

<b>REPORT TO:</b>	Homes and Environment Scrutiny Committee
<b>REPORT NO:</b>	HHE/44/18
<b>DATE:</b>	14 November 2018
<b>LEAD MEMBER:</b>	Councillor David Griffiths (Place - Housing)
<b>CONTACT OFFICER:</b>	Julie Francis Service Manager – Housing (Tel: 315436)
<b>SUBJECT:</b>	Welfare Reform Update
<b>WARD:</b>	All

## 1. PURPOSE OF THE REPORT

To provide Members with an update on the developments with the Government's Welfare Reform Programme and to outline the work that has been undertaken by the Council since the last report dated 19 May 2018 (HHE/24/18) to mitigate the impact of Welfare Reform on Council housing tenants.

## 2. EXECUTIVE SUMMARY

- 2.1 On 1 April 2013 the Government's Welfare Reform Act came into effect.
- 2.2 On the 9 May 2018 Report (HHE/24/18) an update was given of the work that was in progress or planned to mitigate the impact of Welfare Reform on tenants.
- 2.3 The changes that will have the greatest effect on housing tenants are:
  - the further reduction of the Benefit Cap;
  - the freezing of certain benefits at 2016 levels for four years;
  - the limiting of the child element of Universal Credit and Housing Benefit payable to two children only; and
  - the roll out of Universal Credit full service to all working age tenants in Wrexham

## 3. RECOMMENDATIONS

**That Members formulate their conclusions and recommendations based on the information in the report and the discussion at the meeting.**

## **REASON FOR RECOMMENDATIONS**

To provide an update to the Homes and Environment Scrutiny Committee on the work that has been carried out since the last report and to inform Members of the ongoing impact of Welfare Reform on Council housing tenancies.

### **4. BACKGROUND INFORMATION**

4.1 Report (HHE/24/18) considered in May 2018, outlined the changes which have been introduced since the last report. This report provides an update of progress in relation to Universal Credit full service which went live in Wrexham on 4 October 2017.

4.2 Further changes were announced in the Government's Budget Statement of 2017. There were a number of changes introduced to mitigate some of the concerns which had been outlined in relation to the rollout of Universal Credit, a summary of these changes are outlined below:

#### 2017 Spending Review Changes

4.3 Universal Credit Full service has been running in Wrexham for most areas from 4 October 2017, with remaining areas in Chirk & Whitchurch which went live in early May 2018. The latest caseload figures released by the Department for Work and Pensions show that as at 13 September 2018 in Wrexham the Universal Credit caseload is 4587, with 1686 in employment (36.8%) which is below the Welsh average of 37.7%. These figures show an increase in the Wrexham Caseload from the March 2018 data, at which time the Universal Credit caseload was 2584, with 963 in employment. Whilst the caseload has steadily grown over the past several months. It is still not possible to break this figure down further to provide exact number who may be in receipt of Housing Costs.

4.4 In the previous report provided in May, it outlined a number of changes which were announced, which included the ability to get an advance of 100% of the award and a 2 week transition to Universal Credit payment if someone moves from Housing Benefit to Universal Credit. Feedback is that given the initial 5 week wait for the first payment the majority of customers are seeking the 100% advance, as this is repayable over the first 12 months of the claim. Unfortunately as customers start to receive their Universal Credit awards, repayment of the advance causes financial difficulty to some of the customers.

4.5 With effect from April 2016, a four year freeze on working age benefits was introduced. Payments to pensioners were protected as were those benefits related to the extra costs associated with a disability. However, others will not see an increase until April 2020.

4.6 To provide training for new staff and ensure existing staff are aware of the ever changing UC legislation, we have provided regular training sessions. All staff also have access to an online specialist UC support package, which provides a whole

range of support tools and allows one to one support claims with benefit experts who can guide staff through problematic claims. Ongoing training is delivered as changes occur both in terms of staffing, regulations and procedures.

