

Overview & Scrutiny Committee



Welfare Reform Act
2012

SCRUTINY PANEL

Impact of the Welfare Reform Act

September 2014

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Foreword

The objective of this Scrutiny Panel was to evaluate the effect of the Welfare Reform Act on the public and Council employees. The required objectives being to make informed recommendations to all relevant parties on the most appropriate approaches to take to mitigate the impact of Welfare Reform in Northampton.

The Scrutiny Panel was made up from members of the Overview and Scrutiny Committee – Councillors Danielle Stone (Deputy Chair); Joy Capstick, Elizabeth Gowen, Brian Sargeant and myself, together with other non-Executive Councillors Beverley Mennell and Dennis Meredith.

The Panel received both written and spoken evidence from a wide variety of expert advisors. Desktop research was carried out by the Scrutiny Officer evaluating the impact of the Welfare Reform Act by organisations and other Local Authorities that have been noted as best practice, in particular a Local Authority that is currently piloting Universal Credit. All of which produced a wealth of information that informed the evidence base of this high profile Scrutiny review.

Following the collation of the evidence, the Scrutiny Panel drew various conclusion and recommendations that are contained in the report.

The Review took place between January 2014 and July 2014.

I would like to thank all those people acknowledged below who gave up their time and contributed to this Review.



Councillor Lee Mason
Chair, Scrutiny Panel 1 – Impact of the Welfare Reform Act

Acknowledgements to all those who took part in the Review: -

- Councillors Danielle Stone, Joy Capstick, Elizabeth Gowen, Brian Sargeant, Beverley Mennell and Dennis Meredith who sat with me on this Review
- Councillor Mary Markham, Cabinet Member for Housing, Robin Bates, Head of Benefits and Revenues Marion Goodman, Head of Customers and Culture, Matthew Steele, Benefits and Fraud Manager, Richard Birchett, Interim Head of Landlord Services and Maggie Nelson, Interim Housing Options Team Leader, NBC, Sarah Hayle, Advice Services Manager, Community Law, Martin Lord, Chief Executive, Northampton and District Citizen's Advice Bureau, Mike Oakley, Chief Executive, Northampton Credit Union, Louise Paterson, Thorplands Sure Start Centre, Jim Munton, Operations Director of Operations, Katie Scranage, Development Officer, Charity Link, Catherine Maryon, General Manager, Hope Centre, Lea McKinnon, Sustainable Independent Living (SIL) Officer, Northamptonshire County Council, for attending a meeting of the Scrutiny Panel and providing information to inform the Review
- Kalsuma Begum, Advocacy Worker, Dostiyo, for providing a written response to the core questions of the Panel
- The Northampton Food Banks for providing statistical data to inform the evidence base of the review
- Mr Norman Adams and Mr David Huffadine-Smith for taking the time to address the Scrutiny Panel

EXECUTIVE SUMMARY

The purpose of this Scrutiny review was to evaluate the effect of the Welfare Reform Act on the public and Council employees. The required outcomes of the review were to make informed recommendations to all relevant parties on the most appropriate approaches to take to mitigate the impact of Welfare Reform in Northampton.

The Overview and Scrutiny Committee, at its work programming event in March 2013, agreed to include a review of the impact of the Welfare Reform Act. This was an issue that had been identified by the Cabinet Member for Finance as one of his key priorities and it had also been suggested by the public as an area for future Scrutiny review. The Overview and Scrutiny Committee commissioned Scrutiny Panel 1 to undertake the review.

A Scrutiny Panel was established comprising Councillor Lee Mason, (Chair); Councillor Danielle Stone (Deputy Chair), together with Councillors Joy Capstick, Elizabeth Gowen, Beverley Mennell, Dennis Meredith and Brian Sargeant.

An in-depth review commenced in January 2014 and concluded in July 2014.

CONCLUSIONS AND KEY FINDINGS

A significant amount of evidence was heard, details of which are contained in the report. After gathering evidence the Scrutiny Panel established that: -

Impact - Council Employees

- 6.1.1 Evidence gathering highlighted that the Government is transferring more responsibility onto Local Authorities, families and individuals. The immediate impact on Local Authorities and their residents is the reduction in personal, family and Council income. The Department of Work and Pensions states it will work closely with Local Authorities to manage the transition process between now and 2017. Transitional Funding was provided by central Government, which was used by Northampton Borough Council for increased opening hours and more Officers taking and making telephone calls.
- 6.1.2 The Scrutiny Panel acknowledged that the Welfare Reform Act 2012 has not impacted as much as expected on the workload of staff in the One Stop Shop, Contact Centre, Revenues and Benefits and Housing Services. There has been an impact but it was not as great as had been anticipated, for example, Revenues and Benefits Services found the workload to have

remained static over the last year but telephone calls have increased dramatically. The Scrutiny Panel noted that more recently, people presenting at the One Stop Shop are in more desperate need. Numbers of those presenting is detailed at Appendix H.

- 6.1.3 The Scrutiny Panel welcomed the work undertaken by Revenues and Benefits that informed customers about the Welfare Reform Act 2012 and how it could impact prior to its introduction. It was felt that the work undertaken to notify customers of the changes prior to the implementation of the Welfare Reform Act 2012 had made a positive impact.
- 6.1.4 Caseloads were static in 2013/2014 and there has not been a lot of migration. There has not been a lot of migration from London that the Scrutiny Panel is aware of. It was realised that if the caseload is static there are no financial implications on the Authority. The Welfare Reform Act 2012 had not created an increase in inward migration.
- 6.1.5 The Council provides assistance to vulnerable people, such as money advice. The Gateway Team becomes aware of vulnerable, homeless individuals and families very quickly. Demand for assistance such as this has not been as great as expected; Oasis House has provided assistance.
- 6.1.6 Whilst noting that there has not been an increase in customers presenting at the One Stop Shop or Contact Centre directly linked to the Welfare Reform Act 2012, the Scrutiny Panel emphasised that there has been an overall increase in customers because they have more debt because of increased food prices and fuel prices without a corresponding increase in income. This is across the board – customers in receipt of benefit and those who are working. There have been more requests for food vouchers and requests for Discretionary Housing Payment.
- 6.1.7 The budget for discretionary housing payments (DHP) was increased from £50,000 to £400,000 in 2013/2014, a similar level for 2014/2015. It was acknowledged that this was an adequate annual amount for DHP so far.
- 6.1.8 The Scrutiny Panel emphasised the need for a clear process to disseminate information regarding sanctions and the benefits system. A number of Local Authorities are issuing “Life Packs” when they let a property, which includes information about money management and debt advice.

Impact – General Public

- 6.1.9 The Scrutiny Panel acknowledged that as a result of the Welfare Reform Act 2012, there had been a number of small changes to the benefit system that

cumulatively have resulted in a large impact on a considerable number of people.

- 6.1.10 The number of people “missing” an instalment for Council Tax has increased. The collection rate in the Council Tax Support Scheme reflects that the Council is not able to collect it all and it has therefore been reduced by 1.3% to 96% collection rate. Work is undertaken with the most vulnerable clients and the Voluntary Sector regarding an arrangement that most suits their needs. The Scrutiny Panel welcomed the agreement stated in the Allocations Policy that tenants will be contacted when they are two weeks in rent arrears.
- 6.1.11 The Scrutiny Panel was pleased to note that the form for Council Tax assistance had been simplified and was available on-line. Support is also provided regarding completion of the form, should people require it.
- 6.1.12 The Scrutiny Panel acknowledged that the NBC website provides detailed information regarding welfare reform and signposting for anyone affected. The usefulness of the video: www.northampton.gov.uk/welfarereform was recognised.
- 6.1.13 It was highlighted that other factors can have an influence on arrears, such as increased food and fuel prices and static or reduced salaries. The Scrutiny Panel noted that 4,000 tenants have arrears of some kind, which could be from £1 to £1,000. This is 500 more than this time last year. It is estimated that 300 are in arrears as a direct result of the Welfare Reform Act. It was realised that there are some tenants that will not engage with the Council. The Scrutiny Panel emphasised the need for individuals to look at budgeting as often their income did not match their current outgoings.
- 6.1.14 The Scrutiny Panel welcomed the accessibility of the Credit Union that had relocated to the Guildhall on 4 April 2014. There are costs such as £10 for a client to open an account and 50p to £1 per transaction thereafter.
- 6.1.15 Evidence gathered, in particular from the anonymised case studies provided by members of the Scrutiny Panel, highlighted that some households and individuals, notably sickness and disability claimants, are affected by several different elements of the reforms and have suffered considerable delays.

- 6.1.16 The Scrutiny Panel was pleased to note that there are no cases of children being taken into care because the family is homeless. Assistance is given to help them find a home, such as private rented accommodation.
- 6.1.17 Families living in bed and breakfast accommodation has increased. Last year there were 19 families in bed and breakfast, week commencing 24 March 2014, there were 30, which included five that were categorised as intentionally homeless.
- 6.1.18 As a landlord, the Council is aware of all of its tenants. Resources are targeted to those that require it. Intervention is provided as needed.
- 6.1.19 The evidence received highlighted the increase in the use of Food Banks and this correlates with sanctions and delays in receiving benefits. Food Banks do a sterling job but the Scrutiny Panel was concerned that people have to use Food Banks. The evidence further highlighted that increases in the use of Food Banks take place particularly during school holidays. There has been an increase in free school dinners nationally and the Scrutiny Panel welcomed that from September 2014, all Key Stage 1 children will be entitled to a free school lunch. Statistics provided at section 3.3.3 of the report details the number of food parcels distributed from April 2013 to June 2014. The increase in food parcels for families was noted.
- 6.1.20 The Scrutiny Panel was concerned that the needs of cultural diverse communities were not being met by Food Banks but acknowledged that the Sustainable Independent Living (SIL) Officer, Northamptonshire County Council, is currently in dialogue with BME SRP (Sub Regional Partnership) regarding this.
- 6.1.21 The need to educate people regarding not wasting food was highlighted. The Scrutiny Panel was pleased to note that the SIL Scheme was working towards the No Waste Strategy- "Love Food – Hate Waste" and that further ideas had been obtained from a recent workshop.
- 6.1.22 The Scrutiny Panel was concerned regarding the exploitation of people by pay day lenders.

Under Occupancy

- 6.1.23 Under occupancy charge is a change to Housing Benefit Entitlement that means claimants will receive less in housing benefit if they live in a Housing Association or Council property that is deemed to have one or more spare bedrooms. Having one spare bedroom will mean claimants

will lose 14% of their entitled housing benefit. Having two or more spare bedrooms will mean they will lose 25% of their entitlement. This tax started affecting properties with spare bedrooms in April 2013. There are exemptions to the under occupancy rules by those that have been in continuous receipt of housing benefit at the same address since 1 January 1996.

- 6.1.24 As of 1 April 2013, 1,134 tenants were under occupiers. As of 31 December 2013 this was 904 and by 31 March 2014 under occupancy had reduced to 842. The Scrutiny Panel noted that the reason for the reduction could be a combination of factors, such as, tenants coming off benefits, child's age. The Scrutiny Panel noted that there is a shortage of two bedded properties.
- 6.1.25 The local impact of the reduction in housing allowance for five-bed properties will apply to private sector properties rather than Council housing.
- 6.1.26 Where there are separate household families living in the same property, bedroom need is split, for example, a family with a three bedded property need and grandparents with a one bedded property need, the grandparents' income would be considered in the claim of the family by way of a non-dependant deduction.
- 6.1.27 Case studies obtained by the Scrutiny Panel highlighted the apparent lack of availability of one-bed properties
- 6.1.28 The Scrutiny Panel noted a recent report that had been published by the Department of Work and Pensions - [Evaluation of Removal of the Spare Room Subsidy: interim report](#). This report was published on 15 July 2014. A copy of the report is detailed at Appendix K.

Universal Credit

- 6.1.28 The Scrutiny Panel emphasised the importance of universal credit and how this will be provided.
- 6.1.29 The need for evaluation of the impact of the Universal Credit was realised. The Scrutiny Panel felt that it would be useful for a further Scrutiny review to be undertaken that would monitor the effect of Universal Credit after it had been in place for 12 months. It is expected that Universal Credit will start to be rolled out, at the earliest, in Northampton in the

Spring 2016; full roll out across the country is still being communicated as the Autumn 2017 and to some pensioners in 2020. However, the timeline has slipped and a further announcement is expected in the Autumn 2014. Work is ongoing locally regarding Universal Credit. The Scrutiny Panel was pleased to note that Northampton Borough Council (NBC) is carrying out partnership working with Southwark Council, who are involved in a Universal Credit pilot.

Published research – Welfare Reform

6.1.30 From the evidence gathered, recent published findings of Central Government's Work and Pensions Committee, on 1 April 2014 called for the Government to change a number of its reforms because of their impact on disabled and vulnerable people. The MPs called for people living in significantly adapted homes to be exempt from the bedroom tax, under which benefit is reduced for social tenants deemed to have spare rooms. They also called for everyone on the higher rate mobility or care component of disability living allowance to be exempt. They also said affected households should be exempt if 'there is no suitable, reasonable alternative' home to move to.

6.1.31 Published papers regarding the impact of the Welfare Reform Act highlighted:

- Financial insecurity is the major concern for parents, twice as likely to cause concern as rising bills.
- The cost of school uniforms puts extra financial pressure on parents.
- Affordable childcare is cited as the main barrier to out-of-work parents seeking employment.
- Parents do seek help and are supported by local organisations, family and friends in times of need.
- There are general uncertainties because so many elements of Welfare Reform are taking place over the same period and there are concerns about the cumulative impact of these changes. Organisations are looking to streamline their operations and to prioritise and focus their resources on rent collections and tenancy support. Some may step back from their wider community support programmes. Others are setting up charitable funds. The evidence emphasised that Housing Associations are striving to ensure both they and their tenants work through this situation as best they can but there will be increased costs and real victims. Much turns on how the

programme of welfare reform unfolds and what adjustments are made in the process.

- A considerable amount of Housing Associations' stock is affected by the "bedroom tax" Generally, it is the greatest concerns of organisations in the North of England where there are higher rates of under-occupation and a history of building predominantly larger homes and demolishing smaller homes as part of regeneration schemes to provide more sustainable Housing Associations concurred with the Government's view that the large majority of affected households were likely to stay put, and see their housing benefit reduced.
- Many claimants of incapacity benefits have undergone Work Capability Assessments, been found fit for work and so have moved on to Jobseeker's Allowance. For some, this move may be appropriate and even beneficial. Yet after several years out of the job market, many lack the self-esteem, qualifications or skills to successfully move into employment.
- Some claimants of incapacity benefits have been incorrectly assessed and moved onto Jobseeker's Allowance despite not being well enough to work. People in this situation experience a great deal of anxiety and face the difficult process of appealing the assessment.
- Families affected by Housing Benefit changes have to contemplate moving to cheaper areas or smaller properties. Such moves result in families losing the support networks they have built up over many years, leading to isolation and increased vulnerability. It can also mean children have to change schools.
- As a result of recent reforms, many people are getting into debt. Without sufficient reserves to get through crises, such as unexpected bills or benefit delays, and with the reduction of local authority social funds, many people are turning to food banks or pay day loans.
- The Church can be a valuable source of support for those affected by welfare reform. Located within communities, churches are ideally placed to offer both the short-term support that is needed by those in crisis and the long term relational networks that provide on-going support, helping people to build their self-esteem and skills, and to ultimately reduce their reliance on benefits.
- The Church of England research paper illustrated how it felt that thousands of households are likely to see a considerable reduction in their income over the six year period from 2010/11 to 2016/17. Whilst some reforms, such as the increase in the personal tax allowance and the freeze in Council Tax,

increase the disposable income of certain households, these gains are more than offset by other reforms, such as those to Housing Benefit and tax credits. According to the Institute of Fiscal Studies, the overall impact of recent tax and benefit changes will be to reduce the incomes of the poorest families with children by an average of 5 - 7% by 2015/16.

- The Church of England reports that its studies indicate the impact of recent reforms is not purely financial. There are practical and emotional consequences when families have to consider changing jobs or moving house, or disabled people undergo medical assessments, start looking for work, or cut back on essential spending. In our third and final report on welfare reform, the Church of England will be exploring these wider dimensions through interviews with local churches and faith-based organisations actively involved in supporting the people most directly affected by the reforms.
- As demand for internal transfers rises and larger properties become undesirable for families receiving housing benefit, void rent losses could increase considerably.
- The cost of loans is likely to increase as lenders price up the extra risks involved in collecting rent directly from tenants who have had other sources of income cut.

Partners

6.1.32 The evidence gathered indicated that collaborative funding applications would be useful, coupled with a strategic view. The Scrutiny Panel emphasised that there should not be duplication of effort and that there is a need for co-ordination and support for smaller groups to put in bids for funding.

6.1.33 The Scrutiny Panel welcomed the work of Thorplands Sure Start Centre, recognising the importance of its work in such a deprived area.

6.1.34 The Social Fund is administered by Northamptonshire County Council and demand is considerable. The Scrutiny Panel was concerned regarding the future of the Sustainable Independent Living (SIL) Scheme, post April 2015.

6.1.35 The Scrutiny Panel supported the work of Charity Link and was concerned to note that there had been a fourfold increase in Food Bank referrals and the increase in utility referrals had tripled in Leicestershire since 2012/2013; mainly due to sanctions and delays in benefits.

6.1.36 The Scrutiny Panel noted that Councillors can refer individuals to the SIL Scheme and organisations and charities, such as Charity Link. It highlighted the need for all Councillors to be aware of this. It would be useful for the Sustainable Independent Living Scheme Toolkit - Northamptonshire County Council Social Fund 2014/2015, to be disseminated to all Councillors and a workshop scheduled explaining the work of the Sustainable Independent Living Scheme and Charity Link.

Food Banks

6.1.37 The Scrutiny Panel was informed that over the past year there has been a significant increase in the use of foodbanks in Northampton . Since May 2013 the Northampton Food Banks have, supplied 3,573 Food Parcels, a mix of one person, two person and family parcels. The most common reasons for requiring the services of a Food Bank include benefit delays, benefit changes and low income and debt.

6.1.38 The Scrutiny Panel acknowledged that individuals can normally use a Food Bank five times a year. This is to ensure they do not become dependent upon the service.

6.1.39 In addition, the Scrutiny Panel noted the number of food parcels distributed by Thorplands Sure Start Centre.

6.1.40 Sanctions resulting from the introduction of the Claimant Commitment are also creating increased demand.

6..1.41 The Scrutiny Panel acknowledged that there had been an increase of 47% of people accessing the Hope Centre on a daily basis. In June 2012 daily visitations were 85, this has increased to 125 per day. Annually, 13,000 people use the Hope Centre The number of people using the carry-out bag service has increased over the year from 11,800 to 15,000.

RECOMMENDATIONS

The above overall findings have formed the basis for the following recommendations: -

The purpose of the Scrutiny Panel was to evaluate the effect of the Welfare Reform Act on the public and Council employees.

Scrutiny Panel 1 recommends to Cabinet that:

Northampton Borough Council (NBC)

- 7.1.1 Raising awareness of the ongoing reforms, the impact and support available from partners, the Voluntary Sector and various community groups and organisations is continued.
- 7.1.2 Revenues and Benefits, LGSS, together with Officers from NBC continue to provide briefings in relation to the emerging reforms and their impact.
- 7.1.3 In recognising the timescales for relevant processes and procedures in relation to Welfare Reform, Revenues and Benefits, LGSS, works closely with Housing Services, NBC, in order that these processes and procedures are speeded up.
- 7.1.4 A dedicated resource for benefits advice, financial inclusion and digital inclusion is established.
- 7.1.5 Claimants are continued to be advised of the availability of Discretionary Housing Payments (DHP) and awarded payment as necessary.
- 7.1.6 A Financial Risk Assessment is undertaken and published.
- 7.1.7 A project is undertaken to establish the roles and responsibilities in relation to Welfare Reform, in particular:
- Implementation
 - Transition
 - Post-transition
- 7.1.8 Staff from the relevant service areas – Customer Services, Housing Services, NBC, and Revenues and Benefits, LGSS, are trained and skilled so that they can support individuals through Welfare Reform.
- 7.1.9 Links with the Department of Work and Pensions (DWP) are actively explored, including the possibility of benefits advice, in particular the application of sanctions, and support presence within the One Stop Shop.
- 7.1.10 Links with ATOS (or relevant organisation) regarding the impact of the delays in assessing the entitlement of PIPs and the delays with appeals are actively explored.

- 7.1.11 The Sustainable Independent Living (SIL) Scheme Toolkit – Northamptonshire County Council Social Fund 2014/2015, as attached at Appendix J, is disseminated to all Councillors and staff. A workshop for all Councillors is scheduled explaining the work of the Sustainable Independent Living Scheme and Charity Link and the application process.

Northamptonshire Credit Union

- 7.1.12 Consideration is given to the development of viable alternatives to pay day loans, for example, facilities are introduced to assist clients to set up direct debits from the Northamptonshire Credit Union to pay bills such as rent (Council and private sector), Council Tax and utilities.
- 7.1.13 Consideration is given to Northampton Borough Council joining the East Midlands Credit Union Initiative where rent would be paid directly to the Council, as the social landlord, rather than directly to the tenant.
- 7.1.14 The work of Northamptonshire Credit Union is promoted to encourage people to use it as an alternative to payday loans.

Voluntary Sector

- 7.1.15 Close links into and between the Voluntary Sector and Northampton Borough Council are promoted.
- 7.1.16 Active promotion of the work of Voluntary Sector organisations, such as (Charity Link, Citizens Advice Bureau and Community Law) takes place on the Council's website, within the One Stop Shop and as part of outreach activities such as tenants' conferences.
- 7.1.17 Service Level Agreements with Voluntary Sector organisations are explicit in relation to the necessity to provide support and advice to customers facing sanction.

Food Banks

- 7.1.18 Northampton Borough Council supports the development of Food Hubs.

Monitoring

- 7.1.19 Monitoring of the accumulative impact of Welfare Reform as changes are implemented and embedded continues, to inform the development of appropriate support and, in particular, to help prepare for the implementation of Universal Credit.

Overview and Scrutiny Committee

- 7.1.20 Relevant key findings from this Scrutiny Review are presented to an evidence gathering meeting of the Scrutiny Panel that is investigating Poverty in the Town to inform its evidence base.
- 7.1.21 The Overview and Scrutiny considers commissioning a Scrutiny review on the impact of Universal Credit after it has been in operation in Northampton for 12 months.
- 7.1.22 The Overview and Scrutiny Committee, as part of its monitoring regime, reviews the impact of this report in six months' time.

NORTHAMPTON BOROUGH COUNCIL

Overview and Scrutiny

Report of Scrutiny Panel 1 Impact of the Welfare Reform Act

1 Purposes

- 1.1 The purpose of the Scrutiny Panel was to evaluate the effect of the Welfare Reform Act on the public and Council employees.
- 1.2 A copy of the scope of the review is attached at Appendix A.

2 Context and Background

- 2.1 The Overview and Scrutiny Committee, at its work programming event in March 2013, agreed to include a review of the impact of the Welfare Reform Act 2012. This was an issue that had been identified by the Cabinet Member for Finance as one of his key priorities and it had also been suggested by the public as an area for future Scrutiny review. The Overview and Scrutiny Committee commissioned Scrutiny Panel 1 to undertake the review. An in-depth review commenced in January 2014 and concluded in July 2014.
- 2.2 A Scrutiny Panel was established comprising Councillor Lee Mason, (Chair); Councillor Danielle Stone (Deputy Chair), together with Councillors Joy Capstick, Elizabeth Gowen, Beverley Mennell, Dennis Meredith and Brian Sargeant.
- 2.3 This review links to the Council's corporate priorities, particularly corporate priority 8 – responding to your needs.
- 2.4 The Scrutiny Panel established that the following needed to be investigated and linked to the realisation of the Council's corporate priorities:
 - Background data:
 - Presentation setting the Scene: - The policy context and timetable for change.
 - Presentation - An overview of the national Welfare Reforms: Setting a baseline position and measuring impacts
 - Centre for Public Scrutiny's Policy Briefing 19– Welfare Reform (September 2012)

- Centre for Public Scrutiny's briefing Paper - The local impacts of the introduction of Universal Credit and the wider welfare reforms (August 2013)
- Kensington and Chelsea Social Council's report – Change for Children - A study of local families in Kensington and Chelsea (2013)
- Various relevant published papers from organisations, such as, Rowntree Foundation, Child Poverty Action Group, SHELTER
- Witness Evidence:
 - Cabinet Member for Housing, Northampton Borough Council (NBC)
 - Housing Advice Service, NBC
 - Head of Benefits and Revenues, NBC
 - Cabinet Member for Finance, NBC
 - Head of Customer and Cultural Services, NBC
 - Community Law
 - Citizen's Advice Bureau, Northampton
 - Northamptonshire Credit Union Ltd
 - Home-Start, Northampton
 - Thorplands Sure Start Centre, Northampton
 - SIL Officers, Northamptonshire County Council/Charity Link
 - Northampton Food Banks via Community Foundation
 - Oasis House, Northampton, including organisations: the Hope Centre, Midland Heart, NAASH
 - Case studies from a variety of constituents via ward Councillors
- Best practice examples from a range of local services and other Local Authorities, in particular, a Local Authority that is piloting Universal Credit

2.5 The Welfare Reform Act 2012 received royal assent on 8 March 2012. The Department for Work and Pensions (DWP) has reformed, an aim being to reward work through incentivising going back to work. The impact of the Welfare Reform Act 2012 is wide-ranging. There is a need to understand what will be done locally. Some time back it was realised that there was a need to reform the Welfare System and the Centre for Social Justice was commissioned to undertake a project, the recommendations of which included Universal Credit.

The main stated elements of the Welfare Reform Act 2012 are:

- the introduction of Universal Credit together with a benefit cap to provide a single streamlined benefit
- a stronger approach to reducing fraud and error with tougher penalties for the most serious offences;
- a new 'claimant commitment' showing clearly what is expected of claimants while giving protection to those with the greatest needs;
- reforms to Disability Living Allowance (DLA), through the introduction of the Personal Independence Payment (PIP);
- creating a new approach to Housing Benefit (HB);
- driving out abuse of the social fund system by giving greater power to Local Authorities;
- reforming Employment and Support Allowance (ESA) with the aim of making the benefit fairer and to ensure that help goes to those with the greatest need;
- changes to support a new system of child support; and Localised Council Tax Support in the Local Government

- 2.6 The benefit cap is a weekly amount of £350 for a single applicant and £500 for a couple.
- 2.7 Personal Independence Plans, with a 20 per cent budget cut, has replaced Disability Living Allowance (DLA) from April 2013.
- 2.8 The proposed new Universal Credit will comprise six benefits, of the total 30 in place currently (the other 24 remaining separate).
- 2.9 Universal Credit aims to make work pay. A single payment will be made to a household, rather than an individual. A lodger, however, is considered as separate to the household.
- 2.10 Changes to date include under 35's restriction to single room housing benefit, Council tax benefits to Local Council Tax Reduction Scheme and for new claims from April 2011, LHA sets to reflect the bottom third of private rents rather than the median 50% and is now uprated annually and limited to a 1% increase.
- 2.11 The Social Fund has been localised and is now non-cashable support such as Foodbanks. The Social Fund is administered by Northamptonshire County Council and demand is considerable.

3 Evidence Collection

3.1 Evidence was collected from a variety of sources:

3.2 Background data

- Welfare Reform and the Impact of the Welfare Reform Presentation (Copy of presentation at Appendix B)
- <http://www.lgiu.org.uk/wp-content/uploads/2013/09/House-Proud-how-councils-can-raise-standards-in-the-private-rented-sector-.pdf> CfPS Policy Briefing 19: Welfare Reform Act (September 2012)
- [cfPS Paper; The local impacts of the introduction of Universal Credit and the wider welfare reforms \(August 2013\)](#)
- [Kensington and Chelsea Social Council: A Study of local families in Kensington and Chelsea: Change for Children \(2014\)](#)
- [JRF and JRHT briefing on Welfare Reform](#)
- [Joseph Rowntree Foundation Trust Report: Does Universal Credit enable households to reach a minimum \(July 2013\)](#)
- [Child Poverty Action Group Report: Will Universal Credit work? \(April 2013\)](#)
- [Tackling Poverty Together Church Urban Fund: It all adds up; the cumulative effect of Welfare Reform \(April 2013\)](#)
- [Cambridge Centre for Housing and Planning Research - Intended and Unintended consequences \(April 2013\)](#)
- [IPSOS Mori – Impact of Welfare Reform on Housing Association Tenants – Baseline Report \(April 2013\)](#)
- [Centre for Local Economic Strategies – The Cumulative Effect of Welfare Reform \(August 2012\)](#)

3.2.1 Background statistics

- The numbers of tenants under-occupying their home and affected by the benefit changes as at 31 December 2013 and at 31 March 2014 (Appendix E)
- Caseload analysis – Revenues and Benefits (Appendix F)
- Example Case Studies (Appendix G)
- Appendix H details interactions recorded in the One Stop Shop and Call Centre in relation to queries regarding food and fuel poverty from 1 April 2013 to 1 April 2014. Floorwalkers or reception staff give advice on referral agencies where they can go to obtain Food or Fuel Vouchers.
- The Money Advice Team has handed out 63 Food Bank vouchers between the end of May 2013 (when they started recording this information) and March 2014.

3.2.2 Turn2Us

- 3.2.2.1 Turn2Us is a charity whose reported purpose is to help people in financial need to access welfare benefits, charitable grants and other financial help – online, by ‘phone and face to face through its partner organisations. Turn2Us is part of the charity - Elizabeth Finn Care.
- 3.2.2.2 Its website is designed to help individuals find financial support, quickly and easily, based on their circumstances. It features a free Benefits Calculator, Grants Search and other information and resources.
- 3.2.2.3 For individuals who are not able to access the website, a freephone helpline is open all year from 9.00 am to 8.00 pm Mondays to Fridays on 0808 802 2000.
- 3.2.2.4 Turn2Us provides advice and information to intermediaries and charities.
- 3.2.2.5 Turn2Us reports that it can help intermediaries to find the right resources to support people they are working with. Intermediaries can store individuals’ details and applications in a confidential Turn2us intermediary account, enabling access and update files as intermediaries need to.
- 3.2.2.6 Turn2Us highlights that it provides a comprehensive, accessible service, which is designed to help charities increase access to people who could benefit from the support that Turn2Us provides, especially those who are hard to reach. It reports that its flexible system allows charities to tailor their charity’s details to suit their needs and update them as necessary. Enquiries and applications can be accepted online or directly through the

Turn2Us website. Charities can also access lists of everyone who has applied to them via Turn2Us and check the current status of any requests for help.

3.3 Core Questions

3.3.1 The Scrutiny Panel devised a series of core questions that it put to key witnesses over a cycle of meetings (Copy at Appendix C).

3.3.2 Key witnesses provided a response to these core questions at the meetings of the Scrutiny Panel held on 3 April, 8 May, 30 June and 16 July 2014.

3.3.3 Salient points of evidence:

Collective response - Cabinet Member for Housing, Northampton Borough Council (NBC), the Head of Landlord Services, the Interim Housing Options Team Leader, the Head of Revenues and Benefits, the Benefits and Fraud Manager and the Head of Cultural and Customer Services, NBC

- From January 2012, single persons under the age of 35 are only eligible for the shared bedroom rate.
- The Financial Inclusion Team proactively contacted all affected claimants to offer support and advice with regards to rehousing and discretionary housing payments and identifying vulnerable persons.
- The maximum housing allowance from 1 January 2012 was the 4 bed rate. This is currently 183.46. The 5 bed rate was £276.92. Tenants affected were given face to face support and advice by the Welfare Reform/Financial Inclusion team with regards to rehousing and discretionary housing payments. Liaison was also made with landlords to encourage them to reduce rents.
- From April 2013 in regard to under occupation: a restriction of housing benefit applied to social landlord tenants based on the number of bedrooms required. The Financial Inclusion Team in conjunction with Landlord Services contacted all tenants due to be affected prior to 1 April 2012. Initial contact was made by telephone to explain the changes and options available, to include discretionary housing payments, help with moving and help with managing finances. An offer of further face to face support was given, which many accepted.
- From July 2013 regarding the Benefit CAP - A CAP (limit) applied to households with a benefit income over £500 for single parents and couples with children/£350 for single people. All affected claimants have been contacted by the Financial Inclusion Team and Landlord Services and offered support to include discretionary housing

payments, housing advice, referrals to Working Links (DWP) for intensive support and Money and Debt Advice.

- As of 1 April 2013, 1,134 tenants were under occupiers as of 31 December 2013 this was 904 and by 31 March 2014 under occupancy had reduced to 842. The reason for the reduction could be a combination of factors, such as, tenants coming off benefits, child's age.
- Northampton Borough Council is noted as a good Authority in dealing with homelessness.
- Families living in bed and breakfast accommodation has increased. Last year there were 19 families in bed and breakfast, week commencing 24 March 2014, there were 30 (but this included 5 that were categorised as intentionally homeless).
- 200 households are in arrears due to the Welfare Reform Act 2012; but some of these households were in arrears prior to the implementation of the Welfare Reform Act 2012. There are some tenants that will not engage with the Council.
- All NBC tenants affected by Under Occupation and Benefit cap have been personally contacted by phone calls, letters and one to one interviews. This is the same for changes to LHA payments and Benefit Cap for those renting in the Private Sector. This information has been gathered from the DWP and NBC databases. Under Occupying and Benefit Cap NBC tenants are monitored closely and separately as are those renting in the private sector that are affected by the Cap.
- Those NBC and private sector tenants already known as vulnerable, and those identified as a result of the exercises we have undertaken have been provided with additional support tailored to their needs where required. This has included home visits, sign posting for additional benefit entitlement and referrals to Gateway and Independent Living teams so vulnerable clients can be assessed for additional support from outside agencies(if they are not already receiving it.)
- The NBC website provides detailed information regarding welfare reform and signposting for anyone affected. Successful co-ordination with the Citizens Advice Bureau enabled a useful additional video recourse to view online. www.northampton.gov.uk/welfarereform
- There has been an increase in demand for services in Customer Services, Housing and Benefit Services. While this has perhaps not been as much as some were expecting measures were put in place to cope successfully with this demand and Welfare Reform is on the way to becoming very much business as usual. Support put in place is a Welfare Reform/Financial Inclusion Team in Housing Options, a

previous Welfare Reform team in Landlord services and additional resources in Customer services.

- The Credit Union can be accessed at the Guildhall from 4 April 2014. A launch would take place on 4 April 2014.
- Overcrowding is not something that the Financial Inclusion Team has been aware of as a result of the reforms.
- Eviction for NBC tenants is always a last resort and no tenants thus far have been evicted as a result of the reforms. Some under occupying tenants have received suspended possession orders from The County Court. If payments do not comply with the order given this could result in a potential future eviction.
- Caseloads were static in 2013/2014. There has not been a lot of migration. If the caseload is static there are no financial implications on the Authority. Migration is not recent.
- Some private sector landlords have served notice on their tenants as a result of the Welfare reforms and tenants affected have been assisted with re-housing via the Financial Inclusion and Homeless teams
- In terms of national migration there has been some evidence of movement away from London as a result of the Welfare reforms, but this has not had any significant impact on NBC but is being monitored.
- NBC has worked closely with agencies such as Community Law Service on the Northampton Energy Saving Service, NCC with Sustaining Independent Living. (Providing white goods and furniture to vulnerable individuals and families) the Foodbank to provide essential food for those who cannot afford any and the DWP on Benefit Cap. The latter includes referrals to Working links to help people enter back into work. NBC also works closely with Social Services and support services such as Stonham and Bromford.
- Internally there are services which have worked collectively to support customers affected such as the Money and Advice Service to help people with their debts and finances, Financial Inclusion, Landlord services and Benefit services to assist people with Discretionary Housing Payments and Applications which help people find rehousing if they want to move.
- NBC is keen to be involved in the Local Support Services Framework which would improve inter agency working and collaboration. Management changes have impacted upon its future implementation and resource needs to be found if NBC wishes to drive this forward.
- Data for short term money lending businesses is not readily available; however, from all types of tenant engagement we are very aware of the increase in this type of short term borrowing. The Money Advice Team in particular have seen a large increase in clients who have taken short

term loans which often lead to unplanned spiralling long term borrowing affecting clients capability to meet priority expenses with damaging consequences. Increased use of short term money lenders is not perceived as a significant result of Welfare Reform and more one due to fashion, marketing and the general financial situation.

- Advice from the Illegal Money lending Team regarding loan shark activity indicate increased activity for this type of lending in the Borough but no official complaints have been made in this regard so this is a perception which cannot be backed up with any data.
- The number of NBC tenants who were initially Under Occupying was 1007. Of these 298 are now in arrears who were not in arrears prior to the introduction of Under Occupation. This is 29% of those affected. This is substantially below the recent Ipsos Mori poll conducted by the Housing Federation indicating 66% nationally. The general financial situation has caused a reduction in living standards for many and this has also had a significant impact but it is impossible to say how much this has contributed to figures.
- Any tenants struggling with arrears are contacted directly by Landlord Services and their options re-iterated, such as moving, help with finding work, improving their financial circumstances and moving in friends, family or lodgers. Tenants are also signposted, where appropriate, internally to Money Advice, Gateway, Customer Services and Financial Inclusion. Externally we work closely with the DWP and Working links to improve employment prospects.
- Discretionary Housing Payments are offered proactively to those affected, along with tailored support for downsizing and mutual exchange.
- Those on Benefit Cap are encouraged towards options which would exempt them from the Cap or mitigate its effect. This involves help with seeking employment of sufficient hours to enable the receipt of Working tax Credit. This is a minimum of 16 hours' work for single persons and 24 for couples (one of which must work a minimum of 16 hours) Moving is also an option suggested for those with high private sector rents to lower cost social landlord properties.
- Of the initial 1007 under occupying NBC tenants 64 have moved. 118 have currently a live application indicating they wish to move. They are banded with Emergency Banding to give the best possible chance to make a successful bid for a suitable property. 164 have changed their circumstances to ensure they are no longer affected or can comfortably afford the shortfall in their housing benefit.
- The full impact of the reforms has been mitigated by the work of the Financial Inclusion Team, Customer Services, Revenues and Benefits

and Landlord Services to ensure people experiencing a loss in income have had support to manage change. This intensive work has resulted in a belief that there has not been the impact as expected on the authority and it appears that it is 'business as usual' however it is because of the joint work of these departments that the catastrophic impacts predicted have not been felt as severely by the organisation.

- Universal Credit is still to impact; it is going to be essential to support proactive work to assist people in advance of its introduction to manage this major change for the benefit of the people of Northampton and the organisation.
- 4,000 tenants have arrears of some kind which is 500 more than this time last year. It is estimated that 300 are in arrears as a direct response to the Welfare Reform Act £420,000 had been made available in 2013/2014 for Discretionary Housing Payments, £382,000 had been spent. £416,000 would be available for 2014/2015. The number of applications has doubled from 2012/2013 to 2013/2014.
- There has not been an increase in customers presenting at the One Stop Shop or Contact Centre directly linked to Welfare Reform. There has been an overall increase in customers because they have more debt because of increased food prices, fuel prices and not a corresponding increase in income and this is across the board – customers in receipt of benefit and those who are working. There has been more requests for food vouchers and requests for DHP.

Advice Services Manager, Community Law Services, Northampton and County

- The general trend over the last quarter shows that 23% of all clients to Community Law sought advice regarding Welfare Reform. When only Community Law Services' Housing Department enquiries are analysed, 70% of clients' queries were in relation to housing welfare reform, such as the "bedroom tax".
- Sanctions are a big problem and have resulted in some people having no money. The Government is reviewing sanctions. Sanctions have forced those receiving sanction onto hardship level payments which are only 60% of normal benefit rates. Often sanctions are applied due to inadequate reasons or systematic failure.
- The sanction system for challenging any benefit decision (including sanctions) has inherent delays; the turnaround has increased from two to eight weeks.

- Personal Independence Payments (PIP) came into force in June 2013; by October 2013, 16% of anticipated decision had been made. There are delays regarding PIP.
- A number of people have had to wait up to two years before their appeal against a decision regarding tax credits can be heard.
- The Job Centre mainly operates digitally and has an “0345” telephone number.
- Commitment to the localisation of the Social Fund is until April 2015, if this does not continue people will have no way of accessing emergency help.
- The service provided by Community Law is over-subscribed. The organisation has a finite number of resources.
- The online system for people to make a claim for benefits is a lengthy process and can take up to one hour to complete. Clients are advised to save the reference number given at the start of the application process.
- Community Law advises clients, who do not speak English, to bring a family member or a friend with them to the meeting; if this is not possible a translator will be arranged.
- The “safety net” of Welfare Reform no longer exists as people now have to pay a contribution towards Council tax and others may also have to pay additional rent if they have a spare bedroom.
- ATOS undertake ESA assessments in the East Midlands. Capita undertake PIP assessments, which includes home visits. There are delays with both assessments. People who are new to the benefits systems are automatically placed on the lower level before the ESA assessment is completed; some assessments have not been completed for 12-18 months.
- It is often the most vulnerable groups that are subject to sanctions.
- Those subject to a sanction receive hardship payments (reduced benefit), assistance from Food Banks and help from the emergency fuel scheme. Community Law is able to assist people on a one off basis for fuel payment.
- A lot of clients of Community Law have multiple debts.
- Community Law would benefit from additional funding. The organisation sits within the Voluntary Sector regarding funding. There has not been a corresponding increase for funding.

Thorplands Sure Start Centre, Northampton

- Thorplands Sure Start Centre deals with families, with children, from conception to when the child becomes 5. Families are supported through family support services, including parenting courses and links with health services. A Common Assessment (CAF) is often undertaken. Appropriate professional organisations are invited to the CAF meetings to ensure the support needed can be provided.
- Thorplands Sure Start Centre works in an area of high deprivation. An increase for its services has not been noted.
- The Centre has two Family Workers.
- A number of the issues that the Sure Start Centre deals with are financial this has, however, always been the case.
- The Sure Start Centre has an agreement with Homestart, whereby a Homestart Worker is employed to support families in their homes. Where finance is an issue the Homestart Worker will ensure the family receives professional advice and support to get them into a better routine for managing finances.
- A number of families that use the Centre have English as their second language.
- A number of domestic abuse cases are presented to the Centre. The Centre signposts the individuals to the relevant support agencies.
- Children's Centre Services are in the process of being commissioned to other providers and it is likely that there will be changes. Thorplands Sure Start Centre is part of a five Children's Centre cluster. Some Centres have submitted a bid to run the cluster their own Centre falls within.
- The Centre gives out food parcels on a regular basis, recent figures:

May 2013	1
June	1
July	1
August	1
September	4
October	0
November	1
December	1
January 2014	0
February	2
March	1
April	0
Total	13

Chief Executive, Northampton and District Citizens Advice Bureau

- Under-occupancy and changes to Council Tax support has had a cumulative effect and issues often applied to the same individuals.
- There are issues with Job Centre Referrals – Universal Job Match – individuals are referred to CAB on the premise of obtaining an email address; some of the referrals have no ICT skills. Too much is expected.
- A report, commissioned by CAB, highlights that 78% of those who applied for Universal Credit during one of the pilots would not have been able to complete an application form without help.
- Sanctions are a big issue. The view of the Citizens Advice Bureau services is that the DWP has adopted a culture of “Sanction first, think later.”
- People can appeal/challenge sanctions but there are delays.
- There is a strong correlation between the growth in use of Food Banks and sanctions.
- There are delays regarding PIP and ESA. Special rules exist regarding payments for those with terminal illnesses.

Chief Executive, Northampton Credit Union Ltd

- There is a big issue regarding the exploitation by pay day lenders. Financially vulnerable people will often turn to anything to try to find a solution.
- The Credit Union (CU) often to consider a loan application should individuals consider a loan to be the solution. CU will try to help people to be more financially viable, for example, encouraging them to save as little as £1 per week.
- The CU assists a lot of clients who are in receipt of benefits to limited extents but it is ensured that they do not over-stretch themselves.
- The CU tries to help clients to prioritise. It is ensured that individuals only borrow what they need but they are required to save as well.
- Northamptonshire Credit Union has been instrumental with other Credit Unions within the East Midlands, trying to help people to budget, especially with the advent of Universal Credit which will be paid monthly. The scheme has been initially launched through social landlords.
- Social landlords are concerned regarding Universal Credit and the impact it might have on rent arrears, which is why they are, generally, supportive of the East Midlands Credit Union initiative

- The scheme to pay the rent directly to social landlords was supported, although it was noted that this would incur a cost. The social landlord would incur this cost.
- There are also ways of making the budgeting scheme free, for example, the client could pay the remainder of the monthly benefit into a bank account, rather than onto a pre-paid card.
- Universal Credit will make the budget accounts more usable.
- Every financial institute has to prove the identity of an individual using its services. CU, will however, often accept an official letter as a form of identification.
- Not many individuals currently using the budget account as it is in its “trailing” stage and is only available through social landlords. Corby Borough Council is promoting the account in advance of the introduction of Universal Credit.
- The CU has concerns regarding the growth of money shops and gambling organisations as, in his opinion, such organisations are exploiting the problem by exploiting the financially vulnerable who are often looking for a “quick fix”.

Northampton Food Banks

Statistical data in relation to the number of food parcels distributed since April 2013:

Number of parcels distributed				
MONTH	1 PERSON Parcels	2 PERSON Parcels	FAMILY Parcels	TOTAL
MAY 2013	45	26	23	94
JUNE	79	24	52	155
JULY	81	37	53	171
AUGUST	107	67	88	267
SEPTEMBER	52	44	72	168
OCTOBER	152	94	128	374
NOVEMBER	136	84	100	320
DECEMBER	116	77	73	266

MONTH	1 PERSON Parcels	2 PERSON Parcels	FAMILY Parcels	TOTAL
JANUARY 2014	158	94	119	490
FEBRUARY	159	101	138	398
MARCH	128	73	123	324
APRIL	162	89	98	349
MAY	92	42	63	197
JUNE	122	73		

The reasons for people need food parcels since April 2013:

	Benefit problems	Debt	Delayed wages	Unemployment	Sickness	Other
April 2013	16	3	2	2	1	13
May	51	9	0	14	4	17
June	104	21	5	25	8	17
July	164	39	7	29	9	31
August	176	29	4	27	15	21
September	142	24	5	19	15	1
October	193	57	17	17	52	42
November	140	31	2	34	22	22
December	184	58	9	32	21	26
January	241	59	12	48	19	29
February	210	62	7	54	30	28
March	199	50	15	53	22	25

	Benefit problems	Debt	Delayed Wages	Unemployment	Sickness	Others
APRIL 2014	173	47	8	41	22	37
MAY 2014	161	29	5	36	15	31

Sustaining Independent Living (SIL) Officer, Northamptonshire County Council

- The Social Fund Scheme provides assistance in two parts, the first 'Emergency help' through services which include investments in the following:
 - Six local Food Banks - to increase their services including opening hours/days/areas and improve IT systems
 - Community Law Services - to provide fuel advice/top ups and to work alongside the
 - Warmer Homes Initiative to improve customers energy efficiency
- The second part of the scheme provides essential items through the 'Sustaining Independent Living (SIL)' Scheme. Customers can obtain items such as fridge freezers, cookers, beds, sofas through our online application via an agency referral. These items are provided by local furniture turnarounds and second-hand shops for customers meeting the schemes criteria. Customers who do not qualify or require items which are not provided through the SIL scheme are referred to Charity Link who offers items through charitable giving within Northamptonshire.
- The fixed term social fund investment has been in operation in accordance with the design principles agreed by NCC Cabinet in November 2012. The first six month's operation of the fund brought insight into both people's needs and the levels of demand which gave a clear way forward for this investment so that it can have a lasting impact ensuring that all is done to mitigate people's dependency on this fixed term resource that is expected to cease in March 2015.
 - The Design Principles for the operation of the Social Fund as agreed by Cabinet in November 2012 were:
 - To support vulnerable people to remain in or return to the community and sustain independent living;
 - To support families or individuals who have emergency needs and truly cannot help themselves including lack of money for food or heating;
 - To align the new provision with current services and avoid duplication;
 - To ensure effective communications between organisations involved in provision of the scheme;
 - To exclude loans;

- To provide vouchers, tokens or pre-payment cards will be used rather than cash;
 - To ensure that eligibility criteria is tightly adhered to so that provision is effectively targeted and there is no duplication of provision of goods, services or support;
 - To ensure that applications for support are accompanied by advice and signposting to prevent recurrence of this need e.g. budget planning and management or help to • improve people's financial capability.
- Types of provision include
 - Food - through investment in food banks;
 - Essential furniture - building on local furniture turnaround schemes;
 - Fuel - building on the Warmer Homes initiative.
- Northamptonshire County Council has minimised the level of expenditure on administrative support and maintained the investment programme to prudent levels in order to minimise dependence.
 - As the scheme is cashless investments in services were made that assist with the immediate crisis but also offer value-added services e.g. debt advice, fuel advice, and embedding in already existing services available throughout the county. As an alternative to brand new items, officers made contact with local furniture turnarounds and re-use facilities to provide essential items, this meant the anticipated costings were reduced and increased the monies generated from the scheme directly benefiting Northamptonshire voluntary organisations building their sustainability beyond the end of the scheme.
 - The introduction of an e-form has enabled a reduction in staff as the applications do not require manual input and reports can be run from the package. It also allows for only 'essential items' to be selected where previously other items were included, thus again reducing costs.
 - During 2013/14 six local Food Banks received funding from the Social Fund of £155,000 with two other Food Banks declining the offer of support. The funding was provided to each group to increase their services, including opening hours/days/areas reached, racking, IT systems, marketing, and 'added value' services e.g. debt and money management, grow your own projects, cooking on a budget courses and some staffing costs. £210,000 has been awarded so far for the 2014/2015 budget for food provision.

- Individuals can usually use a Food Bank five times a year. This is to ensure they do not become dependent upon the service.
- Northamptonshire Community Foundation (NCF) has been responsible for delivering the Food Poverty Collaborative and in 2013/14 £5,000 was invested to support the development of a network of organisations including Food Banks, faith groups, community transport schemes and organisations involved in homelessness and deprivation to share good practice and reduce isolated working.
- An investment of £40,000 was made in in 2013/14 for the “fuel aspect” of the Scheme. Arrangements were successfully made to “nest” this scheme as part of the Warmer Homes initiative. By adding payments to this existing scheme for up to 400 individuals/ families from July 2013, the advice given at the same time ensured improvements in tariffs and debt management guidance. The 400 case-load target was met by the end of the third quarter of the year. In addition to the advice given to clients, to date the scheme has provided fuel top-up vouchers for 220 people to the value of £6,500. Of the 220 people throughout the County who received a fuel top up, 140 of these were from Northampton.
- There was no investment in the furniture turnarounds in 2013/14. However, they were the main suppliers of essential items from the SIL scheme. We have received proposals for improvements to their services for 2014/15 totalling £20,000, including racking, IT systems, transport, apprentices and sustainability. These proposals have been agreed and the Scheme will continue to use these services to provide furniture to the SIL Customers.
- During the first 12 months, essential items including furniture, clothing and rural oil have been supplied to 789 applicants to the value of £132k across the county – an average spend of £167.
- With the introduction of an e-form, no applications are declined as the e-form provides a drop down option for items allowing customers to request ‘non-essential’, i.e. non-SIL items. The Community Project Officer is then able to signpost applicants to the relevant areas for further assistance.
- Data gathered by the Community Project Officer shows a recent increase in demand for essential items. Between April and September 2013 the average number of applications per month was around 50, whereas for the subsequent seven months to the end of April 2014, the average is 71 cases - a 40% increase. To manage that demand an allowance for expansion is included in the budget for 2014/15 of £200,000. Officers are currently analysing data to understand this increase in demand.

- Since July 2013, Charity Link in Northamptonshire has been working to broker further help and support for individuals, proactively working to draw in added charitable giving and further bequests and donations. As a result by March 2015, the organisation will increase the levels of charitable giving in Northamptonshire so that support for those in need continues beyond the life of this fund. In 2013/14, Charity Link worked with 357 individuals who were assisted with goods/services valued at £70,471 and they have attracted external funds of £70k to assist clients in Northamptonshire. It receives referrals from the Library Service, other County Council services, District and Borough Councils, Children's Centres, housing agencies and health professionals.
- The Social Fund invested £85,000 from the 2013/14 budget in the Northamptonshire Credit Union to strengthen credit union provision across the County.
- In appointing volunteer co-ordination and marketing staff, the credit union movement across the county will be able to achieve an increase in volunteer support of their work, and raise awareness of credit unions across the County. The Credit Union will also apply for Investors in Volunteers accreditation for volunteering.
- To date it has invested in a new website for improved customer service and is working closely with Children's Centres, faith groups, Food Banks and libraries to encourage and promote saving and sensible lending.
- In early mapping exercises and discussions with local agencies, the DWP and district and borough representatives, the need for provisions in food, fuel, and furniture was identified. Investments were made in food through Food Banks, fuel through the services delivered by Community Law Services and furniture through the SIL scheme. These investments were made to provide in principle, the earliest help and intervention support.
- From further detailed mapping and discussions, including intelligence provided by the DWP and District and Borough staff, it was clear there was a need for debt and money management advice. The type of advice needed was for individuals who required assistance with budgeting, due to changes in their circumstances, for example those whose benefits were sanctioned, those whose benefits had been reduced, etc. Those affected have to cope with a limited amount of money for a set time and this poses difficulty in budgeting for that period
- As agreed by NCC's Cabinet in November 2013, investing in accredited training of debt and money management advice for 3,220

frontline staff that are in contact with people in need on a daily basis is taking place. This will help many individuals and families access low level debt and money management advice from various agencies such as libraries, Food Banks, children’s centres, etc. as a preventative measure, without having to use more in depth, high- level services, such as the Citizens Advice Bureaux (CAB).

- Information about the services provided through the Social Fund can be found at www.northamptonshire.gov.uk/helpandindependence
- There has been an increase in demand since the schemes commencement in April 2013, below is a table of the number of applications made to the SIL scheme for essential items in Northampton.

Quarter	Total number of applications received for Northampton 2013/14
1 st Quarter	85
2 nd Quarter	72
3 rd Quarter	85
4 th Quarter	121
Total	363

- Early indications of applications for SIL assistance 2014 show a sustained demand for essential items.
- There is adequate co-ordination between agencies. We run and attend numerous information sessions with agencies and district and borough staff to share information and updates of services and provisions available. SIL works closely with many services such as Mind, Age UK, CAN, Catch 22, Bromford, Probation, who work with vulnerable people to offer assistance and signposting.
- There is a need for more feedback, awareness sessions, and forums with partners. An up to date database with information available to service users with a clearer understanding and knowledge of services available within the County would also be beneficial as customers often get signposted to several agencies before reaching the correct support they require. There has been a 10% increase in referrals from the District and Borough’s financial inclusions teams that work with customers who are facing difficulties with rent, council tax and under occupancy.
- SIL signposts to the correct agencies, who assist with debt issues, some of whom apply to charities to reduce people’s debts, and will work with a customer to budget, and with income maximisation. Feedback from partners, such as colleagues in the District and Borough Councils,

indicates there was demand for debt and money management advice and they anticipate it will continue to rise with the reforms in place and the introduction of Universal Credit.

- The Social Fund is using the funding to up skill staff and volunteers across the County with accredited debt and money management training. The first part of the programme was done with 220 frontline library staff to offer a triage service to customers presenting in libraries looking for advice and information about various services available for people in need, this was delivered by the Citizen's Advice Bureaux Northampton. A Project Co-ordinator is now in place, who will work closely with Northampton CAB and plans are being drawn up for the second part of the project which will offer accredited training to a further 3000 volunteers and frontline staff from various organisations (including voluntary and community groups and colleagues in district and borough councils) who work with individuals facing debt and money management problems.
- The funding allocated was for 2013/14 and 2014/15 only. It is secure until then. The design principles of the scheme ensured investment in services (outlined above) so that they become sustainable and those organisations are able to offer services post the funding ceasing in March 2015.
- There will be discussions with District and Borough representatives to discuss the scheme going forward and how provisions and services can best continue post the funding ceasing in March 2015.

Charity Link

- Charity Link provides essential items to vulnerable individuals and families to help them achieve an acceptable standard of daily life. This may include (for example) beds and bedding, cookers and fridges, clothing, or mobility equipment.
- Charity Link is working in partnership with Northamptonshire County Council to complement the Sustaining Independent Living scheme. It can consider applications on behalf of people who are not eligible for assistance from Sustaining Independent Living (for example, those on a low income but not on qualifying benefits). Charity Link can also provide items that are not available through the Sustaining Independent Living scheme, where there is a demonstrable need. Charity Link is able to help people in need who might otherwise 'fall through the net'.
- The changes brought about by the abolition of the discretionary elements of the Social Fund have removed a valuable source of financial support for those reliant solely on benefits for their income.

This has particularly affected those returning to the community after a stay in institutional setting, people who have been resettled after a period of homelessness, those experiencing a crisis in their lives, and families under exceptional pressure.

- Charity Link has responded proactively to the Welfare Reforms by providing an expert gateway for vulnerable service users to access charitable funds for many of the items that would have previously been sought from the Social Fund. There are thousands of grant making charities around the country that help individuals in need and it is our expertise which helps unlock these for vulnerable individuals and families in Northamptonshire. Charity Link accepts referrals on behalf of service users from a wide range of health and social care agencies in the statutory and voluntary sectors in Northamptonshire. Based upon the circumstances and background of those referred we seek out appropriate trusts and benevolent funds that might be able to help and apply to them on the service user's behalf. If Charity Link is successful in these applications it provides goods or services that meet the service user's needs. It also has emergency funds that can be used at short notice to help people in a crisis. These emergency funds are also used in conjunction with other moneys raised for the beneficiary where there might be a shortfall in funding for a particular item.
- Charity Link's partnership with Northamptonshire County Council has been established primarily to support clients following the Welfare Reform Act.
- Information about Charity Link and how to access its service can be found on its web site www.charity-link.org/northamptonshire along with a link to the online application form.
- Charity Link's partnership with Northamptonshire County Council enables Charity Link to ensure that its service complements, rather than duplicates, the Sustaining Independent Living scheme. It is also working with the Library Plus service; five Northamptonshire libraries have been trained to offer a Charity Link application service to clients who may not have access to a support worker to apply on their behalf.
- The service works on a referral basis. Charity Link comes into contact with a wide range of Agencies supporting vulnerable clients. Charity Link works closely with referrers to ensure that clients are signposted to other sources of support where appropriate.
- Charity Link participates in a number of networking forums that bring together support and advice Agencies in the voluntary and public sector; for example, the Poverty Watch forum, Financial Inclusion forum and the Jesus Centre's Networking Group. Many of these relationships and networking opportunities have grown out of or strengthened as a

result of the Welfare Reform Act. Services have no option but to work together and share resources and information in order to meet the increased demand and the growing pressures on and challenges facing vulnerable client groups.

- Charity Link has limited anecdotal evidence of the use of short term money lending by its clients but does not specifically monitor this.
- Charity Link is in regular contact with debt advice agencies such as the Citizens Advice Bureau and Community Law Service, who refer clients. It also signposts clients on to debt advice services where appropriate.
- Charity Link is able to help with payment of Debt Relief Order fees where the client's financial hardship is such that they are unable to meet the fee. In exceptional circumstances, for example, where the client is facing multiple difficulties in addition to financial hardship, Charity Link may also be able to assist with bankruptcy fees.
- The service is fully funded until the end of June 2015 in partnership with Northamptonshire County Council and various charitable trusts. Charity Link has only been fully in operation in Northamptonshire for a little under a year and was established in its present form mainly with the help of funding from the Social Fund moneys transferred by the DWP to the County Council. Charity Link is aware that this funding is time limited and it's objective is to achieve sustainable self-funding by June of next year through a combination of community fundraising and the establishment of endowment funds for individuals in need.
- Requests for help with utilities have tripled in Leicestershire since 2012/2013

Hope Centre, Oasis House, Northampton

- Five organisations occupy Oasis House of which Hope Centre is one. Hope Centre provides a drop in centre to help homeless and vulnerable people
- The Hope Centre provides support such as:
 - Social space
 - ICT facilities
 - Tea/coffee
 - Food/clothing
 - Workshops
 - Training
 - Hot showers
 - Job placements

- Many clients receive support elsewhere or have done previously
- Universal Credit (UC) is a concern to the Hope Centre; for example access to ICT, monthly budgeting and handling large sums of money
- The Hope Centre would welcome homeless people being able to indicate their vulnerability for UC
- Payment of rent direct to landlords is supported provided this is waived in cases of client vulnerability as some clients have other problems, such as addiction and debt
- The Hope Centre is to receive funding so that it can increase the ICT provision that it offers; currently clients can use the ICT facilities for up to 90 minutes per day. This facility is used by around half of the clients
- Demand for the services offered by the Hope Centre has increased:
 - In June 2012 daily visitations were 85, this has increased to 125 per day, a rise of 47%
 - Annually, 1,300 people use the Hope Centre
- Since the Hope Centre has relocated to Oasis House it is used by more clients – they are able to access other services too such as Maple Access Partnership Services, Gateway and NAASH. The relocation of the Hope Centre coupled with the impact of the Welfare Reform Act has had an impact on increased usage on the services of the Hope Centre
- Changes to Welfare Reform have had a negative effect on clients being able to function independently
- The Hope Centre is the distribution centre for Big Issue. Since the price increased to £2.50 per issue it was proving difficult to sell it on the streets. People tend to make donations rather than buy a copy. Previously 1,200 copies were sold per month; it is now 780
- The Hope Centre is prepared to work with other Agencies and Charities to prevent overlap of service provision and to identify any gaps
- Interaction with Public Sector Agencies has improved
- Should a client take up temporary work it can take months before their benefits get back to what they should be after the temporary contract has ended. Clients therefore have a fear of taking a temporary job for this reason
- Negativity about Welfare Reform highlighted in the press can be demoralising to clients such as the cost of the project and that clients are sanctioned should they be a few minutes late for an appointment
- There is not a direct impact on clients to the Hope Centre from the Bedroom Tax, but it can have an impact on those who are estranged from their families, having an impact on their families
- The Hope Centre offers a Carrier Bag service – it costs 30p and the bag

provides an evening meal. From July 2012 to June 2013 11,800 bags were distributed. From June 2013 to July 2014 15,000 were given out. An increase of 28%. This service is becoming very popular, more clients appear to prefer it to the hot meal service

- A number of clients to the Hope Centre are taking medication that can make them forgetful and therefore they can be late for an appointment. The Hope Centre does all it can to remind clients of the dates and times of appointments
- For a client to be without any benefits for three months can cause enormous stress
- The ratio of male:female clients has remained the same at 80:20, however more young people (18-25) are presenting at the Hope Centre. There has also been an increase in Eastern European clients
- The Volunteering programme offered by the Hope Centre is becoming very strong amongst its clients. A third of the volunteers are clients from the Hope Centre and carry out duties such as running the clothing store, working in the kitchen etc. It helps to build up their confidence and self esteem. 17 clients were placed in paid work last year
- The Hope Centre encourages its clients to integrate into society

3.4 Case Studies

3.4.1 A number of case studies were obtained from members of the Scrutiny Panel from various residents:

Ms A

Age 48

Single

No dependents and is not a carer

I live in a three bedroom Council house, work 30 hours a week and claim working tax credit. My tax credits are cut each year, this year by £20 a week despite no increase in my income. My rent has increased by £4.80 a week and I am not entitled to housing benefit and would be subject to the 'bedroom tax', if I should become unemployed. I receive no help with NHS costs. Despite working hard it is becoming very difficult to cover basic living costs, even though I keep all costs to a minimum. Each new change makes me worse off.

