

Councils forced to spend valuable resources tackling effects of Universal Credit

Councils across the country are being forced to spend their own resources tackling the effects of Universal Credit and preparing for its roll out.

FOI requests submitted by Labour reveal Councils are committing funds towards offsetting and preparing for the impact of Universal Credit over and above Discretionary Housing Payments provided by the Department for Work and Pensions.

The data shows some Councils are having to provide additional rent arrears support and increase staffing as well as working with their local food banks and Citizens Advice to offset the impact of Universal Credit.

Newcastle City Council is spending nearly £400,000 of its own resources supporting UC claimants, almost a quarter of which comes from additional rent arrears support. That's because the non-collection of rent purely as a result of UC is over £1.2 million across a tenancy base of just 27,000.

In London, Tower Hamlets Council has set aside £5 million over three years to help those affected by Universal Credit and are suffering hardship while Barking and Dagenham is budgeting £50,000 to support UC claimants from January 2018.

Examples of Councils needing, and preparing, to commit resources to offset the impact of Universal Credit (UC) include:

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Bath and

North East Somerset Council plans to spend its allocation of Discretionary Housing Payments. So far in 2017, nearly three quarters of its DHP spend has gone to supporting claimants in receipt of UC.

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Bolton

Council has a £750,000 Local Welfare Provision Scheme and a ring-fenced budget of £1.5 million over a five year

period to tackle poverty.

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Bournemouth

Borough Council has recently commissioned a £10,000 annual service from the Citizen's Advice Bureaux to provide 2 days a week drop-in to help those people either claiming UC for the first time or who are experiencing problems with applying.

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Brent

Council is anticipating "additional demands on a number of Council departments" from the introduction of UC.

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Cheshire

West and Chester Council is spending more than £500,000 this year and next on additional staffing. It also has a budget of £60,000 for Discretionary Hardship Payments.

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City of

Wolverhampton Council expects demand for Discretionary Housing Payments to increase following the expansion of UC during December.

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Cornwall

Council is predicting an increase in the number of people needing personal budget support for UC from 37 in December 2017 to 191 in March 2018, a rise of 416%.

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Dudley

Metropolitan Borough Council has increased staffing in its Income Management Team by £500,000 in the last three years to manage the impact of UC and other welfare reforms.

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Gateshead

Housing Company, which manages Gateshead Council's housing stock, is planning to spend an estimated £90,000 in 2017/18 and £270,000 in 2018/19 on additional staffing to support Universal Credit claimants and help prevent rent arrears.

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Halton

Borough Council has spent over £13,000 supporting UC claimants who have experienced delays receiving their first UC payment and those having budgeting issues.

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Haringey

Council has a fund of up to £900,000 to support families affected by welfare reform.

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Lambeth

Council is spending £775,000 providing advice to residents about social security, debt and money issues. Lambeth Housing are spending £87,000 to provide a supportive service for tenants impacted by welfare reform.

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Liverpool

City Council has spent £175,000 from its Local Welfare Provision Scheme for customers in receipt of UC.

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London

Borough of Barking and Dagenham

is budgeting £50,000 to support UC claimants from January 2018.

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London

Borough of Bexley is spending £200,000 on homeless prevention work, including preventing evictions for rent arrears.

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Newcastle

City Council is spending over £390,000 of its own resources to support UC claimants. That includes £88,000 in rent arrears support as to date the non-collection of rent purely as a result of UC is over £1.2 million across a tenancy base of just 27,000.

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Royal

Borough of Kingston Council is

setting aside £181,000 as “bad debt provision in anticipation of the potential increase in the number and value of bad debt write offs”.

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Sheffield

City Council is holding workshops to prepare for the full roll out of UC. The Council is working on the “understanding from other authorities who have already gone through full roll-out of UC [...] that rent arrears double when tenants move onto UC.”

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Shropshire

Council has spent over £20,000 supporting local foodbanks to “diversify the type of help they are able to give specifically to suit Universal Credit.”

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Sunderland

City Council is using resources from a £250,000 Local Welfare Provision Scheme to support residents claiming UC.