- 4.7 Some funding has been provided to the Council in respect of Universal Support, which enables the Council to provide assisted digital support and personal budgeting support. This has primarily been delivered by Council staff in Job Centre Plus offices as customers were presenting in this office to make claims. The Council had achieved all of the targets for Assisted Digital and Budgeting Support. However it was announced that as from 1 April 2019, responsibility for delivery of Assisted Digital and budgeting support will be moved to the Citizens Advice Bureau. There is no further detail available at this stage as to how the service will operate.
- 4.8 The rent arrears recovery procedure continues to be reviewed as different sections of Welfare Reform come into force. The emphasis continues to be on early intervention and further checks have been put in place to ensure that tenants in arrears have been made fully aware of all avenues of assistance available to them before any formal re-possession procedures are commenced.
- 4.9 A departmental Working Group also meets regularly to address on-going issues and discuss ways in which working practices can be changed and information disseminated. Some of the outcomes have been amendments to rent collection procedures to take account of the payment frequency of benefits, working in collaboration with colleagues in Finance and Welfare Rights when problems have been identified with information received from the DWP, or when requests for direct payments have proved problematic.
- 4.10 Welfare Reform continues to be an article in Tenants' Newsletters and information is produced to continue to raise awareness of the changes and how to seek advice. Information has been included in the Housing Hotline, regular updates on the Council's social media site and have attended drop in sessions with other agencies at the DWP.
- 4.11 The experience of the first year of Full Service Universal Credit has highlighted a significant culture shift in terms of claimant's behaviour and the promptness in which claim entitlement is established. The approach to claims from DWP in terms of roles and responsibilities is a significant change in behaviour for all involved and is taking time to become embedded.
- 4.12 The approach to dealing with new tenants has changed as we understand that substantial support is needed in order to ensure claims are processed quickly and for the correct entitlement. If key events are missed in the claim, then the whole process has to start again, which just creates further arrears. Pre-tenancy financial work has been introduced to understand applicant's financial behaviour, risk and vulnerabilities. This is in order to plan ahead for support and ensure each new tenancy has as much chance of success socially and financially.
- 4.13 Whilst this report primarily focusses upon work undertaken by the Housing Department in relation to its tenants, it is worth noting that the Welfare Reform changes which have been introduced by the Government in relation to the private sector, such as the freezing of Local Housing Allowance rates has meant that many private landlords are reluctant to let to tenants who are in receipt of Benefit as they

can achieve a greater rate of return from letting to other types of tenants. Feedback from most landlord forums has confirmed this is common.

- 4.14 Following the budget which was announced on 29 October, this has introduced some further changes as regards Universal Credit, however these are primarily aimed at Managed Migration which is due to commence from late 2020 onwards.

### The Impact of Welfare Reform

- 4.15 There are currently a number of tenants subject to Spare Room Restriction and a number of tenants subject to the Benefit Cap, which would mean that their Housing Benefit would be reduced accordingly.
- 4.16 The Discretionary Housing Payment budget for 2018/19 is £349,528 and as at 23 October, £89,117 remains to be allocated. It is anticipated that this will be fully allocated which will be fully allocated at the year end.
- 4.17 If the Council has made a request for a Managed Payment or Alternative Payment Arrangement, these are now paid directly to the Council on a 4 weekly basis. However, depending upon where the customers' assessment period falls, it can be several weeks before the first payment is received. As the payments are made 4 weekly, if a person has a change in circumstances which takes them out of receiving Universal Credit, we get to find out about this later than we would have done previously under Housing Benefit.
- 4.18 It is anticipated that there will be an increase in rent arrears and a provision for bad debt has been made with the Housing Revenue Account (HRA) Business Plan 2018/19. Bad debt provision has been increased from 1% in 2017/18 to 1.5% in 2018/19.
- 4.19 Estate Office staff have been reviewing cases when they have identified where the customer has claimed Universal Credit, and has rent arrears or may have difficulty in managing their affairs, and taking appropriate action such as flagging the case for Budgeting advice.
- 4.20 When a tenant is in receipt of Universal Credit we engage early to support them to access their journal, apply for discretionary housing payments on their behalf, and advise and support them and how to pay their housing costs.
- 4.21 If a tenant does not engage fully we ultimately have no alternative but to apply for Alternative Payment Arrangement's and third party deductions if they are in arrears. However, third party deductions can be made at 10% of the claimant's entitlement, which can cause further difficulties, debt or encourage additional borrowing.
- 4.22 Similarly, any cases where we identify vulnerabilities or potential issues which are likely to cause the claim to be delayed, we are applying for Alternative Payment Arrangements where appropriate. This is a preventative tool used to prevent those most vulnerable from entering into further debt. Trusted partner status has been granted to Wrexham, which allows quicker application for these types of claim.

