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Sheriff Officers • Collections • Investigations

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SPRING '19 LOCAL AUTHORITY FORUM

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A WARM WELCOME



David Walker
Managing Partner

david.walker@walkerlove.com

Walker Love's Spring '19 Local Authority Forum had a packed programme for the 40-plus delegates, and it was my pleasure to welcome repeat offenders and first-timers alike.

Hosted by Houstoun House Hotel in Livingston, the forum was the perfect catch up and look forward after a busy six months since our last event.

It is difficult to know exactly how the ongoing Brexit chaos will unfold, but the uncertainty has not helped the business community. In a recent article, I read that 57% of SMEs think the UK will go into recession this year. That negative outlook sums up the frustration at the process and the fear that it has stifled investment and progress across the board.

Brexit has also reignited the debate about Scottish independence and another referendum would add to the uncertainty for the business community.

Despite the difficult environment, Walker Love has enjoyed a strong start to the year, after completing its move to a new office in Hart Street, Edinburgh at the end of 2018. We have delivered incremental increases in collection performance and have secured a new client in Edinburgh City Council (for secondary

collections) and retained West Dunbartonshire in a recent tender.

There have also been some changes within our team. David Speck has joined as our contact centre manager and is already making a positive difference. We have also promoted Julie Swan, Carol Price and Charles Mitchell to become Associate Partners.

We continue to move forward with IT and have completed our transition to the Genius platform enabling automated inbound and outbound calling. There is also a new collections team in Paisley and we want to grow that further.

A year on from the introduction of GDPR, we continue to work our way through a complaint that was made to the Information Commissioner's Office regarding an earnings arrestment that we served.

Positive engagement from The Society of Messengers-at-Arms and Sheriff Officers and numerous communications with industry, legal and government bodies are helping us move things forward, albeit slowly. I will report back when we have brought the matter to a conclusion.

We are also working closely with the Accountant in Bankruptcy and its various

consultations. Details about proposed changes to the Debt Arrangement Scheme are outlined in this newsletter and we will follow the evolving processes and procedures closely.

Walker Love has always been very interested in the Investors in People programme and last year we achieved the Gold standard accreditation. A new Platinum standard has since been created and we are now working towards achieving that in due course.

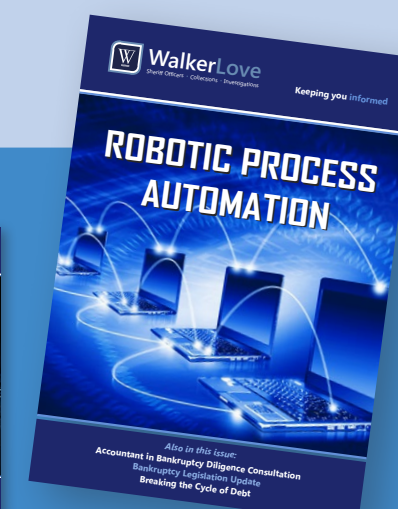
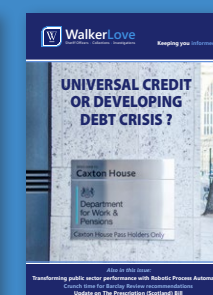
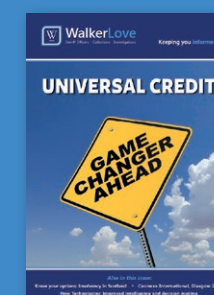
We will be including an update on our Investors in People journey as well as on all the other areas of ongoing industry debate in our next LA Forum in November. It might seem like a long way off, but these events always come around quicker than you think.

ABOUT US

Walker Love is a firm of Messengers-at-Arms & Sheriff Officers. We have 34 Sheriff Officers and field force staff working across Scotland with a high degree of local knowledge of consumer and commercial debtors within each area.

www.walkerlove.com

L.A.FORUM NEWSLETTER



Download all previous editions at walkerlove.com

A SNAPSHOT OF THE PERSONAL AND CORPORATE INSOLVENCY LANDSCAPE

David Mair

Senior Solicitor with Glasgow City Council, Legal Services

INCREASING CASE NUMBERS AND CONFLICTING LEGAL JUDGEMENTS SUGGEST THERE IS WORK TO DO IN THE INSOLVENCY SECTOR.

