
Jim Brady 1st July 2015

Haringey Landlords Forum
Universal Credit

- Universal Credit is a Government led programme to merge existing benefits, including Housing Benefit, into one single monthly payment.
- The Council Tax Reduction Scheme will continue to be administered by LA’s.
- Haringey has no current claimants in receipt of UC, and no local jobcentres administer it yet. DWP have indicated that Haringey is part of Tranche 4 – March 2016.
- Universal Credit is replacing Job Seekers Allowance, Housing Benefit, Working & Child Tax Credit, Employment & Support Allowance, and Income Support.

Universal Credit

• Haringey currently has approximately 36,000 Housing Benefit claimants, we estimate 28,000 (80%) of these may eventually be affected by the UC rollout. Pensioners and those in supported accommodation will not be transferring and will continue to be administered by LA’s

• People may be able to claim if they are on a low income or out of work. They do not need to do anything if they are already claiming any benefits- they will be told when UC will affect them.

• People will have to accept a ‘Claimant Commitment’ – without agreeing to it, they will not get UC.

• They can claim UC online and it will be paid differently from current benefits. It will be paid once a month, usually into a bank account and any help they get with their rent will be included with UC payments and claimants then pay their landlord themselves.

Universal Credit

• We anticipate 28,000 HB customers may migrate to UC. Migrations of data are known to have many issues. We will need to prepare for exceptional customer contacts during any migration, as both customers and landlords experience this change.

• UC plans to place costs for accommodation in the hands of claimants. Evidence from pilot schemes shows that claimants do not pay their landlords which leads to rent arrears, increased possession applications and evictions. This could lead to a drain on the Council’s supporting services.

• Housing Benefit overpayments will not transfer to UC when mass migration begins. The Council will be left with debts that it currently recovers from ongoing Housing Benefit.

Universal Credit

• DWP have made an initial approach to discuss local arrangements and develop a co-operative strategy

• We continue to work to prepare, with colleagues in Housing, particularly Advice, Supply, Homelessness and Welfare Reform Team.

• We will engage with Adults Team regarding issues of duty for individuals and landlords to prepare them for the forthcoming changes.

• We will work with the Equalities Team on an impact Assessment.
Discretionary Housing Payments

• Discretionary Housing Payments (DHP’s) are administered by local authorities and provide financial assistance to help tenants meet their housing costs.

• Housing costs are generally defined as rental liability, but can also include other costs such as rent deposit. DHP’s may be awarded as a one-off payment or periodically for a period the LA considers appropriate,

• Each year, the DWP makes grants available to LA’s for DHP purposes.

• In 2015/16, the total DHP grant budget (shared between all LA’s in England, Scotland and Wales) is £125 million a 40% reduction from last year. Haringey’s share is £1,485,882 – a 40% cut from last year (when our total was £2,465,556)

• Officers will have to be cautious when awarding DHP’s in 2015/16, and cannot provide the same levels of assistance to claimants as was possible in 2014/15.

Discretionary Housing Payments

• The Government’s decision to cut Haringey’s grant support limits the Council’s capacity to support residents who are struggling to make ends meet.
• It is expected that most claimants with a current DHP will expect to renew in 2015/16.
• Greater demand on Benefits resources due to more stringent requirements in assessing whether claimants meet more stringent criteria
• We will ensure that the DHP policy is administered in a fair and transparent way.
• We remain committed to doing everything we can to sustain tenancies, prevent homelessness and, where possible ensure tenants secure more affordable accommodation.
Benefit Cap  What is it?

• A cap on the total amount of benefit that working-age claimants can receive, so that broadly, households on out of work benefits will no longer receive more in benefit than the average weekly wage, after Tax and National Insurance.

• Single People are capped at £350 per week

• Couples or Lone Parents are capped at £500 per week (£26,000 per year).

• Claimants in any type of accommodation may be affected, though private tenants and Temporary Accommodation Tenants are most affected

• Government have pledged to reduce the cap to £23,000 per year (£443.30 per week). If so – many more claimants will be affected, particularly so in high rental areas, and larger families. No date for this yet.
Benefit Cap – Benefits Considered

- The cap will apply to combined income from the main out-of-work benefits including (but there are others too!)
  - Jobseeker’s Allowance
  - Income Support
  - Employment Support Allowance
  - Housing Benefit
  - Child Benefit
  - Child Tax Credit
  - Carer’s Allowance

- Anything above the cap limit will be deducted from Housing Benefit

- This could reduce the Housing Benefit down to ZERO, however 50 pence MUST remain in payment to allow for the claimant to claim a Discretionary Housing Payment

- A DWP team in Belfast instructs Haringey when to apply the CAP.