- 4.23 Plans are in place to have a trial jobs fair at Broughton Estate Office, following this a decision will be made as to whether this should be rolled out in other offices.
- 4.24 As indicated earlier in this report, the additional work generated by UC has been significant. In response to this we are restructuring the housing service functions which will provide frontline staff with more time to promote and provide more intensive support, and it is felt that further IT system developments, processes and intensive one to one support is needed to reduce the impact.
- 4.26 We are about to commence a trial our new mobile working platforms. A switch to mobile working for staff will allow more one to one interactions and claim/arrear work being conducted in “real time”. This will see more staff presence in our communities reducing the need to be office based.
- 4.27 Income Analytical software continues to be an avenue of exploration. This is income software that can predict the likelihood of payment and analyses financial behaviour data to highlight those most at risk of none payment, allowing staff efforts to be focused where needed the most and provide appropriate support.
- 4.28 As at week 28, (which is week ending 14 October 2018), the following comparison between customers not in receipt of Universal Credit and those receiving Universal Credit can be made.
- There were 3809 cases in arrears at this date not in receipt of Universal Credit, with arrears of £919,200.86 Average Arrears £241.23;
  - There were 1040 cases in arrears at this date in receipt of Universal Credit, with arrears of £632,647.87. Average Arrears £608.31;
  - Of the 1040 cases 942 tenants were in arrears prior to their Universal Credit claim totalling £376,916.39.
  - The amount of arrears which could solely be attributed to Universal Credit is £255,731.48
  - Only 22% of all cases are UC claimants, but equate for 41% of all arrears.
- 4.29 The breakdown provided in 4.28 above clearly shows that as payment of Universal Credit is made in arrears it is having an impact on the level of rent arrears due to the authority.
- 4.30 As at week 28 there were 267 cases in arrears of £1,000 or more which equated to £407,875.89. There are 135 cases which are in receipt of Universal Credit, of which 119 have Alternative Payment Arrangements and third party deductions and 5 have been entered into court.
- 4.31 There will likely be a further impact for tenants in receipt of Universal Credit in 2019/20, given that it is a 53 week year and the way Universal Credit is designed this works over 52 weeks. So unless there are any changes to the design of Universal Credit, tenants in receipt of Universal Credit will be paid 1 week short in the next financial year, which will increase the level of arrears further.
- 4.32 A change was introduced Universal Credit introduced from April 2018 in respect of temporary accommodation claims, which meant the housing costs element is no longer payable through Universal Credit. Instead it would be payable through Housing Benefit, this is primarily due to the fact that the large proportion of tenants

in this area often move before the end of their assessment period. This meant that they would not be entitled to the Housing Costs element. The amount payable in Housing Benefit has never reflected the actual cost of providing the accommodation however it does reduce the loss to the authority in these cases. This change may be reviewed in several years once managed migration is completed.