Protected Trust Deeds (PTD) are on the rise but do not represent the best solution to personal insolvency issues according David Mair, Senior Solicitor with Glasgow City Council, Legal Services.

Citing projected figures from the Accountant in Bankruptcy (AiB), he said personal insolvencies in Scotland in 2018/19 were up by 21% on the previous year to a total of 12,779. The increase was largely due to PTD s, which were up by 33%.

EARLY MISCONCEPTIONS

Mair welcomed the AiB's recent consultation on PTDs that closed in April. He commented: "The 33% increase suggests the tinkering the Scottish Government has done so far has not really worked very well."

The consultation sought views on the following proposals:

- Introduction of the process where a PTD will not be protected if contributions will pay off the full debt in the lifetime of the PTD or within 60 months
- If the minimum debt level in a PTD should be increased
- Inclusion of category one and category two disbursements within the fixed fee
- Change to the creditor voting process
- Extending the powers of the AiB to refuse protection of a trust deed

It will take to time to see how these proposals pan out in practice, but Mair hoped they would improve a poorly functioning area of the sector.

I think Protected Trust Deeds are bad news – I cannot believe that a society like ours allows accountants to take £2,500 and give creditors 10 pence in the pound and they should not be allowed except in very specific circumstances.

”



RECENT CHANGES TO PROTECTED TRUST DEED LEGISLATION NOT EFFECTIVE

RECENT CASE LAW

Mair was keen to point out some inconsistencies in recent sequestration cases around the £3,000 threshold for qualified creditors.

In a case brought by Angus Council seeking petitions for sequestration the schedule of debt on the Charge for Payment was less than £3,000. Additional debts were added in the Oath by Creditor to take the total over the threshold.

This did not satisfy Sheriff Murray who ruled in October 2018 that the petitions should not be warranted as there was no prima facie evidence of debt over £3,000.

Contrary to this ruling, Sheriff Jamieson in Dumfries took a different view in January 2019 when ruling in a case brought by Scottish

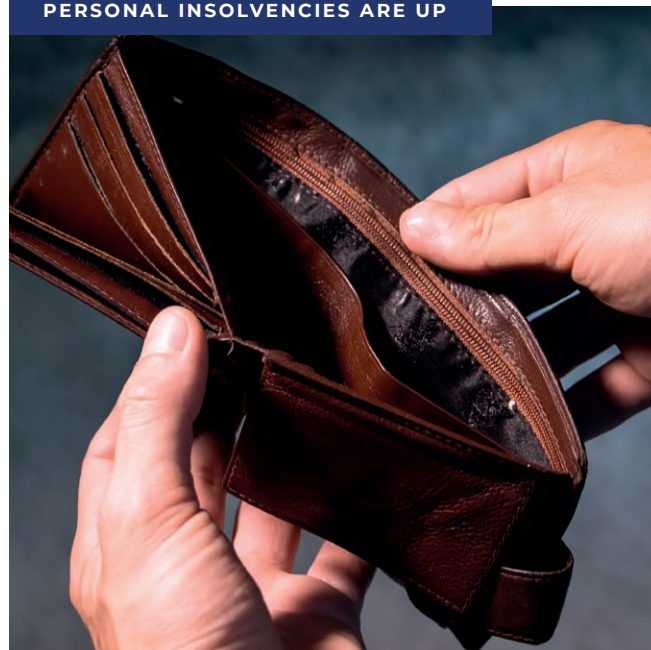
Water Business Stream. The sum charged was less than £2,000 but other unpaid invoices issued subsequently took the debt to more than £3,500.

Sheriff Jamieson accepted there was prima facie evidence of debt over £3,000 and the petitions were warranted.

Mair commented: "There are two different decisions, in two different sheriff courts. One is saying petitions will not be granted if the Charge for Payment is less than £3,000 and the other says they will!"

Faced with this contradiction, Mair said those seeking petitions in cases where the Charge for Payment was less than £3,000, should ensure all additional invoices were sufficiently vouched for and there was robust proof the debt was due.

