MINUTES OF HOUSING INCOME PROTECTION TASK GROUP

21ST NOVEMBER 2012

PRESENT:

Members of the Task Group:

Councillors Roodhouse (Chairman), Mrs Avis, Ms Edwards, Mrs Garcia, Mrs Kaur, Mrs New, Pacey-Day and Sandison.

Officers: Liz Dunlop (Operational Housing Manager), Dave Wortley (Benefits Manager), Penny Jeffers and Matt Taylor (Welfare Reform Officers), Matthew Deaves (Communication, Consultation and Information Manager), Debbie Dawson (Scrutiny Officer) and Claire Waleczek (Democratic and Scrutiny Services Officer (Team Leader)).

19. MINUTES

The minutes of the meeting held on 24th October 2012 were approved and signed by the Chairman subject to minute 18 being amended to read as below:

"ADDITIONAL ITEM – DRAFT CABINET REPORT – MEASURES TO ASSIST TENANTS AND APPLICANTS IN SITUATIONS OF UNDER-OCCUPANCY

The Task Group considered an additional item concerning measures to assist tenants and applicants in situations of under-occupancy which would be considered in a report to Cabinet on 19th November 2012. This included a proposal regarding redesignation of further one-bedroom sheltered housing.

The Task Group made various comments for officers to consider in the preparation of the report to Cabinet.”

20. DECLARATIONS OF INTEREST

Councillor Mrs New declared a general non-pecuniary interest by virtue of being an employee of Warwickshire County Council.

21. VERBAL FEEDBACK FROM NEW WELFARE REFORM OFFICERS – INITIAL VISITS TO TENANTS AFFECTED BY THE UNDER-OCCUPANCY RULES

The Task Group received verbal feedback from the Council’s newly appointed Welfare Reform officers on their initial visits to tenants affected by the under-occupancy rules.

The Welfare Reform officers had been in post for three weeks. Basic information had been collated to give to tenants with advice on options available to cover the potential shortfall in rent and signposting to other agencies and support networks. The officers had also devised a questionnaire to use on one-to-one visits with affected tenants, including questions about access to bank accounts and access to internet and discussion about sources of advice on getting back to work and support for job applications.
14 visits had been completed to date, 2 of which were in the rural area. These had been prioritised according to those tenants who had telephoned the Council with concerns. Visit cards had also been posted through letterboxes of four other tenants.

Of the 14 tenants interviewed to date, the following information had been collated:

• 4 wished to stay in their current property and would make up the shortfall of rent by other means
• 6 wished to move (5 were currently registered on UChoose, 3 applications had been completed)
• 4 were registered on the Homeswapper scheme, and 2 had been signposted to this service
• 1 tenant wished to move to a larger shared property in the private sector
• 2 tenants had been given advice regarding applying for discretionary housing payments
• 1 tenant wished to consider having a lodger.

This data was recorded and profiled for future reference and would be reported to housing managers on a monthly basis. All affected tenants would receive one initial visit, with further visits if necessary on a case-by-case basis.

Officers were currently visiting tenants affected at Biart Place. The next priority group to be visited would be those tenants with an anticipated benefit reduction of 25% or more as a result of the under-occupancy rule.

An A4 leaflet had been compiled with frequently asked questions and answers included. This would be amended to include the two welfare reform officers’ contact details. Further to the initial visits undertaken by officers, a more extensive information pack was currently being collated with further information on the options available to tenants. This would flag considerations such as potential tax liability for additional income earned from taking a lodger.

Members sought clarification over the definition of a ‘bedroom’, both for benefits and lettings policy purposes and requested that this be included in the review report.

It was anticipated that each welfare reform officer would undertake 25 visits per week, in order to complete all initial visits by the end of January/early February 2013. The welfare reform officers met with their manager and team leader on a fortnightly basis to monitor and review resources required to meet this target.

Housing managers also met with developers to discuss future development programmes and the inclusion of one-bedroom properties in new schemes. There were also regular management meetings with preferred partners and welfare reform implications were considered as a regular item.

22. CONSIDERATION OF KEY MESSAGES FROM OTHER WRITTEN EVIDENCE

The Task Group considered key messages from written evidence which was circulated as attachments 5a-h of the agenda.