Mrs B

Age 44

Married

No dependent

A carer

I care for my husband and have done so since he received an acquired brain injury. I have had no additional support in this caring apart from the network I have built up over the years with my neighbours and friends. When our son left home we fell into the under occupancy rule. We already grew our own food to try to save money for vital things such as extra heating and transport. When my health started to deteriorate there was no one to help apart from elderly parents but that stopped when my mother had a stroke. I now help my father when I can. My father in law became ill with bowel cancer. My husband's step father has suffered three major heart attacks and can no longer drive so our transport costs have soured, but our income has not. We now have to pay rent and Council tax. Water rates have gone up and due to a medical condition water use is very high; no matter how much you try to save it. Since my son left home I have been able to have my own room rather than sleeping on the sofa. However, this does not make a difference to the occupancy rule as I am married to the other occupant of the house; regardless of my and his need for restful, undisturbed sleep.

*On the advice of Community Law, we applied for the discretionary housing benefit as well as a Debt Relief Order. I was given conflicting advice about qualifying and re-applying as we are expected to make changes to find alternative housing. There is nowhere cheaper for us to move to that is close to **all** our support network. We have family close by in all directions, none further than a 20 minute walk. We have re-applied twice and are in the process of applying again.*

There is no more savings I can make now. I have been so sick with worry and have often considered ending it all but my duty to family prevents me doing this. The humiliation of constantly having to tell strangers where I spend every penny is soul destroying. I have things in the home that have broken down but I cannot afford to replace. I repair what I can. It takes four years at a time to replace a single item and credit is not an affordable option.

Mr C

Age 48

Single

No dependents and is not a carer

It has had a great effect upon me. First I have my benefit reduced for nine months (June 2012-April 2013) by £30 per week. The ATOS evaluation was later found to be inaccurate on appeal and my full allowance was reinstated. In that time my health and wellbeing was tremendously affected by the fact I had to ask elderly relatives for financial support. I experienced weight loss and suicidal thoughts and almost did not put a plan into action. If I didn't have friends who helped me through I doubt I'd be writing this now. I had no heating as the electric cost was too high and Council tax payments meant I could only go for food etc. rarely as fuel costs impacted the problem.

The only support I received was from Community Law in help writing the appeal. No counselling is available as Doctor's practice finds this too an expensive service to provide. Ingeus made me attend sessions that are not appropriate for my condition, often, at times when I am physically unable to attend. The exhaustion I feel goes ignored and I am expected to perform regardless. I don't feel supported at all.

The experiences that I have had have left me in no doubt that the system does not care about my health or my mental state. Neither will it consider the fact I have often gone to bed either very hungry or very cold.

Ms D

Age 67

Single

No dependents

A carer for her adult daughter

This lady is 67 years old with little English and has had her benefit stopped from November to date. This is because there is a dispute over her date of birth. She applied for income support last October and the reply came back that because of her age she had to apply for Pension Credit. She did. At first the claim was accepted but before it could be paid it was withdrawn on the grounds that her birth certificate was fraudulent. This lady is clearly the age she says she is and has a birth certificate from her home country. The problem stems from the fact her estranged husband filled in her entry form with the wrong date. He gave 1965 as her date of birth with no evidence to back it up. As the first child was born in 1973 this is clearly a mistake!

This lady has relied on friends, food banks and family to get her through but her debts for gas, electricity and rent are accumulating. She has to pay NBC £14.50 a month for her disabled daughter who is lodging with her and sleeping in the living room. She also has to pay weekly instalments on a previous overpayment made in error by the DWP. Community Law are acting for this lady.

Mr E

Age 58

Single

No dependents and is not a carer

I am a single male who has lived on my own for the past forty years; I live in a single person's scheme managed by a Housing Association. I do not have a partner and I do not have any children. I do not smoke or drink alcohol.

Due to the Welfare Reforms, these Reforms have had a very negative effect on the quality of my life.

I have significant long-term health issues which prevent me from holding down employment.

Nutrition is a major factor with my health, due to my illness and insufficient income my BMI now indicates that I am underweight as I cannot afford to eat adequately and is impacting greatly upon my recovery.

Heating my home has now become very difficult to afford, I no longer heat my home, instead I spend most of my time at home in bed to try to keep as warm as I can, paying for other utilities is also becoming more difficult as prices keep increasing.

I do have a frail mother who lives in a care home in a different town, I used to visit her either once a week or fortnight, however, due to having no spare finance due to these Welfare Reforms I can no longer afford the bus fares to visit her; therefore not only is my quality of life suffering but now also that of my mother.

As mentioned above, that I live in a single person's scheme, an unintended consequence of the "bedroom tax" There are 5 x 2 bedroom flats, the rest are one bed flats, and bedsits, in total making 94 units of accommodation within the scheme, due to the bedroom tax as these homes become available they are no longer let to single people but to families – resulting in extra constant noise levels. Stress and anti-social behaviour from the children running about and making extra noise, despite letters received from

the Housing Association stating that the building is not suitable for children to live within the building. To get some rest bit from this constant unwanted noise levels, tenants now have to leave their homes and go for a walk.

Due to the Welfare Reforms I cannot find any other alternative accommodation that is affordable – I live in social housing, the rent levels are set by the Government. If I moved to the private sector housing, the rent would hugely increase and I would not be able to afford to live there, therefore, I am stuck where I am. Also, I do not want to leave my home as I have lived here for twenty years now and have developed a network of friends and neighbours, and it is very convenient for access to shops, doctors and other services. The difference in rent between a one and two property where I live is only a couple of pounds a week. Vacant homes do not often become available.

I do not qualify for any extra benefits, such as PIP because I can walk unaided for more than 20 metres, therefore I do not qualify.

These Reforms have left me with a very poor quality of life, it is extremely difficult to get by on such a small amount of income, it is now about trying to survive. It is not a lifestyle that I would choose. Holidays, days out, buying birthday and Christmas presents and small treats, such as purchasing an occasional lunch or coffee are all now history. Thanks to these very nasty Welfare Reforms; resulting that the local economy also suffers. I now feel very depressed and can see no way out of my circumstances.

I have received only very limited support and advice from both my Housing Association and the NBC – only being offered directions to the CAB or to claim PIPs (which is not available to me) or claim DHB, again, not available to me as I can't find anywhere cheaper to live with one bedroom as there are no properties available.

It would be helpful for NBC to issue Food Vouchers on a weekly or monthly basis to all tenants who are affected by the bedroom tax that could be spent at their local supermarket. If they don't do this they aren't supporting their poor citizens.

More help and support is needed by extending the opening times of the CAB and Legal Services in St Giles Street as the opening times cannot cope with the high volume of numbers who need their help.

We need very strong Councillors who will challenge the decisions made by Government when real harm and damage is being done to its residents; such as the effects of the Welfare Reforms.

I would like to challenge our politicians before they pass any legislation to try to live on exactly the very small amounts we are expected to live on, for at

least two years, without any extra income, to see how difficult it is to do so, then and only if they can survive without difficulty that they pass the legislation. They must have first-hand experience of what it feels like to be deprived of some of the essentials of life.

Kirklees Housing Trust, a registered housing provider, in the north of the country have reclassified all their units of accommodation occupied by single people as one bedroom properties, to get round the bedroom tax they ran this through their legal team, who informed them that there is no legal definition of what a bedroom is. Why can't NBC do the same?

My experience of my involvement with ATOS is shockingly very poor, the work capability assessment is not fit for purpose, this entailed asking me to sit down in a chair and then stand up, could I raise both my arms to head height and could I hold a pen or press a button, because I could achieve these very simple tasks I was judged to be fit for work, the Health Care Professional did not listen to what I was saying, or paid any regard to my circumstances whatsoever, they were only interested in typing and ticking boxes on the computer. I did appeal this decision only to have to wait sixty six (66) weeks before a date for the appeal. I did win this appeal but had to beg my neighbours for money as I was left destitute with very limited income during this time.

4 Desktop Research

- 4.1 As part of the evidence gathering process for this review, desktop research was undertaken regarding best practice elsewhere and information regarding the Local Authorities that are currently piloting Universal Credit.

Universal Credit Pilots

- 4.1.1 The pilots will examine potential problems that could arise from these changes for example, the purpose of Birmingham Council's pilot is to look at ways of supporting people who need extra help with financial and digital literacy, while Oxford City Council will build on its role as a direct payment pilot to work with residents who are not in contact with Jobcentre Plus. The purpose of the pilot being undertaken by North Dorset Council is working with social housing provider Spectrum, Citizens Advice and a credit union on budgeting and employment skills for people in remote areas. The aim of the pilot being run by Oxford City Council will build on their work with the Department of Work and Pensions (DWP) as a Direct Payment Demonstration Project to work with residents not in contact with Jobcentre Plus.
- 4.1.2 There are also four 'pathfinders', which will begin operating universal credit six months ahead of the national roll out.

4.1.3 It is reported that the pilots will focus on delivering the face to face support some people may need to make claims for Universal Credit, including online support, help with budgeting and job searches, reducing fraud and error, and reducing homelessness. The aim of the Local Authority led pilots is to test the potential role for Local Authorities in supporting the face to face support.

4.1.4 A [Universal Credit Toolkit](#) has been produced by DWP, the purpose of which is to inform and assist partner organisations, particularly those in the pathfinder locations.

Examples of recognised best practice

Local Authorities included in the pilot of Universal Credit

4.1.5 The following Councils have been included in the pilot of Universal Credit:

- Bath and North East Somerset Council
- Birmingham City Council
- Caerphilly County Borough Council
- Dumfries and Galloway Council
- London Borough of Lewisham
- Melton and Rushcliffe Borough Councils (as a partnership)
- Newport City Council
- North Dorset District Council
- North Lanarkshire Council
- Oxford City Council
- West Dunbartonshire Council
- West Lindsey District Council

4.1.6 There were two further pilots by Oldham Council and Wigan Council as part of the Pathfinder preparations.

London Borough of Lewisham

4.1.7 A 'Welfare Reform' Board was established, its purpose being to co-ordinate strands of work being undertaken across the Council and key partners.

4.1.8 Lewisham included 524 individuals in its sample group for the pilot, all of which were sent written correspondence and received two telephone calls explaining Universal Credit and the benefit cap, the impact on their household and what they could do to prepare for Universal Credit. Lewisham was successful in contacting 418 (80%) of these customers, all of which went through the triage process.

4.1.9 It is reported that the following was learnt about Lewisham's customers:

Digital - Access to Internet in the home is important but experience of using the Internet and on-line transactional services was thought to be a more reliable indicator of an individual's ability to complete and manage a claim.

Financial – The level of people's concern about managing their financing is a useful indicator as to whether they require assistance. Their experience of using direct debits, standing orders, accessing emergency loans and debt from such loans were felt to be less useful indicators.

4.1.10 The final evaluation report for the pilot was submitted to the DWP at the end of January 2014.

North Dorset District Council

4.1.11 North Dorset District Council's pilot consists of a consortium of partners who agreed to work together to gather data for the Department of Works and Pensions (DWP) on the impact of Welfare Reform.

4.1.12 The consortium consisted of:

- Job Centre Plus
- Citizens' Advice Bureau (CAB)
- Department for Work and Pensions (DWP)
- North Dorset District Council
- First Dorset Credit Union
- Local Government Association
- Spectrum Housing Group
- Stour Valley Partnership
- Dorset County Council (Adult Learning)

4.1.13 Funding for the Pilot ceased in December 2013. North Dorset Council reports that the work has been so effective that the partners wish to continue and are recommending a way forward. .

4.1.14 A full report on the pilot was prepared for the DWP for January 2014. The highlights include:

- (i) **Employment** – A reduction by 13% of unemployment in North Dorset, primarily through the work of the job clubs. The clubs now have direct access to the Adult Learning Website and are able to register those seeking work onto appropriate courses. The clubs help with IT, CV and job applications. They have also directed a number of individuals into voluntary placements.

(ii) **Money management** – over 90 individuals have attended the budget management training. First Dorset Credit Union are now able to offer “Jam Jar” accounts to assist benefit claimants with rent, rate and fuel payments.

(iii) **Digital Access** – At the start of the pilot only 10% of claimants were going online - this has now increased to 60% of housing benefit claimants and 95% of housing applicants..

4.1.15 The partnership arrangement has worked extremely well, enabling a joined up approach to service delivery in an area with scarce resources.

Best Practice for the evaluation and monitoring of the impact of the Welfare Reform Act 2012

4.1.16 The following organisations and Local Authorities have been noted for their best practice for their evaluation, monitoring and accessing the impact of the Welfare Reform Act 2012:

A2Dominion

4.1.17 A2Dominion, which is one of 12 organisations to receive the Government’s Digital Deal funding, is running a ‘Digital D.I.Y’ (Digital Includes You) project that, over the next three years will support 1,300 tenants who are aged 45 and over and in rent arrears, to improve their computer skills to get online as part of preparations for Universal Credit.

4.1.18 Digital DIY will also provide seven new Digital DIY access points in community facilities and deliver a pilot a computer recycling programme.

4.1.19 In total, the Digital Deal is providing £400,000 of funding from the Department for Work and Pensions and the Department for Communities and Local Government matched by the winning bidders.

4.1.20 The ‘Digital DIY’ project involves delivering a 'train the trainer' digital programme to create a network of staff and volunteer mentors who will support tenants in getting online.

4.1.21 A2Dominion is training 45 staff and volunteers to deliver basic training to residents in their homes and local community centres, with its work focused in the Ealing, Stanwell, Westminster, Chichester, Winchester and Salisbury areas.

4.1.22 The 'Digital DIY' project involves:

- Delivering one-to-one IT sessions for up to 100 tenants in their own homes
- Delivering group IT workshops for more than 200 residents across Ealing, Southall, Westminster, Hammersmith, Spelthorne, Salisbury, Winchester & Chichester
- Providing seven 'Digital DIY' access points in community facilities at Beethoven Centre and Woods House in Westminster, The Lido Centre in Ealing, Havelock Community Centre in Southall, Stanwell Community Centre near Staines, Swanfield Community Centre, Salisbury Foyer and in Winchester that enable residents to access the internet, training and support
- Providing access to innovative online training materials for residents to further develop their computer skills
- Deliver a 'train the trainer' digital programme to create a network of 45 staff and volunteer mentors who will train tenants to get online
- Deliver a pilot computer recycling programme that will offer refurbished PCs and tablets to those most in need and support them get online.

East Sussex Partnership

4.1.23 East Sussex County Council works closely with the five districts and borough Councils, Probation, Health and Children's service through a Strategic Forum, which was previously the Supporting People Commissioning Board.

4.1.24 The Welfare Reform Project was launched to deliver the countywide plan.

4.1.25 The reported objective of the Welfare Reform Project was that all residents of East Sussex affected by the benefit changes would receive the financial support they are entitled to; and wherever possible to live with less money; are supported to understand the support available to people in work and avoid homelessness.

4.1.26 A multi-Agency project board was established with representatives from district and boroughs, East Sussex County Council, Voluntary and Community sector representation and Children's Services. Responsibility for delivering the Welfare Reform Project was placed with the Supporting People Team and a business case was made which successfully accessed £900,000 to achieve the two year project.

- 4.1.27 The team received support, expertise and guidance from the County Council's communications team in developing the project branding, website, publicity materials and marketing campaign and support from the County Council's training section to organise training for a wide range of statutory and voluntary professionals. The training was commissioned from Shelter.
- 4.1.28 An evidence base of the likely impact of the changes and identified a reduction in existing advice services was established. A decision was made to invest in strengthening the East Sussex advice agencies working together under the established East Sussex Advice Partnership. The provision of training opportunities were invested in and also educating and informing both residents and staff about the changes, their impact and how to respond.
- 4.1.29 Project has taken responsibility for and rolled out the following initiatives and services:
1. A YouTube awareness video was produced.
 2. A PowerPoint presentation used primarily with elected members.
 3. A number of published articles including two in "Your County", a free magazine delivered to all residents of East Sussex.
 4. A series of briefings to explain as simply as possible a specific aspect of welfare reform and how staff can best support clients.
 5. A series of one day Welfare Reform training courses were held for staff in the voluntary and statutory sector in East Sussex.
 6. A series of one day financial capability courses for staff working with the most vulnerable people.
 7. Updates to the benefits web pages, dedicated to explaining the benefit changes:
 8. A publicity campaign to ensure members of the public were aware of the need to get advice took place.
 9. A contract with Newhaven Community Development Association to provide multiple inter connected service to be delivered by various East Sussex advice agencies.
- 4.1.30 Appendix D provides comprehensive findings from the desktop research exercise.

5 Community Impact Assessment

- 5.1 Overview and Scrutiny ensures that it adheres to the Council's statutory duty to provide the public with access to Scrutiny reports, briefing notes, agendas, minutes and other such documentation. Meetings of the Overview and

Scrutiny Committee and its Scrutiny Panels are widely publicised, i.e. on the Council's website, copies issued to the local media and paper copies are made available in the Council's One Stop Shop and local libraries.

- 5.2 The Scrutiny Panel was mindful of the eight protected characteristics when undertaking this scrutiny activity so that any recommendations that it made could identify potential positive and negative impacts on any particular sector of the community. This was borne in mind as the Scrutiny Panel progressed with the review and evidence gathered.
- 5.3 In order that the Scrutiny Panel obtained a wide range of views, a number of key witnesses provided evidence as detailed in section 3 of this report.
- 5.4 Details of the Community Impact Assessment undertaken can be located on the Overview and Scrutiny [webpage](#).

6 Conclusions and Key Findings

- 6.1 After all of the evidence was collated the following conclusions were drawn:

Impact - Council Employees

- 6.1.1 Evidence gathering highlighted that the Government is transferring more responsibility onto Local Authorities, families and individuals. The immediate impact on Local Authorities and their residents is the reduction in personal, family and Council income. The Department of Work and Pensions states it will work closely with Local Authorities to manage the transition process between now and 2017. Transitional Funding was provided by central Government, which was used by Northampton Borough Council for increased opening hours and more Officers taking and making telephone calls.
- 6.1.2 The Scrutiny Panel acknowledged that the Welfare Reform Act 2012 has not impacted as much as expected on the workload of staff in the One Stop Shop, Contact Centre, Revenues and Benefits and Housing Services. There has been an impact but it was not as great as had been anticipated, for example, Revenues and Benefits Services found the workload to have remained static over the last year but telephone calls have increased dramatically. The Scrutiny Panel noted that more recently, people presenting at the One Stop Shop are in more desperate need. Numbers of those presenting is detailed at Appendix H.

- 6.1.3 The Scrutiny Panel welcomed the work undertaken by Revenues and Benefits that informed customers about the Welfare Reform Act 2012 and how it could impact prior to its introduction. It was felt that the work undertaken to notify customers of the changes prior to the implementation of the Welfare Reform Act 2012 had made a positive impact.
- 6.1.4 Caseloads were static in 2013/2014 and there has not been a lot of migration. There has not been a lot of migration from London that the Scrutiny Panel is aware of. It was realised that if the caseload is static there are no financial implications on the Authority. The Welfare Reform Act 2012 had not created an increase in inward migration.
- 6.1.5 The Council provides assistance to vulnerable people, such as money advice. The Gateway Team becomes aware of vulnerable, homeless individuals and families very quickly. Demand for assistance such as this has not been as great as expected; Oasis House has provided assistance.
- 6.1.6 Whilst noting that there has not been an increase in customers presenting at the One Stop Shop or Contact Centre directly linked to the Welfare Reform Act 2012, the Scrutiny Panel emphasised that there has been an overall increase in customers because they have more debt because of increased food prices and fuel prices without a corresponding increase in income. This is across the board – customers in receipt of benefit and those who are working. There have been more requests for food vouchers and requests for Discretionary Housing Payment.
- 6.1.7 The budget for discretionary housing payments (DHP) was increased from £50,000 to £400,000 in 2013/2014, a similar level for 2014/2015. It was acknowledged that this was an adequate annual amount for DHP so far.
- 6.1.8 The Scrutiny Panel emphasised the need for a clear process to disseminate information regarding sanctions and the benefits system. A number of Local Authorities are issuing “Life Packs” when they let a property, which includes information about money management and debt advice.

Impact – General Public

- 6.1.9 The Scrutiny Panel acknowledged that as a result of the Welfare Reform Act 2012, there had been a number of small changes to the benefit system that cumulatively have resulted in a large impact on a considerable number of people.
- 6.1.10 The number of people “missing” an instalment for Council Tax has increased. The collection rate in the Council Tax Support Scheme reflects that the Council is not able to collect it all and it has therefore been reduced by 1.3% to 96% collection rate. Work is undertaken with the most vulnerable clients and the Voluntary Sector regarding an arrangement that most suits their needs. The Scrutiny Panel welcomed the agreement stated in the Allocations Policy that tenants will be contacted when they are two weeks in rent arrears.
- 6.1.11 The Scrutiny Panel was pleased to note that the form for Council Tax assistance had been simplified and was available on-line. Support is also provided regarding completion of the form, should people require it.
- 6.1.12 The Scrutiny Panel acknowledged that the NBC website provides detailed information regarding welfare reform and signposting for anyone affected. The usefulness of the video: www.northampton.gov.uk/welfarereform was recognised.
- 6.1.13 It was highlighted that other factors can have an influence on arrears, such as increased food and fuel prices and static or reduced salaries. The Scrutiny Panel noted that 4,000 tenants have arrears of some kind, which could be from £1 to £1,000. This is 500 more than this time last year. It is estimated that 300 are in arrears as a direct result of the Welfare Reform Act. It was realised that there are some tenants that will not engage with the Council. The Scrutiny Panel emphasised the need for individuals to look at budgeting as often their income did not match their current outgoings.
- 6.1.14 The Scrutiny Panel welcomed the accessibility of the Credit Union that had relocated to the Guildhall on 4 April 2014. There are costs such as £10 for a client to open an account and 50p to £1 per transaction thereafter.

- 6.1.15 Evidence gathered, in particular from the anonymised case studies provided by members of the Scrutiny Panel, highlighted that some households and individuals, notably sickness and disability claimants, are affected by several different elements of the reforms and have suffered considerable delays.
- 6.1.16 The Scrutiny Panel was pleased to note that there are no cases of children being taken into care because the family is homeless. Assistance is given to help them find a home, such as private rented accommodation.
- 6.1.17 Families living in bed and breakfast accommodation has increased. Last year there were 19 families in bed and breakfast, week commencing 24 March 2014, there were 30, which included five that were categorised as intentionally homeless.
- 6.1.18 As a landlord, the Council is aware of all of its tenants. Resources are targeted to those that require it. Intervention is provided as needed.
- 6.1.19 The evidence received highlighted the increase in the use of Food Banks and this correlates with sanctions and delays in receiving benefits. Food Banks do a sterling job but the Scrutiny Panel was concerned that people have to use Food Banks. The evidence further highlighted that increases in the use of Food Banks take place particularly during school holidays. There has been an increase in free school dinners nationally and the Scrutiny Panel welcomed that from September 2014, all Key Stage 1 children will be entitled to a free school lunch. Statistics provided at section 3.3.3 of the report details the number of food parcels distributed from April 2013 to June 2014. The increase in food parcels for families was noted.
- 6.1.20 The Scrutiny Panel was concerned that the needs of cultural diverse communities were not being met by Food Banks but acknowledged that the Sustainable Independent Living (SIL) Officer, Northamptonshire County Council, is currently in dialogue with BME SRP (Sub Regional Partnership) regarding this.
- 6.1.21 The need to educate people regarding not wasting food was highlighted. The Scrutiny Panel was pleased to note that the SIL Scheme was working towards the No Waste Strategy- "Love Food – Hate Waste" and that further ideas had been obtained from a recent workshop.
- 6.1.22 The Scrutiny Panel was concerned regarding the exploitation of people by pay day lenders.

Under Occupancy

- 6.1.23 Under occupancy charge is a change to Housing Benefit Entitlement that means claimants will receive less in housing benefit if they live in a Housing Association or Council property that is deemed to have one or more spare bedrooms. Having one spare bedroom will mean claimants will lose 14% of their entitled housing benefit. Having two or more spare bedrooms will mean they will lose 25% of their entitlement. This tax started affecting properties with spare bedrooms in April 2013. There are exemptions to the under occupancy rules by those that have been in continuous receipt of housing benefit at the same address since 1 January 1996.
- 6.1.24 As of 1 April 2013, 1,134 tenants were under occupiers. As of 31 December 2013 this was 904 and by 31 March 2014 under occupancy had reduced to 842. The Scrutiny Panel noted that the reason for the reduction could be a combination of factors, such as, tenants coming off benefits, child's age. The Scrutiny Panel noted that there is a shortage of two bedded properties.
- 6.1.25 The local impact of the reduction in housing allowance for five-bed properties will apply to private sector properties rather than Council housing.
- 6.1.26 Where there are separate household families living in the same property, bedroom need is split, for example, a family with a three bedded property need and grandparents with a one bedded property need, the grandparents' income would be considered in the claim of the family by way of a non-dependant deduction.
- 6.1.27 Case studies obtained by the Scrutiny Panel highlighted the apparent lack of availability of one-bed properties
- 6.1.28 The Scrutiny Panel noted a recent report that had been published by the Department of Work and Pensions - Evaluation of Removal of the Spare Room Subsidy: interim report. This report was published on 15 July 2014. A copy of the report is detailed at Appendix K.

Universal Credit

- 6.1.28 The Scrutiny Panel emphasised the importance of universal credit and how this will be provided.
- 6.1.29 The need for evaluation of the impact of the Universal Credit was realised. The Scrutiny Panel felt that it would be useful for a further Scrutiny review to be undertaken that would monitor the effect of Universal Credit after it had been in place for 12 months. It is expected that Universal Credit will start to be rolled out, at the earliest, in Northampton in the Spring 2016; full roll out across the country is still being communicated as the Autumn 2017 and to some pensioners in 2020. However, the timeline has slipped and a further announcement is expected in the Autumn 2014. Work is ongoing locally regarding Universal Credit. The Scrutiny Panel was pleased to note that Northampton Borough Council (NBC) is carrying out partnership working with Southwark Council, who are involved in a Universal Credit pilot.

Published research – Welfare Reform

- 6.1.30 From the evidence gathered, recent published findings of Central Government's Work and Pensions Committee, on 1 April 2014 called for the Government to change a number of its reforms because of their impact on disabled and vulnerable people. The MPs called for people living in significantly adapted homes to be exempt from the bedroom tax, under which benefit is reduced for social tenants deemed to have spare rooms. They also called for everyone on the higher rate mobility or care component of disability living allowance to be exempt. They also said affected households should be exempt if 'there is no suitable, reasonable alternative' home to move to.
- 6.1.31 Published papers regarding the impact of the Welfare Reform Act highlighted:
- Financial insecurity is the major concern for parents, twice as likely to cause concern as rising bills.
 - The cost of school uniforms puts extra financial pressure on parents.
 - Affordable childcare is cited as the main barrier to out-of-work parents seeking employment.

- Parents do seek help and are supported by local organisations, family and friends in times of need.
- There are general uncertainties because so many elements of Welfare Reform are taking place over the same period and there are concerns about the cumulative impact of these changes. Organisations are looking to streamline their operations and to prioritise and focus their resources on rent collections and tenancy support. Some may step back from their wider community support programmes. Others are setting up charitable funds. The evidence emphasised that Housing Associations are striving to ensure both they and their tenants work through this situation as best they can but there will be increased costs and real victims. Much turns on how the programme of welfare reform unfolds and what adjustments are made in the process.
- A considerable amount of Housing Associations' stock is affected by the "bedroom tax" Generally, it is the greatest concerns of organisations in the North of England where there are higher rates of under-occupation and a history of building predominantly larger homes and demolishing smaller homes as part of regeneration schemes to provide more sustainable Housing Associations concurred with the Government's view that the large majority of affected households were likely to stay put, and see their housing benefit reduced.
- Many claimants of incapacity benefits have undergone Work Capability Assessments, been found fit for work and so have moved on to Jobseeker's Allowance. For some, this move may be appropriate and even beneficial. Yet after several years out of the job market, many lack the self-esteem, qualifications or skills to successfully move into employment.
- Some claimants of incapacity benefits have been incorrectly assessed and moved onto Jobseeker's Allowance despite not being well enough to work. People in this situation experience a great deal of anxiety and face the difficult process of appealing the assessment.
- Families affected by Housing Benefit changes have to contemplate moving to cheaper areas or smaller properties. Such moves result in families losing the support networks they have built up over many years, leading to isolation and increased vulnerability. It can also mean children have to change schools.
- As a result of recent reforms, many people are getting into debt. Without sufficient reserves to get through crises, such as unexpected bills or benefit delays, and with the reduction of local

authority social funds, many people are turning to food banks or pay day loans.

- The Church can be a valuable source of support for those affected by welfare reform. Located within communities, churches are ideally placed to offer both the short-term support that is needed by those in crisis and the long term relational networks that provide on-going support, helping people to build their self-esteem and skills, and to ultimately reduce their reliance on benefits.
- The Church of England research paper illustrated how it felt that thousands of households are likely to see a considerable reduction in their income over the six year period from 2010/11 to 2016/17. Whilst some reforms, such as the increase in the personal tax allowance and the freeze in Council Tax, increase the disposable income of certain households, these gains are more than offset by other reforms, such as those to Housing Benefit and tax credits. According to the Institute of Fiscal Studies, the overall impact of recent tax and benefit changes will be to reduce the incomes of the poorest families with children by an average of 5 - 7% by 2015/16.
- The Church of England reports that its studies indicate the impact of recent reforms is not purely financial. There are practical and emotional consequences when families have to consider changing jobs or moving house, or disabled people undergo medical assessments, start looking for work, or cut back on essential spending. In our third and final report on welfare reform, the Church of England will be exploring these wider dimensions through interviews with local churches and faith-based organisations actively involved in supporting the people most directly affected by the reforms.
- As demand for internal transfers rises and larger properties become undesirable for families receiving housing benefit, void rent losses could increase considerably.
- The cost of loans is likely to increase as lenders price up the extra risks involved in collecting rent directly from tenants who have had other sources of income cut.

Partners

- 6.1.32 The evidence gathered indicated that collaborative funding applications would be useful, coupled with a strategic view. The Scrutiny Panel emphasised that there should not be duplication of effort and that there is a need for co-ordination and support for smaller groups to put in bids for funding.
- 6.1.33 The Scrutiny Panel welcomed the work of Thorplands Sure Start Centre, recognising the importance of its work in such a deprived area.
- 6.1.34 The Social Fund is administered by Northamptonshire County Council and demand is considerable. The Scrutiny Panel was concerned regarding the future of the Sustainable Independent Living (SIL) Scheme, post April 2015.
- 6.1.35 The Scrutiny Panel supported the work of Charity Link and was concerned to note that there had been a fourfold increase in Food Bank referrals and the increase in utility referrals had tripled in Leicestershire since 2012/2013; mainly due to sanctions and delays in benefits.
- 6.1.36 The Scrutiny Panel noted that Councillors can refer individuals to the SIL Scheme and organisations and charities, such as Charity Link. It highlighted the need for all Councillors to be aware of this. It would be useful for the Sustainable Independent Living Scheme Toolkit - Northamptonshire County Council Social Fund 2014/2015, to be disseminated to all Councillors and a workshop scheduled explaining the work of the Sustainable Independent Living Scheme and Charity Link.

Food Banks

- 6.1.37 The Scrutiny Panel was informed that over the past year there has been a significant increase in the use of foodbanks in Northampton . Since May 2013 the Northampton Food Banks have, supplied 3,573 Food Parcels, a mix of one person, two person and family parcels. The most common reasons for requiring the services of a Food Bank include benefit delays, benefit changes and low income and debt.
- 6.1.38 The Scrutiny Panel acknowledged that individuals can normally use a Food Bank five times a year. This is to ensure they do not become dependent upon the service.
- 6.1.39 In addition, the Scrutiny Panel noted the number of food parcels distributed by Thorplands Sure Start Centre.

6.1.40 Sanctions resulting from the introduction of the Claimant Commitment are also creating increased demand.

6..1.41 The Scrutiny Panel acknowledged that there had been an increase of 47% of people accessing the Hope Centre on a daily basis. In June 2012 daily visitations were 85, this has increased to 125 per day. Annually, 13,000 people use the Hope Centre. The number of people using the carry-out bag service has increased over the year from 11,800 to 15,000.

7

Recommendations

7.1 The purpose of the Scrutiny Panel was to evaluate the effect of the Welfare Reform Act on the public and Council employees.

Scrutiny Panel 1 recommends to Cabinet that:

Northampton Borough Council (NBC)

7.1.1 Raising awareness of the ongoing reforms, the impact and support available from partners, the Voluntary Sector and various community groups and organisations is continued.

7.1.2 Revenues and Benefits, LGSS, together with Officers from NBC continue to provide briefings in relation to the emerging reforms and their impact.

7.1.3 In recognising the timescales for relevant processes and procedures in relation to Welfare Reform, Revenues and Benefits, LGSS, works closely with Housing Services, NBC, in order that these processes and procedures are speeded up.

7.1.4 A dedicated resource for benefits advice, financial inclusion and digital inclusion is established.

7.1.5 Claimants are continued to be advised of the availability of Discretionary Housing Payments (DHP) and awarded payment as necessary.

7.1.6 A Financial Risk Assessment is undertaken and published.

7.1.7 A project is undertaken to establish the roles and responsibilities in relation to Welfare Reform, in particular:

- Implementation
- Transition
- Post-transition

7.1.8 Staff from the relevant service areas – Customer Services, Housing Services, NBC, and Revenues and Benefits, LGSS, are trained and skilled so that they can support individuals through Welfare Reform.

7.1.9 Links with the Department of Work and Pensions (DWP) are actively explored, including the possibility of benefits advice, in particular the application of sanctions, and support presence within the One Stop Shop.

7.1.10 Links with ATOS (or relevant organisation) regarding the impact of the delays in assessing the entitlement of PIPs and the delays with appeals are actively explored.

7.1.11 The Sustainable Independent Living (SIL) Scheme Toolkit – Northamptonshire County Council Social Fund 2014/2015, as attached at Appendix J, is disseminated to all Councillors and staff. A workshop for all Councillors is scheduled explaining the work of the Sustainable Independent Living Scheme and Charity Link and the application process.

Northamptonshire Credit Union

7.1.12 Consideration is given to the development of viable alternatives to pay day loans, for example, facilities are introduced to assist clients to set up direct debits from the Northamptonshire Credit Union to pay bills such as rent (Council and private sector), Council Tax and utilities.

7.1.13 Consideration is given to Northampton Borough Council joining the East Midlands Credit Union Initiative where rent would be paid directly to the Council, as the social landlord, rather than directly to the tenant.

7.1.14 The work of Northamptonshire Credit Union is promoted to encourage people to use it as an alternative to payday loans.

Voluntary Sector

- 7.1.15 Close links into and between the Voluntary Sector and Northampton Borough Council are promoted.
- 7.1.16 Active promotion of the work of Voluntary Sector organisations, such as (Charity Link, Citizens Advice Bureau and Community Law) takes place on the Council's website, within the One Stop Shop and as part of outreach activities such as tenants' conferences.
- 7.1.17 Service Level Agreements with Voluntary Sector organisations are explicit in relation to the necessity to provide support and advice to customers facing sanction.

Food Banks

- 7.1.18 Northampton Borough Council supports the development of Food Hubs.

Monitoring

- 7.1.19 Monitoring of the accumulative impact of Welfare Reform as changes are implemented and embedded continues, to inform the development of appropriate support and, in particular, to help prepare for the implementation of Universal Credit.

Overview and Scrutiny Committee

- 7.1.20 Relevant key findings from this Scrutiny Review are presented to an evidence gathering meeting of the Scrutiny Panel that is investigating Poverty in the Town to inform its evidence base.
- 7.1.21 The Overview and Scrutiny considers commissioning a Scrutiny review on the impact of Universal Credit after it has been in operation in Northampton for 12 months.
- 7.1.22 The Overview and Scrutiny Committee, as part of its monitoring regime, reviews the impact of this report in six months' time.

Appendices



OVERVIEW AND SCRUTINY

SCRUTINY PANEL 1 – Impact of the Welfare Reform Act

1. Purpose/Objectives of the Review

- To evaluate the effect of the Welfare Reform Act on the public and Council employees.

2. Outcomes Required

- To make informed recommendations to all relevant parties on the most appropriate approaches to take to mitigate the impact of Welfare Reform in Northampton.

3. Information Required

- Background data
- Background reports and presentation
- Best practice data
- Desktop research
- Evidence from expert external witnesses
- Evidence from expert internal witnesses
- Evidence from residents

4. Format of Information

- Background data:
 - Presentation setting the Scene: - The policy context and timetable for change.
 - Presentation - An overview of the national Welfare Reforms: Setting a baseline position and measuring impacts
- Centre for Public Scrutiny's Policy Briefing 19– Welfare Reform (September 2012)

- Centre for Public Scrutiny's briefing Paper - The local impacts of the introduction of Universal Credit and the wider welfare reforms (August 2013)
- Kensington and Chelsea Social Council's report – Change for Children - A study of local families in Kensington and Chelsea (2013)
- Various relevant published papers from organisations such as, Rowntree Trust, Child Poverty Action Group, SHELTER
- Witness Evidence:
 - Cabinet Member for Housing, Northampton Borough Council (NBC)
 - Housing Advice Service, NBC
 - Head of Benefits and Revenues, NBC
 - Cabinet Member for Finance, NBC
 - Head of Customer and Cultural Services, NBC
 - Community Law
 - Citizen's Advice Bureau, Northampton
 - Northamptonshire Credit Union Ltd
 - Home-Start, Northampton
 - Thorplands Sure Start Centre, Northampton
 - Blackthorn Good Neighbours, Northampton
 - SIL Officers, Northamptonshire County Council/Charity Link
 - Northampton Food Banks via Community Foundation
 - Oasis House, Northampton, including organisations: Midland Heart, NAASH
 - Northampton Salvation Army
 - St Vincent de Paul Society
 - Case studies from a variety of residents
 - Case studies from a variety of constituents via ward Councillors
- Best practice examples from a range of local services and other Local Authorities, in particular, a Local Authority that is piloting Universal Credit

5. Methods Used to Gather Information

- Minutes of meetings
- Desktop research
- Officer reports
- Presentations
- Questionnaires (completion by residents)

- Core questions (expert advisers)
- Examples of best practice
- Witness Evidence:-

➤ Key witnesses as detailed in section 4 of this scope

6. Co-Options to the Review

None identified for this review.

7 Community Impact Assessment

- A Community Impact Assessment to be undertaken on the scope of the Review

8 Evidence gathering Timetable

January 2014 - July 2014

- 9 January 2014 - Scoping meeting
- 3 February - Evidence gathering
- 20 March - Evidence gathering
- 3 April - Evidence gathering
- 8 May - Evidence gathering
- 30 June - Evidence gathering
- 21 July - Approval of the final report

Various site visits will be programmed during this period if required.

Meetings to commence at 6.00 pm

9. Responsible Officers

Lead Officers Julie Seddon, Director of Customers and Communities

Co-ordinator Tracy Tiff, Scrutiny Officer

10. Resources and Budgets

Julie Seddon, Director of Customers and Communities, to provide internal advice.

11. Final report presented by:

Completed by 21 July 2014. Presented by the Chair of the Scrutiny Panel to the Overview and Scrutiny Committee and then to Cabinet.

12. Monitoring procedure:

Review the impact of the report after six months (March 2015)

Welfare Reform - Impact of the Welfare Reform Act

Scrutiny Panel - Monday 3 February 2014

Marion Goodman NBC

Matthew Steele & Robin Bates LGSS



Welfare Reform – what we'll cover

- Welfare Reform – Background
- What has changed to Date?
- Timetable for change
- Universal Credit Local Support Services Framework
- The implications of the changes
- Local Impact existing reforms
- Local Impact Universal Credit / LSSF
- Welfare Reform Delivery team



By the public sector, for the public sector

Background to Welfare Reform



DWP Department for Work and Pensions

21st Century Welfare

Revised by Parliament by the Secretary of State for Work and Pensions by Command of Her Majesty July 2010

DL 1002

DL 1002



DWP Department for Work and Pensions

Universal Credit: welfare that works

Revised by Parliament by the Secretary of State for Work and Pensions by Command of Her Majesty November 2010

DL 1002

DL 1002



What Has changed to date? (1)

- Disability Living Allowance
- Under 35's restriction to single room rate
- Local Housing Allowance – Rates reflect bottom 30% of private rents and increases limited to 1%
- Council Tax Benefits to Local Council Tax Reduction Scheme



What Has changed to date? (2)

- Spare Room Subsidy
 - *Exemption from the under occupancy rules by those that have been in continuous receipt of HB at the same address since 1 January 1996.*
- Benefit Cap
- Community Care Grants & Crisis Loans to Social Fund
- Discretionary Housing Payments



Universal Credit

Universal Credit is at the heart of the Government's welfare reforms and aims to:

- make the benefits and tax credits system simpler;
- create the right incentives to get more people into work;
- protect the most vulnerable in our society: and
- deliver fairness to those claiming benefit and to the tax payer.

By the public sector, for the public sector

<p>A policy</p>	<p>that tackles welfare dependency, poverty and worklessness by making work pay</p>
<p>A benefit</p>	<p>that replaces a complex system of working-age benefits and credits with the Universal Credit and a single set of rules</p>
<p>A gateway</p>	<p>that together with employment support programmes, helps people into work</p>
<p>A platform</p>	<p>that will help deliver an internet-age service whilst continuing face-to-face support for those who need it</p>
<p>An ambition</p>	<p>transforming lives and society through work</p>



By the public sector, for the public sector

How is Universal Credit different

The welfare system has **more than 30 benefits** each with their own rules and criteria

Universal Credit provides a new single online system of means-tested support for working-age people who are **in or out of work**

Work incentives can be very low, benefits are reduced to take account of earnings but different benefits have different rules

Universal Credit aims to **make work pay**. Financial support will be reduced at a consistent and predictable rate and people will generally keep a higher proportion of their earnings

Conditionality: some benefit claimants are capable of working but have no obligations to look for work

Universal Credit will **personalise conditions** according to people's capability and circumstances

Payments are paid to different adults in a household and for various periods

Universal Credit is **paid on a calendar monthly basis in a single payment to each household** (we will retain ability to pay more frequently or to split payment in exceptional circumstances)

By the public sector, for the public sector

Current system

Income related JSA
Income related ESA
Income Support (including SMI)
Working Tax Credits
Child Tax Credits
Housing Benefit

Universal Credit

Disability Living Allowance

Personal Independence Payment

Pension Credit

**... to include support for housing
and children**

Child Benefit, Carer's Allowance (will remain)

Council Tax Benefit abolished and replace with Localised Council Tax Schemes

Contributory JSA and ESA (conditionality rules changing)

- The service will be **digital by default** because:
 - it is **better for claimants, staff and taxpayers**. It is:

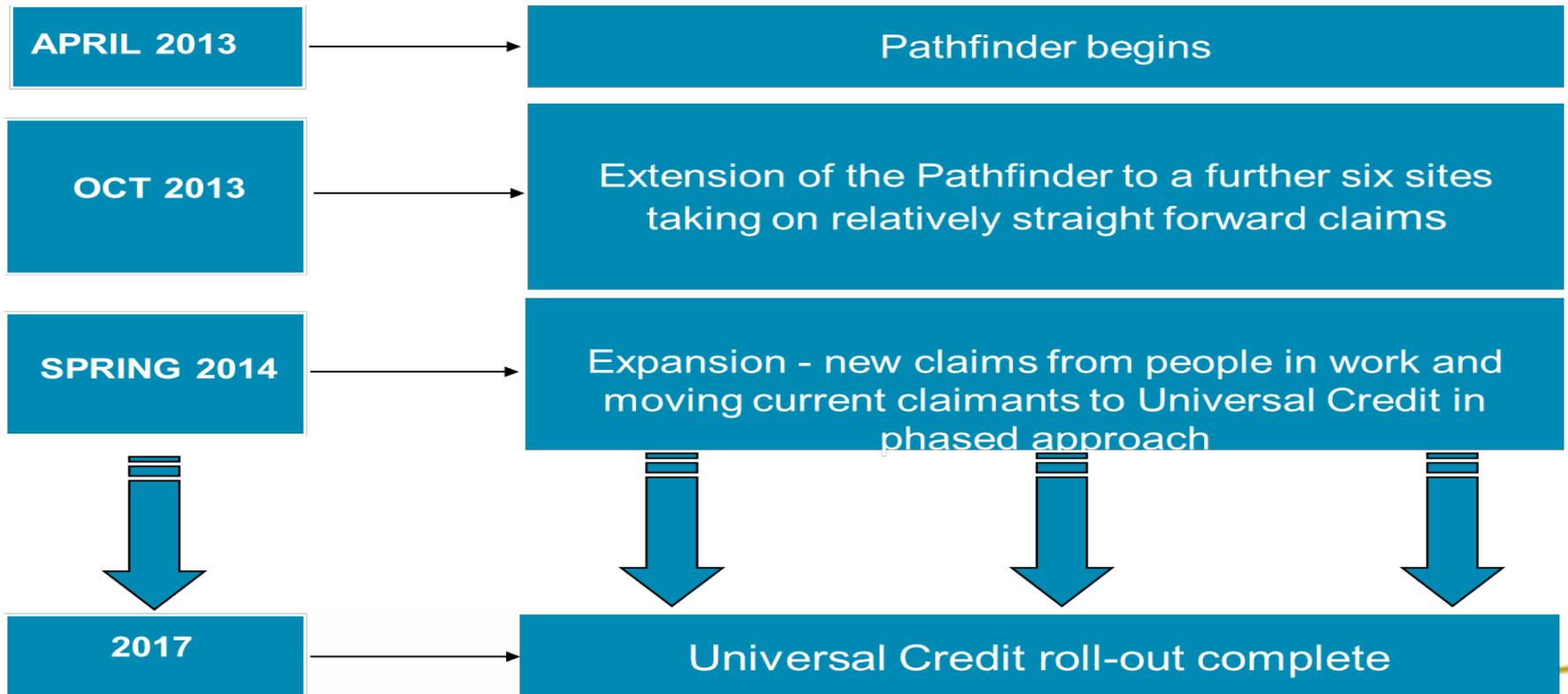
available	flexible	responsive
informative	integrated	accessible

- **the future is digital:**

Most jobs need digital skills	Mobile devices more prevalent	Online services help people save money
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Timetable for Change



Universal Credit and Pension Credit

- As a result of the introduction of Universal Credit the following changes will be made to Pension Credit:
 - help with eligible rent. Support for eligible rent for customers over Pension Credit qualifying age will be provided through a new component of Pension Credit called Housing Credit
 - help with dependent children. A new additional amount will be included in the Guarantee Credit element of Pension Credit for dependent children.
- The earliest date that these changes will be incorporated into Pension Credit new claims is currently 12 months after the go-live of Universal Credit
- The current planning assumption is that migration of Housing Benefit and Tax Credit information for Pension Age customers will be completed by October 2017.
- The intention is that the migration process for pension age customers will be as intervention free as possible. The underlying principle of the migration approach will be to ensure continuity of financial support.



Universal Credit Local Support Services Framework

- sets out in outline how DWP intends to work in partnership with LAs to ensure support is in place for claimants who need additional help when Universal Credit is introduced.
- DWP aim is to produce a fully updated LSSF document in autumn 2014 that will provide definitive baselines to allow LAs to plan their services for the 2015/16 financial year.

Local Service Support Framework

- Financial Inclusion
- Digital Inclusion
- Partnership Working
- Triage

Local Service Support Framework

- Provision of basic advice and information to help someone claim
- Triage and Orientation
- Welfare Rights Advice and Support.
- Online access
- Assisted digital claiming

Local Service Support Framework

- Intermediary support
- Complex needs support
- Financial inclusion
- Financial products provision
- Money advice and budgeting support
- Identifying cases for an direct payments

Local Impact Welfare Reform

- Council Tax Support and Council Tax Reforms:
- Increased recovery workload
- Strong reliance on corporate debt policy and fair debt principles
- Increased partnership working
- Increased provision against bad debts (hardship)

Local Impact Welfare Reform(2)

- Spare Room Subsidy
 - Total affected 1146
 - 14% reduction = 976
 - 25% reduction = 142
- Council tenants = 840
- RSL / Other social sector tenants = 306

Local Impact Welfare Reform(3)

- Average Housing Benefit loss due to Spare Room Subsidy - £15.26
 - Range of weekly loss - £4.75 to £17.48
- Exemption from the under occupancy rules by those that have been in continuous receipt of HB at the same address since 1 January 1996.
 - 280 claims highlighted (from available records)
 - 180+ hours required to validate entitlement to the exemption from archive records.

Local Impact Welfare Reform/ LSSF (4)

- Benefit Cap
 - 80 claimants currently impacted
 - 31 are residing in private sector accommodation
 - 49 within the social sector.
- Range of Loss £0.16 – to a very substantial £182.96
Average Weekly Loss £52.84
- All the claimants have 3 or more dependants

Welfare Reform Delivery Team

- Project Team represented by LGSS and NBC officers
 - Landlord Services, Housing Solutions, Revenues & Benefits, Customer Contact Centre & One Stop Shop.
- Visited Southwark Council to discuss a role in supporting tri Borough pilot of LSSF & learn from their experience so far
- Assess local support frameworks across providers in Northampton.



Welfare Reform Delivery Team

- Financial risk assessment to be conducted to cover the following:
 - Risk to NBC in terms of subsidy and income collection of reforms,
 - Risk to LGSS and NBC in terms of future savings
 - Wider partnership liaison group including the DWP area manager responsible for LSSF in Northamptonshire,
- LGSS evaluating future role in the transactional back office processing of Universal credit

Welfare Reform Delivery Team

- Access channels and delivery model at NBC supports future design of Universal credit,
- Debt management processes and procedures have been constantly reviewed at NBC over initial part of welfare reform transitions to ensure they support those in financial need,

NORTHAMPTON BOROUGH COUNCIL
OVERVIEW AND SCRUTINY



SCRUTINY PANEL 1 –IMPACT OF THE WELFARE REFORM ACT

CORE QUESTIONS – EXPERT ADVISORS

The Scrutiny Panel is currently undertaking a Review evaluating the effect of the Welfare Reform Act on the public and Council employees.

The expected outcomes of this Scrutiny Review are:

- To make informed recommendations to all relevant parties on the most appropriate approaches to take to mitigate the impact of Welfare Reform in Northampton.

CORE QUESTIONS:

A series of key questions have been put together to inform the evidence base of the Scrutiny Panel:

- 1 Please would you provide a brief description of the services you provide.
- 2 Please supply details of how you are responding proactively to the Welfare Reform Act
- 3 Has mapping and information gathering been undertaken to assess the cumulative impact of the Welfare Reform Act. What actions have been put in place to support clients?
- 4 Is on-line resource information available to clients?

- 5 Has there been an increased demand for services? If so, please provide details.
- 6 Do you feel there is adequate co-ordination between Advice Agencies who are supporting affected clients? How could it be improved?
- 7 Has the number of clients using short-term money lending businesses increased. If so are you able to share the data with the Scrutiny Panel?
- 8 Has the number of clients presenting with arrears including rent or Council Tax increased since the introduction of the Welfare Reform Act (April 2013)? If so, what is the percentage of increase?
- 9 What assistance and support is provided to clients in debt?
- 10 How secure is your service. Do you have any funding problems?
- 11 Do you have further information regarding the impact of the Welfare Reform Act about which you would like to inform the Scrutiny Panel?



NORTHAMPTON BOROUGH COUNCIL

SCRUTINY PANEL 1

IMPACT OF THE WELFARE REFORM ACT

BRIEFING NOTE: DESKTOP RESEARCH

EXAMPLES OF BEST PRACTICE ELSEWHERE

1 INTRODUCTION

- 1.1 At its inaugural scoping meeting, Scrutiny Panel 1 (Welfare Reform Act) agreed that it would receive details of evaluating the impact of the Welfare Reform Act by organisations and other Local Authorities that have been noted as best practice, in particular a Local Authority that is currently piloting Universal Credit.
- 1.2 The pilots will examine potential problems that could arise from these changes for example, the purpose of Birmingham Council's pilot is to look at ways of supporting people who need extra help with financial and digital literacy, while Oxford City Council will build on its role as a direct payment pilot to work with residents who are not in contact with Jobcentre Plus. The purpose of the pilot being undertaken by North Dorset Council is working with social housing provider Spectrum, Citizens Advice and a credit union on budgeting and employment skills for people in remote areas. The aim of the pilot being run by Oxford City Council will build on their work with the Department of Work and Pensions (DWP) as a Direct Payment Demonstration Project to work with residents not in contact with Jobcentre Plus.
- 1.3 There are also four 'pathfinders', which will begin operating universal credit six months ahead of the national roll out.
- 1.4 It is reported that the pilots will focus on delivering the face to face support some people may need to make claims for Universal Credit, including online support, help with budgeting and job searches, reducing fraud and error, and reducing homelessness. The aim of the Local

Authority led pilots is to test the potential role for Local Authorities in supporting the face to face support.

- 1.5 A [Universal Credit Toolkit](#) has been produced by DWP, the purpose of which is to inform and assist partner organisations, particularly those in the pathfinder locations.

2 EXAMPLES OF RECOGNISED BEST PRACTICE

Local Authorities included in the pilot of Universal Credit

- 2.1 The following Councils have been included in the pilot of Universal Credit:

- Bath and North East Somerset Council
- Birmingham City Council
- Caerphilly County Borough Council
- Dumfries and Galloway Council
- London Borough of Lewisham
- Melton and Rushcliffe Borough Councils (as a partnership)
- Newport City Council
- North Dorset District Council
- North Lanarkshire Council
- Oxford City Council
- West Dunbartonshire Council
- West Lindsey District Council

- 2.2 There were two further pilots by Oldham Council and Wigan Council as part of the Pathfinder preparations.

2.3 London Borough of Lewisham

2.3.1 Context

- 2.3.1.1 Lewisham is an inner London borough with a population of 282,000 which is forecast to rise to over 320,000 over the next ten years. Children and young people make up 25 per cent of the population. The average age of the population of Lewisham is 34.6 years, which is young compared to other London boroughs. Lewisham is the 14th most ethnically diverse local authority in England with 57% of its population from an ethnic group other than 'White British' there are over 130 languages spoken in the borough. Lewisham ranks 31st for deprivation. Lewisham is within the 20 per cent most deprived Local Authorities in the country.

2.3.2 Lewisham's Universal Credit Pilot

- 2.3.2.1 A 'Welfare Reform' Board was established, its purpose being to co-ordinate strands of work being undertaken across the Council and key partners.

2.3.2.2 Lewisham included 524 individuals in its sample group for the pilot, all of which were sent written correspondence and received two telephone calls explaining Universal Credit and the benefit cap, the impact on their household and what they could do to prepare for Universal Credit. Lewisham was successful in contacting 418 (80%) of these customers, all of which went through the triage process. 249 were triaged as requiring additional face to face support; appointments were booked, 143 were identified as being exempt from the benefit cap; requiring no more support, 20 were triaged as vulnerable but had refused an appointment and six were identified as still being affected by the benefit cap, were not vulnerable and did not need an appointment.

2.3.2.3 It is reported that the following was learnt about Lewisham's customers:

Digital - Access to Internet in the home is important but experience of using the Internet and on-line transactional services was thought to be a more reliable indicator of an individual's ability to complete and manage a claim.

Financial – The level of people's concern about managing their financing is a useful indicator as to whether they require assistance. Their experience of using direct debits, standing orders, accessing emergency loans and debt from such loans were felt to be less useful indicators.

2.3.2.4 The final evaluation report for the pilot was submitted to the DWP at the end of January 2014 and it is expected that it will be published in the spring 2014. The report will include an overall analysis of the impact of the model tested in the pilot.

2.3.3 North Dorset District Council

2.3.3.1 North Dorset District Council's pilot consists of a consortium of partners who agreed to work together to gather data for the Department of Works and Pensions (DWP) on the impact of Welfare Reform. North Dorset District Council reports that it wanted to help benefit claimants to undertake the changes in behaviour required through Welfare Reform with particular reference to living in a rural area. This included increasing online benefit applications, learning online skills, learning about effective budget management, assistance with setting up bank accounts through the Credit Union, help with work readiness through the Job Clubs and making choices necessary to deal with the impact of Welfare Reform.

2.3.3.2 The consortium consists of:

- Job Centre Plus
- Citizens' Advice Bureau (CAB)
- Department for Work and Pensions (DWP)
- North Dorset District Council
- First Dorset Credit Union
- Local Government Association
- Spectrum Housing Group
- Stour Valley Partnership
- Dorset County Council (Adult Learning)

2.3.3.3 Shelter was involved originally but its funding ceased in April 2013 meaning it was no longer able to operate in Blandford, this was reported to be a setback to the consortium because of the debt advice Shelter had been providing. As the project proceeded the Consortium also had engagement from the, DWP's visiting officers, Sure Start, Dorset Families Matter, Ansbury (work support) and Drug and Alcohol Service.

2.3.3.4 Funding for the Pilot ceased in December 2013. North Dorset Council reports that the work has been so effective that the partners wish to continue and are recommending a way forward. CAB will continue to fund its Welfare Advice post, on a part-time basis until the end of March 2014. Spectrum Housing has agreed to continue the emphasis of its work in North Dorset. This will be through its Welfare Advisor and it has also agreed to partially fund the Universal Credit Co-Ordinator role until March 2015 for one year. North Dorset Council will co-ordinate activity through the Commissioning Services Manager.

2.3.3.5 North Dorset Council is awaiting a decision from DWP to see if it will be included in the new pilots for the framework agreement between the DWP and Local Authorities. A full report on the pilot was prepared for the DWP for January 2014. The highlights include:

- (i) **Employment** – A reduction by 13% of unemployment in North Dorset, primarily through the work of the job clubs. The clubs now have direct access to the Adult Learning Website and are able to register those seeking work onto appropriate courses. The clubs help with IT, CV and job applications. They have also directed a number of individuals into voluntary placements.

The Consortium has also written to all employers in North Dorset advising them of employment incentives. Local employers are now directly notifying the Job Clubs of all vacancies and the clubs are assisting employers with short-listing where appropriate.

North Dorset Council has employed seven apprentices and Spectrum Housing Group has offered tenants work placements and apprenticeships both in its office and property maintenance division. These arrangements have proved to be very successful with many obtaining permanent work.

(ii) **Money management** – over 90 individuals have attended the budget management training. First Dorset Credit Union are now able to offer “Jam Jar” accounts to assist benefit claimants with rent, rate and fuel payments. The Credit Union received a grant of £13k from Barclays Bank enabling them to invest in improved IT infrastructure. Over 80 individuals have opened savings accounts with First Dorset Credit Union since the start of the pilot. The Welfare Advisors from Spectrum and CAB together with DWP Visiting Officers have targeted the most vulnerable groups and identified over £1m of unclaimed benefit. Spectrum has seen a reduction in rent arrears of nearly £50,000 since the start of the Pilot in comparison to 2012.

(iii) **Digital Access** – At the start of the pilot only 10% of claimants were going online - this has now increased to 60% of housing benefit claimants and 95% of housing applicants. North Dorset District Council has worked with Victoria Forms, the company that provide the online housing benefit form to make it easier to complete and the form can now be accessed from tablets and smart phones. There are 17 public access points throughout the district for those without broadband at home.

2.3.3.6 North Dorset Council reports that the partnership arrangement has worked extremely well, enabling a joined up approach to service delivery in an area with scarce resources. It took time to develop and some partners needed more time to understand what North Dorset District Council was trying to achieve, this was particularly true of those supported by volunteers. The Council hopes that the DWP will provide funding to coordinate the activities of volunteers particularly Digital Champions which is important in an area with limited access to broadband and reliance on public access points.

2.3.3.7 A key final issue was data sharing and the fact that all organisations hold data in different formats making it difficult to manage. North Dorset Council has data sharing arrangements with other partners but DWP was unable to share its data and this did result in some duplication of effort which the Local Authority was trying to avoid.

BEST PRACTICE FOR THE EVALUATION AND MONITORING OF THE IMPACT OF THE WELFARE REFORM ACT

2.4 The following organisations and Local Authorities have been noted for their best practice for their evaluation, monitoring and accessing the impact of the Welfare Reform Act:

2.4.1 A2Dominion

2.4.1.1 A2Dominion, which is one of 12 organisations to receive the Government's Digital Deal funding, is running a 'Digital D.I.Y' (Digital Includes You) project that, over the next three years will support 1,300 tenants who are aged 45 and over and in rent arrears, to improve their computer skills to get online as part of preparations for Universal Credit.

2.4.1.2 Digital DIY will also provide seven new Digital DIY access points in community facilities and deliver a pilot a computer recycling programme.

2.4.1.3 The Digital Deal is being managed by the Tinder Foundation, which supports the 5,000 online centres across the UK.

2.4.1.4 In total, the Digital Deal is providing £400,000 of funding from the Department for Work and Pensions and the Department for Communities and Local Government matched by the winning bidders.

2.4.1.5 The 'Digital DIY' project involves delivering a 'train the trainer' digital programme to create a network of staff and volunteer mentors who will support tenants in getting online.

2.4.1.6 A2Dominion is training 45 staff and volunteers to deliver basic training to residents in their homes and local community centres, with its work focused in the Ealing, Stanwell, Westminster, Chichester, Winchester and Salisbury areas.

2.4.1.7 The 'Digital DIY' project involves:

- Delivering one-to-one IT sessions for up to 100 tenants in their own homes
- Delivering group IT workshops for more than 200 residents across Ealing, Southall, Westminster, Hammersmith, Spelthorne, Salisbury, Winchester & Chichester
- Providing seven 'Digital DIY' access points in community facilities at Beethoven Centre and Woods House in Westminster, The Lido Centre in Ealing, Havelock Community Centre in Southall, Stanwell Community Centre near Staines, Swanfield Community Centre,

Salisbury Foyer and in Winchester that enable residents to access the internet, training and support

- Providing access to innovative online training materials for residents to further develop their computer skills
- Deliver a 'train the trainer' digital programme to create a network of 45 staff and volunteer mentors who will train tenants to get online
- Deliver a pilot computer recycling programme that will offer refurbished PCs and tablets to those most in need and support them get online.