## 5. IMPLICATIONS

- 5.1 **Policy Framework:** E3 - People can prosper as individuals and within their communities.
- 5.2 **Budget:** It is anticipated that there will be an increase in rent arrears. Bad debt provision within the HRA Business Plan has been increased from £482k in 2017/18 to £764k in 2018/19.
- 5.3 **Legal:** The UK Government introduced the Welfare Reform Bill in 2012 which introduced a number of changes to the welfare benefit system. Further reform changes were announced in July 2015 as set out in the Emergency budget and were enacted as part of the Welfare Reform and Work Act 2016.
- 5.4 **Staffing:** It is recognised that staffing levels may need to be reviewed to support tenants in the changes on Welfare Reform in the future.
- 5.5 **Equality/Human Rights:**  
An Equalities Impact Assessment has been carried out (HE/EIA00106/2017). The full assessment is available at <http://vmwinqld/EqualityISALive/CreateEIA.aspx>. A summary is attached at Appendix 1. Members of the public can request a copy of the full Equality Impact Assessment from the Contact Officer named in the header box of this report. The impact of Welfare Reform was also taken into account when implementing policy changes such as the Council House Rents – Service Charges and the Review of the Council’s Allocations Policy.
- 5.6 **Risks:** The risks associated with the roll out of Welfare Reform remains the same as the previous report. The risks, however, are mitigated by the slow process of the roll out allowing the Council to implement and review systems in order to help alleviate the impact these changes may have on the Organisation.

## 6 CONSULTATION

- 6.1 Council tenants are advised of the changes as they are implemented. New tenants are issued advice leaflets and notified of the impending changes to the Local Housing Allowance and how this may affect them in the future. As the changes which have been outlined in this report are as a result of legislative changes announced by the UK Government, the Council is implementing them.
- 6.2 It is proposed to make Welfare Reform as a standing article in future issues of the Housing Hotline.
- 6.3 Progress reports are issued to the Wrexham Tenant and Member Partnership on a quarterly basis.

6.4 Meetings are held with other agencies and the DWP to discuss progress and share best practice.

BACKGROUND PAPERS	LOCATION	WEBSITE INFO
Welfare Reform Act 2012	Internet	<a href="http://www.local.gov.uk/documents/10180/7632544/L16-61+GIOTA+Welfare+Reform/dfe1c726-9119-4b73-be57-64789677abcb">http://www.local.gov.uk/documents/10180/7632544/L16-61+GIOTA+Welfare+Reform/dfe1c726-9119-4b73-be57-64789677abcb</a>
Information Report - The Cumulative Impact of Welfare Reform in Wrexham (HF/33/16)	Intranet	<a href="http://www.wrexham.gov.uk/assets/pdfs/information_reports/2016/cumulative_impact_of_welfare_reform.pdf">http://www.wrexham.gov.uk/assets/pdfs/information_reports/2016/cumulative_impact_of_welfare_reform.pdf</a>
Welfare Reform Update HHE/24/18	Intranet	<a href="http://moderngov.wrexham.gov.uk/ieListDocuments.aspx?CId=173&amp;MIId=3747&amp;Ver=4">http://moderngov.wrexham.gov.uk/ieListDocuments.aspx?CId=173&amp;MIId=3747&amp;Ver=4</a>
Welfare Reform and Work Act 2016	Internet	<a href="http://www.legislation.gov.uk/ukpga/2016/7/pdfs/ukpga_20160007_en.pdf">http://www.legislation.gov.uk/ukpga/2016/7/pdfs/ukpga_20160007_en.pdf</a>

## Appendix 1

### Summary Of Welfare Reform

Please note, this is a summary of the assessment. Refer to the full text.

**Department:** Housing and Economy  
**Department Reference:** HE/EIA00106/2017  
**Responsible Officer:** Steve Bailey  
**Job Title:** Head of Housing and Economy  
**Completed Date:**

