

ng homes

The Impact of the Welfare Reform



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About ng homes

- **Established 1976**
- **5,500 Tenants**
- **RSL in area of multiple deprivation**
- **51% of youngsters in our Springburn area living in poverty**
- **Partnership working is key to our success**
- **69% of our tenants in receipt of Housing Benefit**



Significant Changes so far

- **Child Trust Fund**
- **Maternity Grant**
- **Uprating by 1%**
- **RPI to CPI change**
- **Winter Fuel**
- **Non dependant**
- **Bedroom Tax**
- **Benefits Cap**



.....and More Changes

- **DLA to PIP**
- **Universal Credit**
- **Digital by default**
- **Frozen wages**
- **Food/Fuel rises**
- **Jamjar accounts**
- **Sanctioning**
- **150% rise in rent arrears calls to National Debt Line**





Universal Credit

- Currently **£13m** (of ng homes' £21m annual rent income) comes from Housing Benefit
- Currently benefit receipts incur little cost, but Universal Credit will mean;
- Increased cashiering costs (coin!);
- Increased arrears & support staff costs
- Increased void, court and eviction cost
- Increased bank and borrowing costs.





Universal Credit

- **57 Tenants on Universal Credit**
- **42 Tenants on UC being paid directly to ng homes**



The challenge for Housing Associations

- A “*direct payment*” pilot in 2002;
- Their arrears increased 133%
- 2002 economy was different, not as harsh;
- Arrears would probably increase with economic climate without additional challenge of UC;
- A 133% increase would mean almost £100,000 extra lost every month!



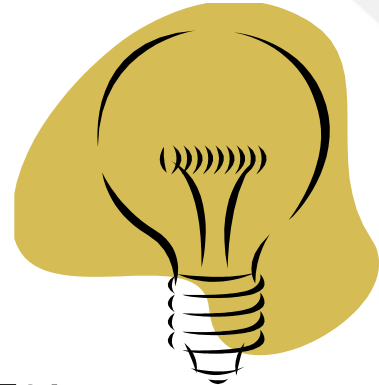
Concerns for tenants

- **Accrual of rent arrears – risk of homelessness**
- **Less disposable income – more chance of falling into debt**
- **Spiral of debt – once in debt it is often difficult to get out**
- **Responsibility to prove ‘actively seeking work’ – often limited pc access and skills**
- **Sanctions**



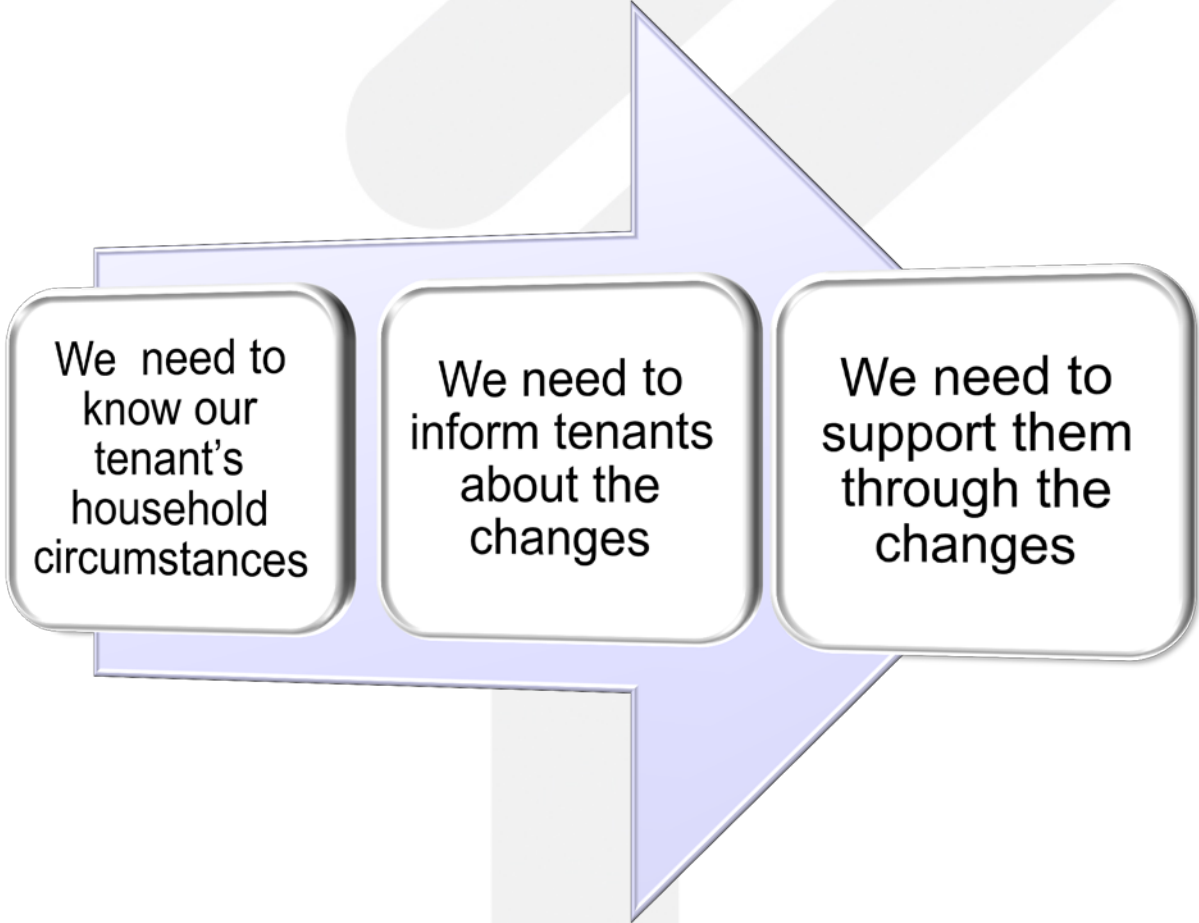
Comments from ng homes survey

- **“Just about manage financially” 41%**
- **“Find it difficult to cope financially”- 31%**
- **Payment meter for electricity/gas - 53%**
- **Been unable to pay for electricity/gas in last year - 15%**
- **No home content insurance - 49%**





What do Housing Associations need to do ?



We need to
know our
tenant's
household
circumstances

We need to
inform tenants
about the
changes

We need to
support them
through the
changes



What ng homes are working on...



Scotcash

Debt & Money
advice



PCU prepaid
Card accounts



Tenancy
support



Bank accounts



Welfare Reform-Help Available

- **£££££ from Scottish Government**
- **DHP: Discretionary Housing Payment**
- **SWF: Scottish Welfare Fund**
- **Council Tax Relief**
- **Digital Inclusion Toolkit**
- **Making Advice Work (SLAB)**
- **Glasgow's Big Lottery Fund – Epic 360 Project**
- **WHAT ELSE SHOULD WE DO??**