

7th July 2023

Dear Neil, Susan, Tanya, Margarita and Lynn

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ANNUAL RENT INCREASE – UNIVERSAL CREDIT HOUSING COST VERIFICATIONS

We write on behalf of the Scottish Local Authority Rents Forum. The Forum has representatives from the majority of local authorities in Scotland. Our members met in June and asked we register our objection to the current process of rent verifications on an individual basis.

Once again each local authority received increasingly high volumes of UC housing cost verification tasks from DWP as part of the yearly rent increase, each one requiring to be interrogated and actioned on an individual case by case basis by our frontline debt recovery staff within very tight timescales.

Regardless of the size or operational set up of each LA, the existing verification process places an unacceptable burden on that service, where significant numbers of frontline recovery staff are being diverted away from essential day to day duties for several weeks, at one of the busiest times of the financial year.

We consider this activity to be unsustainable with budgets and resources already stretched to breaking point within Local Authorities.

As a result of undertaking this work on behalf of DWP, our rent collection and arrears recovery process is being diminished, leading to higher levels of arrears, at a time of severe financial strain on our tenants.

We would argue, continuing to dedicate our staff throughout April and beyond each year is neither required nor operationally sustainable. Local Authorities should not need to assign staff away from frontline services for extended periods of time.

Adding to this position is the expectation that the numbers of housing cost verifications requiring landlord verification will increase year on year as the 'Move to UC' expands. This again will put Local Authorities under further unnecessary strain at a time services are under pressure and are being reduced.

We understand DWP's wish to mitigate against benefit fraud and payment error by retaining 100% verification of all rent increase notifications. We support this commitment to protecting public spending. Our complaint is not against 100% verification. Rather it is specifically against the method by which landlords are expected to provide that data to DWP. It is outdated and needs improved.

We request urgent development resource input by the DWP into providing a solution allowing a bulk file of all UC tenancy annual rent increases direct to DWP in advance of the rent increase, allowing the new rate to be implemented from day 1.

We appreciate the historical concerns voiced around the challenges facing DWP in delivering a verification solution to accommodate all LAs. However, strict parameters could be set by the DWP, and for such a data transfer to be successful the onus would sit squarely with each LA to reach full compliance in order for the bulk rent increase file to be accepted. Should any LA fail to comply, their verification would simply default back to reporting on an individual case basis.

We also note with interest the recent DWP publication concerning the ability of Local Authorities to share care home admissions and funding information for Attendance Allowance claimants with DWP via secure email. Also, that the DWP is continuing to work with the Local Authority Adult Social Care suppliers to develop a more strategic solution for LAs to provide the care home data to DWP using automated technologies.

Our position would be that, given this is the case then it is completely reasonable to expect such an agreement for Local Authorities to supply rent increase data to the DWP for claimants.

Can you advise when Local Authorities can expect a bulk notification solution for rent increases and will this be in place in time for the April 2024 rent increase?

Yours sincerely

A Stewart (Secretary), J Stokes (Treasurer)

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Scottish Local Authority Rents Forum Members

Highland Council

Moray Council

Aberdeenshire Council

Angus Council

Perth & Kinross Council

Fife Council

City of Edinburgh Council

Midlothian Council

East Lothian Council

West Lothian Council

Falkirk Council

Stirling Council

East Ayrshire Council

North Ayrshire Council

South Ayrshire Council

North Lanarkshire Council

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Renfrewshire Council

East Renfrewshire Council

East Dunbarton Council