Brighton & Hove City Council

NOTICE OF MOTION

MITIGATING THE ADVERSE IMPACT OF UNIVERSAL CREDIT

In view of the potential impact of the transition to Universal Credit and the number of individuals and families likely to fall into rent arrears and possible eviction, the Council resolves to:

- 1. Request the Policy, Resources & Growth Committee to receive a report outlining how the Council can be as effective as possible on this matter, taking into consideration the following actions:
 - Where arrears are solely due to delay or wait-period for Universal Credit payments or removal of entitlement under Universal Credit, that officers use all means other than evictions and bailiffs to recover rent due; e.g. to delay any eviction proceedings in cases where Universal Credit Claims have not yet been processed;
 - That the Council work with partners to ensure all those affected by benefit changes are prioritised to prevent eviction and homelessness;
 - Explores the options for increasing the existing Discretionary Housing Payments budget, to support the distribution of greater one off payments in cases where eviction is a real risk following Universal Credit payment delays;
- 2. Ask the Chief Executive to write to the Secretary of State, requesting a reinstatement of the cut to New Homes Bonus Payments, so that a ring-fenced budget can be made available to cover the cost of increased homelessness resulting from Universal Credit

Supporting Information:

The plans to mitigate the impact of Universal Credit (UC) were raised in the recent report to NICE committee (09.10.2017). Concerns about the design and implementation of UC were raised, in particular the impact of the initial payment waiting period, which has resulted in reported cases of rent arrears and debt in areas where Universal Credit has already been trialled.

- The Council previously supported a policy in order to protect tenants facing eviction as a result of the bedroom tax: (<u>http://present.brighton-</u> <u>hove.gov.uk/Published/C00000709/M00004056/\$\$\$Decisions.doc.pdf</u>) and a policy to protect under 21 tenants facing eviction from housing benefit cuts: (<u>http://present.brighton-</u> <u>hove.gov.uk/Published/C00000117/M00006133/AI00056672/\$Item97fGrnGrpHousingS</u> <u>upportNoEvictions.docxA.ps.pdf</u>)
- 2. In the Universal Credit pilot in the London Borough of Croydon the council has had to spend an addition £3 million on dealing with homelessness and rent arrears caused by late payments
- 3. A recent survey from the National Landlords Association (18.10.2017) revealed that only two in ten landlords are willing to let to tenants who state they are in receipt of Universal Credit.