




Welcome to the Roaring Twenties!

SFHA update

A decade of Secretaries of State

May 2010 - March 2016	March – July 2016	July 2016 - June 2017	June 2017 – January 2018
			
January – November 2018	November 2018 – Sept. 2019	Sept. 2019 – February 2020	February 2020-?
			



What is the SFHA doing?

- Engagement with UK and Scottish Governments.
 - DWP Landlord Groups (UK and Scotland)
 - Scot Gov Social Security Stakeholder Group
- Support for Scotland Housing Networks' Welfare Reform Good Practice Forums.
- Gauging the impact with members – monthly surveys.



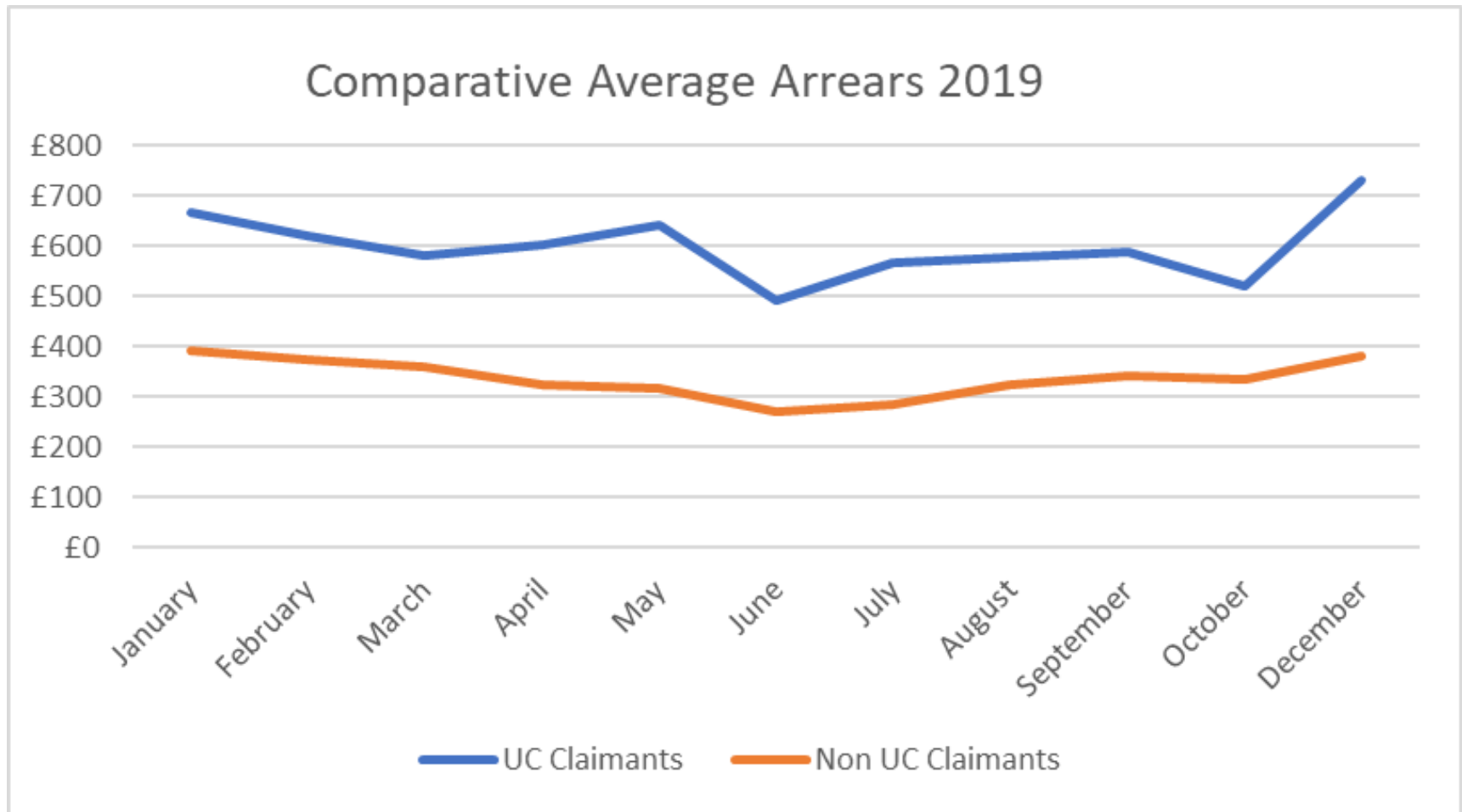
What is the SFHA doing?

