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Local authority projects to mitigate the impact of housing benefit reform, using homelessness grant funding:

Monitoring report, October 2013-March 2014 (Period 5)

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Knowledge and Analytical Services Welsh Government

The information contained in this report is based on the data returns received by the Welsh Government from each local authority during the spring of 2014. As such the data presented here cannot be independently verified by Welsh Government analysts.

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1 Introduction and Background

- 1.1 This report presents findings from the fifth and final monitoring period (October 2013-March 2014) of local authority (LA) projects set up using Welsh Government Homelessness S180 grant funding to mitigate the potential impact of housing benefit reform.
- 1.2 In October 2010, the UK Government announced a public spending review and introduced their Welfare Reform Bill. The reforms include a significant number of changes to the way housing benefit is calculated and administered. Initial changes were introduced in April 2011 with a rolling programme intended to culminate at the end of 2017, with the staggered introduction of universal credit. In order to mitigate the anticipated impact of the housing benefit changes upon tenants, the Welsh Government made £1.4 million available for the period April 2011 to March 2013, for local authorities to use in a programme of approved work with landlords and tenants with the intention of sustaining tenancies. The Welsh Government provided an additional £750,000 to continue the work from April 2013 to March 2014. Funding for the project itself has now ended, although local authorities have been able to apply for funding of up to £8,000 per quarter for the quarters 1 and 2 of this financial year, and further funding is likely to be available from quarter 3 linked to preparation for the Housing Bill. This includes continuation of mitigation work where it was their priority.
- 1.3 The Welsh Government encouraged local authorities to look at their local circumstances and strategic priorities when applying for the original funding, taking into account the conditions of the grant. This resulted in a number of different models being approved. The models are based on tenant casework, working with landlords, raising awareness of the changes and bringing empty homes back into use.
- 1.4 The principal purpose of the grant is for local authorities to prevent homelessness as a result of the changes to the housing benefit regime. The conditions of the grant specified that in order to prevent homelessness, local authority projects should involve:
 - Identification of, and work with, vulnerable people to reduce the risk of tenancy breakdown and enable them to access housing.
 - Work with private landlords to sustain and increase access to affordable homes.
 - Work across departmental boundaries.
 - Work with external partners.
 - Adaptation of housing benefit team practices.

- 1.5 The Minister responsible for Housing and Regeneration is keen to understand the effects of the grant funding in allowing local authorities to bring about innovative solutions to address the risks associated with housing benefit changes, and therefore a monitoring and evaluation framework has been put in place. Originally the monitoring was due to end in 2013, but was extended along with the additional Welsh Government funding. The funding and the monitoring were put in place on the basis of the original timescales for the welfare reform changes, whereby universal credit¹ was to be introduced in 2013. Universal Credit will now not be fully rolled out until 2017² and so the monitoring data cannot pick up on any potential impacts of this particular policy.

The monitoring and evaluation framework has two elements:

- i. A monitoring system has been put in place whereby a small number of standardised quantitative data items and qualitative information are being collected by Welsh Government from all local authorities. Data has already been collected and published for periods 1 to 4 (covering the months: October 2011-March 2012, April 2012-September 2012, October 2012-March 2013, and April 2013-September 2013).

This report focuses on the data provided by local authorities for period 5 (October 2013-March 2014) as well as providing an overview across all periods.

- ii. To complement the monitoring, in 2012, a set of evaluation case studies were also commissioned. The contract to undertake the work was awarded to a partnership of organisations that are part of the Housing Research Network within the Wales Institute of Social and Economic Research, Data and Methods (WISERD), and was led by Shelter Cymru. The case studies were as follows:
- Partnership between three local authorities, incorporating landlord-focused and casework-focused methods: Denbighshire, Flintshire and Wrexham.
 - Casework-focused methods: Swansea and Rhondda Cynon Taf.
 - Landlord-focused methods: Blaenau Gwent and Caerphilly.

¹ Universal Credit will eventually replace Income-based Jobseeker's Allowance, Income-related Employment and Support Allowance, Income Support, Working Tax Credit, Child Tax Credit and Housing Benefit.

² Universal Credit is currently available to non-complex single claimants in the 10 'live' Jobcentres. However, DWP plan to extend this further to couples from summer 2014, to families from autumn 2014 and to 90 job centres in the North West of England in June or July 2014, before its wider roll out in 2016 and 2017.

The UK Government currently plans to make Universal Credit available across the whole of the UK to new claimants by the end of 2016. New claims to existing benefits, which Universal Credit is replacing, will then close down, with the vast majority of claimants (excluding Employment and Support Allowance claimants) moving onto Universal Credit during 2016 and 2017.

- Focus on bringing empty homes back into use: Carmarthenshire.
- 1.6 The case studies provide more detailed information on the approaches, operation, management and impacts of the sample of projects listed above. The case studies commenced in May 2012, with the final report published in May 2013³. While this report provides an overview of the work of all local authorities, the case studies report provides a detailed examination of a sample of eight local authorities.
 - 1.7 In addition, the Welsh Government has contributed £120,000 to a Department for Work and Pensions (DWP) research programme aimed at measuring the social and demographic impact of housing benefit reform. Denbighshire, Cardiff and Rhondda Cynon Taf have been selected as pilot study areas for the programme. The research will involve some contact with local authority housing benefit officers. Interim findings were published in May 2013⁴.
 - 1.8 A steering group was set up to oversee the monitoring and evaluation work, and included officers from the Welsh Government Homelessness Policy Team, Knowledge and Analytical Services (KAS) and the Welsh Local Government Association (WLGA).

³ <http://wales.gov.uk/statistics-and-research/local-authority-projects-mitigate-impact-housing-benefit-reform-using-homelessness-grant-funding/?lang=en>

⁴ <https://www.gov.uk/government/publications/monitoring-the-impact-of-changes-to-the-local-housing-allowance-system-of-housing-benefit-interim-report-rr-838>

2 Summary of Key Findings

The key findings arising from the data collection for period 5 were as follows, referring to all of the 19 local authorities which returned data:

- 2.1 From the inception of the projects to the end of period 5, just under 4,972 private sector landlords have been provided with advice and services for the first time through the projects. The number of tenants receiving the advice and services provided by the projects for the first time (from the inception of the projects to the end of period 5) stands at around 7,850.
- 2.2 At the end of period 5, the rate of private sector tenants in receipt of local housing allowance (LHA) per 1,000 people varied between 15 persons per 1,000⁵ (the lowest rate, reported in Monmouthshire) and 48 persons per 1,000 (the highest rate, reported in Denbighshire), with an average of 28 persons per 1,000. The rate has gradually increased over the five periods, with 18 local authorities (who provided data for at least three periods) reporting a higher rate in their most recent return than in their first (with the exceptions of Flintshire, Wrexham and Anglesey).
- 2.3 At 31st March 2014 (period 5), the proportion of tenants for whom weekly rent exceeded the LHA rate varied between 49% (in Wrexham) to 88% (in the Vale of Glamorgan). In period 5, 15 of the 16 local authorities reported that 60% or more of private sector tenants faced weekly rents that exceeded the LHA rate. This proportion has been increasing since period 1.
- 2.4 The rate of tenancies where the landlord was in direct receipt of housing benefit payments known as managed payments, at 31st March 2014, ranged between 13% (reported by Powys) and 66% (reported by Neath Port Talbot). For the 11 local authorities who returned data for all five periods, seven reported increases in rate of tenancies where the landlord was in direct receipt of housing benefit payments.
- 2.5 At the end of period 5, 18 of 19 local authorities responding had spent over 100% of their original DHP allocation for the 2013/14 financial year.
- 2.6 National Statistics⁶ in relation to period 5 (using data for October 2013–March 2014), showed that the rate of homeless households⁷

⁵ Rate per 1,000 population aged over 16, 2011 Census: Usual resident population by broad age group and local authority, Welsh Government:
<https://stats.wales.gov.uk/Catalogue/Census/2011/UsualResidentPopulation-by-BroadAgeGroup-LocalAuthority>

⁶ Homelessness Statistics, Welsh Government 2013:
<http://www.stats.wales.gov.uk/ReportFolders/reportFolders.aspx>

⁷ Households which were eligible, unintentionally homeless and in priority need.

where rent arrears on private sector dwellings were identified as the main cause of homelessness were very small, at 6.5% or below in all local authorities. Across all five periods, this rate has been low at less than 6% in all local authorities for the first three periods, rising to just under 8% in period 4 and then back to 6.5% in period 5.

- 2.7 Responses from the qualitative questions regarding DHP policy changes for claimants with adaptations in their homes showed that there, were two local authorities where policy changes had taken place since period 4. In Pembrokeshire, means testing is no longer used when assessing claims for DHP made by people with wheelchair adaptations and purpose built properties. While Blaenau Gwent reported that they now specifically target those with adaptations in their home.
- 2.8 From the qualitative question concerning changes to the consideration of disability living allowance as income for DHP claims, all respondents indicated that their policies had not changed since period 4.
- 2.9 Local authorities were asked to comment on the impacts of the S180 projects on their working practices. The returns received suggest that the most substantial impact of the projects was improved collaboration and joined up working, both with internal teams and colleagues, as well as with external organisations. A number of mentions were made of impacts at the operational level, indicating that the work could have long.
- 2.10 Regarding any plans made to sustain the work of the project beyond the end of period 5, eight local authorities indicated that the S180 role would continue. An additional four local authorities were in the process of exploring options or seeking funding to continue the role or procure a similar service. Six local authorities indicated that the role would not continue and while two gave no more information than this, four indicated that the work of the role (training, tools, learning etc.) would be absorbed into other work or processes.
- 2.11 Four local authorities are currently using extended S180 funding which will be available until July 2014. Five local authorities reported that they had found funding internally to continue the work/posts, while another six had subsumed the work into other roles and areas. Two local authorities reported that the work was not continuing beyond the end of the project.

3 Monitoring System – Data Collection Returns

- 3.1 Local authorities were issued with monitoring data forms at the beginning of April 2014 which sought details relating to the fifth period (October 2013-March 2014).
- 3.2 Please see Appendix 1 for a copy of the data collection form.
- 3.3 Responses were received from 19 of the 22 local authorities. The data returns forms the basis of the findings reported below.

4 Findings

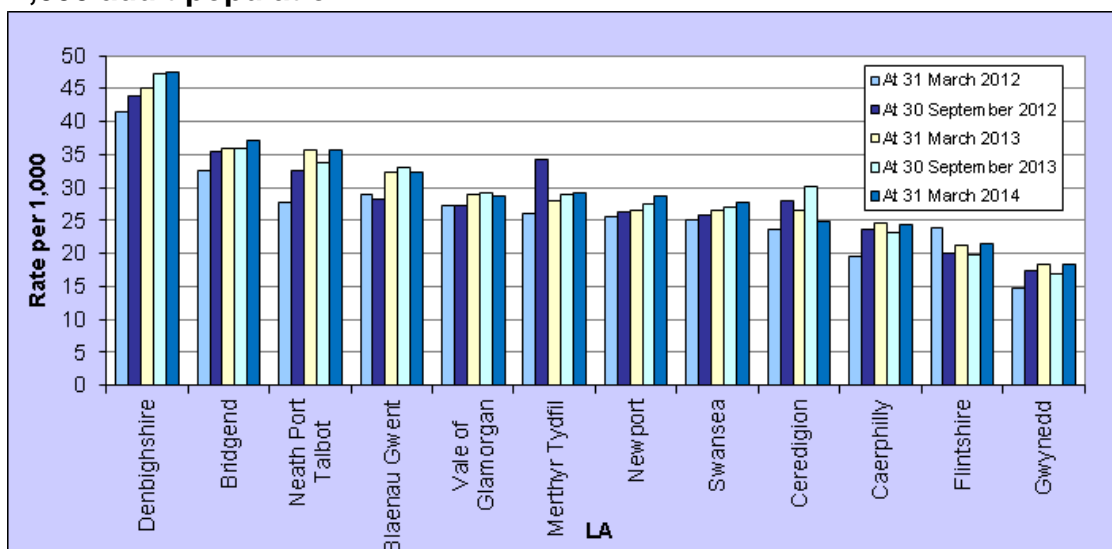
- 4.1 The paragraphs below present a summary of the data returned. Where appropriate, data from other sources have been included. More detailed information about the data and performance information provided by each local authority appears in section 7. There is also a short contextual review in Appendix 2 to provide further context to the welfare reform changes and potential impacts.

Tenants, Housing Benefit Recipients and Rent Levels

- 4.2 It has been estimated that approximately 21% of private rented sector tenants are in receipt of housing benefit in Wales⁸. All of the 19 local authorities reporting in period 5 provided figures for the number of private sector tenants in receipt of housing benefit at the end of March 2014. The number of people per 1,000 of the population in receipt of housing benefit has been calculated from this figure and the Census 2011 data on local authority population.
- 4.3 On average, the rate of private rented sector tenants in receipt of housing benefit in Wales has remained static across all five periods, being 27 or 28 persons per 1,000. However, within local authorities there is evidence of slight increases with 18 local authorities (who provided data for at least three periods) reporting higher figures in their most recent returns than in their first returns.
- 4.4 Of the 12 local authorities who returned data for all five periods, all but one of those reported a higher rate of private rented sector tenants in receipt of housing benefit in period 5 than in period 1.

⁸ Housing Benefit and Council Tax Benefit Caseload Statistics, Department for Work and Pensions 2013.

Chart 1: Rate of private sector tenants in receipt of housing benefit per 1,000 adult population

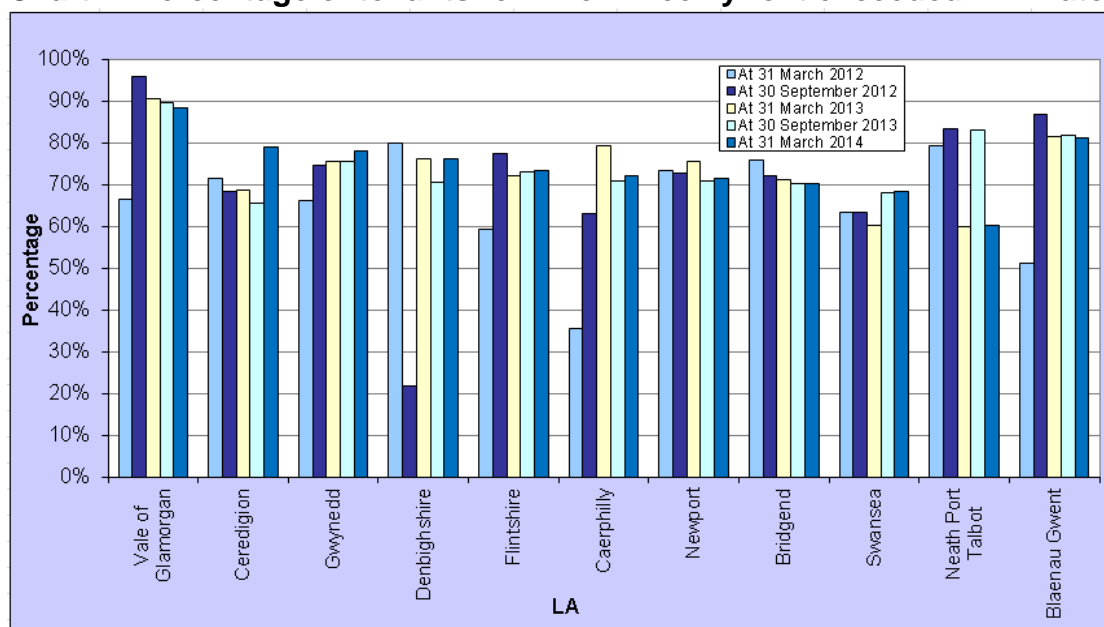


Source: Welsh Government monitoring data collection across all five periods. Local authorities reporting in all periods only.