2.4.1.8 A project aimed at helping social housing tenants (of A2Dominion) to get online began at a community centre in Westminster run by A2Dominion. The course is free to all tenants of A2Dominion.

2.4.1.9 One of the residents is reported to have commented "Whilst we have a laptop at home, my children are the ones who use it. I only use it occasionally with their help. I wanted to use the Digital DIY training in order to get some independence. The course was really useful and I have started to feel more confident using a computer by myself."

2.4.2 East Sussex Partnership

2.4.2.1 East Sussex County Council works closely with the five districts and borough Councils, Probation, Health and Children's service through a Strategic Forum, which was previously the Supporting People Commissioning Board.

2.4.2.2 In June 2012, the Strategic Forum considered the impact of the Welfare Reform Act 2012 on the residents of East Sussex and by October of that year, a plan to deliver a co-ordinated local response to the changes to the social security system was agreed. The Welfare Reform Project was launched to deliver the countywide plan.

2.4.2.3 The reported objective of the Welfare Reform Project was that all residents of East Sussex affected by the benefit changes would receive the financial support they are entitled to; and wherever possible to live with less money; are supported to understand the support available to people in work and avoid homelessness.

2.4.2.4 A multi-Agency project board was established with representatives from district and boroughs, East Sussex County Council, Voluntary and Community sector representation and Children's Services. Responsibility for delivering the Welfare Reform Project was placed with the Supporting People Team and a business case was made which successfully accessed £900,000 to achieve the two year project.

- 2.4.2.5 The team received support, expertise and guidance from the County Council's communications team in developing the project branding, website, publicity materials and marketing campaign and support from the County Council's training section to organise training for a wide range of statutory and voluntary professionals. The training was commissioned from Shelter.
- 2.4.2.6 An evidence base of the likely impact of the changes and identified a reduction in existing advice services was established. A decision was made to invest in strengthening the East Sussex advice agencies working together under the established East Sussex Advice Partnership. The provision of training opportunities were invested in and also educating and informing both residents and staff about the changes, their impact and how to respond.
- 2.4.2.7 At its inception, the Welfare Reform Project developed its own brand and all activity occurs under that banner. Since December 2012 the Welfare Reform Project has taken responsibility for and rolled out the following initiatives and services:
1. A YouTube awareness video was produced. The video can also accessed via the East Sussex County Council and district and borough websites, shown in Libraries and many forums and meetings (Learning Disability Board, Reducing Offending Board), and used in training sessions. Since it was posted on YouTube on 2 April 2013 the video has had over 1,200 views.
 2. A PowerPoint presentation used primarily with elected members.
 3. A number of published articles including two in "Your County", a free magazine delivered to all residents of East Sussex.
 4. A series of briefings to explain as simply as possible a specific aspect of welfare reform and how staff can best support clients. Fourteen briefings have been produced so far and widely circulated. More briefings are planned until all Welfare Reform changes have been introduced.
 5. A series of one day Welfare Reform training courses were held for staff in the voluntary and statutory sector in East Sussex. So far, 60 courses have been commissioned for around 1,200 staff. Courses are oversubscribed and a further 10 have been commissioned .

6. A series of one day financial capability courses for approximately staff working with the most vulnerable people.
7. Updates to the benefits web pages, dedicated to explaining the benefit changes: .It is reported that this has resulted in a significant increase in the number of people viewing benefits information on East Sussex County Council's web site: In June 2012 the benefit pages were viewed 174 times and this increased to 4,514 times for the same period in 2013. The dedicated benefit changes web pages were viewed 28,183 times between 1 February 2013 and 8 July 2013.
8. A publicity campaign to ensure members of the public were aware of the need to get advice took place. This consisted of distributing around 150,000 leaflets and posters by various means including school bags, Job centre plus libraries, fire stations, supermarkets, and parish and town councils. A series of adverts were placed in the "Friday Ad" and an outdoor advertising campaign covering telephone boxes, and banners on buses took place in September 2013.
9. A contract with Newhaven Community Development Association to provide the following multiple inter connected service to be delivered by various East Sussex advice agencies:
 - A welfare reform telephone help line for East Sussex residents.
 - A welfare reform telephone help line for voluntary and statutory staff in East Sussex.
 - A specialist welfare reform service for vulnerable people who are also in receipt of housing support to prevent homelessness. This service sits within a county wide floating support service and supports the development of staff knowledge and expertise to ensure sustainability beyond the two year funding timetable
 - A Triage service so staff can ensure vulnerable clients receive the correct level of support when they need it.
 - An enhanced generalist support service to offer basic benefits advice. In addition funding has been made available to recruit and train more volunteers within CAB's to ensure sustainability when the 2 year project funding ceases.
 - A specialist service to ensure the most complex cases can receive support

2.4.2.8 Most services started between April and July 2013 and the delivery of the range of services will be monitored quarterly in order to evaluate the effectiveness of the project in meeting identified objectives.

Author: Tracy Tiff, Scrutiny Officer, on behalf of Councillor Lee Mason, Chair, Scrutiny Panel 1 – Impact of the Welfare Reform Act

25 February 2014

Scrutiny Panel 1 – Impact of Welfare Reform Statistics from Landlord Services

Landlord Services know the household details and the broad financial circumstances of every tenant affected by the changes to Housing Benefit, the introduction of the Benefit Cap and the prospective implementation of Universal Credit. At 31 December 2013 there were 904 tenants directly affected by the reduction in Housing Benefit due to under-occupancy. Of these 904 tenants

- 138 are in receipt of Discretionary Housing Payments (DHP) to assist with the housing benefit shortfall
- 119 are registered for and awaiting a transfer to smaller accommodation.
- 5 are currently in the process of undertaking a mutual exchange to smaller accommodation.
- 34 tenants have had their Benefit payments capped
- 269 tenants who were not in arrears before the introduction of the benefit changes are now in arrears
- The estimated increase in arrears due to the removal of Housing Benefit and Benefit capping is £90,000.

The table below illustrates the numbers of tenants under-occupying their home and affected by the benefit changes as at 31st December 2013 and at 31st March 2014

Under-occupation by Property Type			
Property Type	Bedrooms	Number of tenancies under occupying	
		31.12.2013	31.3.2014
House	5	41	38
	4	46	45
	3	508	484
	2	125	117
Flat	3	3	2
	2	106	92
Maisonette	4	1	1
	3	18	16
	2	5	5
Bungalow	3	8	6
	2	43	36
Total		904	842

The following indicates the level of intelligence we have about our customers and how we have helped them with dealing with the impact of Welfare Reform since April last year. These figures indicate the level of demand for services. This is new demand rather than an increase in existing demand. As previously detailed Landlord Service has employed two additional members of staff to help manage the impact of the benefit changes. Since April 2013 and as at 31 March 2014

- 95 tenants have transferred within NBC to smaller accommodation (tenants wanting to downsize are given emergency band priority and are eligible for a downsizing payment under the downsizing scheme).
- 21 have transferred to other housing organisations.

- 45 tenants have moved to smaller accommodation via mutual exchange.
- 64 tenants became no longer subject to a housing benefit reduction because of additional persons moving into their household.
- 32 tenants had the HB reduction removed when it was established there was a previously undeclared child in the household.
- 65 tenants became ineligible for housing benefit as a result of an increase in income or for other reasons.
- 3 tenants abandoned their properties.
- 4 have died.
- 6 purchased their home under RTB.
- 4 went to live with family.
- 10 tenants had the reduction of their HB removed as they reached pension credit age.
- The figures were increased by an additional 57 tenants who had a reduction of benefit applied because of a change in household make up or becoming eligible for HB.

There are approximately 4,000 tenants in rent arrears (as at 28th February 2014). Of the 4,000 there are 500 more tenants in arrears of rent this financial year than there was at the equivalent time last year. Approximately 60% of this increase can be attributed to the impact of Welfare Reform with a number of tenants going into arrears for the first time. This is an increase of 12.5%

Revenues and Benefits

Caseload Analysis

	End March 2013		End March 2014		
Passported Claims - Housing Benefit &/or CTB/CTR with IS/GC/ISA	Working Age				
	Rent Rebate (Housing Stock)	3,823		3,799	
	Rent Allowance (private stock)	3,827		3,624	
	Total	7,650		7,423	
	Pensioners				
	Rent Rebate	1,943		1,774	
	Rent Allowance	913		902	
	Total	2,856		2,676	
	Non- Passported Claims - Claimants with HB &/OR CTB/CTR - but no IS/GC/ISA	Earners - Working Age			
		Rent Rebate	1,153		1,166
Rent Allowance		2,581		2,788	
Total		3,734		3,954	
Non Earners - Working Age					
Rent Rebate		544		413	
Rent Allowance		721		627	
Total		1,265		1,040	
Pensioners with Earned Income					
Rent Rebate		57		57	
Rent Allowance		63		67	
Total		120		124	
Pensioners with Non-Earned Income					
Rent Rebate		945		985	
Rent Allowance		451		477	
Total		1,396		1,462	
Total HB Cases	17,021		16,679		
Total CTR cases	19,686		18,266		
minus Joint HB/CTR cases	14,554		13,764		
Actual Caseload (HB/CTB)	22,153		21,181		

Case study A

DHP Application

Housing Benefit Reference Number 10016336

Name of claimant

Address

Please answer the following questions:

Please give details why you need to apply for Discretionary Housing Payments or if you have been receiving discretionary housing payment, please state exactly what steps you have taken during the award to improve your situation financially and/pr seeking other accommodation

I have been receiving discretionary payment for the period of 11/2/13 - 12/5/13. My housing benefit has dropped considerably and I am not able to move as I signed my tenancy agreement until March 2015. If I want to break the contract I have to keep paying the rent until the property is re-let. I wouldn't be able to do this and pay a deposit plus rent on another property. I could also lose the deposit the letting agent has at the moment. I moved to this property as I was suffering from anxiety living where I was. There were always party's next door and people coming and going throughout the night. It made me very nervous, and brought on terrible panic attacks, this is why I moved. Unfortunately due to being bankrupt in the past and having a CCJ on my record this was the only property and agency that would take the chance with me and I was so desperate to move I didn't think of what the future held. I didn't actually know that there was going to be a reduction in my housing benefit as I hadn't received any warning. I don't want to claim job seekers allowance as I work at home online at the moment and these suits be due to having back problems. I was claiming incapacity benefit a couple of years back but I am no longer eligible even though I still have problems with my back. I have been very grateful for the discretionary payments as they have been very helpful. I was trying to save some money whilst receiving the discretionary payment but in April I received a huge fuel bill (gas & electric) for £809.70. The reason behind the high bill is because unknowingly to myself I have been receiving estimated bills and as I gave a reading at the beginning of March it led to me receiving this huge catch-up bill from N Power. They said I could pay monthly but there was no way I was going to be able to pay well over £100 p/month direct debit so I had to pay with the money I had been saving to help me with my rental costs. I can email you a copy and receipt for the bill from NPower. I am trying to find extra work but it is very difficult. I am really worried the discretionary payment will stop and I will end up homeless and in a huge amount of debt. I understand that the discretionary payment is not a long term solution but at the moment I see no other option. I am trying all I can to resolve this situation. It is not possible to negotiate a lower rent with my landlord as I have signed until 2015. The same reason why I haven't looked for smaller accommodation. I am hoping sooner or later some work will become available to me, as I don't like this situation and it makes me quite ill worrying about the future.

2. Have you tried to negotiate a lower rent with your landlord or move to other accommodation?(Private tenants only)

No

3. If you are on the Council Housing List where are you on the list and do you know if/when you are likely to be re-housed?

4. If you are not on the Council Housing List or listed with another registered social housing provider, please state why not

As above, I cannot break my tenancy as I am signed up until March 2015.

5. Has there been a death in the household in the past 12 months?

No

Questions 6 - 10

6. How much notice are you required to give? **N/A I am signed up until March**

7. Are there any specific reasons why you must live in your current accommodation i.e. disabled adaptations

I have terrible anxiety problems when I live in a joined property. I become nervous when I hear banging next door. This is the reason I moved to my current property. Also I cannot break the contract until the tenancy ends in March 2015.

8. If you are disabled please state if you have claimed disability benefits.(Please specify which you are in receipt of), if you have not claimed or have been turned down please state why

9. Are family or friends able to financially assist you? **No**

10. Have you applied for a social fund loan? **No**

Income

In this section please provide all income you and if applicable your partner receive.

Source You Amnt You Freq Partner

Amnt

Partner

Freq

Wages/Salary 400 Monthly 0.00 Weekly

JSA (contributions based) 0.00 Weekly 0.00 Weekly

IS/JSA (income based) 0.00 Weekly 0.00 Weekly

Working/Child Tax Credits 0.00 Weekly 0.00 Weekly

Retirement Pension 0.00 Weekly 0.00 Weekly

Private Pension 0.00 Weekly 0.00 Weekly

Pension Credit 0.00 Weekly 0.00 Weekly

Child Benefit 0.00 Weekly 0.00 Weekly

Incapacity benefit 0.00 Weekly 0.00 Weekly

DLA 0.00 Weekly 0.00 Weekly

Maintenance 0.00 Weekly 0.00 Weekly

Non -dependants income 0.00 Weekly 0.00 Weekly

Other 0.00 Weekly 0.00 Weekly

Please ensure you have included all income and benefits you receive.

Benefit Services may check the levels of income you have declared.

Calculate

Weekly

Total

92.05

Expenditure

In this section please provide details of all expenditure in total for all members of the house hold.

Expenditure Type Amnt Freq Expenditure Type Amnt Freq

Council Tax 10.00 Monthly Rent 800.00 Monthly

y

Food 25.00 Monthly Community Charge 0.00 Weekly

Mobile phone 5.00 Monthly Toiletries 5.00 Monthly

Pet food 0.00 Weekly Travel expenses 0.00 Weekly

Land line **0.00 Weekly** Clothing **0.00 Weekly**
 Health Insurance **0.00 Weekly** School Dinners **0.00 Weekly**
 Personal Insurance **0.00 Weekly** School expenses **0.00 Weekly**
 Home Insurance **35.00 Weekly** Water Rates **0.00 Monthly**

Gas **66.00 Monthly** Electric **50.00 Monthly**

Other Fuel **12.35 Monthly** TV Licence **0.00 Weekly**
 Maintenance **0.00 Weekly** Court Fines **0.00 Weekly**
 Car - Insurance **20.00 Monthly** Car - Petrol **20.00 Monthly**
 Car - Tax **0.00 Weekly** Car - Maintenance **11.00 Monthly**
 Credit card payments **0.00 Weekly** Shopping Club **0.00 Weekly**
 HP Payments **0.00 Weekly** Loans **0.00 Weekly**
 Newspapers/Magazines **0.00 Weekly** Sky/Cable/Digital TV **0.00 Weekly**
 Internet **10.00 Weekly** Alcohol **0.00 Monthly**
 Entertainment **0.00 Weekly** Cigarettes/tobacco **0.00 Weekly**
 Loan Repayments **0.00 Weekly** Other **0.00 Weekly**
 Calculate Total
 Income **92.05** Expenditure **246.10** Balance **-154.05**

Declaration

Before you submit this form please ensure you have read the form very carefully to make sure you have filled it in to the best of your knowledge.

- I declare the information given in this form is true and complete
- I understand that if I give incorrect or incomplete information Northampton Borough Council may take action against me
- I authorise Northampton Borough Council Benefit Services to verify the information they consider necessary.
- I understand it is my responsibility to notify Northampton Borough Council Benefit Services of any change to the details of this form immediately
- I agree to pay back any overpayment of Discretionary Housing Payment that has occurred as a result of my failure to report a change in my circumstances

I Accept

DHP RECOMMENDATION

Name: Claim Number:10016336

Address:

Housing Benefit:

Gross Rent:	184.62	CRR:		SRR:	
HB Award:	61.32	Shortfall:	123.30		

Reason for Shortfall

Rent Restriction

Non-dep deduction

Service Charges

HB calculation (excess income)

Other

Total Weekly Income: 103.85**Total Weekly expenditure: 219.57****Recommendations for award:****Claimant is under 30 in a 800.00 a month in a 4 bedroom property on her own.****The shortfall is very large at 123.30 a week****DHP was previously awarded as a one of and she was advised to look for alternative accomodation as we wouldn't pay DHP again.****Request refusal of DHP based on above details.****Plan for Customer during award period**

Apply for disability benefits

Seek alternative accommodation

Seek financial planning advice

Other

Amount of DHP to be awarded:		Period of DHP Award	
-------------------------------------	--	----------------------------	--

** Please note DHP is only payable when HB is in payment for the period**

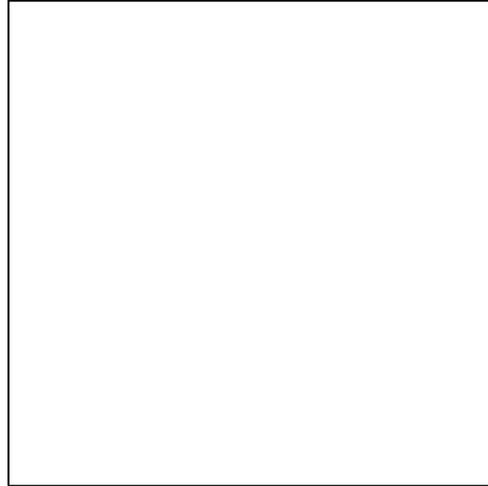
Assessment Officer: Alan Liddiard**Team Leaders Decision:**

Agreed

Not agreed/further information required


Signed:**Date: 29/05/2013**

Isabell Procter FCCA
Director - Finance & Support



Please Reply to:
Revenues & Benefit Services
The Guildhall
St. Giles Square
Northampton NN1 1DE

Tel: (0300) 330 7000
Fax: (01604) 838742
Minicom: (01604) 838970
DX 703139 Northampton 6

Please ask for: **Customer Services**
Direct No: **0300 3307000**
(Telephone Opening hours
09:00 to 17:00 Monday to Friday)

Our Ref: **10016336**
Email: **benefitservices@northampton.gov.uk**
Date: **16th July 2013**

Dear Miss

I write regarding your application for a Discretionary Housing Payment received on 01.05.2013 and your revision request received on 06.06.2013. I advise that after examining the circumstances of your claim I am unable to make an award.

The reasons for my decision are as follows:

1. When you originally moved in to 32 XXXXXXXXXX Close you were aware you could no meet the full rent of £800 PCM. You had moved from a property with a rental figure of £540 PCM to a more expensive 4 bedroom property. I appreciate at the time you could just make the payment but taking in to account day to day living expenses I feel this would still have been hard to achieve.
2. Taking in to account you originally took on the property for a year you then signed a further 3 year tenancy knowing the payments of Housing Benefit and payments in earned income would only just cover your rent and not leave you with much for day to day living expenses.
3. In December 2012 you applied for a Discretionary Payment as your Housing Benefit dropped to the single room rate following the Welfare Reform changes. Due to this drop your award was allowed for three months from 10.12.2012 - 10.02.2013. We advised you this was a short term fix and you must take steps to improve your situation and as you said you were unable to end your 3 year tenancy we advised you to contact the Citizens Advice Office to see what rights you had.
4. When your DHP award ended you re-applied in February 2013. Again a three month award was allowed. This was for the period 11.02.2013 - 12.05.2013. You were advised that these payments are to help in the short term and it is expected you will take steps to improve your situation.

Appendix G

5. Once the second award was up on 12.05.2013 you again applied and this was refused as these payments can not continue and your situation had not improved nor does it look likely to improve in the near future.

I cannot see that since your award of Discretionary Payments sufficient steps have been taken to change your situation or improve your financial affairs to help you afford the difference in rent.

As a Discretionary Housing Benefit award has no appeal rights this will now be passed to a review panel for them to make a final decision. The panel meet once a month and the next scheduled board is being held in August 2013. You will be notified of the outcome of this.

Should you have any queries or wish to discuss the matter further, please do not hesitate to contact this office at the above address.

Please bring this letter with you if you intend to visit our office.

Yours sincerely



pp Head of Revenues & Benefits

Isabell Procter FCCA
Director - Finance & Support

Please Reply to:
Revenues & Benefit Services
The Guildhall
St. Giles Square
Northampton NN1 1DE

Tel: (0300) 330 7000
Fax: (01604) 838742
Minicom: (01604) 838970
DX 703139 Northampton 6

Please ask for: Customer Services
Direct No: 0300 3307000
(Telephone Opening hours
09:00 to 17:00 Monday to Friday)
Our Ref: 10030640
Email: benefitservices@northampton.gov.uk
Date: 19th July 2013

Dear Ms,

I write regarding your application for a Discretionary Housing Payment. I advise that after examining the circumstances of your claim I am unable to make an award.

The reasons for my decision are:

Your income is higher than the expenses listed on the expenditure form so this shows you have sufficient income to pay the difference in your rent.

If you did not have more income than your expenses I would also be asking for proof of your bills and expenses as some of the expenses seem a little high.

I have included a copy of the breakdown of your income and expenditure confirming that you do not have a shortfall between your weekly income and expenditure please see attached page.

As I have upheld the decision made on 02.07.2013 I will now forward your DHP request to a review board so they can make a final decision.

This meeting is due to be held in August 2013. Once a decision is made you will be advised on the outcome.

Please bring this letter with you if you intend to visit our office.

Yours sincerely

G Woodcock

pp Head of Revenues & Benefits

Robin Bates
Head of Revenues and Benefits



Please Reply to:
Revenues & Benefit Services
The Guildhall
St. Giles Square
Northampton NN1 1DE

Tel: (0300) 330 7000
Fax: (01604) 838742
Minicom: (01604) 838970

Please ask for: Customer Services
Direct No: 0300 3307000
(Telephone Opening hours
09:00 to 17:00 Monday to Friday)

Our Ref: 01520318
Email: benefitservices@northampton.gov.uk

Date: 9th August 2013

Dear Mr X

I write regarding your application to review the decision made on 11.07.2013 not to award Discretionary Housing Payment. I advise that after examining the circumstances of your claim I am unable to make an award.

The reasons for my decision are:

1. The letter from community law states you received Discretionary Payments at your previous address and not your current address on xxxxxxxxxxxxxxxx. I can confirm you continued to receive these payments from 23.05.2013 - 05.07.2013 at xxxxxxxxxxxxxxxx Rd this was to give you some leeway whilst moving to your new address.
2. I appreciate you had little time to move from your previous address so accepted a tenancy that you knew you could not afford. However you would have known your entitlement prior to moving in so would have known the shortfall you would need to make up.
3. When you applied for your first Discretionary Payment award in April 2013 you confirmed your weekly expenses as £133.49. On your new request made in July 2013 these expenses have increased to £148.40 per week. Once a Discretionary Payment has been awarded it is expected that steps are taken to improve your

financial situation which includes reducing expenses where possible. I can see from the request in April to the request in July you have now taken a sky package worth £38 per month. I can only assume this is a new subscription and has been taken out knowing your financial situation and the shortfall in rent you have to make up.

4. I can see you pay a monthly amount for a garage and I would argue if this is essential for your day to day living with the possibility this could be stopped. If this was the case this would help towards you rental payments.

5. Finally I can see that the difference in your income and expenditure is £3.00 per week. This is taking in to account the rental shortfall of £17.30 per week. looking at your listed expenses I feel this could be reconsidered in order to find the extra £3.00 per week.

I have included a copy of the breakdown of your income and expenditure confirming that you do not have a shortfall between your weekly income and expenditure please see attached page.

As I have upheld the original decision not to award Discretionary Housing Payments after 05.07.2013 I will now forward your case to a review panel who will make the final decision. This should be heard in September 2013 and you will be notified of the outcome.

Should you have any queries or wish to discuss the matter further, please do not hesitate to contact this office at the above address.

Please bring this letter with you if you intend to visit our office.

Yours sincerely



pp Head of Revenues & Benefits



Member of
advice UK
The voice of independent advice

Revenue and Benefits
Northampton Borough Council
The Guildhall
St Giles Square
Northampton
NN1 1DE

20 August 2013

Our ref: SH/JS/060813/B

Dear Sir or Madam:

DHP APPLICATION FOR [REDACTED]

YOUR REF: 01520318

Thank you for your quick response to my request for a review of the decision. In light of that I would make the following supplementary statements which I would ask are considered by the panel in September:

1. I do not have access to the April financial statement [REDACTED] provided. However I have discussed his current statement with him and [REDACTED] accepts that he has entered £38 per month (£8.77 per week) next to Sky. However, it appears that this is an error as he does not own a TV. [REDACTED] states that the money is spent on an internet and telephone package – nothing to do with his TV. This is not a new expenditure.
2. I would suggest that [REDACTED] expenses are extremely low, leaving minimal margin for reduction. His water, gas and electric add up to only £62 per month (£14.31 per week). His garage is currently needed as storage and [REDACTED] is aware that he needs to clear this to end his rental on this. He is working on that at present but for now, it is full of his personal items so he has to keep paying it.
3. [REDACTED] that he is only £3 per week short, but this equates to £13 per month, which is a considerable sum to him. The Discretionary Housing Payment request is, therefore, only for £3 per week.

I hope these comments can be taken into consideration.

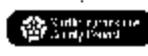
Yours faithfully,

Sarah Hayle
Sarah Hayle
ADVICE WORKER

Head Office: 49 - 55 Hazelwood Road, Northampton NN1 1LG Tel: (01604) 821058 Fax: (01604) 232412
E-mail: enquiries@communitylawservice.org.uk Website: communitylawservice.org.uk

Registered Charity Number 128719. A company limited by guarantee, registered in England No. 6890522, registered office at the above address.

Supported with funding by:



Food and Fuel Poverty

From 01/04/2013 - 01/04/2014



Contact Centre Optimised Logger	Welfare Reform	Fuel Poverty Call Back	1
		Fuel Poverty Info	2
	Total		3
OSS Welfare Reform	Section A	Fuel Poverty Info	5
	Reception	Fuel Poverty Info	5
	Total		10
OSS Other	Fuel and Food Poverty	Fuel Poverty Only Enquiry	5
		Food Poverty Only Enquiry	6
		Fuel and Food Poverty Enquiry	2
	Total		13
Total			26

Northamptonshire County Council Social Fund 2014/15



Northamptonshire County Council Scheme 2014/15

- No cash as grants or loans under any circumstance
- Emergency Help & Support
- Sustaining Independent Living (SIL)
- Libraries
- Charitylink



Emergency Help & Support

- **Food-** Investments in foodbanks locally. Voucher from the local foodbanks for emergency provisions
- **Fuel-** Contact energy supplier and use their Charitable Trusts- (Community Law Service) (CLS) will be providing advice



- **Furniture-** Goods requests to come through SIL-sourced through local turnarounds, 2nd hand shops and re-use centres

Northamptonshire County Council Scheme 2014/15

Foodbanks

- Foodbanks will give food parcels to help people in emergency financial difficulties when they do not have enough money to buy food.
- The foodbanks work on a voucher basis and have their own criteria. You can get more information by visiting their websites.

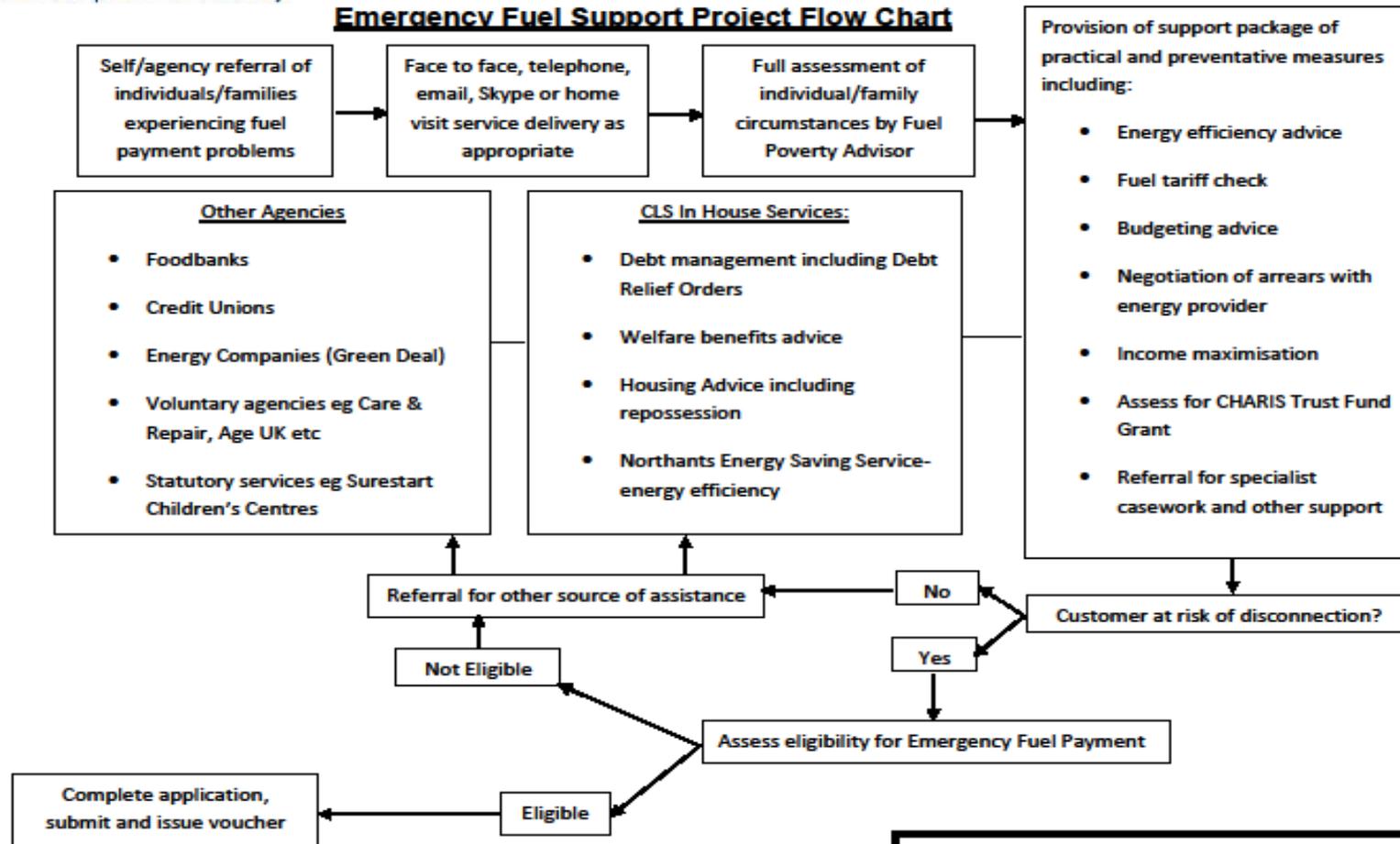
Brackley	01869 810687
Corby	www.corby.foodbank.org.uk
Daventry	www.vineyardcommunity.org.uk/foodbank.htm
East Northants	www.rushdenfullgospel.org.uk/socialactionandoutreachp.htm
Kettering	www.stjudeskettering.org.uk
Northampton	www.northamptonfoodbank.org.uk
Towcester	www.towcester.foodbank.org.uk
Wellingborough	www.daylightcf.org/foodbank



Northamptonshire County Council Scheme 2014/15



Emergency Fuel Support Project Flow Chart



Contact Details: 9-5 Monday-Friday – 01604 623708 or
Via email – energyadvice@communitylawservice.org.uk



Northamptonshire County Council Scheme 2014/15

Emergency Fuel Assistance
Reference: AF421090

Emergency Fuel Assistance

All fields marked with an asterisk * are mandatory

Client's name*

I do not know the postcode or I would like to enter the address manually

Please enter the postcode*

Please select the address*
Northamptonshire County Council, John Dryden House 8-10, The Lakes, Northampton

Address:

Northamptonshire County Council, John Dryden House 8-10, The Lakes
Northampton
NN4 7YD

Client's National Insurance Number*

Proof of ID seen*

Agency Reference Number (if applicable)

1. Is the client in an emergency situation - are they at the point of pressing or have they pressed for emergency supply?* Yes

2. Is the client in receipt of one or more of the following qualifying benefits?* Yes

Please tick which one(s)*

- | | |
|--|--|
| <input checked="" type="checkbox"/> Income support | <input type="checkbox"/> Income based jobseekers allowance |
| <input type="checkbox"/> Income-related employment and support allowance | <input type="checkbox"/> Pension credit |
| <input type="checkbox"/> Universal credit | <input type="checkbox"/> Housing benefit |
| <input type="checkbox"/> Council tax support | |

3. Is the client a resident of Northamptonshire County? (Out of County applications will not be accepted.)* Yes

4. Is the client over the age of 16 and responsible for the household bill - one application per household?*

5. Has the client demonstrated that they have no savings or capital to cover the fuel expenses?*

6. Has the client previously made a claim for fuel assistance under this scheme?*

7. Has the client approached their energy provider prior to making this application, and been declined for support?*

8. Has the client been offered and engaged in advice and Yes support by agencies/support services, as appropriate, to address any ongoing difficulties, including budgeting etc.?

9. For what reason is payment required?*

Benefit sanction
Comments

10. Required amount?*

Full

Form completed by*

PAYPOINT ENERGY CREDIT VOUCHER

ID CHECK REQUIRED

Please find your voucher below, this can be redeemed for an energy top-up at any PayPoint store.

Name: **Customer's Name**

Address: **Customer's Address & Postcode**

Reference No: **EF AooXXXX**

To redeem:

Take this printed voucher to a PayPoint store and hand it to the Retailer along with your gas card or electricity key.

Notes:

This voucher will expire on the date shown below.

This voucher can only be redeemed once.

This voucher can be used for a top-up with any energy supplier (subject to availability at PayPoint)

To find your nearest PayPoint store please visit <http://www.paypoint.co.uk/paypointlocator>

Acceptable Identification:

Driving Licence, Bank Statement, Council Tax bill, or any Utility bill.



7948465755



£30.00

ENERGY CREDIT VOUCHER

ID CHECK REQUIRED

Expiry date: 22/09/2013

This voucher can be redeemed at any participating PayPoint store.

PayPoint - Energy Credit Voucher Retailer Instructions

Please follow the simple steps below and PayPoint will credit the value of the voucher within THREE WORKING DAYS.

You will also receive commission for every Energy Credit Voucher and for the subsequent top-up transaction.

1. Before scanning the barcode, check that the customer has their energy key or card.
2. Scan the barcode above using the PayPoint scanner.
3. When the screen displays CONFIRM TRANSACTION check the amount on the screen matches the amount printed, then select CONFIRM.
4. Put the e-coupon redemption receipt that your PayPoint terminal prints into your till.
5. The voucher amount will be credited to your bank account within THREE WORKING DAYS.
6. Insert the customer's key into the terminal or swipe their card and complete a top-up for the value of this voucher.

If the barcode will not scan:

Select the CASHOUT button on the PayPoint terminal followed by I-MOVO PAYOUT on the touch screen and enter the barcode number. Continue the transaction instructions from point No.3 above.

Any questions, please call PayPoint Contact Centre on 08457 600 633



Sustaining Independent Living (SIL)

- Not replacing the Community Care Grant (CCG)
- Criteria has changed
- Applications to be completed with agency
- Applications assessed – Approved/declined
- Agreed items in alignment with eligibility Criteria
- Items purchased by SFT and delivered to customer
- Declined applications / further actions



Northamptonshire County Council Scheme 2014/15

Criteria has changed

- Applicants must be in receipt of the following benefits
 - *Income support*
 - *Income based job seekers allowance*
 - *Employment and support allowance*
 - *Any type of pension credit*
- Proof of benefits will be checked on CIS system
- Customers must be 16 and over
- Must be a resident of Northamptonshire (unless moving from an institution)
- It will normally only be possible to have an application approved once in a twelve month period.



Criteria has changed

- Help for people leaving institutional or residential care to establish themselves in the community
- Help for people being settled in a home after an unsettled way of life – this may be part of a planned resettlement or moving on programme following a period without a settled way of life
- Help for people to stay in the community and prevent a move into residential, institutional care or hospital
- Help to ease families under exceptional pressures



Referral Agencies

- Social Services
- Children's Centres/ Schools
- GP
- Probation
- Link Worker/Care Worker
- Gateway Officer

Why

- To support the customer with ongoing needs to ensure a Sustainable Independent Living
- To assist with any difficulties in completion of the form and liaise with Social Fund Team



Non Eligible & Eligible Items

Essential Items provided through SIL

Bed
Sofa
Cooker
Washing Machine
Fridge Freezer
Chest of Drawers
Wardrobe
Table & Chairs
Cot
Clothing

Non Essential Items not provided through SIL

Cash
Gas/Food/Electricity
Carpets
Rent/Bonds/Utility Bills
Bedding/ Household Items
Toys/TV/Entertainment Goods
Travel/Vehicle Costs
Health Related Items
Benefit Delays/Sanctions/Lost/Stolen Money
Home Improvements/Repairs
Removals/Storage

Northamptonshire County Council Scheme 2014/15

People Allocation Policy

<u>Single Person</u>	<u>Couple</u>	<u>Family of 2</u>	<u>Family of 3 +</u>
Single Bed	Double Bed	Single Bed/Childs Bed/Cot	Single Beds unless a Couple/Childrens Beds/Cot
Small Oven with Hobbs/Microwave	Small Oven with Hobbs/Microwave	Small Oven with Hobbs/Microwave	Standard Gas or Electric Cooker – No Connection
Table & 2 Chairs	Table & 2 Chairs	Table & 2 Chairs	Table & Chairs
2 Seater Sofa	2 Seater Sofa	2 Seater Sofa	Standard Family Sofa
1 Wardrobe or Chest of Drawers	1 Wardrobe or Chest of Drawers per Person	1 Wardrobe or Chest of Drawers per Person	1 Wardrobe or Chest of Drawers per Person
Fridge Freezer	Fridge Freezer	Fridge Freezer	Washing Machine
No Washing Machine	Washing Machine	Washing Machine	



Process

- Applications are completed online from our website www.northamptonshire.gov.uk/helpandindependence
- Applications are acknowledged and a receipt is sent back to Agency with a SIL Reference
- Applications are processed by the SFT and the details entered on to our Data Capture Tracker
- Queries & Verification
- Approved letters sent
- Declined letters sent
- Purchasing goods
- Appeals



Libraries

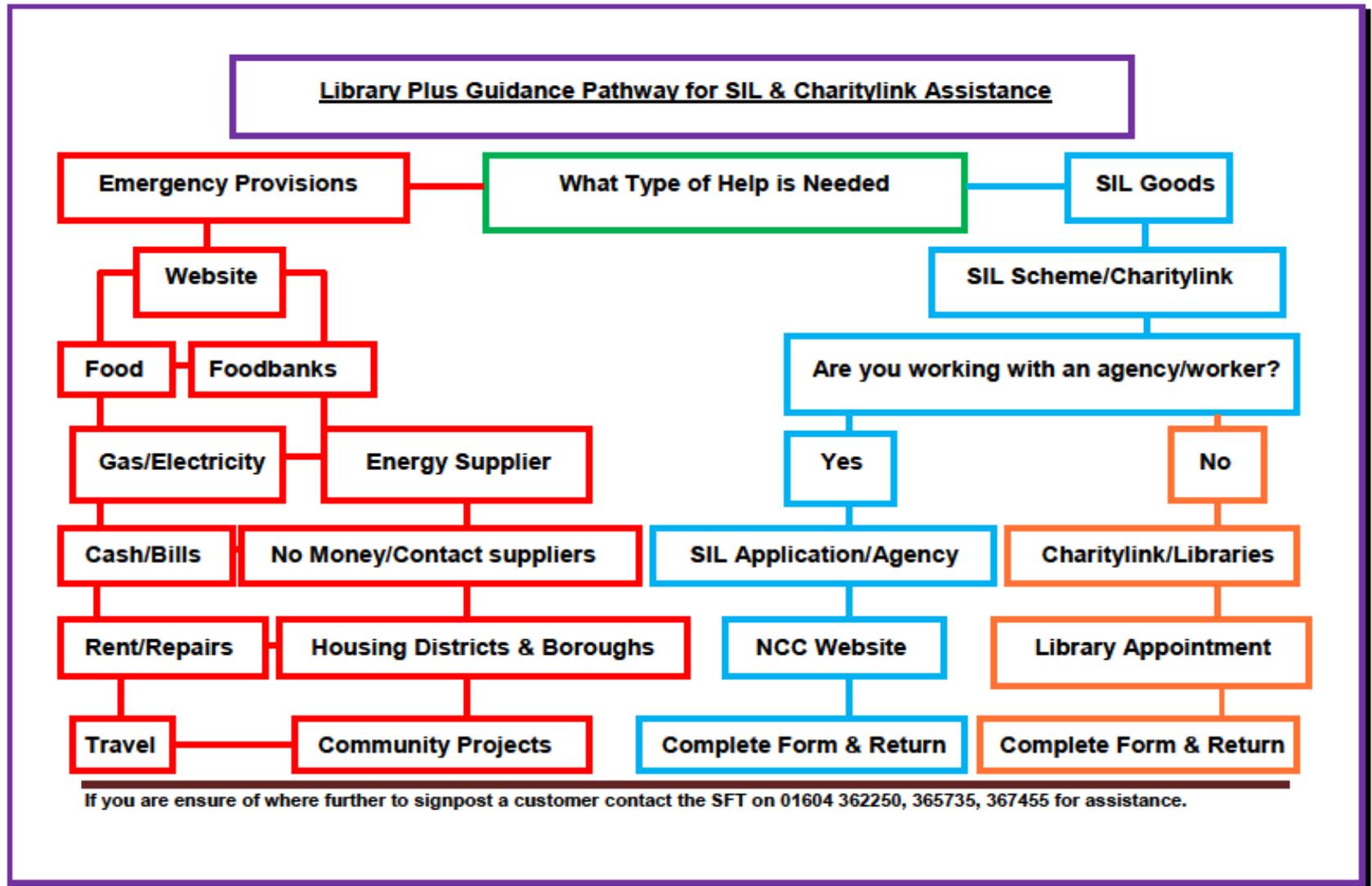
LibraryPlus



- Staff are Super users of Website, happy to assist
- Social Fund Web page is available free of charge in libraries, via the Northamptonshire Council Council's E-Library
- Staff will assess a customers need and signpost appropriately
- Staff will act as an Agent for CharityLink Applications
- Vouchers for Fuel can be collected from a local Library once an application has be requested and approved via Community Law Service



Northamptonshire County Council Scheme 2014/15



CharityLink

We've here to help

Charity Link tackling poverty - changing lives



in Northamptonshire

Working in partnership with



- Who are CharityLink
- What do CharityLink do
- How does CharityLink fit in with the NCC Social Fund
- Process

Contact Details: 9-5 Monday- Friday – 0116 222 2200

Or Via Website – www.charity-link.org/northampton



Department for Work & Pensions

- Department for working pensions still offer some assistance in cash/bank transfers
- Budgeting Loans- For customer in receipt of Housing Benefit for 26+ (payable back and discretionary)
- Hardship Payments-For vulnerable people who have been sanctioned (% of normal payment at a reduced amount)
- Short Term Benefit Advance- For vulnerable people who are making a new claim (payable back over an agreed period)



Northamptonshire County Council Scheme 2014/15

Credit Union

- Investment in Northamptonshire Credit Union to improve their services, volunteers, IT, website, promotions
- Co-ordinator to promote the idea of Credit Union and encourage savings and sensible lending
- Projects within schools and organisations
- Increased availability across the County

Debt & Money Management Training (Accredited Award)

- Training delivered to 200 frontline library staff
- 3000 volunteers/frontline staff from the Counties agencies
- CAB delivering the Library staff training
- Co-ordinator to project manage the 3000 remaining staff
- Experiential time to be provided



Frequently Asked Questions

Q. Why are cash and loans not given?

A. Cash and loans are no longer provided due to the funding and the scheme ceasing in March 2015. Providing cash and loans is unrealistic and unsustainable, nor does it address the reasons for the emergency customers may be facing.

Q. Are customers restricted to a specific number of items through the Scheme?

A. Each case is looked at individually. As a standard ideal we would say an individual customer is eligible for 6 items but this is subject to circumstance. Awards are granted in alignment with the Allocation Policy and dependent upon the impact it will have in drastically improving a customers circumstance.



Frequently Asked Questions

Q. Why are the goods offered 2nd hand and not new?

A. Items are often not new as the Scheme is only available until March 2015, beyond this there is no funding. We are trying to encourage people to re-cycle, and source sustainable items at low cost and from local suppliers in order to meet demand, customer budgets and assist as many vulnerable people in need as we can.

Q. How long will it take to have goods delivered?

A. We would look to source goods with a 14 working day timeframe, however this is dependant upon the availability of goods at the time of purchase. The SFT will keep the agency up to date with delivery times/days/difficulties etc.



Frequently Asked Questions

Q. What happens if a clients circumstance changes?

A. If your clients circumstance change, it is essential the SFT is informed. The scheme is designed to help those in most need, sometimes the changes may have no affect on the outcome of the application, but it is important we have this information. Eg no longer on benefits as client has recently become employed; client has sourced items requested from elsewhere and no longer needs the SFT to purchase.

Q. What happens if a customers items from the SIL Scheme break or are faulty?

A. When the goods have been delivered to a customer it is their responsibility to maintain them. We have arrangements for faulty or broken items to be fixed or replaced under the terms of the warranty but this is to be done by the customer themselves with the provider.



Frequently Asked Questions

Q. *What if a customer has reached their Foodbank voucher limit?*

A. If a customer is presenting themselves at a Foodbank several times in a short period, the staff at the Foodbank will assist with signposting customers to other available services of support in crisis and are training staff to prevent customers returning regularly by identifying other needs and signposting for support. Should it be that the Foodbank cannot assist, please contact the SFT on 0300 126 1000.

Q. *Can a customer receive clothing through the SIL Scheme?*

A. Clothing is available through the scheme, however this is down to circumstance. A person must need the clothing as a matter of urgency for example, leaving an institution or a disaster. Each case will be individually assessed. This excludes specialist work items, school uniform, work uniforms.



Northamptonshire County Council Scheme 2014/15

Frequently Asked Questions

Q. *What happens when the Scheme ends in March 2015?*

A. The Social Fund Team are working with local agencies to leave a 'Provisions Legacy', which will offer services after the scheme ceases - such as Foodbanks, Turnarounds, Charitylink. As the scheme progresses over the two years more services will become involved in working within the project in order to provide emergency assistance long after the scheme ends in March 2015.

Q. *Can a customer apply for goods through the SIL Scheme more than once in a twelve month period?*

A. Usually, applications are only approved once in a twelve month period, however we appreciate peoples circumstances change. Each case will be looked at individually and offered help either through the scheme or via signposting to other agencies were available.



Northamptonshire County Council Scheme 2014/15

Name	Type of Assistance	Website Link
Social Fund	Emergency/ SIL	www.northamptonshire.gov.uk/helpandindependence
CHARIS	Utility Bills/ Energy	www.charisgrants.com/
Charity Link	Essential Goods	www.charity-link.org/northampton
Community Law Service	Fuel/Debt/Housing	www.communitylawservice.org.uk/
Crisis	Grants	www.crisis.org.uk
DWP	Benefits/ Sanctions	www.dwp.gov.uk
Freecycle	Furniture	www.freecycle.org
Gov.UK	Grants/ Information	www.gov.uk/search?q=grants
Gov.UK	School Uniform	www.gov.uk/help-school-clothing-costs
Gov.UK	Funeral Grants	www.gov.uk/funeral-payments/overview
HTCS	NHS Travel	www.nhs.uk/NHSEngland/Healthcosts/Pages/Travelcosts.aspx
NCC	Children's Centre	www.northamptonshire.gov.uk/en/councilservices/EducationandLearning/childrenandfamilies/Pages/Sure-Start-Childrens-Centre.aspx
Northampton Community Foundation	Grants/ Training	www.ncf.uk.com/
Shelter	Homelessness	www.shelter.org.uk





Department
for Work &
Pensions

Appendix K



Evaluation of Removal of the Spare Room Subsidy

Interim report

July 2014

Research Report No 882

A report of research carried out by the Cambridge Centre for Housing and Planning Research and Ipsos MORI on behalf of the Department for Work and Pensions

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This document/publication is also available on our website at:

<https://www.gov.uk/Government/organisations/department-for-work-pensions/about/research#research-publications>

If you would like to know more about DWP research, please email: Socialresearch@dwp.gsi.gov.uk

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Glossary of terms

Affected claimant	Housing Benefit claimant affected by the Removal of the Spare Room Subsidy (RSRS). Since Housing Benefit is claimed by a family unit this is usually the same as households.
The Benefit Cap	The cap, introduced in 2013 and limiting the total amount of benefits that most out of work working age households can receive to £500 a week for couples and families and £350 a week for single people without children.
Discretionary Housing Payments (DHPs)	Payments awarded by local authorities when they consider that a claimant requires further financial assistance towards housing costs. The DWP allocates funding for DHPs to local authorities, who decide how to allocate it and may also choose to top up the funding from their own resources.
Housing Benefit	Financial support paid to tenants (or to landlords on their behalf) for those who are out of work or on low incomes to help pay their rent. It can cover up to the entire value of the rent, depending on the claimant's circumstances and income.
Social landlord	Landlords who manage social housing, including local authorities, housing associations and other Registered Providers.

List of abbreviations

CAB	Citizens Advice Bureau
CML	Council of Mortgage Lenders
DCLG	Department for Communities and Local Government
Defra	Department for the Environment, Food and Rural Affairs
DHP	Discretionary Housing Payments
DLA	Disability Living Allowance
DWP	Department for Work and Pensions
HA	Housing association
HB	Housing Benefit
HCA	Homes and Communities Agency
LA	Local authority
LHA	Local Housing Allowance (Housing Benefit for the private rented sector)
LSVT	Large Scale Voluntary Transfers (of local authority stock to a registered provider)
PRS	Private Rented Sector
RP	Registered Provider (HAs and other providers of social housing registered with the Homes and Communities Agency, but excluding local authorities)
RSRS	Removal of the Spare Room Subsidy
SHBE	Single Housing Benefit Extract (DWP's Housing Benefit data)
UC	Universal Credit

Executive summary

This Interim Report presents early findings from the evaluation of the **Removal of the Spare Room Subsidy (RSRS)** undertaken by Ipsos MORI and the Cambridge Centre for Housing and Planning Research. A final report will be published in 2015.

The **objectives of this project** are to evaluate:

- the preparation, delivery and implementation of the policy changes by local authorities and social landlords;
- the extent of increased mobility within the social housing sector leading to more effective use of the housing stock;
- the extent to which as a result of the RSRS more people are in work, working increased hours or earning increased incomes;
- the effects of the RSRS, and responses to it, of:
 - claimants;
 - landlords
 - local authorities;
 - voluntary and statutory organisations and advice services;
 - Funders lending to social landlords.

Background

The RSRS was brought into effect on 1 April 2013. It entailed a reduction in Housing Benefit for working age social tenants whose properties have more rooms than the DWP's size criteria state that they need (see box).

The **Removal of the Spare Room Subsidy (RSRS)** reduces Housing Benefit for social tenants of working age with more bedrooms than they are deemed to need. The number of bedrooms required is worked out so that no one has to share a room unless they are:

- a couple;
- both aged under 10 years old;
- both aged under 16 years old and of the same sex;

No more than two people should have to share any room.

An additional room is also allowed in certain circumstances for regular overnight carers, foster carers, students or members of the armed forces away temporarily, disabled children unable to share a bedroom and people who are recently bereaved.

Those deemed to have spare rooms have had their rent eligible for Housing Benefit reduced by:

- 14% for one spare bedroom;
- 25% for two or more spare bedrooms.

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The DWP's Housing Benefit data show that in August 2013, 522,905 households¹ were affected by the RSRS², which equates to 11.1 per cent of all social tenancies.

This research was carried out during the first eight months of implementation. Subsequent DWP administrative data shows a steady decline in the caseload affected by RSRS. This has occurred for a variety of reasons e.g. moving house, increasing income etc. We will look more closely at some of these mitigating actions in the second wave of research.

Research methods

The research methods for this interim report comprised:

- **a survey of social landlords throughout Britain** which ran between October and November 2013. A total of 312 landlords replied in full, a response rate of just under 50 per cent with a stock profile representative of the national profile on key measures including the proportion of tenants affected by the RSRS;
- **a survey of Housing Benefit claimants both affected and not affected by the RSRS** carried out across 15 areas in October and November 2013. Face to face interviews were carried out with a total of 1,502 Housing Benefit claimants, of whom two thirds were currently affected by the RSRS according to DWP's SHBE records;
- **detailed qualitative interviews with 30 of the surveyed claimants affected by RSRS** were carried out in November 2013 in six of the 15 areas;
- **case study work in ten local authority areas**. This included group interviews carried out with local authority staff in the summer of 2013, qualitative interviews with social landlords in summer 2013 and telephone interviews with 47 local agencies across the ten areas in the autumn, including Children's Services, the Citizens Advice Bureau, Job Centres and local voluntary organisations³;
- **interviews with eight of the major lenders to the HA sector** were conducted during October 2013;
- **the DWP's local authority (LA) Insights survey** undertaken in October to December 2013 which included questions intended to assist this evaluation.

This report has drawn upon all these sources of information, drawing on more than one source where possible to increase the validity of the conclusions drawn.

This report presents interim findings from the first phase of the research. A follow up survey of the affected claimants and further survey of landlords and case study work will be undertaken during 2014 to input into the final report. Some of the evidence gathered at this stage is therefore intended to provide a 'baseline' rather than assess the impact of the RSRS.

¹ Since Housing Benefit is claimed on a family household basis, the term household has been used interchangeably with claimant throughout this report.

² Data from <https://stat-xplore.dwp.gov.uk/>. DWP figures relate to the numbers on the second Thursday of the month. Data for April were not available.

³ Local authority staff interviewed included those involved in the administration of Housing Benefit, as well as strategic housing managers and (where applicable) those responsible for managing social housing stock.

Key findings

Preparedness and implementation

Most social landlords felt that their staff were very well prepared for the implementation of the RSRS and the long run-in period was appreciated. Overall 87 per cent of landlords surveyed were confident they knew which tenants were affected by RSRS in at least 95 per cent of cases, and a further ten per cent knew most. Landlords working across many areas were more likely to be having difficulties in knowing which tenants were affected.

Systems for communicating changes of circumstance to landlords were not so well-developed with only around half of landlords surveyed reporting to be regularly informed by the LA about tenants starting to be affected.

Reclassification of the homes (in terms of number of bedrooms) has been very small scale, under 0.1 per cent of stock, with fewer still physically altered.

Communication with claimants

Good joint working practices were reported between local authorities and social landlords in most areas, with examples of good practice such as producing joint letters sent to tenants and agreeing who will visit.

Just over half (53 per cent) of landlords report having visited at least 90 per cent of affected tenants, and 70 per cent had had telephone contact with over 90 per cent. Claimants recall lower levels of contact: 86 per cent of the affected remember receiving notification of changes, but of those who do, most recall a letter (75 per cent of all claimants and 87 per cent of those recalling notification) while only 13 per cent recall a visit (15 per cent of those recalling). However, most affected claimants were aware of the RSRS.

Discretionary housing payments (DHPs)

DHPs have helped some households to meet their rental shortfall. Some local authorities struggle to make long-term plans for this resource and suggested that this was because of uncertainties around both future demand and the size/availability of the fund. The 2014-15 allocation was only announced in January 2014, after the fieldwork for this phase of the research had taken place. There was some variation in who was assisted, even within a local authority, in this early phase of implementation.

A key concern raised by landlords and local agencies is that disabled people in adapted homes have not always been awarded DHP because disability benefits, which are intended to help with some of the extra costs of having a long-term disability or health condition, can cause them to fail means tests based on their income. Local agencies are also concerned about some groups who fail to apply for DHP, or fail to adequately evidence their application, especially those with mental health difficulties. More than half (56 per cent) of RSRS-claimants surveyed who have not applied for DHP said they were not aware of it. The claimants who were unaware of DHP were similarly likely to other claimants to report having difficulties paying rent and similarly likely to be in arrears.

Early impact on claimants

The DWP's data shows reduction in households affected by the RSRS from 547,342 to 522,342 by August 2013, a fall of 4.6 per cent. The claimants survey found a similar reduction, but also highlighted some degree of flux, with five per cent of those who were affected on 1 April (according to SHBE) no longer being so by the time of the interview (autumn 2013), and a further three per cent reporting that they had been affected some but not all of the time since 1 April.

Mobility

A total of 4.5 per cent of affected claimants were reported by landlords to have downsized within the social sector within the first six months of implementation, which was a key aim of the policy. Landlords with the lowest proportion of affected tenants have downsizing rates of almost 16 per cent, four times higher than those with the highest proportion affected, despite similar proportions of affected tenants registering for downsizing. This suggests that landlords with the highest proportion of affected tenants will have more difficulties in meeting the demand for downsizing. Overall, landlords report that around 19 per cent of affected tenants have now registered for downsizing, compared to previous rates of downsizing which were typically under 0.5 per cent of all tenants downsizing in a year⁴, although they had not yet been able to accommodate most of those who wanted to move to a smaller home.

A further 1.4 per cent of affected claimants had moved to the PRS. This was more common for the tenants of landlords based in the north of England and much less common in London.

Most claimants we spoke to in the qualitative research were reluctant to move, for a wide variety of reasons including proximity to services, work, and support networks; the claimant's perceived need for the additional bedroom and the knowing that they would soon cease to be affected by the RSRS – for instance because a child would turn ten or 16 and require their own room.

Finding work and increasing earnings

18 per cent of affected claimants say they have looked to earn more through employment-related income as a result of the RSRS, rising to 50 per cent of those who said they were unemployed and seeking work.

Both local authorities and landlords had encouraged tenants to find work, although they were concerned about the long-term barriers faced by tenants. Claimants also reported difficulties finding work because of disability, having been out of the workplace for a long period and having young children (and being their sole carer). Some had asked employers for additional hours in their current jobs, although employers were sometimes unable to accommodate this.

Taking lodgers

Very few affected claimants have taken a lodger. A frequently given reason was concerns around sharing their home with someone they did not know. This was a particular concern if claimants had children or if they felt themselves to be vulnerable. Some had made enquiries about taking in a family member.

⁴ Derived from the English CORE data for 2012/13 and HCA's data on the size of the sector.

Paying the shortfall

Landlords reported that, five months into the RSRS, 41 per cent of tenants have paid the full RSRS shortfall, 39 per cent have paid some and 20 per cent have paid none.

There was widespread concern that those who were paying were making cuts to other household essentials or incurring other debts in order to pay the rent. 57 per cent of claimants reported cutting back on what they deemed household essentials and 35 per cent on non-essentials in order to pay their shortfall. A quarter of claimants (26 per cent) said they had borrowed money, mostly from family and friends (21 per cent of all claimants); three per cent had borrowed on a credit card and three per cent taken payday loans, although we do not know whether they have a history for borrowing for other purposes. In addition, ten per cent had used savings and nine per cent been given money from family.

Early impact on social landlords

Nationally, 11.1 per cent of all social tenancies are affected by the RSRS⁵. The landlords' survey found that this varies between landlords with the proportion of landlords' tenants affected varying from under five per cent to more than a quarter.

Arrears

Total arrears (for all reasons) held by social landlords increased by 16 per cent between April and October, although it must be emphasised that the cause of this is uncertain and we cannot directly attribute this increase to the RSRS. Landlords state that they will eventually evict RSRS-affected non-payers, though at the time of the research most were currently only in the early stages of this process. Many landlords expressed concern that collecting rent from people who can't afford to pay whilst in their current circumstances is damaging relations between landlords and tenants.

Allocations and development

Difficulties in letting larger properties were reported by 41 per cent of landlords who participated in this research – primarily of three bedroom homes. However, it should be noted that national voids figures show no statistically significant increase. Around a third of developing landlords have altered their build plans as a result of RSRS or the Benefit Cap in order to build more one bedroom homes and/or fewer larger homes.

Early impact on local authorities

Most local authorities and landlords have changed the size of homes they consider applicants to be eligible for, and are now in line with the DWP's rules. They suggest that this has contributed to increased waiting times for smaller homes for those on the waiting list, while making larger properties available for other families on the waiting list.

It was too soon at the time of the research with local authorities to establish whether there has been an impact on homelessness services arising from RSRS evictions.

⁵ Derived from the DWP's administrative data (<https://stat-xplore.dwp.gov.uk>) and 2011 census data on the size of the social sector.

Early impact on voluntary organisations, advice and support services

Children's services had been concerned about impact on foster carers prior to the change in rules allowing them an extra room. Those interviewed in the case studies reported that few foster carers are social tenants on HB and that most only have one child at a time so would only require one extra room. Concerns about a possible impact of the RSRS on foster carer recruitment had therefore diminished. It was reported that it is always hard to place siblings but this does not seem to have changed in response to the RSRS.

Voluntary sector agencies working with the single homeless reported difficulties in hostel move-on to social housing because of the shortage of one bedroom homes and reluctance of landlords to allocate single people to two bedroom homes where they would be affected by the RSRS. Moving single people to private rented housing had also become more difficult lately because those aged under 35 were now limited to LHA to cover only a single room, rather than a one bedroom flat, although it must be noted that other research shows that landlords are increasingly planning to expand the shared accommodation they offer (Local Housing Allowance evaluation, DWP research reports 870-874, 2014).

As part of the implementation of RSRS, the Government worked with relevant stakeholders, including charities, advice agencies and other organisations, many of whom received public funding. Citizens Advice Bureaus (CABs) reported that people were increasingly asking for help related to welfare benefits, with some CABs saying that they had difficulty meeting the level of demand for their services. They believed that RSRS was one of several factors causing this, although they also noted that people affected by the RSRS commonly had additional problems as well.

Conclusions

At the time of the research, four out of five claimants affected by the RSRS were reported by landlords to be paying some or all of their shortfall, although half of these had failed to pay in full. There was widespread concern about the impact of potential future evictions on local services, and on landlord finances as well as on the lives of vulnerable people.

At the time of writing, few tenants have found work or taken in lodgers. However, demand for downsizing has been greater than anticipated, although, in many areas, this demand has thus far been difficult to meet. At the time of this research, there had been very few evictions solely due to the RSRS.

The evaluation will continue to monitor this situation and any resultant impact on landlords, local authority services or on the lives of claimants themselves, in its next round of fieldwork later in 2014.

1 Introduction

This interim report presents early findings from the evaluation of the Removal of the Spare Room Subsidy (RSRS). The evaluation is being led by Ipsos MORI and the Cambridge Centre for Housing and Planning Research and being carried out between 2013 and 2015. The evaluation will also examine the impact of the Benefit Cap within the social rented sector, but the findings from this strand of the work will be presented separately in the autumn of 2014.

The focus of the evaluation is Great Britain (England, Scotland and Wales).

1.1 Aims

This interim report presents the early findings from the study, covering the first eight months of implementation – April to November 2013.

