

Report of Chief Officer of Housing Management

Report to Director of Resources and Housing

Date: 14 June 2019

Subject: Staffing resources required to support tenants during the introduction of Universal Credit full service

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1.0 Summary of main issues

- 1.1 Universal Credit (UC) full service launched in Leeds in October 2018. It had been anticipated that around 3000 council tenants would move onto UC by the end of March 2019. Numbers have been higher than expected with around 4500 tenants moving onto UC during that period.
- 1.2 Ultimately, following full migration to UC, it is expected that around 24.5k Council tenants will be in receipt of UC.
- 1.3 During UC live service Housing Management effectively provided a wrap round support package to tenants which ensured they were able to deal with the transition to UC and mitigated to some extent the effects of UC on rent collection. We used the learning to develop a service offer for UC Full Service.
- 1.4 The service offer consists of three levels of support - advice and guidance, standard support and enhanced support, delivered by the Enhanced Income Team in Housing Management.
- 1.5 Taking into account the actual number of UC claims and projections up to 2022/23, it has been identified that an additional five Housing Officers (Enhanced Income) are needed in order for Housing Management to continue to meet demands for the current service offers. These additional officers will be responsible for working alongside existing officers to deliver the three service offers and work with area housing teams to embed UC operational knowledge across teams.

2.0 Recommendations

- 2.1 That the Director of Resources and Housing approves the creation of five additional temporary C3 Housing Officers (Enhanced Income) at a cost of £165245 p.a. to support the delivery of the Universal Credit service offer to Council tenants until the end of March 2022.

3.0 Purpose of this report

3.1 To outline proposals to recruit five C3 Housing Officers (Enhanced Income) to support new Universal Credit claimants.

4.0 Background information

- 4.1 UC is a benefit to help claimants with their living costs. It replaces 6 existing benefits. The roll out of UC is happening at different times in different areas of the country. In Leeds Universal Credit went into full service in October 2018 and extended to larger families in February 2019. At this point all types of claimants will move to UC when they make a new claim or have a relevant change of circumstances.
- 4.2 It was estimated that there would be 3000 new UC claims for Council tenants by the end of March 2019. The actual numbers have been much higher, with around 4500 council tenants claiming during this time.
- 4.3 The service offer provided by Housing Management to Council tenants consists of 3 levels of support - advice and guidance, standard support and enhanced support; the service offers are delivered by Housing Officers (Enhanced Income). The Advice and Guidance Service Offer is high level advice provided on making a UC claim, offered to tenants who have a bank account, are able to use online services and have no additional support needs. The Standard Support Offer is a wrap around service to support tenants to make a successful UC claim - accessing digital learning opportunities and personal budgeting where required, and managing the first month of the claim until payment is made, offered to tenants who either don't have a bank account, struggle digitally or have additional support needs. The Enhanced Service Offer is a wrap around service which will also support the tenant beyond their claim, checking for payments, and supporting the tenant with missing payments, requesting backdates etc., offered to tenants who have experienced financial difficulties and have multiple support needs. To date 26% of tenants have received the advice and guidance offer, 68% of tenants have received the standard support offer and 6% of tenants have needed the enhanced support offer.
- 4.4 We have sought to measure the increase in arrears for those Council tenants claiming UC, by looking at average arrears at the start of claim and the arrears at a point in time. This shows that at the end of March 2019, arrears for those current tenants in receipt of UC have increased by an average of £82. This shows that our work to support tenants moving to UC under Full Service has been effective in mitigating the increase in arrears for those tenants.

5.0 Main issues

5.1 As the total number of UC claims is significantly greater than initial estimates, it has been challenging for the service to deliver on its commitments to provide the three levels of service offer. In order to meet demand, Area Housing Teams have increased capacity as much as possible in order to support tenants with their UC claims. For each area team we have passed some functions to the Housing Manager, UC champions and Housing Assistants to manage UC rent verifications, to allow the Enhanced Income Team to focus on delivering the three UC service offers to tenants. However, as numbers of new UC claimants is expected to remain high additional

Housing Officers (Enhanced Income) posts are required to meet the sustained and ongoing demand.

- 5.2 The challenge is for us to maintain strong performance as the numbers of UC cases increases in full service. As cases tend to follow a pattern where arrears increase initially and start to fall over time, we want to be able to continue to support tenants at the start of their claims to minimise their indebtedness and maximise rental income.
- 5.3 The Department of Work and Pensions (DWP) plans to introduce managed migration at some point in the future. A pilot for this is being rolled out in Harrogate later this year with full roll out by 2023. Forecasting by UC Real indicates that nearly all Housing Leeds tenants eligible for UC will have migrated before managed migration starts.
- 5.4 Taking into account the actual number of UC claims and projections up to 2022/23, it has been identified that an additional five Housing Officers (Enhanced Income) are needed in order for Housing Management to continue to meet demands for the current service offers. These additional officers will be responsible for working alongside existing Housing Officers (Enhanced Income) to deliver the three service offers and work with area housing teams to embed UC operational knowledge across teams.
- 5.5 The total annual cost of 5 x C3 Housing Officer (Enhanced Income) at top of scale is £165245 p.a. The cost of the posts would be funded from the welfare reform reserve.
- 5.6 The additional officers will be recruited to via usual internal recruitment procedures, incorporated into wider Housing Officer recruitment taking place.

6.0 Corporate Considerations

6.1 Consultation and Engagement

- 6.1.1 The proposals have been discussed with managers in the Housing Management Service, who are supportive of the proposals.

6.2 Equality and Diversity / Cohesion and Integration

- 6.2.1 An Equality, Diversity, Cohesion and Integration screening has been undertaken which has identified that the decision is not relevant to equality, diversity, cohesion and integration.

6.3 Council policies and Best Council Plan

- 6.3.1 The proposal set out in this report supports the Best Council objectives of tackling poverty and reducing inequalities by:
 - Resilient communities: Building strong, cohesive communities, raising aspirations, reducing financial hardship
 - Good growth: improving skills
 - Child friendly city: supporting families

- Better lives: Giving people with care and support needs the right care and support at the right time

6.4 Resources and value for money

- 6.4.1 The additional cost of this proposal to the Housing Revenue Account is £165245 p.a. The cost of the posts will be funded from the welfare reform reserve.
- 6.4.2 The proposal represents value for money, as the model of enhanced support for tenants moving onto UC has proven to be successful in mitigating the effects on income collection and helps to promote sustainable tenancies.

6.5 Legal Implications, Access to Information and Call In

- 6.5.1 There are no legal implications related to the decision.

6.6 Risk Management

- 6.6.1 If the proposal is not supported there is risk that we will not be able to sustain delivery of the service offer given the ongoing numbers of tenants moving onto UC. This would pose risk that we do not deliver the actions required to meet the challenge of UC and mitigate its potential impacts on us as a service.

7.0 Conclusions

- 7.1 We have developed three service offers which supports Council tenants, mitigates the effects on rent collection and sustains tenancies. The service offers have proven to be extremely successful in supporting tenants who are moving onto UC. The actual number of tenants who are moving onto UC is much higher than originally estimated, which is impacting on our ability to meet demands for the service offers. The additional five posts will allow the service offer to be effectively delivered, maximising the benefit for both tenants and income collection.

8.0 Recommendations

- 8.1 That the Director of Resources and Housing approves the creation of five additional temporary C3 Housing Officers (Enhanced Income) at a cost of £165245 p.a. to support the delivery of the Universal Credit service offer to Council tenants until the end of March 2022.

9.0 Background documents¹

N/A

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.