

WIRRAL COUNCIL

REGENERATION AND ENVIRONMENT POLICY AND PERFORMANCE

9TH APRIL 2014

SUBJECT	UPDATE ON THE RECOMMENDATIONS OF THE REPORT OF THE UNDER-OCCUPATION SCRUTINY TASK GROUP
WARD/S AFFECTED	ALL
REPORT OF	THE STRATEGIC DIRECTOR OF REGENERATION AND ENVIRONMENT
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR GEORGE DAVIES
KEY DECISION	NO

1. EXECUTIVE SUMMARY

- 1.1 During meetings of the Economy and Regeneration Scrutiny Committee held during 2012, members reported considerable public concern regarding the impact of changes to housing benefit and welfare reforms specifically relating to under-occupation in both the public and private housing sectors.
- 1.2 At the meeting of the Economy and Regeneration Scrutiny Committee held on 5th September 2012, members agreed to *“further scrutiny work being undertaken on the impact of welfare reforms on both private and social housing sectors and, in particular, on under-occupancy in the social sector”*.
- 1.3 All Members were invited to volunteer to join a Task and Finish Group to undertake detailed scrutiny work of this topic. Subsequently a number of Members attended a meeting held on 18th October 2012 at which a detailed scope for the review was discussed.
- 1.4 The Members who joined the Task and Finish Group were:
- Councillor Mark Johnston (Chair)
 - Councillor Denise Realey
 - Councillor Jean Stapleton
 - Councillor Mike Sullivan
 - Councillor Janette Williamson
- 1.5 This report provides Members with an update on the recommendations made in the March 2013 Final Report of the under Occupation Scrutiny Review.

2 BACKGROUND AND KEY ISSUES

2.1 Scope of the Review

2.1.1 The scope document for Scrutiny Review was agreed by the Economy and Regeneration Overview and Scrutiny Committee in November 2012.

2.1.2 It was agreed that the Scrutiny Review would focus on the following key issues:

- The impact of the introduction of the housing benefit cap
- The impact of changes to the Local Housing Allowance with special reference to the Shared Accommodation Rate for under 35s
- The allocation process for Discretionary Housing Benefit
- The impacts of the reforms relating to under occupation and how this affects households and communities
- The impact of the reforms on the social housing sector.

2.2 Evidence Gathering and the Report

2.2.1 The majority of the evidence for the Scrutiny Review was gathered during two evidence days held at Wallasey Town Hall. During those days Members interviewed a series of landlords, tenants, Council officers and representatives of partner organisations.

2.2.2 Following the evidence gathering days, members of the Task and Finish Group reviewed their findings and presented them in a report '*The Implications of Benefit Reforms on Under-Occupation*' which included eighteen recommendations. This report was presented to the Economy and Regeneration Overview and Scrutiny Committee in April 2012 for consideration.

2.2.3 The Economy and Regeneration Overview and Scrutiny Committee resolved:

- 1 that subject to the amendment of Recommendation 11 to enable the online toolkit to be available to voluntary, community and faith organisations, the under-occupation scrutiny report be approved.
- 2 that the Under Occupation Scrutiny Report be referred to Cabinet in June 2013.
- 3 That further reports be presented to the Economy and Regeneration Overview and Scrutiny Committee to update Members regarding the progress being made towards the implementation of the recommendations.
- 4 That statistical measures be put in place to evaluate the impact of the reforms on individuals, organisations and communities.

2.2.4 The report and recommendations of the Scrutiny Committee were presented to Cabinet in June 2013 where these were accepted and it was agreed that the Final Report of the Scrutiny Review '*The implications of Benefit Reforms on Under-Occupation*' be sent to all Wirral Members of Parliament.

3 SUMMARY OF KEY FINDINGS AND PROPOSED FOLLOW-UP REVIEW

3.1 Recommendation 14 of the Scrutiny Report proposed that a follow up review of the impact of the reforms should be held in the future. Members recommended that an evaluation impact assessment regarding the effect of the reforms on under-occupation be conducted by the Economy and Regeneration Scrutiny Committee during Spring 2014 to assess the practical impact of the reforms.

3.2 Detailed updates for each Recommendation are set out in Appendix 1 to this report to demonstrate the impacts of the reforms on individuals, organisations and communities. Some key updates have been outlined below and can be grouped into the following six areas:

3.2.1 Discretionary Housing Payments

The Discretionary Housing Payments Policy has been updated and a Priority Matrix for determining awards is in place. The Matrix contains well defined and quantifiable criteria and ensures that resources are targeted to the most vulnerable groups, this includes; tenants with disabilities, those who live in properties with major adaptations, foster carers, care leavers and those at risk of homelessness. and A copy of the Matrix is included as Appendix 3 to this report.

3.2.2 Support Services

A range of support services has been introduced and/or progressed by the Council and its partners, in relation to offering more options to residents affected by Welfare Reform changes. These include promotion and support to tenants to mutual exchange properties via a speed dating event.

Registered providers are looking at the short term options under strict criteria such as deferred arrears policies or social overdrafts.

37 volunteers have been recruited to work along side the 149 library staff in the role of Digital Champions to ensure every library site has help and advice to access on line services available to customers.

3.2.3 Information and Advice

The message to all tenants across Wirral, with regards to paying rent is consistent and high profile, and knowledge of the risks of not paying rent is well known.

A comprehensive online toolkit is utilised by front line Council staff to sign-post clients to appropriate advice, and this will be available to voluntary, community and faith organisations in the future.

