

**HOUSING COMMITTEE**  
**INFORMATION SHEET H-007-2017/18**

**7 February 2018**

**Universal Credit (UC)**

The purpose of this information sheet is to provide a brief update for members on Universal Credit and how this affected tenants and income collection when Full Service rolled out across the district in October 2017.

**What is UC and Full Service?**

UC is a benefit for people of working age on a low income or out of work. It is replacing 6 existing benefits:

- Job Seekers Allowance (income based)
- Employment and Support Allowance (income related)
- Income Support
- Housing Benefit (currently administered by SDC)
- Working Tax Credit
- Child Tax Credit

UC has been around in the district since June 2015 (Live service) but the impact for Housing Benefit has been minimal and has largely only affected non-dependants (grown-up children still living in a benefit claimant's household).

UC prepares claimants for the world of work in which 75% of employees are paid monthly. It also encourages claimants to take responsibility for their own financial affairs. UC is paid in a single monthly sum in arrears to households who are then expected to manage their own budgets, making rent a priority. However, direct payment of housing costs for vulnerable tenants can be negotiated between the Department of Work & Pensions (DWP) and the landlord.

Further information is available at [www.gov.uk/universal-credit](http://www.gov.uk/universal-credit)

**Who is affected?**

- claimants who are of working age
- claimants who have a change in circumstances, such as separation or formation of a couple
- changes such as pregnancy, birth of a child or changes to a child's status
- claimants who have a change in employment status and need to claim Job Seekers Allowance or Employment and Support Allowance
- new claimants

**Sara Weaver, Principal Income Officer**  
**Ext: 4183**  
**Email: [sara.weaver@stroud.gov.uk](mailto:sara.weaver@stroud.gov.uk)**

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**Who wasn't affected in October?**

- pensioners
- self employed
- families with more than 2 children
- claimants in receipt of Disability Living Allowance (DLA) or Personal Independence Payments (PIP)
- claimants in postcode area GL2, GL3, GL4 and GL12 moved across between November 2017 and February 2018 as Full Service rolls out to other areas of the county.

**Migration of existing claimants**

Existing benefit claimants will be moved across to UC but this will not start until July 2019 and be completed by March 2022. In the meantime, only new claimants and those whose circumstances change will move onto UC.

**Profiling Data – Current Tenants (as at 31.01.18)**

There are 5,001 current rent accounts. Of these:-

- 1,721 tenants aged 18 – 67 are in receipt of housing benefit (partial/full)
- 279 of all tenants in receipt of HB are in arrears (this includes those aged 67 years + in general needs/sheltered properties)
- 209 tenants are in receipt of UC

**Key headlines of what are we already doing.**

- Prior to Full service, several tenants were paid their Housing Benefit direct as a pilot in readiness for UC
- 6 specialist Income Management Officers proactively collecting current rent only
- Continuing to build relationships with tenants in order to gain their trust and educate them about UC and their responsibilities i.e. importance of paying their rent promptly when they receive their monthly payment reducing the likelihood of debt forming.
- Encouraging direct debit as the preferred and cheapest payment method
- Working closely with the Tenancy Management, Revenues & Benefits, Housing Advice and Council Tax teams to identify tenants at risk of a possible UC claim
- Encouraging ALL tenants to make payments in advance to build a “nest-egg” of one month’s rent on their rent account

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**Ext: 4183**  
**Email: sara.weaver@stroud.gov.uk**

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- Directly referring tenants to Citizens Advice for free personal advice and budgeting support at NOSP stage
- Signposting to other external debt management and housing support agencies for free advice and support
- Sending bulk text messages prior to Full service rollout to advise tenants that UC was coming
- Displaying UC information posters on the “pod” desk in Reception - these are updated regularly to maintain a freshness
- Encouraging ALL tenants to register for Tenants Online (self serve) to help them manage their rent account
- Updated all system generated letters requesting that tenants contact us if they are in receipt of UC or have any vulnerabilities/disabilities that affect their ability to pay their rent
- Carrying out Income Management and Vulnerability Assessments for potential tenants in order to identify vulnerable tenants prior to their tenancy starting
- Requesting Alternative Payment Arrangements (APAs) as a priority where tenants face either a high risk of non-payment or where arrears total 8 weeks rent

**What next?**

- Working with the Revenues & Benefits team to identify tenants likely to transition across to full service in the next 2 year period in order to:-
- Send letters to profiled tenants advising them of the need to have a basic bank account, internet access and to pay a month in advance
- Carrying out target days visiting profiled tenants
- Continuing to use our usual communications resources (Keynotes, social media, press, website) to keep tenants informed about UC, their responsibilities and any changes that may affect them
- Building partnerships with JobCentrePlus work coaches
- Improving on our working relationship with the DWP to remain well informed
- Ongoing training for IMOs as changes are made to the management of UC by DWP

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