- 4.5 Denbighshire has continued to report the highest rate across all periods while Monmouthshire has continued to report the lowest (since period 2). Flintshire has been the only local authority (of the 12 which have provided data for all five periods) in which the rate of private rented sector tenants in receipt of housing benefit is now lower than in period 1, currently by 2 persons per 1,000. Denbighshire which has consistently reported the highest rate, has also reported one of the highest increases across all five periods, the rate having increased by 7 persons per 1,000 (along with Neath Port Talbot who report their rate increasing by 8 persons per 1,000 over the five periods). Chart 1 compares the rate of private sector tenants per 1,000 who are in receipt of housing benefit across all five periods.
- 4.6 In period 5, 15 of the 16 local authorities reported that 60% or more of private sector tenants faced weekly rents that exceeded the LHA rate (90% of local authorities). This means that at least 60% of tenants in most local authorities are topping up their benefits in order to pay their rents. This ‘topping up’ could potentially put added pressure on family finances.
- 4.7 There is substantial variation in the proportion of private sector tenants for whom weekly rent exceeds the local housing allowance (LHA) rate across all local authorities. For example, while Wrexham has reported having 49% of private sector tenants in this position in period 5, the Vale of Glamorgan has reported around 90% of tenants are in this position. This reflects the diversity of the housing markets and communities across Wales.
- 4.8 Chart 2 shows comparisons between periods 1 to 5 for the proportion of tenants for whom weekly rent exceeded the LHA rate

at the end of each period, for each local authority that returned relevant data for all five periods.

Chart 2: Percentage of tenants for whom weekly rent exceeded LHA rate



Source: Welsh Government monitoring data collection across all five periods. Local authorities reporting in all periods only.

4.9 Of the 11 local authorities who reported on the proportion of tenants for whom weekly rent exceeded the LHA rate across all five periods, seven reported increases and four reported decreases, so no obvious Wales-wide trend emerges. A small number of local authorities report pronounced increases. Caerphilly for example report the proportion of tenants for whom weekly rent exceeded the LHA rate increasing from 35% in period 1 to 72% in period 5 and the Vale of Glamorgan who reported the proportion increasing from 67% in period 1 to 88% in period 5.

4.10 Although Wales was reported to have experienced the largest increase in rent levels outside of London in 2013⁹, research published in March 2014¹⁰ suggests that private sector rent levels have since decreased slightly. The average rent in Wales now stands at £556¹¹, with rents falling by 2.0% in the past 12 months. Although this decrease follows a sharp rise, it could potentially be seen to support the UK Government's assertion that private sector

⁹ LSL Properties Buy to Let Index March 2014
http://www.lslps.co.uk/documents/buy_to_let_index_mar14.pdf

¹⁰ The Buy-to-Let index is a monthly analysis of approximately 18,000 rental properties and tenancies from around the UK, figures for the whole country are inferred by scaling up from LSL's market share.

¹¹ LSL Properties Buy to Let Index March 2014
http://www.lslps.co.uk/documents/buy_to_let_index_mar14.pdf

rents would decrease as a result of the 'downward pressure' which the housing benefit changes would exert¹².

- 4.11 Although the private rented sector provides only 12% per cent of homes in Wales, it plays an important role in meeting the housing needs of those who are unable to access owner occupied or social housing (Shelter Cymru, 2010).
- 4.12 Housing benefit in Wales costs around £1.1 billion per year and has been increasing, an increase which is attributed to the costs of renting in the private sector¹³. This is compounded by the fact that the number of people living in the private rented sector has risen (from 7.4% in 2001 to 14.2% in 2011¹⁴) and is expected to continue rising in the future.

Managed Payment of Housing Benefit to Landlords

- 4.13 Local authorities were asked to report the number of tenancies where the landlord was in direct receipt of housing benefit at the end of each period, a system known as 'managed payment'. Table 1 illustrates that the rate of this occurrence stayed consistent across the first two periods, but dropped in period 3 before beginning to increase again.

¹² The Impact of changes to housing benefit in Wales. House of Commons Welsh Affairs Committee. 2013.

¹³ The Impact of changes to housing benefit in Wales. House of Commons Welsh Affairs Committee. 2013.

¹⁴ Rate per 1,000 population aged over 16, 2011 Census: Usual resident population by broad age group and local authority, Welsh Government.

Table 1: Range in the rates of tenancies where the landlord is in direct receipt of housing benefit payments across periods 1 to 4

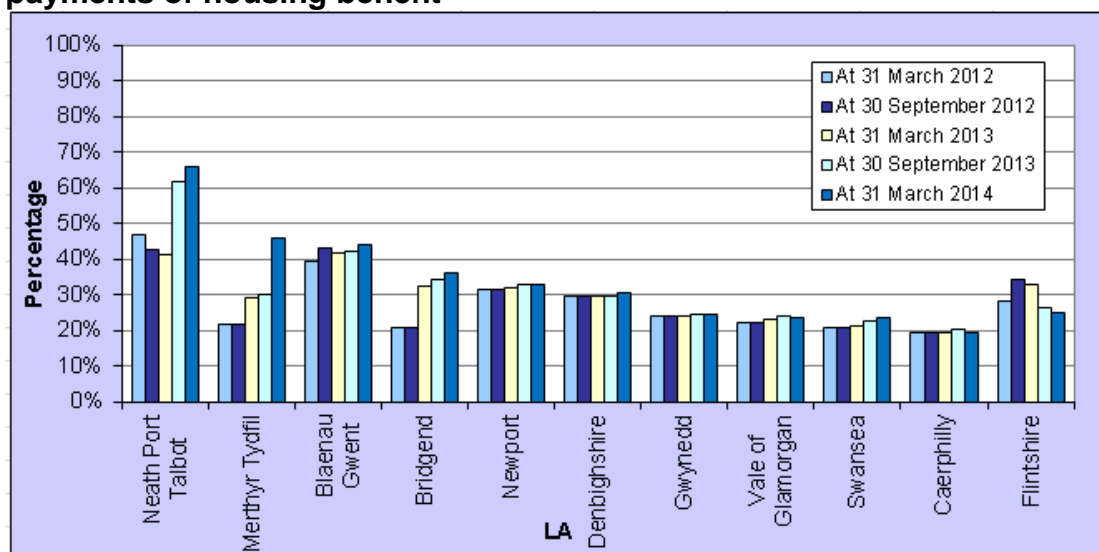
Period	Rate of tenancies where the landlord is in direct receipt of housing benefit payments		Wales Average	Number of local authorities reporting
	Lowest	Highest		
Period 1 (October 2011–March 2012)	16%	47%	33%	12
Period 2 (April–September 2012)	16%	43%	33%	17
Period 3 (October 2012–March 2013)	7%	42%	24%	20
Period 4 (April–September 2013)	8%	62%	25%	22
Period 5 (October 2013- March 2014)	13%	66%	29%	19

Source: Welsh Government monitoring data collection across all five periods.

4.14 Since period 4, Neath Port Talbot has continued to report the highest rate of tenancies where the landlord directly receives housing benefit. Wrexham have reported that their rate of managed payments has increased by 33% since period 4 (from 19% to 52%), while Merthyr Tydfil has also seen an increase of 16% in this measure since the previous period.

4.15 Chart 3 shows comparisons between periods 1 to 5 for the proportion of tenancies where the landlord was in direct receipt of housing benefit payments at the end of each period, for each local authority that returned relevant data for all five periods.

Chart 3: Proportion of tenancies where the landlord received direct payments of housing benefit



Source: Welsh Government monitoring data collection across all five periods. Local authorities reporting in all periods only.

- 4.16 With the exceptions of Caerphilly, the Vale of Glamorgan and Flintshire (where this proportion stayed the same or decreased slightly), local authorities reported increases in these figures. As landlords can request that managed payment is utilised where tenants fall into rent arrears (of 8 weeks or more), any increase could potentially be caused by an increase in this occurrence, suggesting that some tenants may be in financial difficulty. Although the data collected is not sufficient to confirm whether that is the case. Any increase in managed payments may make it more difficult for the introduction of Universal Credit (where tenants will be paid directly and the option for managed payments will be removed) in 2017.
- 4.17 Concerns have been raised in the literature that Universal Credit could result in tenants falling into debt and rent arrears if they have difficulty in managing their finances¹⁵, without the safety net that switching back to managed payments can offer. It has also been argued that a default managed payments scheme could encourage private sector landlords to take on housing benefit claimants to ensure that rents are paid in full and on time (Citizens Advice Bureau, 2012).

Discretionary Housing Payments

- 4.18 The Discretionary Housing Payment (DHP) provides financial assistance to housing benefit claimants, albeit temporarily, for between 13 and 26 weeks and supports claimants while they are making arrangements to manage their finances in the face of welfare reform changes. In 2012/13, Welsh local authorities were allocated a total of £2.5 million, which rose to £7 million in 2013/14¹⁶, for DHP payments.

Table 2: Financial allocation of discretionary housing payment (DHP) between April 2011 and March 2014

Financial Year	Lowest	Highest
2011/12	£ 14,000	£290,000
2012/13	£ 32,000	£485,000
2013/14	£121,978	£1.1 million

Source: Welsh Government monitoring data collection across all five periods.

- 4.19 The amount of DHP allocated to local authorities has increased over the last three financial years, with a considerable increase in allocation for this financial year. Cardiff, unsurprisingly, has consistently received the largest allocation of DHP funding. Merthyr consistently reported receiving the smallest allocation of DHP, (although their funding amount almost quadrupling between 2012/13 and 2013/14). Some authorities also received a rural top

¹⁵ The Impact of Changes to Housing Benefit in Wales. House of Commons Welsh Affairs Committee. 2013.

¹⁶ *ibid*

up from the DWP, while an additional top up from Welsh Government was available for local authorities which applied, as well as some local authorities adding to their allocation from local sources.

- 4.20 Three rural local authorities – Powys, Ceredigion and Gwynedd received a top up of their DHP allocation in July 2013. This ‘top up’ was aimed specifically at the 21 least densely populated areas in Great Britain, three of which were in Wales. The aim of the funding was *“to avoid a disproportionate impact on those affected by the removal of the spare room subsidy in remote and isolated communities where the geography means that the potential remedies are less readily available; work, alternative accommodation, people looking for lodging etc”*¹⁷.
- 4.21 This resulted in Powys seeing the biggest increase between 2012/13 and 2013/14 with their allocation in 2013/14 being eight times higher than their 2012/13 allocation.
- 4.22 For this period, all local authorities were asked to indicate whether they had used other funds to top up DHP. The original and ‘topped up’ allocations are provided below in table 3 for all local authorities reporting in this period.

¹⁷ DWP Housing Benefit Circular S6/2013.

Table 3: Sources of finance for local authorities reporting in period 5 (September 2013-March 2014)

Source: DWP Housing Benefit Circular S6/2013 and local authority data returns for periods 4 and 5.

Local Authority	Original 2013/2014 DHP allocation	Allocated DHP 'Rural Top Up'	Spend of Welsh Govt. 'Top Up' ¹⁸	Internal Funds 'Top Up'	Total 2013/14 DHP allocation and 'top ups'	Total spend reported by local authority for financial year
Blaenau Gwent	£160,251		£9,936.54		£170,187.54	£164,882
Bridgend	£279,100		£21,113		£300,213	£279,100
Caerphilly	£292,597		£30,219.37		£322,816.37	£385,816 ¹⁹
Cardiff	£1,102,669		£232,947	£21,697	£1,357,313	£1,388,758
Ceredigion	£163,391	£161,542			£324,933	£312,799
Denbighshire	£217,194			£6,702	£223,896	£223,896
Flintshire	£242,119		£51,000	£302,526	£595,645	£270,502
Gwynedd	£241,353	£363,788			£605,141	£590,901
Merthyr Tydfil	£124,556		£30,000		£154,556	£154,555
Monmouthshire	£121,978		£19,602		£141,579	£141,579
Neath Port Talbot	£318,083		£67,197		£385,280	£344,350
Newport	£343,870				£343,870	£343,869
Pembrokeshire	£193,940				£193,940	£193,940
Powys	£154,975	£357,810	£32,000		£544,785	£545,508
Rhondda Cynon Taf	£451,301		£68,859.65		£520,160	£451,301
Swansea	£474,871		£100,320	£1,213	£576,404	£576,404
Torfaen	£193,584		£40,896	£69,364	£303,844	£303,844
Vale of Glamorgan	£219,639			£215,000	£434,639	£224,290
Wrexham	£198,082		£22,223		£220,305	£204,211

¹⁸ This column uses the actual amount spent by local authorities of the WG top up. The top up was offered in January 2014 and had to be spent by 31 March 2014, hence the amount local authorities spent in the given time varies. The *total allocation and 'top ups'* column also reflects the amount spent.

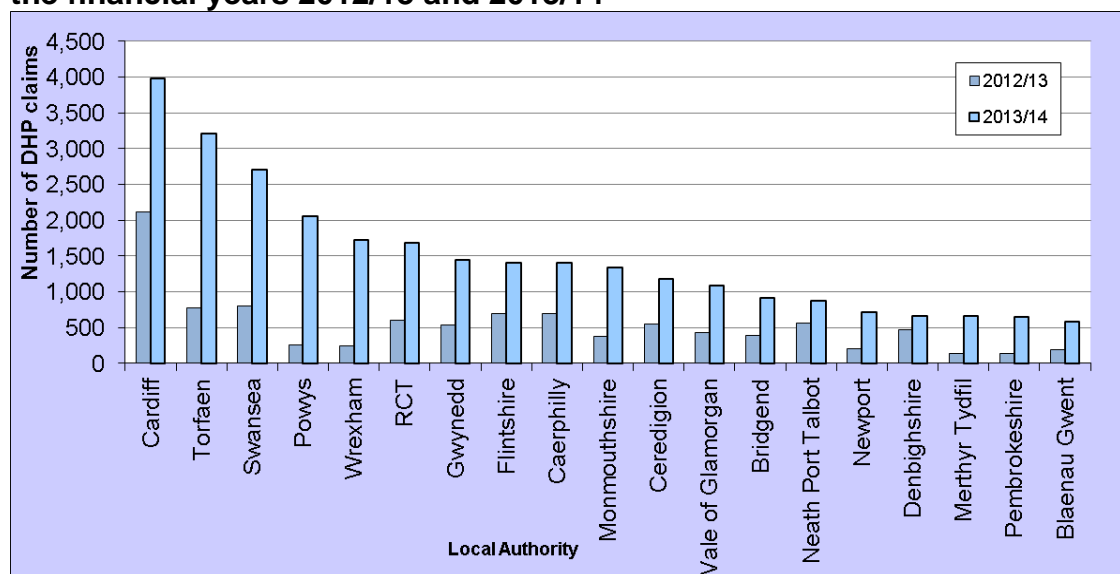
¹⁹ Caerphilly also received an additional £63,000 from the DWP hence the difference in totals.

4.23 Eighteen of the 19 local authorities reporting spent more than 100% of their original DHP allocation (including the rural top up). Although this is much higher than the 2012/13 financial year where only one local authority reported spending over 100% (nine reporting spends of over 80%), this may not be all that surprising. The 'bedroom tax' was introduced in 2013, and so it was during this year that tenants were made aware of reductions in their housing benefit. DHP is utilised to cover tenant costs until they have made the necessary changes to make their rent affordable. It was also during this financial year that additional top ups were made available to local authorities from the Welsh Government or DWP. Six local authorities also reported topping up from their own resources (all but two, in addition to receiving a top up from elsewhere).

4.24 Previous monitoring reports have investigated whether there is any trend in how local authorities spend their allocation, for example, whether local authorities hold back funds in the first half of the financial year and spend more in the second. While Denbighshire, Wrexham, RCT, Newport and Bridgend consistently spent more in the second half of the financial years (2012/13; 2013/14), this does not necessarily represent any particular strategy, especially given that the various top ups were paid at different times throughout the 2013/14 financial year.

4.25 In period 5 local authorities were asked to provide the total number of claims received for DHP in both 2012/13 and 2013/14, as illustrated in the chart over the page.