Private landlords are updated on changes to benefits and their legal obligations via regular landlord forums, newsletters and training events.

3.2.4 **Availability and Access to Accommodation**

An online benefit calculator is now available through the Property Pool Plus website, help and advice is available for those tenants wishing to downsize or participate in a mutual exchange. A Welfare Reform Officer has been appointed for a 12 month period to specifically work alongside Registered Providers and further assist residents to understand and explore the full range of options available to help them, such as mutual exchange.

The Council has worked in partnership with two projects in the borough to achieve external funding and good outcomes in terms of properties and skills for vulnerable people.

3.2.5 **Illegal Houses in Multiple Occupation (HMO)**

The Council's HMO team are continuing with annual inspections for licensed HMO properties and responding to complaints from residents about potential illegal HMO type properties and shared accommodation. This includes identifying illegal HMOs which may pose a risk to residents, and sometimes includes escalating to enforcement action.

3.2.6 **Education and Financial Management**

The England Illegal Money Lending Team has produced an on-line teaching resource on finance with the aim of teaching children in both primary and secondary schools about finances and budgets including information on spending, savings, obtaining credit and loan sharks. All Head teacher cluster groups have been advised of this.

4 **RECOMMENDATION 14**

4.1 Recommendation 14 of the Scrutiny Report set out an *Evaluation Impact Assessment regarding the effect of the reforms on under-occupation will be conducted by the Economy and Regeneration Scrutiny Committee (or successor committee) during Spring 2014 to assess the practical impact of the reforms.*

4.2 In order to inform this evaluation, Appendix 1 sets out the update position on the recommendations agreed to be taken forward, however Members requested that the following statistical measures be put in place to evaluate the impact of the reforms on individuals, organisations and communities.

- **Criteria for the fair allocation of Discretionary Housing Payments**
- **The effect/impact of Benefit Reforms on landlords**
- **Impact on homelessness referrals**
- **Statistics in relating to arrears/evictions and the number of legal challenges**

- **The impact of Benefit Reform on crime levels and the activities of loan sharks**

4.3 Appendix 2 sets out the full details under each of these headings however Members attention is drawn to the following:

4.3.1 The number of void properties in Wirral has reduced from April 2012 to September 2013, however since April 2013 100 tenants who have terminated their tenancy with Magenta Living have stated under-occupation or no longer able to afford the home as the reason.

4.2.2 The number of social tenants with arrears has risen by 13.9% between April 2013 and September 2013.

4.3.3 Private landlords have responded to benefit reforms by being flexible, for example offering tenants accommodation with no deposit, reduced or no rent in advance and even reduced rent in some cases in order to enable the existing tenants to remain in the home.

4.3.4 Between April 2013 and September 2013, Registered Providers commenced 520 legal proceedings, and evicted a total of 14 tenants for rent arrears. Three tenants have been cited as being evicted due to arrears relating to the under-occupation charge, but this figure could be higher as it is difficult to separate out reasons for rent arrears resulting solely from the impact of under occupation.

4.3.5 Wirral has dropped in the ranking amongst the 15 demographically similar Community Safety Partnership from 7th to 8th place in the second quarter of 2013/2014. This has now improved to 6th place for the third quarter of the same year.

4.3.6 Shoplifting in Wirral has increased in volume during 2013/2014 but it is not possible to state whether or not the cause of this is benefit reform.

3 RELEVANT RISKS

3.1 There are none arising from this report.

4 OTHER OPTIONS CONSIDERED

4.1 There were no other options considered for this report.

5 CONSULTATION

5.1 There has been no consultation undertaken for this report.

6 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are no implications for voluntary, community and faith groups arising from this report.

7 RESOURCE IMPLICATIONS

7.1 There are no resource implications arising from this report.

8 LEGAL IMPLICATIONS

8.1 There are no legal implications arising from this report.

9 EQUALITIES IMPLICATIONS

9.1 There are no equalities implications arising from this report.

10 CARBON REDUCTION IMPLICATIONS

10.1 There are no carbon reduction implications arising from this report.

11 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are no planning and community safety implications arising from this report.

12 RECOMMENDATIONS

12.1 It is recommended that the Regeneration and Environment Policy and Performance Committee accept these updates to inform the follow up review.

13 REASONS FOR RECOMMENDATIONS

13.1 The Regeneration and Environment Policy and Performance Committee requested the information in order that they can assess the practical impact of the reforms.

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APPENDICES

Appendix 1 Updates to the eighteen recommendations identified in the report of the Under-Occupation Scrutiny Task and Finish Group '*The implications of Benefit Reforms on Under-Occupation*' March 2013.

Appendix 2 Specific statistical information requested to be available prior to the proposed Follow Up Review in Spring 2014.

Appendix 3 Discretionary Housing Payments Policy and Priority Matrix.

REFERENCE MATERIAL

Property Pool Plus Allocation Policy

Discretionary Housing Payment Policy

Under-Occupation Impact Monitoring data collections 2013/14 (Housing Strategy Team)

'The Implications of Benefit Reforms on Under-Occupation' Scrutiny Review March 2013

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Economy and Regeneration Overview and Scrutiny Committee	5 th September 2012
Economy and Regeneration Overview and Scrutiny Committee	18 th October 2012
Economy and Regeneration Overview and Scrutiny Committee	22 nd April 2013
Cabinet	June 2013