

Mims Davies
Minister for Employment
House of Commons
London
SW1A 0AA

12th July 2021

Dear Mims Davies,

Re: ARCH and NFA survey findings on the impact of Universal Credit on tenants and landlords

We are writing to let you know that we have published the latest results from the ARCH and NFA survey into Universal Credit and welfare reform, *Heads above Water*.

ARCH (the Association of Retained Council Housing) and the NFA (National Federation of ALMOs) together represent over 100 local authorities and ALMOs across England, which between them manage over a million homes.

The survey analyses data from 39 local authorities and ALMOs managing just under half a million social/affordable rented properties. We also compare data from 31 organisations that responded in 2020 and 2021 to look at the impact of the pandemic.

Firstly, it is worth saying that while the survey is very much focused on landlord experience, we do pick up some worrying indications of the impact of the pandemic on tenants living in local authority housing. For example, 77% of income managers reported the increased use of foodbanks/ increased fuel poverty; 77% had seen increased demand for support services, 74% had seen increased demand for hardship funds and 66% had seen increased demand for Discretionary Housing Payments.

Our survey shows that local authority households have, on average, avoided increasing their housing debt during the pandemic, with overall arrears and UC arrears remaining broadly stable, and in some cases, improving. It is clear that the combination of national governmental support, including furlough and the £20 uplift to UC, combined with the local intensive support provided by landlords to help tenants onto UC and sustain tenancies, has supported households in the local authority sector.

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Rents are, in the majority of cases, entirely covered by UC housing entitlement which also makes a big difference when compared with many households in the private rented sector.

Focusing on employment support, our members provide a number of services to tenants to overcome barriers to work and secure employment. For example:

	% of respondents providing this service
Training and skills development	73%
Digital support	67%
Apprenticeships	57%
Projects providing support to find employment	47%
Projects specifically targeted at young unemployed people	40%
Traineeships	40%

The majority of respondents fund these partly through internal funding, with nearly half currently using European Social Fund (ESF) as match funding. Although it is too early to see the full impact of COVID-19 on the economy, it is clear that there will be certain groups who continue to struggle (e.g. lone parents with childcare requirements, the long-term unemployed and people with complex needs). It is these groups that housing providers can have the most impact on through smaller scale, tailored, longer-term programmes.

We are working as part of the Communities that Work Housing and Employment Taskforce to evidence the role of housing providers as key partners in employability initiatives, but also to make sure that they are able to access national funding pots to continue to run vital programmes for tenants who are often furthest from the jobs market.

If you have any questions or would like further information, please contact Chloe Fletcher, NFA Policy Director at chloe.fletcher@almos.org.uk or 07526 171033.



John Bibby,
Chief Executive Officer
Association of Retained Council Housing



Sarita-Marie Rehman-Wall
Chair
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