



# Welfare Reform and Universal Credit

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# About YHN

- YHN is an ALMO responsible for managing 26,000 homes
  - Abri Ltd – for profit subsidiary
  - Asfaleia Ltd – charitable status
- Very close links with City Council
  - Homelessness Trailblazer Pilot
  - Active Inclusion Network
- North East Context
- A Great City



# Impact on the city

- From 2011-12 to 2021-22, **Newcastle City Council will have had to save £327 million** due to government cuts & increasing cost pressures
- There will be an estimated **£129 million annual reduction in income arising from working age benefits in Newcastle** by 2022-23
- One of the UK's largest food-banks – **handed out 38,000 parcels last year**



# What is Universal Credit

- Combining 6 benefits into one payment
- Paid monthly in arrears
  - Job Seekers Allowance (JSA)
  - Employment support Allowance (ESA)
  - Income Support
  - Working Tax Credit
  - Child Tax Credit
  - Housing Benefit
- YHN have 7000 households on UC
- Expecting 12,000 onto UC overall



# Business Implications

March 2013

Total Income:  
£106 million

34% Cash to collect

66%  
Housing Benefit

How YHN was

April 2017

Total Income:  
£110 million

57% Cash to collect

43%  
Housing Benefit

A changing business

April 2022

Total Income:  
£114 million

80% Cash to collect

20% Housing Benefit

Predicting the future

# YHN's approach to UC

- Preparing our teams and customers
- Reshaping our services and systems
- Working in Partnership
- Influencing the agenda
  - DWP Strategic landlord group
    - Landlord portal
    - Data exchange and learning
  - Work and Pensions Select Committee
  - National Audit Office
- Links with our new build and retrofit programme



# What have YHN put in place

- Centralised team developed processes & systems
  - Universal credit initial interview
- Co-location within the Jobcentre Plus sites
  - Training of job coaches
  - Linked to homelessness trailblazer pilot
- Personal budgeting support
- Intuitive IT system and automated call to collect
  - Increase of 15% in customer contacts
- Trusted Partner Status and Landlord Portal
- Re-designation of 2 bed multi story homes



# What YHN have put in place

- Partnership with FareShare
- ‘Your Homes - Your Jobs’
- FCA accredited advice teams
- Digital Champions
- Social Work qualified teams
- Excellent relationships with DWP
- Digital support with City Council
- At least £830k extra resources





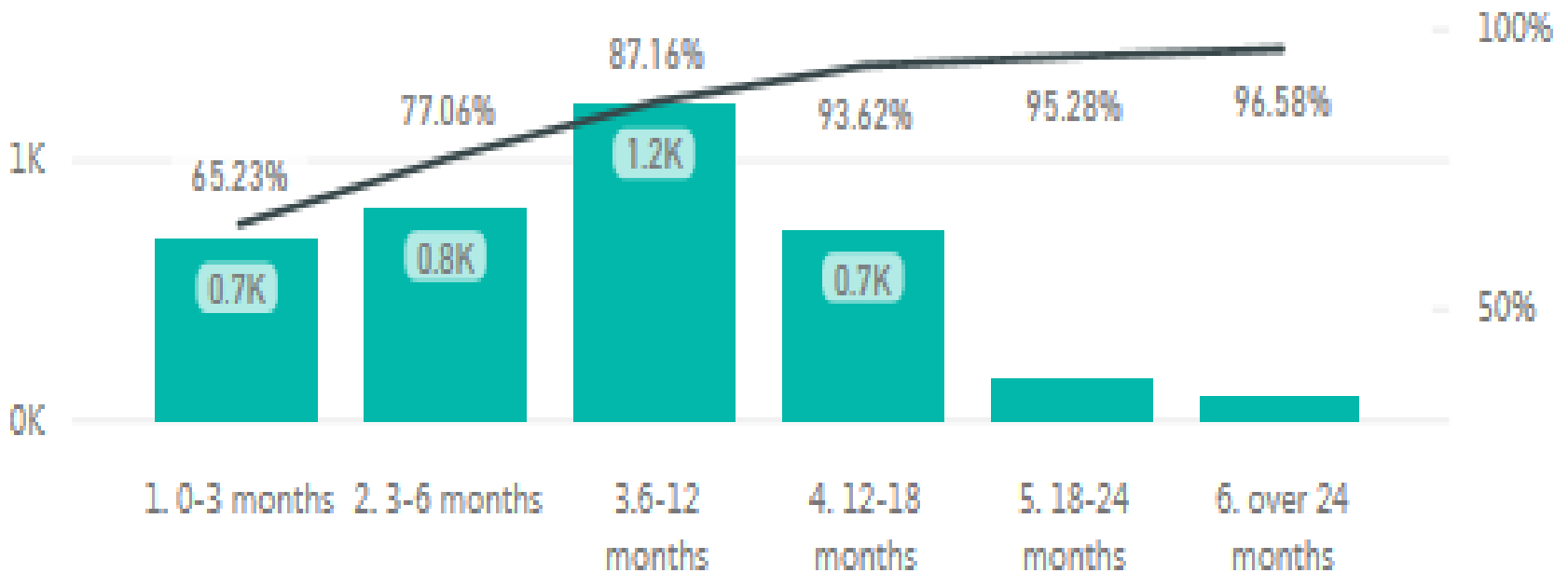
# YHN's current UC position

- 7005 current UC customers
- UC Collection rate last year of 97.2% in comparison to non-UC collection of 99.7%
- 67.1% of UC customers in arrears
- Tenants on UC owe £3.51 million
- 2021 Alternative Payment Arrangements
- 71% reduction in evictions since 2008



### City Collection by claim duration

● Count of Account Number ● UC collection



# Links with our asset teams

- Asset reviews / new build programme
- Retrofit and new build
  - Lower disposable incomes for energy use
  - Condensation / damp / mould
- Climate Change
  - Education
  - Creative insulation methods
  - Low cost renewable energy
  - More efficient energy systems



# What does it all mean ?

- Increased costs
- Reduced income collection and resources
- Increase in demands and pressures for customers
- Lower household incomes
- Partnership working is essential
- Asset reviews and new build programme
- More cost effective household running costs
  - Retrofit
  - New build



# Questions