Positive Impacts	
Impact	Description
<b>Age Adults</b>	Poverty - As the average waiting time for a first payment of Universal Credit to be received is 6 weeks, there is the potential for claimants to experience hardship and worsen their financial situation by turning to day pay loan companies in order to meet day to day expenses.
<b>Age CYP</b>	Poverty - As the average waiting time for a first payment of Universal Credit to be received is 6 weeks, there is the potential for claimants to experience hardship and worsen their financial situation by turning to day pay loan companies in order to meet day to day expenses.
<b>Carers</b>	Poverty - As the average waiting time for a first payment of Universal Credit to be received is 6 weeks, there is the potential for claimants to experience hardship and worsen their financial situation by turning to day pay loan companies in order to meet day to day expenses.
<b>Disability</b>	Poverty - As the average waiting time for a first payment of Universal Credit to be received is 6 weeks, there is the potential for claimants to experience hardship and worsen their financial situation by turning to day pay loan companies in order to meet day to day expenses.
<b>Gender / Sex</b>	The rollout of the Welfare Reform programme will depend upon the benefits a person claims rather than their race, gender, religion or belief, sexual orientation, marital status or their Welsh language skills. DWP have a Welsh language service freely available for claimants
<b>Gender Reassignment</b>	The rollout of the Welfare Reform programme will depend upon the benefits a person claims rather than their race, gender, religion or belief, sexual orientation, marital status or their Welsh language skills. DWP have a Welsh language service freely available for claimants
<b>Marriage &amp; Civil Partnership</b>	The rollout of the Welfare Reform programme will depend upon the benefits a person claims rather than their race, gender, religion or belief, sexual orientation, marital status or their Welsh language skills. DWP have a Welsh language service freely available for claimants
<b>Poverty</b>	Poverty - As the average waiting time for a first payment of Universal Credit to be received is 6 weeks, there is the potential for claimants to experience hardship and worsen their financial situation by turning to day pay loan companies in order to meet day to day expenses.
<b>Pregnancy &amp; Maternity</b>	Poverty - As the average waiting time for a first payment of Universal Credit to be received is 6 weeks, there is the potential for claimants to experience hardship and worsen their financial situation by turning to day pay loan companies in order to meet day to day expenses.
<b>Race / Ethnicity</b>	The rollout of the Welfare Reform programme will depend upon the benefits a person claims rather than their race, gender, religion or belief, sexual orientation, marital status or their Welsh language skills. DWP have a Welsh language service freely available for claimants
<b>Religion / Belief</b>	The rollout of the Welfare Reform programme will depend upon the benefits a person claims rather than their race, gender, religion or belief, sexual orientation, marital status or their Welsh language skills. DWP have a Welsh language service freely available for claimants



<b>Sexual Orientation</b>	The rollout of the Welfare Reform programme will depend upon the benefits a person claims rather than their race, gender, religion or belief, sexual orientation, marital status or their Welsh language skills. DWP have a Welsh language service freely available for claimants
<b>Welsh Language</b>	The rollout of the Welfare Reform programme will depend upon the benefits a person claims rather than their race, gender, religion or belief, sexual orientation, marital status or their Welsh language skills. DWP have a Welsh language service freely available for claimants

<b>Negative Impacts - Carers</b>	
<b>Key Issues</b>	There may be issues regarding the ability of carers to carry out their caring roles, if there continue to be issues regarding tenants being exempt from the Spare Room Subsidy when they are in receipt of overnight care.
<b>Mitigation Methods</b>	Advice and assistance will be given regarding their housing options but ultimately, the regulations regarding the payment of housing benefit have been put into legislation by Central Government. The possibility of DHPs might also be explored but this would be considered on a case by case basis.
<b>Responsible Officer</b>	Landlord Services Manager
<b>By When</b>	This will be on-going as cases arise.