Benefit Cap - Exemptions

- Households which include someone who is entitled to Working Tax Credit (WTC) will be excluded from the cap. This should increase the incentive for people to find employment because once they are in receipt of WTC their benefits will no longer be subject to the cap.

- All households with someone, including a child, with a current award of Disability Living Allowance (Personal Independence Payment from April 2013) or Attendance Allowance, or receiving the support component of Employment and Support Allowance or Industrial Injuries Benefits will be exempt from the benefit cap. This is in recognition of the extra costs disability can bring.

- The exemption will also be extended to households which include a member who is in receipt of War Widow’s and War Widower’s Pension. This is in line with the Government’s commitment to offer special treatment to those who are serving or who have served in the Armed Forces, and to their dependants, in order to avoid disadvantage and recognise sacrifice for those seriously injured or killed.

- Pensioner households are exempt from the cap – the claimant or partner must have reached state pension age.

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Benefit Cap

- 454 Currently Capped Cases (initially started with 660)
  - of which
- Housing Association 50
- HA Temp Accommodation 17
- Council tenants 48
- Council temp Acc 206
- Private Tenants 133

Rumoured Changes to Benefits

- £12 billion cuts forecast
- Budget on 8th July 2015
- Benefit Cap reducing to £23,000
- Possible removal of HB for ALL under 25’s
- Possible Shared Room Rate applied to people under 50 or everyone of working age
- Huge cuts in Tax Credits
- Major restructuring of some benefits rather than cuts

- We can’t know what will be suggested until the government announcements

Benefits Caseload & Performance

• New Claims 2014/15 19.48 days (40.39 in 2013/14)
• Change of Circumstances 2014/15 11.77 days (15.60 in 2013/14)

• HB Caseload 34,995 in April 2015 (35,824 in April 2014)
• Reductions seen in numbers of Income Support type claims and increases seen in the number of earned income cases). Taking nationally benchmarked data into account the weighted caseload is closer to 90,000 claims.

• In the year April 2014-March 2015 we handled 418,073 documents in connection with Benefit Claims.

• Currently New Claims are fairly up to date
• Changes are facing a fairly large backlog – which we are addressing and aiming to drive down.
• New claims and changes in circumstances remain a priority with a focus on reducing the outstanding changes to business as usual.

Ongoing Work

• RTI project – a review of Earned Incomes – driven by data from HMRC
• FERIS – a DWP initiative to locate fraud and error, and reduce HB in payment
• New Claims Appointments – seen at Apex House or Wood Green and claim assessed there and then.
• Backlog Team is targeting oldest changes
• Major effort being put into Quality Checking to try to get things right first time, to minimise incoming work challenging our decisions
• All staff have undergone some retraining as a result of Quality Checking Results.
• A service restructure is also imminent.

• HBHighRisk@haringey.gov.uk for URGENT high risk cases only.
• Benefits@haringey.gov.uk for all other enquiries

Customer Services

- Wood Green and Apex House Service Centres and the Call Centre are taking Benefits Enquiries
- We have a restructure pending across Revenues, Benefits, Customer Services and Libraries – this should be complete by Autumn 2015
- Improved Technology is on the way. We do expect to get a functioning claimant portal for many services, a landlord portal for Benefits, and more opportunities for our customers to do much more on-line.
- Vulnerable customers will still be able to access services in the way that can best help them. Services are expected to be more joined-up in future, so that vulnerable customers can get the best service without being sent around the Council.
Council Tax Reduction Scheme

- Council Tax Reduction (CTR) replaced Council Tax Benefit in April 2013.
- Each authority is required to establish a scheme following legislative guidance.
- The maximum amount of CTR awarded within the scheme is 80.2% (unless protected) meaning recipients are required to pay 19.8% towards their council tax.
- There are currently 30,700 claimants in receipt of CTR.
- CTR claims are assessed by benefits officers within the service.
- The government required pensioners to be protected in that they would continue to receive the same amount of CTR as they were in receipt of under council tax benefit rules. Our scheme also protects certain vulnerable groups including the disabled.

Support Fund

The Support Fund is the Haringey name for the Local Welfare Provision previously called Social Fund.

• Since the transfer to LA control Haringey has approved applications from 1,300 households totalling £500,000.
• Funding is available to administer the scheme in 2015/16
• The DWP has confirmed that from April 2015 they will not be providing any additional funding for the Support Fund, so we are currently spending carried over funds.