

## Policy updates: employment, food support, housing, and general welfare,

Here we have summarised the policy announcements made during the week up to 15 July. Where relevant, publications made in prior weeks have been included.

### Policy, Regulation, Legislation, and reports

#### Employment

- ❖ On Wednesday (08.07.2020) Rishi Sunak gave his Summer Economic Update which focused on measures to boost the economy after the COVID-19 crisis. We detailed a few measures leaked before the announcement in last week's update. Below we lay out a summary of the actual announcement related to the employment market. More details can be found [here](#).
  - Job retention bonus – employers will receive a £1000 bonus for every employee that they can bring back from furlough until Jan 2021. This is applicable to employees earning over the Lower Earnings Limit (£520 pm). The companies will be able to cash this in February 2021. This begs the questions; how effectively will this influence companies (especially SMEs) facing imminent cashflow problems?
  - Kickstart Scheme – aims to create high quality 6-month work placements targeting 16 to 24-year olds who are in receipt of UC. Employers will be able to get funding covering National Minimum wage up to 25 hours per week plus other admin costs of enrolment. It's great news that the Government is openly acknowledging that the young are bearing the brunt of this crisis but the key will be holding this schemes against how many clients move into secure long term employment when this scheme is wound down and presents an opportunity for evidence collection from CABs clients.
  - Traineeships - aimed at supplying apprenticeships (up to level 3) for unemployed college and school leavers. A firm will get a £2000 bonus for every new apprentice hired under this scheme below the age of 25 and £1500 for any over. This is in addition to the £1000 grant for 16 to 18-year olds.
- ❖ The National Audit Office (NAO) has released a [report](#) this week on the Universal Credit system. The report is interesting as it presents an up to date review of the state of the system.
  - Importantly the watchdog found that UC was not meeting its two main aims. First, getting people back into work – the DWP claimed that UC would see 200,000 people back to work the NAO found no evidence of this. Secondly, streamlining and reducing the cost old benefits system. The system is still over complicated, prone to fraud, and potentially inaccessible to more vulnerable clients.
  - On a more positive note the DWP has improved the timeliness of its initial payments from 55% in 2017 to 90% in 2020 but this still leaves hundreds of thousands waiting longer the 5 weeks and 6% of claimants waiting longer than 11 weeks.

## Housing

- ❖ [Changes to Permitted Development Rights \(PDR\)](#) come into effect on 1 August. The Government will now grant automatic planning permission to developers to convert a wider range of high street commercial buildings into housing. Previously this was restricted to the conversion of disused office and industrial buildings. Normally on business parks.
  - PDR has been under a cloud of controversy since coming into effect in 2013. The scheme has been accused of providing small, poor quality homes – the [FT](#), among others, have referred to them as the “slums of the future” and a [Guardian](#) investigation found some accommodation to be as small as 14 sq metres. For context this is smaller than the average living room and the national minimum for a one bed is 37 sq metres. Nor is PDR developments subject to affordable/social housing regulation (section 106).
  - What does this mean for Haringey? Simply put, developers will get automatic rights to develop the Boroughs high street business premises into housing. The local council will have extremely limited rights to assess, and the developments do not need to comply with local planning laws. Haringey council will have very little recourse to prevent shoddy “slum” housing on its high street. No social or affordable homes will be generated by these developments.
  - The charity Shelter has been active in highlighting PDR shortfalls and campaigning for change to this policy. Their briefing is available [here](#). A BBC Panorama investigation undertook an undercover exposé on living conditions in a PDR ‘temporary housing’ accommodation in Essex [here](#).
- ❖ In a landmark court ruling so called ‘DSS discrimination’ has been declared unlawful. The claimant was a client of Shelter and a summary of the ruling can be found [here](#). Letting agents and landlords have been putting in place policies to lock out renters who receive housing benefits or universal credit. Until recently, this practice was morally poor but legal.
  - The ruling from York County court sets a clear formal precedent and paves the way to driving out old discriminatory practices.
  - In terms of what comes next, CAB clients facing DSS discrimination can now take legal recourse against their landlord or letting agents.