We describe early assessments of impact and many of the findings in this report serve as a baseline for further examination later this year. A final report will be published during 2015 which will conclude both elements of the evaluation.

Assessing whether HB expenditure has reduced is being carried out by the Department for Work and Pensions (DWP) separately, and does not lie within this evaluation.

The objectives of this evaluation are to evaluate:

- the preparation, delivery and implementation of the policy changes by local authorities (in their strategic housing role) and social landlords;
- the extent of increased mobility within the social housing sector leading to more effective use of the housing stock with households in more suitable sized accommodation (reduced overcrowding, and waiting lists for social housing);
- the extent to which, as a result of the RSRS, more people are in work, working increased hours or earning increased incomes;
- the effects of the RSRS, and responses to it of:
 - claimants;
 - social landlords;
 - local authorities;
 - voluntary and statutory organisations and advice services, including Children’s Services;
 - funders lending to social landlords.

1.2 Background

The RSRS was brought into effect on 1 April 2013. It entailed a reduction in Housing Benefit for working age social tenants whose properties have more rooms than the DWP's size criteria state that they need.

The size criteria specify the number of bedrooms that a household requires so that no one has to share a room unless they are:

- a couple;
- both aged under ten;
- both aged under 16 and of the same gender.

No more than two people should have to share a room. An extra room was also allowed for a non-resident overnight carer for the tenant or their partner.

Later amendments were introduced before implementation which allowed an extra room for:

- foster carers who have fostered or become approved for fostering within the last year;
- parents with adult children in the armed forces (or reservists) who normally live with them but are deployed on operations;
- a child whose disability or medical conditions means they cannot share a bedroom with another child whom they would otherwise be expected to share with.

Those with one spare bedroom, according to the criteria, have had their Housing Benefit eligibility reduced by 14 per cent, whilst those with two or more spare rooms have had their Housing Benefit eligibility reduced by 25 per cent. People on partial Housing Benefit will in some cases have ceased to be eligible for Housing Benefit as the reductions are applied from the eligible amount, not the actual amount received. The average reduction was projected to be around £13 (DWP, 2011).

The DWP's initial data on the impact of the RSRS shows that in May 2013 two thirds of tenants with one spare room were seeing reductions of between £10 and £15 a week, whilst 16 per cent had had their Housing Benefit reduced by under £10. For tenants with two or more spare rooms, half were experiencing reductions of between £20 and £25, with 28 per cent were seeing reductions of over £25⁶.

The DWP's data show that in May 2013 a total of 547,341 households were affected across Britain, falling slightly to 522,905 by August 2013⁷. These figures are somewhat lower than the DWP's initial estimate of 660,000 affected households (DWP, 2012), though 40,000 of these households were estimated to be those on partial HB who would lose all of their HB entitlement as a result of the RSR, and therefore would not be expected to be seen in the figures for those affected but still in receipt of HB. The 547,341 is however still lower than the 620,000 whom the DWP estimated would be affected but remain on HB. This may be because some claimants acted in the three years prior to April to avoid being affected, and/or that landlords amended their letting policies to reduce under-occupation among new tenants. There were also some additional 'easements' made prior to the Impact Assessment which allowed small numbers of households to have an extra room.

⁶ <https://sw.stat-xplore.dwp.gov.uk>

⁷ DWP figures relate to the numbers on the second Thursday of the month. Data for April 2013 was not available.

The overall size of the social housing sector in Britain is around 4.71 million homes⁸. This means that 11.6 per cent of all tenancies were affected by the RSRS in May 2013, falling to 11.1 per cent by August 2013.

DWP data also show clear geographic differences between areas in the proportion of HB-dependent tenants affected, reflecting differing housing stock profiles and housing pressure; at one extreme Westminster and Mole Valley both see fewer than six per cent of HB-dependent tenants (of all ages) affected, while at the other, Copeland, East Ayrshire and West Lothian all see more than 26 per cent of their HB-dependent tenants affected.

1.3 Research methods

There are six strands to this research:

- **A survey of social landlords throughout Britain**

The survey ran between 16 October and 8 November 2013. A total of 750 landlords were invited to take part in the survey, comprising all stock-owning local authorities and RPs with over 1000 properties, as well as a sample of smaller social landlords throughout Britain. A total of 312 replied answered most or all of the survey. The survey asked for substantial numeric data relating to finances and numbers of affected tenants. Landlords were instructed to *'draw on any data you hold wherever possible, but give us your best estimate if not. Please leave blank any questions where you do not know the answer, and cannot provide a good estimate either'*. For further details see Appendix C.

The landlords who replied were representative of all social landlords in terms of their spread between England, Scotland and Wales. They also had an average of 11.1 per cent of their stock occupied by tenants affected by the RSRS, which is precisely the national average, as of August 2013. For further details, see Appendix C.

- **A survey of Housing Benefit claimants both affected and not affected by the RSRS**

A total of 15 areas, were selected for the purposes of undertaking primary survey research among Housing Benefit claimants in the social rented sector. These covered England (13 areas), Scotland and Wales (one area each), and were chosen to ensure a range of housing market circumstances, region, tenure mix, type, and size of local authority throughout Britain. This was not designed to be representative in any statistical sense – and should not be considered as such, but rather to ensure coverage of a mixture of stock-owning and non-stock owning, rural and urban, and unitary and district authorities.

⁸ 2011 Census.

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Table 1.1 below shows key statistics of the 15 case study areas, as compared to the national average:

Table 1.1 Key statistics of the 15 case study areas

	15 case study areas	Britain
Proportion where LA owns stock	60%	53%
Proportion rural (Defra class 4-6)	40%	51%
Mean % PRS tenants	19%	16%
Average overcrowded households per 100 households	5	4
Mean proportion social sector with 1-2 rooms	10%	11%
Mean estimate of proportion of tenants affected by RSRS	15%	14%

Source: 2001 and 2011 Censuses, Defra, Scottish Government and Welsh Government websites; Estimate of proportion affected by RSRS modelled from DWP impact assessment.

In order to encourage frank and open discussion, the case study authorities have not been identified in this report.

The survey ran between 1st October and 24th November 2013 (following a small-scale pilot survey conducted in September). The sample was drawn from the May 2013 Single Housing Benefit Extract (SHBE), which flagged claimants as either 'affected' or 'non affected' by the RSRS at the point the extract was compiled.

Ipsos MORI interviewed 100 claimants face-to-face in their homes in each area. Sampling and quotas were structured to achieve interviews with affected claimants in a 70:30 ratio of affected to non-affected claimants at both local and aggregate levels. In total, 1,071 affected HB claimants were interviewed, and a non-affected sample of 431 HB claimants.

For analysis purposes, findings focus on the 871 claimants flagged in the May 2013 SHBE extract as affected by the changes⁹ and who say they are **currently affected by the changes and Housing Benefit has been reduced ('affected')**, and on the 381 claimants flagged as not affected in the May 2013 SHBE extract and who say they are **not currently affected by the changes ('non-affected')**. This allows us to analyse those affected with greater certainty that they had indeed been affected.¹⁰

Fieldwork was conducted a number of months after receipt of the May SHBE extract, meaning that there was a possibility of circumstances changing for some respondents in this period. Consequently, the original affected/non-affected SHBE flag has limitations but, at the same time, respondents' self-reported status cannot be easily validated.

⁹ This was derived from SHBE field 21 – 'the weekly amount of social sector size criteria/under-occupation deduction'.

¹⁰ This allows greater certainty but remains reliant on respondent recall/reporting (and does not provide precise validation of the SHBE flag). We detected some confusion on the issue – for example, of the 1,502 taking part in the survey, 180 flagged as affected by SHBE said that their Housing Benefit had not been reduced. A further 32 flagged as not affected by SHBE said that their Housing Benefit had been reduced, while 10 said they believed they were affected but their Housing Benefit had not been reduced. A further 28 were unsure of their current status.

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Taking this into account at the analysis stage, we isolated those flagged in the original SHBE sample as being affected and non-affected, and whose self-reported responses in the survey matched these labels. This allowed us to analyse early impacts of the policy among a group we know to be both affected and aware of the fact, and looking ahead, allows us to monitor effectively the change over time through the longitudinal element of the evaluation.

For further details on methods and the interview schedule used, see Appendix A.

• **Follow-up qualitative interviews with 30 claimants affected by the RSRS**

In addition to the survey of claimants, 30 in-depth interviews were conducted among those affected by RSRS (who had taken part in the original survey). Respondents were chosen based on demographic characteristics to ensure a cross-section of affected claimants was interviewed. Interviews were conducted in six of the 15 areas (four in England, one in Wales, one in Scotland).

A full disposition of qualitative interviews can be found in Appendix B.

Qualitative research is designed to be both detailed and exploratory and provides insight into the perceptions, feelings and behaviours of people. It is useful for exploring perceptions of policy issues and proposals but it is important to note that qualitative findings are not designed to be statistically representative of the views of all claimants.

The findings include some indications of the prevalence of views or experiences across the sample or within subgroups, indicated through the use of words such as 'most', 'many' and 'few' to describe how typical views or experiences were across the relevant group. However, this should be considered indicative rather than exact due to the nature of qualitative research which is not intended to give a statistical measure of the prevalence of different views.

• **Case study work in ten local authority areas**

The ten case study local authorities were chosen to reflect the range of housing market circumstances. Nine of the ten areas were chosen from within the 15 areas selected above¹¹. Group interviews were held between May and August 2013 in each location with between two and ten local authority staff in attendance at each interview. In total 26 landlords were interviewed, covering 89 per cent of the housing stock in the case study areas, around 186,000 properties. Interviews were also conducted in November 2013 with a total of 47 local agencies and local authority departments across the ten areas, including Children's Services, the Citizens Advice Bureau, Job Centres and local voluntary organisations.

The topic guides used are in Appendix D.

¹¹ The intention had been to choose just nine from within the 15 selected for claimant interviews, but one case study area was found not to have adequate SHBE data, and therefore was no longer suitable for claimant interviews. It was therefore decided to include an additional 10th case study area – nine from the 15, as planned, as well as continuing fieldwork in the 10th one where claimant interviews could not be carried out.

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• Interviews with eight of the major lenders to the social housing sector

A series of eight telephone interviews with funders of the housing association sector was undertaken in October 2013, including both established and new lenders/investors in the sector, and also the Council of Mortgage Lenders. Moody's play a role in here in ranking the creditworthiness of borrowers, including housing associations. They declined an interview but did supply a note which also included an overall commentary on the health of the sector in relation to welfare reforms. A draft summary of the points raised was circulated to the eight lenders for further comment. The HCA's recently published Sector Risk Profile¹² has also been drawn on as it provides a useful overview of the sector. The topics covered are listed in Appendix D.

• The DWP's LA Insight survey

The DWP carry out a survey of all local authorities every six to twelve months, known as the LA Insight survey (formerly the Omnibus Survey). The autumn 2013 survey ran from October to December 2013 and included questions added to contribute to this evaluation. The questions added covered:

- Discretionary Housing Payments and their use in relation to people affected by the RSRS;
- Housing Benefit Advice given to people affected by the RSRS;
- communication with claimants affected by the RSRS;
- whether the numbers affected had increased or decreased and perceived reasons for any decrease;
- other comments on the RSRS.

This report has drawn upon all these sources of information and used triangulation methods which involve drawing on information from more than one source wherever possible in order to cross-check and increase the validity of the conclusions drawn. Areas of agreement or divergence can be highlighted and explored further.

This report presents interim findings from the first phase of the research. A follow up survey of the affected claimants and further survey of landlords and case study work will be undertaken during 2014 to input into the final report. Some of the evidence gathered at this stage is therefore intended to provide a 'baseline' rather than assess the impact of the RSRS.

¹² www.homesandcommunities.co.uk/sites/default/files/our-work/sector_risk_profile_2013_full.pdf

2 Preparedness and Implementation

2.1 Local authority and social landlord staff training, set up and preparedness

Case study work examined the extent to which local authorities and landlords had prepared for the RSRS. Some organisations had identified a lead person with overall responsibility for overseeing the implementation of the RSRS. Others had set up or used an existing board. Both arrangements appeared to work well and the staff interviewed in the late spring of 2013 had, without exception, a thorough understanding of the details of the RSRS.

Overall most landlords felt their staff were very well prepared for the implementation the RSRS. The long run-in period had been appreciated as landlords had needed some time in order ensure their records were correct and also to mobilise staff across their organisations. Rent collection teams and tenant support services were at the forefront of their work, but many landlords had made efforts to ensure that all staff were up to speed in how the RSRS would affect their tenants, so that even those such as maintenance teams could answer queries as they arose.

Last minute additions to the groups exempted from the RSRS (including foster carers and disabled children unable to share) had, however, caused frustration in some areas. The sense that the policy might not go ahead, or might be altered further was reported as contributing to the difficulties that landlords experienced in persuading tenants to take preventative action before implementation. Landlords suggested that tenants were often disinclined to believe that the policies would actually happen until they took effect.

2.1.1 Support from the DWP, DCLG, the Scottish and Welsh Governments

The DWP's regular briefings were mentioned by two case study authorities as having been helpful, and one was appreciative of the data-sharing protocol. Respondents were however, generally negative about the support provided by the DWP to help them train staff and understand the reforms and reported little involvement with DCLG over the implementation of the reforms. Local authorities appreciated having a local DWP representative that they could approach. Some reported that they had had such a contact in the past but no longer did, or that their local contact was unable to answer their questions without having to go away and seek out answers from others, which took time. Issues of particular concern related to the lack of clarity over when they should be making Discretionary Housing Payments (DHPs). Most received training from external providers including the National Housing Federation and Chartered Institute of Housing, which was generally reported to be excellent.

Local authorities and landlords also reported that they would have liked more information on the policies in what they saw as 'tenant-friendly language'. By this they meant material that explained the implications of the policy for the tenants, without attempting to explain the rationale behind the reforms. Several complained that they did not feel able to use the material issued by the DWP because they felt it was too political. Following this research, DWP has since reviewed its communications and do not believe they are political.

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The view was that there was some ongoing need for training and support in dealing with difficult situations and with tenants affected by the RSRS who are struggling and/or not paying. Staff stress and workload were an issue of concern. Training materials that recognised the pressures on both tenants and staff were felt to be important. Some landlords reported that housing staff were used to working with tenants who failed to pay their rent, but there were some affected by the RSRS who the staff felt were unable to afford to pay. This was widely perceived to be a new issue resulting from the RSRS. People who cannot afford to pay can potentially change their circumstances, for example by increasing earnings or moving to a smaller home.

2.1.2 Identifying the number of bedrooms

Local authorities hold the most up to date information on the profile of benefit claimants' households. They had not, however, previously held data on the number of bedrooms in their homes. Landlords therefore needed first to provide the local authorities with data on the size of their properties, and then to receive information back from the local authorities on the profile of the occupants' households, enabling them to identify which households would be affected.

Good working relationships between local authorities and landlords were reported in nearly all the case study areas. These tended to be the strongest between local authorities and the larger landlords within them or where there were established local area network meetings. Landlords with stock across a large number of local authorities encountered more difficulties in both supplying information requested in many different formats, and receiving back the information they required. Likewise, unitary authorities covering large geographical areas with many landlords found the task more challenging.

Identifying the number of bedrooms in properties was generally completed in good time and without too many difficulties. Landlords reported small numbers of cases where their records were incomplete, or later turned out to be incorrect, but across the stock of around 186,000 units owned by case study landlords, around 35,000 of which were occupied by tenants affected by the RSRS, there were fewer than 50 found to be incorrectly recorded in terms of size. Reasons for incorrect recording included cases where adaptations to cope with a disability (such as a lift) had resulted in the loss of a bedroom, or individual properties transferred from another landlord or bought privately where the records were incorrect or missing.

Some landlords had given their local authority information on the size of all their properties, whether or not the current tenant was affected by the RSRS. Others were informing the local authority of the size of homes only on request.

2.1.3 Identifying affected tenants

Identifying affected tenants was a more complicated process than identifying the size of properties. Nevertheless nine out of the ten case study areas (interviewed around June 2013) felt that they knew the large majority of which tenants were affected. By six months into the policy, 87 per cent of landlords responding to the survey, covering 83 per cent of affected tenancies reported that they knew which tenants were affected in at least 95 per cent of cases (Table 2.1).

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Table 2.1 Which of the following statements best describes how confident you are that you know you are able to identify tenants affected by the RSRS?

Response	Number of landlords	% of landlords	RSRS-affected tenants	% of all RSRS-affected tenancies
We think we know which of our tenants are affected by the RSRS in all or nearly all cases (95%+)	269	87%	206,025	83%
We think we know which of our tenants are affected by the RSRS in most cases, but there are at least 5% of cases where we don't know	32	10%	26,239	11%
We think we know which of our tenants are affected by the RSRS in a minority of cases, but do know at least 5% of them	4	1%	7,685	3%
We know which of our tenants are affected by the RSRS in none or very few cases (under 5%)	2	1%	7,967	3%
Other	3	1%	286	*
Total	310	100%		

Base: All Landlords (n=310). Fieldwork Dates: 16 October to 8 November 2013.

Source: CCHPR/DWP.

Landlords with stock spread across the country were more likely to report that they were experiencing more difficulties in identifying affected tenants than those with stock in just one area.

Systems for keeping this information updated and sharing information when tenants' circumstances changed so that they started or ceased to be affected by the RSRS were, however, less well developed in some areas (Table 2.2).

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Table 2.2 Which of the following best describes how you become aware when tenants start or cease to be affected?

Response	Number of landlords	% of landlords	RSRS-affected tenants	% of all RSRS-affected tenancies
We have access to the local authority HB database so we can see for ourselves	42	14%	43,851	18%
The local authority informs us on a case by case basis when people start or cease to be affected	45	15%	19,021	8%
The local authority informs us on a regular basis (at least monthly)	43	14%	48,965	20%
The local authority informs us but less often than monthly	34	11%	34,659	14%
We do not get informed by the LA reliably so rely on the tenant telling us directly	44	14%	31,947	13%
A mixture of the above	90	29%	58,105	24%
Other	8	3%	5,129	2%
Total	306	100%	241,677	100%

Base: All Landlords (n=306). Fieldwork Dates: 16 October to 8 November 2013.

Source: CCHPR/DWP.

Again, landlords with dispersed stock reported more difficulties in finding out when tenants started or ceased to be affected. Stock-owning councils were generally able to access the Housing Benefit database themselves so found this task easier, and were less likely to report difficulties.

2.1.4 Identifying exempt tenants

Certain groups of households are allowed an extra bedroom (referred to in legislation as having been 'given easements') before they are deemed to be under-occupying. These comprise:

- people in supported exempt accommodation or certain types of temporary homeless accommodation;
- parents keeping a bedroom for a student, if a student's main residence is their parents' home;
- people who need a bedroom for an overnight or live-in carer;
- families where under-occupancy has arisen due to a death within the last 12 months;
- approved foster carers, who have fostered or become registered within the last 12 months;
- parents with adult children on operational duty in the Armed Forces who continue to live with their parents, and spouses of those serving in the armed forces;
- disabled children unable to share a bedroom.

Case study work suggested that neither local authorities nor landlords had reliable records on numbers in most of these groups, so generally required the tenants to self-identify.

Social workers interviewed were sometimes aware which of their foster carers were on Housing Benefit, and therefore likely to be affected by the RSRS, though the process of ensuring that they were allowed an extra room was generally led by the tenant, rather than the social services department.

Table 2.3 Number of tenants allowed an extra room for specific reasons

Reason for extra room	Number of cases known to landlords	As proportion of RSRS-affected tenants
Foster carers	322	0.35%
Child in the armed forces	94	0.10%
Disabled children unable to share	756	0.82%
Total	1,172	1.27%

Base: All tenancies affected by the RSRS managed by landlords (number of tenancies =92,485; number of landlords=126). Fieldwork Dates: 16 October to 8 November 2013.

Source: CCHPR/DWP

As can be seen, the total number of claimants allowed an extra room for any of these three reasons was very small. The majority of landlords had no tenants at all who had been allocated an extra room for foster caring or a child in the armed forces.

Case study local authorities and landlords, interviewed in May and June expressed concern around how to identify cases where disabled children were unable to share a bedroom. Many felt that they lacked the medical expertise to establish which disabled children were unable to share a room and this had led to delays in processing applications from this group.

2.2 Altering or reclassifying stock

There has been concern expressed in the media that some landlords have responded to the RSRS by physically remodelling their stock (eg knocking down walls) or reclassifying the number of bedrooms in their properties which could prevent some tenants being affected by the RSRS.

2.2.1 Physically altering stock

The landlords' survey asked whether landlords had altered stock or intended to do so (Table 2.4).

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Table 2.4 Have you physically altered any of your stock to change the number of bedrooms in direct response to the RSRS?

Response	Number of Landlords	%
Yes	10	3%
No	287	93%
Not yet but are planning to do so within the next 12 months	9	3%
Not known	2	1%
Total	308	100%

Base: All Landlords (n=308). Fieldwork Dates: 16 October to 8 November 2013.
Source: CCHPR/DWP.

Those who answered yes, reported a total of 40 properties which had been altered to change the number of bedrooms, with a further 676 properties planned to be altered during the next 12 months. The average cost reported of such alterations ranged from £150 to £84,000 per property, averaging at £6,500. Seven of the landlords who were making alterations were removing internal walls to reduce the number of bedrooms, two were relocating a very small kitchen or bathroom into a spare bedroom, and re-designating its previous location as a store room or study, and two were converting larger houses into flats.

The reasons cited for altering stock generally related to low demand for larger properties and the need to provide smaller units for downsizers.

Overall, the scale of such activities is very small, representing only 0.0018 per cent of the housing stock managed. The further 676 properties planned to be altered in the next twelve months represents a further 0.030 per cent of the housing stock.

2.2.2 Reclassifying the number of bedrooms in properties

Reclassifying the number of bedrooms without making physical alterations to the stock was somewhat more common to date (Table 2.5).

Table 2.5 Have you reclassified the number of bedrooms in any stock in response to the RSRS?¹³

Response	Number of landlords	%
Yes	32	10%
No	259	85%
Not yet, but are planning to do so within the next 12 months	13	4%
Not known	3	1%
Total	307	100%

Base: All Landlords (n=307). Fieldwork Dates: 16 October to 8 November 2013.
Source: CCHPR/DWP.

¹³ Respondents were specifically instructed not to include cases where they did this solely because they had discovered that their records were incorrect.

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A total of 1,172 properties had been re-classified, representing 0.053 per cent of the housing stock managed (2.2 million), though this should be viewed with some caution as nearly half of the properties reported in the survey as having been re-classified were owned by just one landlord. This suggests a potentially large margin of error in extrapolating to the country overall from the survey results. Table 2.6 shows the breakdown by size of the 1,172 properties reclassified:

Table 2.6 The original size of properties reclassified in response to the RSRS

Number of bedrooms	Number reclassified to have fewer bedrooms	Net change in number of properties of this size
1	0	664
2	664	-310
3	354	-210
4+	153	-153
Unknown	1	n/a

Base: All properties reclassified by landlords (number of landlords = 31; number of properties=1,172).
Fieldwork Dates: 16 October to 8 November 2013.
Source: CCHPR/DWP.

The reasons cited for reclassifying the number of bedrooms related to the size of the bedroom, its unsuitability as a bedroom or overall low demand for properties of that size (Table 2.7).

Table 2.7 Reasons cited for re-classifying the number of bedrooms in properties

Reason	Number of landlords
Bedroom is too small	
Under 50sq foot	5
Perceived not to meet legislative requirements ¹	4
Other/Not specified	10
Low demand for this property size	10
Downstairs bedroom used as sitting or dining room	7
Adaptations (eg lift) made room unsuitable for use as bedroom	4
Bedroom accessed via another bedroom or via living room	3
Bedroom needed for carer or medical use so not available for use as bedroom	3
Other reasons	3

Base: All Landlords who had reclassified stock, or were planning to do so (n=44). Fieldwork Dates: 16 October to 8 November 2013.
Source: CCHPR/DWP.

¹ As set by HAs or LA relating to space standards for statutory overcrowding.

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Landlords were also asked whether they had lowered the rent on properties where they had reclassified the number of bedrooms (Table 2.8).

Table 2.8 Have you lowered the rent on those properties that were reclassified as a result of reclassifying them?

Response	Number of landlords	%
Yes, on all of them	23	72%
On some of them	3	9%
No, none of them	5	16%
Not known	1	3%
Total	32	100%

Base: All Landlords who had reclassified stock (n=32). Fieldwork Dates: 16 October to 8 November 2013. Source: CCHPR/DWP.

As can be seen, most landlords had reduced the rent on all reclassified properties. Those who had not done so reported that this was either because the total size of the property was unchanged, or because the rent was still below target rents.

Respondents were asked what approach they took to deciding which properties to reclassify (Table 2.9).

Table 2.9 Which of the following best describes your approach to reclassifying?

Response	Number of landlords	%
We reclassified all properties of a similar type, regardless of who is living in them	12	38%
We reclassified only properties occupied by tenants affected by the RSRS	1	3%
We reclassified only on request or on an individual basis	17	53%
A mixture of the above	1	3%
In some other way	1	3%
Total	32	100%

Base: All Landlords who had reclassified stock (n=32). Fieldwork Dates: 16 October to 8 November 2013. Source: CCHPR/DWP.

As can be seen most landlords were reclassifying only a small proportion of their stock, often exhibiting quite individual features such as very small bedrooms. In some cases they did this only when the issue was brought to their attention by the current occupants but only one landlord indicated that they specifically intended only to reclassify the properties of tenants affected by the RSRS.

The large majority of landlords have neither physically altered nor reclassified any of their stock. The case study interviews indicated that most landlords had given some thought to reclassifying stock, but had decided that they lacked any housing that could reasonably be defined as having fewer bedrooms, or were concerned about the impact on their rental income if they were to do so.

2.3 Communication with claimants

In most areas either the local authority or the landlord was visiting all affected households with the aim of carrying out face to face interviews. Case study interviewees emphasised that this was a very time-intensive exercise, with multiple visits being required in many cases before contact was made. Face to face contact was however considered by most landlords to be the most effective method of engaging tenants. Many were concerned that tenants often failed to open their post, or failed to understand it. This was supported by our qualitative research with claimants, described towards the end of this section.

Local authorities were asked what types of communication they had had with claimants – both those currently affected by the RSRS and also with those who weren't but might be in the future or might be worrying that they would be affected (Table 2.10)

Table 2.10 What type of communication has your LA had with claimants who are:

	Affected by the RSRS?		Not currently affected by RSRS but might be in the future?		Not currently affected by RSRS but might be worrying that they are?	
	Number of LAs	%	Number of LAs	%	Number of LAs	%
Letter	220	96%	56	24%	45	20%
Telephone call	123	54%	29	13%	39	17%
Meeting/visit	138	60%	27	12%	29	13%
Information on website	198	86%	173	76%	171	75%
Leaflets available at LA	122	53%	104	45%	98	43%
Joint communication from LA and landlords	134	59%	68	30%	64	28%
Advice from Housing officers/RSLs	208	91%	130	57%	125	55%
Responding to claimants' queries	211	92%	145	63%	153	67%
Liaison with CAB	155	68%	83	36%	77	34%
Newsletter/tenants newsletter/members newsletters	5	2%	7	3%	7	3%
Flyer with notification letters	4	2%	4	2%	4	2%
Advice team referrals/money advice/debt advice/welfare advice agency	7	3%	2	1%	1	*
Is done by the HB section	2	1%	0	0%	0	0%
Magazine/newspaper/council newspaper/resident's magazine	3	1%	3	1%	3	1%
Other	19	8%	6	3%	4	2%
Don't know	2	1%	4	2%	3	1%
Not used any communication	0	0%	19	8%	18	8%
Total	229	100%	229	100%	229	100%

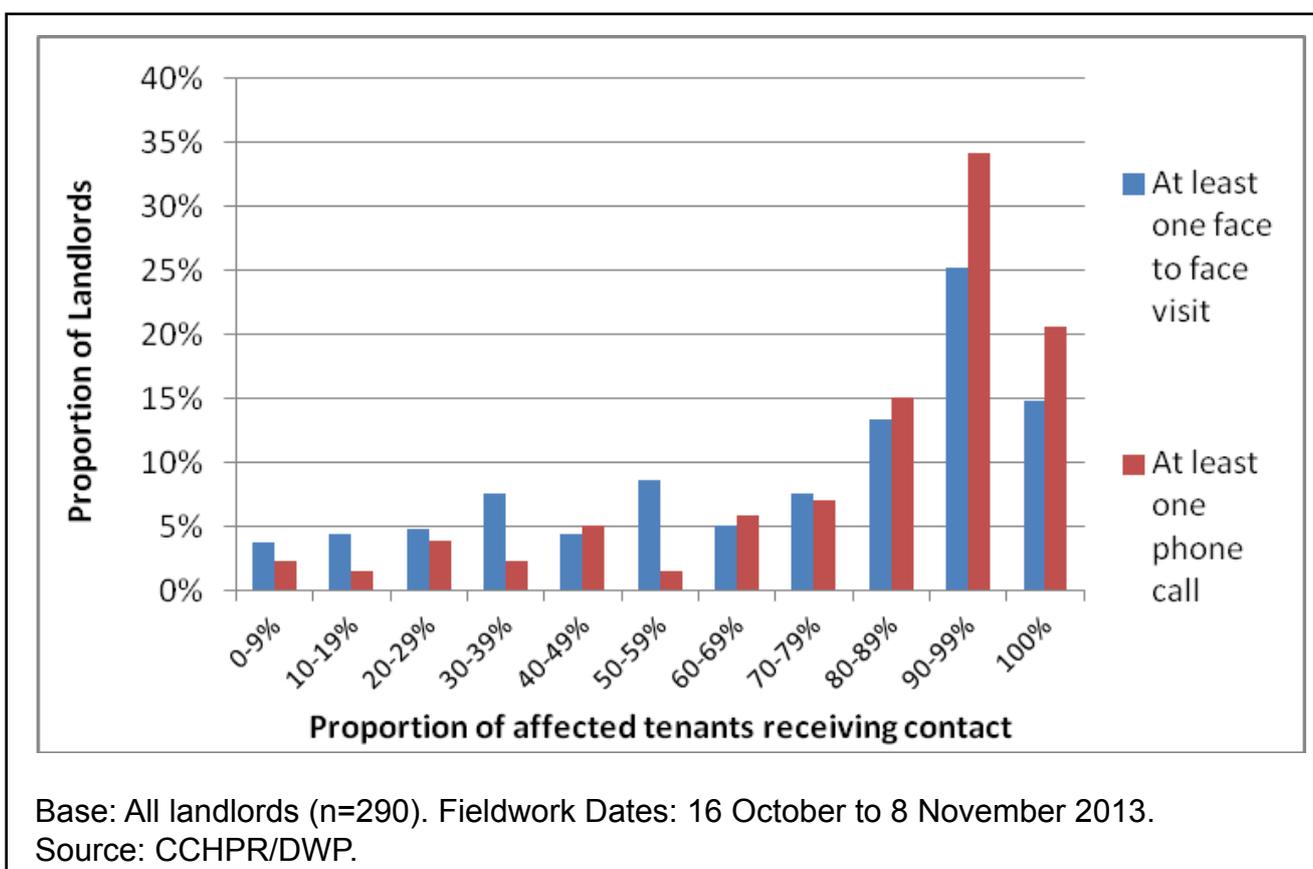
Base: LA Insight Survey All local authorities (n=229). Fieldwork Dates: 14 October to December 2013. Source: CCHPR/DWP. Respondents could give more than one answer.

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As can be seen, almost all authorities reported having written to those affected by the RSRS, with many also having communicated by other means too. Communication with those not currently affected has been more reactive, with responding to claimants' queries and information on the website being the most commonly used methods of communication.

Landlords have also played a key role in communicating the changes coming from the RSRS to tenants. The figure below shows the proportion of tenants whom landlords reported they had made contact with by either means before implementation or within the first six months (Figure 2.1).

Figure 2.1 Please estimate the proportion of your tenants affected by the RSRS who have received at least one face to face visit/at least one phone call¹⁴



Landlords with stock concentrated in just one area were more likely to report that the large majority of affected tenants had been visited face to face, as were landlords with fewer properties.

All case study areas told us that additional support was available on request (by phone or visit), although one landlord reported a four week wait for appointments for its tenancy support, because of high demand.

¹⁴ Respondents were instructed not to include tenants they had tried but failed to make contact with.

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Some case study areas had undertaken 'roadshow' type events, although there were mixed views as to how effective these were either for those affected or those who feared they might be. They were often not well attended, which staff speculated may be because of the stigmatised nature of receiving benefits, or possibly because they were held too early, before tenants were ready to grasp the implications of the reforms.

Joint working arrangements between landlords and local authorities in most areas were well-established. Good practice identified included developing joint letters to be sent to tenants throughout the local authority, ensuring a single and clear message was sent out with an individual assessment of their likely loss of Housing Benefit and telephone numbers to contact for further advice.

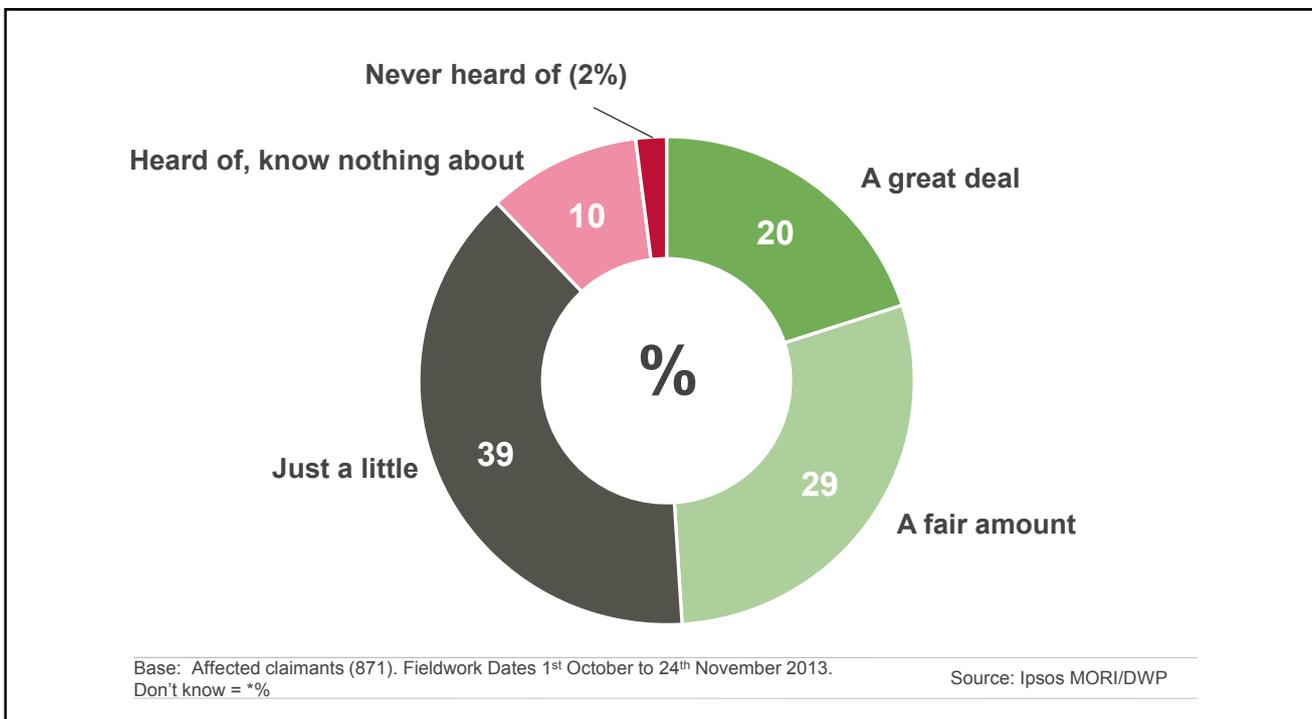
The timing of communication with affected tenants was also considered crucial. Some areas who had been able to identify tenants likely to be affected as early as summer 2012 had tried to forewarn tenants. Most, however, reported limited success in engaging tenants this far in advance, and reported a more positive response only once the reforms were imminent or actually in operation. They believed the lack of earlier success was due to tenants being unwilling to engage until it came into effect. Note that there is also evidence within this research that tenants were reluctant to respond in advance of April 2013.

Local authorities and social landlords had also taken some efforts to disseminate information about the policy more widely and to reassure unaffected tenants that they would not be affected. Most landlords did this by means of articles in tenants' magazines or newsletters. Both local authorities and landlords reported having to devote some time to fielding calls from unaffected tenants, mainly pensioners, who were concerned about having to pay the 'bedroom tax' that they had heard about in the press.

According to our survey research with claimants across the 15 areas, the vast majority of affected claimants said they were aware of the policy before being interviewed (NB, as explained in Section 1.3, this analysis excludes those who were flagged by the DWP data as being currently affected but believed they were not). Around half (49 per cent) said they knew either a great deal or fair amount about the changes, while just two per cent reported that they had never heard of the changes before being interviewed, as the figure below shows:

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Figure 2.2 *Before this interview* how much, if anything, did you know about these changes?¹⁵



Those who were not affected were just as likely to have heard of the changes, though their knowledge was a little shallower: 42 per cent claimed to know a great deal or fair amount about the changes before interview, while five per cent said they had never heard of the policy.

The vast majority, 86 per cent, of affected claimants, recalled receiving notification that they would be affected by the policy. A small proportion (12 per cent) said they did not, with two per cent unable to recall. Of those who recalled receiving notification, most said they received a letter (87 per cent), while 15 per cent said they received a visit in person. A further nine per cent said they received a phone call. This is in contrast to the reports from landlords (shown above in Figure 2.1) which find that more than over half of all landlords claim to have visited at least 80 per cent of their affected tenants and phoned at least 90 per cent of them. This suggests that some tenants may not have recalled the visit or phone call they had from their landlord.

¹⁵ Full question wording: 'As you may know, the Government has reduced the amount of Housing Benefit that those renting from a council or housing association receive if they have more bedrooms than it is thought they need. For example, a couple with no children have had their Housing Benefit cut if they had more than one bedroom. These changes came into effect on 1 April this year. **Before this interview** how much, if anything, did you know about these changes?'

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Those currently in arrears (at the time of the interview) were more likely not to recall receiving notification: 16 per cent of this group said that they did not receive notification compared with seven per cent of those not currently in arrears. All landlords and local authorities interviewed reported having written to 100 per cent of their affected tenants.

The qualitative work with claimants found that awareness of the reforms in general was high, with respondents having heard about the reforms in local and national media, as well as through letters and other communications from their landlords. Some landlords and local authorities interviewed had tried to ensure that all tenants due to be affected were written to before April with their individual shortfall in benefit calculated for them. However, claimants in the qualitative research typically reported that although they were aware of the changes, they had not known the exact amount they would be required to pay until they were obliged to make payments in April 2013.

This was often because exact amounts were not always stated in letters they received. Where their precise amount of reduction was not given, some believed they would be paying the average payment quoted in their letter or that they had seen in the local press, or, because they did not understand what the percentage quoted in the letter received meant for what they would need to pay. As a result, some were surprised by the actual amounts they were asked to pay. Echoing this, local advice agencies in London also reported that the publicity had concentrated on average losses per tenant, leaving some London tenants with high rents surprised by the size of the shortfall they individually faced.

Claimants who reported having received a face-to-face visit from their local housing office or their housing association tended to have a better idea of how the changes would impact them with regard to the amount they would need to pay. They also had a better idea of what coping mechanisms they could employ – this was because the advice they received was tailored to their situation. This confirms the views of many social landlords interviewed. Those who had endeavoured to carry out face to face meetings with all their affected tenants had found it to be an enormous undertaking but one that they felt paid dividends in engaging tenants. They felt this to be particularly so for the most vulnerable tenants, many of whom they reported did not always open or read their post, though the low proportion of tenants surveyed who recalled the visit (13 per cent, see above) would suggest that the benefits may not be quite as high as landlords perceived.

3 Discretionary Housing Payments

Discretionary Housing Payments (DHPs) are made by local authorities on a discretionary basis when a local authority considers that a claimant requires further financial assistance towards housing costs. Previously these were intended mainly for Private Rented Sector (PRS) tenants to help them deal with short run problems, where an end to the problem could be envisaged. The Government has made substantial increases to the funding allocated to local authorities for DHP to enable them to help some of those affected by the RSRs and the Benefit Cap, as well as the previous client group which was mainly private rented sector tenants whose rent was not fully covered by their Local Housing Allowance (LHA).

Local authorities may top up their DHP allocation to a maximum of two and a half times the Government's contribution, from their own funds. In addition the Scottish Government announced in September 2013 that it would top up the resources available Scottish local authorities by a total of £20 million, trebling the amount available to Scottish authorities for 2013/14.

3.1 Who is being helped by DHP?

Information on the use of DHPs has separately been collected recently by the DWP (DWP, 2013). This showed that in Britain overall 40 per cent of DHP allocated for the financial year 2013-14 had been committed during the first half of the year. Overall, 66 per cent of the awards made, and 51 per cent of the expenditure had been made to people affected by the RSRs, with a further four per cent of awards and four per cent of funding to those affected by a combination of welfare reforms. The total amount allocated to local authorities specifically to help those affected by the RSRs was £55m, out of a total of £180m, or 31 per cent. This suggests that local authorities have, thus far, spent more of their budget on people affected by the RSRs than previously anticipated, though the budget overall has not been fully committed yet. The DWP report also highlights the degree of variation between local authorities, with some having committed over 100 per cent of their DHP funding, and others less than 20 per cent.

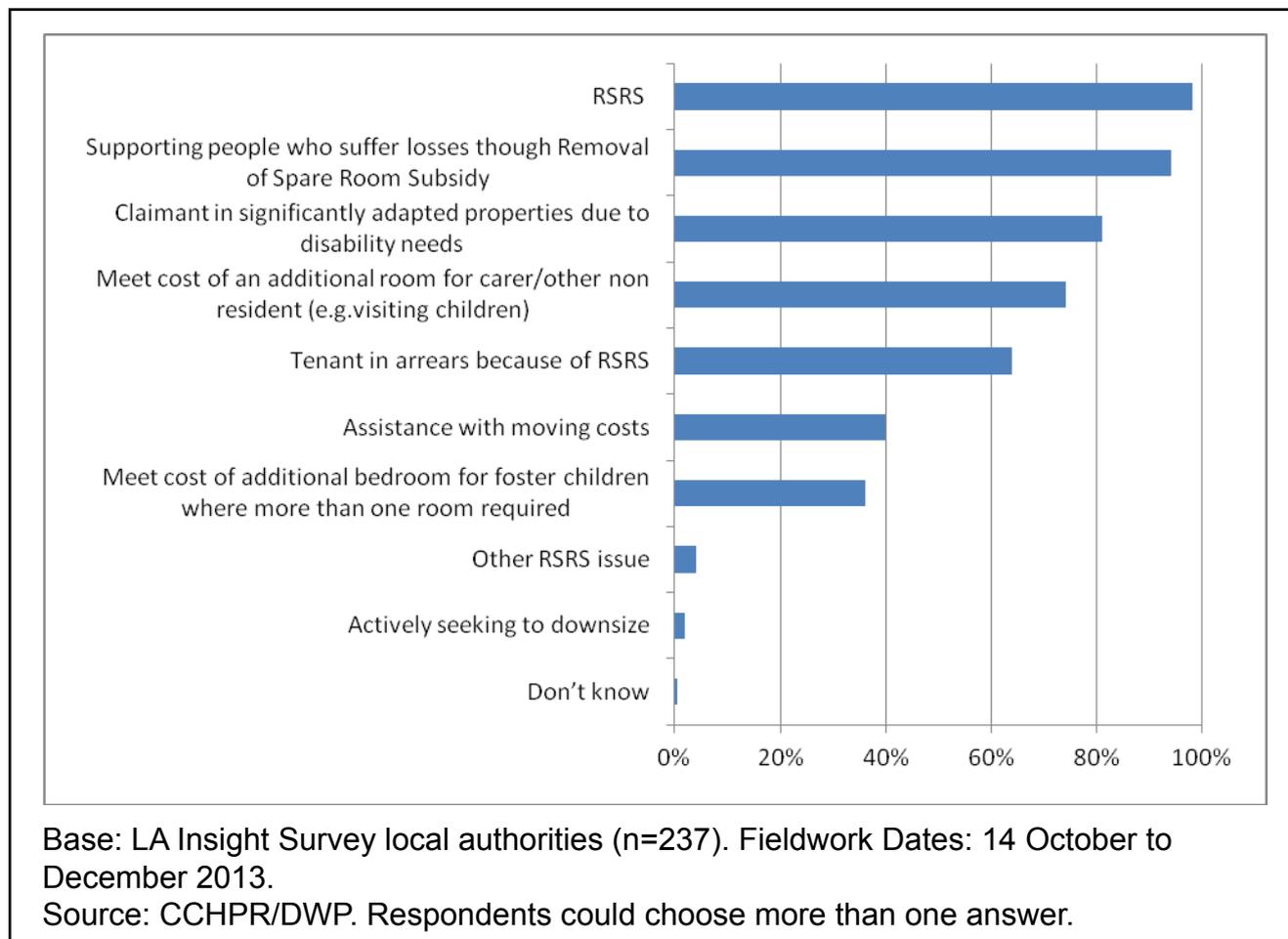
Local agencies and landlords were generally appreciative of the existence of DHP and most felt that the local authorities were using it effectively, given the resource constraints:

'We have devoted a large amount of our resources to supporting our tenants to make DHP claims. This has been very successful with 100 tenants having being granted DHP awards of varying amounts for varying time periods. Without this our rent arrears would likely have increased by a much higher amount.'

(Social landlord replying to survey)

The LA Insight survey found that almost all local authorities responding were making DHP payments to some of those affected by the RSRs (Figure 3.1)

Figure 3.1 Since April 2013, in what situations has your LA awarded a DHP?



More than one in five (22 per cent) of affected claimants said they had applied for DHP since 1 April in response to the reduction in their Housing Benefit, making it a middle-ranking response to the RSRs (from a prompted list with an opportunity to select multiple options, see Figure 4.3 in next chapter). For comparison, 14 per cent said they had looked to move house, 18 per cent said they had looked to boost their income through employment (new or existing), 26 per cent had borrowed money and 60 per cent said they had cut back in household spending either on what they deemed essentials, or on non-essentials, or both.

Those most likely to have applied for a DHP include the long-term sick or disabled (26 per cent of whom had applied), while single parent households were less likely to have applied (14 per cent). There was no difference in the incidence of applying for DHP between claimants who do or do not recall receiving being notified about the RSRs, or by claimed levels of awareness or knowledge of the policy.

Among those who applied for DHP, most said they have heard the outcome of their application (81 per cent). Of this group, almost half (49 per cent) said their application was successful.

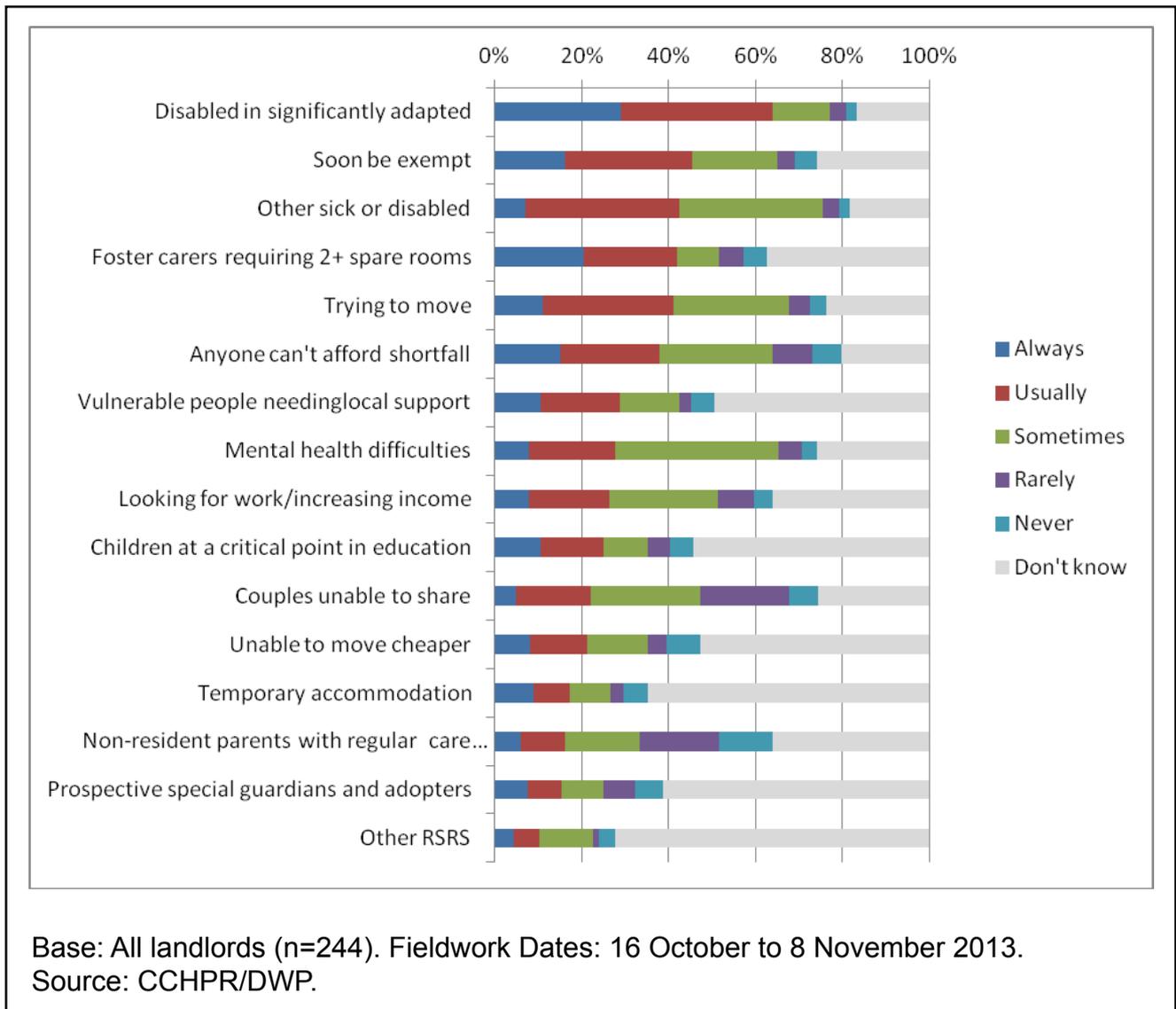
Qualitative claimant interviews highlighted the wide differences between local authorities in approaches to informing claimants about and awarding DHP. For example, most claimants in the case study area in Scotland who reported receiving DHP had applied after being informed about the availability of support face-to-face in their home. All claimants interviewed

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in this case study area who had applied were successful. In contrast, in three of the case study areas in England, the claimants interviewed were less likely than those in Scotland to have applied for DHPs, and also less likely to have been successful in their applications.

Further detail is provided from landlords, many of whom were aware which of their tenants are and are not being awarded DHP (Figure 3.2).

Figure 3.2 Generalising across the local authorities in which you work which of the following groups are receiving priority for DHP



Landlords were also asked about the system that was most often used for assessing their tenants' eligibility to receive DHP (Table 3.2)

Table 3.1 Which of the following best describes the system used most often for assessing eligibility for DHP for your tenants?

Landlords' understanding of DHP criteria	Number	%
Tenants need to be in a priority group	18	7%
Tenants need to be found to be unable to afford the shortfall	109	42%
Tenants need to be in a priority group, and ALSO to be found to be unable to afford the shortfall	81	31%
Some other system	32	12%
Not known	18	7%
Total	258	100%

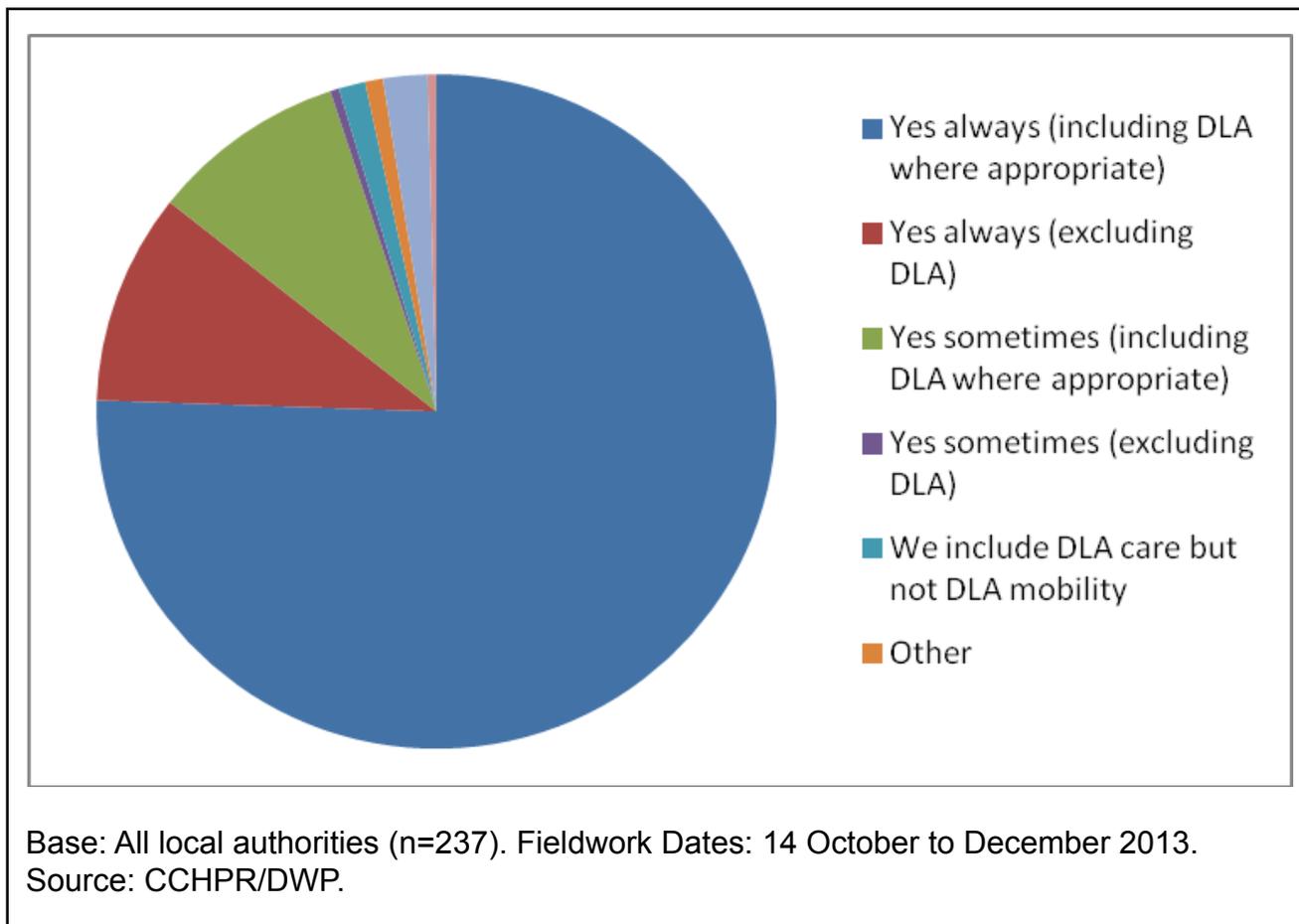
Base: All Landlords (n=258). Fieldwork Dates: 16 October to 8 November 2013.

Source: CCHPR/DWP.

One area of particular concern raised by local authorities in the case study work and LA Insight survey concerned the approach to means-testing disabled applicants. Many felt that expectations had been raised that people in significantly adapted properties, in particular, would be eligible for DHP, but when they came to assess financial hardship in this group they found that many did not qualify. This was often because their disability benefits gave them a higher income than other households.

The LA Insight survey asked about the approach to means-testing and whether Disability Living Allowance (DLA) was included (Figure 3.3).

Figure 3.3 Does your LA carry out a test of affordability before issuing a DHP?



It is the responsibility of local authorities to decide who is vulnerable and should be supported with DHPs. As can be seen, the large majority of local authorities reported that they always carried out a means test, and most of these included DLA where they deemed it appropriate to do so. DLA is a benefit to help people meet some of the extra costs of living with a long-term health condition or disability. Some voluntary sector agencies and landlords interviewed expressed concerns that disabled people were not always adequately demonstrating the ways in which they needed their DLA to cope with their disability on their DHP application forms. Agencies were also concerned that some of the most vulnerable people, and those with mental health difficulties sometimes refused to engage, or failed to provide sufficient evidence for their DHP claim and therefore did not get help. This was especially the case for those who applied without the assistance of their landlord or another agency. These groups often struggled with both paying rent and moving house and could be at risk of eviction if they weren't supported:

'I knew DHP would be difficult to obtain, but I was surprised by just how hard it is to get. There are some cases where we think they clearly don't have the money and yet they still don't get it.'

(Local advice agency)

Since DHP is awarded discretionally, there were concerns that certain groups might not be a priority for awards. Single people in good health with no children were thought to be low priority, along with those whose marriage had broken up, single parents with shared care but under 50 per cent (most often fathers) meaning they were unable to keep a spare room for their children (as is also the case in the private rented sector), and those recovering from domestic abuse, some of whom had children temporarily in care or living with other relatives.

3.1.1 The discretionary nature of DHP

Case study local authority staff interviewed were overall appreciative of the increased flexibilities they had been given over the use of DHP and the control they had over its use. Landlords and local advice agencies however were more concerned about the uncertainties created by the discretionary nature of the funding source. Landlords' surveyed raised a variety of concerns with DHP (Table 3.2).

Table 3.2 Do you have any other comments about DHP?¹⁶

Response	Number of landlords raising issue
DHP is working well	8
Topped up funding (LA or Scottish Gov) has helped	7
Good close working with LA over DHP	5
Inconsistent/not transparent approaches within LAs	24
Inconsistent approaches between LAs	22
Worried about when it runs out	20
Long processing times	11
Application process burdensome	10
Uncertainty over renewal causes difficulties for tenants	10
Only short term awards being made	8
Disabled not getting DHP	8
Insufficient funding	6
Partial awards still leave shortfall	5
LA not making landlord aware who has been assisted	5
Tenants not aware of DHP	3
Other	3

Base: Landlords survey. All Landlords (n=127). Fieldwork Dates: 16 October to 8 November 2013. Source: CCHPR/DWP. Some landlords' comments have been coded under more than one category.

As can be seen, the issues raised most often related to inconsistencies both within and between local authorities, as might be expected from the discretionary nature of DHP.

Agency interviews in the case study areas also highlighted the degree of variation between different local authorities and the different jurisdictions within Britain. Most notably, Scottish authorities had seen their DHP funding trebled by the Scottish Government. In some areas both landlords and agencies such as the Citizens' Advice Bureau (CAB) reported that all DHP claims were now being awarded.

¹⁶ This was asked as an open question, and the replies coded up afterwards. Some landlords gave more than one comment.

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Changes to the amount of funding available (especially in Scotland, where the funding was topped up by the Scottish Government part-way through the year) and difficulties in anticipating the level of demand for the funding have in some areas meant that the criteria used to decide awards have changed since April – in some cases more than once. This has meant that applications declined previously had had to be re-assessed under new criteria, and that people in similar circumstances are treated differently depending on when they applied, leading to some confusion as to who would be assisted. Some agencies also did not seem to be very clear about which claimants affected by the RSRS were being helped by DHP: one interviewee said ‘pensioners’ which suggests a lack of understanding of both the RSRS and DHP¹⁷.

In other areas it was made very clear who would get it – for example, only those who actively engaged with the council and demonstrated that they were making a serious attempt to remove themselves from the situation, either by finding work or moving home. In other areas those being helped were those perceived as the most vulnerable.

Case study work suggested that some areas were making awards on a ‘case by case basis’ with no written guidance available to local landlords or anyone else who may be assisting tenants with their applications. The landlords in these areas reported that they had very little idea which DHP claims might be successful so were encouraging everyone to apply. Consequently some local authorities were accumulating a large backlog of applications, and long delays in processing them. These landlords were very concerned that tenants waiting to hear about a DHP award tended not to pay their shortfall in the meantime, resulting in considerable arrears by the time they found out that the result of their claim. This demonstrates the value of local authorities being well-organised and deciding in advance their DHP criteria.

Conversely, in some areas where clear rules had been laid down regarding eligibility for DHP, tenants’ organisations were reported to have been challenging these through the courts on the grounds that they were not in line with the DWP’s guidance that discretion should be used.

Some agencies and tenants organisations felt that the grounds for some DHP awards appeared judgmental: for example, some claimants had been refused a DHP on the grounds that they smoked or had a satellite dish. They felt this amounted to unnecessary monitoring of the detail of people’s personal choices and lives.

3.2 Administering DHP

3.2.1 DWP guidance

The DWP issued updated guidance on allocating DHPs in April 2013¹⁸. Local authorities differed in their views of how helpful this had been. Overall the consensus was that the guidance left a lot to their discretion. Some local authorities appreciated the flexibilities

‘I don’t think there is any need for additional guidance. The previous guidance on administering DHP was fine. We know how to administer DHP.’

(Local authority housing benefit department)

¹⁷ Pensioners are not affected by the RSRS.

¹⁸ www.dwp.gov.uk/docs/discretionary-housing-payments-guide.pdf

However, many felt that it left them exposed, uncertain and in need of independent legal advice:

'The DWP [guidance] needed to be much more focused and prescriptive. It omits guidance on budget priorities given the increased demands.'

(Local authority housing benefit department)

3.2.2 The application process

The case study local authorities appeared to differ substantially in their success at getting DHP administered efficiently from the start of the financial year.

