

Neil Couling CB CBE

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Alison Stewart and John Stokes
Scottish Local Authority Rents Forum

26 July 2023

Dear Alison and John

Thank you for writing to me about the requirement for local authorities to verify all rent changes and your request for automation to enable bulk upload.

I appreciate your support for reducing fraud and error, and ensuring claimants receive their correct entitlements to housing support funded by the state. Local Authorities and the DWP provide crucial services within the UK and as part of that protecting public money is vital in maintaining public confidence in our work.

It is important to emphasise that the tolerances were only ever a temporary measure whilst we developed the UC Landlord Portal and service, they were never intended as a permanent feature. Given the portal's continued stability, and the importance of reducing fraud and error in the system, I do not intend to reinstate tolerances; this has been made clear through the regular Social Rented Sector (SRS) forums over the last year, at which Scottish Local Authorities are represented.

As you are aware, SRS rent verification is required regardless of whether this is administered through our email process or the Landlord Portal. The Landlord Portal offers users a simplified and quicker process for verification and for requesting Alternative Payment Arrangements, which are approved without exception.

I fully appreciate the additional work for the SRS and DWP. We have undertaken two pilots to test automation to enable bulk upload of data to the Landlord Portal. However, due to low accuracy and ease of scalability this is not a viable option. I realise that is not the news either of us wanted to hear but in the field of developing IT, not every avenue of enquiry will prove fruitful, no matter how hard we might try. Our assessment is that today, bulk uploads into the Landlord Portal is not a feasible proposition.

However, I remain open to exploring how we can ease the resource burden and minimise the impact of this important activity. As an alternative, at some landlord's request, since spring we have been working with a small group of social landlords using their software to verify the amount of rent claimants are liable for. It's important we pilot this concept on a small scale to reduce risk and provide focused evaluation that will inform our next steps. Any annual rent change undertaken using landlord

software this year will be owing to the pilot and is not business as usual. We aim to inform SRS colleagues of our decision on whether we will broadly accept use of automation software in the Autumn to allow landlords to plan for ARC 2024.

Additionally, prior to removal of tolerances, we worked with landlords to understand how we could lower the impact on their resource using existing portal functions. As a result, we sent landlords requests for ARC verification in order of the claimants UC Assessment Period, supporting landlords to prioritise the sequence of ARC work. Landlords have told us this has been helpful therefore we replicated this approach in 2023 and intend to do so going forward.

I understand your concerns on the resource burden for local authorities following the removal of ARC tolerance and your request to enable bulk upload. However, for the reasons I have set out it is right we continue to verify all rent charges and I am unable to offer automation that supports bulk upload. Nonetheless, as I have said I am open to new initiatives. My stakeholder engagement team will continue to engage with the SRS in the coming months.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Neil Couling', with a stylized flourish at the end.

Neil Couling
Universal Credit SRO