PERSONAL INSOLVENCIES ARE UP



CASE LAW IN CORPORATE INSOLVENCY LEGISLATION

Casting his attention to corporate insolvencies, Mair highlighted a couple of recent cases with wider market implications.

The first involved Grampian MacLennan's Distribution Service, which was in liquidation and seeking to sell property for less than full value. The company had sold its vehicles and was in the process of selling its warehouse.

The reduced sale price covered the debt to the bank, but not monies owed to another creditor. The Court of Session ruled in favour of the creditor and accepted the reduced sale price represented a gratuitous alienation.

The case was the first time in recent history that a company was not allowed to dispose of assets for less than full value. It sets a precedent by which others in the future could be held to account.

The second case revolved around the liability for remediation notices issued under the Environmental Protection Act. In August 2018 the Court of Session ruled that the joint liquidators of Doonin Plat Ltd were obliged to have the remediation work carried out by the company and to apply any surplus funds for that purpose.

Mair said: "If there were any assets, then there would not be any left once they had had to tidy up the mess that was left behind."

CONFLICTING CASE LAW CREATING CONFUSION

TAKEAWAYS:

- Conflicting case law concerning Charges for Payment complicates sequestration cases
- Liquidated companies selling assets at less than full value may fall foul of gratuitous alienation rules
- Liquidated companies still have to complete remediation notices issued under the Environmental Protection Act
- The law is enabling company directors to use SVPs to avoid rating liabilities on vacant properties



CASE LAW COMPLICATES COLLECTION OF BUSINESS RATES

A 2019 Court of Appeal ruling makes it very difficult to pursue in law a director who sets up different companies to avoid paying business rates.

Under legal precedent that stretches back as far as 1897, there is a 'corporate veil' that separates the liabilities of a company from its directors.

The 2019 ruling has raised questions on what is required to lift or pierce that veil in relation to potential cases of property fraud in respect of rating liability.

The case – Wigan Council v Property Alliance Group Ltd – involved a company that established numerous smaller companies – special purpose vehicles (SPV).

Whenever Property Alliance Group Ltd had a vacant property, it set up an SVP to go into the property. The SVP would not trade and would be struck off/dissolved or liquidated. That process meant the actual owner of the property had no liability for rates. The tenant, even if it was liquidated, was deemed to be the liable party, until such time as the owner took repossession of the property.

The decision restricts the ability to pursue a director for setting up another company to avoid paying rates. Mair said: "It leaves the collection of rates in this situation in a bad place. We have just got Counsel's Opinion that confirms the position. The case law is against us."

There are circumstances in which directors can be held directly liable for the actions of a company. These are enshrined in legislation including the:

- Health and Safety at Work etc Act 1974
- Company Directors Disqualification Act 1986
- Environmental Protection Act 1990
- Proceeds of Crime Act 2002
- Corporate Manslaughter and Corporate Homicide Act 2007
- Bribery Act 2010

Mair bemoaned the fact that such legislation was not in place to prevent directors using SVPs to avoid business rates on their vacant properties.

FIFE COUNCIL PIONEERS A PARTNERSHIP APPROACH TO DEBT COLLECTION AND MONEY ADVICE

Jacqueline McDonald
Debt Advice Coordinator, Citizens Advice & Rights Fife

Sharon Perkins
Revenues Lead Officer, Fife Council

Fife Council and independent money advice provider Citizens Advice & Rights Fife (CARF) have forged a strong working relationship in recent years, despite initial scepticism on both sides.

The pioneering partnership between the council and the charity was struck in 2012 because of budget cuts and has proved a positive move for both sides.

Fife Council had previously run its own internal money advice service as well as giving funding to CARF. Maintaining both was untenable and so in 2012 the council closed its internal money advice service and moved staff, by means of a TUPE transfer, to CARF.

EARLY MISCONCEPTIONS

At first, council workers questioned whether CARF was too focused on helping people to avoid their debts and ongoing liabilities, while the charity's staff thought creditors took an unreasonably hard line on their clients.