<b>Negative Impacts - Age CYP</b>	
<b>Key Issues</b>	It will prove difficult to assist those aged under 22, as they will no longer be able to qualify for Housing Benefit, once they become a Universal Credit claimant. There are some exempt vulnerable groups.
<b>Mitigation Methods</b>	Advice and assistance will be given regarding their housing options but ultimately, the regulations regarding the payment of housing benefit have been put into legislation by Central Government.
<b>Responsible Officer</b>	Landlord Services Manager
<b>By When</b>	December 2017

<b>Negative Impacts - Age Adults</b>	
<b>Key Issues</b>	It will prove difficult to assist those aged under 35, as they will only be eligible for the Local Housing Allowance rate for a room in a shared no longer be able to qualify for Housing Benefit, once they become a Universal Credit claimant. There are some exempt vulnerable groups.
<b>Mitigation Methods</b>	Advice and assistance will be given regarding their housing options but ultimately, the regulations regarding the payment of housing benefit have been put into legislation by Central Government
<b>Responsible Officer</b>	Landlord Services Manager
<b>By When</b>	March 2019

<b>Negative Impacts - Disability</b>	
<b>Key Issues</b>	There may be issues relating to the changes from DLA to PIP. The replacement of a 3 tier system (i.e. High, Medium and Low) with the new 2 tier PIP system could potentially removal claimants entitlement, thereby placing them at financial detriment. The current litigation regarding the issue of allowing spare bedrooms for carers means that it is still unclear whether Spare Room Subsidy will be charged in these cases or not.
<b>Mitigation Methods</b>	Advice and assistance will be given regarding their housing options but ultimately, the regulations regarding the payment of housing benefit have been put into legislation by Central Government.
<b>Responsible Officer</b>	Landlord Services Manager

<b>By When</b>	This will be on-going as cases arise.
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<b>Negative Impacts - Pregnancy And Maternity</b>	
<b>Key Issues</b>	The Local Housing Allowance rate will continue to apply for single expectant mothers aged under 35 years of age, until the child is born. This could create difficulties and additional stress if the expectation is that an expectant mother should live in shared accommodation, or be at financial detriment.
<b>Responsible Methods</b>	Advice and assistance will be given regarding their housing options but ultimately, the regulations regarding the payment of housing benefit have been put into legislation by Central Government. The possibility of DHPs might also be explored but this would be considered on a case by case basis.
<b>Mitigation Officer</b>	Landlord Services Manager
<b>By When</b>	March 2019

<b>Negative Impacts - Poverty</b>	
<b>Key Issues</b>	There are currently delays in the processing of initial payments to those transferred to Universal Credit. Delays average 6 weeks. This has the potential to cause financial hardship and rent arrears for claimants.
<b>Mitigation Methods</b>	Advice and assistance will be given regarding their housing options but ultimately, the regulations regarding the payment of housing benefit have been put into legislation by Central Government. Referral to DWP for an advance of payment is also an option to be considered.
<b>Responsible Officer</b>	Landlord Services Manager
<b>By When</b>	This will be on-going as cases arise.

## Appendix 2

### Summary Of Impact of De-pooling & Implementation of Service Charges

Please note, this is a summary of the assessment. Refer to the full text.

**Department:** Housing & Public Protection  
**Department Reference:** HPPE/EIA00056/2015  
**Responsible Officer:**  
**Job Title:**  
**Completed Date:**

Positive Impacts	
Impact	Description
Age Adults	In de-pooling service charges for existing tenants the rent was reduced for 2016/17 only, by the amount of service charge. In moving towards Target Rent, annual rent uplifting was then applied to the adjusted rent and the service charge added back on top to minimise the financial impact on tenants. For new tenants taking up a tenancy the service charge is in addition to the weekly rent. Service charges are currently eligible for Housing Benefit but not everyone is in receipt of this. The introdu
Disability	In de-pooling service charges for existing tenants the rent was reduced for 2016/17 only, by the amount of service charge. In moving towards Target Rent, annual rent uplifting was then applied to the adjusted rent and the service charge added back on top to minimise the financial impact on tenants. For new tenants taking up a tenancy the service charge is in addition to the weekly rent. Service charges are currently eligible for Housing Benefit but not everyone is in receipt of this. The introdu
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Negative Impacts - Age Adults	
Key Issues	For new tenants taking up a tenancy from April 2016 the service charge is in addition to the weekly rent. Service charges are currently eligible for Housing Benefit