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Telford

& Wrekin Council is using resources from its Welfare Crisis Assistance Scheme to prevent tenants from being evicted due to rent arrears caused by UC.

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Tower

Hamlets Council has allocated £5 million over three years “to help those affected by Universal Credit and are suffering hardship”.

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Wakefield

Council has used a further £2,000 from their Local Welfare Provision to support UC claimants.

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Warrington

Borough Council has spent £6,500 in Local Welfare Support payments supporting UC claimants.

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Waltham

Forest Council has arranged staff training on UC and is planning a £17,000 6-month project management resource to help prepare for the introduction of UC. It is also hosting a seminar on how UC will change the way staff need to work, the cost of which is £1,700.

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Wirral

Council is contributing nearly £300,000 to a budget for Discretionary Housing Payments for applicants who receive Housing Benefit or housing costs within UC.

Margaret

Greenwood MP, Labour’s Shadow Minister for Employment, said:

“Universal Credit is causing misery and hardship for thousands of families this Christmas, and Councils are being expected to pick up the pieces.

“It’s clear Councils are committing their own valuable resources from already-stretched budgets to offset the impact of Universal Credit and to prepare for the damage its roll out could cause.

“This is yet more evidence that the Government should immediately pause the roll out of Universal Credit so its fundamental flaws can be fixed.”

[Resolution Foundation succinctly encapsulate hardship many across Britain are facing under the Tories – Long-Bailey](#)

Rebecca Long-Bailey MP, Labour’s Shadow Business, Energy and Industrial Strategy Secretary, commenting on the findings of the Resolution Foundation’s report on wage growth, said:

“The Resolution Foundation report succinctly encapsulates the hardship many across Britain are facing under the Tories and will continue to face in 2018.

“After seven years of Conservative economic mismanagement, the figures speak for themselves. Real wages are still lower than they were in 2010 and Britain faces a productivity crisis.

“This is not a Government willing or able to raise productivity and living standards for people in Britain.”

[Angela Rayner commenting on the Government’s recent announcement to stop no-platforming speakers](#)

Angela Rayner MP, Shadow Secretary of State for Education, commenting on the Government’s recent announcement telling universities to stop no-platforming speakers, said:

“It is a false choice to suggest that universities are either places of free

enquiry or places of safety. They can be both. Denying access to groups and individuals who incite violence and hatred is a perfectly sensible step to keep students safe from harm.

“The NUS has a ‘no-platform’ policy for a handful of racist, anti-Semitic and extremist organisations, some of which the Government itself has also banned. If Jo Johnson is opposed to that policy, he needs to be clear which of those groups he actually wants on campus. Otherwise, this so-called announcement is just another meaningless gimmick from a Government that has run out of ideas.”

Ends

[Labour calls for urgent investigation into lost Government files – Jon Trickett](#)

Jon Trickett MP, Shadow Cabinet Office Minister, commenting on reports that almost a thousand Government files detailing some of the most controversial episodes in 20th-century British history have vanished after the Government removed them from the country’s National Archives and then reported them as lost, said:

“The loss of documents about controversial periods in history is unacceptable.

“The British people deserve to know what the Government has done in their name and their loss will only fuel accusations of a cover-up.

“These important historical documents may be a great loss to history – and their disappearance must urgently be investigated.”

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[Tories forced into fox hunting U-turn – Sue Hayman](#)

Sue

Hayman MP, Shadow Secretary of State for Environment, Food and Rural Affairs,

commenting on a Tory U-turn on fox hunting, said:

“After backing fox hunting at the last election and promising a free vote in the Tory manifesto Theresa May has been forced to U-turn on this cruel policy. Under pressure from Labour, the Conservatives are finally rethinking their abysmal record on animal welfare.

“The government must now move to halt their poorly regulated and unscientific badger cull across England.

“The Tories have taken rural areas for granted. While they continue to focus on fox hunting, rural poverty remains a huge issue and infrastructure and services in rural areas have been run into the ground.

“It’s time this Government started taking action to tackle the real issues facing rural communities.”