

# **SUPPORTED HOUSING IN PARTNERSHIP (SHiP) – WRITTEN EVIDENCE (EUC0067)**

## **The economics of Universal Credit**

### **About us:**

#### **Supported Housing in Partnership (SHiP)**

SHiP is the membership organisation for Registered Housing Associations who provide supported housing and housing related support (HRS). We were founded over 30 years ago and represent over 40 Registered Providers across England including G15 associations e.g. Clarion, Hyde, Peabody, to smaller or specialist housing providers e.g. Dimensions, YMCA England, Squared (formerly Luton Community), St Anne's Community Services.

As supported housing specialists we have restricted our response to those areas pertinent to supported housing. We have also kept our response intentionally succinct. The issues we raise will not be new to you, and will be rehearsed many times in the evidence you receive. We therefore simply wish to add our collective voice to these critical issues and offer that we can provide further detail if you request it.

If you do have any queries or further issues in relation to supported housing that you would like to discuss please do not hesitate to contact us -- as the voice of supported housing in the sector and with particular expertise in housing management issues we would be happy to extend this dialogue. Our contact details are therefore at the bottom of this response.

Issues we have identified from a claimant and a landlord/support provider perspective:

#### **1. Direct payments to landlord**

The main issue our members identified is the 'lack of recourse to direct payments'.

Whilst we understand the ideology that sits behind this approach, we find this creates many problems with some of our residents.

In housing related support services we are working with some very vulnerable and sometimes less-able clients. To not even have the option of a direct payment from the outset is adding to peoples' troubles. It is not possible to receive a direct payment until the missing rent payments total 8 weeks; however this means people are in some significant debt from the outset. Creating a situation of debt on top of issues such as mental ill-health, addiction, or for young people, just learning to manage a home and a budget, is merely compounding peoples' worries not only at the immediate time, but also into the future as they potentially have a poor credit rating from the outset; even within social housing, landlords

are extremely reluctant to let a tenancy to an individual who has a poor record of rent payments.

So we feel the lack of a direct payment option from the outset is a flaw in the system. At the very minimum there must be the facility for the claimant to request this from the outset.

## **2. Claimants being batted back and forth**

Anyone living in supported housing is entitled to their housing costs to be paid by Housing Benefit. A critical issue for our claimants within the system is the 'batting back and forth' from UC to Housing Benefit. Claimants have to apply to UC for their day to day costs but to Housing Benefit for their housing costs. It is essential that the system works properly for those individuals and that they are directed to the correct place. This often does not happen and people are sent from one department to another and back again and the process is time-consuming, frustrating and demoralizing and debt is created. It is also inefficient.

## **3. Once in Universal Credit cannot revert to previous benefits even if UC award is incorrect**

Linked to the above we understand that once you have been allocated a Universal Credit allowance, you cannot revert back to a previous claim arrangement. We are aware of cases where a claimant was awarded Universal Credit to cover their housing costs when in fact they clearly lived in supported housing (exempt/specified accommodation) and should have received Housing benefit to cover their housing costs. Because of the way the rules are applied in the different systems this person not only lost a significant contribution to his housing costs but also was told that once a UC allocation was in place, they could not go back onto the HB system. This seems very wrong if the assessment and decision-making processes were incorrect.

## **4. Will not accept phone calls from a support worker**

A further issue is that we often have to support our residents with their budgeting--whether this be support with claiming benefits, support to understand their housing allowances or obligations or support to budget.

The current system prevents us from ringing UC and talking through the issue even where the client is in the room and has given permission; our only recourse is to speak to UC via the 'journal'. This means we cannot have a full conversation and resolution in one call. As we are often supporting people with vulnerabilities or complex needs, this is unhelpful. It is also very frustrating for the client/claimant, as it is not meeting their needs.

We are often left wondering 'how do people manage if they need support, but UC will not acknowledge that need'. The system is not person centred and does not leave the claimant feeling supported. Critically it means the

most vulnerable - those with no voice - risk being marginalized further and potentially not receiving the benefits to which they are entitled.

5. The reliance on IT as the access route and the communication route again excludes people, especially when combined with 2) and 4) above- people struggle to manage on their own but also struggle even where they have support because of these obstacles.
6. The centralised system means local considerations are not taken into account – this is significant when looking for example at rent levels.

We hope this is of help and please do feel free to contact us for further information via our Coordinator or our Chair and we will gladly provide more evidence.

*29 February 2020*