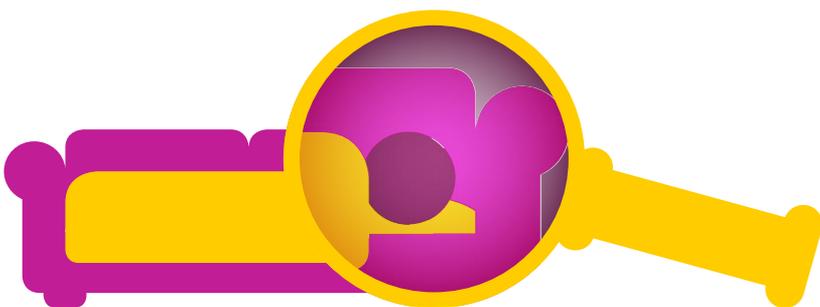


HOW PREPARED ARE LOCAL AUTHORITIES FOR WELFARE REFORM?



HOW PREPARED ARE LOCAL AUTHORITIES FOR WELFARE REFORM?

CONTENTS

Key findings	3
Our research	4
How prepared are local authorities for welfare reform?	6
Size criteria	6
Changes to Local Housing Allowance	9
Shared Accommodation Rate	10
Benefit Cap	11
Discretionary Housing Payment	12
Conclusions and recommendations	13

PRODUCED BY

Policy Team

ACKNOWLEDGEMENTS

We are grateful to Vicky Album for carrying out the fieldwork

PUBLISHED

March 2013

KEY FINDINGS

The current changes to the welfare system are the largest since the system's introduction in the 1940s. The changes will impact on a substantial number of services and people. Nearly all homeless people in England will be affected.

Local authorities have a key role in supporting services and people to plan for these changes, and ensuring the changes do not disproportionately affect vulnerable people, such as homeless people. To do this, local authorities need to be prepared: they need to understand the welfare changes, identify the impact on clients, and have the right provision in place to support clients.

As the national membership charity for organisations working directly with homeless people in England, Homeless Link carried out research to understand the preparedness of local authorities in advance of the welfare changes. We wanted to understand local authorities' priorities, particularly around supporting single homeless people. Our key findings are below:

- Of the 42 local authorities Homeless Link contacted, all were aware of welfare reform changes and had started making preparations in response, but the level of engagement differed between authorities. In general, many authorities described a lack of accurate information about welfare changes. Most said they did not know what others were doing and felt worried that they were unprepared.
- *Size criteria:* We found that 28 of the 42 authorities we spoke to knew how many households would be affected by the Housing Benefit size criteria, but none had done robust research to predict the impact or how residents might respond to the new regulations. Some authorities were concerned that they had insufficient stock of 1- and 2-bed properties, or shared accommodation, and a lack of availability in the private rented sector so some residents may become trapped in larger properties and risk falling into arrears as they are unable to move.
- All of the authorities had notified their tenants about the size criteria and, at a minimum, had written to those receiving Housing Benefit to inform them that they might be affected by the changes. Many reported residents intending to stay in their homes and manage the additional costs and, although authorities had concerns about how they would do this, staying may be the only realistic option open to many households. Authorities recognised that better financial management could help residents pay the shortfall in their housing costs and most had systems in place to provide these financial advice services.
- *Local Housing Allowance cap:* Few authorities could provide details on how many residents had been affected by the cap on Local Housing Allowance, but in general we found that authorities considered that there would not be much impact on residents of these changes. Several authorities were trying to encourage landlords to accept lower income tenants and those on benefits, as they reported that the private rented sector was becoming increasingly unaffordable.
- *Shared Accommodation Rate:* In general, local authorities said they had seen only a few homelessness applications that were related to changes in the Shared Accommodation Rate, but 15 of the 33 were unable to tell us how many of their residents would be affected. Availability of affordable shared accommodation was an issue for those tenants who chose to move, and some authorities were attempting to create more shared housing, such as by converting existing properties.
- *Total benefit cap:* 25 of the 31 authorities were able to give us details on the number of households affected, and in general they seemed to be dedicating more individual tailored

support to residents affected by the benefit cap than to those affected by other welfare reform changes.

- *Discretionary Housing Payment:* Most authorities had made some plans (13 of the 34), or were starting to make them, about how they could use their Discretionary Housing Payment (DHP) budget in the future. Most had decided to prioritise particular groups: most commonly families, disabled people in adapted properties, foster carers and those affected by the size criteria. Five authorities had decided to operate DHP on a case-by-case basis, because they felt it was not yet clear where the money would be needed most.

OUR RESEARCH

We are currently seeing the greatest changes to the welfare system since its inception some sixty years ago. A vast number of changes are being designed and implemented at an extremely fast pace, which risks missing opportunities to identify and understand the nuances of needs and impacts for individuals. This is a challenge for Government, local authorities and for those who require welfare assistance.