In the main neither was true and despite the initial 'them' and 'us' attitude that existed on both sides, they quickly made progress towards a more productive working environment.

The staff that moved from the council's collection team to CARF helped to break down barriers on both sides and meant that when the two agencies spoke to each other, the people involved often knew each other.

There were times in the past when there was a bit of a 'them' and 'us' attitude.

Jacqueline McDonald, Debt Advice Coordinator, Citizens Advice & Rights Fife

It quickly became clear that both agencies prioritised debt and securing regular payments to creditors and were approaching the same problem, but from different sides and under different pressures.

WORKING IN PRACTICE

In addition to sharing personnel, Fife Council and CARF also share data with both using FORT – the Fife Online Referral Tracking System.

The two agencies also have shared access to the Sequestration Case Recording Management System (CRMS). The information it provides allows the council's sequestration team to get in touch with CARF about people who are at risk of sequestration.

CARF can then prioritise cases based on court dates and has proved hugely effective at driving client engagement and putting in place effective budget plans and solutions.

FORT Sequestration CRMS provides:

- Client details
- Preferred contact details
- Previous communications
- Additional details, i.e. existing council tax reduction
- Risk alerts
- Equity available
- Sequestration court date

Sharing the data has enabled the two agencies to make direct referrals to each other on behalf of clients and service users, and ensure that everyone is working from the same information.

DEVELOPING A PERSONAL UNDERSTANDING

CARF and Fife Council have worked hard to develop the personal relationship between the two organisations and not just with their respective money advice and collection teams.

Regular coffee mornings have brought the council's collection, revenue and housing teams together with the charity's money advisers. These meetings put names to faces and help everyone get a better understanding of the rules and procedures in place.

Changes in legislation, process and personnel are discussed and meeting in person has strengthened the relationship between the two agencies.

This personal approach has also had a positive impact on wider relationships within the money advice community. For example, discussions between CARF and Walker Love

have resulted in an agreement to put a six-week hold on cases if CARF makes contact on behalf of a client.

The hold gives CARF the opportunity to secure a meeting with the client, at a time when case numbers and workloads are rising, and to try and find an effective solution.

Across the money advice community there are numerous organisations all working towards common goals, albeit with different pressures and priorities. The strong partnership that CARF has developed with Fife Council and others such as Walker Love is proof that increased understanding and personal interaction delivers significant mutual benefits.

It is an approach that could be adopted more widely by stakeholders throughout the UK.

ACCOUNTANT IN BANKRUPTCY

Lisa Ledingham-Park
DAS team leader at the Accountant in Bankruptcy

AiB PROPOSES CHANGES TO DAS INCLUDING A 20% STATUTORY FEE FOR MONEY ADVICE AND PAYMENTS DISTRIBUTION.

The Accountant in Bankruptcy (AiB) has concluded its consultation entitled “Building a Better Debt Arrangement Scheme,” (DAS) and has published its recommendations. They include setting the statutory administration fee for money advice and payments distribution at 20% and could come into force from November 2019.

Lisa Ledingham-Park, DAS team leader at the AiB, accepted this was a jump from the existing payments distributor fee, which can be no higher than 8%, and the accompanying 2% AiB administration fee. However, she said fee-charging money advisers can charge a continuing administration fee and there was no control over the fees they levied.

Ledingham-Park claimed an all-encompassing fee of 20% would improve transparency. She said DAS arrangements delivered significantly higher returns for creditors, and that the new fee would hopefully encourage more money advisers to offer DAS to clients.

The recommendations also include plans for the AiB to act as a payments distributor. Where the AiB is nominated as payments distributor by a non-fee charging adviser, the statutory administration fee of 20% will be charged. However, the AiB will only seek

to cover its costs when acting as payments distributor and is now consulting on how to re-invest any surplus in the free money advice sector.

This consultation is entitled: “Debt Arrangement Scheme: Returning Funds to the Free Advice Sector.” It closes on 16 August 2019.

Opposite is a summary of the findings from the previous consultation: “Building a Better Debt Arrangement Scheme.”



Q Should the Continuing Money Adviser (CMA) role be extended to include payments distribution responsibility?