Chart 4: The total number of DHP claims received by local authorities for the financial years 2012/13 and 2013/14



Source: Local authorities reporting in period 5 only.

- 4.26 All local authorities saw an increase in the amount of DHP claims they received in 2013/14 in comparison to the previous financial year. Fifteen of the 19 local authorities reporting saw the number of claims for DHP at least double, with some seeing significant increase. Powys and Wrexham, for example, received over seven times as many claims in 2013/14, while in Merthyr Tydfil, Torfaen and Pembrokeshire the number of claims quadrupled over the same period.
- 4.27 However, the reasons for this are unclear. More claims could indicate an increase in the number of people who find themselves in financial difficulty as a result of the 'bedroom tax' and who are applying for DHP to enable them to pay their rent until they make the necessary changes to their situation so that their rent is affordable. It could also be the case that there is more awareness of DHP as an option for people in difficulty.

Homelessness Due to Private Sector Rent Arrears

- 4.29 Across all five periods, the proportion of homeless households²⁰ where rent arrears on private sector dwellings were identified as the main cause of homelessness has been very small, at less than 6% in all local authorities for the first three periods, rising to just under 8% in period 4 and falling slightly to 6.5% in period 5. Given the small numbers involved in this data, no pattern can be determined.
- 4.30 Whilst rent arrears may not be the main cause of homelessness in many instances, it is useful to understand the extent to which it may be a factor behind households losing their homes. Please see Section 7 for more information on private sector rent arrears as a contributory factor in investigations of homelessness in specific local authorities. It is important to note that the factors leading to a household becoming homeless may be complex, and even where rent arrears do not appear to be a contributory factor, financial pressures may underlie other more obvious reasons, such as relationship breakdown.

²⁰ Households which were eligible, unintentionally homeless and in priority need.

5 Qualitative Information Provided by Local Authorities

- 5.1 In each period, local authorities were asked to respond to a number of qualitative questions. These questions tended to focus on DHP given the importance attached to this payment in helping people cope with the welfare changes.

The Assessment and Processing of DHP claims

- 5.2 In period 3, local authorities were asked to provide a variety of information on how DHP applications were assessed and processed.
- 5.3 Regarding processing, 10 of the 21 local authorities reporting noted that they used application forms to process DHP claims and nine reported that it was an individual or team of Benefit Officers who would receive and make a decision about whether to grant claims. There were also six local authorities who indicated that they undertook a validation check on the information provided *before* making a decision about whether to allocate money from the DHP fund.
- 5.4 When asked more specifically what criteria decisions to grant DHP claims were based on, four local authorities reported that decisions were made on a case by case basis or on their own merit and five noted that allocation was dependent on guidance from the DHP.
- 5.5 Sixteen local authorities noted the use of income and expenditure information in assessing claims, a further four sought indications that tenants had taken proactive measures to alleviate their situation. Six also mentioned other factors such as establishing why the tenant needed to be in a specific property, as well as looking for previous awards of DHP and for any exceptional circumstances.
- 5.6 In period 3, local authorities were also asked whether they target any specific groups, due to concerns emerging of the potential impacts of welfare reform on specific groups. Local authorities reported that they target those with health issues, (six mentions in relation to disability and illness), and those who were considered to be most in need, (six mentions with examples such as those facing eviction). Four also reported family type as a targeted group, such as lone parent households or those with foster children. Overall, one or more specific group(s) were mentioned 18 times by 12 local

authorities, with the remaining nine reporting that there were no specific groups targeted.

- 5.7 There is general consistency in how DHP claims are assessed and processed (although some local authorities require more information/justification for claims than others), however there is variation in the targeting of specific groups. Almost half of the local authorities report targeting no specific groups at all. Those who do target, do so for health, family or crisis reasons.

Tenants Living in Adapted Properties

- 5.8 In period 4, specific questions were posed pertaining to those living in adapted homes after concerns emerged about the impact of the under-occupancy policy on this group²¹. A Freedom of Information request from National Housing Federation found that across all local authorities in England, while demand for DHPs almost tripled in 2013, one in three disabled people who applied for it were turned down (National Housing Federation, 2013). If as a result of this policy those living in adapted properties are forced to move, this is likely to incur considerable cost in adapting another property and altering the original property for general use. This is of considerable concern in the social rented sector, as housing associations report that they cannot afford to adapt new properties if disabled tenants are forced to move as a result of the under-occupancy policy. Although there are no firm figures for Wales, it is estimated that there are currently 35,000 claimants living in adapted homes in the UK who are potentially affected by the under-occupancy policy²².
- 5.9 The discretionary housing payment (DHP) is seen as a way of alleviating the impact of the under-occupancy policy in the short-term. Although the DHP is not ring-fenced for any particular groups, as part of the period 4 return, local authorities were asked to provide figures on how many claimants had adaptations in their homes and of this number how many were successful in claiming DHP.
- 5.10 Sixteen of the 22 local authorities who responded to this question were unable to provide precise figures, reporting that they did not collect this data. Only Powys had figures for the number of applications made by claimants with adaptations in their homes. The local authority had received seven DHP claims from this group and all have been successful. Although no other local authority provided figures on the number of applications made, both Neath Port Talbot and Gwynedd reported that all of those claimants who had adaptations in their homes had been successful in their

²¹ The Impact of Changes to Housing Benefit in Wales. House of Commons Welsh Affairs Committee. 2013.

²² *ibid*

applications for DHP. In Neath Port Talbot, the award is made regardless of the means test and for the full financial year. Denbighshire reported that 70% of DHP claims made by those whose homes had adaptations were successful, while in Merthyr the figure was 20%²³. However, as the majority of local authorities do not collect this information, it is therefore difficult to determine whether the concerns around this group are justified.

- 5.11 Merthyr noted in their period 4 return that due to the low numbers of applications received by a number of 'vulnerable' groups impacted by Welfare Reform Act 2012, the local authority were planning to undertake further scoping and profiling of 'vulnerable' groups/households and will be contacting them directly in relation to making a DHP application.
- 5.12 Where figures could not be reported, this was typically because information on whether a home has an adaptation is not recorded. Blaenau Gwent had sought to gather this information via their three Registered Social Landlords (RSLs), but this was not yet available for the whole local authority. Out of the two RSLs who had provided data, there were 'very few' claims made from people living in adapted properties and none of these had been successful in securing DHP.
- 5.13 Monmouthshire and Torfaen indicated that their application forms identify whether the property is adapted and that this group is prioritised, with analysis of that data collected currently underway.
- 5.14 The majority of local authorities say that the main reasons for DHP refusal is income exceeding expenditure or the inability of the claimant to prove that they cannot afford to pay the shortfall themselves. Although given that the local authorities were unable to identify those claimants who had adaptations in their homes, it must be assumed that these are general reasons for refusal across all groups.
- 5.15 In period 5, local authorities were asked whether there had been any change in the priority given to DHP claims made by people with adaptations in their homes (i.e. any change to the information provided in previous periods). Sixteen of the 18 local authorities which responded to this question indicated that there had been no change. As such, the majority of local authorities were continuing to consider those with adaptations in the same way as other DHP claimants. The exception to this is Pembrokeshire, which reported no longer using means testing for claims made by people with wheelchair adaptations and purpose-built properties. Blaenau Gwent, who were previously unable to provide information on this area, also reported that they are now specifically targeting those with adaptations.

²³ Actual figures were not provided.

Disability Living Allowance and Discretionary Housing Payment

- 5.16 Concerns have been raised as to whether disability payments are considered as income in DHP applications to local authorities (Shelter Cymru 2013, Bevan Foundation 2012, National Housing Federation 2013). Shelter Cymru raise concerns that such benefits are being treated as spare money, “rather than a much-needed resource for people to live equitable lives” (Shelter Cymru 2013 p6).
- 5.17 In period 4, local authorities were asked how they consider disability living allowance (DLA) when considering DHP claims. All but one of the 22 local authorities who responded considered DLA as income. Only one local authority of the 22 reporting, disregard DLA altogether (Caerphilly), three disregard the DLA Mobility element (Powys, Pembrokeshire and Flintshire) and Pembrokeshire additionally disregards the difference between the middle and higher rate of the care component. The Vale of Glamorgan noted disregarding DLA Mobility when the claimant had a motability car. However, if the claimant didn't have a motability car the DLA Mobility was taken into account but higher travel expenses were allowed which would include taxi fares (so that the income is offset in full). The Vale of Glamorgan also takes into account the Care Component but the expense allowance is increased to offset this income in full as well. In summary there is no clear approach to how DLA and its component parts are considered in DHP claims, in fact the picture is quite complex.
- 5.18 All local authorities who responded reported that they take all expenditure information related to disability into account as necessary expenditure, and the majority also pointed out that claimants were specifically encouraged to identify any disability-related costs in their application.
- 5.19 In period 5, local authorities were asked whether there had been any change in their consideration of disability living allowance in DHP claims, and all reported that their policies had remained the same. The consensus remains that DLA is considered to be income but this is balanced by identifying the costs related to disability, these being considered as outgoings. Applications are considered on a case by case basis and any additional expenditure due to disability is taken into account.

Impact of the Project on Your Local Authority's Working Practices:

- 5.20 The responses received suggested that the main impacts of the projects are in the areas of collaboration, partnership working and that the projects have led to improvements in joined-up working, both internally but also with external partners.

- 5.21 Eight local authorities noted better links and operational practice with internal departments via improved teamwork, communication and client referrals. This includes amendments made to the DHP application forms to simplify the process as well as the introduction of housing solutions interviews to assess need. An additional two local authorities mentioned training and improved confidence in staff ability to advise clients and understand the issues of the sector.
- 5.22 Three local authorities noted that there was now greater internal efficiency, two specifically referencing triaging, one referring to the assessment of DHP and the other the use of resources. Another local authority noted their improved links with existing options services.
- 5.23 Three local authorities mentioned changes to working with landlords, such as the creation of a private sector landlord website to support partners in the private rented sector, improved communication and one-on-one relationships with a dedicated officer.
- 5.24 Four local authorities noted the impact on their links with other bodies and organisations, including Welsh Water and the Citizens Advice Bureau.
- 5.25 Similarly, two local authorities highlighted the impact the project has had on forward planning through the understanding of potential future issues and the ability to offer advice at early stages ahead of a client being in more severe difficulties.

Plans for Sustaining the Work of the Project Beyond the End of this Period

- 5.26 Although eight local authorities indicated that the S180 role would continue, three of these were utilising the additional WG S180 funds provided for April to July 2014 to do this and so the role may not continue beyond this date (as it was indicated by two that they could not fund the post without the S180 funding). One of the local authorities reporting that the role would continue described it as a similar role and stated that it would only last for six months.
- 5.27 An additional four local authorities were in the process of exploring options or seeking funding to continue the role or procure a similar service.
- 5.28 Six local authorities indicated that the role would not continue and while two gave no more information than this, four indicated that the work of the role (training, tools, learning etc.) would be absorbed into other work or processes.

5.29 Therefore it would appear that even where the specific role may not continue, the work undertaken as part or as a result of the project will continue to be utilised by local authorities.

6 Conclusion

- 6.1 The quantitative section of this report looked at a range of local authority level data to ascertain whether there has been any perceptible change in a number of key areas over the lifetime of the S180 projects. What is clear in regard to many of the data items, is that there is no discernible trend, and in fact there is a great deal of variation across local authorities. This is, in some ways, unsurprising given the variation in local authorities themselves and the communities they serve. For example, while Housing Benefit has remained static at a Wales level, the majority of the 12 local authorities who reported for all five periods reported a higher rate of private rented sector tenants in receipt of housing benefit in period 5 than in period 1.
- 6.2 Across all five periods, the proportion of private rented sector tenants for whom weekly rent exceeds their LHA has seen an increase in just over half (seven of 11) local authorities (who reported in all five periods). In period 5, 15 of 16 local authorities reported that 60% or more of private sector tenants faced weekly rents above their LHA. This means that at least 60% of private rented sector tenants in most local authorities are having to top up their benefits in order to pay their rents. This 'topping up' could potentially put added pressure on family finances.
- 6.3 Similarly, the increase in the proportion of private rented sector tenancies where the landlord receives direct payment of housing benefit, known as 'managed payment', may also point to tenants facing financial difficulties. Of the 11 local authorities reporting across all five periods, all but two reported an increase in the proportion of managed payment. Given the future introduction of Universal Credit, which is paid directly to tenants, increases could be seen as surprising. However, a potential reason for the increase could be landlords' ability to request that managed payment is utilised where tenants have eight weeks or more rent arrears. However, the data collected as part of this monitoring exercise does not enable any conclusions to be drawn as to why some local authorities have seen an increase. Further investigation into this would be required to be definitive.
- 6.4 All but one of the local authorities reporting in period 5, reported spending 100% (or more) of their original DHP allocation (including the rural top up where relevant) in the 2013/14 financial year. Given the introduction of the 'bedroom tax' in 2013, this figure isn't surprising, as it was during this financial year that tenants were being made aware of reductions in their HB payment. DHP is

utilised until tenants have made the necessary changes to make their rent affordable. The introduction of the bedroom tax may also help to explain the significant increases that local authorities reported in the number of DHP claims received in 2013/14 in comparison to 2012/13. Fifteen of 19 local authorities reporting saw the number of applications at least double.

- 6.5 A more in-depth exploration of DHPs was the focus of the qualitative questions posed across all five periods. These revealed that there is consistency in how DHP claims are processed and assessed, but some variation in whether specific groups are targeted.
- 6.6 When asked specifically about applicants with adaptations in their homes, most local authorities were unable to provide precise figures as identifying and recording those with adaptations in their homes is not routinely undertaken. Variation also emerged in whether local authorities treat DLA as income. While most local authorities *do* consider it as income, they also reported that costs associated with a tenant's disability or health issue would be identified and considered as outgoings so that the claimant would not be unfairly assessed.
- 6.7 Local authorities were asked to comment on the impacts of the S180 projects on their working practices. The returns received suggest that the most substantial impacts of the projects were improved collaboration and joined-up working, both with internal teams and colleagues as well as with external organisations. A number of mentions were made of improvements at the operational level, indicating that the work could have long-term impacts as processes and procedures are improved.
- 6.8 The majority of local authorities who responded to the qualitative questions are planning to continue the S180 role, and had either already secured this or were exploring options for doing so. Even where the role itself would not be continuing, the work and tools developed during the project would continue to be used.
- 6.9 It is difficult to be definitive about the impact of the S180 projects given that not all the welfare reform changes have yet been made, indeed a significant change, and the introduction of Universal Credit will now not be made until 2017. However, the S180 projects have reached a large number of tenants and landlords. From the inception of the projects to the end of period 5, just under 5,100 private sector landlords have been provided with advice and services for the first time through the projects. The number of tenants receiving the advice and services provided by the projects for the first time (from the inception of the projects to the end of period 5) stands at around 7,850. The data received would also suggest that the projects have had an impact on

improving ways of working and streamlining and simplifying processes.

- 6.10 Although the S180 funding is now at an end, the funding available from the Housing Benefit Mitigation/Prevention fund 2014/15 has been extended for Q2 of this year. In addition to this, and following the work of the Welfare Reform Task and Finish Group on the Bedroom Tax, the group is reconvening to look specifically at Direct Payments and Sustainability of Tenancies. The group will be meeting between July and November 2014 with a view to reporting in January 2015. The Welsh Government's recently passed Housing Bill will, from April 2015, create a new legislative framework to drive the prevention of homelessness. The Welsh Government intends to make further funding available to local authorities to support preparation for and implementation of the legislation from autumn 2014, thus allowing continuity of funding for the work in this area where local authorities decide it is strategically important.

7 Summary of Progress for Each Local Authority in Wales at 31st March 2014

This section is drawn from the project progress summaries provided by each local authority. All responses appear here in the local authorities' own words and reported statistics are based on 19 data returns.