Further to this evidence, emerging themes had been identified by officers, including the issue of communication.
The Council’s Communication, Consultation and Information Manager informed the Task Group about the Communications Strategy being worked up in relation to the welfare reform changes.

The two clear objectives of the strategy were to:

(i) ensure that the people affected by the welfare reform changes had a range of options to deal with the impact of the changes on them; and

(ii) ensure that the information and capability (ie access to leaflets, internet) was available to help people get the help and support they required.

Communication would be conveyed through ‘social marketing’, which meant communicating in a format which was right for the target audience. Demographics and profiling would be used. It was helpful that, in the case of under-occupancy cases, the Council was able to identify which tenants would be affected directly. Face-to-face contact would be the key form of communication wherever possible, principally by the two newly appointed Welfare Reform officers.

Partner organisations could form part of the communication strategy in a supporting role although this introduced an element of risk.

The strategy and accompanying action plan would be completed by the end of November 2012 with a view to going ‘live’ by December 2012. It was essential that this deadline was met to deal with those definitive changes being implemented in April 2013.

The Task Group was assured that elected members were listed as a key audience as part of the strategy and it was recognised that they needed clear information and access to key contacts should residents contact them with concerns. The Communication, Consultation and Information Manager would also circulate to all members of the Task Group the draft communication strategy and action plan prior to it going live.

Members highlighted a positive suggestion made in one of the written submissions that the Council could proactively pool properties with other housing providers to encourage movement across landlords to reduce the impact of under-occupancy rules. It was suggested that this could be discussed at the next meeting with preferred partners in January.

Members also discussed how the Council would respond in cases where tenants failed to pay the shortfall in rent owed to the Council when the under-occupancy rules come into place. The current policy is to service notice on tenants who fall 5 weeks in arrears. Tenants were currently not permitted to move if they were subject to a court order. The Rental Income Policy was due to be reviewed when there was capacity within the Housing Service to do so, and consideration would need to be given to allowing tenants in arrears to move to smaller, more affordable properties, to prevent them from incurring further debt.

23. **VERBAL UPDATE ON THE WIDER WELFARE REFORMS**

The Task Group received a verbal update from the Council’s Benefits Manager concerning the wider welfare reforms.
(i) Under-occupancy in social housing

340 social housing tenants had been identified to date as being affected by the under-occupancy rule. The Council was still working with other housing associations to identify further affected tenants. Orbit Housing was the most affected social housing landlord in Rugby. The Council was writing to affected benefits claimants to advise them of the changes.

(ii) Benefit capping

With effect from April 2013 any couple or lone parent with a child would have their benefits capped at £500 per week, with a single person’s benefits being capped at £350 per week.

The Council had been working with the Department for Work and Pensions (DWP) to identify affected tenants. Currently, 28 households in the borough had been identified as detailed below:

- 4 Council tenants with a benefit reduction of £12 - £118 per week
- 10 housing association tenants with a benefit reduction of 10 pence - £255 per week
- 14 private rented tenants with a benefits reduction of £2.50 - £150 per week (this group was identified as at most immediate risk)

The Council was working with DWP and customers to discuss options.

The benefits cap only applies to those in receipt of housing benefit, so owner-occupiers in receipt of other benefits are not affected.

(iii) Local Council Tax Support scheme

A consultation process had been undertaken with regard to producing a local council tax support scheme. Cabinet on 19th November 2012 recommended to Council that the proposed scheme be adopted without amendment. This would be considered at the council meeting on 11th December 2012. Following its adoption, a communications campaign would be run to advertise the scheme prior to council tax bills being dispatched in March 2013.

(iv) Disestablishment of DWP social fund (crisis loans)

The DWP social fund will be disestablished with effect from 31st March 2013. Under the welfare reforms, Warwickshire County Council will be given funding to provide a local welfare assistance scheme if it wishes. This funding is not ring-fenced to provide this type of financial support.

A report is due to be considered by the County Council’s Cabinet in December 2012 on the proposals for a local welfare assistance scheme, although the contents of the report were currently unknown. It is expected that there will be consultation on the proposals in January.

