



# TAI CANOLBARTH CYMRU MID-WALES HOUSING

Yn barod **amdani** **Equal** to the challenge

## Welfare Benefit Reform Strategy

<b>Strategic Aim:</b>	The Association will continue to place a priority on income management, debt collection and managing Welfare Benefit Reform.
<b>Reference No:</b>	
<b>Date Of Issue:</b>	From June 2018
<b>Next Review Date:</b>	June 2019
<b>Departments Affected:</b>	All Departments
<b>Approved By/Date:</b>	Board of Management July 2018
<b>Lead Officer:</b>	Jean O'Neill, Acting Assistant Director of Customer Services
<b>Statutory Compliance:</b>	The Westminster Government introduces elements of Welfare Benefit Reform through statute (Welfare Reform and Work Bill 2015) and regulation through the Department of Work and Pensions.

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## **WELFARE BENEFIT REFORM STRATEGY**

### **1. Introduction**

The Association has responded to the introduction of Welfare Benefit Reform since its inception in 2013. Over that period of time new reforms have been introduced which were not included within the original scope of the policy. Further proposals have been introduced and some have introduced and then rescinded. It is highly likely that further subsequent amendments and reforms may be introduced. Mid-Wales housing Association also has to be mindful of the dimension of subsequent amendments and variations which the Welsh Government may seek to introduce where it has the powers to intervene. However, welfare reform and the benefits system is not a devolved matter at the current time.

### **2. Strategy**

The Association's strategy in relation to welfare benefit reform is twofold.

- i) To protect the financial position and viability of the Association; and
- ii) To support and assist tenants and leaseholders concerning welfare benefit reform where it is proportionate and viable to do so.

### **3. Indicative principles of strategy implementation**

- 3.1 The Association will continue to provide the Welfare Benefit Advisor post which has proven to be successful and value for money.
- 3.2 The Association will continue to seek rent payments when they are due including at the start of the tenancy so tenants are aware of their responsibilities and the tenancy becomes something viewed as having 'value'.
- 3.3 The Association will continue to insist that new tenants have a bank account which is able to accept Universal Credit payments, and will encourage the use of direct debits over other forms of payment, at every available opportunity.
- 3.4 The Association is working with partnerships for the benefit of tenants and leaseholders, for example Mid-Wales Housing Association is a contract partner with the Unified Delivery Service Lead for Powys. Association staff have already met the Powys Partnership Manager for DWP, and further meetings have been scheduled.
- 3.5 The Association will seek to achieve "Trusted Partner Status" with the DWP at the very earliest opportunity.
- 3.6 The Association will develop more detailed arrears monitoring, in order to understand the effect on individual cases.
- 3.7 The Association will make appropriate allocations, taking into account an applicant's circumstances but taking into account any reasonable expressions of choice in regard to their financial circumstances.

- 3.8 The Association will provide tenants and leaseholders with appropriate and timely advice about welfare benefit reform. The Association will work on the principal “we will assist applicants where appropriate”. This will include working with tenants to develop positive behaviours. This currently includes seeking tenants to have bank accounts and to pay the rent at the commencement of the tenancy. This will be developed further through tenant incentive and reward schemes.
- 3.9 The Association will ensure that the appropriate staff are trained and skilled in regard to welfare benefit reform issues which will affect its leaseholders and tenants.
- 3.8 The Association will mitigate the impact of the “under occupancy charge” by ensuring some priority is afforded to those tenants wishing to down size.
- 3.10 It will seek to mitigate the impact of other changes by supporting tenant’s applications for Discretionary Housing Payments, judicial review of judgements etc.
- 3.11 Requirement for all prospective tenants to demonstrate an ability and willingness to pay rent and service charges before an offer of accommodation is made (to avoid offering tenancies that then cannot be afforded).
- 3.12 Develop a plan to identify and support prospective tenants who have a limited capacity to work as they are the most likely to be in serious arrears upon the switch to Universal Credit (as identified by the National Audit Office).
- 3.13 That tenants on a starter tenancy should have a clear rent account or have a suitable arrangement in place to clear any arrears before a tenancy converts to an assured tenancy.
- 3.14 The sustainable tenancy risk assessment process is carried out for all prospective tenants, and twice during the first year of tenancy.
- 3.15 The Association develops a problem solving group/case conference protocol for its most vulnerable and challenged tenants.
- 3.16 The Association will encourage all tenants to be “digitally willing”.
- 3.17 The Association will encourage a shift in attitude of some tenants from "I don't pay rent" to "I am responsible for paying my rent myself".
- 3.18 The Association will encourage and facilitate (where possible), access to the internet and the knowledge, skills and attitude needed to go online and possess and use an email account.
- 3.19 The Association will develop and promote the tenants portal and emerging digital gateways.
- 3.17 The Association will carry out a cost benefit analysis on services available to identify risk, target money advice and debt support.

