

9th November 2017

Lord Freud
House of Lords,
London,
SW1A 0PW

Dear Lord Freud,

Given your on-going interest in Universal Credit and the forthcoming debate in the House of Lords on the impact of Universal Credit on claimants we would like to draw your attention to the latest findings from the surveys of the National Federation of ALMOs and the Association of Retained Council Housing.

- **Whilst 31% of all households in council or ALMO run homes were in rent arrears, this figure increases to 73% for households in receipt of Universal Credit.**
- **Tenants receiving Universal Credit had average arrears of £772. This compares with an average of £414 across all those in arrears.**
- **Average UC rent arrears had risen from £61612 in March 2016 to £772 in March 2017.**

All the ALMOs and councils responding to the survey said that the 6-week waiting period for a tenant's first payment was "frequently" or "very frequently" the reason given for Universal Credit claimants falling into rent arrears.

Whilst the NFA supports the principles behind Universal Credit, we believe that rather than individual, temporary, fixes using advanced payments, the waiting time for payments should be reduced. Also, the 7-day waiting period before an application can be made for Universal Credit should be abolished, or at the very least the housing element of UC. Both measures would prevent many tenants falling into arrears with all the debt and anxiety this causes, and the extra costs it creates for social landlords. We are also renewing our ask that the government allow tenants to make a choice to have direct payment made to their landlords.

If you would like any further information or a copy of the full report please contact me either by email at chloe.fletcher@almos.org.uk or ringing 07526 171033.

Yours sincerely



Chloe Fletcher
NFA Policy Manager