



NATIONAL RESIDENTIAL
LANDLORDS ASSOCIATION

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25th June 2021

Rt Hon Stephen Timms MP
House of Commons
London
SW1A 0AA

Dear Stephen,

Further to my appearance before the Committee, I agreed to provide further information about the administrative problems private landlords face under the Universal Credit system.

Our member survey covering the first quarter of this year found that of those landlords with at least one tenant claiming Universal Credit 23% had applied for an Alternative Payment Arrangement. Of this group, 36% said they found the APA process very difficult.

In addition, although 80% of those landlords who have applied for an APA chose not to complain about the process, among those who did 83% were unsatisfied with the complaints handling procedure.

The below are case studies of the range of administrative problems landlords are encountering.

Alternative Payment Arrangements (APAs) - An NRLA member with experience of making Alternative Payment Arrangements has described the processing time as a lottery - some are processed very quickly and others take over a month.

Response times – Another NRLA member has spoken of how she waited three months for an APA request with no contact from their case worker. She had made 4 attempts to make an online application without any response. After speaking to her regional partnership manager, the APA was finally set up and the first payment made four months after it was initially requested. By this point the tenant was in four months of rent arrears. However, no record of any previous applications was recorded, suggesting a system fault, and the promised arrears deductions have yet to be implemented.

Communication – one landlord posted on an NRLA forum about her experiences with applying for an APA. Receiving no updates on the progress of her application, she rang every week for 16 weeks, until the case worker phoned them back to discuss the matter. While the case was eventually resolved, the response time and lack of communication was clearly unsatisfactory.

System problems - one member on an NRLA forum highlighted a particular issue with tenants and their date of birth. To proceed with an application for an APA, the landlord needed the tenant's date of birth; this is not information he regularly takes, nor is it information that is required to find the claimant on the DWP system. Nevertheless, without a date of birth entered, the application cannot proceed. The current, unsuitable, work-around for this system issue is to pick a random date as the date of birth to continue. As this does work, it is clear that requests for this information are unnecessary and only impede applications being made.

Maladministration cases – a member in Nottingham is heavily invested in renting to tenants in receipt of benefits. He has a great deal of experience of both Universal Credit and the Housing Benefit system. As increasing number of his tenants transitioned over to UC, rent arrears continued to grow sharply. As an experienced landlord, he was already aware of how to apply for an APA and made sure to do this in a timely fashion.

Unfortunately, the member's experiences with the APA system were not positive. He experienced repeated delays in processing requests, mislaid applications and the continuation of further payments to delinquent tenants. In general, he considers the DWP to have generally failed to administer the APA in accordance with its own set criteria.

The Independent Case Examiner (ICE) agreed with this assessment, blaming systemic DWP failures for the financial loss he suffered. However rather than providing compensation, the Department was only required to apologise for the mistakes made.

Our UC Consultant has a number of other clients who have received similar responses from ICE. To date, all of the cases he has been involved with have found in the claimant's favour, but none have received compensation.

Information submitted from landlords – one of our UC consultant's clients informed the DWP that the rent level had changed for the property. This was prompted by the realisation that their tenant had failed to notify the UC team of his revised rental charge from December 2020. Rather than using the information provided, the Department did not act on the notification.

Responding to a request as to why this occurred, the DWP said: *"We can use the information to form the basis of a question to the claimant but as the UC claim belongs to the tenant, **it is solely the claimant's declarations that affect a change of their entitlement.**"* Based on the Department's own guidance this is incorrect and case managers do not need the claimant's notification to update their circumstances.

Instead of assisting, the DWP decided to suspend or cancel payment of his existing APA. There was no explanation given for why this occurred and when pressed for details the case manager refused to provide information without express consent from the claimant.



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At this point the tenant was also refusing to engage with either the landlord or the DWP about the ongoing claim; a common situation in the event of rent arrears and one that Department has explicit guidance on overcoming for social landlords.

Fearing further rent arrears, the landlord made a request for a new APA. This was set to start in May 2021, but payments were not made directly to the landlord. It is likely that the money was once again paid to the tenant.

Should you require any further information, please contact me by emailing ben.beadle@nrla.org.uk or ring 0300 131 3600.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Ben Beadle', written over a rectangular box.

Ben Beadle
Chief Executive