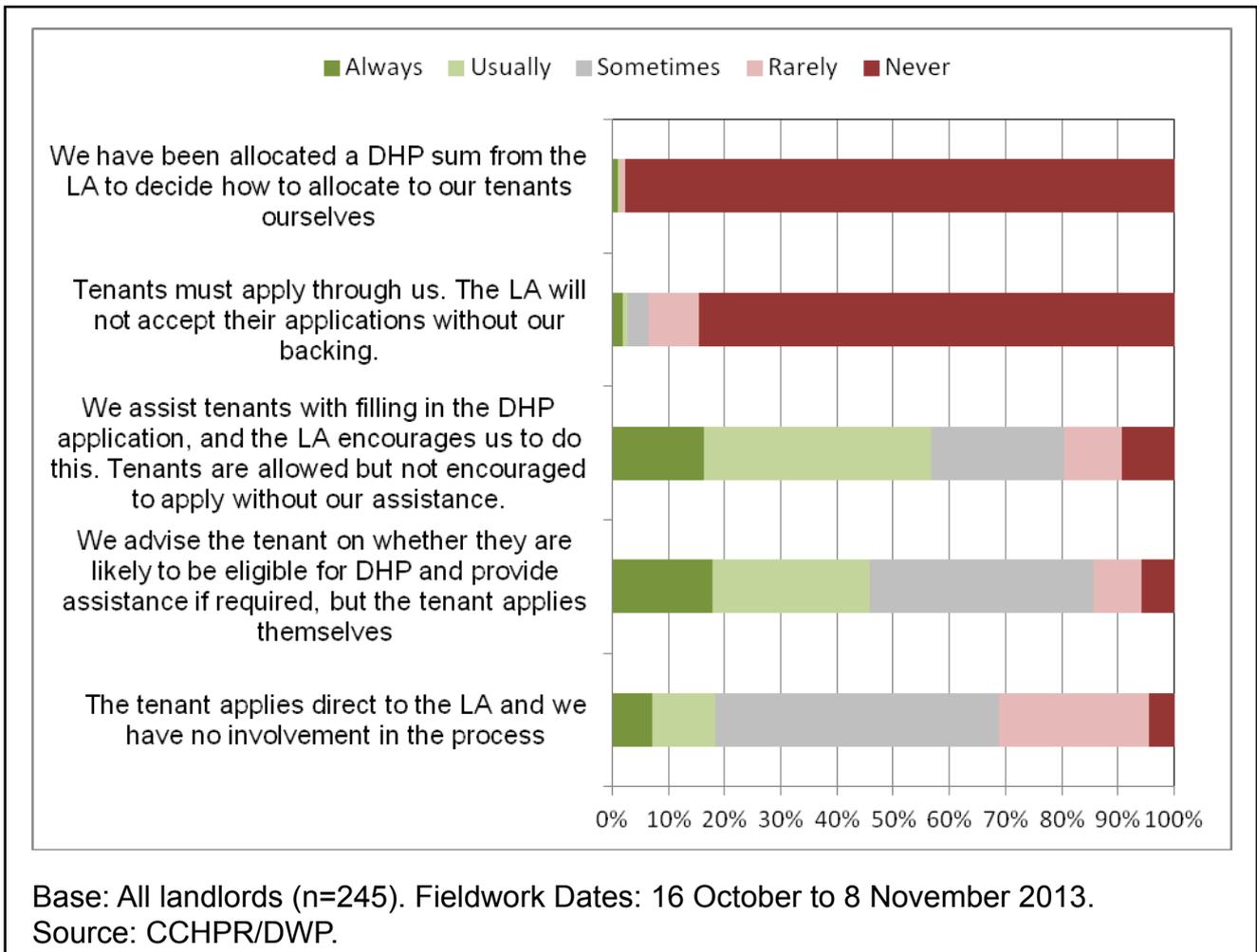
Some had a clear policy on how to prioritise, developed in consultation with social landlords and communicated to claimants. They had, by the time of the interview (usually May 2013), already processed applications they had received in April 2013 and made awards. They were working closely with landlords and other agencies (such as CAB) to ensure their staff were aware of which households were likely to be eligible for DHP, for instance by inviting staff from other agencies to shadow their DHP staff in order to learn how applications were processed. In these areas, the landlords reported that they had a good clear understanding of how awards were made and were able to advise tenants accordingly, to ensure that only those likely to be successful applied.

In other areas, however, the local authorities were struggling to process the applications. In some cases this was compounded by a shortage of staff, as at the time of the interviews (May-August 2013), they were still recruiting new staff. One case study area had refused to accept DHP applications in advance of 1 April, leading to further delays in processing them.

In some areas social landlords were heavily involved in the process of assisting tenants to apply for DHPs (Figure 3.4).

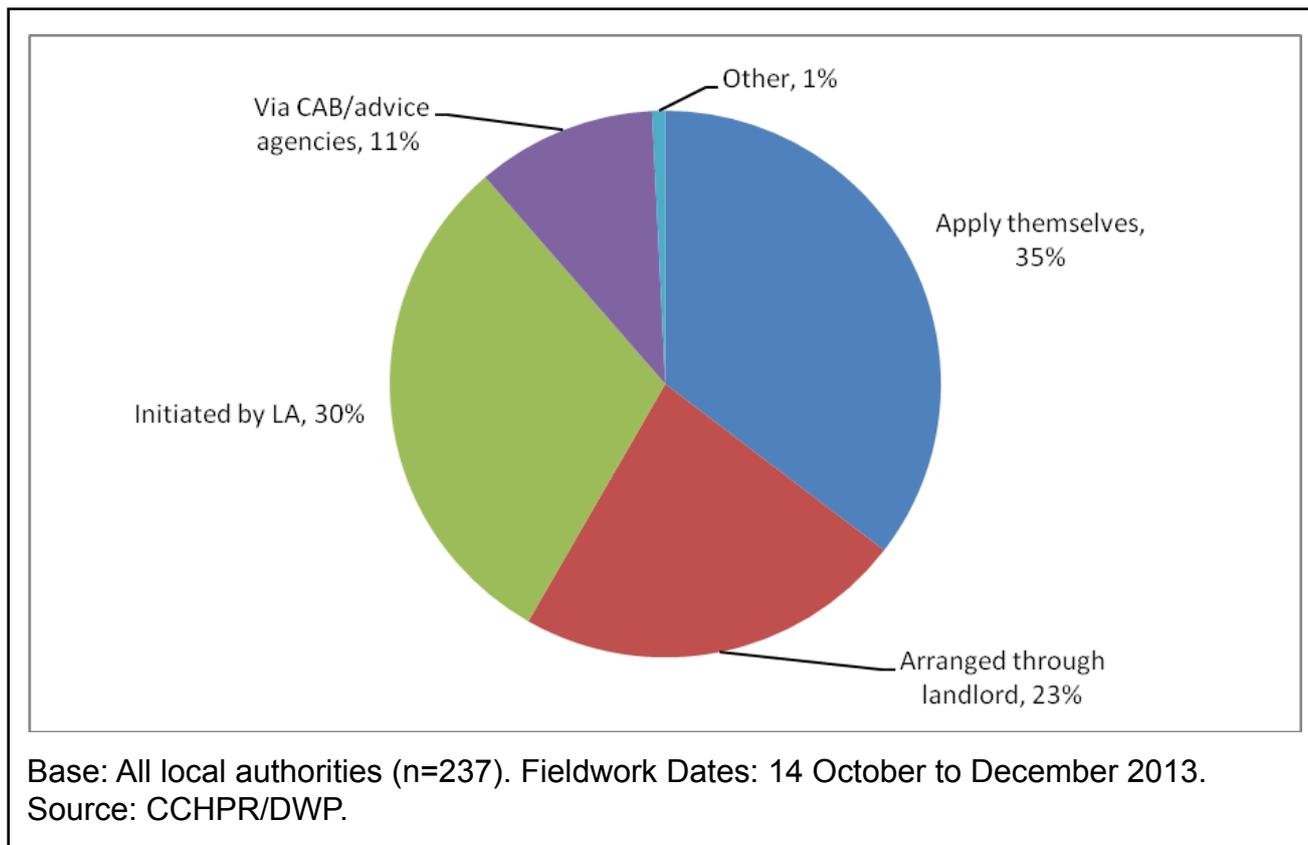
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Figure 3.4 Which of the following processes of applying for DHP apply for your tenants?



The LA Insight survey reported a similar mixture of systems in place for assisting tenants in applying for DHP payments (Figure 3.5).

Figure 3.5 Average proportion of tenants reported to apply by different means



As might be expected for a localised process, it clearly varied between authorities, with some reporting that more than 75 per cent of claimants applied themselves, whereas others reported that more than 75 per cent were arranged through a landlord.

Landlords generally reported a good level of understanding of which groups would receive priority for DHPs in the authorities in which they worked (Table 3.3)

Table 3.3 In how many of the local authorities in which you work are you familiar enough with the policy on DHP to advise tenants affected by the RSRS or Benefit Cap as to whether they might be eligible to apply?

Response	Number of landlords	%
All	203	76%
Most	45	17%
Around half	5	2%
A minority	12	4%
None	3	1%
Total	268	100%

Base: All Landlords (n=268). Fieldwork Dates: 16 October to 8 November 2013.
Source: CCHPR/DWP

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Landlords however were less certain about which groups would be successful in their applications for DHPs (see Figure 3.2 in section below).

The close working relationships established between most social landlords and local authorities in identifying affected households did not always seem to have translated to effective working over DHP policy. Landlords were also not always aware when a DHP claim had been decided, and were not told the result of the claim, which hindered their efforts to support tenants.

The flexible and discretionary nature of DHPs has also caused difficulties for landlords who work across many areas. Landlords whose stock was spread across many areas were much more likely in the survey to report that they did not know who might be eligible for DHP in most or all of the areas in which they worked than those with their stock concentrated in just one area:

'Every district is doing something different. There is a lack of consistency.'

'No one DHP form is the same as another, each local authority varies.'

(Social landlords' open comments in survey)

Most local advice agencies were well aware of DHPs and encouraged or assisted clients to apply for it, despite acknowledging that they were usually unable to predict which cases would be successful. Social services were aware but not familiar with the detail as they would refer clients to housing services if they thought they needed further assistance.

3.2.3 Claimants' knowledge and understanding of DHPs

Many claimants had not heard of DHPs. Of those who had not applied for DHPs, 56 per cent said they had not heard of them before the interview and a further 12 per cent said they were not sure.

Qualitative interviews with claimants also found the level of knowledge about DHPs to be generally low. Typically, claimants did not know what DHPs were or if they were likely to be eligible. Among those who applied, most reported that they had not been offered reasons why their claim was accepted or rejected.

Among those who had heard of DHPs but did not feel in need of them, many reported the perception that only those in greater hardship than they were would be eligible for DHP, tending to feel that they were not struggling enough to be eligible for this support. This was common among single working age claimants, who believed that DHPs were for the elderly or those with children.

'I just presumed that, you know, it's [for] people far, far worse off than me. I can work.'

(Affected Claimant, Yorkshire and the Humber)

3.2.4 Topping up DHP

Subject to an upper limit, local authorities are permitted to supplement the DHP allocated to them by Government from their own resources. The LA Insight survey asked about plans to do this. There were significant differences in the responses of the authorities in Wales and Scotland so their responses have been shown separately (Table 3.4)

Table 3.4 Does your LA intend to top up the Government DHP contribution?

	Number of landlords with stock mainly in			
	Scotland	Wales	England	Britain
Yes, we have already topped up our DHP spend	12 60%	3 23%	18 9%	33 14%
Not yet, but intend to	1 5%	4 31%	36 18%	41 17%
No, we do not intend to do this	7 35%	4 31%	120 59%	133 56%
Don't know	0 0%	2 15%	28 14%	30 13%
Total	20	13	202	237

Base: All local authorities (n=237). Fieldwork Dates: 14 October to December 2013.

Source: CCHPR/DWP

Three of the ten case study authorities had already committed to topping up the DHP fund from their own resources, as the policy permitted, when interviewed (May-July 2013), in one case up to the upper limit permitted. Of the other seven, only one indicated that they had no plans at all to do so – citing other pressures on their budget as more pressing. The remaining six areas had not committed funding as yet but were keeping this under review. Most felt that the context in which DHP was operating this year was so different to previous years that there was a need to see what the pressures on the fund were like first before making commitments.

Some were using their own funds to help affected households but not via DHPs. For instance, the Scottish Welfare Fund was being used, as were local funding pots, often to enable the council to help those who did not qualify for DHPs, but who they nevertheless felt should be helped.

Local authorities overall reported little change to the other ways in which they were using DHP (e.g. for LHA claimants). One felt that the increased funding and flexibility was enabling them to help more LHA claimants, whilst others were concerned that increased demand would more than offset the increased funding. Most felt it was too soon to know.

More recently the Scottish Government's decision to add to the DHP fund had significantly increased the ability of Scottish authorities to award DHPs.

3.2.5 Time limiting and renewing awards

The LA Insight survey asked local authorities for the maximum period they had awarded DHPs for this year (Table 3.5).

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Table 3.5 Since April 2013, what is the maximum period that DHPs have been awarded for at your LA?

Max period	Number of LAs	%
12 weeks	8	3%
26 weeks	49	21%
39 weeks	9	4%
52 weeks	166	70%
More than 52 weeks	4	2%
Don't know	1	*
Total	237	100%

Base: All local authorities (n=237). Fieldwork Dates: 14 October to December 2013.

Source: CCHPR/DWP

As can be seen, most authorities were awarding at least some awards for a year. The survey also asked about how the spending patterns had changed since April (Table 3.6)

Table 3.6 Changes in DHP spending patterns since April 2013

Change	Number of LAs	%
Awarding larger individual DHPs for longer periods of time	101	43%
Awarding larger individual DHPs for shorter periods of time	31	13%
Awarding smaller individual DHPs for longer periods of time	55	23%
Awarding smaller individual DHPs for shorter periods of time	21	9%
No change in spending pattern	25	11%
Don't know	4	2%
Awarding larger individual DHPs	132	56%
Awarding smaller individual DHPs	76	32%
Total	237	100%

Base: All local authorities (n=237). Fieldwork Dates: 14 October to December 2013.

Source: CCHPR/DWP.

This shows a mixed pattern of changes, with somewhat more authorities making larger individual DHPs than previously and over longer time periods.

However, case study work suggested that the majority of awards made to claimants affected by the RSRS were of relatively short duration – with three to six months the most common lengths of award. The claimants' survey confirms a similar picture with three in ten of those who were successful in their DHP applications saying they no longer receiving payments, because they were viewed as a low priority for additional help, despite still being affected by the RSRS.

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The time limited nature of DHP caused widespread concern to both landlords and local advice agencies. Although agencies welcomed the 'breathing space' that it provided, they, and social landlords, believed that people who were viewed as a low priority for additional help would fail to find a long term solution within the time limit of the award:

'[This LA] have reduced timescales on reviews of DHPs to 13 weeks and a third request for DHP is much more difficult to obtain.'

'Local authorities approached DHP awards very cautiously and few tenants were given 100 per cent and most were short term awards.'

(Social landlord replying to survey)

Neither the local authorities nor the landlords interviewed thought that this would be sufficient time for the large majority of households to resolve their problems, meaning that most could be expected to reapply when their award expired. Local authorities were aware of this and the administrative burden it entailed but, nevertheless, considered it to be the best way to ensure that their funding lasted, and was used efficiently:

'We're keeping everything under review. This is our first year of enhanced DHP.'

'We are planning and monitoring on a week by week basis.'

(Local authority housing benefit departments)

Overall, it would probably be fair to say that most were working on a hand to mouth basis, seeking to minimise future commitments whilst they got to grips with the pressure on their resources.

DHPs were not always intended to cover the full RSRS shortfall. Some landlords reported that, when DHP awards did not cover the full RSRS shortfall, tenants were left in financial difficulties. Local authorities, landlords and advice agencies all reported that the DHP application process and the requirement for repeat applications meant required substantial staff input.

The claimants' survey found that, looking ahead, most of those who have applied for a DHP expect to continue to be affected by the RSRS for the next 12 months (90 per cent). This suggests that they mainly see their need for DHP as a long-term one. By comparison, 85 per cent of affected claimants who did not apply for DHP said they expect to be affected in the next 12 months.

Overall, there was a widespread concern across all ten case studies, and also raised in the landlords' survey that the time-limited nature of DHP awards meant that it was only delaying the real impact of the RSRS:

'It's a sticking plaster and will run out.'

(Social landlord replying to survey)

There was also a great deal of concern regarding the future size of DHP allocations from Government, with local authorities and landlords concerned the requirements for DHP arising from the RSRS were not likely to decline significantly in the coming years¹⁹.

¹⁹ DHP allocations for 2014-15 were announced in January 2014, after this fieldwork was carried out.

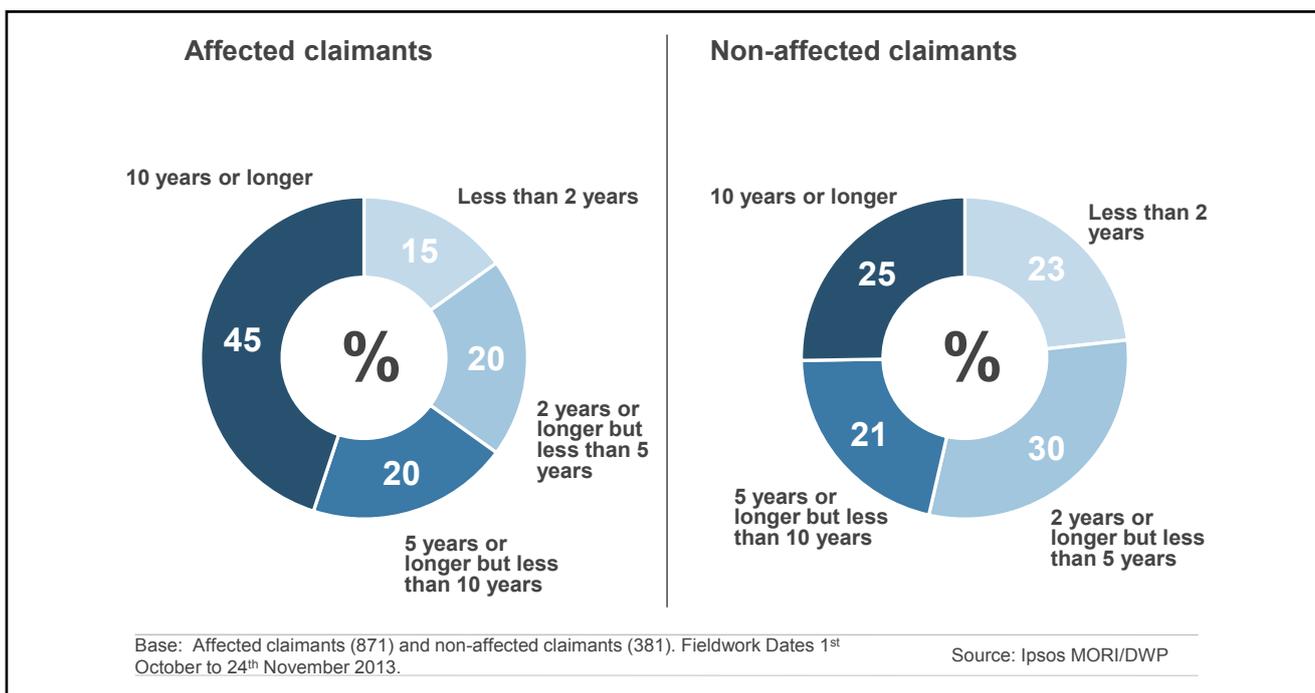
4 Early impact on claimants

4.1 Overall impact

According to our survey of claimants, affected households (defined as those affected by the RSRS changes to Housing Benefit and who say they are currently affected by the changes and Housing Benefit has been reduced) are much more likely to be single person/two-person households than the non-affected group. Almost three in five (59 per cent) said they have always/mostly been in paid employment while 18 per cent are currently working full or part time. They are much more likely to regularly have non-resident children come to stay with them overnight – 17 per cent against six per cent among the non-affected group.

Close to half (46 per cent) of affected claimants have lived in their present accommodation for ten or more years, with relatively few (14 per cent) having lived in their present accommodation for less than two years. The non-affected claimants we spoke to had on average lived less long in their present accommodation than affected claimants, as shown by the figure below:

Figure 4.1 How long have you lived here in this accommodation?



Around three quarters (74 per cent) of affected claimants were renting from a housing association, with 25 per cent renting from a council or local authority (the remainder were not sure or said that they did not know). The profile is largely reflective of the case studies in which interviews were conducted.

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Most affected claimants had moved to their current accommodation from another social rented home (28 per cent from a housing association, 35 per cent from a council or local authority). A small proportion (17 per cent) had come from the private rented sector into the social rented sector, while 13 per cent had lived with their parents.

Close to seven in ten (68 per cent) of the affected group say they or someone in their household has a disability²⁰, 58 per cent of whom receive some form of care for this disability. This is higher than 58 per cent among the non-affected (of whom 53 per cent receive some form of care).

The DWP's data suggest that there has been a modest reduction in the number of households affected by the RSRS²¹ from 547,341 at the start of May to 522,905 by August 2013, a fall of 4.5 per cent. These are net figures, and will include some households newly affected by the RSRS and also the loss of those who have ceased to be affected.

Our survey of claimants, undertaken a few months later during October to November 2013, was able to put some figures on this 'churn' with approximately eight per cent of those flagged as being affected by SHBE either reporting not being **currently** affected but having previously been so, or who were currently affected but had not always been so since 1 April.

In the LA Insight survey, 64 per cent of local authorities reported that the numbers affected by the RSRS had reduced since April, with 13 per cent saying they had gone up, 17 per cent that they had remained the same and seven per cent saying they did not know. Those who had seen a reduction were asked what they thought were the reasons for this (Table 4.1).

²⁰ The definition of this is given to respondents as 'any long-term illness, health problems or disability which limits your/their daily activities or the work you/they can do, including any problems which are due to old age'.

²¹ This was derived from SHBE field 21 – 'the weekly amount of social sector size criteria/ under-occupation deduction'.

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Table 4.1 Why has this change occurred?

Reason	All reasons		Most significant reason	
	Number of LAs	%	Number of LAs	%
Downsizing	113	77%	54	38%
Identifying exempt households	98	67%	27	19%
Household change	100	68%	23	16%
Identifying overnight carers for foster children & disabled children	80	55%	10	7%
Tenants finding work/increasing pay	50	34%	7	5%
Moving out of the social sector	41	28%	6	4%
Tenants taking lodgers	34	23%	1	1%
Work-related	9	6%	1	1%
Reclassification of bedrooms	38	26%	0	0%
Correction of inaccurate records/inaccuracies coming to light	2	1%	0	0%
Other	6	4%	4	3%
Don't know	5	3%	8	6%
Total	146	100%	141	100%

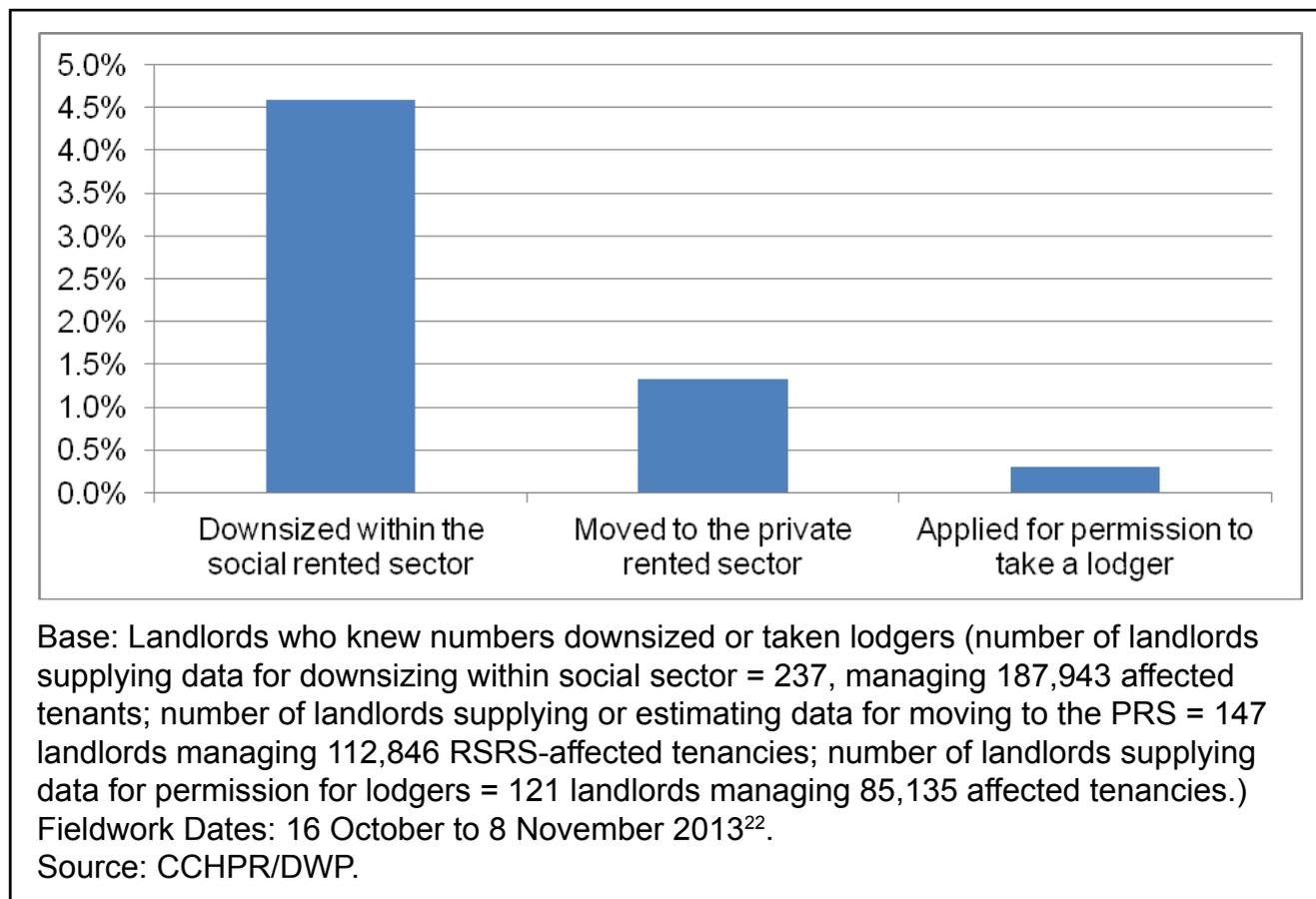
Base: All local authorities reporting a decline in RSRs-affected claimants (n=146). Fieldwork Dates: 14 October to December 2013.

Source: CCHPR/DWP. Respondents could give more than one answer.

As can be seen, local authorities identified a wide range of reasons for a reduction in the numbers, but highlighted downsizing and identifying exempt households as the most likely causes of the fall.

The landlords' survey also provides some evidence of claimants taking action in response to the RSRs (Figure 4.2).

Figure 4.2 Proportion of affected claimants who have moved or taken lodgers in response to the RSRs



Across the case study areas as a whole, agencies reported that people were slow to engage; that they were not sure they would be affected until it actually happened or they thought the amount of the shortfall in rent would be affordable so they could stay and pay; and that it was only after a few months that many started seeking help or looking into their options.

The survey of claimants asked those affected what they had done in response to the reduction in your Housing Benefit in the period since 1 April this year, presenting them with a list of possible actions they might have taken.

The most likely response cited by affected claimants was cutting back on household essentials, chosen by 57 per cent, and non-essentials, by 35 per cent. Three in five (60 per cent) say they have done one, or both, of these two things.

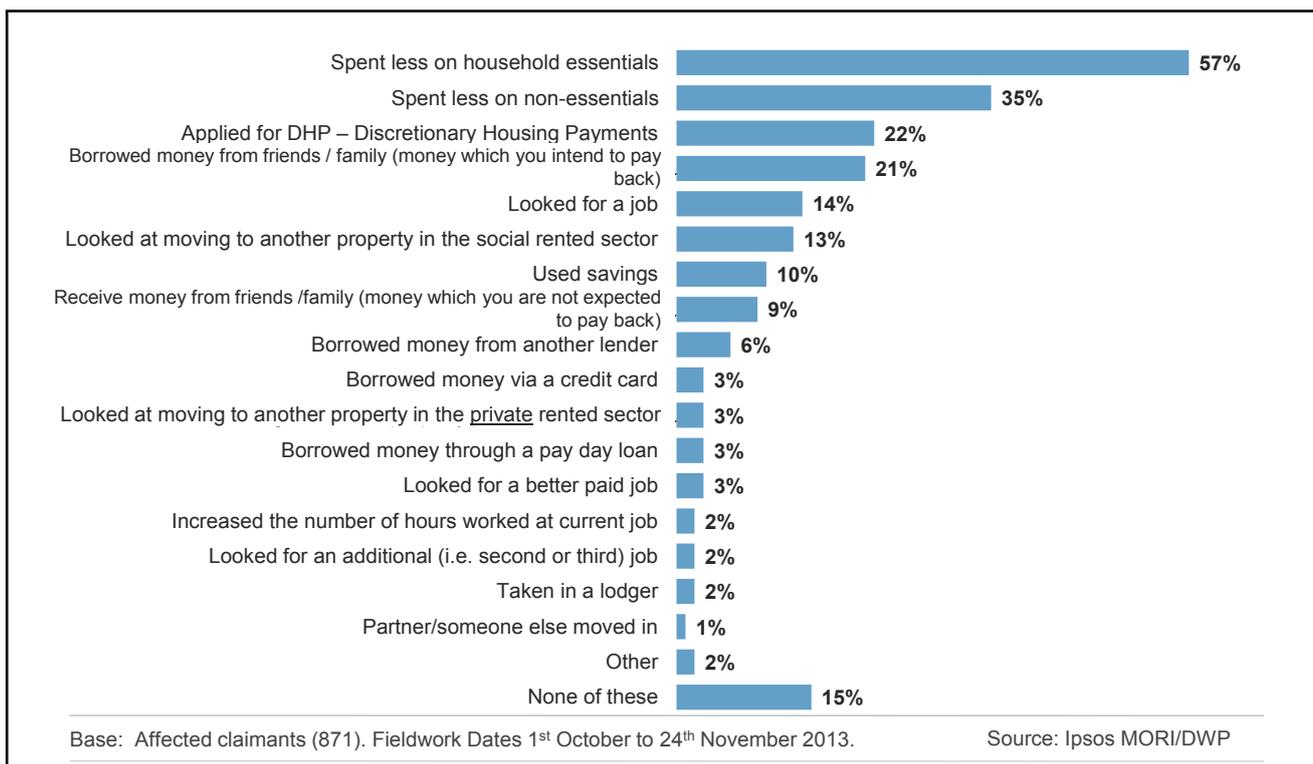
²² Landlords were asked for the total number of tenants affected by the RSRs, and for the numbers who had downsized, moved to the PRS or applied for permission to take a lodger. The percentages shown here relate to the proportion of all affected tenants (excluding those whose landlord omitted that part of the question). The figure for moves to the PRS was based on estimates rather than data for 39 per cent of landlords supplying data.

The landlords' survey did not ask about whether claimants had moved into work because a pilot test of the survey suggested that most landlords could not distinguish between people who had found work in response to the RSRs from a more general 'churn' in tenants moving in and out of work.

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Other common responses relate to borrowing money, mentioned by 26 per cent, applying for a DHP, by 22 per cent, looking to earn more through employment, by 18 per cent, or looking to move house, by 14 per cent. The full breakdown of responses is shown in the figure below:

Figure 4.3 Which of these, if any, have you (or your partner) done in response to the reduction in your Housing Benefit in the period since 1 April 2013? Please read out the letters on this card, mention as many or as few as apply and please say 'none' if you have not done anything.



Some 15 per cent of claimants said they had not taken any action at all in response to the changes (as above, **None of these** was included as an option on the showcard presented to respondents), a figure which rises to 22 per cent among those who had either heard of the changes but did not know anything about them, or had never heard of them before the interview. Among those who say they took one or more of the listed actions in response to the changes, the mean number of actions taken was 2.5. The group who replied 'none of these' were as likely to be in arrears as other affected claimants.

The proportion who said they had looked for work specifically in response to the reduction in their Housing Benefit since 1 April rose to 50 per cent of those who said they were unemployed and seeking work. Other claimants more likely to have looked for work in response to the changes include younger claimants aged 25-34 (34 per cent), those in arrears (23 per cent) and single-parents (26 per cent).

Those in arrears were also more likely than those not in arrears to have borrowed money (33 per cent against 19 per cent) or received money from friends or family which they were not expected to pay back (12 per cent against seven per cent). It is not known whether these claimants had a history of borrowing before the RSRS was introduced.

The qualitative interviews illustrated that claimants typically took steps to cope with changes after the RSRS was introduced, rather than before it started in April 2013. Landlord and local agency interviews echoed this finding – most reporting that they had tried but often failed to engage tenants prior to April. Claimants stated that this was often because they did not know how much they would need to pay, as discussed earlier.

Some of the interviewed claimants were looking to move so they would no longer need to pay, but most reported strong reasons for staying in their current home, such as attachment to area, feeling that they needed the additional bedroom, or a perception that it would not be possible to find a suitable smaller home.

Claimants such as these were trying to pay the additional cost, typically by cutting back on their expenditure or by borrowing from friends or family members. Only a few of those interviewed reported that they had arrears, but almost all feared getting into arrears or debts increasing. Many claimants reported that they would struggle to increase their income from paid work due to ill-health, caring responsibilities, or a lack of opportunities.

‘A lady came from the Council and she talked to me and went through my budget. She went, “I don’t know how you’re going to manage”. She says “you’re really on a tight budget” ... I did think I could look for another job, but I know it’s quite difficult at the moment; for more hours. Maybe a full time job or something like that, but (a) would they be as flexible with all these [health] appointments? And (b) would I start having to maybe travel to my job on my medication, what would I need to do?’

(Affected Claimant, Yorkshire and the Humber)

Our follow-up survey of claimants later this year will enable us to follow up claimants in terms of whether they are still affected and their actual responses to the RSRS.

4.2 Mobility: Moving to a smaller home

As can be seen from Figure 4.1 (above), landlords report that 4.6 per cent of claimants affected by the RSRS have moved to a smaller home within the social sector within the first five months of the policy, and a further 1.4 per cent was estimated to have moved to the private rented sector. This would be higher than some had expected as the DWP’s impact assessment was modelled on the assumption that no significant numbers would downsize (DWP, 2011). This figure also seems high when compared to previous rates of downsizing. For instance, CORE data for England shows only 7,706 allocations to tenants who had downsized in 2012-13, 3.5 per cent of all tenancies allocated and representing under 0.5 per cent of all social tenants

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downsizing in that year²³. If downsizing in response to the RSRS continues at the current rate for the next two years, over 20 per cent of affected households would have downsized within social housing. The evaluation will continue to monitor these trends.

4.2.1 Demand for downsizing

The landlords' survey also asked about the number of households who had registered for downsizing – either by means of mutual exchange or via the transfer list. Around half of all landlords were able to supply this information, and overall they reported that 13 per cent of affected tenants had registered for downsizing via a transfer list (either their own or that operated by another landlord or local authority), and a total of ten per cent had registered for mutual exchange²⁴.

Tenants can of course register for downsizing by both these means, and figures from the landlords who could identify such tenants suggested that around four per cent of all affected tenants had registered for both. This would suggest that overall around 19 per cent of tenants affected by the RSRS had registered for downsizing by at least one means. It is possible that these figures somewhat underestimate the numbers registering for mutual exchange because there are a variety of means by which tenants can search for mutual exchange partners, and landlords are not always aware of all of them. Overall they would suggest that around a fifth of those seeking to downsize have thus far been successful.

According to our survey of claimants, one in seven (14 per cent) said that since April they had looked to move in response to being affected by the reduction in Housing Benefit. Two parent families are significantly less likely to have looked to move house: just seven per cent said that they had. Those affected claimants who had lived in their current accommodation for ten or more years were less likely to say they had looked to move house in response to the changes (11 per cent). In contrast, those who had lived in their current accommodation for two to five years (20 per cent) were more likely than average to say they had done so.

Claimants were subsequently asked if they are currently looking to move home, regardless of whether they had sought to move home in response to the changes or not. Close to one in five (19 per cent) said that they are, with results relatively consistent between different claimant groups, and also consistent with the landlords' figures.

Almost three quarters (73 per cent) of those currently looking to move said that this was mainly because of the changes to Housing Benefit, with 27 per cent saying they had other reasons for wanting to move currently. However, many of those currently looking to move home said they have not registered their interest in moving with their landlord or local authority (29 per cent) or for mutual exchange (39 per cent).

²³ CORE data covers lettings made by registered providers of social housing and local authorities who are registered with the Homes and Communities Agency. Data are considered comprehensive on the registered provider side, but not comprehensive on the local authority side. Although the majority of local authorities are providing data, a few do not, and therefore the DCLG publish weighted figures for CORE each autumn to estimate for the small gap in coverage. The data used here is the weighted data. For further information see www.adls.ac.uk/communities-and-local-Government/core-the-continuous-recording-system/?detail

²⁴ Transfer lists are generally maintained by local authorities and many housing associations may therefore be unaware of whether their tenants have registered on them. Mutual exchange schemes are also run independently of individual landlords, so again landlords may not always know whether tenants have registered.

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From the qualitative interviews, those claimants who were looking to downsize reported using their local (council or HA) housing website to see what was on offer, but were typically disappointed in the suitability of homes for them to move to. This was a problem particularly faced by single adult households looking for one-bedroom accommodation. In some areas participants believed, whether correctly or incorrectly, that suitably sized homes were reserved for older age groups.

Landlords and local authority housing departments were well aware of the difficulties and the limited potential to move all the potential downsizers within their usual allocations system, in particular because of a lack of one bedroom homes. An inadequate supply of smaller homes to meet demand for downsizing was the one of the most commonly raised issues in both the landlords' survey and the LA Insight survey²⁵.

Turnover rates of social housing are not high – generally around 6-7 per cent per year (Whitehead & Travers, 2011), and in some areas the waiting list for one bedroom properties had been closed to new applicants in order to prioritise downsizers. Agencies reported that they were seeing a lot of people who wanted to downsize but could not. This was particularly true of large rural areas, but also many urban and suburban areas where the standard social rented property is a three bedroom house. Many had not yet considered their options within the private rented sector.

Mutual exchanges have the potential to move greater numbers of affected tenants, if they can find partners willing to swap. Both landlords and local authorities were promoting this as an option to RSRS-affected tenants. The claimant survey found that, of affected respondents currently looking to move (19%), almost three in five (58%) had registered for mutual exchange.

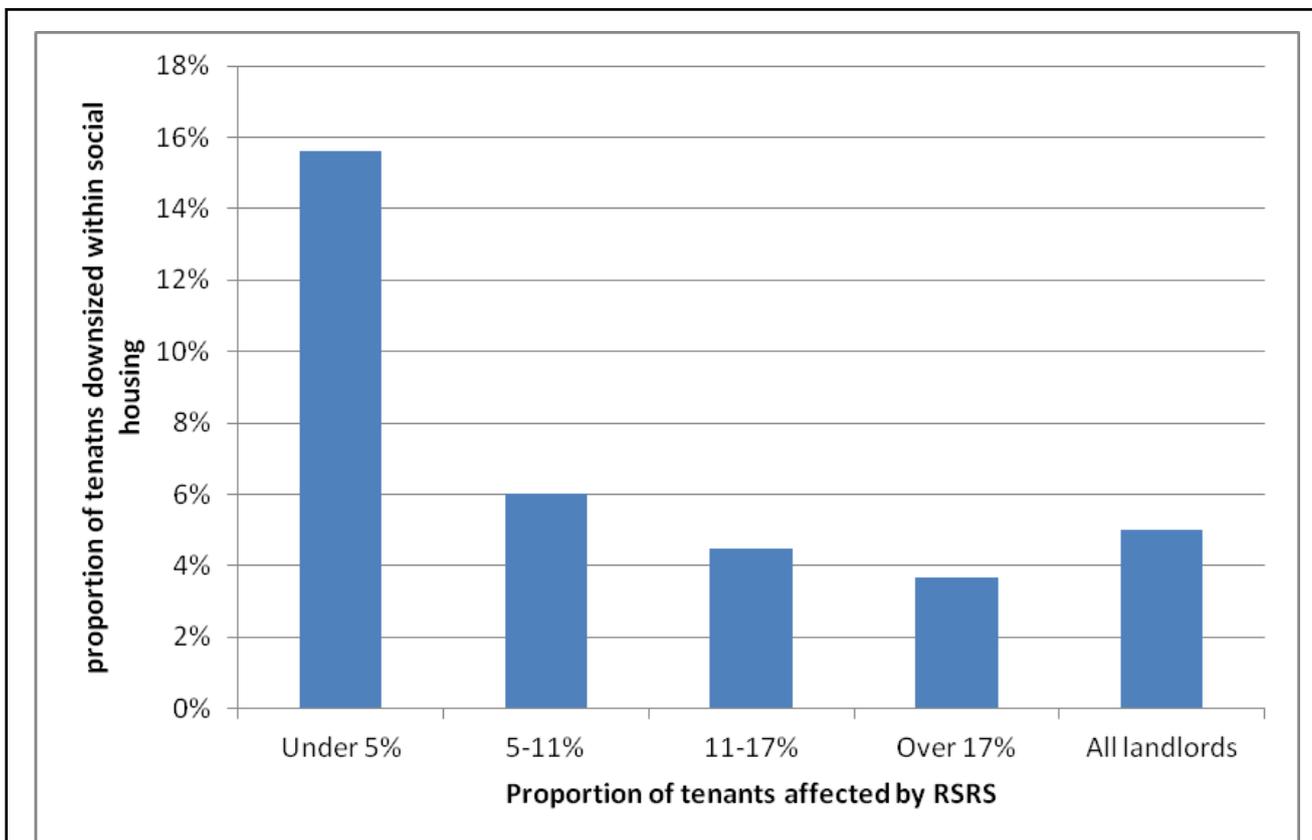
RSRS affected households who want to swap homes need to find either an overcrowded household to swap with, or one who would like (and is able to pay for) a larger home than they technically need. In some areas, it was suggested that there were difficulties with tenants finding very few swapping partners in areas where overcrowding was rare and the local authority was preventing people from upsizing to a new tenancy where they would be under-occupying, even if they were not currently on Housing Benefit or were willing to pay the shortfall. Some landlords operating in rural areas also reported that tenants encountered difficulties in setting up moves to or from sparsely populated areas with poor transport links and limited demand.

Some local agencies and claimants suggested that some landlords' rules around mutual exchanges occasionally prevented people from downsizing – because either they or their swapping partner would still be under-occupying in the new property. For instance, one participant, a single claimant living in a three bedroom house was prevented from swapping to a two-bedroom house currently occupied by a family of three. She reported that she had been told by her housing office that this was because she would still be over-occupying, which the council would not allow, despite the lack of availability of one-bedroom stock in the area.

Landlords with low proportions of tenants affected by the RSRS had also seen much higher rates of downsizing (Figure 4.4).

²⁵ This was in response to an open question asking for any other comments on the RSRS.

Figure 4.4 Proportion of affected tenants who have downsized within social housing, by proportion of landlord’s tenants affected by the RSRS



Base: All RSRS-affected tenants of landlords (number of landlords =166; number of RSRS-affected tenants = 187,943). Fieldwork Dates: 16 October to 8 November 2013. Source: CCHPR/DWP.

This suggests that tenants of landlords where a small proportion of other tenants are affected by the RSRS are likely to find it easier to downsize than those in areas where larger proportions are affected.

Registered Providers/housing associations also reported higher rates of downsizing than local authorities or ALMOs. This may be related to a number of various factors and their differing stock profiles: some local authorities and ALMOs have a housing stock consisting largely of three bedroom homes, which are commonly under-occupied and a lack of smaller housing.

4.2.2 Reasons for not downsizing

From the qualitative interviews with claimants, it was evident that there were manifold barriers to downsizing, which were both attitudinal and practical. Attachment to area and home was an important barrier for many participants especially because of support networks, dependence on local schools, and health services and employment.

‘I don’t want to start going further afield ‘cause then ... I’ll be having to pay bus fares. So what I’m losing in the bedroom tax, I’ll spend on bus fares, so I’m trying to keep within a radius where I’m near to my employment, I’m near to my family, obviously near to my GPs ‘cause obviously I have a lot of appointments.’

(Affected claimant, Yorkshire and the Humber)

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Some of the most vulnerable participants were reluctant to move as they did not want to move to a new area where they did not feel safe:

'I stay here on my own ... I've got great neighbours, and there's no way I'm going to move to a smaller house, because I could be put next door to drug users or alcoholics or anything, and I wouldn't feel safe...'

(Affected claimant, Scotland)

Among those interviewed who were not looking to move, many reported that the 'spare' bedroom served a vital need in the household. This was especially the case in instances where the claimant was a carer. Situations included participants who reported they were unable to share a bedroom with their spouse due to health reasons, and those caring for family members who stayed overnight frequently but did not live there. For example, in one family the claimant's grandfather often stayed overnight, as respite for his spouse. In this family the parents felt that their young son should have his own room, and not be forced to share with his grandfather.

[We needed an extra room] because he was sleeping in the same bedroom as his great granddad, who is incontinent, deaf, blind, had cancer. He just couldn't function as a child, he couldn't play; he couldn't do anything.'

(Affected Claimant, Yorkshire and the Humber)

Some parents felt that their children should not be sharing a room, despite being expected to under the RSRS rules. For example, one family with four children, included two girls aged five and 13, who would be expected to share. However the parents felt that the age gap means that it is not appropriate for their daughters to share a bedroom. There were also instances of participants with children who had made the decision not to downsize because they were waiting until they were no longer eligible for the RSRS, and were prepared to pay the shortfall in the interim.

'In four years' time my daughter will qualify for her own room, when she's 16. It's a long time to wait but then it's also expensive to move. The removal costs, plus carpet, decorating, it could be £2000/£3000. But then in four years' time we'd be able to have three rooms so we'd have to move again'

(Affected claimant, South East)

The costs of and support required in moving home were also widely mentioned as a barrier to moving; participants did not report awareness that DHPs could help with costs of moving:

'Plus also the cost of moving, it cost me £650 to move here for the lorry, for getting a company to help me. I couldn't lift it, I couldn't do it, so my grandmother paid £650 for me to get a local company in... You know I can't ask her for that money again and I certainly wouldn't have the money and I don't have the manpower, I don't have the connections to say, "Can you all help me move house next week?'''

(Affected Claimant, South East)

Several participants also reported concerns around being able to afford new carpets or flooring as it was their understanding that homes would be stripped of flooring when emptied.

There was also evidence that claimants were sceptical about the availability of suitable-sized homes. Single claimants in particular reported difficulties in finding homes to downsize to, and households with children also felt, whether correctly or incorrectly, that it would be a challenge to find the home they needed.

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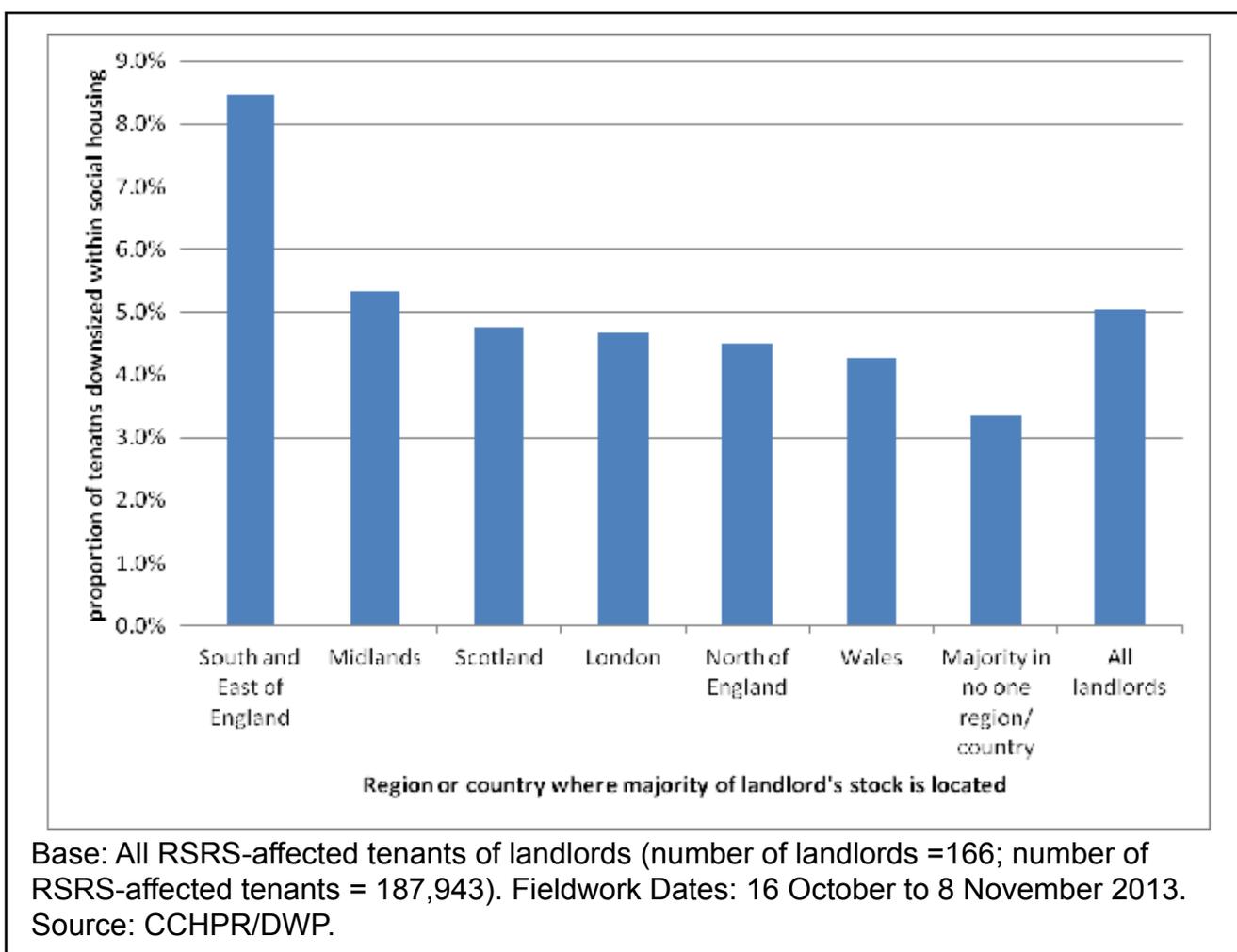
'It would be impossible to get a two bedroom house round here anyway, 'cause it was hard enough to get this. They say that it's like up to seven years waiting for Council round here, obviously unless you're homeless and to give you help quicker. I waited three and a half years to get this 'cause I lived at mum with both kids and we were in the same bedroom.'

(Affected Claimant, North East)

4.2.3 Geographical variation in downsizing

The landlords' survey shows that tenants in the South and East of England were the most likely to have downsized within the sector and those whose landlord's stock was spread across the country least likely (Figure 4.5).

Figure 4.5 Proportion of affected tenants who have downsized within social housing, by geographical area in which landlord operates²⁶



²⁶ The regional breakdown used here and throughout this report includes the South East, South West and East of England as 'South and East of England', the North East, North West and Yorkshire and the Humber as 'North of England' and the East and West Midlands as 'Midlands. This has grouped together areas with broadly similar housing pressure, and provides a larger sample size within each grouping.

The difference between regions/countries in the numbers who had moved is statistically significant. No statistically significant differences could be observed between areas in terms of the numbers registering for downsizing.

4.2.4 Moving to the private rented sector

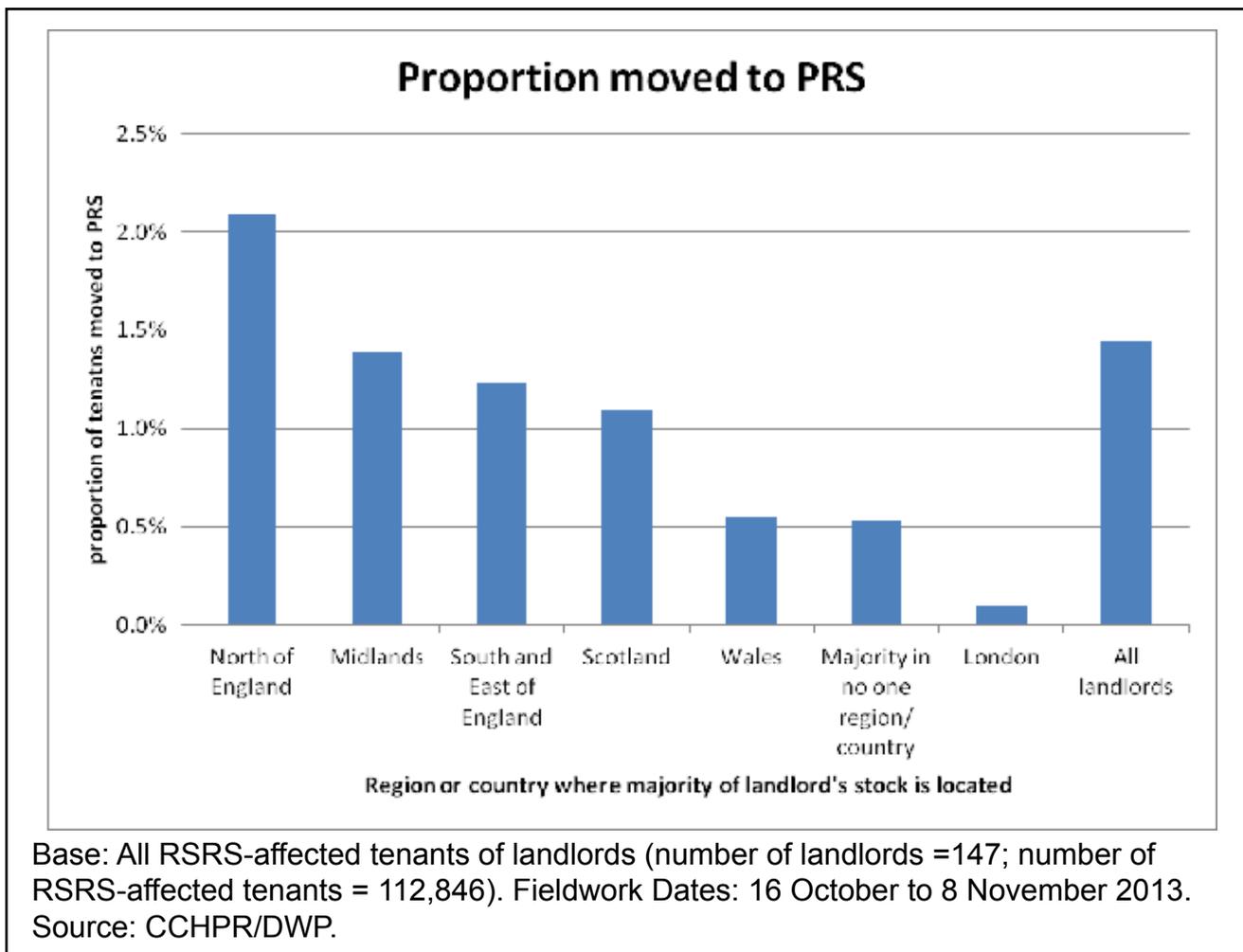
Figures from the landlords' survey suggested that overall, 1.4 per cent of tenants affected by the RSRS had moved to the PRS²⁷. Our survey of claimants found similarly that the one in seven (14 per cent) who said that they looked to move in response to being affected by the policy, were far more likely to have looked at moving to another property in the social rented sector (13 per cent) than the private rented sector (three per cent).

Landlords reported that moving to the private rented sector (PRS) was of interest to tenants in the cheaper areas, where private rents were not much higher than social rents. A few landlords were actively encouraging tenants to consider rent deposit schemes and other systems set up to help low income households to access the PRS. Some reported that single people were the most likely to consider renting privately. Landlords also reported that the PRS was the most likely destination for tenants who abandoned their tenancies or were evicted. However, landlords were usually unsure of where the tenant had moved in these cases.

In higher priced areas, and in London in particular, landlords reported that there was little or no interest in the PRS and did not consider it worth promoting. Note that London has lower levels of RSRS. The numbers reported in the landlords' survey reflected this view (Figure 4.6).

²⁷ 47% of landlords were able to supply figures for the numbers who had moved to the PRS. 39% of landlords supplying figures reported that these were based on estimates rather than data that they held. The proportions moving to the PRS have been calculated as a proportion of the affected tenants of the landlords who were able to supply at least estimates of the numbers moved to the PRS.

Figure 4.6 Proportion of affected tenants who have moved to the PRS, by geographical area in which landlord operates



4.2.5 Where tenants are moving to

Our survey of claimants found that the majority (60 per cent) of those looking to move house in response to the policy said they have looked only at properties inside the local area (60 per cent). One in ten (10 per cent) have looked only at properties outside the local area, while one quarter (25 per cent) looked both inside and outside the local area.

Similarly, case study landlords had all reported that tenants generally wished to remain in their local area and there was a feeling that all areas were experiencing similar pressures on their housing stock. There was therefore no active promotion of longer distance moves in response to the RSRS, although landlords were happy for tenants to initiate such moves if they chose (usually via mutual exchanges).

A few case study landlords were working jointly with neighbouring landlords (usually within the same local authority area) to prioritise each other's tenants for transfers, although most landlords were instead trying to give first priority to their own tenants.

Many claimants were strongly attached to the local area for a variety of reasons. For many it was the support networks that they had in the local area, such as family and friends living very close by. In some areas, such as rural areas, where communities are often very close-

knit, the majority of claimants interviewed could not imagine moving out of the area. Work, local schools and health services were also important factors tying people to their area.

Some of the most vulnerable participants were reluctant to move as they did not want to move to a new area where they did not feel safe. In a few cases participants felt that if they were to move within the houses owned by their housing association or local authority they could be in a much worse situation than they were at present.

'Then there's a problem of where they're going to move you to ... because the Federation and Association always tend to be in much rowdier, rougher areas, you know they're this type of house usually and you know you can't choose the people that you live round can you really?'

(Affected Claimant, Yorkshire and the Humber)

Some landlords raised particular difficulties in finding new homes to meet the needs of disabled tenants, both in relation to the home itself and its proximity to local services and support networks.

4.3 Finding work or increasing incomes

Finding work or increasing earnings is promoted by both landlords and local authorities in their work with affected tenants. Improving benefit take-up has also been a key focus of many landlords' money advice work for some time. Some landlords reported some success in improving benefit take-up particularly of DLA, although others thought that in some areas take-up had already been maximised so there was little potential remaining. A few landlords reported potential for unclaimed child-support to be claimed and used to help pay a rental shortfall for some households.

However, most were not optimistic about the prospects for increased earnings to have a substantial impact on the numbers affected by the RSRS. Many areas with the highest rates of under-occupation and benefit-dependency reported particular issues with finding work in these areas, against a general picture of growing labour markets throughout the United Kingdom (Labour Market Statistics, Office for National Statistics, June 2014).

As noted by the DWP's impact assessment (DWP, 2011), the tenants affected by the RSRS are typically older (but by definition still working aged) tenants. Local authorities reported that very many of this group had been out of work for some time and faced multiple barriers to work including disability, mental health problems and lack of skills and literacy. In order to be completely unaffected by the RSRS, claimants need to move not just into low paid work²⁸, but to be earning enough to make them ineligible for Housing Benefit altogether. Most landlords believed that, for many of their tenants, this was not likely in the short or medium term.

Agencies also reported a lack of available jobs hindering job-seeking activities, despite some people trying to find work or completing training courses. Agencies which had a focus on

²⁸ People on low incomes with part-time work have an earnings disregard of £5 for single people, £10 for couples (with or without children) and £20 for lone parents, certain disabled people and carers. Single people and couples in receipt of Housing Benefit are therefore likely still to be left with an income that is below JSA/Income Support levels after having paid the RSRS shortfall, even if they are in work.

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getting people into work retained this focus, and some job centres were working closely with local landlords to identify and support those affected by the RSRS in finding work.

The claimants' survey found that close to one in five affected claimants (18 per cent) said that they looked to earn more money through employment **in response to the reduction** in their Housing Benefit since 1 April. The vast majority (86 per cent) of those who looked for new or additional work recalled receiving notification that they would be affected.

For most claimants this meant looking for a job (14 per cent of all affected claimants), while three per cent looked for a better paid job, 2 per cent said they had increased the number of hours worked in their current job, and two per cent looked for an additional job. Half (50 per cent) of those who said they are unemployed and seeking work said they looked for a job in response to the changes. More than three in ten (32 per cent) of those in work also claim to have looked for a new job/to earn more in an existing job.

Of those claimants who looked to earn more money from employment in response to the changes, most (65 per cent) said they have always or mostly been in paid employment since leaving school. This means that just over a fifth, 22 per cent, of those looking for work in response to the changes have only sometimes been in paid employment and 13 per cent have rarely or never been in paid employment.

Our survey found, however, that most (87 per cent) of those claimants who said they have looked for work also said they that, in the first six months since RSRS had been implemented, they had not been able to find work or secure better paid employment.

From the qualitative work with claimants, most participants who were able to work had considered earning more through starting work – although this was not solely in response to the reforms, rather that they had been hoping to do so anyway. Those who reported that they were looking for extra hours or a better paid job more often reported that this was in response to the policy.

Most of those interviewed who were looking for work felt hopeful – but not confident – that they would be in work in a year's time, for the reasons described in section 4.3. Others believed that their chances of finding work were small, which would suggest it was difficult for them to adopt a longer-term approach to responding to the RSRS.

'That's my goal, is to get a job and be financially better off I'm optimistic and hopeful, you know. I wouldn't say I'm confident, you know.'

(Affected claimant, South East)

A small number of claimants in the qualitative work reported that they had been successful in finding work or more hours since the reforms came in. However, most reported major barriers to finding work or extra hours including caring responsibilities, for example of elderly parents or young children, which inhibited looking for work or more hours in work, at least in the near future; scarcity of jobs in the local area; and constraints on employers in increasing hours given the recession. For example, one claimant in London asked for more hours at the school which she worked at, but was told that any extra hours had to be shared out between all the staff because everyone wanted them.

Another barrier to finding work was having the skills and experience. In particular, older participants reported concerns about being out of the labour market for an extended time, and how it would be difficult to re-enter such a competitive market.

'We've always worked, even when I had children it were either part time, or in school or something where I could ... but you get to a point, you know [I'm] 58 years old, it won't happen; what am I going to do, who's going to take me? It'd be nice to have something coming in, I'd rather have been [working] ... but I'm resigned to the fact that things are not going to change'

(Affected claimant, Yorkshire and the Humber)

Nonetheless, some participants were motivated to overcome these barriers and find employment to increase their income, often in informal employment. Several participants interviewed reported earning extra money to help them cope with the reforms through such means as doing ironing for neighbours, or selling their belongings on EBay or at car boot sales.

4.4 Taking lodgers

Case study work and the landlords' survey both suggested that taking a lodger in order to help pay the shortfall was reported by landlords to be of interest only to a small minority of tenants, although some landlords thought that their number may increase when the reality of failing to pay by other means or facing eviction became a reality. Eighty five per cent of landlords in the survey reported that their tenants would usually require permission in order to take a lodger. These landlords reported between them a total of 265 such requests for lodgers in response to the RSRS, suggesting that around 0.3 per cent of tenants affected by the RSRS had chosen this option, and their landlords were aware of it. Landlords were also aware that once Universal Credit is introduced, tenants will be much better off financially if they take a lodger, so some thought that interest may increase at that stage.

The claimants' survey found slightly higher figures – possibly because of the inclusion of undeclared lodgers, though the numbers are too small to be sure of this. However, it was still only two per cent (18 of our 871 respondents) who said they had taken in a lodger, while a further one per cent (seven respondents) said that a working partner or someone else had moved in.

The qualitative interviews with claimants also demonstrated that few people were keen to take a lodger. Claimants who were used to living alone especially felt as though having a lodger would be an intrusion of private space. They felt that they would be vulnerable if they were to take a stranger into their home. Additionally, families with young children were unconvinced about the benefits of taking a lodger, due to concerns about child protection issues.