The figures relating to homelessness are taken from National Statistics provided for each local authority and are expressed as 'less than five'. The actual figure could be any number up to four. Actual figures are suppressed from National Statistics due to the risk of identification of individuals or disclosure of facts about them.

The households referred to as homeless within the following sections are those household which following assessment, were found to be eligible, unintentionally homeless and in priority need during the period, where the main reason for the loss of the last settled home was due to rent arrears on a private sector dwelling.

Anglesey

(Anglesey did not provide any information for period 5).

Homelessness statistics

Data for period 5 from the homelessness statistics for Anglesey showed that less than five households within the authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. In periods 2 and 3, there were no households found in this position, but less than five in period 4. The monitoring data return showed that private sector rent arrears were identified as a contributory factor in less than five investigations of homelessness during periods 1 and 4 (no data was provided in periods 2, 3 or 5).

Blaenau Gwent

Project summary

The project to mitigate the impact of housing benefit reform in Blaenau Gwent is one of seven projects which were made the subject of a detailed case study, also published on the Welsh Government website. Please follow this link to Welsh Government housing research for the case study's report.

<http://wales.gov.uk/docs/caecd/research/130517-case-study-evaluation-local-authority-projects-mitigate-impact-housing-benefit-reform-en.pdf>

Blaenau Gwent reported the appointment of a Tenancy Sustainability Officer to help sustain tenancies and prevent homelessness, as well as to promote Discretionary Housing Payment applications and take a more holistic

approach to assessing DHPs. The local authority also noted closer working with Housing Options/Homelessness teams, Financial and Digital Inclusion Officers. Blaenau Gwent feels these practices have had the same aim: to try and reduce outgoings/improve financial circumstances to enable service users to remain in their own home.

Performance reported by the local authority for period 5 (October 2013-March 2014)

DHP claims received in Blaenau Gwent are assessed in a more efficient timescale than they were prior to the project commencing. Those likely to be impacted by the welfare reform changes are now targeted for help by the project, and supported to stay in their homes.

Tangible impact of the project on working practices

Blaenau Gwent also saw a large increase in the number of DHP claims received, without this project it is felt that the timescales to assess these claims would have increased. The local authority feels that many clients were targeted to receive help to enable them to remain in their home. Also, targeted interventions have taken place with regards to those affected by the welfare reform changes. For example *Welsh Water Assist, SWALEC Warm Home discounts, CAB advice and referrals to the local authority's Digital Inclusion team* have all been made. Without this project, Blaenau Gwent feels that many of the individuals who received the help from the Tenancy Sustainability Officer to remain in their home would not have

Plans for sustaining the work of the project beyond the end of this period

Blaenau Gwent will try to continue to provide a more holistic approach when assessing DHPs, however, the local authority reports not having the resources to continue with it on the scale of the previous few years. With the introduction of Universal Credit and the LSS Framework, the local authority believes that it is the above guidance and help that is required for individuals affected by Welfare Reform.

Information from the monitoring data return for period 5 (October 2013- March 2014)

At the end of period 5:	Blaenau Gwent	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	32 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	80%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	44%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	50%	64%

Homelessness statistics

Data from the homelessness statistics return for Blaenau Gwent during the first three periods has shown that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy, this rose to six in period 4. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in less than five investigations in period 1, 28 in period 2, 52 in period 3, seven in period 4 and 21 in period 5.

Bridgend

Project summary

The aim of this project was to work with new and existing clients in order to raise awareness of the benefit changes in order to minimise the potential impacts on them, maximise their income and prevent homelessness through effective advice, mediation and including signposting to other services/agencies when required.

Performance reported by the local authority for period 5 (October 2013-March 2014)

This information will be fully available at the end of the project and will be provided by the external partner procured by the local authority to provide the financial inclusion service.

Tangible impact of the project on working practices

The local authority has reported that a structured and planned approach to financial inclusion and debt advice has slightly impacted on homelessness prevention and financial sustainability. Bridgend have implemented a new approach to assisting households in housing need whereby a housing solutions interview is undertaken with the applicant, of which financial inclusion forms a part. A referral to the Financial Inclusions Officer is a resource that can be utilised and assists the authority in reducing the use of temporary accommodation, by enabling applicants to remain in their own home.

Plans for sustaining the work of the project beyond the end of this period

The Housing Benefit Service sees the benefits of the project and is going out to procure a similar 12 month service for mitigating welfare reform assisting people who apply for DHP.

Information from the monitoring data return for period 5 (October 2013- March 2014)

At the end of period 5:	Bridgend	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	37 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	70%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	36%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	58%	64%

Homelessness statistics

Data for the first four periods from the homelessness statistics for Bridgend showed that no households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy, however this rose to less than five in period 5. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in no investigations in period 1, less than five in period 2, five in period 3, six in period 4 and seven in period 5.

Caerphilly

Project summary

The project to mitigate the impact of housing benefit reform in Caerphilly is one of seven projects which were made the subject of a detailed case study, also published on the Welsh Government website. Please follow this link to Welsh Government housing research for the case study's report.

<http://wales.gov.uk/docs/caecd/research/130517-case-study-evaluation-local-authority-projects-mitigate-impact-housing-benefit-reform-en.pdf>

(Caerphilly did not provide information on the project for period 5).

Performance reported by the local authority for period 5 (October 2013-March 2014)

Visits to PRS tenants currently in receipt of direct LHA payments due to vulnerability or rent arrears, has revealed valuable data on those interviewed. Sixty two per cent of those visited admitted that keeping on top of rent payments was problematic. When asked if tenants had considered moving to a smaller property, only 12% said they had thought about moving to reduce

living costs. Just under 70% of those interviewed said they would use the Credit Union rent account once Universal Credit commenced, however, when landlords are made aware of the facility to use this method of receiving rent, they are put off by the £5.00 per month fee.

Tangible impact of the project on working practices

Caerphilly developed a DHP working group which has amended the DHP application forms over time and simplified the application process for applicants. The local authority has worked with the Credit Union to encourage better take-up of the rent account direct payment facility and reduce their fees from £10.00 to £5.00 per transaction, to incentivise PRS landlords. They have developed and launched a Caerphilly private landlord website to support their PRS partners.

Plans for sustaining the work of the project beyond the end of this period

The PRS Access and Advice Co-ordinator post (funded through this grant) will continue to be funded from within local authority resources. The postholder will continue to promote accreditation, the use of the landlords' website and attendance at landlord forum meetings. The post holder will continue to chair the DHP working group and provide assistance to clients in the PRS to apply for DHPs.

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Caerphilly	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	24 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	72%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	19%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	65%	64%

Homelessness statistics

Data for period 1 from the homelessness statistics for Caerphilly showed that no households within the local authority were found to be homeless where the main reason was rent arrears on a private sector tenancy, with less than five households in this position in periods 2 and 3, falling to no households in periods 4 and 5. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in 45 investigations in period 1, 13 in period 2, less than five in period 3, none in period 4 and 26 in period 5.

Cardiff

Project summary

A Financial Support Advisor was appointed by Cardiff Council, via the Vale of Glamorgan Citizens Advice Bureau, with input from the Vale and Cardiff Regional Collaborative Committee Income Maximisation and Budgeting Group. Their remit was to develop appropriate tools and training to assist support workers and Council advisors in Cardiff and the Vale of Glamorgan, to deliver low level debt and budgeting advice for their clients. The aim is to better equip frontline staff to tackle financial issues at an early stage to help prevent the escalation of debt and the possible loss of tenancies. The advisor also planned training sessions, which ran between November and February 2014.

Performance reported by the local authority for period 5 (October 2013-March 2014)

The financial support officer has been in post since the end of August 2013 and is currently planning and preparing for the delivery of the training courses.

Tangible impact of the project on working practices

Following the one day workshops it is expected that participating organisations, including Cardiff local authority support workers, will be better equipped to proactively provide debt management and budgeting advice and tackle financial issues at an early stage to help prevent escalation of debt. With 36 organisations taking part in the training and the positive feedback received from delegates, the local authority feels that the post has contributed to creating confidence and consistency across the housing-related support sector with regards to debt management and budgeting advice.

Plans for sustaining the work of the project beyond the end of this period

Through the usual practices of reviewing the services provided by organisations funded by the Supporting People programme, Cardiff will prioritise the issues of debt management and budgeting advice. This will help to ensure that these issues remain high on the agenda for organisations. The online toolkit and course handbook will remain available to support workers to enable them to continue to provide consistent and accurate advice and support to services users.

Information from the monitoring data return for period 5 (October 2013- March 2014)

At the end of period 5:	Cardiff	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	34 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	69%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	21%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	76%	64%

Homelessness statistics

Data for period 1 from the homelessness statistics for Cardiff showed that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. In periods 2 and 3, the data for Cardiff showed that five households within the local authority were found to be homeless, which rose to nine in period 4, but fell slightly to seven in period 5. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in four cases in period 1, five in period 2, eight in period 3 and 18 investigations in period 4, falling slightly to 10 in period 5 .

Carmarthenshire

Project summary

The project to mitigate the impact of housing benefit reform in Carmarthenshire, is one of seven projects which were made the subject of a detailed case study, also published on the Welsh Government website. Please follow this link to Welsh Government housing research for the case study's report.

<http://wales.gov.uk/docs/caecd/research/130517-case-study-evaluation-local-authority-projects-mitigate-impact-housing-benefit-reform-en.pdf>

(Carmarthenshire did not provide any information for period 5).

Homelessness statistics

Data for periods 1, 2 and 3 from the homelessness statistics return for Carmarthenshire showed that no households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy, which increased to less than five in periods 4 and 5. The

monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in less than five investigations in period 1, 105 in period 2, 98 in period 3 and 93 in period 4.

Ceredigion

Project summary

The local authority reported raising awareness across all local authority departments, tenants and the third sector, as well as attending events and giving presentations which have been arranged by partner agencies across the county and in rural locations (such as *Hafal's* national conference). Ceredigion has also worked in partnership with the homelessness/housing options section to ensure maximisation of tenant's benefit/income, while also training RSL staff and various departments throughout the local authority - particularly those who have day to day involvement with the general public. The local authority has continued to target affected tenants using data from the Housing Benefit sections, as well as making contact with PRS Landlords/agents in the county.

Performance reported by the local authority for period 5 (October 2013-March 2014)

- 70 tenants provided with in-depth welfare reform assistance during the reporting period, as well as general enquiries not recorded; and
- 79% of PRS rent over LHA rates = only 21% PRS rents affordable to clients in Ceredigion.

Tangible impact of the project on working practices

All departments and organisations operating in Ceredigion have been trained and updated on the Welfare Reforms and its implications. There is also ongoing support for staff and their enquiries. Engagement with Clients/Tenants and Landlords has been very positive. Ceredigion has an officer who feeds into various groups and meetings on the impacts of Welfare Reform and what it means to the local authority as a whole.

Plans for sustaining the work of the project beyond the end of this period

The Welfare Reform Housing Officer post is now a full-time, permanent position.

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Ceredigion	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	25 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	79%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	17%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	75%	64%

Homelessness statistics

Data for all five periods from the homelessness statistics return for Ceredigion showed that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in 17 investigations in period 1, less than five in period 2, six in period 3, less than five investigation in both period 4 period 5.

Conwy

(Conwy did not provide any information for period 5).

Homelessness statistics

Data for period 1 from the homelessness statistics return for Conwy showed that no households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. In periods 2, 3, 4 and 5 there were less than five households within the local authority that were found to be homeless, where the main reason was rent arrears on a private sector tenancy. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in no investigations of homelessness in period 1, two in period 2, five in period 3 and 66 investigations during period 4.

Denbighshire

Project summary

The project to mitigate the impact of housing benefit reform in Denbighshire is one of seven projects which were made the subject of a detailed case study, also published on the Welsh Government website. Please follow this link to Welsh Government housing research for the case study's report.

<http://wales.gov.uk/docs/caecd/research/130517-case-study-evaluation-local-authority-projects-mitigate-impact-housing-benefit-reform-en.pdf>

Denbighshire has linked with a range of organisations including Communities First to provide a joint approach to tackling issues amongst those at risk of homelessness as a result of welfare reforms. The local authority has been raising awareness of the changes across a range of organisations and within their own department to ensure a more co-ordinated approach is taken.

Performance reported by the local authority for period 5 (October 2013-March 2014)

- 121 clients seen/advice and assistance given;
- 36 professionals given advice;
- presentations given to private landlords forum (affecting 52 private tenants); and
- intense support given to three Council tenants facing eviction.

Tangible impact of the project on working practices

The local authority has developed better links with other organisations and internal departments. New ways of working have been developed and the local authority is now looking into wider issues of Financial inclusion and digital inclusion issues.

Plans for sustaining the work of the project beyond the end of this period

Denbighshire have secured six months funding via Supporting People for a similar post to the S180 Welfare Reform post and during this time are going to address their longer term needs. The local authority is reviewing its Financial Inclusion and Income Management Strategy to ensure that it is an overarching document which addresses wider issues of financial exclusion with residents (so it is more than just addressing welfare reforms).

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Denbighshire	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	48 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	76%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	31%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	49%	64%

Homelessness statistics

Data for all five periods from the homelessness statistics return for Denbighshire showed that no households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in 23 investigations of homelessness in period 1, less than five in period 2, an in no investigations in period 3 or period 4.

Flintshire

Project summary

The project to mitigate the impact of housing benefit reform in Flintshire is one of seven projects which were made the subject of a detailed case study, also published on the Welsh Government website. Please follow this link to Welsh Government housing research for the case study's report.

<http://wales.gov.uk/docs/caecd/research/130517-case-study-evaluation-local-authority-projects-mitigate-impact-housing-benefit-reform-en.pdf>

In May 2013, Flintshire established the Welfare Reform Response Team (WRRT) to target advice and support to the most vulnerable members of their community impacted by the welfare reforms. The S180 officer is based within this team, alongside two officers funded by the local authority. The WRRT has employed a proactive approach to ensure its resources are targeted where they are most needed. Using data, provided by the DWP and Flintshire's Housing Benefit Service, households which are significantly impacted by the welfare reforms have been identified and targeted with offers of support.

Performance reported by the local authority for period 5 (October 2013-March 2014)

During the period January 2014 to March 2014, advice and support has been provided to 57 vulnerable households who had been impacted by the welfare reforms and had their housing benefit award reduced. The circumstances within these households were holistically assessed and the householder assisted to identify and implement measures that will resolve their problems. The aim was not to simply assist the household to apply for a discretionary housing payment, and the interventions with these households have produced numerous successful outcomes, including the following:

- 10 households were assisted to enter employment or to access training/education in order to enhance employment prospects;
- 34 households were helped to gain extra weekly income;
- 43 households were helped to avoid the risk of becoming homeless;
- 14 households were helped to access more affordable accommodation;
- 54 households received personal budgeting support and advice on resolving any underlying debt problems; and
- 14 households were helped to claim a discretionary housing payment award.

Tangible impact of the project on working practices

Preparing and developing frontline housing practitioners to feel confident in their ability to triage service users' support needs and making effective referrals to appropriate service providers. This also promotes the efficient use of resources across all sectors as the triaging of referrals will reduce duplication of effort amongst service providers.

Plans for sustaining the work of the project beyond the end of this period

The budgetary cost of the two posts within the Welfare Reform Response Team is being borne by funding allocated from the local authority. It has been agreed that the local authority will continue funding these two posts during 2014/15. However, Flintshire cannot meet the additional cost to sustain the S180 post.

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Flintshire	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	22 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	73%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	25%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	72%	64%

Homelessness statistics

Data for periods 1, 2 and 3 from the homelessness statistics for Flintshire showed that no households within the local authority were found to be homeless where the main reason was rent arrears on a private sector tenancy, this became less than five in periods 4 and 5. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in no investigations of homelessness in period 1, less than five in period 2, less than five in period 3, nine investigations in period 4 and six in period 5.