A 74% said yes.

Recommendation:
The AiB will take forward recommendations to Ministers for legislation to introduce this change.

Q Should the AiB offer a payments distribution service?

A 89% said yes.

Recommendation:
The AiB will take forward recommendations to Ministers for legislation to introduce this change.

Q Do you agree that automatic approval should be introduced for cases where the debt due to objecting creditors is less than a specified percentage of the total Debt Payment Programme (DPP) debt?

A 98% said yes.

Recommendation:
The AiB will take forward recommendations to Ministers that automatic approval should be introduced for cases where the debt due to objecting creditors is less than a specified percentage of the total DPP debt.

Q Under which circumstances should the AiB offer a payments distribution service?

A Almost three-quarters of respondents agree that the AiB should offer a payments distribution service, with just over half of the respondents agreeing with the proposals that this should be for all public sector/CAB (Citizens Advice Bureau) cases and in all instances where the existing payments distributor (PD) ceases or becomes unable to act.

Recommendation:
The AiB will take forward recommendations to Ministers for legislation to empower the AiB to exercise the PD function and allow a debtor to nominate their own PD (via their money adviser) where the PD holds the relevant FCA permissions. Where no PD is nominated in a case, the AiB will be appointed the PD by default. The AiB will also offer the PD function for cases where an existing PD ceases or is unable to act.

Q In the event of the CMA role being extended to include payments distribution responsibility, at what level should the statutory administration fee be set?

A **Fee of 15%** - 51% agreed **Fee of 20%** - 20% agreed
Fee of 23% - 20% agreed **No response** - 9%

N.B. 51% of respondents opted for a statutory fee set at 15%. This option was particularly popular with public sector money advisers, 73% of whom agreed with a fee of 15%. However, 54% of creditors – the sector which will be most affected by any change to the fee structure – agreed the fee should be 20% or more. All the organisations which currently offer both advice and payments distribution services, and hence have experience of the total costs involved, believe that the fee should be 20% or more.

Recommendation:
The AiB will take forward recommendations to Ministers for legislation to set the statutory administration fee for CMAs at 20%.

Q What proportion of total debt owed to non-consenting creditors should trigger the requirement for a fair and reasonable test to be conducted?

A **Proportion of debt set at 5%** - responses in favour, 5%
Proportion of debt set at 10% - responses in favour, 15%
Proportion of debt set at 15% - responses in favour, 37%
Other unspecified proportion - responses in favour, 40%
No answer – 3%

N.B. Although 98% of respondents agree DPPs should be automatically approved unless a specific percentage of creditors have objected, there is no clear consensus on the level of creditor objection which would prevent a case being approved automatically.

Recommendation:
The AiB proposes to put recommendations to Ministers to approve a DPP automatically if the proportion of total debt held by dissenting creditors is less than 10%.

**SHORT TERM CRISIS BREAKS COULD
HELP CLIENTS IN TIMES OF NEED**

TAKEAWAYS:

- The AiB is proposing a statutory administration fee of 20% for money advice and payments distribution. This does not include the statutory AiB fee of 2% which has been in place since 2011
- The AiB seeks to offer a payments distribution service
- The AiB will take forward recommendations to Ministers that short-term crisis payment breaks can be used in Debt Arrangement Schemes (DAS)
- The AiB's current consultation - "Debt Arrangement Scheme: Returning Funds to the Free Advice Sector" – closes on 16 August 2019

Q Do you agree that deemed creditor consent should be introduced for variations?

A 97% said yes.

Recommendation:
The AiB will take forward recommendations to Ministers that deemed creditor consent should be introduced for variations.

Q Should short-term crisis payment breaks be introduced to address periods of crisis?

A 100% said yes.

Recommendation:
The AiB will take forward recommendations to Ministers that short-term crisis payment breaks be introduced to address periods of crisis.

Q Do you agree money advisers should be responsible for authorising the proposed short-term crisis payment breaks without having to consult creditors?

A 94% said yes.

Recommendation:
The AiB will take forward recommendations to Ministers that money advisers should be responsible for authorising these breaks without having to consult creditors.