	but not everyone is in receipt of this. The introduction of Universal Credit and the continued roll out of the Government's welfare reform programme will impact on tenants and the Council. With proposals to introduce further ceilings on the amount of housing costs paid to benefit claimants or their entire removal, there is increased
<b>Mitigation Methods</b>	Systems are in place to advise and signpost current tenants and housing applicants with regard to challenges of welfare reform and the impact on under 35 years who have been offered new tenancies since April 2016 and who are in receipt of Housing Benefit. The Department will review service charges on an annual basis ensuring they will reflect actual costs of providing services, ensuring that tenants and leaseholders are provided with a breakdown of costs to ensure services that are subject to ch
<b>Responsible Officer</b>	Service Manager – Housing
<b>By When</b>	De-pooled service charges April 2016. From April 2019, tenants under 35 years will be paid Housing benefit at Local Housing Allowance. Even though this is not implemented until April 2019 it will include any new tenancies from April 2016 to under 35 years in receipt of Housing Benefit.

<b>Negative Impacts - Disability</b>	
<b>Key Issues</b>	For new tenants taking up a tenancy from April 2016 the service charge is in addition to the weekly rent. Service charges are currently eligible for Housing Benefit but not everyone is in receipt of this. The introduction of Universal Credit and the continued roll out of the Government's welfare reform programme will impact on tenants and the Council. With proposals to introduce further ceilings on the amount of housing costs paid to benefit claimants or their entire removal, there is increased
<b>Mitigation Methods</b>	Systems are in place to advise and signpost current tenants and housing applicants with regard to challenges of welfare reform and the impact on under 35 years who have been offered new tenancies since April 2016 and who are in receipt of Housing Benefit. Department will review service charges on an annual basis ensuring they will reflect actual costs of providing services, ensuring that tenants and leaseholders are provided with a breakdown of costs to ensure services that are subject to charge
<b>Responsible Officer</b>	Service Manager – Housing
<b>By When</b>	De-pooled service charges April 2016. From April 2019, tenants under 35 years will be paid Housing benefit at Local Housing Allowance. Even though this is not implemented until April 2019 it will include any new tenancies from April 2016 to under 35 years in receipt of Housing Benefit.

<b>Negative Impacts - Poverty</b>	
<b>Key Issues</b>	Service charges are currently eligible for Housing Benefit but not everyone is in receipt of this. The introduction of Universal Credit and the continued roll out of the Government's welfare reform programme will impact on tenants and the Council. With proposals to introduce further ceilings on the amount of housing costs paid to benefit claimants or their entire removal, there is increased potential for a significant impact on the Housing Revenue Account income and the financial impact on tenan
<b>Mitigation Methods</b>	Systems are in place to advise and signpost current tenants and housing applicants with regard to challenges of welfare reform and the impact on under 35 years who have been offered new tenancies since April 2016 and who are in receipt of Housing Benefit. Department will review service charges on an annual basis ensuring they will reflect actual costs of providing services, ensuring that tenants and leaseholders are provided with a breakdown of costs to ensure services that are subject to charge
<b>Responsible Officer</b>	Service Manager – Housing
<b>By When</b>	With effect from April 2017 - Fact sheet issued to applicants applying for housing and those under 35 years being offered a property.

## Appendix 3

### Summary Of Allocations Policy - 12 month review

Please note, this is a summary of the assessment. Refer to the full text.

**Department:** Housing & Public Protection  
**Department Reference:** HPPE/EIA00055/2015  
**Responsible Officer:**  
**Job Title:**  
**Completed Date:**

