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Housing Benefit Reform



POLICY BRIEFING

Introduction

As part of the Welfare Reform Bill, the UK Government proposes to bring together a range of different benefits including Housing Benefit (HB), into a single Universal Credit. The idea is to simplify the benefits system, moving towards online and telephone support to claimants, but this overlooks the complexity behind many housing benefit claims.

Although Housing Benefit is paid by the UK Government, it is administered locally by staff employed by local authorities who have built up substantial expertise in this and other benefits to ensure that claimants receive their full benefit entitlement.

Implications: Claimants

The proposed change will have serious implications to those who rely on housing benefit – both tenants and landlords, and on those who administer it. In moving to a web based and telephone advice line for Universal Credit (including housing benefit) the UK Government seems to be unaware of the high level of face to face interaction between housing benefit claimants and those who administer the benefit.

UNISON doubts if the planned efficiency savings (and reduced staff numbers) promised by DWP to the Treasury are achievable through a shift to online delivery and call centres rather than local offices. It is important that claimants can speak in person to local housing benefit staff to ask questions and resolve issues. They can also take in original documents (such as tenancy agreements) which otherwise would have to be trusted to the post or scanned.

It seems unlikely that those needing support would be able to get it from the new service proposed by the UK Government. Many local authorities have invested in advice services, some such as Renfrewshire Council who now operate Twilight Teams – who can contact people with housing benefit problems outside of normal working hours.

If claimants can't get the support they are used to they will try to seek support either from other council departments or from the voluntary sector such as Citizens Advice Bureaux – putting additional pressure on these services. Without suitable advice and support, many claimants may see their housing benefit reduced and/or withdrawn, leading to severe financial problems and potentially homelessness.

KEY POINTS:

- UK Government wants to include Housing Benefit as part of new Universal Credit
- This will impact on claimants, landlords and those in local authorities who administer this benefit
- UNISON Scotland does not believe the shift to online and telephone support will release the planned savings
- UNISON Scotland is concerned about the future of the 2,000 staff who currently deliver housing benefit advice and support



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Implications: Landlords

If claimants find it more difficult to access housing benefit then it is likely that rent arrears and, potentially evictions, will rise. This will cause more problems for councils having to meet their statutory duties in dealing with homelessness. At a time when all councils are moving towards the 2012 target for the abolition of priority need for homeless applicants, this change to housing benefit will put additional pressure onto councils and others who provide services to homeless households. There is also a concern that by abolishing direct payment of housing benefit to landlords, this will have an impact on the ability of landlords to borrow money and therefore impact on plans for building new housing stock.

Implications: Staff

It is not clear what the UK Government intend to do with the staff currently delivering housing benefit services from local councils. The staff delivering this service often combine a number of benefit and payment services including housing benefit, council tax benefit etc – as part of a general revenue and benefit service. This would make it difficult to identify which staff would be affected and which ones would transfer to any new body carrying out housing benefit work. Also a number of local authorities, including those in the Clyde Valley Review, are looking to transfer such services to a shared service body. The UK Government's plans will impact on such proposals.

It is estimated that there are around 2,000 UNISON members involved in the delivery of housing benefit services across Scotland. The future of their posts has not been made clear in the Government's proposals.

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.

Campaign

UNISON Scotland is not the only organisation opposed to these changes to housing benefit. A wide range of other organisations and individuals have expressed their concern including the IRRV (Institute of Revenue, Ratings & Valuation), CoSLA, Shelter and SFHA. They have all expressed their concerns about the impact these changes will have on housing benefit claimants, landlords and wider issues affecting council and public services.

Currently the Welfare Reform Bill is going through the House of Lords but it will go back to the House of Commons before being passed. This will give members the opportunity to lobby their MP about the proposed changes. Local libraries will have lists of all local MPs in their areas. This information is also available online via websites such as www.upmystreet.com. Further information on lobbying can be found in P&I Briefing 109 – Lobbying Guide (http://www.unison-scotland.org.uk/briefings/pensions109.html).

Action for Branches

The main purpose of this briefing is to highlight the proposed changes to housing benefit and how this will impact on UNISON members.

Members should contact their MPs to oppose the changes to the housing benefit system.



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