Of the councils who responded as creditors and agreed to their responses being made public, none of them expressed concern about the suggested statutory DAS administration fee of 20% for money advice and payments distribution. The thinking behind it is that it will increase transparency for everyone involved in debt payment programmes and create a level playing field for debtors.

”

Q Where variation proposals will lead to a reduction in the duration of the DPP, do you agree these should be approved automatically by the DAS Administrator?

A 97% said yes.

Recommendation:
The AiB will take forward recommendations to Ministers that variation proposals which will lead to a reduction in the duration of the DPP should be approved automatically by the DAS Administrator.

Q Should the AiB be able to submit variations on behalf of the debtor in the circumstances outlined above?

A 91% said yes.

Recommendation:
The AiB will take forward recommendations to Ministers that it should be able to submit variations on behalf of the debtor in specific circumstances, if the money adviser is unavailable to do this and where the variation will reduce the term of the DPP.

Q How many short-term crisis payment breaks should be available per rolling-year?

A One – 35% agreed **Two** – 42% agreed
Three – 20% agreed **No answer** – 3%

Recommendation:
The AiB will recommend that there should be no more than two breaks, each lasting one month. This can be comprised of two separate months or two consecutive months in any rolling-year period, and applications may be submitted retrospectively, as long as the application is made before the next payment is due.



We have done everything we can to make it the opposite of what the current system is!

eDEN: BETTER OUTCOMES FOR EVERYONE

THE ACCOUNTANT IN BANKRUPTCY MOVES INTO eDEN

Brian Kennedy

Head of Efficiency and Technology at the Accountant in Bankruptcy

On 1 July, the Accountant in Bankruptcy (AiB) goes live with eDEN, its new application and management system for Debt Arrangement Schemes (DAS).

The old system – DASH – will shut down on Friday 28 June.

The AiB has built a training site for eDEN that has a range of training guides and interactive videos. It also ran a series of training sessions at various locations around the country.

The eDEN system aims to be intuitive and incorporates several new features to make it more straightforward than its predecessor.

The homepage menu (pictured) allows users to navigate to any of the following tasks:

<input type="radio"/> Proposals
<input type="radio"/> Conversations
<input type="radio"/> Debts Awaiting Confirmation
<input type="radio"/> Issued Variations
<input type="radio"/> Returned Variations
<input type="radio"/> Variations Awaiting Confirmation
<input type="radio"/> Returned Revocations
<input type="radio"/> Issued Revocations
<input type="radio"/> Revocations in Consultation
<input type="radio"/> Issued Applications

Anything that has been sent to creditors and requires a decision is grouped together under 'Proposals'. This includes variations, revocations and applications and has details about the weighting of the debt, the payment amount and the schedule of payment. Creditors can vote for or against proposals and add a comment.

The 'Conversations' functionality is new. It allows the creditor to speak to the money adviser, the payments distributor, or the AiB. Every communication is logged on the account.

Some users like HM Revenue & Customs will have a team of people using the system every day. Other organisations will only use it infrequently. To make life easier for these occasional users, they can set up notifications that will alert them when there is something on the platform that requires their attention.

The AiB hopes eDEN will make things more straightforward for money advisers and create better outcomes for all stakeholders.

Currently, engagement between the money adviser and the creditor is taking too long and preventing the debtor from getting protection. The system seeks to limit the time to engagement to 21 days by giving the money adviser the option to submit an application at this stage on the basis of information received only from the debtor.

The system seeks to get early confirmation on ownership of the debt. Where the creditor has sold the debt, they are asked to provide information on the new owner, minimising the need for searches and additional administration.

The new design de-clutters the home page, allowing it to load much faster, and enabling users to navigate swiftly to the information/ functionality they need.

