

MP Briefing Welfare Reform Bill – Housing benefit

This briefing covers the UK Welfare Reform Bill, Report Stage on 13th and 15th June 2011. UNISON is the leading public service union with 20,000 members working in Housing Benefit services across the UK, including some 2000 in Scotland. We have particular concerns about how Housing Benefit services will be incorporated in to the new Universal Credit with other benefits.

Local Expertise

UNISON doubts if the planned efficiency savings (and reduced staff numbers) promised by DWP to the Treasury are achievable with a shift to on-line delivery and call centres away from having local offices where staff, like Housing Benefit staff, can speak directly to claimants, explain issues, answer queries and inspect documents (such as tenancy agreements) which otherwise would have to trusted to the post or scanned. There are real equality challenges for those with disabilities about losing local offices and staff and many vulnerable claimants may find it more difficult to access the Universal Credit system.

Can Ministers confirm whether local housing offices will close as a result of the Bill and will there be less face to face service as a result?

Staff?

Local Housing Benefit staff are the local experts in housing matters. There seems to be no planning in the Bill for their future. It is unclear whether Local Authorities will be expected to help DWP administer the new Credit, transfer their staff and resources to DWP or even to run down the Housing Benefit service completely.

Ministers need to put on the record what is the future of 20,000 Housing Benefit staff? Will they transfer to DWP under the TUPE regulations or will they be made redundant and at what cost to Local Authorities and others?

Contracts?

Housing Benefit services are often combined with Council Tax, Council Tax Benefit and other benefits as part of a general revenue and benefits service. In Scotland this will result in the breakup of departments and wider shared service initiatives. In England and in some places in Scotland this involves a long contract (4-8 years) with private company.

Ministers need to explain they have intend to end the Housing Benefit contracts already in place and will they pay compensation to Local Authorities, Housing Associations and contractors?

Wider concerns

MPs will be aware of wider concerns being expressed by local authorities, charities, housing associations and the Scottish Government over the transfer of housing benefit to the new arrangements. Key issues include the payment of benefit to tenants rather than landlords. This will inevitably result in a dramatic increase in rent arrears that will require additional rent collection services. It may also undermine the financing of housing association stock as credit ratings are dependent on secure rental income.

Further information and Contact

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