Gwynedd

Project summary

The project's principal focus has been to assist (in both a financial and advisory capacity) those clients who have been affected by the Welfare Reform Act. This has involved forging strong links with HB teams in each region to promote fast tracking claims and to utilise the DHP fund, also establishing a close working relationship with other departments and partner agencies e.g. frontline staff, support agencies. The project has continued to input into the Private Rented Sector Improvement Plan and strong ties with new private landlords have been secured. The project has evolved to provide landlords with advice on best practice issues surrounding deposits, notices and general tenancy set-ups.

Performance reported by the local authority for period 5 (October 2013-March 2014)

The project continues to be monitored by the Benefits Action Sub Group and the performance indicators have remained. For this reporting period, the project has worked with 36 (landlord and tenants) clients in total. All of these cases have involved HB issues and therefore the need for close working with

the department. In addition to the recorded cases, a number of general and wide-ranging landlord and client queries have also been addressed. There has been a much greater need/demand to provide support to both landlords and tenants (regarding benefits amongst other issues) in the private sector.

Tangible impact of the project on working practices

Good working practices have been established between departments; HB actively refer clients, and well maintained communication links are in place. Teams proactively work together to try and foresee any potential issues e.g. renewal of DHP forms for the financial year.

Plans for sustaining the work of the project beyond the end of this period

Due to the success of this role, the Council has decided to renew the post until 31 March 2015. The local authority is also looking at ways of developing and broadening the remit of this role, particularly in light of the forthcoming changes in homeless legislation. In addition to this, the role will work much closer to help develop the local authority's private sector offering.

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Gwynedd	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	18 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	78%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	24%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	72%	64%

Homelessness statistics

Data for period 1 from the homelessness statistics for Gwynedd showed that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy, which decreased to zero in periods 2, 3 and 4. Data for period 5 shows that in this period, less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in less than five investigation of homelessness in period 1, less than five in periods 2, 3, 4 and 5.

Merthyr Tydfil

Project summary

The role is both a stand-alone and an integral part of both the Housing Benefit and Housing departments. While the role is afforded the opportunity to scope and profile the customers impacted by Welfare Reform and to assist with the distribution of DHP monies, it is also there to support the Housing needs of all customers, impacted by Welfare Reform or not. The role dispenses Housing Advice and solutions in many ways and aims to sustain and to provide as many sustainable tenancies as possible.

Performance reported by the local authority for period 5 (October 2013-March 2014)

During this reporting period, while the referrals have still been directed to the S180 officer for both customers affected by Welfare Reform and other homeless prevention issues and been dealt with, the focus has been on the administration of the DHP applications. From inviting claims, to house visits for vulnerable people, office interviews to assess the customer's needs and setting up the appropriate referral to CAB, Gofal or Supporting People etc, 205 referrals have been dealt with and 159 DHP awards have been granted.

Tangible impact of the project on working practices

The project has been instrumental in strengthening communication and operational practice between relevant departments in the local authority, Registered Social Landlords, Private Landlords and third sector organisations. The link between the Housing Benefit department (DHP officer) and the Housing Solutions team is essential to both the assessment of DHPs and effective Housing Solutions and Homeless Prevention work.

Plans for sustaining the work of the project beyond the end of this period

The local authority intends to seek available homelessness grant funding monies in relation to sustaining the work and the role of the project. The role is integral to responding to the continuing impacts of welfare reform. The role is seen as vital to responding to the increased need for Housing Solutions and Homeless Prevention work that will be required with the advent of the Housing Bill.

Information from the monitoring data return for period 5 (October 2013- March 2014)

At the end of period 5:	Merthyr	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	29 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	87%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	46%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	66%	64%

Homelessness statistics

Data for the first four periods from the homelessness statistics for Merthyr showed that no households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. In period 5, the data shows that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in no investigations in period 1, less than five in period 2 and in no investigations in periods 3 and 4, but in five in period 5.

Monmouthshire

Project summary

The local authority has reported creating the post of the PRS access officer, as well as working to support the costs of delivering a landlord forum across both authorities and to create incentive packages to encourage landlords to work more closely with the local authority. Monmouthshire additionally have sought to support young people to become work-ready and to continue to support the work of the Credit Union in both Torfaen and Monmouthshire.

Performance reported by the local authority for period 5 (October 2013- March 2014)

Monmouthshire has been able to continue holding successful landlord forum meetings, with the last one held in March 2014 attended by over 80 delegates. The local authority has also held a landlord training event and introduced 20 landlord incentive packages consisting of EPCs, gas safety certificates, discounted landlord accreditations and DIY vouchers. The PRS access officer has produced a robust position statement on the PRS in both Monmouthshire and Torfaen, created easy-read literature for both landlords

and tenants on their rights and responsibilities and has worked closely with letting agencies to raise the awareness of bond schemes. Analysis of the LHA and impacts on accessing PRS has been undertaken. Sixteen young people have achieved certificates allowing them to become work-ready.

Tangible impact of the project on working practices

The project allowed the local authority to create a Private Rented Sector Access post (that works across both Monmouthshire and Torfaen) that is funded for 12 months. The information gathered has given both authorities a better understanding of how the rented sector works within their areas. Monmouthshire has also reported that having a dedicated officer has meant that they are beginning to form one-to-one relationships with landlords.

Plans for sustaining the work of the project beyond the end of this period

The information, groundwork/foundations the PRS officer has put into place will be extremely useful for the future. Both Monmouthshire and Torfaen realise that the PRS is central to accessing affordable/decent housing in the future and building relationships with landlords is key to being able to access that housing.

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Monmouthshire	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	15 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	No data	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	17%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	50%	64%

Homelessness statistics

Data for all five periods from the homelessness statistics for Monmouthshire showed that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in less than five investigations in period 1 and 2, none in period 3, less than five investigation in period 4 and five in period 5.

Neath Port Talbot

Project summary

There has been no activity associated with the grant funding during this period, however the principal elements of the project will continue to be: to resolve a household's housing difficulties and prevent homelessness. In particular, those households who are unable to afford their rent as a result of financial hardship caused by changes in the benefits they are entitled to. Additionally, the project has aimed to foster closer working relationships between the Housing Options Service and the Housing Benefit Section.

Tangible impact of the project on working practices

The main impact has been the involvement of the Housing Options Service in the allocation of DHP. When an application for DHP is submitted, the Housing Options Service is notified and the applicant contacted in order to discuss more sustainable options to their housing situation.

Performance reported by the local authority for period 5 (October 2013-March 2014)

Owing to an inability to recruit there was no activity for the project during this period.

Plans for sustaining the work of the project beyond the end of this period

A further £8,000 was subsequently successfully applied for to cover the first quarter costs re-employing a Project Officer, in the first quarter of 2014/15; with the local authority picking up the remainder of the cost of retaining the position until March 2015.

Information from the monitoring data return for period 5 (October 2013- March 2014)

At the end of period 5:	Neath Port Talbot	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	36 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	60%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	66%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	66%	64%

Homelessness statistics

Data for period 1 from the homelessness statistics for Neath Port Talbot, showed that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy, in periods 2 and 3 there were no households in this position, which became less than five in periods 4 and 5. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in less than five investigation in period 1, no investigations in period 2, less than five in period 3, less than five in period 4 and no investigations in period 5.

Newport

Project summary

The post of Welfare Benefits Advisor will, and has, built on existing partnerships and links and has proactively looked to identify those affected by Welfare Reform across tenure. The role ensures the most effective use of DHP and prevention funding with the primary aim to be sustaining accommodation in the first instance and also assisting households to identify and secure affordable accommodation etc. As detailed in previous monitoring reports, the post holder did not commence until 18th November 2013.

Performance reported by the local authority for period 5 (October 2013- March 2014)

During the monitoring period a total of 38 households affected by Welfare Reform within the private rented sector have been assisted via joint working between Housing Benefits and the Welfare Reform Officer in order to utilise the DHP. As a result of a pro-active approach from the post, a further 27 households affected by welfare reform changes in RSL accommodation and three household in an enhanced PSL scheme, were also assisted. Additionally, 246 households across tenure were identified as being affected by Welfare Reform, a proactive approach has been taken to engage these households.

Tangible impact of the project on working practices

The inclusion of the post has increased links between internal departments and partner organisations. It also allows for continued support to those affected by welfare reform once initial resolution has been sought. The post has developed seamless links with the existing options service to ensure that potential homelessness/prevention issues are addressed where a resolution cannot be sought.

Plans for sustaining the work of the project beyond the end of this period

The local authority is seeking to secure additional resources in order to extend the role and to provide more effective and co-ordinated links with RSLs, advice providers and credit unions to provide a more practical and effective service for clients.

Information from the monitoring data return for period 5 (October 2013- March 2014)

At the end of period 5:	Newport	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	29 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	71%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	33%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	82%	64%

Homelessness statistics

Data for period 1 from the homelessness statistics for Newport showed that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy, which increased to 15 households for periods 2 and 3, before dropping to five in period 4 and to none in period 5. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in 14 investigations in period 1, 17 in period 2, 16 in period 3 and 24 investigations of homelessness during period 4.

Pembrokeshire

Project summary

The project has been focused on different aspects of the impact of Welfare Benefit Reforms ranging from:

- training for staff from the Council and partner organisations so the support and advice they provide is accurate and effective;
- contributing to the provision of information for households in the county; and
- financial support to help sustain existing tenancies or set up affordable ones, e.g. bonds, rent arrears.

Performance reported by the local authority for period 5 (October 2013 to March 2014)

The following elements of the project contribute to mitigating impact of WBR changes during 2013/14:

- The Assisted Tenancy Scheme provided bonds/rent in advance to access PRS (37 people assisted in period).

- The Prevention Fund for officers to use flexibly to sustain tenancies (30 assisted).
- Staff training in March 2014 on Welfare Benefit Reform changes for LA, RSL and voluntary agency staff (29 attended).

Tangible impact of the project on working practices

The funding has developed more cohesive working and partnership arrangements with a variety of internal departments e.g. Revenues, Housing management and the Private Sector Housing Teams, and third sector partners. Consistent training has been provided to a variety of teams and housing-related support providers, this will ensure that consistent advice will be provided to customers.

Plans for sustaining the work of the project beyond the end of this period

Pembrokeshire will continue to provide its prevention fund to officers as a flexible source of funding to assist tenants to sustain their existing tenancy or secure more affordable accommodation. The majority of the funding used to support tenants is recyclable so they or other tenants will also benefit from it. Partners have also introduced repayment systems so tenants are motivated to ensure their bond is repaid and the repaid funds can be used for other households. Feedback from WBR training has been positive, so the local authority will continue to provide this using its own training budget in the future.

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Pembrokeshire	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	30 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	73%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	21%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	56%	64%

Homelessness statistics

Data for the first four periods from the homelessness statistics for Pembrokeshire showed that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy, this fell to none in period 5. The monitoring data return from this local authority showed that private sector rent arrears were

identified as a contributory factor in six investigations in period 1, seven in period 2, none in period 3, and less than five investigations in periods 4 and 5.

Powys

(Powys did not provide any project update information for period 5).

Homelessness statistics

Data for the first four periods from the homelessness statistics for Powys showed that no households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. Data for period 5 showed that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. No monitoring data return was provided by this local authority to show whether private sector rent arrears were a contributory factor in any investigations of homelessness during all four periods.

Rhondda Cynon Taf

Project summary

The project to mitigate the impact of Housing Benefit Reform in Rhondda Cynon Taf is one of seven projects which were made the subject of a detailed case study, also published on the Welsh Government website. Please follow this link to Welsh Government housing research for the case study's report.

<http://wales.gov.uk/docs/caecd/research/130517-case-study-evaluation-local-authority-projects-mitigate-impact-housing-benefit-reform-en.pdf>

The approach of the project was to ensure all those affected by Welfare Reform had access to early advice and assistance on how the changes would affect them and the options available to them. Where necessary, applicants were assisted with DHP applications and helped to move to cheaper or smaller accommodation.

Performance reported by the local authority for period 5 (October 2013-March 2014)

The role of the Tenancy Sustainability Officer ended in October 2013 as a consequence of the officer securing another post. The role played an important part in working with households affected by Welfare Reform with the face-to-face contact invaluable in providing effective advice and assistance and assisting, where appropriate, households to seek alternative accommodation.

Tangible impact of the project on working practices

The impact of this project is enhanced joint working with the Housing Benefit department and the understanding of working with individuals in their own homes via face-to-face contact. Rhondda Cynon Taf have put in place a daily duty role which enables officers to carry out home visits to ensure they are

able to make early contact with the aim of preventing problems escalating and ensuring information is made available as soon as possible.

Plans for sustaining the work of the project beyond the end of this period
Rhondda Cynon Taf is currently exploring options to develop a role which has responsibility for working with persons who present in financial difficulties. The local authority currently works very closely with the Shelter Debt Advisor, which is based at the Housing Advice Centre, and their Energy Efficiency Officer in respect of debt poverty. Rhondda Cynon Taf recognises the possible impact of Universal Credit and will need to consider how they work with individuals to minimise the impact on them.

Information from the monitoring data return for period 5 (October 2013- March 2014)

At the end of period 5:	Rhondda Cynon Taf	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	36 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	no data	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	29%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	55%	64%

Homelessness statistics

Data for all five periods from the homelessness statistics return for Rhondda Cynon Taf showed that less than five within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in six investigations in period 1, less than five in period 2, six in period 3, seven in period 4 and less than five investigations in period 5.

Swansea

Project summary

The project to mitigate the impact of Housing Benefit Reform in Swansea is one of seven projects which were made the subject of a detailed case study, also published on the Welsh Government website. Please follow this link to Welsh Government housing research for the case study's report.

<http://wales.gov.uk/docs/caecd/research/130517-case-study-evaluation-local-authority-projects-mitigate-impact-housing-benefit-reform-en.pdf>

A triage system at a number of customer contact points works to signpost tenants to this project when they have been impacted by Welfare Reform and are having problems sustaining their homes. The post holder has also made connections with the Rents Team and has been assisting with mitigating the impact of bedroom tax in social housing. The post holder aims to provide homelessness prevention solutions to keep tenants in their homes or assist with a move to more suitable affordable housing. There have been some strong links made with HB and use of the DHP pot has been particularly effective for use by this role.

Performance reported by the local authority for period 5 (October 2013-March 2014)

- Of the 23 contacts that became full cases, 10 have been resolved and in all instances the client was able to remain or assisted into suitable more affordable accommodation, 13 cases remain ongoing.
- Of the cases concluded that had been commenced in earlier reporting periods, 17 clients were able to remain or were assisted into suitable more affordable properties.
- Only one client progressed to a full homelessness duty.
- Of these 27 in total, 22 were able to remain and five were assisted into alternative accommodation.
- This is in addition to 11 contacts at Outreach advice where information was provided to a satisfactory outcome.

Tangible impact of the project on working practices

Swansea has reported engaging with initiatives to reach out to affected clients within the local authority Rents Team and at public access contact points. A significant number of clients have been granted DHP and required to begin the process of planning for a future without the need for such support. Swansea anticipates that a significant number of these approaches will only occur as DHP comes to an end. A new advice initiative at the local authority acts as the main contact point to encourage access to the service ahead of financial difficulty. As homeless presentations are made, they are triaged with the worker to identify Welfare Reform issues and improve the support given by the department.

Plans for sustaining the work of the project beyond the end of this period

The local authority is currently using S180 funds to continue this work for the first quarter only in 2014/15 as part of the prevention money they were awarded. Continuation of this post will be reliant upon this funding remaining available for subsequent quarters as a prevention post or an alternative source of funding being secured. There are currently no budgets identified or plans to continue this specific post from the local authority's own core funding.

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Swansea	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	28 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	68%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	24%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	67%	64%

Homelessness statistics

Data for period 1 from the homelessness statistics for Swansea showed that eight households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy, which increased to 14 in periods 2 and 3, before decreasing to less than five in periods 4 and 5. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in 29 investigations in period 1, 15 in period 2, 10 in period 3, less than five investigations in period 4 and five in period 5.