'The only options I've heard of is a lodger which is difficult for someone who is by themselves a lot, when I've got children, I've got to be careful who I have ... I mean I know you can vet people and that, but still it's your home isn't it?'

(Affected claimant, South East)

For those who said that they had considered it, claimants generally said they did not take the idea any further as they were concerned about how it would affect their Housing Benefit, and were worried about whether it was allowed within their tenancy rules – not always understanding the distinction between (illegal) sub-letting and (legal) renting out of a room. In the qualitative work, the very few participants who had made enquiries about taking a lodger had done so with view to having a family member live with them.

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People who take in a lodger or additional family member will usually no longer be affected by the RSRS (unless they had two or more spare rooms to start with), though other benefits will usually be affected by non-dependent contributions or rent that they receive. Participants often had an idea that taking a lodger or family member could affect their benefits and that they wouldn't be any better off financially. Some also had additional fears based on incorrect knowledge, such as reporting concerns that the income would be taxable.

Others understood (incorrectly) that they would still be affected by the RSRS if they took a lodger.

'You've still got to pay bedroom tax even if you take in a lodger. Because I went down to the council what if I move my grandson in, he's coming up to 18 ... and they said you've still got to pay the bedroom tax ... and I'll have to pay half the rent of the house. If I was moving my grandson in, or a lodger, my Housing Benefit would be cut and I'd have to pay back the rent'

(Affected claimant, Scotland)

In the example above the respondent had either been given incorrect advice, or had misunderstood the advice he was given. If the house was fully occupied he would not be affected by the RSRS, though his housing benefit would be reduced to reflect the share of the rent his grandson (a non-dependent) was expected to contribute.

The case study work found that landlords were not universally in favour of encouraging tenants to take a lodger, citing concerns about vulnerable tenants and difficulties in managing relations between their tenant and sub-tenant. Most were keen to ensure that their responsibility remained clearly to their own tenant and not to any sub-tenant. All reported that they would allow lodgers in most circumstances, but some were doing nothing more to promote it.

4.5 Paying the shortfall

The survey of landlords found that 41 per cent of tenants overall were reported to have paid the full shortfall, 39 per cent had paid some of it, and 20 per cent had paid none. The implications of this for landlords are explored in more detail below (Section 5.3). This information cannot distinguish between different patterns of payments.

Affected claimants were asked about their approach to budgeting, specifically how long they 'usually plan their budget for' (if at all). They were more likely to say they budget in the shorter term: 35 per cent plan their budget weekly, and 29 per cent fortnightly. A smaller proportion (19 per cent) said they plan their budget monthly, while fewer than one in ten (nine per cent) do not plan their budget at all. These results are broadly in line with those for non-affected claimants.

While claimants are more likely to budget in the short term as opposed to the long-term, results suggest that budgeting frequency does not have any obvious impact on the likelihood of affected claimants to be in arrears or to afford their rent.

Landlords and local agencies reported that most people affected by the RSRS would prefer to stay in their home and pay the shortfall, rather than move to a smaller home. Certainly qualitative interviews with claimants found that, at the time of interview, claimants reported generally paying the shortfall, as rent was their first priority – but typically, with considerable difficulties in doing so. They tended to prioritise rent due to a fear of going into arrears:

they feared being evicted if they did not pay the shortfall and meet their rent payments. Additionally some were concerned that arrears would prohibit them from being allowed to apply to move.

Agencies were offering advice in terms of budgeting, income maximisation (claiming all benefits they may be entitled to) and in some cases they are even being taken to the supermarket and assisted with the shopping in order to help tenants pay their shortfall.

4.5.1 Financial difficulties

Almost all agencies interviewed reported that people did not generally seek their help until they found themselves in difficulties paying their rent.

'People often come long after the changes came into effect, when they are threatened with eviction.'

(Local advice agency)

Local agencies reported that many people in rent arrears because of the RSRS also had other debts and wider issues relating to unemployment, relationship breakdown and mental health. For some though, the RSRS had tipped them into rent arrears for the first time, adding a new difficulty to troubled lives.

Tenants' groups interviewed expressed concern about the welfare of people who were paying the shortfall, reporting that some were going without food, not heating their homes, and becoming socially isolated. Many landlords also said they were concerned about their tenants' level of financial hardship:

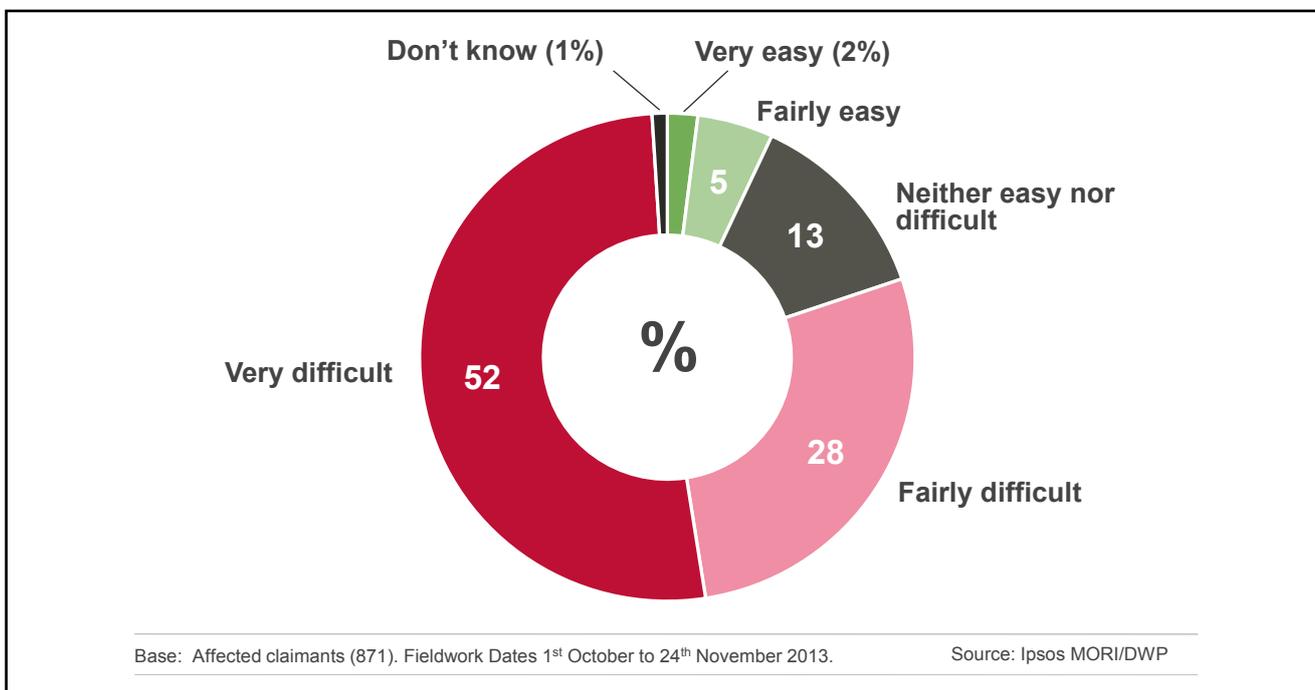
'We have fed people who have come into our office for assistance; and staff have gone and purchased food for people from their own pockets; these are not families with low levels of literacy or addiction issues, or not willing to work.'

(Social landlord)

The vast majority of affected claimants reported difficulty affording the amount of rent they pay at the moment with a little over half (52 per cent) considering this to be very difficult, (Figure 4.7).

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Figure 4.7 How easy or difficult at the moment are you finding it to afford the amount of rent that you pay?



Affected claimants who reported not having received notification of the changes were more likely to say they are finding it very or fairly difficult to afford the rent (89 per cent vs. 80 per cent overall). Claimants not affected by the RSRS were much more likely to say that they are finding it easy to afford their rent at the moment (41 per cent) than report difficulties (18 per cent).

Affected claimants were also more likely to report running out of money before the end of the week or month than non-affected claimants. More than half (53 per cent) of affected claimants said this happened very often, and a further quarter (25 per cent) said it happened fairly often, a combined figure of 79 per cent. Comparatively, the combined proportion of non-affected claimants who ran out of money was 57 per cent (29 per cent very often and 28 per cent often). We do not have data to compare this with their budgeting patterns before the RSRS.

Affected claimants who were in arrears were significantly more likely to have reported running out of money before the end of the week or month (90 per cent vs. 79 per cent of all affected claimants). The qualitative work found claimants typically struggling financially and making cutbacks in their domestic budgets to pay the shortfall. Cutting back on using energy (particularly heating, lighting and using cookers) and on food budgets was widespread, with many reporting remaining cold at home to reduce bills (interviews were conducted during the autumn months) or regularly skipping meals. Spending reductions, where they could be made, were also made in areas such as travel or cutting back on spending on children or grandchildren. Claimants attributed these difficulties to the RSRS, although we do not have evidence to compare to their situation before the RSRS was introduced. Concerns were also typically expressed about the rising cost of living:

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'There's weeks I'm struggling ... so sometimes on a Tuesday [my mum will] buy me a couple of groceries, but we get money every two weeks and on the second week that's basically when we're struggling, And I've had to tell the family I've had to cut down Christmas because I've got seven grandkids and I've had to cut right back because I can't afford to give them [anything] ... I've not even got any Christmas shopping or anything, just kind of food basically, just can't afford it... It's going to be even harder this year because the gas and electricity has gone up now.'

(Affected Claimant, Wales)

Some claimants reported various ways of coping with the changes, including careful budgeting and in one case taking on additional informal paid work.

'I'd say things have got worse ... I've got better with it now, like I said I'll go to the charity shops and, I've always been good at budgeting, don't get me wrong, but I have to think about now ... I've done a bit of ironing for people to help me on the way sometimes, because people hate ironing and I enjoy it, and if I'm really desperate I'll say does anyone you know [want some ironing done] ... that's the only way'

(Affected Claimant, London)

Borrowing money from friends and family was also a common coping mechanism. Many of those interviewed had already borrowed money in order to help them meet financial commitments, but those who had done so questioned the sustainability of this option given the low incomes of the family and friends they borrowed from. We have no data to compare this with their previous borrowing patterns.

Other household reductions which impacted on children were reducing spending on items such as school uniforms and also on leisure, such as one mother reporting she no longer took her son swimming every week. Grandparents affected by the RSRS were also reducing the amount that they spent on their grandchildren. Some said that they could no longer afford to take their grandchildren on outings, or spend money on them at Christmas time, whilst others reported that they had to reduce the frequency with which their grandchildren could visit because they could not afford to heat the house or feed them.

Several participants reported feeling isolated and unable to socialise because of their financial circumstances and being affected by the RSRS.

'I'm a lot worse off. I'm more secluded to the house than I used to be... I can't buy clothes; I can't go out with friends. I used to go out into town to get out the house. But the bus fare is £2.50 each way and then I just see things that I can't buy and feel depressed. I've cut back on food, on brands, now I just buy Tesco's own brand. When the tax came in I paid that instead of my bills'

(Affected Claimant, Scotland)

The costs of transport were often mentioned as particularly difficult to afford. Those who were able to were cutting back on travel costs as much as possible. However several families relied on their car, for example to take the person they cared for to frequent medical appointments. Bus fares were typically considered unaffordable, with those that could either walking or in one case using a free bus supplied by Tesco to get out instead.

The RSRS also affected financial resilience as well as household budgets, with many claimants reporting relying increasingly on informal financial support from their families to meet essential payments since the reforms came in, which they typically attributed to the

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RSRS. This was because such households reported having little 'slack' in their household budgets, meaning they were compelled to look for alternative sources of support when available funds for household spending were diminished by the RSRS. Some reported borrowing single lump sums which they intended to pay back, and other had asked for help to meet the demands of particular bills (e.g. utilities). In some cases claimants were helped by going for meals at their families' home to help them save money on food. Claimants tended to note that it was difficult for their family members – also on tight budgets – to offer support, and they typically felt uncomfortable in asking for support from family members. Several participants also reported accumulating debts to pay for essentials since the reforms were introduced. There were many cases where participants had fallen behind on payments for utility bills as a result of the extra payment for the RSRS, raising concerns among such participants that their situations may be unsustainable and debts may become difficult to manage in the future. Again, while claimants attributed these difficulties to the RSRS, we do not have evidence on their previous circumstances.

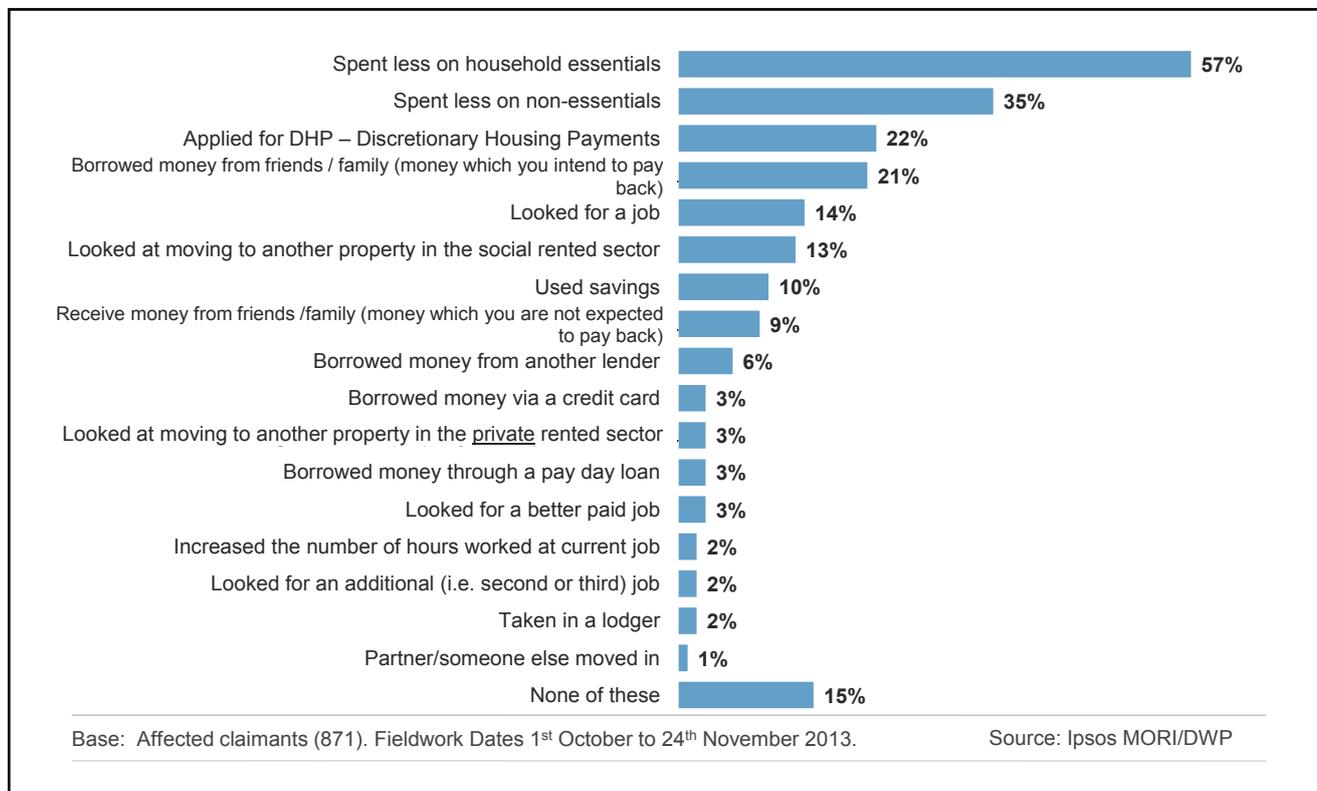
4.6 Future responses to RSRS

An overwhelming majority (86 per cent) of claimants affected by the policy said that they expect (still) to be affected by the policy in the next 12 months.

These respondents were asked what responses they expected to take in the future. They were first asked this question on an unprompted basis. Close to half (49 per cent) suggested a specific action that they intended to take in order to deal with being affected by the changes. The remaining 51 per cent either did not give a response or said they did not know what they would do. They were then asked the same question on a prompted basis, with the same list of coded responses that they were presented with earlier in the survey when asked what actions they had taken.

As the figure below shows, actions which claimants said they plan to take are similar to those they have already taken (Figure 4.8).

Figure 4.8 Still thinking about the next 12 months, which of the things on this card, if any, are you (or your partner) planning to do to deal with being affected by the changes and a reduction in Housing Benefit?



Again, the most frequently mentioned response among those who expect to be affected in the next 12 months is expenditure reduction – 54 per cent said that they plan to spend less on essentials or non-essentials, though this figure is lower than the 63 per cent of claimants in this group who said they have already done this.

By contrast, a higher proportion of this group said they planned to look for extra earning through employment: 27 per cent said this compared with 17 per cent among the same group who said they have done this since 1 April.

Claimants were no more likely to say they plan to look to move house than to have said that they have already done this since April 1 (both 14 per cent).

Those in arrears were more likely than those up to date with their rent to say that they planned to look for extra earning through employment (31 per cent vs. 24 per cent). They were also more likely to say they would borrow money (25 per cent vs. 12 per cent), predominantly from friends and family and which they intended to pay back: 21 per cent of those in arrears said this.

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In the qualitative interviews, participants reported that planning for the future was generally quite difficult, because of uncertainties around moving home, finding work and cutting back on spending. Rather than having clear or specific long-term plans for how they would cope with shortfalls over the next six to 12 months, they reported that they would employ short-term coping strategies and hope for the best.

Cutting back on spending was the most common response to paying the shortfall, but most claimants reported that they had been doing this to a large extent already, including on basics such as energy and food. They therefore felt that any further household economies would be difficult to make, especially during winter, where they would need to spend money on heating.

Overall, the constraints claimants faced in being able to take a longer-term approach to changing their housing situation or increasing their income meant that most fell back on short-term strategies: cutting back on non-essential and essential household spending, and borrowing. Most in this situation were concerned about future arrears, feeling that their situation was not sustainable.

'As far as I have to help us swim out of it somehow but I don't know how I'm going to do that ... it's quite complicated, not being employed ...'

(Affected claimant, London)

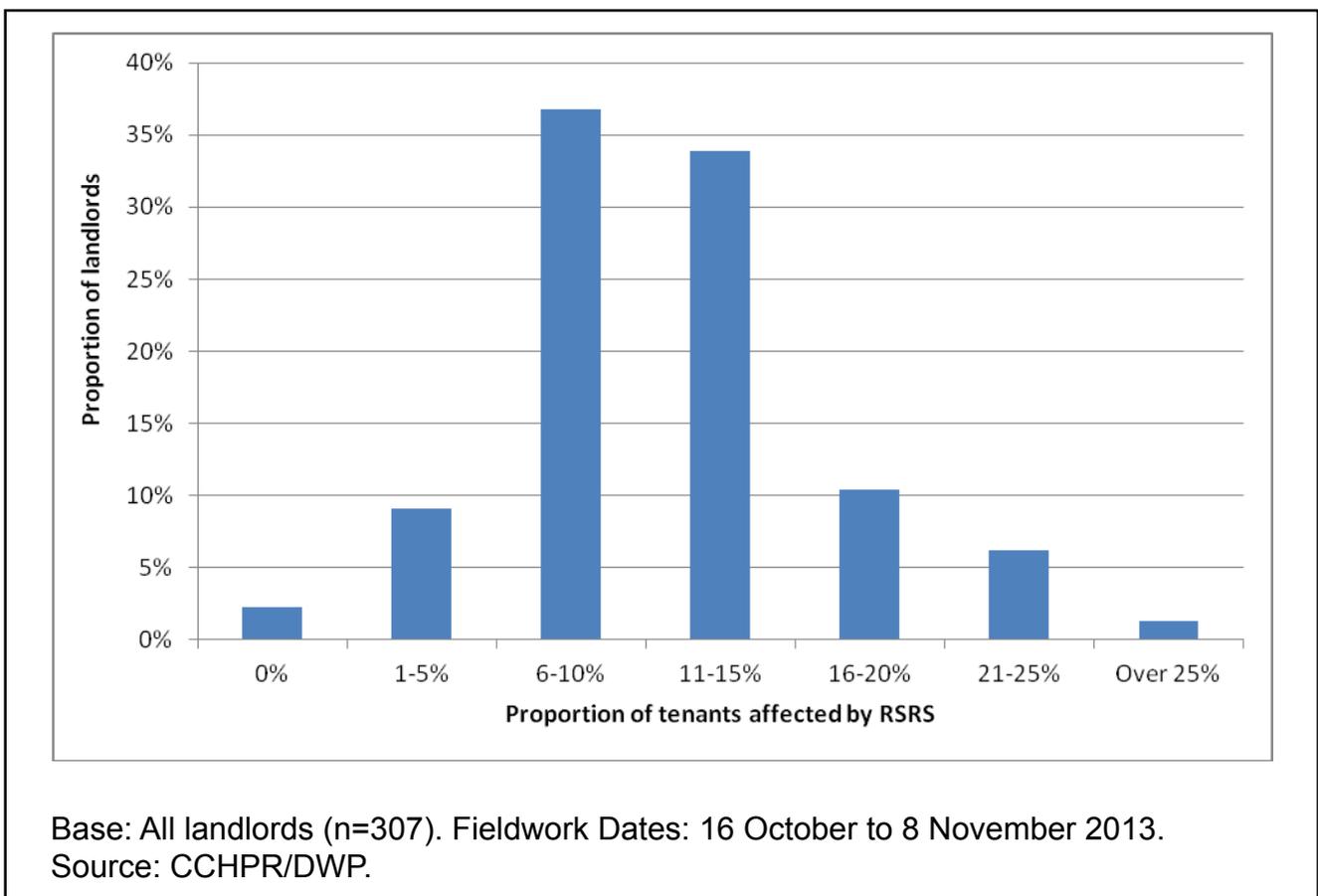
5 Early impact on social landlords

5.1 Degree of impact

The Removal of the Spare Room Subsidy was first announced in the Emergency Budget of June 2010 and implemented in April 2013.

The impact of the RSRS on social landlords varies between areas and between landlords. Overall, 11.5 per cent of tenancies are affected, but this varies considerably with some landlords having fewer than five per cent affected (and small numbers, none at all) but others having over 20 per cent affected (Figure 5.1).

Figure 5.1 Proportion of tenants currently affected by the RSRS



Landlords had a range of concerns about the impact of the RSRS on their business and their tenants, as shown in their answers to an open question asking for comments on the RSRS (Table 5.1a and 5.1b).

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Table 5.1a Comments about impact of the RSRS on tenants

Comments about the impact on tenants	Number
Not enough 1 bedroom homes	26
RSRS causing severe poverty	21
Downsizing difficult for maintaining local support networks	7
RSRS Causing stress to vulnerable people	7
Having spare room or children with one room each is reasonable	5
RSRS is inequitable/unfair against working age	5
Lack of jobs/more hours impractical	5
Downsizing impractical if requirements will soon increase	4
Downsizing hard for disabled	3
Other	10

Base: All landlords (n=312). Fieldwork Dates: 16 October to 8 November 2013.
Source: CCHPR/DWP.

Table 5.1b Comments about impact of the RSRS on landlords and wider impact

Comments about impact on landlords and wider impact	Number
Costs to organisation are large	32
Difficulties letting properties as result of RSRS	8
Problems with implementation and communication with LA	7
High turnover increasing costs	7
Expecting costs to rise over winter	6
Phasing RSRS in over time would have been more acceptable	6
Concerned about funding for future development	5
RSRS has not been too bad	5
Cutting other services to fund RSRS work	4
Building flexible/large sized rooms	3
Reduced numbers on list/reduced demand	3
Downsizing to the PRS is increasing the HB bill	3
Other	15

Base: All landlords (n=312). Fieldwork Dates: 16 October to 8 November 2013.
Source: CCHPR/DWP.

As can be seen, social landlords' main concerns were around the costs of RSRS to their organisation, the supply of one-bedroom homes and the possibility of tenants ending up in poverty. Their other comments included concerns around the cumulative impact of welfare reforms and the RSRS having a damaging impact on relationships with tenants, though two respondents did note that mobility had increased.

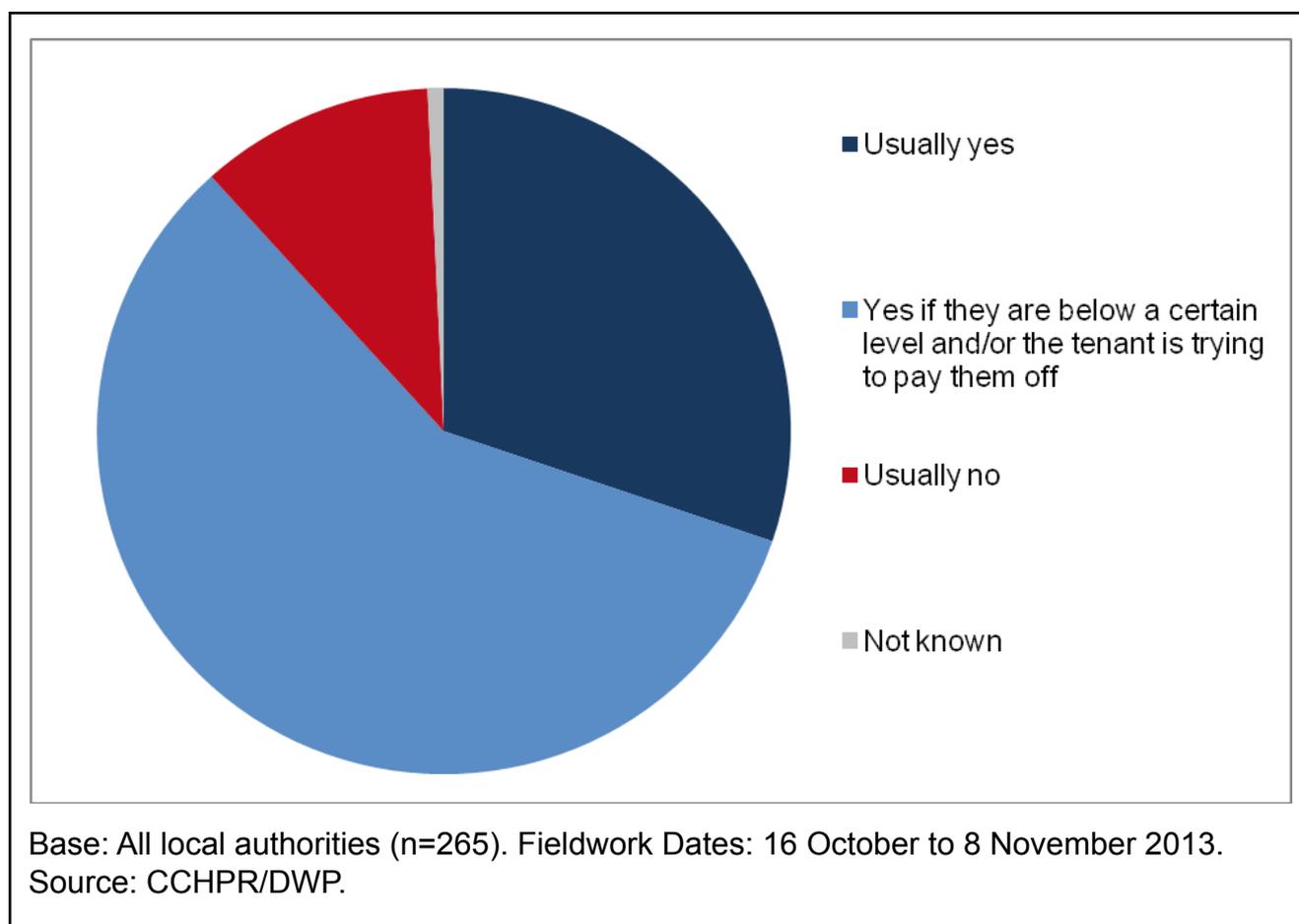
5.2 Managing mobility and voids

5.2.1 Downsizing with rent arrears

Landlords had previously been adverse to tenants moving when they had rent arrears. This is mainly because it is more difficult, legally, to recover the arrears on a previous tenancy. Case study work however showed that most were aware that this would create a 'catch 22' situation for those affected by the RSRS whereby they could not afford to repay their arrears whilst they continued to under-occupy, but would be prevented from downsizing by their arrears. Many case study landlords had therefore reviewed their policies on downsizing with arrears and allowing it in specific circumstances.

The landlords' survey asked about policy in this area (Figure 5.2).

Figure 5.2 Do you allow tenants affected by the RSRS and with arrears to downsize?



5.2.2 Financial incentives to assist with downsizing

Many landlords offer financial incentives to downsizers, which can be used to assist with the costs of moving or to clear rent arrears if necessary. These have been in place for some time in order to incentivise downsizing and free up larger homes for families (CIH, 2012).

The landlords' survey found that 27 per cent of landlords offered financial incentives to downsizers affected by the RSRS, and a further 22 percent would in specific circumstances, usually tying the financial support to the specific costs of the move.

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Analysis by region showed that there was a strong variation between different parts of the country in the use and the scale of financial incentives (Figures 5.3 and 5.4)

Figure 5.3 Is there a financial incentive available to your tenants who wish to downsize?

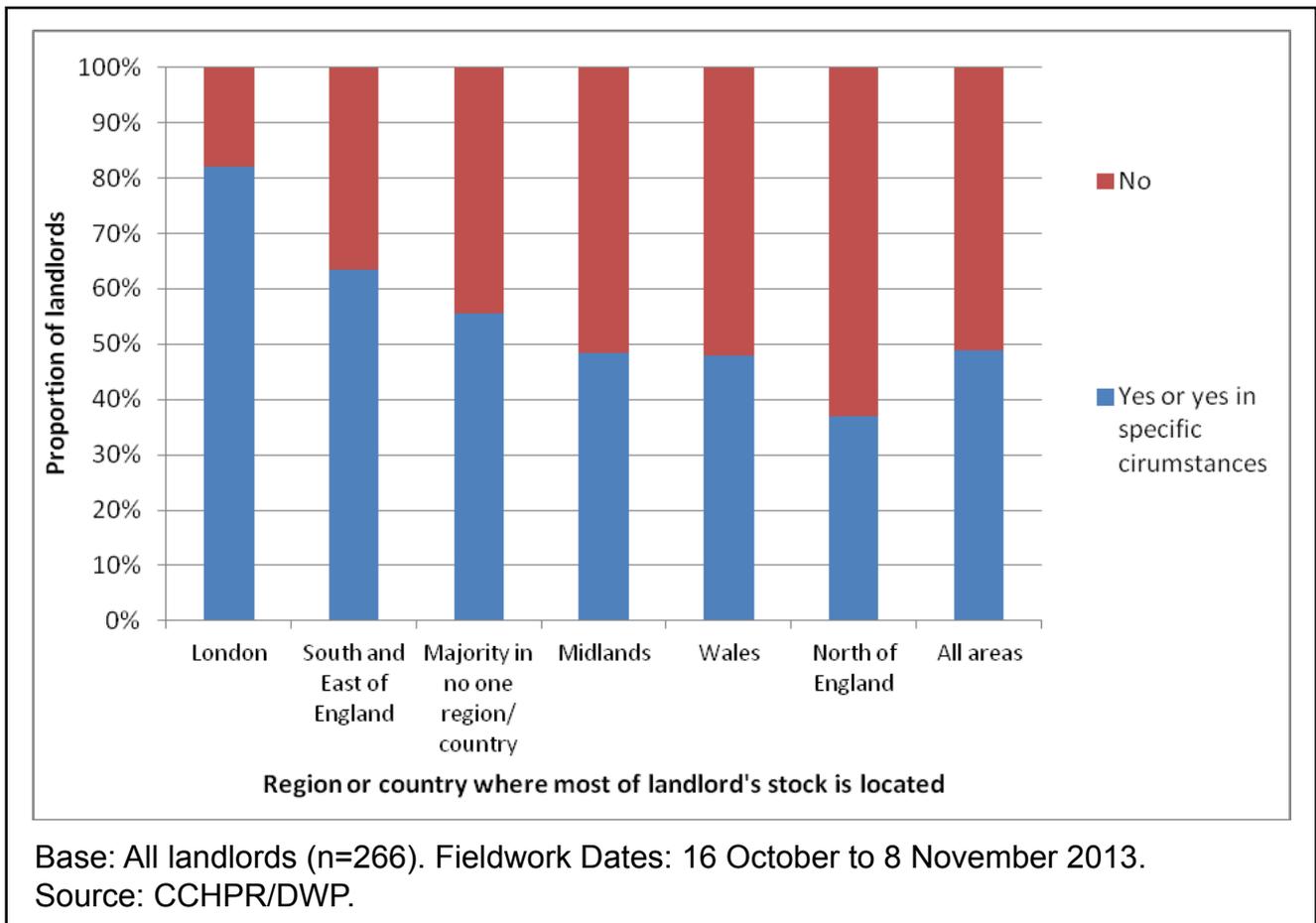
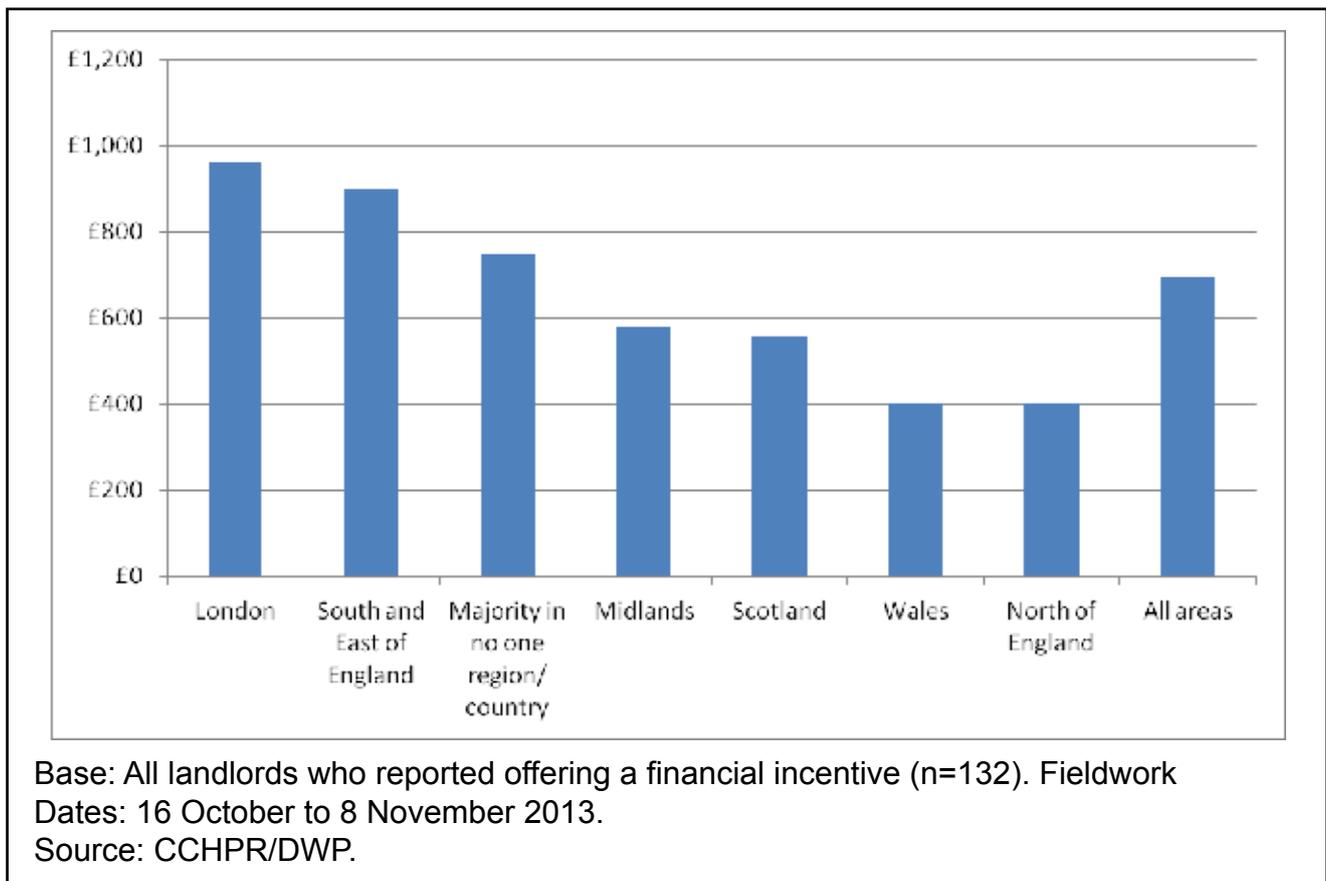


Figure 5.4 Average size of landlords' typical amount offered to downsizers



This may suggest that financial incentives are less available in the areas most affected by the RSRS.

Many case study landlords were increasing the promotion given to downsizing: running promotional events, newsletters and helping applicants apply. Mutual exchanges were also being promoted and some landlords were actively matching suitable households.

5.2.3 Managing voids

The research with social landlords uncovered two identifiable ways in which the RSRS might affect the number of properties empty at any one time.

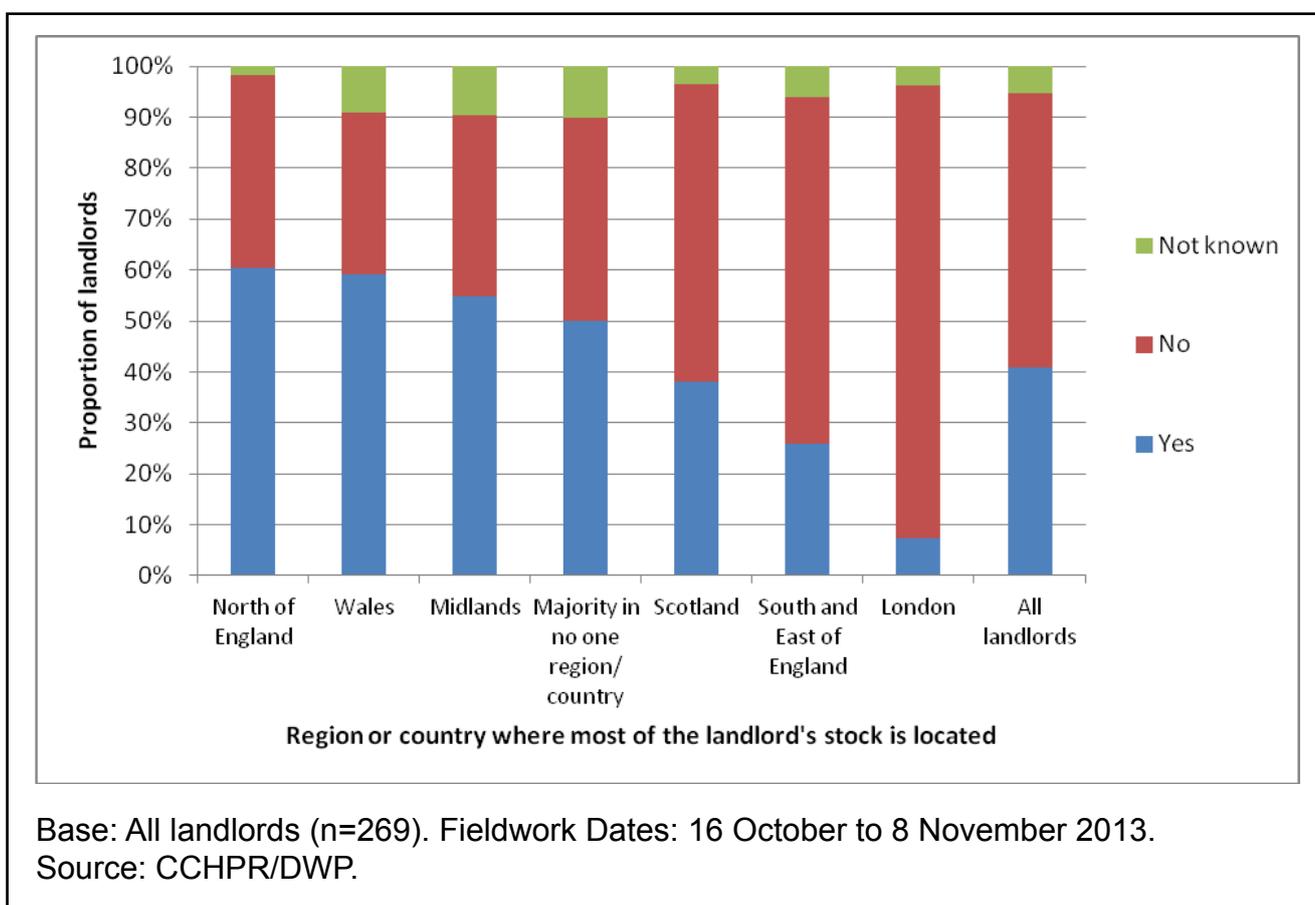
The first, an increase in mobility within the sector, and in and out of social housing, is likely to result in an increase in empty properties as landlords take time to re-let a property. Tenants moving by mutual exchange avoid this issue. However, case study landlords said that re-letting a property after eviction or abandonment usually takes longer than usual as well as costing more.

The other issue relates to possible difficulties in letting housing that is no longer affordable to people on the housing register. As discussed above, the changes to allocation scheme rules on the sizes of properties required present a significant change to the ways in which social housing is allocated in Britain. Unless there were an increase in the supply of houses with fewer bedrooms, through building, buying stock from the private sector or conversions, it will become considerably harder for single people and couples requiring only one bedroom homes to access them.

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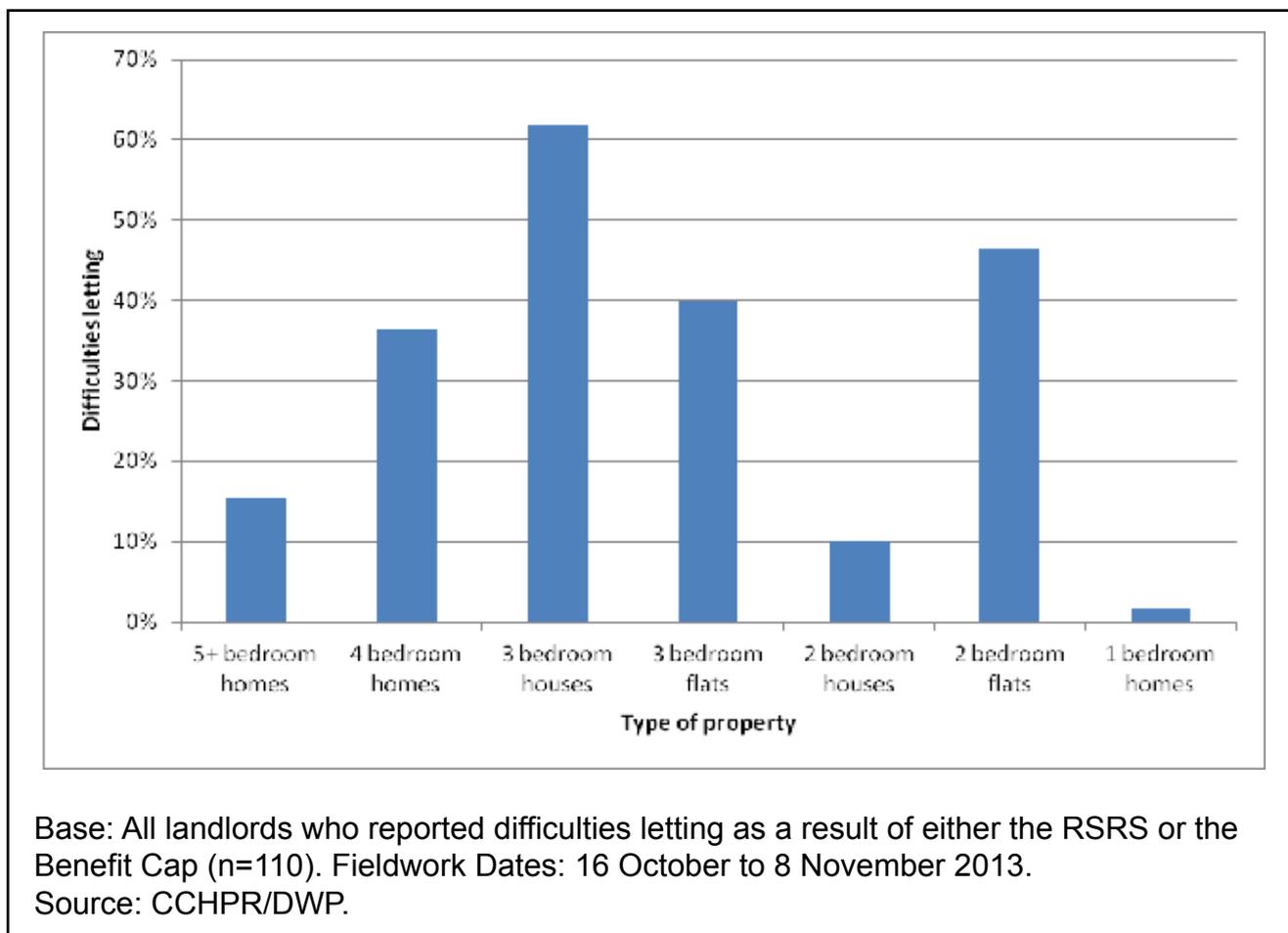
The landlords' survey asked whether landlords were experiencing any difficulties in allocating properties as a result of the RSRS or the Benefit Cap. A total of 41 per cent of landlords reported that they had experienced difficulties. This was strongly correlated with the proportion of tenants affected by the RSRS; 72 per cent of landlords with the highest proportion of tenants affected reported difficulties in letting properties, as compared with only 26 per cent of those with the lowest proportion affected. There was also a strong regional dimension with only two out of 27 landlords whose stock was mostly in London experiencing any difficulties as a result of the RSRS, as compared with over 60 percent in Wales, the north of England and the midlands (Figure 5.5).

Figure 5.5 Have you experienced any difficulties in letting properties as a result of the RSRS or the Cap?



The increased difficulties in these areas could reflect both the higher proportion of tenants affected by the RSRS in these areas, and/or the lower demand for housing in these areas. The 110 landlords who reported difficulties were asked which types and sizes of property these related to (Figure 5.6).

Figure 5.6 Proportion of landlords reporting difficulties letting as a result of RSRS or Cap who are experiencing difficulties with each size and type of property



Note that the case studies suggested that some of the concerns relating to letting larger properties (with four or more bedrooms) are likely to be related more to particular Benefit Cap cases than the RSRS. Landlords most concerned about the RSRS had two main concerns about letting.

First, three bedroom homes were reportedly harder to let in areas where a very large proportion of the housing stock was three bedroom houses. These had traditionally been let to families with one to three children, but now only those with three children or two children over ten and of opposite sexes could fully occupy these houses; the majority of housing applicants had smaller households. Note, however, that few landlords reported any significant increase in voids.

Landlords who reported some difficulties in letting properties were asked for their void figures for 31 March 2013 and for the most recent comparable date²⁹. Of the 760,018 properties owned by landlords reporting difficulties in letting, a total of 10,959 (1.44 per cent of stock) were reported vacant on 31 March 2013, as compared to 11,755 (1.55 per cent) on the most recent comparable date. The difference between the two figures is not statistically significant. This means that although some landlords are concerned about increased difficulties in letting

²⁹ Respondents were instructed to choose the most recent 'taking into account your letting cycle – eg the same day of the week/month'. The median date chosen was 17th October 2013.

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stock these have not, as yet, translated into a demonstrable increase in vacant stock. It is also uncertain to what extent these increased voids result from an increase in longer-term hard-to-lets rather than transient vacancies as a result of increased mobility within the sector. This evaluation will return to this issue when fuller data are available.

The other major difficulty reported concerned two bedroom flats in lower demand areas, particularly high rise flats with no access to gardens or lifts. These were generally considered unsuitable for families in many areas and have historically been let to single people and couples without children who were now affected by the RSRS. Offering these properties to families or to singles to share may offer a solution in some areas.

One way of tackling this is by promoting the sharing of two- or three-bedroom properties by younger single people. Some landlords were already considering this, although others feared it would be harder to manage such stock. One area had considered promoting hard to let two bedroom flats to groups who did not traditionally access social housing, such as young working people currently living in the PRS, but were unsure how popular their housing would be with this group.

5.3 Rent collection and arrears

5.3.1 Rent collection

Many tenants (especially outside London) had been previously on full HB, so handling rent payments themselves to cover the RSRS shortfall has been new to them. Landlords were generally offering a range of payment methods. Direct debits were preferred by landlords, as being less resource-intensive for them to collect. However several reported that tenants often preferred a payment card, enabling them to keep control of how much rent they paid when.

Much of the work that landlords were doing anyway in preparation for Universal Credit – helping tenants set up credit union accounts and develop rent-paying habits – was useful in implementing the RSRS, and landlords felt that they were learning useful lessons around rent collection from their experiences of the RSRS which would carry forward to Universal Credit.

Nevertheless, from the case study interviews and answers to the landlords' survey, it appeared that landlords were uncomfortable about their role as social landlords in collecting rent from people they believed could not afford to pay it in their current circumstances. As discussed earlier, people can potentially change their circumstances, for example by increasing earnings or moving to a smaller home.

'Our customers are in severe hardship through this reduction in Housing Benefit and many are needing vouchers for foodbanks after making rent payments. Customers are distraught and telling us they cannot cope and we are dealing with regular threats of suicide. With winter approaching customers now have an extra decision to make, pay their rent, eat or keep warm. The RSRS is damaging the relationship between landlord and customer as we are chasing customers for payments we know they cannot afford.'

(Landlord survey response)

Local advice agencies also felt that the RSRS has had a negative impact on the relationship between landlords and tenants. Some agencies said that it was difficult for housing officers to enforce something with which they might disagree. Some agencies reported that people were increasingly coming to them with housing related problems because they no longer felt that their landlord was 'on their side'.

5.3.2 The impact of the RSRS on arrears

Landlords concerns to manage and monitor the impact of welfare reforms mean that most have been keeping a very careful eye on arrears. Case study work highlighted that many took action prior to April 2013 to bring down their levels of arrears in advance of the RSRS. This appears to have paid dividends and the landlords' survey found that total arrears owing to social landlords fell by 5.6 percent between 31 December 2012 and 31 March 2013. In total, the 233 Landlords who were able to supply data from each point in time had seen a fall in total arrears from £313 million to £295 million, though this may in part be due to seasonal variation in arrears as they typically build up over the Christmas period (Scottish Housing Regulator, 2014).

Since then, however, arrears have risen. The total amount of arrears (for all reasons) owed to the 233 landlords answering this question in the survey stood at £343 million around the start of October 2013 (Table 5.2).

Table 5.2 What was the total amount of arrears outstanding (from all your tenants, whether affected by any of the welfare reforms or not)?

Date	Total arrears
31st December 2012	£312,985,055
31 March 2013	£295,499,127
On the most comparable recent date ¹	£342,871,668

Base: All landlords supplying data for both March 2013 and a comparable recent date (n=262).

Fieldwork Dates: 16 October to 8 November 2013.

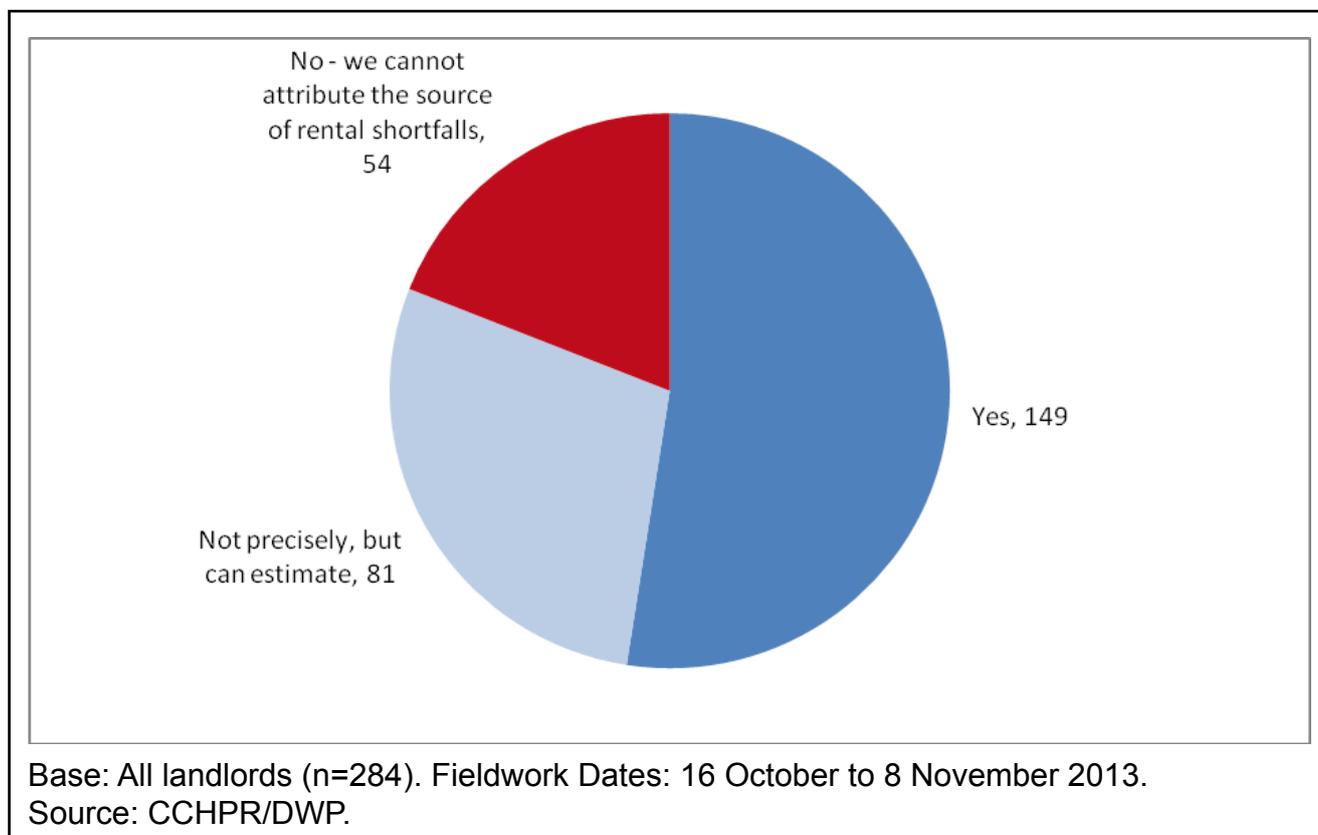
Source: CCHPR/DWP.

¹ Respondents were instructed: 'Please give the figure for as recent a date as possible that can best be compared to 31 March, bearing in mind your rent collection cycle and Housing Benefit payment dates'. They were then asked what date they had used. The median date given was 1 October 2013.

This rise coincides with the introduction of the RSRS, and does not coincide with a time of year when a rise in arrears would be expected. However it is not possible to directly attribute the rise to the introduction of the RSRS as other elements of welfare reform and changes in the wider economy and to rent levels could also play a part. Note that more recent research shows a small reduction in rent arrears of current tenants during the last quarter of 2014 (Quarterly Survey of Private Registered Providers 2013/14 Quarter 4, Homes & Communities Agency, 2014).

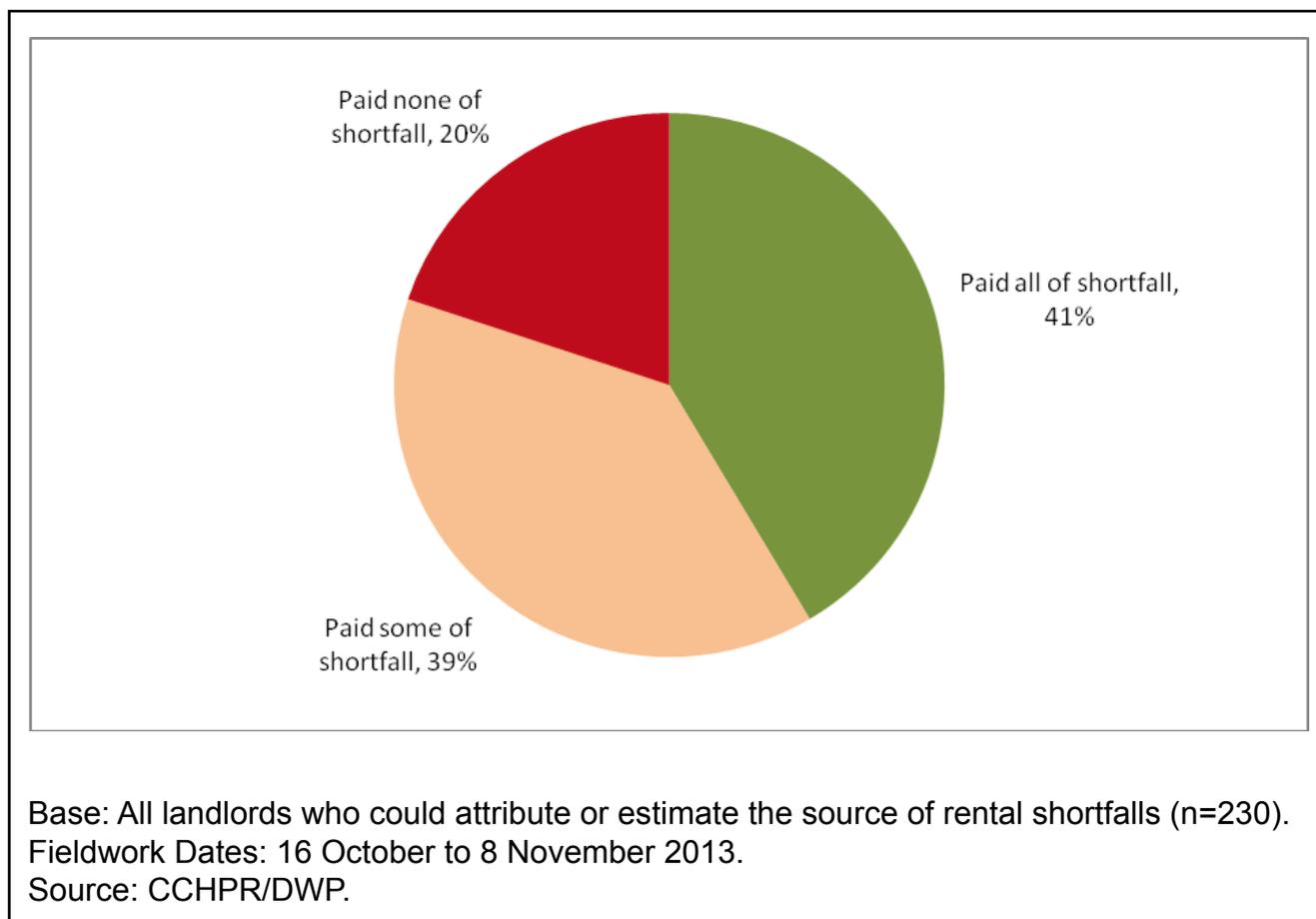
The majority of landlords replying to the survey were able to identify the number of tenants affected by the RSRS who had paid their shortfall, or at least to estimate (Figure 5.7).

Figure 5.7 Are you able to identify the number of your tenants affected by the RSRS or the cap who have paid their shortfall?



Those who could at least estimate the source of arrears were asked for further information about whether tenants were paying their shortfall, from which the overall proportion paying can be estimated (Figure 5.8).

Figure 5.8 Proportion of tenants affected by the RSRS who have paid their rental shortfall



By comparison, the claimants' survey, carried out in the autumn of 2013 found just slightly lower rates with close to half of claimants (47 per cent) self-reporting that they were in arrears. Younger claimants and those who are unemployed and seeking work were more likely to say they were in arrears. Similarly, those with two or more children were significantly more likely than average to be in arrears (59 per cent vs. 47 per cent).

When asked about their arrears history, 37 per cent of affected claimants said they have never been in arrears. Three in ten (30 per cent) said they have occasionally/sometimes been in arrears, while one third (33 per cent) said they have been in arrears most or all of the time.

Of those in arrears, 72% said they owed £500 or less, while 21 per cent owed more than £500. The mean amount that claimants in arrears said they owed was £182.

Claimants were asked whether or not they were in arrears in March 2013 (before becoming affected by the policy). Most (77 per cent) said they were not in arrears at this time, while 22 per cent said they were. No comparative data is held on whether they were carrying any debt before the introduction of the RSRS.

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Three in five (61 per cent) of those currently in arrears said they were not in arrears in March 2013. Landlords reported very similar numbers with a total of 61 per cent of those currently in arrears having not having been so on 31 March. This means that 29 per cent of our sample of affected claimants fell into arrears after the 1 April and the reduction in Housing Benefit. This compares with 37 per cent of non-affected claimants currently in arrears who were not in arrears in March 2013: seven per cent of all non-affected claimants.

5.3.3 Policies around managing arrears and evictions

One case study suggested a reluctance to evict tenants who were in arrears:

'It is not the council's business to evict people If people were working with us to make arrangements to pay etc. they would not be evicted.'