Users experiencing any problems should contact: eDENenquiries@aib.gov.uk

END OF AN ERA: DASH WILL BE SHUT DOWN ON 28 JUNE



TAKEAWAYS:

- eDEN, the new administration system for Debt Arrangement Schemes goes live on 1 July
- The old system – DASH – will be shut down on 28 June
- Training site available at - <https://www.aib.gov.uk/dash-replacement-project-and-edden-training-site>
- Help available at - eDENenquiries@aib.gov.uk

UNIVERSAL CREDIT HITS REVENUES AND GOBBLES UP RESOURCES

Les Robertson
Head of Revenue and Commercial Services at Fife Council

UNIVERSAL CREDIT IS HITTING FIFE COUNCIL REVENUES AND IS LIKELY TO HAVE THE SAME EFFECT FOR OTHERS ACROSS SCOTLAND AND THE REST OF THE UK.

Les Robertson, Head of Revenue and Commercial Services at Fife Council, listed poor communication, administration and liaison from the Department for Work and Pensions (DWP) as major factors driving Universal Credit's negative impact.

Homing in on rent collection, Robertson said: "We have over £1m in additional rent arrears as a result of the structural deficiencies of Universal Credit."

The biggest challenge is that new Universal Credit cases have a waiting period of at least six to eight weeks before the first payment is made. During this time rent is still chargeable and arrears often develop.

Fife Council adopted full service Universal Credit in December 2017 and it has created a significant additional workload. Despite recruiting 10 specialised Universal Credit officers, Robertson said it was still taking longer to handle rent enquiries because there was not enough clarity in the information provided by the DWP.

On average he said it took over 20 minutes to get someone at the DWP to answer the phone, and council staff had to have the tenant beside them to give permission to discuss the case.

On a positive note, Robertson said the landlord portal established by the DWP was good. When using the previous system, Fife Council only knew about 30% of the tenants who had claimed Universal Credit.

The council has uploaded all its properties to the new portal and as soon as a claim is made for one of them, the portal sends a notification. Robertson said the council now knew 100% of its tenants who had claimed Universal Credit.

Once the notification is received, it enables Fife Council to check if claimants are in rent arrears of eight weeks or more – 60% are. In these cases the council applies for an alternative payment arrangement (APA).

We have gone from situations in revenue administration where some processes that were 85% automated are now back to being totally manual.

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UNIVERSAL CREDIT IS DRIVING RENT ARREARS

Despite applying for an APA, Robertson said: "The DWP has got APAs confused with Scottish flexibility about direct payments. If we apply for an APA, why is it that the tenant always gets the first payment including their housing benefit? If there is an APA claim the council should be getting that money. We have been working with the Scottish Government to resolve the issue, but it has been ongoing for more than a year."

On 9 June Fife Council launched a new scheme, funded by £1m from the housing revenue account to support new and existing Universal Credit customers. It is for those who sign up to direct payment and have:

- Less than four weeks of rent arrears
- Increased rent due to Universal Credit

The scheme will pay out up to two weeks rent where these criteria are met and aims to prevent arrears deteriorating.

Robertson said that due to poor administration direct deductions from Universal Credit for Council Tax and Water Direct were poor. He added: "Income from that stream has reduced by £408,960 in 18/19."

He labelled the manual system for making applications as a retrograde step and welcomed the proposed use of AI and robotics to overcome this issue.

Emphasising the scale of increased workloads Robertson said assessing Local Council Tax Reduction, discretionary housing payments and education benefits had generated 96,000 additional processes to deal with per annum. This was particularly frustrating as these processes were previously automated and had now returned to being manual.

Doing away with housing benefit had not led to a reduction in staff, but required more than 11 full time equivalent roles. Robertson concluded: "The administration must be sorted out for the mutual benefit of both LA's and DWP."

TAKEAWAYS:

- Universal Credit has an immediate and negative impact on rent arrears
- Poor administration has forced previously automated processes back to manual handling
- Universal Credit is using up more, not less, council resources

LA FORUM: WORKSHOP DISCUSSION

THE WORKSHOP SESSION OF THE LA FORUM IS A CHANCE TO GET FEEDBACK FROM THE FLOOR AND THERE WAS A WIDE RANGE OF RESPONSES TO THE TWO QUESTIONS POSED ON THE DAY:

1

WHAT DO YOU SEE AS THE KEY CHALLENGES FACING LOCAL AUTHORITIES IN TERMS OF COLLECTIONS AND CHANGES IN WORKING PROCESSES WITH THE ROLLOUT OF UNIVERSAL CREDIT ACROSS SCOTLAND?