Torfaen

Project summary

The aim of this project was to support the costs of a PRS access officer and create incentive packages to encourage landlords to work more closely with the LA, support young people to become work-ready, support the costs of delivering a Private Landlord forum and to continue to support the work of the Credit Union in both Torfaen and Monmouthshire.

Performance reported by the local authority for period 5 (October 2013-March 2014)

- 16 young people have achieved certificates allowing them to become work-ready;
- one landlord event has been held, as well as one landlord training event held; and
- 20 landlord incentive packages created consisting of EPCs, gas safety certificates, discounted landlord accreditations and DIY vouchers.

The PRS access officer has produced a robust position statement on the PRS in both Torfaen and Monmouthshire, created easy-read literature for both landlords and tenants on their rights and responsibilities and has worked

closely with letting agencies to raise the awareness of bond schemes. Analysis of the LHA and impacts on accessing PRS has been undertaken.

Tangible impact of the project on working practices

The funding has allowed the local authority to better understand and react to the private rented sector by carrying out in-depth analysis and working closely with both landlord and tenants and has allowed Torfaen to consider establishing an in-house social lettings agency to allow residents on low incomes to access affordable accommodation.

Plans for sustaining the work of the project beyond the end of this period

The local authority will look to continue the work which the PRS access officer has delivered, and recognises the PRS will play a major role in meeting housing need in Torfaen. Torfaen training and employment section will continue to support young people in becoming work-ready and assisting them to find work placements. Funding has been secured to continue the landlord forum.

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Torfaen	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	21 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	no data	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	20%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	50%	64%

Homelessness statistics

Data for periods 1, 2 and 3 from the homelessness statistics return for Torfaen showed that no households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy, which increased to less than five in period 4, but fell back to zero in period 5. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in no investigations between periods 1 and 3, then less than five investigations of homelessness during period 4, but none in period 5.

Vale of Glamorgan

Project summary

Principal elements have been that the postholder, who has only been in place since February 2014 due to Job Evaluation process, has assisted in the completion of a review of the Vale of Glamorgan's local social housing agency:

- Obtained over £1,300 of charitable funding that has assisted with the repayment of clients' rent arrears.
- Updated the local authority's housing web-based information pages, along with creation of a range of client and landlords' information booklets.

Performance reported by the local authority for period 5 (October 2013-March 2014)

Early intervention processes have been introduced with the Council rents sector and with Vale of Glamorgan's local RSL partners. These have proved instrumental with early notification and, although early days, the local authority is confident that the cases that have been provided since the introduction of these new processes have the best opportunity of being successfully prevented.

Finally, the *Homeswapper* database is currently being cleaned up and possible swaps are being encouraged. The action plan submitted with the Vale's original S180 bid for the new post was amended to remain in line with current changes, particularly in relation to the expected challenges of the new Housing Bill next year. The local authority notes, however, that the timescales referenced in these actions have slipped due to a Job Evaluation process.

Tangible impact of the project on working practices

(The Vale of Glamorgan did not provide information on the impact of this project).

Plans for sustaining the work of the project beyond the end of this period

Sustaining this project at present is reliant upon S180 funding and it is hoped that future funding opportunities will be made available to ensure this post continues.

Information from the monitoring data return for period 5 (October 2013-March 2014)

At the end of period 5:	Vale of Glamorgan	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	29 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	88%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	24%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	53%	64%

Homelessness statistics

Data for the first four periods from the homelessness statistics return for Vale of Glamorgan showed that less than five households within the local authority were found to be homeless, where the main reason was rent arrears on a private sector tenancy. This fell to zero in period 5. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in less than five investigations in period 1, 10 in period 2 and less than five in period 3. No information was provided for period 4, but for period 5 the monitoring data reported that private sector rent arrears were identified as a contributory factor in no investigations of homelessness.

Wrexham

Project summary

The project to mitigate the impact of Housing Benefit Reform in Wrexham is one of seven projects which were made the subject of a detailed case study, also published on the Welsh Government website. Please follow this link to Welsh Government housing research for the case study's report.

<http://wales.gov.uk/docs/caecd/research/130517-case-study-evaluation-local-authority-projects-mitigate-impact-housing-benefit-reform-en.pdf>

The main focus of the Liaison Officer has been continuing to provide advice, training and support to staff, members, third sector and tenants on all aspects of the Welfare Reform. During this period Wrexham has started to provide drop-in advice surgeries for tenants, to provide advice and support to tenants who are affected by the SRS, Benefit Cap and the tenants who were exempt under the 96 exemption rule, as well as advising tenants and triaging claims for DHP.

Performance reported by the local authority for period 5 (October 2013-March 2014)

The number of DHP applications received has continued to increase, but due to the Liaison Officer conducting surgeries to help and advise tenants mainly from the social sector how to claim DHP and triaging claims, the majority of DHP claims are being accepted.

Tenants registered to the local authority's *Home swapper* database who are identified as under-occupying has decreased from 129 to 114. Tenants moving and downsizing on the council waiting list have been increasing through transfers, and the local authority believes this could be a reason why the *Homeswapper* numbers have decreased and that tenants are actually downsizing.

The number of Wrexham's tenants affected by the Spare Room Subsidy has decreased from 1371 in October 2013 to 1229 in March 2014, the local authority feels that this could be due to the Liaison Officer providing ongoing support to staff dealing with tenants affected by Welfare Reform and providing tenants with advice on their options through the surgeries, such as to downsize and gaining employment.

Tangible impact of the project on working practices

The post allowed Wrexham to focus on a Welfare Reform action plan and raise awareness, allowed training and identification of vulnerable households subject to changes. It allowed the local authority to hold surgeries, gather and set a baseline of statistics, undertake presentations and set the scene for them to think about recruitment of financial inclusion officers. It also spear-headed a campaign to raise awareness and promoted digital inclusion by setting up clubs, developed leaflets, engaged with partners, offered debt advice and support to tenants.

Plans for sustaining the work of the project beyond the end of this period

The local authority has applied for extra funding through the S180 funding to continue until June 2014. The current Liaison Officer will continue in the post through this extra funding. Beyond the end of this project funding, work will have to be absorbed through current staff workloads to ensure that the local authority continues to provide assistance to tenants of all sectors who are affected by Welfare Reform, and to ensure they continue to collaborate with third sectors.

Information from the monitoring data return for period 5 (October 2013- March 2014)

At the end of period 5:	Wrexham	Wales Average
Rate of private sector tenants who are HB recipients, per 1,000 population	17 per 1,000	28 per 1,000
Proportion of private sector tenants whose rent exceeds LHA rate	49%	73%
The rate of private sector tenancies where the landlord received direct payment of housing benefit payments	52%	29%
The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Percentage of total allocation for the year)	66%	64%

Homelessness statistics

Data for period 1 from the homelessness statistics return for Wrexham, showed that less than five households within the local authority were found to be homeless due to rent arrears on a private sector tenancy. In periods 2, 3, 4 and 5 no households were in this position. The monitoring data return from this local authority showed that private sector rent arrears were identified as a contributory factor in six investigations in period 2, five in period 3 and six investigations of homelessness during periods 4 and 5 (no information was provided in period 1).

Appendix 1: Copy of data collection return form

Homelessness Grant Programme: Collection of Data and Monitoring Information

This form collects data and monitoring information for the evaluation of the S180 Homelessness Grant.

This sheet is the main data collection form. There is also a technical guidance sheet explaining how the form should be used. The technical guidance can be accessed using the hyperlink on the right.

The box on the right shows the proportion of data entry cells that contain data. Please do not submit your form unless this cell shows a figure of 100%


[Email Alicia Friend](#)

Reporting period 5

1st October 2013 - 31st March 2014

[Go to Technical Guidance](#)

0%



Llywodraeth Cymru
Welsh Government

Local Authority

(Please enter the name of your authority)

Please provide contact details for your authority below. This will help us to direct any queries to the correct contact.

Name		*
Telephone number		*
E-Mail address		*

(Form completed by Main contact for data queries)

Guidance on interpretation of questions is available as a separate Q&A document. Please contact Alicia Friend if you don't think you have the latest version. If an answer is unknown or not applicable please leave the response box blank and add a suitable comment.

Quantitative Measures		Comments
1.1	Number of all homeless households for which decisions were taken (not including households which were not homeless, or which were ineligible) where the investigation revealed that rent arrears were part of the reason for homelessness (private sector tenancies).	*
1.2	(i) Total tenants at the last day of the reporting period.	*
	(ii) Where weekly rent exceeded LHA. At the end of the reporting period.	*
	Proportion of tenants for whom weekly rent exceeded LHA.	
	(iii) Number of tenancies where the landlord was in receipt of direct housing benefit payments at 31/03/2014.	*
	The rate of tenancies where the landlord received direct payment of housing benefit payments at 31/03/2014.	
1.3	The total amount of Department of Work and Pensions (DWP) Discretionary Housing Payment ORIGINALLY allocated for the financial year 2013-14.	*
	Has the ORIGINAL DWP allocation been 'topped up' from local resources? (If yes, please state amount sources in comments area).	*
	The rate of tenancies where the landlord received direct payment of housing benefit payments at 31/03/2014.	
1.3	The total amount of Department of Work and Pensions (DWP) Discretionary Housing Payment ORIGINALLY allocated for the financial year 2013-14.	*
	Has the ORIGINAL DWP allocation been 'topped up' from local resources? (If yes, please state amount sources in comments area).	*
	The amount of DWP Discretionary Housing Payment allocation that was spent during the reporting period (i.e. October 2013 - March 2014).	*
	The percentage of DWP Discretionary Housing Payment allocation that was spent during the reporting period. (Equals the amount spent during the period as a percentage of half the allocation for the financial year.)	*
	Total number of DHP claims your local authority received for the	
	(i) 2012/13 (ii) 2013/14	*
1.4	Number of private sector landlords provided with services and advice through this project during this reporting period, for the first time. (Landlords receiving personalised mail or contact only. Do not include generic publicity or events).	*
1.5	The number of private sector tenants provided with services and advice through this project during this reporting period, for the first time. (Tenants receiving personalised mail or contact only. Do not include generic publicity or events).	*
Qualitative measures		
2.1	Since period 4 has your policy regarding the priority given to those made by people who have adaptations in their homes changed in any way? (650 character limit)	
2.2	Since period 4 has your policy for DHP claims on whether disability living allowance is considered as income changed in any way? (650 character limit)	
2.3	What has been the tangible impact of this project on your local authority's working practices, if any? (650 character limit)	
2.4	What are you local authority's plan for sustaining the work of the project beyond the end of this period? (650 character limit)	
Further details		
3.1	Please use the box below to briefly summarise the approach of your project and its principal elements during this period. (650 character limit applies)	
3.2	Please use the box below to provide further performance information about your project. Please use the evaluation approach you identified in Part 11 (ii) in your bid and identify any changes. Quantifiable measures must be included. Figures and other evidence must be related to this reporting period only. (1950 character limit applies)	

Appendix 2: Welfare Reform Contextual Review

1 Introduction

This brief review was developed to provide context to the Section 180 project, 'Mitigating the Impact of Housing Benefit Reform Using Homelessness Grant Funding'. Although the monitoring itself gathers a number of local authority level data items, this review aims to compliment this by explaining some of the changes made by Welfare Reform and highlighting some of the potential issues and impacts stemming from these changes. Given time and resource constraints, this is by no means an in-depth and exhaustive review.

The evidence used in this document is drawn from the major organisations or sources of knowledge for this area, and ranges from the UK and Welsh Government to Citizens Advice Bureau and Shelter Cymru.

This review looks first at each reform area and provides an overview of developments and some concerns to emerge. Specifically, it covers:

- Local Housing Allowance
- Universal Credit
- Disability Living Allowance
- Discretionary Housing Payments
- Social Sector Size Criteria
- Benefits Cap

The report then looks at the emerging concerns of impacts in a number of specific areas:

- Geographical area and tenancy type
- Family type
- Health
- Transfer of costs
- Tenant perspectives
- Homelessness-related concerns

2 Caveats

Although Welfare Reform began in 2011 and was originally due to culminate with the introduction of Universal Credit in 2014, the changes have instead been staggered. Universal Credit is now not expected to be fully rolled out until 2017 and therefore it is difficult to be definitive about any impacts, as not all those who *will be* affected currently *are*. Those changes that have been made are relatively recent, and so the estimated savings and scale of impacts quoted from sources in this review are indicative and could change in future analyses. The potential

impacts highlighted in this review cannot, in most cases, be fully evidenced at this stage.

Additionally, households may move on and off benefits. As such, the losses to households are compared with what benefit amounts would have been had the system continued without reform.

3 Context

The Task and Finish Group on Welfare Reform in Wales (2014), has found that nearly 4% more of the working-age population in Wales claim benefits than in the rest of the United Kingdom. This is primarily due to a higher proportion of disability and sickness benefit claimants in Wales. Given this position, the Welfare Reforms introduced under the Coalition Government are of particular importance to the Welsh population. This is also supported by early estimates, which indicated that over 250,000 tenants in Wales would be affected by the Welfare Reforms, including approximately 99% (167,000) of social housing tenants (Welsh Affairs Committee, 2013 (i)).

The UK's Work and Pensions Committee (2014) has stated that the aims of the Reforms are to reduce benefit expenditure, incentivise people to enter work (or increase their hours), and to make the benefit system fairer. Nonetheless, in its 2011 briefing for local authorities, the Welsh Local Government Association (WLGA, 2011 (ii)) voiced their concern that the reform outcomes could include an increase in financial hardship and pressure on public services, as well as rising levels of homelessness.

4 Findings by Reform Area

4.1 Local Housing Allowance

Local Housing Allowance (LHA) has been in place since 2008, paying a set amount of Housing Benefit (HB) to low income households renting in the private sector according to their number of bedrooms and geographical area. In 2010, the UK Coalition Government announced several planned changes to LHA, listed in the table below:

What is changing?	Effective from	Current claimants affected
Using the 30th percentile of the range of local ('Broad Rental Market Area'/BRMA) rents as the maximum payable instead of the median	April 2011	Claimants whose rent is above the 30th percentile of rents for that size in their area
Ending of the 5-bedroom rate, LHA restricted to 4-bedroom rate	April 2011	All households eligible for the 5-bedroom rate
Introducing absolute caps on the maximum rates that can be paid for each size of property	April 2011	Claimants in very high-cost areas, especially inner London
Stopping claimants being entitled to keep up to a £15 'excess' above their actual rent if that rent was below the LHA rate	April 2011	Claimants whose rent is below the current median rent for their property size
Increasing deductions for non-dependants living with HB claimants	April 2011	Households with other related adults in them, such as grown-up children, elderly parents or siblings
Increasing the age range for the restriction of single people's LHA to the Shared Accommodation Rate from under 25s to under 35s	January 2012	Single, childless people aged 25–34 and living in self-contained accommodation
Linking increases in LHA over time to the Consumer Prices Index (CPI) rather than actual rents	April 2013	Claimants living in areas where local rents are increasing at a greater pace than CPI. Rates are being frozen from April 2012
A cap on the total amount of benefits payable to any out-of-work household, likely to be set at £500 per week	April 2013	Out-of-work claimants whose income from LHA and other benefits is in excess of £500 per week

Source: Shelter (2012) *The Affordability of Private Renting for Families Claiming Local Housing Allowance*

In 2008, Shelter were wary that the new elements of LHA would not solve many of the difficulties faced by HB/LHA recipients and could in fact exacerbate some difficulties. One of their concerns, for example, was that the boundaries of the new 'Broad Rental Market Areas' (BRMAs) in which LHA rates were set had been determined without reference to rent levels within those boundaries, instead measures such as distance from services/facilities were used which Shelter regarded as arbitrary. The concern here is that it could lead to claimants clustering in particular areas within the BRMA and thereby creating areas of deprivation (Shelter, 2009). However, thus far there has been no further evidence on whether this has occurred in particular areas.