(Local authority Chief Executive)

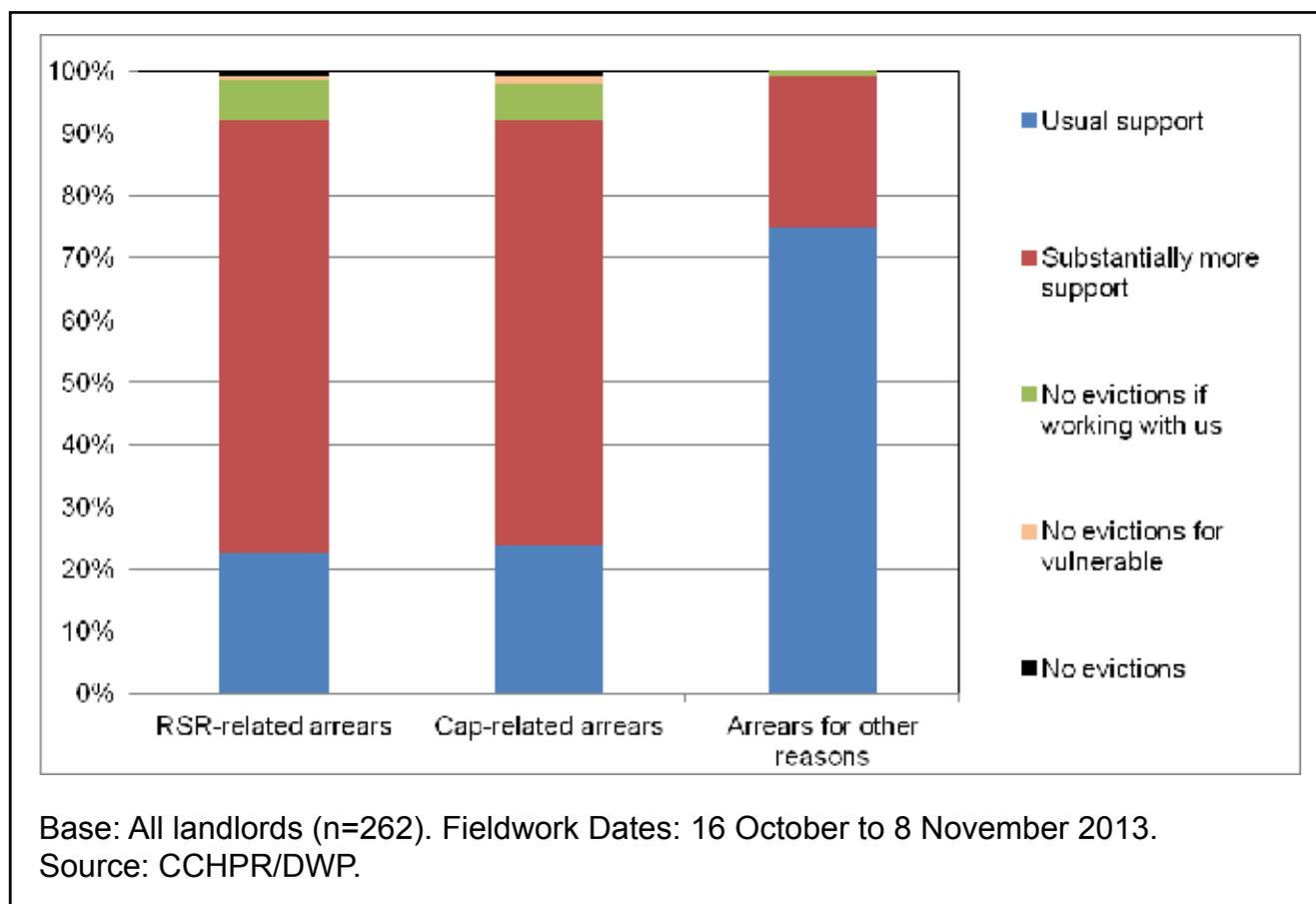
However, landlords stated that they would expect to follow their usual procedure:

'They will move through the normal arrears process We will take supportive but robust action'

(Social landlord, within the LA quoted above)

The survey of landlords, carried out in the autumn of 2013 found similarly that the large majority of landlords would evict tenants if necessary, though they would offer substantial support first (Figure 5.9).

Figure 5.9 Which of the following best describes your policy towards possession proceedings on tenants who are in arrears for³⁰



Landlords interviewed in the case study areas also emphasised that they were offering considerable support to tenants as soon as there was evidence that they were struggling to pay their rent as a result of the RSRS (or indeed other factors). Landlords had in many cases modified their whole arrears management process to become much more proactive and to engage with tenants at an earlier stage, with arrears management having risen up their agendas considerably. In the qualitative research with claimants, there were instances of participants reporting experiences of face-to-face support from landlords, such as visits from support officers who offered advice on budgeting. Such advice was typically welcomed by claimants.

Six of the 26 landlords, each operating in a different case study area interviewed reported that there might be certain circumstances when they would consider writing off arrears such as in circumstances where they thought a court would not consider it reasonable to evict the

³⁰ The options offered in full were:

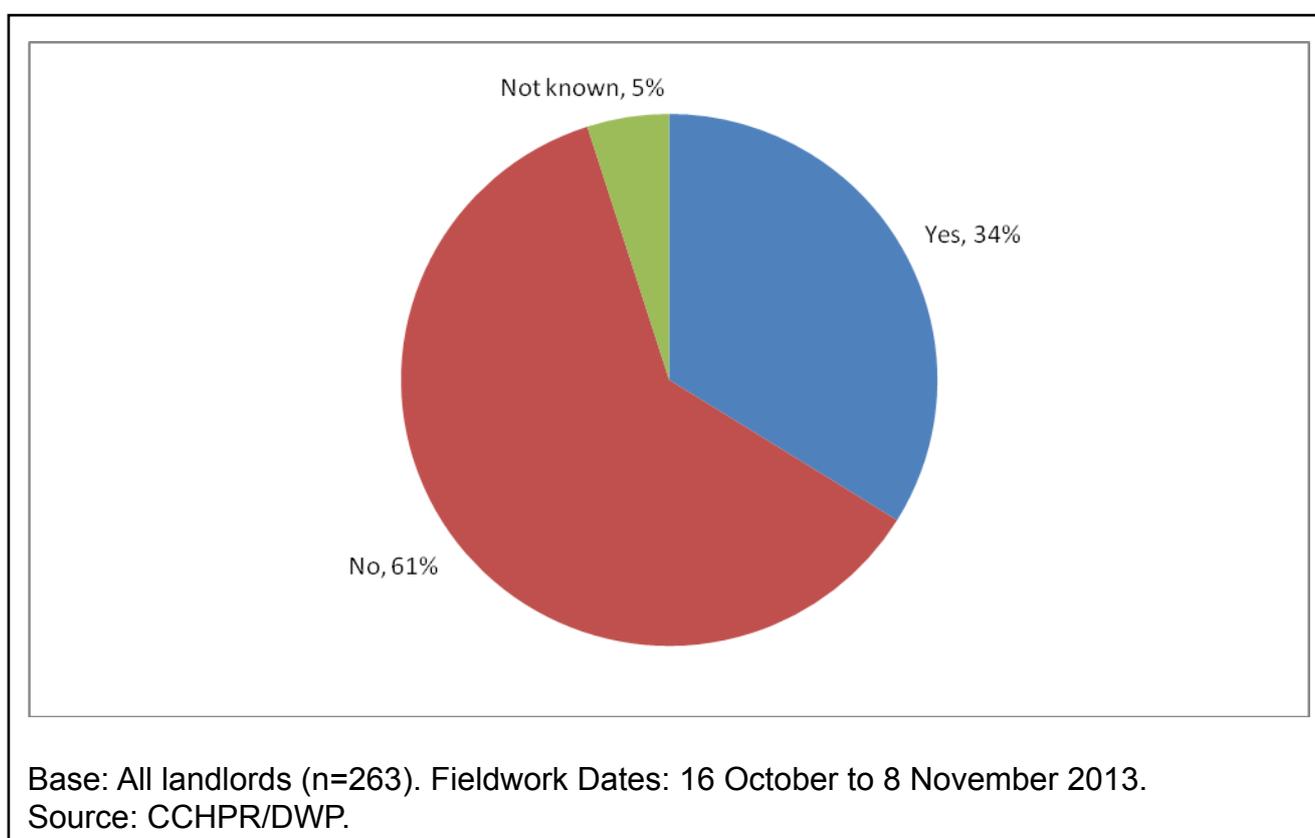
- We offer our usual support, but follow our usual possession proceedings if this fails to resolve the situation.
- We offer support that goes substantially above the level we'd usually offer, but will then follow possession proceedings if this fails to resolve the situation.
- We will not evict tenants who are working with us, even if this has failed to solve their problems and their arrears are still growing.
- We will not evict certain groups of tenants (eg vulnerable, or with children) even if they repeatedly fail to pay.
- We will not evict any tenants even if they repeatedly fail to pay.

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household, or when the tenant was downsizing. Most others stated that they would not do this, concerned that it would send the wrong message to other tenants who were paying their rent.

In terms of the level of arrears required to trigger court action, most landlords interviewed said that they were developing their policy over time. They were anxious not to be in the media for being the first in court for 'bedroom tax evictions' and wanted to give tenants every opportunity to pay. Nevertheless by the autumn a third had already begun the process of issuing formal warning letters and in some cases continuing further in the route to evicting non-payers (Figure 5.10).

Figure 5.10 Have you initiated any possession proceedings against any tenants in arrears solely as a result of the RSRS?



Overall, landlords reported that 35 per cent of tenants affected by the RSRS had been issued with a formal warning letter and ten per cent had been issued with a notice of intention to seek possession (NOSP). Smaller numbers had proceeded further than this (Table 5.3).

Table 5.3 Actions taken to recover rent from tenants in arrears arising from the RSRS

Action	Total number of tenants in arrears solely because of failing to pay the RSRS shortfall	Proportion of all tenants affected by the RSRS
Formal warning letter sent	34,303	35%
Notice of intention to seek possession	13,356	10%
Possession applied for	1,628	1.1%

Base: All landlords (n=135-193³¹). Fieldwork Dates: 16 October to 8 November 2013.

Source: CHPR/DWP.

Just under half of the cases where possession had been applied for (751 of them) had been heard in court. We do not know how many, if any, of these tenants were refusing to pay on principle. Table 5.4 shows the outcomes.

Table 5.4 Outcomes reported of court cases

Outcome	Number	Proportion of all court cases heard
Suspended possession order	407	54%
Possession order (not suspended)	138	18%

Base: All court cases heard of tenants with arrears arising solely from the RSRS (number of landlords=52; number of court cases = 751). Fieldwork Dates: 16 October to 8 November 2013.

Source: CCHPR/DWP.

Landlords in the survey reported that a small number of tenants, 45, had actually been evicted for arrears arising solely from the RSRS. 24 of these were from a single landlord, so we must be cautious about assuming that this figure is representative of the RSRS nationally. Note that this survey took place seven months after the RSRS was implemented, and evictions in the Social Rented Sector usually take several months. Accordingly, this figure is tiny, representing less than 0.02 per cent of the 248,202 tenants of the landlords answering the survey who were affected by the RSRS. Note also that, since the survey was anonymous, the specific number of evictions cannot be independently verified.

Suspended possession orders allow tenants an opportunity to address their arrears and retain their tenancy, though may end up back in court if the tenant fails to keep to the terms of their repayment arrangement.

³¹ Not all landlords were able to answer all parts of the question. Data on formal warning letters was supplied by 135 landlords with 99,226 RSRS-affected tenants. Data on Notice of Intention to Seek Possession was supplied by 175 landlords with 135,775 RSRS-affected tenants. Data on possessions applied for was supplied by 193 landlords with 147,553 RSRS-affected tenants.

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Of the 1,628 cases where the landlord had applied to court, mandatory possession had been applied for in only in 14 cases. It would therefore appear fairly unusual for landlords to apply for mandatory possession for RSRS-related arrears at the current time. Over a third of the case study landlords interviewed however reported that they would consider using mandatory possession grounds in the future in certain circumstances if they found that the courts could not be relied to evict tenants.

The claimants' survey found that more than a quarter (26 per cent) of affected claimants said they have been warned by their landlord about the possibility of being evicted because of unpaid rent since April 1 (fieldwork was undertaken up to 24 November 2013). A further six per cent said they have been given notice of eviction because of unpaid rent in this period. This combined 32 per cent is significantly higher than the ten per cent of non-affected claimants interviewed who said that they had either been warned about (8 per cent) or given notice of eviction (three per cent) since 1 April, though it should be kept in mind that close to two thirds (65%) of non-affected claimants say their Housing Benefit covers all of their rent.

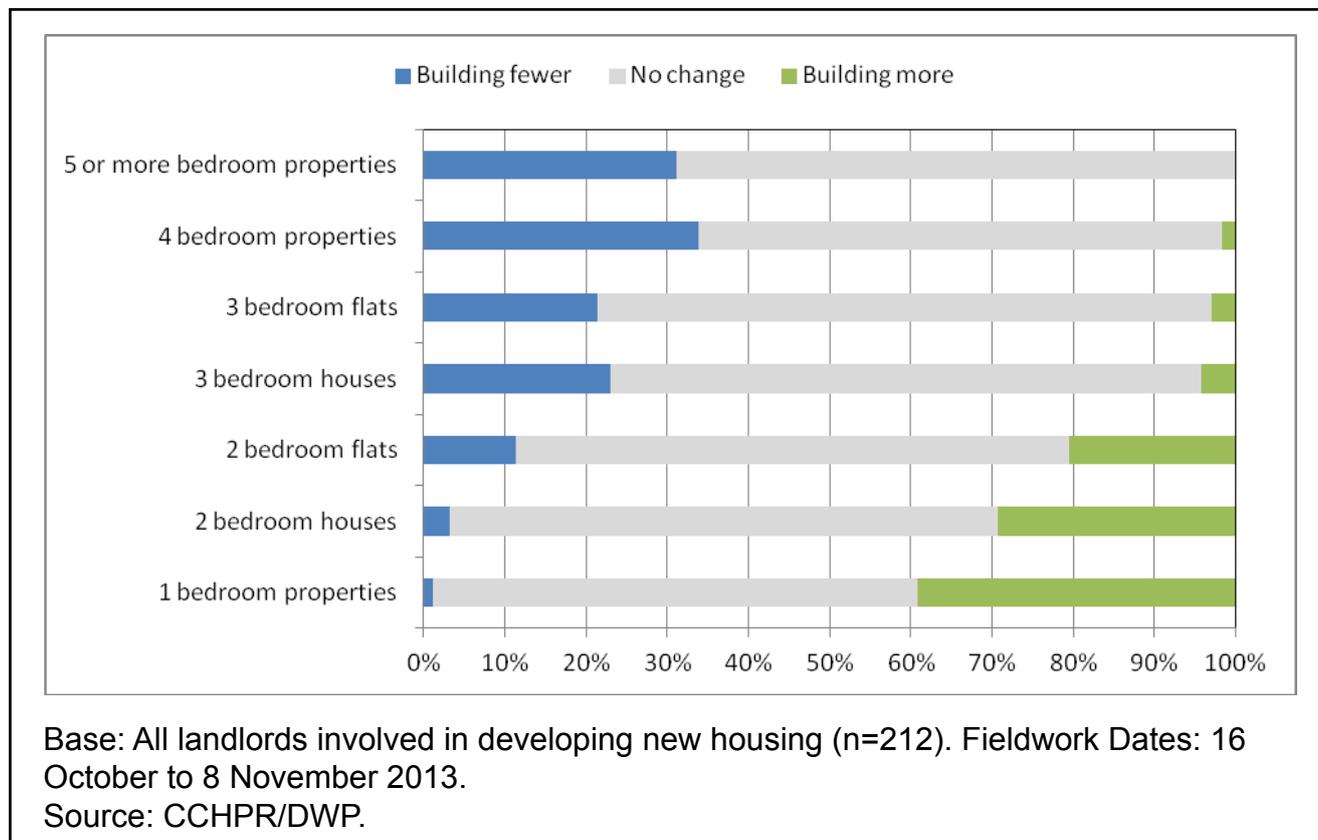
The rate of self-reported notification (32 per cent) is very similar to the landlords' figure of 35 per cent having received a warning letter. Of the 26 per cent of affected claimants warned about the possibility of being evicted because of unpaid rent, the majority (66 per cent) reported that they were not in arrears in March 2013. As with the research among landlords, we do not know how many, if any, claimants were in arrears due to refusing to pay on principle.

Those who did not recall receiving notification that they would be affected by the changes to Housing Benefit are significantly more likely to have been warned about the possibility of eviction (39 per cent) or given notice of eviction (13 per cent) because of unpaid rent.

5.4 Development

There has been a substantial change in the relative demand for different sizes of homes as a result of the RSRS. Eighty percent of landlords surveyed reported that they were involved in developing new housing. Of these, around a third reported that they had already amended the profile of dwellings that they will build in response to the RSRS or the Benefit Cap. The main impact has been a reduction in the number of larger homes and an increase in one bedroom flats being built (Figure 5.11).

Figure 5.11 Ways in which landlords report having altered their development plans as a result of the RSRS or the Benefit Cap



Case study work suggested that some landlords were looking at what they could do to provide more space whilst keeping the number of bedrooms low. Well-sized two bedroom houses or one bedroom flats with good levels of storage space were a popular option. Some were particularly keen to avoid building two bedroom flats which landlords considered to be not ideal for families, but no longer lettable to single people, though others were building increased numbers of both one and two bedroom homes.

In London overcrowding is a much bigger problem and the numbers affected by the RSRS much smaller, so there was less interest in revising development plans. Some landlords also raised the conflict between building smaller units and the Mayor’s requirement to build more family housing. In other areas too, local planning requirements were reported to restrict the building of one bedroom units.

Despite concern about the impact of the RSRS, it is clear that most landlords had not (yet) altered their development programmes to increase the proportion of smaller homes. Despite the evidence for increased demand for smaller properties elsewhere in this research, the case study work found that landlords showed a reluctance to make radical changes to their development programmes and were nervous of building one bedroom stock that in many areas has been considered low demand for many years. There was also a strong desire to ensure continued building of a mixture of property types on new sites, rather than, for example, focussing purely on one-bedroom properties.

It must also be noted that there was a conflict in timing with the HCA’s development round, with applications for the new round not due until April 2014.

5.4.1 The costs of implementation

Case study work found that some landlords had allocated a specific budget to oversee welfare reform which included implementation of the RSRS, but it was not possible to identify and quantify this in any comparable form, and hence the precise cost to landlords of implementing and addressing the longer term consequences of the RSRS was not tackled by the landlords' survey. Issues that arose in both the survey and case study work included:

- cuts to other budgets to fund the costs of supporting tenants and rent collection;
- cutting staffing levels to other services, including wider community and neighbourhood work;
- reducing expenditure on development;
- reduced rental income because of higher void levels and expenditure on repairs and staff costs associated with increased re-letting.

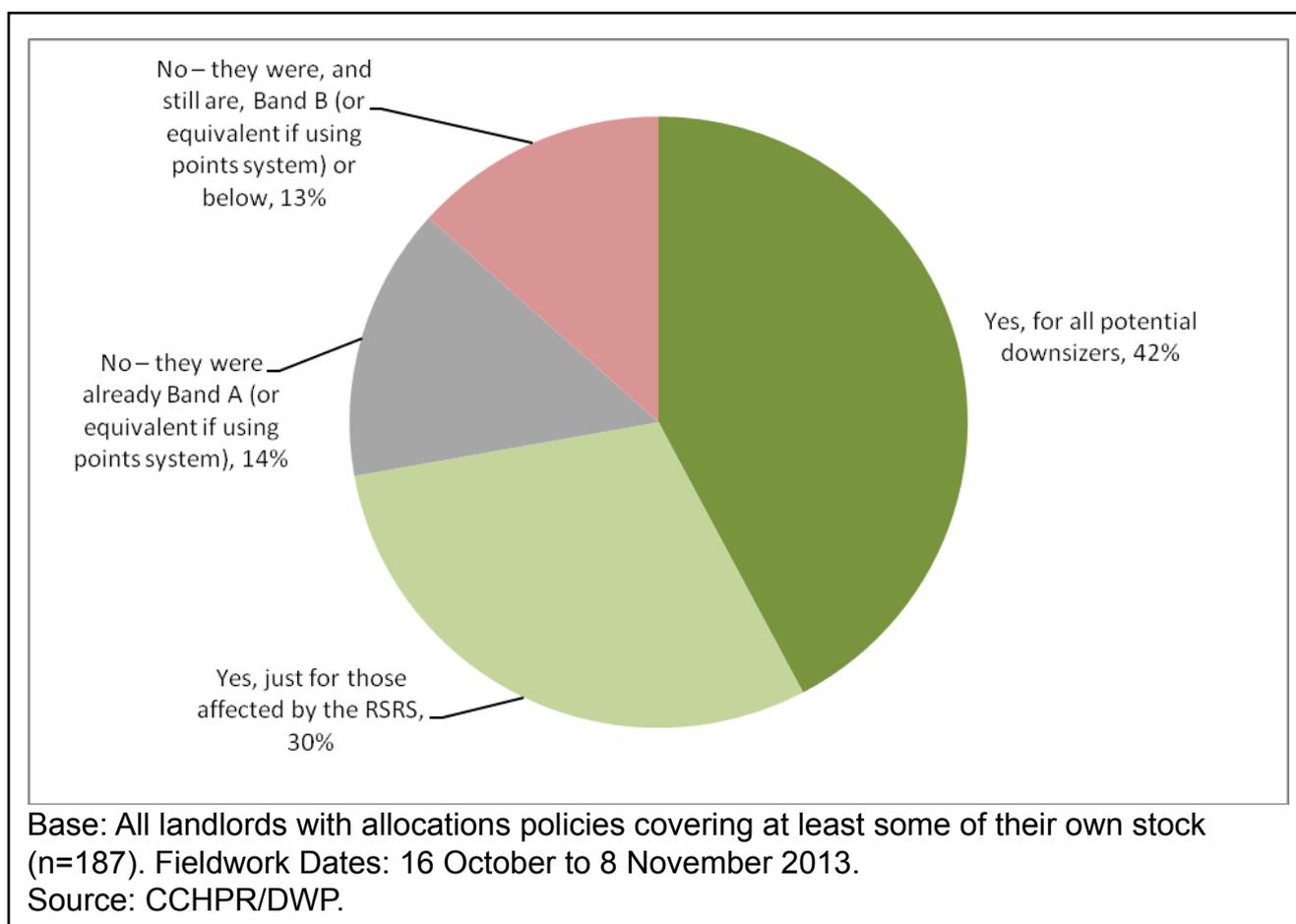
6 Early impact on local authorities and housing allocation policies

6.1 Allocations policies and lettings

Allocation systems vary across the country. In some of the case study areas, one centralised system was in use throughout the local authority (and in one case a sub-regional grouping of local authorities), whilst in other areas social landlords retained some autonomy over their own allocation systems.

Overall, 70 per cent of the social landlords surveyed reported that they had an allocations policy covering at least some of their stock. Most landlords rank applicants into bands for determining their priority for social housing, with Band A being used for the most urgent cases. Landlords with an allocation policy were asked whether they had altered their allocations policy in response to the RSRS or the Benefit Cap (Figure 6.1).

Figure 6.1 Have you altered your allocations policy to increase the priority given to downsizers in response to the RSRS or the Cap?



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Seventy two per cent of landlords had altered their allocation scheme to increase priority for downsizers either for all downsizers or just for those affected by the RSRS, and a further 14 per cent were already giving them the top priority. Of the remainder, half were already giving them top priority, leaving just 13 per cent of allocation schemes giving them a lower than their top priority band

This represents quite a considerable change to allocation priorities, brought about partly in response to the RSRS and also to the 2012 guidance issued by Government to local authorities making it explicit that they could prioritise transfer applicants even if they were not in the most severe housing need (CLG, 2012).

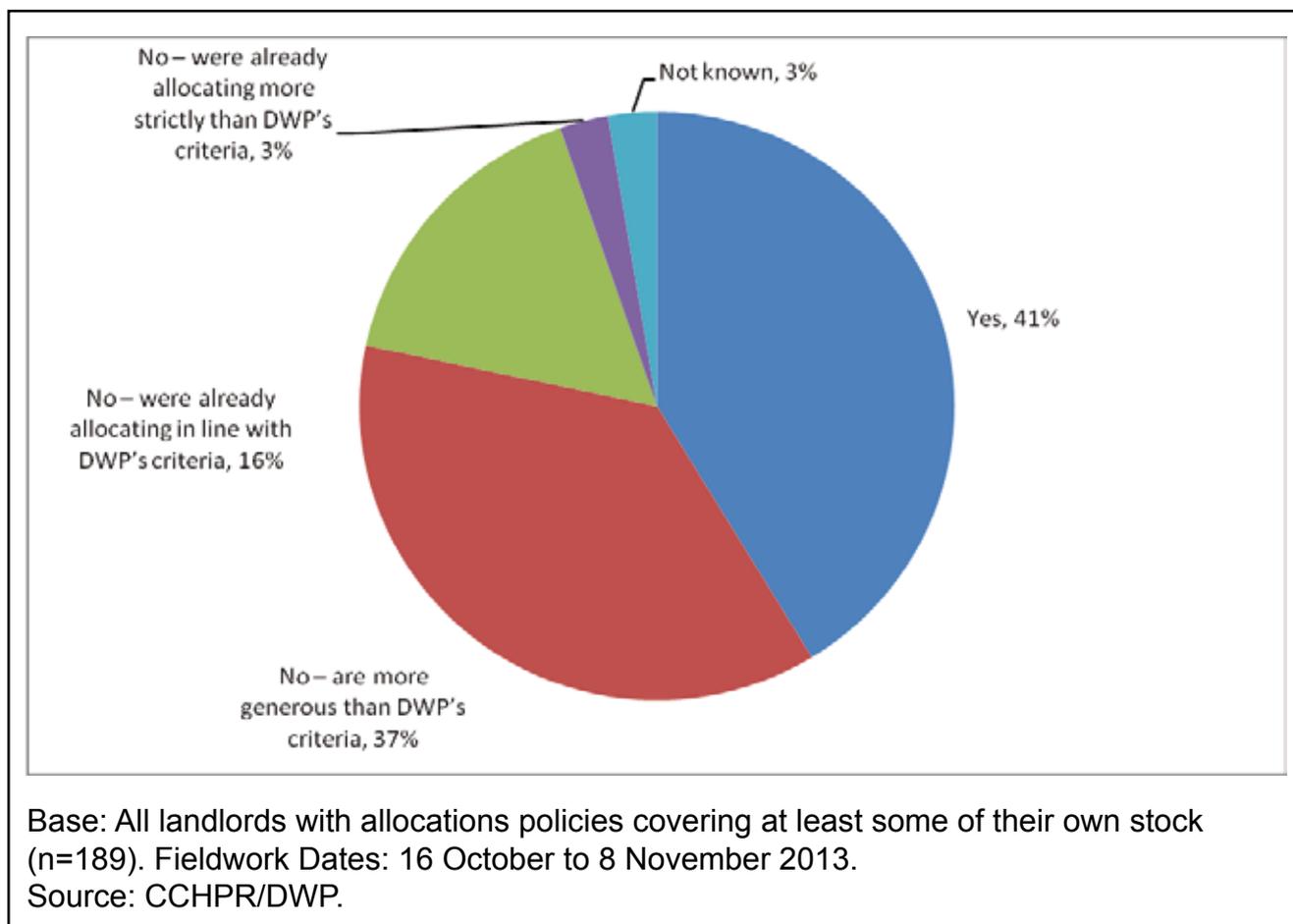
6.1.1 Determining the size of properties applicants need

Changes had also been made to the size of property that landlords deemed appropriate for different sized households. In many areas, particularly (though certainly not exclusively), those with the lowest housing pressure or a large supply of family-sized housing, allocation schemes had previously often been more generous than the RSRS's size criteria in determining the size of property required. Allowing opposite sex children a room each from a younger age than ten, allowing a room for a non-resident child, allowing for likely future increases in household size or allowing all households to choose to bid for properties with one more bedroom than they needed were all in use in case study areas.

Landlords were however anxious to avoid allocating new tenants to homes they could not afford, so many have altered their criteria to bring them into line with the DWP's size criteria³² (Figure 6.2).

³² See page 13 for definition.

Figure 6.2 Have you altered the way in which you determine the size of home an applicant needs so that your criteria match the DWP’s size criteria used for the RSRS?



Base: All landlords with allocations policies covering at least some of their own stock (n=189). Fieldwork Dates: 16 October to 8 November 2013. Source: CCHPR/DWP

As can be seen, less than a quarter of landlords had previously been allocating in line (or more strictly) than the DWP’s size criteria, but afterwards more than 60 per cent were. Some case study areas reported that bringing their allocation size criteria into line with the DWP’s had resulted in a substantial decline in the numbers on their housing waiting list – as they had previously been waiting for larger accommodation for which they were no longer eligible.

A further question asked for more detail as to which households would be considered for properties that were technically larger than they needed, according to the size criteria used for the RSRS (Table 6.1).

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Table 6.1 Which of the following groups would you consider for properties that are technically larger than the DWP's size criteria?

	Number of landlords	%
All applicants, including those affected by the RSRS?	30	12%
All applicants, including those affected by the RSRS, after having ensured that they are aware of the implications of the RSRS and believe they can afford the shortfall	125	48%
Applicants affected by the RSRS who we consider can afford the shortfall	162	63%
People affected by the RSRS in the short term but anticipating a change in family circumstances (eg a baby being born) which will cause them to cease to be affected	180	70%
Pensioners	178	69%
Working age people who are working and not currently claiming Housing Benefit	174	67%
None of the above	50	19%

Base: All landlords (n=258). Fieldwork Dates: 16 October to 8 November 2013.

Source: CCHPR/DWP.

As can be seen, around two thirds of landlords would consider letting properties that were larger than technically required to applicants not affected by the RSRS (pensioners or working people, not on Housing Benefit), and around half would also let to those affected if they were confident they could afford the shortfall.

Case study landlords offered some further insight into the rationale behind these policies. One local authority housing allocation scheme was now allowing, and even promoting, moves to two bedroom properties by single people and couples who were in work and able to pay the full rent. Other areas were adverse to this: in some cases this was because they were opposed in principle to differentiating between working and non-working tenants and felt that allocation should be done solely on the basis of housing need; in other cases it was a more pragmatic response to concerns that the under-occupier might need to claim Housing Benefit in the future.

Revising size criteria to bring them into line with the DWP's criteria, was not however a viable option in all areas; some areas had very small numbers of one bedroom homes and large numbers of single applicants. The mismatch between dwelling sizes coming available and household size would be too great if they were to allocate strictly according to the DWP's criteria. Local authorities and landlords in these areas had given some thought to the issue but had generally decided on balance to continue to allocate according to their existing criteria, but to counsel applicants carefully to ensure they were able to afford any rental shortfall:

'We have opted to treat applicants as adults. They are made aware of benefit restrictions and allowed to make their choice in the full knowledge of the possible risk and consequences.'

(Social landlord)

Some asked tenants to sign to say they understood the consequences of taking on a larger property than the DWP would pay for. Counseling tenants on their obligation to pay the shortfall, however, was in most cases only taking place after an offer had been made and very shortly before or at the time of tenancy sign-up. Landlords felt that, at this stage, tenants were likely to simply agree.

6.1.2 Nominations and relations between local authorities and landlords

Most case study landlords and local authorities reported good working relationships, and in some cases felt that the introduction of the RSRS had encouraged them to develop closer systems of working together.

A few areas had experienced difficulties with the local authority housing department making nominations into housing association stock where the housing association did not want to house the households because they would be under-occupying.

These issues arose in situations where the local authority's housing allocation criteria on the size of properties people could bid for was more generous than the DWP's size criteria, but the landlords were reluctant to let to under-occupiers.

Most, however, were working together and making their policies explicit to avoid this sort of situation:

'We negotiate, rather than refuse [to take nominations].'

'We were very clear at the outset that we would not allow any new under-occupiers'

(Social landlords)

In some cases there had been initial difficulties with nominations being refused by landlords that had since been resolved through a more unified allocations scheme.

Some landlords were aware that they had changed the profile of the stock they were making available to the council for nominations – offering up the larger stock so that they could prioritise their own downsizers. Local authorities did not appear (as yet) to be concerned about this practice.

In some areas the issue of refusing nominations did not arise because the local authority housing department would draw up a shortlist of the highest ranking bidders and the landlord could choose from the list. This does, however, raise a concern that some applicants could be inadvertently bidding for housing for which the local authority had deemed them to be eligible, but which they would not be allocated, again highlighting the need for good information to be provided to applicants at an earlier stage before an offer has been made.

6.1.3 Overcrowding

Local authorities and landlords were asked whether they expected the RSRS to have any impact on overcrowding. Most believed that it would not, and in many areas they replied that overcrowding was, anyway, not a significant issue. They were however, responding to this question in the light of their own tenancy mix, rather than in relation to overall national demand for housing.

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'Overcrowding is not a significant problem across the stock and certainly not one that we would think it worth impoverishing others [or making them homeless] to solve.'

(Local authority housing department)

'To be honest I haven't really thought about it.'

(Social landlord)

Three of the areas with the highest housing pressure saw some potential benefit, especially to households in need of three bedroomed homes. However, they felt it could be minimal because of tenants' reluctance to downsize, or the overcrowded families not living in the type of stock that was popular with downsizers.

Local authorities generally had information around overcrowding from their waiting list, although revisions made to their definitions of overcrowding (by bringing their criteria into line with the DWP's size criteria, see Figure 6.1, above) mean that it will be difficult to assess whether the RSRS has had a direct impact on overcrowding from administrative data. Social landlords outside London generally lacked any comprehensive data on overcrowding rates amongst their tenants.

6.2 Homelessness functions

Case study local authorities were asked how they would treat homeless applicants who would be in priority need who had been evicted because of rent arrears arising from the RSRS. All said that they would assess them on an individual basis in line with the legislation.

Most did not expect to find people intentionally homeless if the arrears were due solely to rent arrears arising from the RSRS, though some mentioned that they would consider using their new powers to discharge homelessness duties by offering accommodation in the PRS to people evicted from social housing because of rent arrears arising from the RSRS, possibly into shared housing. Sharing is more common in the private rented sector than the social rented sector.

Local agencies were very concerned about evictions and consequent homelessness. It is however too early to report any findings on the outcomes for claimants who lost their homes as a result of rent arrears accrued after being affected by the RSRS.

One commonly expressed concern was about moving single people on from temporary accommodation because of a shortage of one bedroom homes. This is discussed further in the following chapter.

6.3 The costs of implementation

None of the ten case study local authorities had set aside additional earmarked funding – but were instead responding as required to new demands, drawing on existing funds and restructuring systems. The New Burdens funding issued to local authorities had been appreciated and helped to cover some of the costs.

The main costs for local authorities related to staff to administer DHP and some had taken on new staff specifically to do this. Others had been slower to recognise the new requirement and were still in the process of recruiting or seconding staff.

7 Early impact on voluntary organisations, advice and support services

Before and during the implementation of the Removal of the Spare Room Subsidy, the DWP worked with relevant stakeholders, including charities, advice agencies and other organisations. Many of these also received public funding for their work.

A total of 47 local agencies were interviewed across the ten case study areas including Social Services (Children's Services), the Citizens Advice Bureau (CAB), Job Centres and local voluntary organisations.

Many agencies reported an increase in demand for their services since April 2013. However they did not always think it was just because of the RSRS, as other welfare reforms had also affected demand. Many agencies also highlighted that a lot of the people they saw who were in financial difficulties or facing eviction often had a complex set of problems of which the RSRS was only one part and it was therefore hard to attribute the extent of the RSRS in contributing to their workload.

There were mixed views across agencies about their ability to cope, with some agencies saying they could, as the local community had been tremendously supportive, but others saying that the caseload increase as a result of the RSRS had been substantial and the demand could not always be met.

7.1 Social services

Social workers interviewed had some understanding of the RSRS, but were not experts in housing and tended to refer housing problems to the local authority housing department or landlord to help with. Some were involved in helping their clients to move to new homes, but lacked the expertise with which to do this. For example, one social worker had assisted someone affected by the RSRS to move to a private rented flat, but was unaware of the LHA limits and assumed that as it was the right size for him he would receive LHA to cover the full rent. The flat was actually over the LHA limit, and the client ended up with rent arrears accumulating at a faster rate than he had in the previous two bedroom social rented home. This demonstrates the complexity of providing local support services in dealing with change and claimants' specific circumstances.

7.1.1 Recruitment of foster carers

Prior to the implementation of the RSRS, there had been concerns that foster carers would be affected by the RSRS, especially if they were in between placements – and therefore receiving no fostering allowance but needed to keep a spare room for a future foster child. The Government had initially suggested that DHP would cover this group but in March decided to make an exception for those who are in between placements or newly approved for fostering children. Only those who require two or more spare rooms for fostering are therefore still affected by the RSRS.

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Social workers interviewed were generally aware of the new rules and reported that they had largely solved the concerns they had had over causing foster carers to cease to foster children. Social workers generally reported that only a small proportion of foster carers were on HB, as most were two parent households with one person in work. Most foster carers also only have one child at a time so would only require one extra room. For example, in one authority, out of 56 foster carers it was believed that two claim HB and have been allowed an extra room. One of these has two rooms for fostering so did experience times when both would be empty and the carer therefore affected by the RSRS. So far this carer was still fostering.

Social workers all reported that it was always hard to place sibling groups with foster carers – who may require two or more spare rooms – but there seemed no real evidence that this had changed in response to the RSRS.

Overall there was no real evidence of foster carers having ceased to care because of the RSRS, though social workers emphasised that it is harder to know whether others could be deterred from coming forward because of it.

7.2 Citizens Advice Bureaus

CABs reported seeing more people who for the first time in their lives were faced with arrears.

In several areas the local CAB said they were not coping and that they were struggling to provide the help that was needed as they rely substantially on volunteers. One area reported that the waiting time has doubled from two to three weeks to four to six weeks which is simply too late for urgent cases. Another CAB said they currently had an embargo on referrals to their specialist welfare advice service. Whilst they still had frontline workers (volunteers) available for new clients to see, they could only deal with basic issues and more complex cases were therefore not being taken on. They were unsure as to the extent that the RSRS had played in contributing to this situation.

They are particularly concerned about people affected by welfare reforms who also had mental health difficulties meaning they weren't responding in a manner that would enable them to address their difficulties:

'One man came in with a sack of mail that had been unopened for six months.'

(Local Citizens Advice Bureau)

A major concern was that people were only approaching them for help at a very late stage – such as when an eviction was imminent. Many of these people had failed to engage with their local authority housing benefit department or landlord, and only sought help from CAB at a stage when their problems were very difficult to address.

7.3 Other agencies

Jobcentres had in some areas been quite heavily involved in trying to help some of those affected by the RSRS to find work. In one case study area, Jobcentre Plus conducted initial interviews with all tenants affected by the RSRS jointly with the council. This was felt to have worked well despite different cultures, working styles and attitudes to vulnerable tenants presenting challenges at first.

Foodbanks have been a growing area of support for low income people in recent years.

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Some in the case study areas were integrated with wider support services providing much more than just food. In two of our case study areas there was a debt advice service in the same location and in one a welfare adviser from the council.

However, most were focussed on the frontline work of giving out food. Whilst some gave to anyone who asked, most used either vouchers or referrals made by a range of other agencies. These other agencies were involved in establishing why the recipient was in need of food, so foodbanks themselves did not generally have detailed figures on the circumstances of their clients.

In some areas tenant groups have been very active disseminating information about the RSRS. People did approach them for advice, and whilst some referred these people on to other agencies, one group did provide advice on its website which was in conflict with the advice people would receive from any other agency – urging people not to pay under any circumstances and focus instead on fighting through the courts to challenge the legality of the RSRS. This practice would contribute to a rise in arrears for tenants.

The residents of hostels and women's refuges were not often directly affected by the RSRS because they very rarely had spare bedrooms. However hostels and women's refuges were very concerned about the indirect effect on the move-on options for their residents. The tightening of allocation criteria to avoid allocating people larger homes than they needed, coupled with demand from downsizers has led to considerable pressure on one bedroom homes:

'There's a lack of smaller units relative to demand. This causes bed-blocking in hostels and supported housing.'

(Local authority housing department)

Women's refuges were particularly concerned about their single women who were struggling to move out of refuges after many months, although it is not clear whether they considered other options than the social rented sector.

Moving larger families on had in some cases become easier (although not in London, partly because of the Benefit Cap) because of homes freed up by downsizers, or now only available to those who could fully occupy them. But most local authorities reported that single people comprised the large majority of their homeless households and that they were increasingly making use of the private rented sector for this group. It should also be noted that other research shows that landlords are increasingly planning to expand the shared accommodation they offer (Local Housing Allowance evaluation, DWP research reports 870-874, 2014).

Overall there was widespread concern that the difficulties many tenants were experiencing under the RSRS would place them in a financially vulnerable position from which to cope with other financial pressures.

8 Early impact on funders lending to social landlords

Although the focus of this part of the evaluation is on the impact of the RSRS on housing associations (the main recipients of private finance) there was also awareness amongst lenders of impacts of other elements of welfare reform and also on the impact on the wider housing sector to which they led, including the buy to let market.

The RSRS was believed by funders to have the potential to damage landlord income streams and to be leading to a reworking of whom associations served and had some cost impact in terms of both arrears and management costs. Many lenders recognised the issues the Government was seeking to address but felt that it would have been easier to manage the risks had the policy been rolled out over a longer period of time, or focused only on new lettings rather than existing tenancies.

Currently the risks were considered manageable by associations and thus for lenders. Both may have to live with higher arrears and see business plans altered and staff resources re-allocated. The common view was that the biggest impact will be upon associations with a stock profile consisting largely of houses and where rents are close to market. Lenders were preparing for possible rising vacancies and arrears and a resultant financial pressure on these associations, and the RSRS was seen as one of the factors contributing to this picture.

One issue mentioned was the need to ensure that landlords retain the ability to take possession of homes in the event of serious or mounting arrears. Lenders were concerned at suggestions by the devolved administrations in Scotland and Wales to limit these powers. Lenders were clear that they would want to see landlords retaining the power in order to protect their income streams.

Most funders saw it as too early in the welfare reforms process to change the reporting requirements which their customers had to meet. The typical twice yearly review meetings with landlords were going ahead as normal with lenders asking for information and statistics and seeking comment on what the landlord was doing to mitigate the pressures. However it was clearly a 'hot' topic and funders were asking for detail, and to see the new situation reflected in business plans. Though most had left loan documentation unchanged there had been some adjustment of asset cover (the ratio between debt and assets) and debt service ratios (the proportion of income available for servicing debt) though this arose more from the combined effect of the downturn as well as welfare reforms.

In general the view was that associations were on top of the issue and that they did have the skills and capacity to deal with welfare reform. Funders were more concerned about smaller associations where stretch was greatest.

The clear consensus on the likelihood of default was that it was very unlikely. Welfare reforms, including the RSRS, had brought new pressures but lower interest rates had also eased others. It was however thought that there were some associations with the wrong mix of homes in the wrong locations who might be at risk from the RSRS. There was agreement that over the longer term risks are rising and the reserves in the sector will be eroded.

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Lenders were aware that associations were clearly struggling with the new situation that the RSRS posed such as the requirement to evict their own tenants who were unable to pay their rent as a consequence of reduced Housing Benefit. As a consequence lenders were aware that associations varied hugely in terms of what they were doing in response to the reforms.

They were concerned that arrears could build up and about possible erosion of debt-paying capacity but this was felt to be a slow burn issue. Lenders felt it unlikely to cause major problems given that boards and regulators as well as they themselves were all carrying out regular reviews. Business plans, however, now needed more prudent assumptions to cope with RSRS, especially in the areas where the impact was greatest.

Debt service capacity had not been seriously eroded to date; but arrears were slightly up. Business plans were re-focussed with reduced development planned and greater priority given to meeting the increased costs of management reflecting both the RSRS and other welfare reforms. It was widely expected that costs would increase. However, no material adverse effect had yet been observed as set out in covenant requirements linked to loans. Lenders were alert to that possibility and no borrowers had sought to renegotiate covenants as a result of the RSRS.

As a consequence this was a live issue in lenders' regular credit review meetings. Lenders reported that they required their clients to take them through all the welfare reform issues, including the RSRS, how they were impacting and how the consequences were being managed. It was anticipated that this scrutiny process would intensify over time, leading to full reviews. Lenders would not seek to put pressure on landlords over how they should manage the risks but expected to be reassured that it was being managed and solutions had been identified.

Funders were concerned about long term impacts on tenants, organisations and themselves. They felt that cumulative impacts of welfare reform measures could lead to a build-up of arrears, reduced liquidity, reduced profitability, more stretched management and less development. Funders did not recognise any positive impact from their perspective of improved work incentives arising from the RSRS.

There was no evidence of any impact of the RSRS on loan pricing and availability at this stage. Indeed bonds were currently cheaper, reflecting a currently healthy and competitive environment. However underneath this it was suggested that because many bond investors were more distant from the transaction than debt funders they may be unaware of some of the structural changes taking place. However as publicity about the impact of welfare reform on landlords increased it was felt that the awareness and appetite of investors might change. Bond funding volumes and costs can move quickly with the costs of funding having tightened reflecting the cost of gilts to which they are linked. In terms of appetite for debt finance this had come down anyway, loan terms had shortened and there was an issue in terms of capital weightings for these assets. Clearly lenders have benefited from the Bank of England's Funding for Lending Scheme which has since ended, leaving questions in terms of the re-supply of debt finance. As impacts become clearer and funding context tightens changes may take place.

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Credit committees were reported to be becoming more demanding. They respond to headlines and though there was not yet any tightening of sector exposure limits the risks posed by welfare reform generally were firmly on their radar and being fuelled by media coverage. This suggests there may be more challenges in the future to get large exposures through. It will also impact on charges in the sector for example in situations such as mergers where a lender could find it has too much lending to the new entity, though lenders noted that a higher risk profile does not always mean higher risk actually arises; it all turns on how clients manage it.

Though funders rarely took a scheme-level view of funding – they lend to the entity rather than the development – they were aware that development profiles were changing. They were seeing less development and a change to the mixture of what was being built. They were aware that their clients could no longer assume that they could build and let anything, but must ensure it was affordable to tenants in the future to avoid financial risk to the landlord. This could impact on the risk premium and overall appetite. Gearing covenants might be adjusted and material adverse terms renegotiated.

9 Conclusions

The Removal of the Spare Room Subsidy had, at the time of this research, been in operation for around six months. The preparatory work needed to identify tenants who would be affected was effective and the reduction in Housing Benefit was brought into effect successfully.

The widespread media coverage that the RSRS received, along with extensive efforts on the part of local authorities and social landlords have meant that tenants were largely aware of the RSRS before implementation. Most, though, were unwilling to take action in response before April and most did not know the exact amount they would be affected by.

Tenants' responses to the reduction in their Housing Benefit have been mixed. Around four fifths are paying some or all of their rental shortfall – though only half of these have paid it in full. Landlords are most concerned about the one in five tenants who paid nothing in the first six months. This group are likely to face eviction procedures unless they can start to pay their shortfall and address the arrears that have built up.

There had not, at the time of the research, been significant numbers of evictions resulting from the RSRS. This is something that the evaluation will return to in its next round of fieldwork later in 2014.

The four fifths who were currently paying all or some of their shortfall were not doing so without difficulty – more than half reported cutting back spending on what they deemed essential in order to pay their rent. However, local advice agencies were concerned about the consequences for people on very low incomes who were trying to budget with less money than they had before. As discussed earlier, people can potentially change their circumstances, for example by increasing earnings or moving to a smaller home.

Landlords are trying to support tenants to pay, though many feel that the role of rent collector from people without the means to pay sits uncomfortably alongside the support-worker role they feel they provide to many of their more vulnerable tenants. Landlords surveyed for this research had seen rent arrears rise in the first five months following the introduction of the RSRS, and also report increased costs of rent collection and recovering rent arrears. Note that more recent research shows a small reduction in rent arrears of current tenants during the last quarter of 2014 (Quarterly Survey of Private Registered Providers 2013/14 Quarter 4, Homes & Communities Agency, 2014).

Many were concerned that a loss in rental income could reduce their ability to develop new housing in the future, but it does not as yet appear to have affected their relationship with their lenders, who do not believe that default on loans is likely.

Concerns around large scale reclassification of properties, or landlords knocking down walls to avoid the effects of the measure are largely unfounded; such activities have been very small scale.

Discretionary housing payments have undoubtedly helped to alleviate the difficulties of some of the most vulnerable tenants, though this funding is by its nature short term and offers tenants little certainty over their future. Local authorities have found it hard to predict the demands on this fund, and most have therefore been cautious in allocating it thus far. There remain concerns that many tenants are not aware of DHPs, or do not manage to supply the correct evidence to support their application. There is wide variation in practice between areas, as might be expected from the discretionary nature of the funding.

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One of the aims of the RSRS was to increase mobility within the social housing sector leading to more effective use of the housing stock with households in more suitable sized accommodation, reducing waiting lists for social housing. The numbers that landlords report to have downsized would suggest that there has been some success in increasing mobility, though this will be evaluated more thoroughly once the full year's data are available.

Most claimants affected by the RSRS would prefer to stay in their home – citing proximity to family, schools, work or support services. Nevertheless, 19 per cent said they are currently looking to move home and around a fifth of these had downsized during the first six months of operation, a rate of downsizing much higher than previously seen. Even this level of demand for smaller dwellings has proved challenging to meet in many areas. Only a fifth of those registered to downsize had managed to do so by the time of the research, and the rates were lowest in the areas with the highest proportion of tenants affected by the RSRS. Some of the areas with high levels of under-occupation are also generally the areas reporting difficulties in letting some of their larger homes – though there is not as yet any evidence on increased void levels. It is difficult to see how landlords in these areas can meet the needs of their local population without some major restructuring of their housing stock profile – by selling off or remodelling larger homes, or letting homes as shared houses. There is little evidence of these kinds of activities as yet.

Moves into the PRS have been low in number so far, and concentrated in the areas where the price differences between social and private rented homes are modest.

The impact on social housing waiting lists would appear to be more mixed. The RSRS has caused a substantial change in the size of social rented homes required to meet needs. Alongside this, landlords have reduced the extent to which they over-allocate homes to households who would be affected by the RSRS. These factors have caused an increase in the number of households now only eligible for one bedroom homes – many of whom would previously have been allocated two bedroom homes, causing difficulties for the single homeless and other single people in housing need. Conversely, there has been some benefit from the RSRS reported for families eligible for three bedroom homes in particular, who have benefited from downsizers vacating larger homes, and a smaller number of other households now considered eligible.

Some claimants, especially those on JSA, report that they have looked for work in response to the RSRS, and many of those in work have sought to increase their hours in response, though only modest numbers would appear to have been successful in the first six months.

9.1 Next steps

The final phase of this evaluation will proceed to look at the impact of the RSRS over the coming year. We will return to the same claimants interviewed in autumn 2013 to find out how they have continued to respond to the RSRS – whether they have found work, moved, or managed to pay their shortfall. We will also draw on administrative data from the 2013-14 financial year to look at the impact on overcrowding, housing waiting lists and mobility within the social sector; a second landlords' survey will be undertaken; and we will also return to our case study local authorities and landlords to find out how the policy affects them and their tenants over the longer term.

The final report will be published in 2015.

Appendix A

Claimant survey methods

A.1 Claimants' survey – technical note

Technical information: Survey of Housing Benefit claimants both affected and not affected by the RSRS

Sampling

The sampling frame used for the Stage 1 survey of claimants was the May 2013 SHBE August extract. The Primary Sampling Unit (PSU) was postal sector.

In accordance with the data security conventions and protocols established for this particular project (and more generally for projects delivered by Ipsos MORI on behalf of the DWP), the Department sent Ipsos MORI an encrypted data file containing anonymised data for SHBE claimants across the 15 case study areas. This included a unique ID, local authority name, full postcode and 11 sampling variables. The file also contained a flag for those known to be affected by the RSRS at the point of extract, and those known not to be affected at that time.

As explained in the introduction, fieldwork was conducted a number of months after receipt of the May SHBE extract, meaning that there was a possibility of circumstances changing for some respondents in this period. Sample was flagged in the original extract for those affected and not affected by the RSRS. This flag has limitations, but equally respondents' self-reported status cannot be easily validated,

For analysis purposes, the 871 claimants flagged in the May 2013 SHBE extract as affected by the changes **and** who say they are currently affected by the changes and Housing Benefit has been reduced are defined as '**affected**', and the 381 claimants flagged as not affected in the May 2013 SHBE extract and who say they are **not currently affected by the changes** are defined as '**non-affected**'. This allows us to analyse those affected with greater certainty that they had indeed been affected.

There were five subsequent steps to sample selection:

Stage 1 involved generating PSU-level data, selecting sample points and then selecting specific claimants for the opt-out stage. Specifically:

- PSU-level data files were produced allowing generation of penetration levels for key variables including 'affected'/'not affected'.
- Six PSUs (or combinations of postal sectors) were selected for each case study area. The six were selected to provide a sufficient number of cases to draw a sample from allowing for DWP exclusions, the likely extent of opt-out and taking into account the interview length, assumptions about response rates etc. **Selection was designed to generate viable blocks of addresses for interviewers and** took account of the following (in order of importance): the overall number of claimants, the number of affected and non-affected claimants, the geographical spread and other variables including property type, household size and age.

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- All cases (claimants) within each PSU were included.

Stage two involved sending a list of unique IDs for all the selected cases to DWP. DWP then provided secure sample files containing unique IDs, name and address, and local authority name for each case. In accordance with data security requirements, Ipsos MORI deleted initial Stage 1 sample variables except the affected/non-affected claimant flag.

Stage three involved adding in other sampling variables and selecting claimant cases. Specifically:

- Frequency tables for each case study area were produced showing: the ID for each PSU, the postal sector(s), the total number of HB claimants in each PSU, the total number (and percentage of the whole) of 'affected' and 'non-affected' claimants in each PSU.
- 6 PSUs were selected per case study area; 5 primary and 1 reserve units. Selection was based on same criteria as at Stage 1.
- Where possible 165 cases were randomly selected within each PSU in proportion to the overall 70/30 target of 'affected' and 'non-affected' claimants. This meant selecting 115 'affected' and 50 'non-affected' claimants per PSU using a fixed interval '1 in n' approach where there were more than 115 or 50 or selecting all of them if there were fewer than 115 or 50 available.

Stage four involved creating a list of selected claimant names and addresses then mail-merging this with the agreed opt-out letter (supplied in the Appendices which follow). A Welsh language version letter was used where necessary. The letter informed recipients of the survey and provided them with the option of opting-out via telephone, email or letter.

Stage five involved removing all opt-outs from the selected sample. Once the sample was finalised, address lists were then generated and issued to interviewers in advance of the telephone briefings run by Ipsos MORI researchers and the start of fieldwork.

Fieldwork

A total of 15 areas were selected for the purposes of undertaking primary survey research among Housing Benefit claimants in the social rented sector. These covered England (13 areas), Scotland and Wales (one area each). These areas were chosen to ensure a range of housing market circumstances, region, tenure mix, type, and size of local authority throughout Britain. A mixture of stock-owning and non-stock owning, rural and urban, and unitary and two tier authorities were included. In order to encourage frank and open discussion, the case study authorities have not been identified in this report.

A breakdown of the areas chosen and interviews completed in each area is as follows:

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Table A.1 Target and actual interviews by case study area

Case study area	Target	Actual total	Affected	Non-affected
East	100	100	64	36
East Midlands	100	98	77	21
London 1	100	100	67	33
London 2	100	100	74	26
North East	100	100	72	28
North West 1	100	101	74	27
North West 2	100	100	71	29
North West 3	100	100	69	31
Scotland	100	101	74	27
South East 1	100	100	72	28
South East 2	100	100	73	27
South West	100	101	70	31
Wales	100	100	74	26
West Midlands	100	101	69	32
Yorkshire and the Humber	100	100	71	29
Total	1,500	1,502	1,071	431

NB – ‘Affected’ and ‘Non-affected’ flags based on SHBE sample flag.

A small-scale pilot was undertaken in September 2013. It involved two interviewers working in two regions (London and South East) and was designed to test the sampling, opt-out and contact procedures, as well as to provide feedback on the questionnaire. The pilot generated 20 interviews, which are not included in final data.

Interviewers were provided with copies of the opt-out letter, address lists, doorstep introduction, hard copy and CAPI (Computer Assisted Personal Interviewing) versions of the questionnaire and showcards.

Ipsos MORI interviewers were briefed by a combination of written instructions and telephone conference-call briefings. A key point was that only the named claimant at each address was eligible. Interviewers were not required to make a set minimum number of calls to each address, but were encouraged to reattempt contacts at initially non-productive addresses.

The survey ran between 1 October and 24th November 2013. All fieldwork was undertaken by Ipsos MORI interviewers in accordance with ISO 20252 and ISO 27001 systems and standards (further detail can be provided on request).

The sample was drawn from the May 2013 Single Housing Benefit Extract (SHBE), which flagged claimants as either ‘affected’ or ‘non affected’ by the RSRS at the point the extract was compiled.

Ipsos MORI interviewed c. 100 claimants face-to-face in their homes in each area. Sampling and quotas were structured to achieve interviews with affected claimants in a 2:1 ratio relative to non-affected. In total, 1,071 affected HB claimants were interviewed, and a non-affected sample of 431 HB claimants of working age.

Questionnaire

The questionnaire is included below. Q47 sought informed consent for data matching and Q48 did so for re-contact. Consent was given by 85 per cent and 93 per cent of respondents respectively.

Analysis and approach

For analysis purposes, findings focus on the 871 claimants flagged in the May 2013 SHBE extract as affected by the changes **and** who say they are **currently affected by the changes and Housing Benefit has been reduced** (*'affected'*), and on the 381 claimants flagged as not affected in the May 2013 SHBE extract **and** who say they are **not currently affected by the changes** (*'non-affected'*). This allows us to analyse those affected with greater certainty that they had indeed been affected.

Fieldwork was conducted a five months after receipt of the May SHBE extract, meaning that there was a possibility of circumstances changing for some respondents in this period. Consequently, the original affected/non-affected SHBE flag has limitations but, at the same time, respondents' we are not able to validate respondents self-reported status and the survey detected some potential confusion on the issue.

Taking this into account at the analysis stage, we isolated those flagged in the original SHBE sample as being affected and non-affected, and whose self-reported responses in the survey matched these labels. This allowed us to analyse early impacts of the policy among a group we know to be both affected and aware of the fact, and looking ahead, allows us to monitor effectively the change over time through the longitudinal element of the evaluation.

Data processing, weighting and interpretation

Data was captured using CAPI (Computer Assisted Personal Interviewing). This allowed for accurate routing of questions and the questionnaire script included a number of logic checks. CAPI also reduced the need for manual data entry of returned questionnaires and, thus, improved accuracy.

At the analysis stage, data has been weighted by age, tenure (housing association or local authority), number of children and number of bedrooms, and is reflective of the overall sample drawn from the May 2013 SHBE extract for the survey. Weighting has been undertaken separately for those affected and those not affected. While representative at the aggregate level, samples are not representative at area level. In addition, because of the purposive, case study approach, we cannot consider the two samples as being nationally representative of affected and unaffected HB claimants across Britain.

A sample, and not the entire population of claimants across the 15 areas, has been interviewed. As a result, all results are subject to sampling tolerances (referred to as confidence levels or 'margins of error'). The variation between the sample results and the 'true' values can be predicted from knowledge of the sample sizes on which the results are based and the number of times that a particular answer is given. The confidence with which we can make this prediction is usually chosen to be 95 per cent, that is, the chances are 95 in 100 that the 'true' values will fall within a specified range.

Sampling tolerances also mean that not all differences between sub-samples – for example between claimants in different case study areas – are statistically significant.

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The variation between the sample results and the ‘true’ values (the findings which would have been obtained if every HB claimant in each case study area had taken part in the study) can be predicted from knowledge of the sample sizes on which the results are based and the number of times that a particular answer is given. The confidence with which we can make this prediction is usually chosen to be 95 per cent, that is, the chances are 95 in 100 that the ‘true’ values will fall within a specified range.

The table below illustrates the predicted ranges for different percentage results at the ‘95 per cent confidence interval’: assuming a normal distribution of residents.

Table A.2 Sampling tolerances

	Approximate sampling tolerances ¹ to percentages at or near these levels		
	10% or 90%	30% or 70%	50%
	±	±	±
871 ‘affected claimant’ interviews	2.0	3.0	3.3
381 ‘non-affected claimant’ interviews	3.0	4.6	5.0
871 interviews (affected claimants) vs. 381 interviews (non-affected claimants)	3.6	5.5	6.0

¹ The calculation of these figures assumes a pure random sample. As the sampling approach employed on the survey was not purely random, these figures are indicative only.

Finally, throughout this report and in the tables provided, where percentages do not sum 100 this may be due to computer rounding, the exclusion of ‘don’t know’ categories, or multiple answers. An asterisk (*) denotes any value less than half a per cent but greater than zero.

It is also worth remembering that this survey, like all surveys, deals with perceptions, recalled behaviour and anticipated behaviours at the time the survey was conducted and these may, or may not, necessarily reflect reality.

A.2 Claimant survey – questionnaire

Good morning/afternoon/evening, my name is I'm from Ipsos MORI, the independent research organisation.

We are conducting a survey about the Housing Benefit system and other housing-related issues as part of a research project for Government. I'm would like to speak to...

You should have received a letter like this introducing the survey...

The survey should take no more than 15 minutes.

I would like to reassure you that all the answers you give will be treated in the strictest confidence and it will not be possible for DWP or your landlord to identify any individual from the information you provide. Helping with this study will never affect any benefit you receive or any contact you have with a Government department or agency, now or in the future.

QHB. ASK ALL//SC

Do you currently receive Housing Benefit, or not?

- | | |
|---------------------------------------|-----------------|
| 1. Yes, receive Housing Benefit | CONTINUE |
| 2. No, do not receive Housing Benefit | THANK AND CLOSE |
| Don't know | THANK AND CLOSE |

Q1. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC

Can I check, when did you move into this accommodation here at this address? Was it before 1 April this year, or since 1 April?

1. Before 1 April this year
2. Since 1 April this year
3. On 1 April this year (DO NOT PROMPT)
Don't know

Q2. ASK IF CODE 1 AT Q1//SC//SHOWCARD A

How long have you lived here in this accommodation?

1. Longer than six months but less than 12 months
2. 12 months or longer but less than 2 years
3. 2 years or longer but less than 5 years
4. 5 years or longer but less than 10 years
5. 10 years or longer
6. Other (DO NOT PROMPT)
Don't know (DO NOT PROMPT)

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Q3. ASK IF CODE 2 AT Q1//SC//SHOWCARD B

How long have you lived here in this accommodation?

1. Less than a month
2. A month or longer but less than 2 months
3. 2 months or longer but less than 3 months
4. 3 months or longer but less than 4 months
5. 4 months or longer but less than 5 months
6. Other
Don't know (DO NOT PROMPT)

Q4. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD C

Can I just check, which one of these applies to you and this accommodation?

- A. Renting from a housing association
- B. Renting from a council or local authority
- C. Renting from a private landlord
- D. Other

Don't know (DO NOT PROMPT)

Q5. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD D

Before you moved to this accommodation were you previously renting from a housing association, a council, a private landlord, or something else?

1. Renting from a housing association
2. Renting from a council or local authority
3. Renting from a private landlord
4. Lived with parents
Other (DO NOT PROMPT)
Don't know (DO NOT PROMPT)

Q6. ASK IF CODES 1/2 AT Q5//SC//SHOWCARD E

Can I just check, did you move via a transfer list or via mutual exchange, or did you organise the move yourself?

- A. Moved via a transfer list
- B. Moved via mutual exchange
- C. Organised move myself
Don't know

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Q7. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD F

For which of these periods are you charged rent at this accommodation?

1. Weekly
2. 4 weekly
3. Monthly
4. Other (SPECIFY)
Don't know

Q8. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//RECORD EXACT AMOUNT//INCLUDE LOGIC TESTS FOR ANY AMOUNT ABOVE £500 PER WEEK/£2,000 PER MONTH

How much in total does your landlord currently charge your household in rent? That is, the total amount of rent INCLUDING any that is paid by Housing Benefit?

- £
1. Don't know
 2. Refused

Q9. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD G

Thinking about the rent you are charged, how much does your Housing Benefit cover?

1. All of the rent
2. Three-quarters of the rent or more but not all of the rent
3. Half of the rent or more but less than three-quarters of the rent
4. A quarter of the rent or more but less than half of the rent
5. Less than a quarter of the rent
Don't know

I'd now like to ask you some questions about Housing Benefit.