- Campaigning with sister federations in England, Wales and Northern Ireland.
- Collaboration with other civic groups
 - SCoRSS
 - Poverty Alliance
- Parliamentary activity
 - Briefing for MPs/MSPs
 - Oral/written evidence to committees

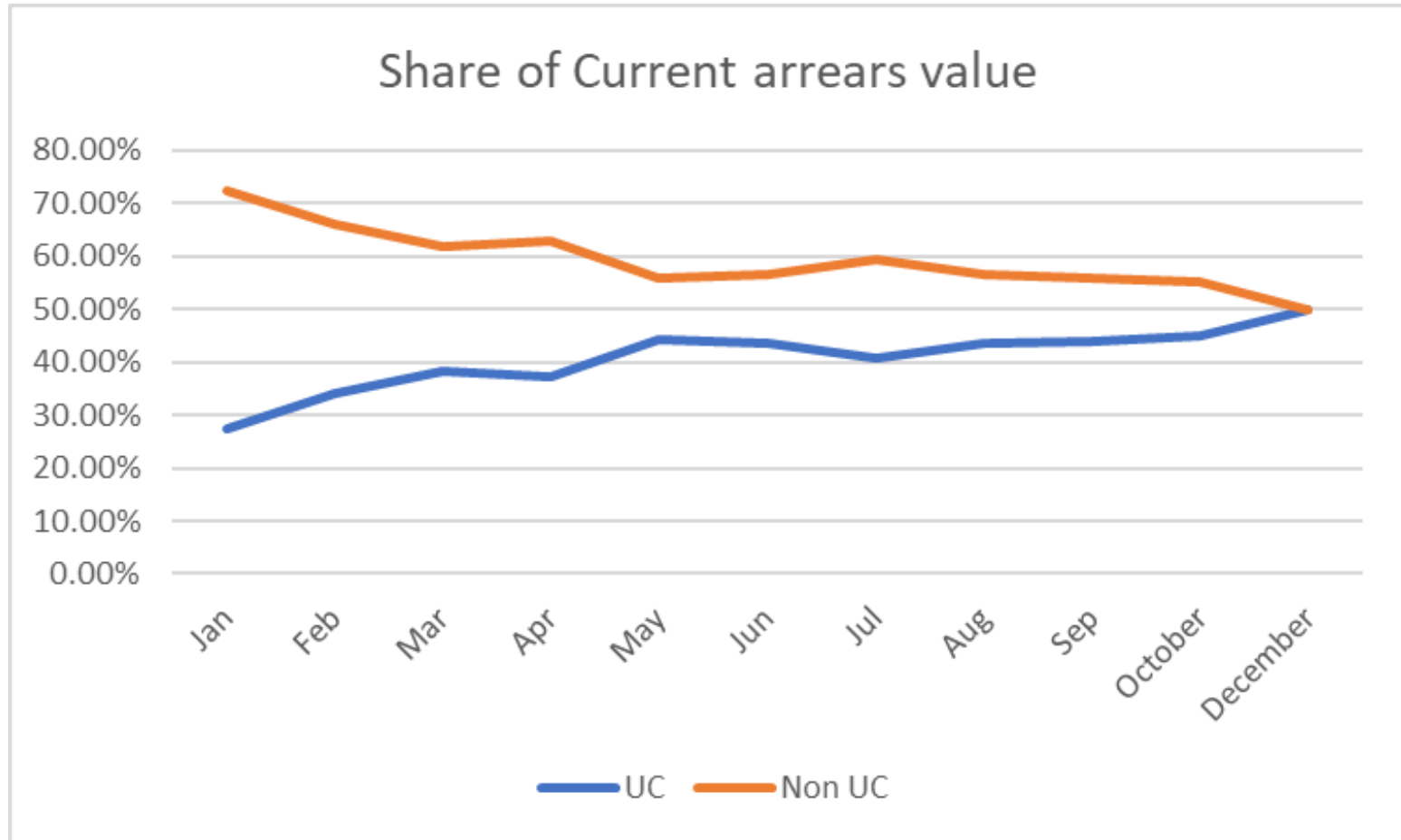
What do monthly surveys tell us?