Another element of this area of reform which has caused concern, is the increase of LHA by CPI rather than local market rents. The Welsh Local Government Association (WLGA 2012) pointed out that this policy could result in LHA rates increasing at a slower rate than market rents. Tenants facing a shortfall in their rents could experience an accumulation of debt over a prolonged period which, they argued, could lead to an increase in homelessness over the longer term. This specific element of the reformed policy is currently set for review in the financial year 2014/15 (Department for Work and Pensions, 2012, (i)). It has been estimated by the Department of Work and Pensions that the average weekly losses per person, as a result of increasing LHA rates according to CPI rather than actual rents, would be £6 per household. Annual losses for the population of Wales affected by this element of reform specifically have been estimated to total £40 million (Department for Work and Pensions, 2013, (iv)).

Since the installation of these reforms to LHA, the UK Work and Pensions Committee (2014) has noted concern that rents in the private rented sector (PRS) are becoming increasingly less affordable for some HB recipients. The Committee has made recommendations to the UK Coalition Government, stressing the need to monitor this situation for any further increase. The Department of Work and Pensions' Local Authority Insight Survey (2013) asked 211 local authorities across the UK for their perceptions of the impact of reforms made to LHA on homelessness. More than half of local authorities (57%) reported that they perceived homelessness to have increased among PRS tenants, which is significantly higher than the findings produced by the survey's previous findings in the 2011 survey (42%) (Department for Work and Pensions, 2013, (iv)).

In the 2012 Autumn Statement, the UK Coalition Government announced that most LHA rates would be increased by a maximum of 1% in 2014/15 and 2015/16. The Department for Work and Pensions (DWP, 2013 (iii)) believed that the impact of this would be to exert downward pressure on rents and place controls on the growth of HB expenditure. The UK Coalition Government also introduced a Local Housing Allowance Targeted Affordability Fund (LHA TAF), which commits 30% of forecasted savings from the reform to providing a 1% increase in LHA for areas which have been affected particularly adversely from April 2014.

The UK Coalition Government called for evidence from organisations, including the WLGA, to determine how the LHA TAF should be allocated for spending. Responding organisations suggested measures which could be used to identify the areas experiencing the most significant issues with affordability of accommodation. The suggested measures included using evidence from homelessness rates, the number of claimants facing a shortfall in their rent, housing supply and social housing waiting lists (Department for Work and Pensions, 2013, (iii)). Primarily, respondents believed that the funding should be targeted wherever divergence between LHA rates and rents across the country was greatest.

4.2 Universal Credit

Universal Credit replaces income-based jobseekers' allowance, income related employment and support allowance, income support, housing benefit, and child and working tax credits. It will involve making a single, monthly payment directly to a claimant's household. The system is being introduced progressively, starting in October 2013 with current projections estimating that the process will be completed by the end of 2017 (Gov.uk – DWP, Policy, 2014). The Task and Finish Group on Welfare Reform in Wales (2013 i & ii) initially expected the introduction of Universal Credit to increase household incomes in Wales by £22 million in 2014–15 (excluding funds from Transitional Protection - see glossary). However, this increase is thought by the group to be significantly offset by the estimated losses resulting from other welfare reforms.

Universal Credit is currently available to non-complex single claimants in the 10 'live' Jobcentres. However, DWP plan to extend this further to couples from summer 2014, to families from autumn 2014 and to 90 Jobcentres in the North West of England in June or July 2014, before its wider roll-out in 2016 and 2017.

The UK Government currently plans to make Universal Credit available across the whole of the UK to new claimants by the end of 2016. New claims to existing benefits, which Universal Credit is replacing, will then close down, with the vast majority of claimants (excluding Employment and Support Allowance claimants) moving onto Universal Credit during 2016 and 2017

The Task and Finish Group on Welfare Reform (2013,(i)) have acknowledged that the simplified system potentially creates several problems for tenants and landlords. One example of this is the lack of accessibility for some applicants as a result of the solely-online application method. Digital exclusion is a particularly relevant issue for Wales given the ageing population (Baxter and Boyce, 2009), and the Department for Work and Pensions (2013(iii)) has responded by promising the group that it plans to install local support services to minimise this issue. At the time of writing this review, it is too soon to examine whether this issue has been successfully mitigated.

The direct payment element of the new Universal Credit system has been introduced in a number of demonstration projects across the UK, including Torfaen in South East Wales. At the time of writing this review, the following outcomes have been identified by the DWP (2013,(ii)) specifically from the project in Torfaen:

- Rent collection costs were higher. Contact rates in the *Bron Afon* direct payments tenant group were 150% (£91) higher than outside the scheme and 219% higher for *Charter Housing*.
- Effective data sharing with the local housing benefit team remained central to success. Arrears and contact needs would increase significantly without it.

- In September 2013, 28.7% of tenants had been switched back to payment direct to landlord, supporting baseline studies which indicated 31% of tenants considered they would cope poorly with direct payments.
- Tenants found it difficult to have conversations about their finances and had been less willing to open their doors to money advisors than support workers.
- People who need help are considered more likely to answer “no” when asked by Universal Credit’s proposed ‘Online Personal Budgeting Assessment Triage’ if they require money advice or signposting.

Nearly 30% of cases were switched back to the previous system, which the Department for Work and Pensions (2013 (ii)) found was helping to mitigate the overall level of arrears. Collection rates since the start of the project, up to and including July 2013, indicate that arrears stood at 2.7% of the cumulative rent charged, compared to 5.4% in the period to March 2013. Although Torfaen’s pilot project had increased indebtedness, more recent figures indicate that collection rates in the projects as a whole have only increased slightly (to 94%) (Department for Work and Pensions, 2013, (iiv)). They conclude that this is in line with other evidence that suggests the increase in costs will subside over time. As such, it is also difficult to draw conclusions about what the impact of this will be when the system is fully installed.

A recent attitude survey by the British Property Federation (BPF) (2014) of 102 landlords who owned more than 10 properties found that almost four in 10 (39%) had reduced the number of properties they let to welfare recipients in advance of the national roll-out of Universal Credit. Landlords also reported feeling less confident that their rental income is secure with recipients of HB, which was attributed to a lack of understanding of the HB system itself. The BPF urges the DWP to implement a system which informs private landlords when a tenant has a change of circumstances that affects their HB. However, it is important to note that the sample size in this research is small.

The Citizens Advice Bureau (2012), express concern that direct payment of Local Housing Allowance to private tenants puts vulnerable tenants at greater risk of homelessness where they are responsible for passing on their housing benefit to the landlord. While their Citizens Advice policy is to empower clients wherever possible, they argue that the mechanism to reverse the direct payment default should be made accessible for individuals where claimants recognise their own vulnerability. They are positive, however, about the concept of direct benefit payments as an incentive for landlords who are otherwise reluctant to rent properties to tenants on benefits. Welsh Tenants also provided evidence to the Welsh Affairs Committee (2013 (i)) that their members (i.e. tenants) had expressed most concern about the issues surrounding direct payments, as well as under-occupancy regulations (see section 3.6 for further information).

4.3 Disability Living Allowance

Disability Living Allowance (DLA) began being replaced with Personal Independence Payment (PIP) in April 2013 for eligible people aged 16 to 64. The PIP system is not means-tested or taxed and is payable to people who are both in and out of work. It is based on how a person's condition affects them, rather than the nature of the impairment. In most cases the assessment involves a face-to-face consultation with an independent health professional, as well as regular reviews to judge how a claimant's impairment affects their ability to carry out a range of everyday activities. Information is gathered from claimants, health, social care and other professionals who work with and support them. There are no plans as yet to replace DLA for children under 16 or for DLA recipients who were aged 65 and over on 8 April 2013.

According to the Task and Finish Group on Welfare Reform in Wales (2013 (i) & (ii)), approximately 42,500 claimants will lose their entitlement to Disability Living Allowance (DLA) by May 2018. The Bevan Foundation (2012) said that it was difficult to forecast the impact of changes to disability benefits, both in the short-term and as a result of the introduction of Universal Credit. Based on their experience they believe however that:

- Work Capability Assessments (WCAs) are likely to continue to see a substantial proportion of claimants being found fit for work and moved off Employment and Support Allowance (ESA)/Incapacity Benefit (IB) and onto Job Seekers' Allowance (JSA). At the very least, the process of WCA is generating high levels of anxiety and stress, with considerable risks of disabled claimants being wrongly denied benefit (see section 4.3 on health impacts for further information).
- Some evidence suggests that a high proportion of WCA decisions are overturned on appeal.*
- A large proportion of people being moved off ESA will have been claiming for more than five years. Being out of the job market for so long may have implications for their ability to find suitable work particularly when the job market is already weak.
- The areas which will see the biggest reduction in the number of claimants are likely to be those which are least able to cope due to their weaker job markets. In a weak economy, employers may be unable or unwilling to devote additional resources to make adjustments to employ a disabled person.

* WCAs are currently the subject of a fifth independent review as a result of this issue (Gov.uk – DWP, Policy, 2014).

4.4 Discretionary Housing Payments

The UK Government provided Welsh local authorities with an additional £2.6 million in 2013 in the form of Discretionary Housing Payments (DHPs), specifically to support claimants affected by the changes to HB policy. In addition, local authorities can apply for funds from a £20 million reserve fund

which the Coalition Government has set up. The Welsh Affairs Committee (2014) has noted that a higher proportion of working age HB recipients living in the social rented sector are under-occupying in Wales (46% vs. 31% for Great Britain as a whole) as such, this is an important source of funding.

The UK Coalition Government funding for DHPs across the UK has increased from £20 million to £30 million in 2011/12 and from £20 million to £60 million each year from 2012/13. This is as a result of the expectation that demand for discretionary housing payments will increase when the direct payment aspect of Universal Credit is introduced for the social rented sector.

Shelter Cymru (2013) also note the importance of DHPs in offering a short-term solution to problems caused by the Social Sector Size Criteria (see section 4.5 for further information). However, they found some cases where landlords routinely do not tell tenants about them and note a concern for available alternatives when these awards run out.

The National Housing Federation (NHF) responded to a consultation on DHPs in 2012. Recommendations for the system included: reviewing early on whether DHPs were adequately supporting disabled tenants in adapted accommodation and foster families and ensuring transparency of access and process for those eligible to claim DHP using external organisations such as the Citizens Advice Bureau. In the absence of ring-fencing, the NHF recommended that more emphasis be placed on ensuring that DHP funding targeted support on people facing benefit deductions. There were also further recommendations made for how local authorities should respond specifically, such as developing and maintaining direct relationships with local housing providers.

4.5 Social Sector Size Criteria

From April 2013, housing benefit claimants of working age considered to be living in a property which is too large for their needs, have had their benefits reduced. If a claimant is deemed to have one bedroom spare, their benefits are cut by 14%, for having two spare bedrooms or more, benefits are cut by 25%.

Under the new rules tenants are allowed one bedroom for:

- Each adult couple*;
- any other person aged 16 or over;
- two children of the same sex under 16;
- two children under the age of 10, regardless of their sex; and
- a carer (who does not normally live at the property) providing over night care.

*Exceptions are not made for couples sleeping separately because of a medical condition or for children where the property in question is not their main residence.

The Department for Work and Pensions (2013, (iv)) published statistics on housing benefit awards between May and August 2013, finding that 33,876

claimants in Wales deemed to be under-occupying social accommodation had their housing benefit reduced in August by an average of £13.11 per week. The majority of affected claimants in Wales had one spare bedroom, though 6,413 had two or more spare bedrooms (and an average reduction in their HB award of £20.79 per week).

Predicted savings as a result of this reform have varied between £27 million and £30 million (Task and Finish Group on Welfare Reform in Wales, 2013(i) & (ii)). However, Welsh Tenants provided evidence to the Welsh Affairs Committee (2013, (i)) which argues that these costs will migrate to housing associations and local authorities in the form of increased management costs to help mitigate impacts. Welsh Tenants also suggest that downsizing into the PRS would mean a lack of security (mainly from the assured shorthold tenure), poorer housing service and standards, little consumer protection, higher rents and service charge costs and no representation for some tenants.

Evidence presented to the Welsh Affairs Committee (2013, i) has argued that across Wales there are more than 70 families for every one single bedroom property available in the social housing sector. Availability concerns were raised by housing associations in Ceredigion, Blaenau Gwent, Monmouthshire and Torfaen, all of whom stated that there are no one-bedroom houses available in their areas. Torfaen Housing Association specifically estimated that it would take 17 years to accommodate current under-occupiers (evidence provided in 2012).

Welsh Tenants provided evidence to the Committee that social housing members expressed most concern about this aspect of the reforms, alongside the direct payments aspect of Universal Credit (see section 3.2 on Universal Credit for further information). They estimated that it would impact around 40,000 social tenanted households in Wales, or 47% of existing working-age households receiving housing benefit. The Welsh Affairs Committee (2013, i) recognises that there is a supply shortage of smaller social sector properties versus the demand generated by this reform. Nonetheless, they argue that if all options are explored and utilised effectively, they have the potential to ameliorate any negative impacts of the policy significantly.

Shelter Cymru (2013) provided a snapshot of local authority and landlord responses to the 'under-occupancy penalty' based on their work during the period and stated that the picture in November 2013 was 'mixed'. In some instances, landlords worked with local authorities to create reform adaptation strategies for tenants while also disregarding arrears caused by the reform. While in others, landlords have started possession proceedings when this is the sole source of arrears. Community Housing Cymru reported to the UK Work and Pensions Committee (2014) that, while many of the 40,000 affected Welsh tenants wished to downsize to avoid the SSSC deduction, there are currently insufficient smaller properties available. As a result, Welsh housing associations were concerned that rural tenants in particular may have to move to different areas if they wished to downsize due to the Social Sector Size Criteria.

The Work and Pensions Committee (2014) are aware of the particular negative impact that SSSC is having on the finances of people with disabilities, especially those living in adapted accommodation or who need an extra room as a result of their disability and who are unlikely to be able to move house or enter work. In addition, Wales' large rural population has meant that it is experiencing the largest proportional impact from the SSSC. The Welsh Affairs Committee (2013-14, (iii)) have found that 46% of working-age social housing tenants in Wales are affected. Rural areas in particular are known to have lower amounts of social housing, and the available stock tends to be larger sized accommodation. Hence, rural social housing tenants may face fewer local housing options.

Community Housing Cymru provided evidence to the Welsh Affairs Committee (2013) that:

- 22,000 housing association tenants have been affected by this Reform, with only 3% successfully downsizing;
- 78% of housing associations who are members of Community Housing Cymru have seen an increase in rent arrears, with over £1 million attributed to this reform. They expect this to increase to £2 million by April 2014; and
- 51% of tenants are fully paying the shortfall in their rent, 37% are part-paying and 12% are not paying anything towards the shortfall.

4.6 Benefit Cap

A weekly cap on the maximum amount of benefit payable introduced for all claimants of welfare benefits, was introduced between April and October 2013. The cap amounts are £500 per week for families and lone parents and £350 per week for single claimants. The cap applies to those who are out of work and claiming benefits such as income support, employment and support allowance and jobseekers' allowance. Housing benefit counts towards the maximum amount of benefit that can be paid. As such, people who pay high rents are more likely to be affected (Shelter England, 2014).

In the absence of any behavioural response to the policy, the Department for Work and Pensions (2012, (ii)) estimate that around 56,000 households will have their benefits reduced by the policy in 2013/14 (this is roughly 1% of the out-of-work benefit caseload) and 58,000 in 2014/15. Within these households, and in 2013/14, the number of adults affected is 80,000 and the number of children 190,000. They broadly argue that this policy will affect two main groups, one of which is larger families (in the most part with three or more children) receiving larger than average Child Tax Credit payments and Child Benefit payments, and those situated in high-rent areas as a result of receiving large Housing Benefit payments (or those in both of these groups). Broken down by geography this cap will affect 7% of households in Scotland and Wales combined.