<b>Positive Impacts</b>	
<b>Impact</b>	<b>Description</b>
<b>Gender Reassignment</b>	The process of considering the housing needs of an applicant who has undergone gender reassignment or is in the process of doing, will be considered in their entirety.
<b>Race / Ethnicity</b>	Applicants from different ethnic backgrounds will be able to access housing. Refugees are given Local Connection once they have received a positive decision, in accordance with Housing legislation.
<b>Gender Reassignment</b>	The process of considering the housing needs of an applicant who has undergone gender reassignment or is in the process of doing, will be considered in their entirety.
<b>Race / Ethnicity</b>	Having an Allocations Policy that is more transparent and easier to understand, should help to remove any anomalies and/or problems in administration and in public perceptions that will assist all applicants to experience the same outcome.
<b>Gender Reassignment</b>	The process of considering the housing needs of an applicant who has undergone gender reassignment or is in the process of doing, will be considered in their entirety.
<b>Race / Ethnicity</b>	Certain ethnic groups who are disproportionately represented in HMOs and the Privately Rented Sector will have the same opportunity to access more suitable alternative social housing.
<b>Gender Reassignment</b>	The same process of applying for accommodation and being offered housing, will apply regardless of any gender reassignment or transitioning.
<b>Race / Ethnicity</b>	It is anticipated that having an allocations policy that is easier to understand and is more transparent, will help to counter unfounded opinions with regard to certain ethnic groups being disproportionately assisted with housing.

<b>Negative Impacts - Carers</b>	
<b>Key Issues</b>	The issue of carers and the Spare Room Subsidy has still to be fully resolved. The impact will be very similar to that of disabled applicants
<b>Mitigation Methods</b>	Liaise with partner organisations to keep up to date with relevant case law
<b>Responsible Officer</b>	Housing Tenancies Manager

<b>By When</b>	This work will depend upon further developments in the Government's Welfare Reform Programme and the outcome of Government appeals against legal decisions
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<b>Negative Impacts - Age CYP</b>	
<b>Key Issues</b>	Identified that it has become more difficult to assist families with children in upper flats to transfer to suitable alternative housing. Housing Benefit regulations are making it disproportionately difficult for young ethnic minority applicants to access housing benefit. Local Lettings Policies could restrict access to certain housing for younger people.
<b>Mitigation Methods</b>	Proposed changes to policy to give more priority to children in flats. HB issues - to make Social Services aware of the issue. Local Lettings Policies currently being reviewed with a view to their removal as appropriate.
<b>Responsible Officer</b>	Landlord Services Manager
<b>By When</b>	Implemented as part of Departmental Service Plan 16/17.

<b>Negative Impacts - Age Adults</b>	
<b>Key Issues</b>	Applicants - particularly those under the age of 50, might find it disproportionately difficult to access suitable accommodation due to the number of properties currently covered by the Council Local Lettings Policy.
<b>Mitigation Methods</b>	Review of the current Local Lettings Policy with a view to the reduction in the number of properties that are covered by the Policy
<b>Responsible Officer</b>	Housing Tenancies Manager
<b>By When</b>	This process has already begun. The aim is to complete this by the end of this financial year

<b>Negative Impacts - Disability</b>	
<b>Key Issues</b>	The Spare Room Subsidy will make it difficult to ensure that those who are disabled and have a need for an extra bedroom on health grounds can be properly accommodated.
<b>Mitigation Methods</b>	Liaise with partner organisations to keep up to date with relevant case law
<b>Responsible Officer</b>	Landlord Services Manager
<b>By When</b>	This work will depend upon further developments in the Government's Welfare Reform Programme and the outcome of Government appeals against legal

<b>Negative Impacts - Poverty</b>	
<b>Key Issues</b>	There is the potential for all tenants subject to SRS to fall into rent arrears, as the level of Housing Benefit paid will not cover the total rent. When tenants fall into

	arrears, this has a negative impact upon their chances of being able to transfer to another Council property. This could be exacerbated by the introduction of a fifth band in the Allocations Policy
<b>Mitigation Methods</b>	Tenants who are subject to the Spare Room Subsidy and are able to evidence that they are in financial hardship will continue to be placed in Band 1 and given a priority to transfer. Meanwhile, any decision to award no preference to an allocation based on rent arrears will be made on a case by case basis, considering all the relevant facts
<b>Responsible Officer</b>	Manager - Housing Services
<b>By When</b>	This process is already in place - putting SRS applicants in Band 1.