- Arrears are consistently higher for tenants on UC than those who are not.
 - About 61% of tenants who are on UC are in arrears
 - About 32% of tenants not on UC in arrears
 - Average UC arrear £593; average non-UC arrear £331
- Growing demand for support in making or managing a claim online

Little sign of arrears convergence



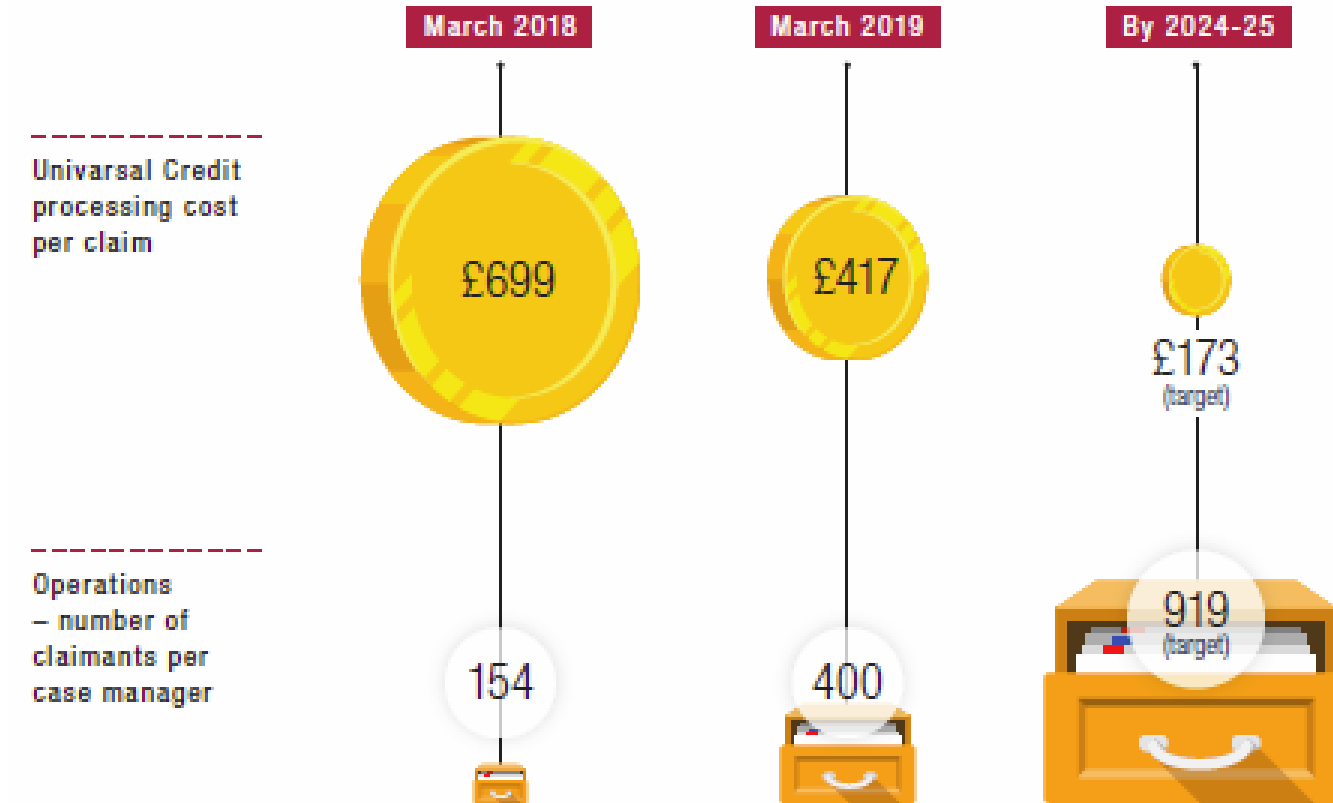
UC overall arrears set to overtake



What do ARC returns tell us?

