

**Committee: Housing Board**

**Agenda Item**

**Date: 24 April 2014**

**6**

**Title: Welfare Reform Update**

**Author: Judith Snares – Housing Needs and  
Landlord Services Manager Ext 671**

Item for information  
only

---

### **Summary**

1. This report is to update members on figures for the year 2013/14 showing the number of tenants affected by the spare room subsidy and how this is impacting on the level of rent arrears.

### **Recommendations**

2. That the Housing Board notes this report.

### **Financial Implications**

3. None

### **Background Papers**

4. None

### **Impact**

- 5.

Communication/Consultation	N/A
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

### **Situation**

6.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of tenants affected by spare room subsidy	158	153	152	141
Number of above tenants in arrears	97	117	91	79
Average value of arrears	£387.93	£320.49	£373.13	424.96
Number of council tenants on discretionary Housing Payments (DHP)	29	15	19	TBC
Number of tenants subject to benefit cap	0	1	3	3
Number of downsizing grants paid	10	10	14	4
Number of suspension orders	10	17	7	15
Number of evictions	1	0	1	3

7. The above table shows the number of tenants affected by the spare room subsidy and benefit cap for this financial year. It also includes the number of suspension orders that the council has applied for and the number of evictions carried out across all tenancies.

8. The figures show that the number of tenants affected by the spare room subsidy has decreased and that the number in arrears has dropped. The tenants who remain in arrears show an increase in the average amount owed. These tenants had arrears before the spare room subsidy was introduced but it has had the effect of increasing their arrears.

9. The work on encouraging tenants to move and closely supporting those who are choosing to remain to manage their rent accounts has worked well and protected tenants from any threat of eviction.

10. The housing department continues to review the way it manages all tenants in arrears. Last April a new arrears policy was implemented and a debt support officer role was introduced, both these actions have had a positive effect on managing arrears and the overall arrears figure for 2013/14 fell by £50,593.45 from the previous year's figure.

## Risk Analysis

11.

Risk	Likelihood	Impact	Mitigating actions
Increase in rent arrears	2. Some risk - the longer	2. HRA spending	Monitoring closely the level of rent arrears

	tenants have a shortfall between their rent and their housing benefit the more likely it is that they will not continue to make up that shortfall	would need to be adjusted if there was any continuing decrease in revenues	and proactively working with tenants to help them manage their rent accounts. Revised arrears policy to ensure action is taken sooner if a tenant starts to fall into arrears
--	---	--	---

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.