(v) Discretionary housing payments

Under the new welfare reforms, discretionary housing payments funding would be increased by central government with effect from April 2013, though the exact figures were not yet know. It was hoped that this could be reported to the next meeting of the task group.

Local authorities were able to top-up the funding from government if they wished. Discretionary housing payments were intended to provide temporary assistance, but there may be some cases where longer-term support would be
needed. Any tenant experiencing a shortfall in their rent was eligible to apply for assistance. Local authorities across the county were working together on revised guidelines for discretionary housing payment scheme, with the intention that consistent criteria would be applied.

(vi) Disability Living Allowance

Personal Independence Payments would be replacing Disability Living Allowance, starting in a pilot area in 2013 followed by a phased introduction starting with new claimants. It was anticipated that many claimants would see their benefit reduced or removed.

(vi) Universal Credit

There had been a lot of media coverage regarding the phased introduction of universal credit. It was anticipated that 100,000 claimants would be moved from Working Tax Credit to Universal Credit by late 2014/early 2015.

There would be a geographical migration of claimants from early 2015. Each local authority’s housing benefits claimants would be moved onto the new scheme by 2017, with smaller councils being a high priority. It was envisaged that this Council’s caseload would be migrated onto universal credit by 2016.

Jobcentre Plus in Rugby had been nominated as a pilot agency for universal credit migration cases. If approved, this pilot would go live in October 2013 and would only deal with ‘simple’ cases such as single non-householder customers.

There were further possible changes as a result of welfare reform and the impending Chancellor’s budget statement in December 2012 including a potential freeze of benefit rates and the cessation of housing benefit for claimants under 25 years.

There was concern regarding arrears accrued by private tenants and the impact on homelessness cases. Members asked for clarification on how the council would respond to this from the Strategic Housing Manager.

24. UPDATED VERSION OF THE DRAFT ACTION PLAN FOR HOUSING IN RELATION TO THE WELFARE REFORMS

The Task Group considered the draft action plan for housing in relation to the welfare reforms, which was circulated as part of the agenda.

The following updates were provided by the Operational Housing Manager at the meeting.

• action 1.7 – this was in progress.
• action 1.1 - there was no evidence of an increase in homelessness for under 35s.
• action 2.3 – no further action was required.
• action 2.6 – interim recommendations about amendments to the allocations policy would be submitted to Cabinet in February 2013, with a full policy review to be reviewed after the UChoose review had been completed. The timescale would be amended accordingly.
• action 3.6 – work would be undertaken by welfare reform officers from Spring 2013.
• action 3.7 – further information would be included in the action plan to refer to the production of a communications strategy.
The Task Group requested that an additional action be included to provide Members with information and appropriate feedback relating to the welfare reforms.

25. PROGRAMME OF WORK

The Task Group agreed that the emerging themes detailed in the briefing paper circulated with the agenda form the basis for its conclusions and potential recommendations in the draft scrutiny review report. A further area to highlight was around provision of discretionary support to tenants affected by the reforms.

It was agreed that the Group’s next meeting be held in December 2012/early January 2013. The Task Group requested that the Head of Housing and Sustainable Inclusive Communities Portfolio Holder attend the meeting to discuss its draft review report and emerging themes.

26. MOTION TO EXCLUDE THE PUBLIC UNDER SECTION 100(A)(4) OF THE LOCAL GOVERNMENT ACT 1972

RESOLVED THAT - under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item on the grounds that it involved the likely disclosure of information defined in paragraphs 1, 2 and 3 of Schedule 12A of the Act and that in all of the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

27. ‘ANALYSIS OF TENANTS ON HOUSING BENEFITS IN UNDER-OCCUPATION’ – UPDATE TO THE RESEARCH REPORT FROM THE HOUSING RESEARCH OFFICER

The Task Group considered the private research report on the analysis of tenants on housing benefits in under-occupation, which had been updated by the Housing Research Officer.

The welfare reform officers would monitor cases as part of its workload.

Members asked if it was possible to identify what proportion of affected households were female-led. It was suggested that this could be potentially significant in equality impact terms.

CHAIRMAN