<b>Strategic Risk Factors</b>	<ul style="list-style-type: none"> <li>- SR18FS/003</li> <li>- Managing Welfare Reform Financial Risks</li> <li>- Status High Risk</li> <li>- Risk Score 16</li> <li>- Internal Control Score 3/Fully Effective</li> </ul>	
<b>Value for Money</b>	<i><b>“Doing the right thing, in the best way for the best price”.</b></i>	It is appropriate for the organisation to seek to protect its financial position. It is also legitimate for the Association to seek to support tenants and leaseholders in regard to the reforms to welfare benefit and when they are adversely impacted by its effects. This needs to be undertaken in a manner which is timely and proportionate to the corresponding cost which will ensure <i>value for money</i> .
<b>Equality Impact Audit</b>	<i>How does/will this policy ensure needs are met fairly, particularly with regard to race, gender, disability etc.?</i>	The government policy impacts differently upon people dependent upon their age. The Association is unable to amend this. However, the Association may support tenants and leaseholders with the impact of the reform program if that support is proportionate and practical. This paper has been shared with the Equality Review Group Officers on 15 <sup>th</sup> June 2018. An equality impact assessment has been undertaken to ensure that there is no discrimination associated with how the Association responds to the government’s reforms.
	<i>Is it felt that this Policy might affect different groups adversely? If so what is the justification for this, and is it legally permissible?</i>	The Welfare Benefit Reform programme affects different groups of people on the basis of their age and also household circumstances. In order to mitigate the impact where that is an appropriate and legitimate function of the Association, the Association will support tenants and leaseholders. The government’s policy is legally justifiable because it has been introduced through

		statute. Challenges through the courts have been successful in a number of minor regards but these loopholes have been generally closed by the government through amendments to guidance and regulation.
	<i>Have any representative groups in the locality been asked for their opinion and if so what was the outcome?</i>	The Association has been working with both Ceredigion County Council and Powys County Council in regard to joint working to reduce the adverse impact of the reforms on the Associations customers. The Association has also worked with the Citizens Advice Bureau, credit unions, Community Housing Cymru and other representative groups. A practical example of an outcome is achieving Discretionary Housing Payments for tenants who are subject to the under occupancy charge.
<b>Tenant Engagement</b>	<i>How does/will this policy ensure the needs of tenants are met?</i>	The Association's initiatives in regard to Welfare Benefit Reform have been discussed at the Tenants and Residents Forum on a number of occasions. This draft was specifically discussed at the meeting of the Tenants' and Residents' Forum held on 13 <sup>th</sup> June 2018. Tenants broadly agreed with the Strategy except for 3.16 where there was general concern about how far the Association would take profiling as tenants felt this may be too invasive.
	<i>How is it felt this Policy will impact on the rights and obligations of tenants?</i>	It is intended there should be no adverse impact on tenants. Leaseholders will have to be consulted on any amendments to service provision which impacts on service costs. However, the overall purpose of the

		strategy is to support tenants and leaseholders.
	<i>Have tenants been consulted and were the outcomes of that consultation taken into account when considering the introduction of this Policy?</i>	The Association has provided regular information updates to tenants and leaseholders. The lesson learnt through experience by the Association in regard to how to inform tenants: is that it is best to provide advice just before any changes occur in practise and not at the point of announcement which may be years in advance of the implementation of the changes.

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