

## **Public Accounts Committee**

### **Welfare Reform**

#### **Additional information received from Welsh Local Government Association (June 2015)**

I understand that all Local Authorities participated in the development of the Pan-Wales Discretionary Housing Payments project, with the exception of Neath Port Talbot and Cardiff. Unfortunately, because of confidentiality agreements between the project participants, I have been unable to secure a copy of the Policy framework and other materials developed by the project to supply to the Committee. However, this press release from the Welfare Reform Club, who worked with the 20 local authorities on the project provides some background to the development of the resources and the overall aims of the project - <http://welfarereformclub.net/138-2/welfare-reform-club-news/>

I would suggest that, if Committee Members still wished to see a copy of the policy framework, an approach should be made directly to the Welfare Reform Club. It is clear that the this policy framework and resources have been developed to assist local authorities achieve consistency, and are designed to complement the existing Department of Work and Pensions Guidance in relation to Discretionary Housing Payments, rather than replacing any part of that guidance.

A recent decision by the High Court has confirmed that routinely considering Disability Living Allowance when calculating Discretionary Housing Payments is unlawful - <http://www.bailii.org/ew/cases/EWHC/Admin/2015/890.html>- This has clarified the position, and will ensure a consistent approach is used when calculating any Discretionary Housing Payments.

From information that has been gathered from local authority landlords, it is clear that many landlords have made changes to their Allocations and Rent Arrears policies to ensure a positive response to those tenants impacted upon by the spare room subsidy. For example, in Swansea, where arrears can be shown to relate directly to the bedroom tax changes, tenants can transfer as long as they make an agreement to repay the arrears. Similarly, in Caerphilly, the allocations policy has been changed to give greater priority to tenants affected by the removal of the spare room subsidy to assist with moving to more appropriate sized accommodation. Tenants who are under-occupying are now also allowed to move with existing rent arrears. In Wrexham there is no blanket policy which would prevent a tenant with rent arrears from moving, each case is considered on its individual merits.

In relation to the plans for building by local authority Landlords in Wales, it is less than 3 months since local authorities exited the previous Housing Revenue Account Subsidy system, at the end of last financial year. Ending the previous arrangements required considerable negotiation between Welsh Government and UK Treasury, and there was no certainty that authorities would actually be able to exit the previous arrangements until very shortly before the end of the financial year. In this context, it is understandable that the detailed plans for building programmes by a number of authorities are at a relatively early stage of

development. However, Cardiff Council have, so far, identified more than 40 council-owned sites for residential development. It is anticipated that around 1,500 new homes will be built, 40% of which will be affordable housing. The affordable housing element includes around 15% low cost home ownership, with the remainder, over 500 homes, being council homes. Flintshire County Council plans anticipate the completion of 200 new council homes by 2020, alongside a significant programme of affordable rent and affordable purchase homes. Pembrokeshire Council intends to start its new-build programme in 2017/18 and work is currently underway to identify to identify suitable sites.

Unfortunately, it has not yet been possible to establish the numbers of tenants with disabilities who have been affected and relocated as a result of the policy, across Wales.

**Jim McKirdle**

**Policy Officer**