Q10. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD H

As you may know, the Government has reduced the amount of Housing Benefit that those renting from a council or housing association receive if they have more bedrooms than it is thought they need. For example, a couple with no children have had their Housing Benefit cut if they had more than one bedroom. These changes came into effect on 1 April this year.

Before this interview how much, if anything, did you know about these changes?

1. A great deal
2. A fair amount
3. Just a little
4. Heard of, know nothing about
5. Never heard of
Don't know (DO NOT PROMPT)

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Q11. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//MC (EXCEPT 'NO' SC)//
SHOWCARD I

Do you remember having ever received notification from your landlord or local council in any of these ways informing you that you would be affected by these changes?

PROBE: Any others?

- A. No, do not remember receiving notification
- B. Yes, by letter
- C. Yes, by phone call
- D. Yes, by visit
- E. Yes, by text message
- F. Yes, by some other way
Don't know (DO NOT PROMPT)

Q12. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC

To the best of your knowledge, are you currently affected by these changes to Housing Benefit or not? Which one of these applies to you?

- 1. Yes, affected and Housing Benefit has been reduced
- 2. Yes affected but Housing Benefit has not been reduced
- 3. No, not affected
Don't know (DO NOT PROMPT)

Q13. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD J

Still thinking about these changes, which of these best describe when you/your household became affected after 1 April this year?

- A. On 1 April and ever since then
- B. On 1 April but no longer affected
- C. Some of the time since 1 April, but not at other times
- D. Not affected at all
Don't know (DO NOT PROMPT)

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Q14. ASK ALL CODE 1 AT Q12//MC//SHOWCARD K

Which of these, if any, have you (or your partner) done in response to the reduction in your Housing Benefit in the period since 1 April this year? Please read out the letters on this card, mention as many or as few as apply and please say 'none' if you have not done anything.

- A. Looked for a job
- B. Looked for a better paid job
- C. Looked for an additional (i.e. second or third) job
- D. Increased the number of hours worked at current job
- E. Looked at moving to another property in the social rented sector
- F. Looked at moving to another property in the private rented sector
- G. Applied for DHP – Discretionary Housing Payments
- H. Used savings
- I. Borrowed money from friends/family (money which you intend to pay back)
- J. Received money from friends/family (money which you are not expected to pay back)
- K. Borrowed money through a pay day loan
- L. Borrowed money from another lender
- M. Borrowed money via a credit card
- N. Spent less on household essentials (e.g. food, heating)
- O. Spent less on non-essentials (e.g. going out, holidays)
- P. Partner/someone else moved in
- Q. Taken in a lodger
- R. Sought advice or help of someone else such as a local charity, church or group
- S. Other (SPECIFY)
- T. None of these
Don't know

Q15. ASK ALL FOR EACH OF CODES 1-3 AT Q14//SC

Have you been able to get a (better paid) (additional) job or not?

- 1. Yes
- 2. No
Don't know (DO NOT PROMPT)

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Q16. ASK ALL FOR EACH OF CODES 5-6 AT Q14//SC

Have you been looking at properties in the local area, outside the local area or both?

1. In the local area
2. Outside the local area
3. Both
Don't know (DO NOT PROMPT)

Q17. ASK ALL CODE 7 AT Q14//SC//SHOWCARD L

You mentioned that you applied for a Discretionary Housing Payments, or DHPs. These are short-term payments from local councils to help some Housing Benefit claimants afford their housing costs. Which of these best describes your situation?

- A. I applied for and got DHPs, and am still receiving them
- B. I applied for and got DHPs, but am no longer receiving these
- C. I applied for but did not get DHPs
- D. I have applied for DHPs but am still waiting to hear
Don't know (DO NOT PROMPT)

Q17b. ASK ALL CODE 3 AT Q17//SC

How long did you wait until you were told your application had been unsuccessful?

ASK ALL CODE 4 AT Q17//SC

How long have you been waiting to hear?

RECORD LENGTH OF TIME IN WEEKS.

IF RESPONDENT SAYS LESS THAN ONE WEEK, CODE AS 1 WEEK.

Don't know/can't remember

Q18. ASK IF NOT CODE 7 AT Q14//SC

Now for a question about Discretionary Housing Payments, or DHPs, which are short-term payments from local councils to help some Housing Benefit claimants afford their housing costs. Before this interview, had you heard of them or not?

1. Heard of them
2. Not heard of them
Don't know

Q19. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC

Are you currently looking to move from this accommodation, or not?

1. Yes
2. No
Don't know

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Q20. ASK ALL 'YES' AT Q19//SC//

Can I just check, is your reason for wanting to move from here mainly because of the changes to Housing Benefit or is it for some other reason(s)?

1. Mainly because of the changes to Housing Benefit
2. For some other reason(s)
Don't know

Q21. ASK ALL CODE 2 AT Q20//MC//SHOWCARD M

What is that reason(s)?

- A. Want to down-size/move to a smaller property/have too many bedrooms
- B. Want to up-size/move to a larger property/have too few bedrooms
- C. Family is getting bigger
- D. Family is getting smaller (separation, divorce)
- E. Because I can't afford the rent for current accommodation
- F. Because of a reduction/cut in Housing Benefit
- G. Don't like the area/neighbours
- H. School catchment area
- I. For work reasons
- J. Other (SPECIFY)
Don't know

Q22. ASK ALL 'YES' AT Q19//SC//SHOWCARD N – INCLUDE 'MUTUAL EXCHANGE SUCH AS THE HOME SWAP SCHEME' AS HEADING ON SHOWCARD

Have you registered for mutual exchange, such as a home swap scheme, or not?

- A. Yes, have registered and been allocated new accommodation
- B. Yes, have registered and am actively looking for new accommodation
- C. Yes, have registered but am not actively looking for new accommodation
- D. No, have not registered but plan to
- E. No, have not registered and do not plan to
Don't know

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Q23. ASK ALL 'YES' AT Q19//SC//SHOWCARD O – INCLUDE 'TRANSFER LIST OR HOUSING REGISTER' AS HEADING ON SHOWCARD

Taking your answer from this card, have you registered an interest in moving from this accommodation with your landlord or local authority through the transfer list or housing register?

- A. Yes, have registered and been allocated new accommodation
- B. Yes, have registered and am actively looking for new accommodation
- C. Yes, have registered but am not actively looking for new accommodation
- D. No, have not registered but plan to
- E. No, have not registered and do not plan to
Don't know

Q24. ASK IF CODE 1 AT Q12//SC

Now looking ahead, do you expect to still be affected by the recent changes to Housing Benefit in the next 12 months or, or not?

ASK IF CODE 2/3 AT Q12//SC

Now looking ahead, do you expect to be affected by the recent changes to Housing Benefit in the next 12 months or, or not?

- 1. Yes, expect to be affected
- 2. No, do not expect to be affected
Don't know

Q24b. ASK ALL CODE 1 AT Q24//OPEN-ENDED

Still thinking about the next 12 months, what, if anything, are you (or your partner) planning to do to deal with being affected by the changes and a reduction in Housing Benefit? Please say if you are not planning to do anything.

ASK ALL OTHERS (NOT CODE 1 AT Q24)//OPEN-ENDED

If you were to be affected and were due to receive a reduction in Housing Benefit, what actions would you (or your partner) take? Please say if you would not do anything.

WRITE IN

Nothing

Don't Know

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Q25. ASK ALL CODE 1 AT Q24//MC//SHOWCARD P

Still thinking about the next 12 months, which of the things on this card, if any, are you (or your partner) planning to do to deal with being affected by the changes and a reduction in Housing Benefit?

Please take your answer from this card and mention as many or as few as apply. Please say if you are not planning to do anything.

ASK ALL OTHERS (NOT CODE 1 AT Q24)//MC//SHOWCARD P

IF you were to be affected and were due to receive a reduction in Housing Benefit, which, if any, of the things on this card would you (or your partner) do?

Please just read out the letters, and please say if you would not do anything.

- A. Look for a job
- B. Look for a better paid job
- C. Look for an additional (i.e. second or third) job
- D. Increase the number of hours worked at current job
- E. Look at moving to another property in the social rented sector
- F. Look at moving to another property in the private rented sector
- G. Apply for DHP – Discretionary Housing Payments
- H. Use savings
- I. Borrow money from friends/family (money which you intend to pay back)
- J. Receive money from friends/family (money which you are not expected to pay back)
- K. Borrow money through a pay day loan
- L. Borrow money from another lender
- M. Borrow money via a credit card
- N. Spend less on household essentials (e.g. food, heating)
- O. Spend less on non-essentials (e.g. going out, holidays)
- P. A partner/someone else will move in
- Q. Take in a lodger
- R. Other (SPECIFY)
- S. None of these
Don't know

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Q26. ASK ALL FOR EACH OF CODES 5-6 AT Q25//SC

Do you think you would look at properties in the local area, outside the local area or both?

1. In the local area
2. Outside the local area
3. Both
Don't know (DO NOT PROMPT)

Now on a different subject...

Q27. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//MC//SHOWCARD Q

Which, if any, of these ways do you (and/or your partner) use to pay bills such as utility bills?
Please just read out the letters that apply.

- A. Cash
- B. Cheque
- C. Direct debit
- D. Debit card
- E. Credit card
- F. Pre-payment card or key
- G. Standing order
- H. Some other way
- I. Do not pay for bills
Don't know
Refused/prefer not to say

Q28. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD R

Which of these best describes how long you usually plan your budget for?

- A. Weekly
- B. Fortnightly
- C. Monthly
- D. Less frequently than this
- E. It varies
- F. Don't plan budget
Don't know

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Q29. ASK ALL AFFECTED AND NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD S

Taking your answer from this card, how often, since 1 April this year, have you or your household run out of money before the end of the week or month? Please include any times when you have run out of money and had to use your credit card, an overdraft, or borrow to get by.

1. Very often
2. Fairly often
3. Hardly ever
4. Never
- Don't know
- Refused/prefer not to say

Q30. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD T

How easy or difficult at the moment are you finding it to afford the amount of rent that you pay?

1. Very easy
2. Fairly easy
3. Neither easy nor difficult
4. Fairly difficult
5. Very difficult
- Don't know/No opinion (DO NOT PROMPT)

Q31. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC//SHOWCARD U

How often have you been in arrears at this accommodation since the 1 April this year, that is how often have you owed money to your landlord because you've not been able to pay the rent in full?

1. Never
2. Occasionally
3. Sometimes
4. Most of the time
5. All of the time
- Don't know
- Refused

Q32. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC

And are you currently up to date with the rent you owe or are you in arrears?

1. Up to date
2. In arrears
- Don't know
- Refused

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Q33. ASK IF Q32 = 2//RECORD EXACT AMOUNT £//LOGIC TEST FOR ANY AMOUNT ABOVE £1,000

IF RESPONDENT DOES NOT KNOW THE EXACT AMOUNT, RECORD THEIR ESTIMATED AMOUNT £

By how much are you currently in arrears on this accommodation?

£

1. Don't know
2. Refused

INTERVIEWER: ASK AND RECORD IF THIS IS AN ESTIMATE OR NOT.

1. Accurate
2. Estimate

Q34. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//MC//SHOWCARD V

Still thinking about the period since 1 April this year, has your landlord given you notice that you are to be evicted or warned you about the possibility of you being evicted because of unpaid rent, or neither of these?

- A. Yes – given notice of eviction because of unpaid rent
- B. Yes – warned about possibility of being evicted because of unpaid rent
- C. Neither of these
Don't know
Refused

Q35. ASK ALL AFFECTED AND NON-AFFECTED (FROM SAMPLE)//SC

Now thinking back to March this year, were you in arrears then, or not?

1. Yes
2. No
Don't know
Refused

INTERVIEWER READ OUT: Now I'd like to ask you about each of the people in your household. By household I mean the people living here who share a living/sitting room or share at least one meal a day. Please exclude any non-resident children or adults who don't live here but sometimes come to stay – I will ask about them later.

As with the rest of the questionnaire, I would like to assure you that your answers are completely confidential.

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Starting with yourself...

INTERVIEWER: FOR EACH HOUSEHOLD MEMBER RECORD JUST THE FIRST NAME OR ANY UNIQUE IDENTIFIER.

	Name	Gender	Age (if exact age not known then banded)	Relationship to respondent	Work status
1				N/A	
2					
3					
4					
5					
7					
8					
9					
10					

Q36. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SINGLE CODE (SC) FOR RESPONDENT + EACH PERSON

Is (NAME) male or female?

1. Male
2. Female

Q37. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC FOR EACH PERSON//RECORD EXACT AGE AND CODE BY BAND. IF EXACT AGE NOT KNOWN, RECORD AGE BAND ONLY//SHOWCARD W

What was your/(NAME)'s age last birthday?

1. 0-4
 2. 5-9
 3. 10-15
 4. 16-24
 5. 25-34
 6. 35-44
 7. 45-54
 8. 55-59
 9. 60-64
 10. 65+
- Don't know
Refused

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Q38. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC FOR EACH PERSON THEIR RELATIONSHIP TO RESPONDENT

ADD VALIDATION CHECKS – E.G. IF CODE 1/2/3/4/5/6 AT Q37, ANSWER AT Q38 MUST BE 16+

I would now like to ask how the people in your household are related to you.

1. Spouse or civil partner
2. Cohabitee
3. Son/daughter (incl. adopted)
4. Step-son/daughter
5. Foster child
6. Son-in-law/daughter-in-law
7. Parent/guardian
8. Step-parent
9. Foster parent
10. Parent-in-law
11. Brother/sister (incl. adopted)
12. Step-brother/sister
13. Foster brother/sister
14. Brother/sister-in-law
15. Grand-child
16. Grand-parent
17. Other relative
18. Other non-relative

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Q39. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC FOR EACH PERSON//SHOWCARD X

Which statement on this card applies best to each person aged 16 or over in the household?

INTERVIEWER: FOR AGENCY WORKERS OR THOSE WITH FLEXIBLE HOURS USE THEIR AVERAGE HOURS WORKED IN THE LAST FOUR WEEKS/MONTH

- A. Working full-time (30 hours a week or more)
- B. Working part-time (16-29 hours a week)
- C. Working part-time (Less than 16 hours a week)
- D. On a Government training scheme/apprenticeship
- E. Unemployed and seeking work
- F. At home/not seeking work
- G. Long term sick or disabled
- H. Full-time carer
- I. Full-time education
- J. Fully retired
- K. Other
 - Refused
 - Don't know

Q40. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC FOR EACH PERSON//SHOWCARD Y

Now thinking about each person aged 16 or over in the household who is in full- or part-time work, how often are they paid?

- 1. Daily
- 2. Weekly
- 3. Monthly
- 4. Other (SPECIFY)
 - Don't know

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Q41. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC FOR EACH PERSON//SHOWCARD Z

Which statement on this card applies best to each person aged 16 or over in the household since leaving school or education?

- A. I/they have always been in paid employment
 - B. I/they have mostly been in paid employment
 - C. I/they have sometimes been in paid employment
 - D. I/they have rarely been in paid employment
 - E. I/they have never been in paid employment
- Refused
Don't know

Q42. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//MC FOR EACH PERSON//SHOWCARD AA (NOT REVERSED)

Still thinking about each person aged 16 or over who is not in full-time education, can I just check are you/they receiving any of these state benefits or allowances? Your answers are completely confidential. Please just read out the letters that apply.

- A. Income support
 - B. Job Seekers Allowance (formerly unemployment benefit or Income Support for unemployed people)
 - C. State Retirement Pension
 - D. Incapacity Benefit or Severe Disablement Allowance
 - E. Employment and Support Allowance
 - F. Some other benefit for people with disabilities (e.g. Industrial Injuries Benefit)
 - G. Working Tax Credit
 - H. Child Tax Credit
 - I. Council Tax Benefit
 - J. Pension Credit (previously Minimum Income Guarantee)
 - K. Carer's allowance (formerly Invalid Care Allowance)
 - L. Disability living allowance now called 'PIP' (mobility or care components)
 - M. Attendance allowance
 - N. Some other state benefit (SPECIFY)
 - O. No, none of these
- Refused
Don't know

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Q43. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC

In addition to the people you have mentioned, do any non-resident children regularly come to stay overnight with you here at this accommodation – by regularly I mean 52 nights a year (about once a week) or more often?

1. Yes
2. No
Don't know

Q44. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC

Do you or does anyone in your household have any long-term illness, health problems or disability which limits your/their daily activities or the work you/they can do, including any problems which are due to old age?

1. Yes
2. No
Don't know

Q45. ASK IF Q44 = 1//SC//SHOWCARD BB

Do you/they receive any of these types of care?

- A. Care from a member of the household who lives here
- B. Care from a visitor who comes during the day and does not stay overnight
- C. Care from a visitor who stays overnight regularly
- D. Care from a visitor who stays overnight occasionally
- E. None of these
Don't know

Q46. ENGLAND AND WALES: ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC FOR RESPONDENT ONLY//SHOWCARD CC

From this card, which of these groups do you personally belong to?

White

- A. English/Welsh/Scottish/Northern Irish/British
- B. Irish
- C. Gypsy or Irish Traveller
- D. Any other white background (specify)

Mixed/multiple ethnic group

- E. White and Black Caribbean
- F. White and Black African
- G. White and Asian
- H. Any other mixed/multiple ethnic background (specify)

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Asian/Asian British

- I. Asian/Asian British – Indian
- J. Asian/Asian British- Pakistani
- K. Asian/Asian British – Bangladeshi
- L. Asian/Asian British – Chinese
- M. Any other Asian background (specify)

Black/African/Caribbean/Black British

- N. African
- O. Caribbean
- P. Any other Black/African/Caribbean background (specify)

Other ethnic group

- Q. Arab
- R. Any other ethnic group (specify)

Q46b. SCOTLAND: ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC FOR RESPONDENT ONLY//SHOWCARD CCX

From this card, which of these groups do you personally belong to?

White

- A. Scottish
- B. Other British
- C. Irish
- D. Gypsy or Irish Traveller
- E. Polish
- F. Any other White background (specify)

Mixed or multiple ethnic group

- G. Any mixed or multiple ethnic groups (specify)

Asian/Asian Scottish/Asian British

- H. Pakistani, Pakistani Scottish or Pakistani British
- I. Indian, Indian Scottish or Indian British
- J. Bangladeshi, Bangladeshi Scottish or Bangladeshi British
- K. Chinese, Chinese Scottish or Chinese British
- L. Other (specify)

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African

- M. African, African Scottish or African British

Caribbean or Black British

- N. Caribbean, Caribbean Scottish or Caribbean British
- O. Black, Black Scottish or Black British
- P. Other (specify)

Other ethnic group

- Q. Arab, Arab Scottish or Arab British
- R. Any other ethnic group (specify)

Q47. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC

To help improve public services we would like to be able to match information from your Housing Benefit claim to this survey. As before, all information will be used for research and statistical purposes only. Your personal details will be kept completely confidential and any benefits you may receive will not be affected in any way.

Are you happy for Ipsos MORI, on behalf of DWP, to add information about your Housing Benefit claim to your responses to this survey?

- 1. Yes
- 2. No

Q48. ASK ALL AFFECTED + NON-AFFECTED (FROM SAMPLE)//SC

This project will be running until 2014 and we are keen to contact participants in this first survey again about Housing Benefit over this period. Can we take your details to contact you again about this study in the future?

- 1. Yes *IF YES* – contact details to be recorded: name, address, telephone number, mobile number; and email address (to be entered twice to validate)
- 2. No

THANK AND CLOSE

Appendix B

Qualitative claimant interviews – technical note

In total, thirty face-to-face depth interviews were conducted with claimants. All interviews were conducted face-to-face by interviewers from Ipsos MORI, and lasted between 60 and 90 minutes.

Sampling and recruitment

Qualitative sampling aims to reflect diversity rather than aspiring to a representative sample³³. The qualitative sample was therefore designed to include a range of participants in across a range of relevant characteristics. The achieved profile of the participants in the qualitative research is presented in the table below.

Table B.1 Qualitative claimant interview quotas

Region	Total interviews	Employed full time	Employed part time	Unemployed	Lone parent	Couple with children	Single, no children	2+ adults, no children	One extra bedroom	Two extra bedrooms
Scotland	5		2	3	2		2	1	3	2
Wales	5		2	3	2	1	1	1	4	1
Yorkshire & the Humber	5		2	3	2	1	1	1	5	
South East	5		1	4	1	1	3		5	
North East	5		1	4	1	1	2	1	3	2
London	5	1	1	3		2	2	1	5	
Achieved Total	30	1	9	20	8	6	11	5	25	5

All participants in the qualitative research were drawn from a sample of those who had taken part in the survey and agreed to be re-contacted. Participants were contacted via telephone and were offered an incentive conditional on taking part in the study.

Fieldwork and analysis

The fieldwork took place in November and December 2013, with each interview lasting between an hour and 90 minutes. All interviews were recorded with users' permission, and detailed fieldnotes were written. Analysis was conducted throughout fieldwork through team discussions, and once the interviews were concluded using fieldnotes, audio recordings and NVivo data management software.

³³ Barbour, R (2001) Checklists for improving rigour in qualitative research, British Medical Journal 322: 2115, p58

Research materials

All interviews were conducted by experienced moderators, using the discussion guide below. This guide also included timeline template stimulus to help aid participant recall.

B.1 Claimant qualitative research – discussion guide

<p>1. Introduction and background</p>	<p>10 mins</p>
<ul style="list-style-type: none"> • Thank participant for taking part • Introduce self, Ipsos MORI – independent research organisation commissioned by DWP • Explain aims of project – to understand how the welfare reforms are affecting claimants and how they are responding to the changes • Explain confidentiality and MRS guidelines. Reassure that all responses are anonymous and that information about individuals will not be passed on to anyone, including back to DWP or any other Government Department • Reassure that any current or future Housing Benefit claim will not be affected in any way • Get permission to digitally record – transcribe for quotes, no detailed attribution and not passed on to DWP <p>I'd like to start by understanding more about you. Can you tell me a little bit about...</p> <ul style="list-style-type: none"> • Where you currently live – how long have you lived here? • Does anyone else live here with you? What do they do? • Do you have children living with you? How old are they? Are they girls or boys? <p>It would also be helpful for me to know about whether you're working at the moment...?</p> <ul style="list-style-type: none"> • IF WORKING: What kind of work do you do? For how many hours a week? What kind of contract do you have? <ul style="list-style-type: none"> – <i>Is it temporary or permanent? Is it a 'zero hours' contract?</i> • IF NOT WORKING: What kinds of things do you do in a typical day? <ul style="list-style-type: none"> – <i>Probe for their work status (e.g. unemployed, looking after the home or their children, long-term sick/disabled, a carer, retired)</i> <p>And have your housing costs or the amount of Housing Benefit you receive changed at all recently?</p> <ul style="list-style-type: none"> • Is this because of the changes to Housing Benefit rules or any other reason (e.g. change in earnings)? 	

<p>2. Knowledge and awareness of the RSRS reforms</p>	<p>10 mins</p>
<p>I'd now like to speak to you about welfare reforms in general.</p> <p>First of all, have you heard anything about the changes to welfare benefits?</p> <p>PROBE FOR KNOWLEDGE OF THE FOLLOWING:</p> <ul style="list-style-type: none"> • RSRS/PENALTY FOR UNDER-OCCUPYING (the 'bedroom tax') • THE HOUSEHOLD BENEFIT CAP • UNIVERSAL CREDIT (introducing a single monthly integrated benefit for working age households, both in and out of work, paid direct to claimants rather than to the landlord) • CHANGES AND CUTS TO SUPPORT FOR COUNCIL TAX (and devolving power to local authorities to design and administer this benefit) • REDUCTIONS IN HOUSING BENEFIT FOR CUSTOMERS WHOSE HOUSEHOLD INCLUDES ADULT MEMBERS OTHER THAN THEIR PARTNER (non-dependants) • What have you heard? • Do you know of any changes that would affect you? • What did you think of the changes? <p>Thinking in particular about the RSRS changes (also sometimes called 'bedroom tax')...</p> <ul style="list-style-type: none"> • When did you first hear about this change? • What did you hear about it? Did anyone tell you about them? • Who did hear about from? Did you ask them about it? • Did you receive any information or advice about the changes when you first found out about them? From whom? • How helpful was this? <p>What did you think about the changes when you first found out?</p> <ul style="list-style-type: none"> • How did you think it would affect you/your family? Can you explain why? • How did you think it would affect other people in similar situations to yours? • Why do you think they have been introduced? Have you thought about them much? How do you feel about them? 	

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Can you describe exactly how the changes have affected you?

- How much more have you been asked to pay towards your rent? (OR How much has the reduction in Housing Benefit been?)
- When did this begin?
- What do you think about the changes now?

Have you received any further information since when you first found out?

- What have you received?
- From who/where?
- Did you seek it or was it offered to you/did you receive it anyway?
- IF SOUGHT INFORMATION: What did you do?
- What did you think of the information you received? (Probe: was it clear/easy to understand? Did it have enough detail?)
- What did you learn from it? Did this affect your decisions or thinking – and how?

Is there anything else that you wanted to know about the changes but couldn't find out?

Have you had any support or advice about the changes?

- What support or advice did you receive?
- From who?
- Was it helpful? What did you learn from it? Did this affect your decisions or thinking – and how?

Did you seek this support or advice or was it offered to you?

Were you offered any support that you didn't take up?

- What were you offered?
- Why did you not take up the offer?

Are you aware of Discretionary Housing Payments (DHPs)?

EXPLAIN IF REQUIRED: DHP is an extra payment (not Housing Benefit) which the local authority may grant you if they think you need further financial assistance with your housing costs.

- IF YES: How did you hear about it?
- Have you applied for it?
- IF YES: Are you receiving it and when did you start receiving it?
- How easy or difficult was it to claim DHP?
- Were there any conditions attached e.g. having to seek new accommodation?

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<ul style="list-style-type: none"> • Are you considering asking for your DHP to be renewed? • IF NO: What reason (if any) did the local authority give for declining your application? Did you ask for a review of the decision? 	
<p>3. Financial impact of changes since April 2013</p>	<p>20 mins</p>
<p>I'm interested to find out about how the changes to Housing Benefit have affected your finances, if at all.</p> <p><u>EXPLORING FINANCIAL CAPABILITY</u></p> <p>I'd like to start by talking about your finances more generally. At the moment, how easy or difficult do you find it to manage your incomings and outgoings?</p> <p>Are there any things that you often find difficult to pay for?</p> <ul style="list-style-type: none"> • What are they? How do you pay for them? <p>Has your overall income changed in the last year or so? What about your spending?</p> <ul style="list-style-type: none"> • Can you tell me how? Why was this? <p>Are you receiving any other benefits (not just Housing Benefits)?</p> <ul style="list-style-type: none"> • Can you tell me which ones? • Have there been any recent changes to any of the benefits which you are claiming? <p>Who is responsible for managing the household budget in your house?</p> <p>How would you describe your approach/your partner's to this?</p> <ul style="list-style-type: none"> • Can you describe your weekly/monthly incomings and outgoings? • How do you keep track of these? Do you keep any records? How often do you review your finances? • Do you keep a record of what you've spent? <p>I'd now like to do a budgeting exercise with you, to get a sense of what you need to spend your money on from week to week.</p> <p>USE TEMPLATE TO HELP PARTICIPANT CONSIDER THEIR WEEKLY BUDGET</p> <p>Could you talk me through what your regular incomings and outgoings are? Ask about rent, bills, income and/or benefits received. Food, travel expenses etc.</p>	

If you can't pay everything that needs to be paid one week/month, which bills or payments do you prioritise?

- Why are these payments so important to you?

How important is paying your rent?

- Can you explain why?
- How easy or difficult is it to pay this?

EXPLORING FINANCIAL RESILIENCE

Do you ever run out of money before the end of the week/month?

- How do you manage when you do run out of money?
- What things do you cut back on?

Do you have any savings?

- How often do you save money?
- What do you use the money you save for?

Have you needed to borrow any money in the last year or so?

- Who/where did you borrow the money from? PROBE ON CREDIT CARDS, PAYDAY LENDERS, HOME CREDIT, CATALOGUES
- What did you need the money for?
- How do you feel about this?
- Have you paid this back – or are you able to?

And do you have any debts that need to be paid back at the moment?

- How do they fit into your budgeting?
- How long are these payments for?

Have you ever struggled to pay your rent in full or on time?

- IF YES Can you tell me about how this happened?
- Have these problems been resolved? If so, how?

IF CURRENTLY IN ARREARS

- Are your arrears increasing at the moment, or are you able to pay them back? Can you explain how?
- Have you applied for any other state benefits to help you? Which ones? Or any help from the Council?
- Have you spoken to your landlord about the arrears? What happened?
- Do you think any problems you are facing paying your rent will be temporary, or go on for a while? Can you explain why?
- How do you feel about the situation?

IF REPORTED RECEIVING DHP: Are you still receiving DHP?

- IF STILL RECEIVING: How much are you receiving?
- Is it helpful to you?
- Do you know how long you will get this for?
- What will you do when it ends?
- IF NO LONGER RECEIVING: How much did you receive and for how long?
- Was it helpful? What happened afterwards?

RESPONSES TO THE REFORMS

I'd like to ask you a bit about any changes that you may have made since the RSRS reforms.

Have your spending priorities changed since the changes to Housing Benefit were introduced?

- How easy or difficult have you found it to manage your finances since the changes came in?
- Do you find you have more or less to spend on anything?
- MODERATOR TO USE BUDGET SHEET PREVIOUSLY DISCUSSED AND EXPLORE THE CHANGES SINCE THE REFORMS IN DETAIL

Are you planning to stay where you are and pay the additional rent?

- IF YES: Do you think you will be able to manage this? How?
- How long do you think you will be able to manage this?
- IF NO: Why not?

Have you made any plans to deal with the changes?

- IF YES: What plans have you made? Why?
- What are you doing differently as a result? Why?
- IF NO: Is there a reason you haven't made plans? PROBE FULLY WHERE POSSIBLE ON WHAT THEY INTEND TO DO

Have you needed to or tried to borrow money?

- IF YES: Who from?
- PROBE FULLY ON: family/friends? Bank? Pay day lender? Other lender?
- Will you have to pay the money back? How will you manage this?

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<p>What about cutting back on your current expenditure?</p> <ul style="list-style-type: none"> • Is there anything you are cutting back on? • Why these things? • What's the effect of cutting back on these things? Is anyone else affected? <p>Is there anything that you cannot cut back on? Why?</p> <p>Are you managing to pay your rent on time and in full since the changes? PROBE FULLY ON ANY DIFFICULTIES, INCLUDING EXPLORING PERSISTENT UNDERPAYMENT</p> <p>Have you made any other changes because of the changes to Housing Benefit?</p> <p>Would you consider taking a lodger to help you with the rent?</p> <ul style="list-style-type: none"> • IF YES: How do you feel about this prospect? • IF NOT: Why not? What are your concerns about taking in a lodger? <p>Have you started claiming benefits that you were entitled to but were not claiming before?</p> <p>Has anyone told you anything about what might happen if you don't pay your rent on time now that the welfare changes are coming in?</p> <ul style="list-style-type: none"> • What have they said? What do you think of this? <p>Looking forward, are you concerned about your finances in the future?</p> <ul style="list-style-type: none"> • What do you think will happen to you given the changes? • Would anything help you make plans? • Which things are you most worried about paying for now? Are you planning to do anything about these concerns? 	
<p>4. Attitudes to moving</p>	<p>20 mins</p>
<p>I'd now like to talk to you a bit more about where you live. I'd first like to know a little more about your current home.</p> <p><u>CURRENT HOME</u></p> <p>How many bedrooms does your home have?</p> <ul style="list-style-type: none"> • What are they all used for at the moment? Were they ever used for anything else? • Is there anything that is important to you about living here? Why? 	

<p>What do you think of your home generally? Do you like – or dislike – living here? Why?</p> <ul style="list-style-type: none">• How happy or unhappy are you with the general condition of the property?• How happy or unhappy are you with the amount of space in your home at the moment?• Are there any problems? <p>How would you describe your relationship with your landlord (this is your local authority or housing association)?</p> <ul style="list-style-type: none">• Would you say it was good or bad?• Can you describe why?• What do you think of the service they offer you? Why?• Have they offered any help related to the reforms? Can you tell me more about this? PROBE FULLY ON THE NATURE AND IMPACT OF ANY SUPPORT FROM LANDLORDS <p>Have you moved recently?</p> <ul style="list-style-type: none">• IF YES: When did you move? Where from – and why? <p>What do you think about the area that you live in?</p> <ul style="list-style-type: none">• How long have you lived here?• What's it like to live here? Do you like living here? Why?• What's good about living here?• What's bad about it? <p>What are the main places that you go to in your local area?</p> <ul style="list-style-type: none">• IF PARTICIPANT IS WORKING: How close is your work from here? How do you travel there?• IF PARTICIPANT HAS CHILDREN: Where do your children go to school/attend childcare? How do you/they travel there?• IF PARTICIPANT HAS CARING RESPONSIBILITIES: Where do you carry out your caring responsibilities? How do you travel there?• Do you have family and/or friends in your area? How do you travel to visit them?• Do you use any other services around here? PROMPT: such as public transport/doctor's surgery/advice centres/places of worship/library/proximity of friends and family members	
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RESPONSES TO THE REFORMS

Given the changes to Housing Benefit, are you planning to stay in your current home?

- Have you considered moving to a smaller home?
- Why? Why not? Can you explain the main reasons?

How would you feel about possibly moving to a new home (with fewer bedrooms)? What are the advantages/disadvantages of doing that?

- PROBE ON DOMESTIC FACTORS: *need spare room for carer, keeping a room for older sibling/non-resident child, have made adaptations to the property*
- PROBE ON EXTERNAL FACTORS: *proximity to work, proximity to schools, proximity to family/support networks etc.*

Are there any barriers stopping you moving?

- Can you explain why they are important?
- PROMPT ON: work/school/support are close to current home; think transfer list is too long; can't access internet; have looked and no suitable homes available

Is there any help available which makes you think it might be a good idea?

- Can you explain why they are important?
- PROMPT ON: financial incentives and support from landlord; concern about finances

Do you know how you would go about finding somewhere suitable to live?

- Do you know where you would look for information about somewhere to move to?
- Have you looked for a new home? What happened?

Do you know about how to apply for a transfer?

- How easy or difficult do you think you would find this? Why?
- Have you tried using the transfer process?

Have you heard of mutual exchange (this means finding someone to swap homes with)?

- Have you tried to use this?

IF HAVE EXPERIENCED TRANSFER PROCESS/MUTUAL EXCHANGE:

What was your experience of this?

- How easy or difficult did you find it?
- Could you explain why?
- Did you need any help or support in doing this? What kind?
- Do you think the process will be successful?

Overall, how easy or difficult do you think it would be to move house?

- Can you explain why?
- PROBE: *finding a suitable home; time off work; cost of removals; challenge of organising the move*

IF NOT CONSIDERING MOVING

I'd now like to talk about what it would take for you to feel comfortable about moving to a house with fewer bedrooms. If you were to move to a smaller home...

- Where it would ideally be?
- Would you want to live in this area or would you be happy to live further away?
- How far would you be prepared to move?
- What kind of home it would be?
- What it would be like inside?
- What help you might need to move?
- What, if any, financial incentives would motivate you to move?

Do you think you would feel differently about moving house in the near future (for example, in one year's time)?

- Why/why not?

Can you foresee a time when it might be easier to move?

- PROMPT IF APPROPRIATE: when children are moving schools/ move away from home
- Would you consider moving then?

IF CONSIDERING MOVING

What kind of home would you be looking to move to? Can you describe it?

- Where it would be?
- What kind of home it would be?
- What it would be like inside?
- What help you might need to move?
- What, if any, financial incentives would motivate you to move?

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<p>Have you considered moving to a smaller property in the private sector?</p> <ul style="list-style-type: none"> • How do you feel about this? • What factors are you thinking about when considering it? • What size of property would you move to? • Do you think you will move to the private sector? 	
<p>5. Attitudes to and experiences of employment</p>	<p>10 mins</p>
<p>I'd now like to find out a bit more about your thoughts on work. <i>IF CURRENTLY WORKING</i></p> <p>What is your current job like? How did you find it? How long have you had it?</p> <p>Have there been any recent changes to your job? PROBE on hours, number of shifts, pay increase/decrease, employment conditions?</p> <p>Have you considered any changes in your work to respond to the reforms? Why?</p> <ul style="list-style-type: none"> • Increasing hours? • Finding a different job • Taking an additional job? <p>Are you considering changing your work for any other reasons?</p> <p>Do you think you are better off financially in work at the moment?</p> <ul style="list-style-type: none"> • Have you done any calculations to see if this is the case? <p><i>IF IN A COUPLE HOUSEHOLD OR HAVE AN ADULT CHILD</i></p> <p>What about your partner/(adult) child? Are they considering making any changes to respond to the reforms? What kinds of things?</p> <p>PROBE as above on hours/alternative or additional work, and to explore if these changes are in response to the reforms.</p> <p>Are they considering changing their work for any other reasons?</p> <p><i>IF NOT WORKING</i></p> <p>When were you last in work? What did you do?</p> <p>Are you looking for work at the moment?</p> <p><i>IF LOOKING FOR WORK</i></p>	

<p>What kind of work are you looking for?</p> <ul style="list-style-type: none">• Have you seen any jobs that you could apply for?• Did you apply?• Why?/Why not? <p>How are you going about your job search?</p> <ul style="list-style-type: none">• Have you received any help or advice with it? From whom? <p>How easy or difficult do you think you will find it to find a job? Why? PROBE FULLY ON AVAILABILITY OF WORK, PARTICIPANT'S LEVEL OF EXPERIENCE AND SKILLS, SUPPORT REQUIRED IN FINDING WORK</p> <p>What would be the effect on you/your family if you found work?</p> <ul style="list-style-type: none">• How would you feel?• Do you think you will be able to pay the shortfall in your rent from the wages you would receive?• Do you think you would be better off financially in work at the moment?• Have you done any calculations or consulted anyone (for example a Job Centre Plus adviser) to see if this is the case? <p>Did the RSRS ('bedroom tax') reforms affect your decision to make these changes?</p> <ul style="list-style-type: none">• IF YES: Can you explain how?• Why was it important? <p><i>IF NOT LOOKING FOR WORK OR PARTNER/ADULT CHILD IS NOT LOOKING FOR WORK</i></p> <p>Can you explain to me why you're/they're not looking for work at the moment?</p> <ul style="list-style-type: none">• Have you/they looked for work in the past 2 years?• Do you think you/they would be better off financially in work at the moment?• Have you done any calculations to see if this is the case?• Have you/they looked for any advice to see if they would be better off financially in work? <p>Do you think that you might look for paid work in the future? Why?</p> <p>Are you at all concerned that you may need to find paid work in order to pay your housing costs?</p> <ul style="list-style-type: none">• What are your concerns?• What will you do if you need to find work to stay in your home?	
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<p>6. Wider impacts of the reforms</p>	<p>10 mins</p>
<p>I'd now like to ask you a little bit about any effects that the reforms may have had on you and your family.</p> <p>Generally speaking, how do you think the reforms have affected you?</p> <ul style="list-style-type: none"> • Have there been any positive impacts? • Have there been any negative impacts? • PROBE: <i>health, emotional wellbeing, mental health, stress if required</i> <p>Do you think there have been any effects on members of your family?</p> <ul style="list-style-type: none"> • IF IN A COUPLE: What about your partner? • IF PARTICIPANT HAS CHILDREN: What about your children? • PROBE: <i>health, emotional wellbeing, mental health, stress if required</i> <p>Have the RSRS ('bedroom tax') changes affected you in any other way?</p>	
<p>7. Future plans</p>	<p>10 mins</p>
<p>We've talked about the immediate impact that the RSRS ('bedroom tax') reforms have had on you and your family.</p> <p>Are there any concerns you have for the future, given the changes?</p> <ul style="list-style-type: none"> • Can you tell me about these? <p>In light of the reforms, do you think you will be seeking any further advice or information?</p> <ul style="list-style-type: none"> • What will you be seeking advice/information about? • Where do you think you will go to get this advice/information? <p>I'd like to do a short exercise so I can better understand how you see the future. Can you complete the sentences for me:</p> <p><i>In 1 year's time I expect my work situation to be ...</i></p> <ul style="list-style-type: none"> • PROBE: full time employed/part time employed/unemployed? • IF RELEVANT: What kind of work? Where? • Why do you think it will be the same/different to now? <p><i>In 1 year's time I think I will be living in</i></p> <ul style="list-style-type: none"> • PROBE: The same place/a different place? • Do you think this will happen? Why? • What things would need to be in place to make this happen? What might make it difficult to happen? 	

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<p><i>In 1 year's time I think my finances will be....</i></p> <ul style="list-style-type: none"> • PROBE: Better/the same/worse? • Why do you think this? <p>IF RESPONSES TO ABOVE POSITIVE: What do you think would need to be in place for you to achieve these things?</p>	
<p>8. Conclusions and Final Thoughts</p>	<p>5 mins</p>
<p>Given everything that we have discussed today what do you think the main impact of the RSRS changes has been on you?</p> <p>Is there anything that you would like to mention/anything else that you would like to say about the RSRS changes?</p> <p>PLEASE REMEMBER TO ASK:</p> <p>We may need to speak to you next year as well as in the next few weeks. Would you be willing to take part in further interviews if needed?</p> <p>Note interest.</p> <p><i>Thank participant for taking part, and give them their incentive.</i></p>	

Appendix C

Landlords survey methods

The survey of social landlords ran between 16 October and 8 November 2013. A total of 750 landlords were invited to take part in the survey, comprising all social landlords and RPs with over 1000 properties, as well as a sample of smaller landlords throughout Britain. Contacts were supplied from:

- the Department for Communities and Local Government (English stock-owning local authorities);
- the Homes and Communities Agency (English Registered Providers);
- the Scottish Government (Scottish stock-owning local authorities);
- the Scottish Social Housing Regulator³⁴ (Scottish Registered Social Landlords);
- the Welsh Government (Welsh stock-owning local authorities and Registered Providers).

A total of 312 responded to the survey completing most or all of the questions. A small number of responses from those completing only a small part of the survey, or which appeared to be duplications of existing (fuller) responses were excluded from analysis. The survey asked for substantial numerical and financial data, as well as more qualitative elements. Many landlords therefore did not complete every single question. Analysis and percentages given throughout this report relate to those who did respond to the specific question and do not always sum to 312 landlords for this reason.

Table C.1 shows the size profile of landlords responding to the survey

Table C.1 The size of landlords responding to the survey

	Landlords	
Number of general needs social rented properties managed		
1,000 or fewer	58	19%
1,001-10,000	185	59%
10,001-50,000	67	22%
50,001 or more	2	1%
Number of LAs where manage social rented general needs properties		
1	161	52%
2-10	88	28%
11 or more	60	19%
Not known		1%
Total	312	100%

Table C.2 shows the type of landlord and region/country where most of their stock is located.

³⁴ www.esystems.scottishhousingregulator.gov.uk/register/reg_pub_dsp.home

Table C.2 Profile of social landlords responding to survey

	Number	%
Type of landlord		
Stock owning local authority	53	17%
Arms Length Management Organisation	16	5%
Registered Provider/Registered Social Landlord	237	76%
Private Registered Provider	4	1%
Not known	2	1%
Location of the majority of social rented (general needs) housing		
England		
North East	14	4%
North West	39	12%
Yorkshire and Humber	15	5%
East Midlands	13	4%
West Midlands	24	8%
South East	23	7%
South West	24	8%
East of England	25	8%
London	33	11%
England (total)	210	67%
Scotland	68	22%
Wales	24	8%
Majority of stock not in any one region/country	11	4%
Not known	1	*
Total	312	100%

The landlords who replied were representative of those polled in terms of their spread between England, Scotland and Wales. They also had an average of 11.1 per cent of their stock occupied by tenants affected by the RSRs, which is precisely the national average as of August 2013. It was therefore unnecessary to weight the data for analysis.

To increase robustness, some English regions have been combined with neighbouring regions for analysis. Table C.3 gives the stock size by broader geographical regions, and shows comparable figures for all social housing in Britain.

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Table C.3 Social rented dwellings managed by location of landlord, and location of social rented stock in Britain

Country	Broad region	Regions included	Owned by landlords responding to survey		Owned by all social landlords	
England	'North'	North East, North West, Yorkshire and Humber	627,556	28.0%	1,466,747	31.1%
	'Midlands'	East Midlands, West Midlands	296,615	13.2%	809,987	17.2%
	'South and East'	South East, South West, East of England	418,005	18.6%	1,224,163	26.0%
	London	London	368,376	16.4%	402,653	8.5%
England (total)			1,710,552	76.3%	3,903,550	82.8%
Scotland			216,296	9.6%	594,976	12.6%
Wales			102,176	4.6%	214,911	4.6%
Majority not in any one region/country or not known			213,942	9.5%	-	-
Total			2,242,966	100%	4,713,437	100%

Sources: Landlords' survey, October- November 2013 and 2011 Census.

It should be noted here that the classification of landlords' stock into regions is based on the region where the majority of stock is located and as such is only an approximation to the actual location of the stock held.

C.1 DWP Survey on Removal of the Spare Room Subsidy and Benefit Cap

Welcome to the survey on the Removal of the Spare Room Subsidy ('the RSRS') and Household Benefit Cap ('the Cap'). The survey is being undertaken by the Cambridge Centre for Housing and Planning Research and is part of the evaluation commissioned by the Department for Work and Pensions to evaluate the two policies. The evaluation will enable the DWP to understand better how the policies are working in practice and what impact they are having on you and your tenants. You can stop the survey part-way though if you wish, and re-enter it at a later time to finish it off. Your answers will be saved. You may also share the survey with colleagues who, by using the link sent in the email you received, will be able to edit the same version of the survey. However, if you also require a PDF of the survey to share with colleagues, please email [XXXX] to request this. Where numeric answers are requested, please draw on any data you hold wherever possible, but give us your best estimate if not. Please leave blank any questions where you do not know the answer, and cannot provide a good estimate either. We realise that not all landlords will be able to answer all the questions. All questions relate to the stock that you manage, regardless of whether you own it or manage it on behalf of another landlord. If you are a local authority, please answer the questions just in relation to tenants in the stock that you manage, not those who live in your area in housing managed by Registered Providers; separate questions have been added to the DWP's LA Insight survey to cover your local authority's role in the

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administration of Housing Benefit and Discretionary Housing Payments. Any information you provide will be held in the strictest of confidence and will be handled securely throughout the study in line with the requirements of the Data Protection Act (1998). The information you provide will be used only for research purposes and the research findings will not identify you or your organisation.³⁵

This first section is about you and where you work

1 Please indicate what type of landlord you are:

- Stock owning local authority
- Arms Length Management Organisation managing council-owned stock
- Registered Provider/Registered Social Landlord
- Private Registered Provider

2 In which of these regions/countries do you manage general needs stock? (Please include social rented, and Affordable Rented stock, but not shared ownership or sheltered housing)

	All of our stock	Most of our stock (over 50%)	Some of our stock (under 50% but more than 1%)	None/very little of our stock (under 1%)
Scotland	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wales	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
NW England	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
NE England	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Yorkshire and the Humber	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
West Midlands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
East Midlands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
East of England	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
South East England	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
South West England	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
London	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3 In how many local authorities in Britain do you manage social housing stock? (Please include social rented and Affordable Rented stock, but not shared ownership or sheltered housing)

4 And how many general needs properties do you manage in Britain? (Please include social rented and Affordable Rented stock, but not shared ownership, supported or sheltered housing)

³⁵ The Survey has been reproduced here in Word format with the filtering displayed as 'If X, please go to Question Y'. This was fully automated on the web-based version with respondents only displayed the questions they were eligible to answer.

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This section is about identifying tenants who are affected by the Removal of the Spare Room Subsidy (RSRS) or the Cap

- 5** Please choose one of the following statements that best describes how confident you are that you are able to identify tenants affected by the RSRS:
- We think we know which of our tenants are affected by the RSRS in all or nearly all cases (95%+)
 - We think we know which of our tenants are affected by the RSRS in most cases, but there at least 5% of cases where we don't know
 - We think we know which of our tenants are affected by the RSRS in a minority of cases, but do know at least 5% of them
 - We know which of our tenants are affected by the RSRS in none or very few cases (under 5%)
 - Other (please explain) _____
- 6** To the best of your knowledge, how many of your tenancies are currently affected by the RSRS?
- 7** Please provide figures (if available) for the number of your tenants who have been allowed an extra room because they are:
- a Foster carers, or approved for fostering within the last 12 months
 - b Have a child in the armed forces
 - c Have disabled children unable to share a room
- 8** Thinking about tenants whose circumstances change so that they start to be affected by the RSRS or cease to be, which of the following best describes how you become aware when tenants start or cease to be affected?
- We have access to the local authority HB database so we can see for ourselves
 - The local authority informs us on a case by case basis when people start or cease to be affected
 - The local authority informs us on a regular basis (at least monthly)
 - The local authority informs us but less often than monthly
 - We do not get informed by the LA reliably so rely on the tenant telling us directly
 - Other (please explain) _____
 - A mixture of the above

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- 9** Please estimate the proportion of your tenants affected by the RSRS who have received at least one face to face visit or phone call from one of your staff in about the RSRS? (Do not include those you tried but failed to contact – eg because the tenant was not in or did not answer)

	0-9%	10-19%	20-29%	30-39%	40-49%	50-59%	60-9%	70-79%	80-89%	90-99%	100%
At least one face to face visit	<input type="radio"/>										
At least one phone call	<input type="radio"/>										

- 10** How many of your tenants are affected by the Cap? (IF ANSWER = 0, PLEASE GO TO Q12)

- 11** What is the average amount of their weekly shortfall?

This section is about making alterations to your stock or reclassifying the size of properties, in response to the RSRS

- 12** Have you physically altered any of your stock to change the number of bedrooms in direct response to the RSRS (eg knocked down walls)

- Yes
- No (PLEASE GO TO Q13)
- Not yet but are planning to do so within the next 12 months
- Not known (PLEASE GO TO Q13)

- 12a** How many have you altered so far?

- 12b** How much was the average cost, per property altered?

- 12c** Please briefly explain what these alterations involve(d)?

- 12d** How many are you planning to alter within the next 12 months?

- 12e** Why did you decide to do this?

- 13** Have you reclassified the number of bedrooms in any stock in response to the RSRS? (Please do NOT include cases where you did this solely because you discovered that your records were incorrect, for instance because of adaptations that had taken place previously which reduced the actual number of rooms)

- Yes
- No (PLEASE GO TO Q14)
- Not yet, but are planning to do so within the next 12 months
- Not known (PLEASE GO TO Q14)

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13a How many properties have you reclassified in response to the RSRS?

13b And of these, how many:

Were originally classed as having 2 bedrooms

Were originally classed as having 3 bedrooms

Were originally classed as having 4 or more bedrooms

13c Please briefly explain why you decided reclassify these homes?

13d Have you lowered the rent on those properties that were reclassified as a result of reclassifying them?

- Yes, on all of them
- On some of them
- No, none of them
- Not known

13e Why/why not?

13f Which of the following best describes your approach to reclassifying?

- We reclassified all properties of a similar type, regardless of who is living in them
- We reclassified only properties occupied by tenants affected by the RSRR
- We reclassified only on request or on an individual basis
- A mixture of the above
- In some other way (please explain) _____

This section asks about the response of tenants affected by the RSRS

14 How many of your RSRS-affected tenants have registered for downsizing since 1 January 2013?(Please leave blank if not known)

Via Mutual exchange

Via the transfer list (either yours or one held by your LA)

Not registered for either

15 How many of your RSRS-affected tenants have downsized within the social sector to date?

16 How many of your RSRS-affected tenants have moved to the private rented sector to date (Please provide an estimate if possible, or leave blank if the number is not known)

16a Is this figure (for moves to the private rented sector) based on an estimate or figures that you have available?

- Estimate
- Figures

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17 Do your tenants need to ask your permission to take a lodger?

- Usually yes
- Usually no (PLEASE GO TO Q18)
- Not known (PLEASE GO TO Q18)

17a Do you have figures for the number who have applied for permission to take a lodger since 1 January 2013?

- Yes. How many? _____
- No, these figures are not available

This section is about arrears and relates to tenants affected by both the RSRS and the Cap

18 What was the total amount of arrears outstanding (from all your tenants, whether affected by any of the welfare reforms or not): * For 'Most comparable recent date',

On 31 December 2012?

On 31 March 2013?

On the most comparable recent date? (Please give the figure for as recent a date as possible that can be best compared to 31 March, bearing in mind your rent collection cycle and Housing Benefit payment dates.)

What date is this latest figure for?

19 Are you able to identify the number of your tenants affected by the RSRS or the cap who have paid all, some or none of their shortfall?(The shortfall, in this context, refers to the rental shortfall after HB and DHP have both been paid)(IF YOUR ANSWER IS NO TO THIS QUESTION, PLEASE SKIP AFTERWARDS TO Q20)

	Yes	Not precisely, but can estimate	No – we cannot attribute the source of rental shortfalls
For the RSRS	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
For the Cap	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

19a At the current time, what proportion of your tenants who are affected by the RSRS:

Have paid all their shortfall

Have paid some but not all of their shortfall

Have paid none of their shortfall

Have paid an unknown amount of their shortfall

19b And for comparison, what proportion of your tenants currently affected by the RSRS were in arrears on 31 March 2013?

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19c Of those affected by the RSRS and in arrears:

What proportion are in arrears solely as a result of failing to pay the RSRS shortfall?

What proportion are in arrears for other reasons as well as failing to pay the RSRS shortfall?

19d At the current time, what proportion of your tenants who are affected by the Cap:

Have paid all their rental shortfall

Have paid some but not all of their rental shortfall

Have paid none of their rental shortfall

Have paid an unknown amount of their rental shortfall

19e And for comparison, what percentage of your tenants affected by the cap were in arrears on 31 March 2013?

20 Of those affected by the Cap and in arrears:

What proportion are in arrears solely as a result of failing to pay the shortfall caused by the Cap?

What proportion are in arrears for other reasons, as well as failing to pay the shortfall caused by the Cap?

21 Have you initiated any possession proceedings against any tenants in arrears solely as a result of failing to pay the shortfall resulting from:

	Yes	No	Not known
For the RSRS	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
For the Cap	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

22 Thinking only about tenants whose arrears are due solely to either the RSRS or the Cap:(Please leave blank if not known)

	RSRS-related arrears	Cap-related arrears
How many tenants have been issued with a formal warning letter?		
How many tenants have been issued with an intention to seek possession (NOSP)?		
How many tenancies have you applied for possession for?		
And how many of these were mandatory possession applications (Ground 8)?		
How many tenants have had court cases heard?		
How many tenants have been issued with a suspended possession order		
How many tenants have been issued with a possession order (not suspended)?		
How many tenants have been evicted?		

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23 Which of the following best describes your policy towards possession proceedings on tenants who fall into arrears?

	a. We offer our usual support, but follow our usual possession proceedings if this fails to resolve the situation	b. We offer support that goes substantially above the level we'd usually offer, but will then follow possession proceedings if this fails to resolve the situation	c. We will not evict tenants who are working with us, even if this has failed to solve their problems and their arrears are still growing.	d. We will not evict certain groups of tenants (eg vulnerable, or with children) even if they repeatedly fail to pay	e. We will not evict any tenants even if they repeatedly fail to pay
RSR-related arrears	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cap-related arrears	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Arrears for other reasons	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

This section is about your tenants' experiences of applying for Discretionary Housing Payments (DHP).

24 In how many of the local authorities in which you work are you familiar enough with the policy on DHP to advise tenants affected by the RSRS or cap as to whether they might be eligible?

- All
- Most
- Around half
- A minority
- None

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25 Which of the following processes of applying for DHP apply for your tenants:

Always	Usually	Sometimes	Rarely	Never
a. The tenant applies direct to the LA and we have no involvement in the process	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. We advise the tenant on whether they are likely to be eligible for DHP and provide assistance if required, but the tenant applies themselves	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. We assist tenants with filling in the DHP application, and the LA encourages us to do this. Tenants are allowed but not encouraged to apply without our assistance.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. Tenants must apply through us. The LA will not accept their applications without our backing.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. We have been allocated a DHP sum from the LA to decide how to allocate to our tenants ourselves	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

26 Which of the following best describes the system used most often for assessing eligibility for DHP for your tenants?

- Tenants need to be in a priority group
- Tenants need to be found to be unable to afford the shortfall
- Tenants need to be in a priority group, and ALSO to be found to be unable to afford the shortfall
- Some other system (please explain) _____
- Not known

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27 Which of the following groups are receiving priority for DHP:

Always	Usually	Sometimes	Rarely	Never	Don't know
a. Disabled people in significantly adapted properties	<input type="radio"/>				
b. Others who are sick or disabled	<input type="radio"/>				
c. Couples unable to share a room	<input type="radio"/>				
d. Foster carers who require more than one spare room	<input type="radio"/>				
e. Prospective special guardians and adopters, not yet approved so not yet eligible for an extra room	<input type="radio"/>				
f. Non-resident parents with regular overnight care of a child	<input type="radio"/>				
g. People with mental health difficulties	<input type="radio"/>				
h. Those who are engaged with the LA or RP in trying to move	<input type="radio"/>				
i. Those who are engaged in looking for work/increasing income	<input type="radio"/>				
j. Those who will soon be exempt because they will reach retirement age, or their requirements will increase (eg child will turn 10/16)	<input type="radio"/>				
k. Anyone whose income is inadequate to afford the shortfall	<input type="radio"/>				
m. Households affected by the household benefit cap with children at a critical point in their education	<input type="radio"/>				
n. Households affected by the cap which include vulnerable people dependent on local services or support networks	<input type="radio"/>				
o. Households affected by the cap in local authority temporary accommodation	<input type="radio"/>				
p. People affected by the cap who are unable to move somewhere cheaper	<input type="radio"/>				
l. Other groups affected by the RSRs (please give details)	<input type="radio"/>				

28 Do you have any other comments about DHP?

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This section is about allocations

29 Do you have your own allocations policy covering at least some of your stock?

- a. Yes
- b. No – all allocations are made via LA-wide policy/policies/via a common housing register and we do not design the allocations policy (PLEASE GO TO Q30)

29a Have you altered your allocations policy to increase the priority given to downsizers in response to the RSRS?

- a. Yes, for all potential downsizers
- b. Yes, just for those affected by the RSRS
- c. No – they were already Band A (or equivalent if using points system)
- d. No – they were, and still are, Band B (or equivalent if using points system) or below

29b Have you altered the way in which you determine the size of home an applicant needs so that your criteria match the DWP's size criteria used in determining who is under-occupying for the purposes of the RSRS?

- a. Yes
- b. No – we are more generous in the size of home we allow than the DWP's size criteria
- c. No – we were already allocating in line with the DWP's criteria
- d. No – we were already allocating more strictly than the DWP's criteria
- e. Not known

30 Which of the following groups would you consider for properties that are technically larger than the DWP's size criteria?

- All applicants, including those affected by the RSRS All applicants, including those affected by the RSRS, after having ensured they are aware of the implications of the RSRS and believe they can afford the shortfall
- Applicants affected by the RSRS who we consider can afford the shortfall
- People affected by the RSRS in the short term but anticipating a change in family circumstances (eg baby being born) which will cause them to cease to be affected
- Pensioners
- Working age people who are working and not currently claiming Housing Benefit
- None of the above

31 Do you allow tenants affected by the RSRS and with arrears to downsize?

- Usually yes
- Yes if they are below a certain level and/or the tenant is trying to pay them off
- Usually no
- Not known

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32 Is there a financial incentive available to your tenants who wish to downsize?

- Yes
- Yes in specific circumstances (please explain) _____
- No
- Not known

33 How much would downsizers typically be offered?

34 Will you let properties to households affected by the Household Benefit Cap, who would be unable to claim the full HB because of the Cap?

- a. Yes
- b. Yes, if they are confident they can afford the rent
- c. Yes, if they and we are confident they can afford the rent
- d. In certain circumstances (please explain) _____
- e. No
- f. Don't know
- g. This hasn't arisen/no capped households have applied

This section is about difficulties letting properties

35 Have you experienced any difficulties in letting properties as a result of the RSRS or the Cap?

- Yes
- No (PLEASE GO TO Q36)
- Not known (PLEASE GO TO Q36)

35a Which types of properties have proved harder to let?

- Homes with 5 or more bedrooms
- 4 bedroom homes
- 3 bedroom houses
- 3 bedroom flats
- 2 bedroom houses
- 2 bedroom flats
- 1 bedroom homes

35b How many properties were void on 31 March 2013?

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35c And how many were void on the most recent comparable date, for which data is available? (Please choose a comparable date, taking into account your letting cycle – eg the same day of the week/month)

35d What date is this for?

This last section is about development plans

36 As a landlord, are you involved in developing new housing?

- Yes
- No/Not currently (PLEASE GO TO Q37)

36a Have you altered your development plans in response to the RSRS or the cap and their consequences in order to build:

	Building fewer	No change	Building more
1 bedroom properties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2 bedroom houses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2 bedroom flats	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3 bedroom houses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3 bedroom flats	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4 bedroom properties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5 or more bedroom properties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

37 Do you have any other comments about the operation of the RSRS or the Cap and their impact on your organisation or your tenants?

Appendix D

Topic guides for case study work and lender interviews

A.1 Topic guide for local authority case study interviews

1 Staff training and preparedness

- a. Overall responsibilities
- b. Budget for implementation
- c. Support from DWP/DCLG

2 Implementation of the RSRS

- a. Communication with tenants
- b. Altering the profile of your stock
- c. Supporting affected tenants
- d. Dealing with arrears
- e. Discretionary housing payments – supporting applications for

3 Allocations, downsizing and joint working arrangements with LA and other HAs

- a. Relations with HAs and other LAs, including nominations
- b. Allocations policy – reforms to in response to RSRS
- c. Policy around downsizing
- d. Potential impact of RSRS on overcrowding

A.2 Topic guide for case study voluntary organisations, advice and support services

For all organisations

- 1 Nature of organisation and relationship with RSRS or Cap-affected claimants
- 2 Impact of RSRS and Cap on demand for services
- 3 Relationships with local landlords and local authorities to co-ordinate support
- 4 Any unexpected consequences of the RSRS or Cap

For specific agencies

Social services

- 1 Process of identifying foster carers who require an extra room
- 2 Any issues with foster carer retention or recruitment resulting from the RSRS
- 3 Impact of RSRS and Cap on clients

CAB/local advice agencies

- 1 Numbers of enquiries relating to RSRS or Cap
- 2 DHP – who is assisted and who should be?

Solicitor/legal advice service

- 1 Contact with those affected by RSRS or Cap
- 2 Treatment of affected claimants in court

A.3 Topic guide for lender interviews

- 1 Exposure of business to the impact of welfare reform
- 2 Which elements of welfare reform of most concern
- 3 Relationship with landlords
- 4 Possibility of loan default
- 5 Specific concerns around the RSRS
- 6 Specific concerns around the Cap
- 7 Impact of welfare reforms on financing new development

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