr B– Tenant in insecure employment

Case study 3

- ▶ Mr J– PIP appeal

Thank you for listening

- ▶ Any questions?