COMMUNICATION

Existing co-ordination between the different stakeholders is not good enough and there needs to be better links into local offices of the Department for Work and Pensions and job centres.

INFORMATION PROVISION

Customers are not getting the right advice at the right time and too often get sent from pillar to post. The inefficiency creates friction, distress and additional workloads.

OVERLOAD

The rollout is too much, too soon and there is a high risk of local authorities being swamped. The move to Universal Credit creates additional workloads and the move to full service has created significant problems in many areas.

RESTRICTED INPUT

Stakeholders with the best understanding of the ground-level practical impact of the changes do not have enough influence to affect the pace and scale of the rollout.

REGIONAL CONTROL

Local Authorities can lobby the Convention of Scottish Local Authorities, which can communicate with the Scottish Government, which can then seek answers from the DWP's decision makers in London. The chain is too fractured to create the necessary level of local understanding and engagement.

EARLY ENGAGEMENT

Universal Credit aims to help people budget and take control of their finances, but many individuals need support to make the most appropriate financial decisions. More needs to be done to enable money advisers to engage quickly with clients.



HR

Stakeholders must assess how Universal Credit will impact the information, services and support they provide. This will affect existing staffing levels and training requirements and is difficult to plan for when there are so many unknowns still to resolve.

MEASURING SUCCESS AND CREATING CONSISTENCY

Stakeholders need to establish appropriate KPIs to benchmark performance and work to consistent standards.

2

WHAT SOLUTIONS CAN BE INTRODUCED FOR WHAT WE ARE DEALING WITH NOW AND WHAT PREVENTATIVE MEASURES CAN BE PUT IN PLACE IN PREPARATION FOR FINAL UNIVERSAL CREDIT MIGRATION?

BUDGETING/ RESOURCING

Early allocation of funds to support the required agency services and functions. Identifying where additional resources are needed to meet the additional workloads and processes associated with the migration to Universal Credit will mitigate the risk of overload.



COLLABORATION

Additional Discretionary Housing Payments during the transition to Universal Credit will help, but will not cover the total gap before the first Universal Credit payment arrives. Pre-agreed solutions to such issues will help stakeholders manage the transition in a controlled way.

MULTI-LEVEL ENGAGEMENT

If housing officers, welfare teams, money advisors etc. are all involved in client communications, there is a better chance of implementing sustainable solutions at the first attempt. It requires upfront resource but will generate long-term value.



STAFFING

Local authorities should train specialised Universal Credit officers to give them the skills and knowledge to deal with complex cases.



ENGAGEMENT

Better engagement with the customer at the start of the process will improve their understanding of the system and ensure they know where to go for the advice and support they need.

AI/ROBOTICS

Applying IT solutions to automate direct deduction applications will minimise the impact on resources and improve efficiency.

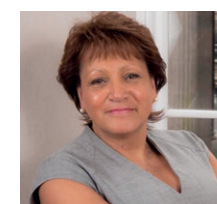
WALKER LOVE PARTNERS ATTENDING THE LA FORUM



David Walker



James Walker



Dorothy Lowe



Chris Bell



	81.50	81.50	81.50	
	45.25	45.25	45.50	
	0.04	0.04	0.04	
	5.15	5.15	5.15	
	40.75	40.75	40.75	
	4	4.02	4.02	
	0.02	0.02	0.02	
	1.26	1.27	1.27	
	1.88	1.91	1.91	
	2.86	2.90	2.90	
	1.80	1.81	1.81	
	5.20	5.15	5.15	
	1.62	1.64	1.64	
	3.02	3.06	3.06	
	2.44	2.32	2.32	
	8.45	8.45	8.45	
	11.10	11.20	11.40	
	28.50	28.50	29.00	
	1.89	1.89	1.90	
	15.30	15.30	15.50	
	1.32	1.30	1.32	
	8.70	8.70	8.80	
	3.80	3.80	3.80	
	5.75	5.80	5.70	
	6.35	6.45	6.25	
	0.30	0.30	0.29	