Year	Local Authority	Housing Associations/Coops	LA %	Housing Ass'n %
2013/14	£57,319,118	£51,656,209	5.84	4.33
2014/15	£62,768,083	£51,760,503	6.30	4.20
2015/16	£68,047,638	£49,374,049	6.51	4.04
2016/17	£72,058,742	£48,934,418	6.04	3.93
2017/18	£76,007,085	£50,399,523	6.22	3.97
2018/19	£85,064,829	£52,432,877	6.64	3.94

Costs and case manager workload



Source: National Audit Office analysis of Department for Work & Pensions' information

NAO briefing: Deaths by suicide

- 69 Internal Process Reviews (IPRs) over six years - could have been more.
- Coroner Focal Point established in 2016 – 19 contacts, 9 of which suicide – DWP does not know how well it is used by coroners.
- No tracking or monitoring status of recommendations; does not categorise IPR outputs to identify larger trends

The Future

- New payment system – alignment of direct payment to landlords with payment to claimant:
 - Clears confusion – landlord in far better position to know what the true arrears level is
 - Makes UC Scottish Choices much more attractive (23% have direct payments as of November)
- Freeze on working age benefits ends April
- Housing to 2040 – affordability concern

SRS homes with UC housing costs

Month	January	April	July	September	November
Scottish Choices Direct Payment	12,785	16,481	20,206	21,664	23,336
MPTL	22,769	27,872	32,728	35,224	38,447
Total SRS Households with housing cost entitlement	63,278	76,135	89,064	95,816	103,097
Percentage Scottish Choices	20%	22%	23%	23%	23%
Percentage MPTL	36%	37%	37%	37%	37%

The Future

- Yet to see rollout of managed migration – Harrogate pilot still to report.
- Still issues like 2 child limit, 5 week wait and benefit cap
- LHA to rise by CPI from April, but:
 - Divergence from original link to market rents
 - Current LHAs nowhere near 30%
 - Single under 35s still only get shared accommodation rate

April Rent Changes

- Hope to have bulk upload facility following trials during 2019/20 – disappointed again 😞
- DWP to send out a “to-do” to claimants
 - Depending on answers, claimants will be asked to declare and confirm housing costs.
- If change exceeds DWP’s tolerance, verification request
- Promise to increase numbers of claimants matched to portal

Example: Lothian BRMA

Greater Glasgow	30th percentile market rents September 2019	LHA rates for April 2019 - March 2020	2020/21: CPI (1.7%) increase?
1 Bedroom Shared	£94.82	£70.32	£71.52
1 Bedroom	£158.79	£127.33	£129.49
2 Bedroom	£189.86	£154.28	£156.90
3 Bedroom	£253.15	£192.06	£195.33
4 Bedroom	£390.08	£279.92	£281.63

Example: Greater Glasgow BRMA

Greater Glasgow	30th percentile market rents September 2019	LHA rates for April 2019 - March 2020	2020/21: CPI (1.7%) increase?
1 Bedroom Shared	£80.55	£68.28	£69.44
1 Bedroom	£113.92	£94.82	£96.43
2 Bedroom	£149.49	£120.03	£122.07
3 Bedroom	£172.60	£137.31	£139.64
4 Bedroom	£322.19	£212.21	£215.82

Example: Highland & Islands BRMA

Greater Glasgow	30th percentile market rents September 2019	LHA rates for April 2019 - March 2020	2020/21: CPI (1.7%) increase?
1 Bedroom Shared	£74.79	£60.81	£61.84
1 Bedroom	£97.81	£91.81	£93.37
2 Bedroom	£126.58	£110.72	£112.60
3 Bedroom	£146.14	£126.92	£129.08
4 Bedroom	£184.11	£160.38	£163.11