The Children's Society (2013), note that children will be disproportionately affected by the introduction of the benefit cap, quoting estimated figures of 140,000 children compared with 60,000 adults.. They argue that children are seven times more likely to lose out than adults, but are less able to respond to the reform themselves.

The Work and Pensions Committee (2014) note that the Department for Work and Pensions originally estimated that around 40,000 households would be affected by the Cap, and that the Coalition Government would save £470 million (in present value) by 2015. However, research by Riverside Housing Group and the University of York estimated that these savings were likely to be reduced by a third based on their experiences, as people in temporary accommodation affected by the Cap were forced to move into relatively expensive housing in the PRS.

5 Findings around other considerations

5.1 Geographical Area and Tenancy Type

The Task and Finish Group on Welfare Reform in Wales (2013 (i) & (ii)) suggest that the South Wales Valleys and the inner city areas of Cardiff, Newport and Swansea are most likely to be disproportionately impacted by the benefit changes (calculated using the proportion of the Welsh population claiming out-of-work benefits and the distribution of low income households). Continuing housing cost pressures have also seen Cardiff, Conwy and the Vale of Glamorgan experience the highest rates of increase in HB claims since 2010 (The Bevan Foundation, 2012).

More recently, the Work and Pensions Committee (2014) acknowledged that concerns remain that the reforms 'may be causing hardship to some vulnerable households who were not the original targets of the reforms and who are unlikely to be able to respond to the reforms by changing their circumstances' (p.3). As such, the reforms have also significantly reduced the affordability of rented accommodation in the PRS and the ability of social housing tenants to pay their rent.

Although the PRS provides only 12% of homes in Wales, it plays an important role in meeting the housing needs of those who are unable to access owner-occupied or social housing (Shelter Cymru, 2010). These tenants are finding that fewer privately rented properties are affordable, with real concerns being voiced by those providing evidence to the Welsh Affairs Committee (2013 (ii)) that the changes will lead to a rise in homelessness.

Social housing tenants who are under-occupying their homes, households with non-dependents and those claiming job seekers' allowance for more than a year, are also thought to be particularly affected. These households will face a reduction in housing benefit which is likely to lead to rising rent arrears and potentially eviction.

The Work and Pensions Committee (2014) also acknowledge that there is evidence that Private Sector Landlords (PSLs) are becoming increasingly reluctant to rent to LHA recipients, with an increased risk of homelessness among HB recipients as a result of evictions and non-renewals of tenancies increasing.

5.2 Family Type

Research by the Institute for Fiscal Studies (2011) predicted that the welfare reforms would have a particularly significant impact on working adults and children. The numbers in relative poverty are projected to increase across the UK (from 5.7 million to 7.5 million and from 2.6 million to 3.3 million respectively) between 2009/10 and 2020/21. It also suggested that poverty among families with children, more than among working-age adults without children, would be negatively affected. The Welsh Government provisionally estimated that the tax and benefit reforms could increase relative child poverty in Wales, with around 6,000 more children moving into this category in 2012/13 (based on proportionate shares adjusted for differences in poverty) (Task and Finish Group on Welfare Reform in Wales. Welsh Government, 2013, (i)).

The Institute of Fiscal Studies suggest that the incentive to undertake paid work will be strengthened significantly for lone parents, while couples with children are likely to have a slightly weakened incentive to undertake paid work. Those without children, both single and couples, are expected to have a strengthened incentive to undertake paid work. However, an analysis of 325 of the 433 local authorities in England by the Local Government Association and the Centre for Economic and Social Inclusion (2013) found that an estimated 59% of Welfare Reform reductions fall on households where somebody works, with the reductions for working households being greater than households where no one works.

The WLGA (2011, (ii)) suggest that larger families are likely to face a significant reduction in benefit due to a lowering of the benefit caps and removal of the 5-bedroom rate. These families will also find it more difficult to find alternative accommodation and will be at particular risk of hardship and homelessness. Additionally, the changes could increase the difficulties of single people aged 35 and under when they become entitled to LHA for the cost of shared accommodation only, particularly when many already had significant shortfalls in benefit. They warned that the significant increase in non-dependent deductions could increase financial difficulties, family conflict and lead to some young people leaving home.

People claiming job seekers' allowance for more than a year will have their HB reduced to 90%, irrespective of their compliance with the requirement to be actively seeking work. The WLGA (2011, (ii)) have noted that this will have greatest effect in areas of high unemployment and on younger and older people who disproportionately face long-term unemployment.

The disproportionate impact of the Welfare Reforms on women have been explored by the Scottish Government (2013). The caring responsibilities of women, and the fact that certain benefits are typically paid to women, means that women face a direct financial loss. They note that in 2013, 83% of in-work couples receiving Child Tax Credits had a female payee and list a number of key changes with a significantly larger impact on women than men. Universal Credit is mentioned as a specific impact because the system of a single payment made to a household represents a loss of independent income for women. The Scottish Government note that women are more likely to spend money on children's needs, which means there is a compounded impact for spending on children. Another concern related to Universal Credit is that the single payment could lead to a return to the 'male breadwinner' in dual-headed households and may weaken incentives for second earners which are mainly women.

5.3 Health

The Task and Finish Group on Welfare Reform in Wales (2013) provides a mixed picture of the impact of the welfare reforms on health. While they note that the reforms could have a positive impact on health if they lead to more people moving into work (though it is acknowledged that this is highly dependant on behavioural responses and economic conditions), they also suggest that the welfare reforms could potentially have a direct negative impact on claimants' health. This could be due to a reduction or loss of benefit income caused by tighter eligibility criteria, conditionality requirements and tougher sanctions; increased poverty levels; new, uncertain and stricter medical assessments; appeals and reassessments; budgeting problems associated with direct, monthly benefit payments; the migration of claimants into cheaper, poorer-quality and possibly overcrowded housing; and a combination of less financial resource and increasing demand for support from the Social Fund and Independent Living Fund (ILF).

There may also be indirect income effects on entitlement to a number of health-related benefits as a result of the reforms. It is suggested that these impacts are likely to lead to increased pressure on health services in Wales. Lindsay et al (2011) have noted that most Incapacity Benefit and Employment and Support Allowance claimants have left work due to ill health, rather than applying while already unemployed. However, if the reforms are successful in getting people into work, these negative impacts will be counteracted (to some extent) by the positive effects on health that are associated with employment. Transitional protection will also soften the blow for some claimants.

The UK Work and Pensions Committee (2014) expressed concern that SSSC is causing severe financial hardship and distress to people with disabilities, many of whom will not easily be able to move. They see DHPs as inadequate because it is a short-term, temporary solution. The variability in award and the distress that having to re-apply can cause to affected households, is also noted and the Committee makes a number of alternative recommendations.

Shelter Cymru (2013) are concerned that disability payments being counted as income in DHP applications treats it as spare money, “rather than a much-needed resource for people to live equitable lives” (p.6), as disabled DHP applicants are required to evidence all disability-related expenditure. Disabled social tenants are therefore considered to be less likely to be able to access assistance through DHP, while also being the most likely affected by Bedroom Tax. Written evidence provided by Welsh Tenants to the Welsh Affairs Committee (2013) also suggests that the Bedroom Tax has the worst impact for how they manage social housing because of unintended consequences such as the high proportion of disabled benefit recipients who are affected.

The Bevan Foundation (2012) has also raised concerns that disability benefits are not being treated equitably by local authorities. They argue that Discretionary Housing Payments (DHPs), which are used to top-up housing benefit in cases of shortfall, are a form of ‘hardship’ payment. As such, disability income can be taken fully into account when calculating a claimant’s income and expenditure. However, the Department for Work and Pensions allow local authorities to decide what to take into account themselves. A Freedom of Information request from National Housing Federation found that across all local authorities in England, while demand for DHPs almost tripled in 2013, one in three disabled people who applied for it were turned down (National Housing Federation, 2013).

The House of Commons’ Work and Pensions Select Committee (2014) note that there is evidence that private sector properties, which remain affordable to LHA recipients, are increasingly of poor quality. A briefing from the Chartered Institute for Environmental Health (2011) has previously noted the links found in research between poor housing quality and health problems, including an increased risk of cardiovascular diseases, respiratory diseases and depression and anxiety caused by the stress of change.

5.4 Transfer of costs

The UK Work and Pensions Select Committee (2014) reference the UK Government’s prediction that the SSSC (in present value), will save around £930 million over two years (based on multiplying the average penalty by the estimated number of affected households). However, they also reference research which suggests that these savings would only be realised if claimants responded to the policy by increasing hours or entering work (and thereby making up the shortfall in their Housing Benefit). If claimants instead move to a smaller property or take in a lodger, this would detract from the full level of savings expected from the policy.

The UK Work and Pensions Committee (2014) have received evidence from organisations representing housing associations, who argue that while the welfare reforms may save Central Government money, costs are being passed on. Local authorities, housing associations and voluntary organisations are now incurring extra costs through rent arrears, transitional arrangements and supporting affected tenants. Examples of the extra costs

were provided by Riverside Housing Group, who called for further scrutiny of the Department for Work and Pensions' estimated savings:

- increases in DHP funding;
- the costs of fitting aids and adaptations for disabled tenants who move;
- the cost to housing associations of rent arrears, re-let times, rent collection, tenant support and loss of development capacity; and
- costs to public services of helping tenants cope with debt, homelessness and health needs.

5.5 Tenant Perspectives

In 2011, the Department for Work and Pensions published the findings of a public perception survey which explored views on the principles and key components of Universal Credit proposals (Rotik and Perry 2011). The research involved people currently claiming benefits, those with recent experience of claiming or potential need to claim, employers and the Department for Work and Pensions and Her Majesty's Revenue and Customs staff. Regarding expectations of the reform, respondents referred to:

- a restriction, freezing or cut in benefits;
- Government cost-saving through cutting Jobcentre staff and services; and
- 'shaking up' long-term claimants, in particular more emphasis on getting people into work.

There were indications that people's perceptions of Universal Credit were influenced by broader cost-cutting and Welfare Reform contexts, with only a small minority of respondents having heard about Universal Credit specifically. The conclusions included a broad consensus that the welfare and benefits system needs reform, but that demonstrating the principles and benefits to individuals of the reforms are important in building public engagement and co-operation.

Among the concerns identified were:

- Monthly payments. Alternatives were seen as required and the idea was strongly criticised.
- Single payments. System perceived to be open to error and problematic if claimants could not check the calculation.
- Online delivery. An issue for those without access or confidence to use the Internet.

The Department for Work and Pensions (2013 (ii)) conducted a survey with 373 individuals who had started claiming Universal Credit and who recall having claimed Job Seekers' Allowance (JSA) at some point during the last two years. The Department for Work and Pensions considers this to be an important group to focus on because they offer a comparative perspective of the two systems. They found that:

- 49% of claimants agreed and 26% of claimants disagreed that Universal Credit was easier to claim than Job Seekers' Allowance; and
- 37% of claimants agreed and 47% of claimants disagreed that Universal Credit was a more convenient frequency of payment compared to JSA.

Research conducted by Cardiff Council (2013) with tenants who will be affected by the welfare reforms, asked a number of questions about what changes they are expecting. The highest proportion of respondents thought that they would have problems paying household utility bills (66.4%), followed by those who expected that they would have reduced income to pay for food (62.6%). Almost half of respondents (47.6%) expected that they would have difficulty paying Council Tax. Almost a quarter (24.0%) believed they would have difficulty paying their rent or mortgage.

This has also been broken down by those respondents who currently receive Council Tax Benefit and those who do not. A similar proportion of respondents from both groups think they will have difficulty paying their rent or mortgage and difficulty paying their Council Tax. (Please note: the sample size for those not in receipt of Benefits is low so that Cardiff Council have noted that the data is not statistically robust.)

Those currently in employment thought they would have the greatest difficulty paying their rent or mortgage (47.3%), followed by those aged under 35 (38.7%) and those aged 35-54 (37.9%). The group that think they will have the least difficulty are those aged 55+ (18.5%). This compares to an overall figure for all respondents of 24.0%. The group of respondents who think they will have the greatest difficulty paying their Council Tax are those currently in employment (58.2%), followed by those aged under 35-54 (57.9%) and those aged under 35 (56.6%) and those from a minority ethnic background (56.6%). The group that think they will have the least difficulty are those aged 55+ (43.6%). This compares to an overall figure for all respondents of 47.6% (Cardiff Council 2013).

5.6 Homelessness Related Concerns

Shelter Cymru (2014) are concerned that while homelessness applications are increasing, the number of people being accepted as homeless is falling (11% less than 2012-13). Presentations between October and December 2013 were higher than in any October to December quarter since 2005-06, yet around seven of every 10 households who approached their local authority, were not considered eligible for the main homelessness duty (the disparity between presentations and eligibility could potentially also be due to increased prevention activity). They also raise concern that the charity does not know what happens to these households after this assessment. Welsh Government (2014) statistics have found that whilst the number of single person households accepted as homeless has fallen, the percentage has

increased over the last year, with single person households accounting for 58% of all acceptances during the October to December quarter 2013-14.

The Welsh Local Government Association (2011) have suggested that:

'the cumulative impact of the Housing Benefit changes will result in a sudden drop in rent benefit in 2011 for a significant number of private sector tenants. Those tenants who are unable to negotiate a rent reduction or to move to affordable accommodation will be forced to absorb the shortfall or build up arrears and debts. Social tenants will also be affected by a number of the changes, particularly those who are unemployed and claiming job seekers allowance for more than a year, or those who are under occupying properties but unable to move. This is expected to result in a gradual increase in arrears and ultimately to eviction'. (p.7)

The UK Work and Pensions Committee (2014) believe that there is evidence that Housing Benefit reforms are contributing to increased levels of homelessness, with corresponding serious implications for households and for local authorities. Rises in homelessness have occurred in high demand areas, and among those not in priority need (for whom there has been an increase of 9% between 2012 and 2013). The Committee has recommended that the UK Government take steps to monitor the impact of the Housing Benefit reforms on homelessness. If they are found to be exacerbating homelessness, the Government must look at further ways of supporting people and local authorities to prevent and deal with the issue.

In the view of the Chartered Institute of Housing (CIH) Cymru and Shelter Cymru, who provided evidence to the National Assembly for Wales (2011), the private rented sector could potentially address homelessness by playing an increasing role in meeting under-supply. CIH also think that not dealing with the issue of a lack of private rented sector accommodation could, in itself, have perverse consequences by transferring costs to local authorities.

6 Conclusion

Given the scale and scope of the reforms it is too soon to draw any solid conclusions about their impact, either individually or overall. Several aspects have yet to be introduced and there are a number of policies and funds which have been put in place during this transitional period. As such, until there is a clearer picture which can provide evidence of impact over time, as well as a solidified response from local authorities, etc., there are no firm impacts to draw out of this review. Nonetheless, it is clear that considerable concerns have been raised by a number of groups about how the reforms will impact groups that are considered to be vulnerable. The options for those affected in terms of alleviating the impact of a loss of finance may not always be fully accessible or appropriate to all claimants.

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Glossary of terms and abbreviations

CSCS	Construction Skills Certification Scheme
DHP	Discretionary Housing Payment
DLA	Disability Living Allowance
DWP	Department for Work and Pensions
HB	Housing Benefit
JCP	JobCentre Plus
KAS	Knowledge and Analytical Services
LA	Local Authority
LHA	Local Housing Allowance
PRS	Private Rented Sector
PSL	Private Sector Landlord
RSL	Registered Social Landlord
SRS	Social Rented Sector
TP	Transitional Protection. <i>Offered to welfare claimants migrating to Universal Credit from legacy benefits to ensure that they do not receive less as a result of their move to Universal Credit</i>
UC	Universal Credit
WISERD	Wales Institute of Social and Economic Research, Data and Methods
WLGA	Welsh Local Government Association