Homeless Link supports a vision for a welfare system that ensures there is a safety net for the most vulnerable and excluded in our communities. Such a system needs to:

- prevent homelessness
- support recovery from homelessness
- not disadvantage or exclude vulnerable people
- work with a range of statutory and non-statutory agencies so that essential support is available when needed, for as long as needed.

The environment in which local authorities are operating is one where they face unprecedented challenges. Demand for services is increasing, whilst resources are declining. Figures for both statutory homelessness and rough sleeping have, on every measure, been on a steadily upward curve for a number of years¹. The changes to the benefits system represent the biggest reform of the welfare state since its introduction in the 1940s. Universal Credit alone, which will affect virtually every client of homelessness services, will see seven existing benefits rolled into one. These are not just administrative changes as the Government is making a concerted effort to reduce the benefits' bill. It also wishes to use the system to change people's behaviour, expecting individuals to be more focused on finding work and achieving greater financial independence, not shying away from using sanctions to make this happen.

Homeless Link has been working to influence these welfare changes to ensure they address the needs of people who are homeless. This work has included submissions to draft legislation, consultations and committee hearings. We have also engaged in an on-going dialogue with Department for Work and Pensions (DWP) and other Government departments throughout the development of key policies, helping broker major concessions in areas such as Housing Benefit for under-35 year olds and Universal Credit.

Local authorities have a key role in supporting local areas, services and people to prepare for these welfare changes, as well as offering wider support in maintaining benefit claims. As changes to the welfare system come into force, local authorities need to ensure advice is available and vulnerable individuals are supported to ensure the changes do not disproportionately impact them. They need to understand the welfare changes, identify the impact on clients, and have the right provision in place to support them.

Homeless Link carried out research to understand the preparedness and planning by local authorities in advance of the welfare changes. In particular we wanted to understand the priorities of local authorities and where single homeless people fit within these.

METHODOLOGY

In November and December 2012 we interviewed local authorities in England to find out how prepared they were for welfare reform changes in their areas. We wanted to know in particular how local authorities were getting organised to manage these changes and how they were planning to

¹ Official street count numbers have shown a rise in rough sleeping of 31% between 2010-2012 across England. Local authority figures show an increase in people accepted as statutorily homeless of 17% in the same period.

support residents who were affected. We focused specifically on staff within the housing or homelessness section of the authorities rather than from other departments.

We contacted 75 local authorities, and 45 of them participated in our research. We did in-depth qualitative telephone interviews with 29 authorities; a further 12 completed an online survey; and three gave informal information over the telephone. Because the data we gathered is qualitative, we have reported the number giving a certain response, but not the percentage, as our sample will not be representative of the whole country.

The 45 participating authorities were located around the country, in a mix of urban, rural and mixed geographical areas. All those we interviewed within the local authorities worked in housing but their precise roles varied, including Housing Strategy Manager, Housing Options Managers or Head of Housing Needs.

We asked local authorities about their overall approach to responding to welfare reforms, and then about responses to specific policies including the size criteria, benefit cap and Shared Accommodation Rate². We focused on the areas that were likely to have the most direct impact on homelessness. This does not mean that other changes such as Council Tax Benefit and Social Fund changes will not have an impact³. We also did not ask about preparations for Universal Credit.

We are careful not to talk about what local authorities are doing now, and have reported our findings in the past tense. This is because authorities may have developed additional responses since November and December last year.

THE IMPACT OF LOCAL CIRCUMSTANCES

Local circumstances can affect how local authorities are responding to welfare reforms. 26 of the 45 authorities we spoke to retained ownership of their housing stock, and so face a direct loss of income if their tenants are unable to pay their rents. Some of these had transferred housing management to an arm's-length management organisation (ALMO) so direct contact with residents usually fell to the ALMO rather than the authority itself.

In rural areas it is more difficult for residents to move to a different part of the local authority whilst maintaining their existing social networks or accessing employment or services, whereas urban authorities tend to have greater pressure on services but more scope for residents to relocate easily.

Rural areas also tend to report weaker rental markets with fewer properties available to rent on the private market, putting pressure on social housing, but others were in the same Broad Rental Market Areas as nearby cities so had relatively generous Local Housing Allowance rates. However, the lack of housing for multiple occupation (HMOs) was a concern in some areas. In some cities, particularly London, local rental prices are very high so there were particular concerns about the benefit cap.

² For an explanation of these changes visit Homeless Link's website www.homeless.org.uk/welfare-aware

³ The Social Fund historically had three main forms of financial assistance which each played a crucial role in combatting homelessness. These were 'Budgeting Loans', 'Crisis Loans' and 'Community Care Grants'. From April 2013 funding for the last two has been devolved to local authorities in un-ring-fenced budgets. Each council is deciding locally how much, and what type, of support (if any) is given to people. Most authorities appear to be adopting cashless forms of support. Local authorities from April 2013 will administer Council Tax Benefit locally. They have received a 10% cut to the benefit and have been given freedoms to decide how to manage this cut.

HOW PREPARED ARE LOCAL AUTHORITIES FOR WELFARE REFORM?

We found that all local authorities were aware of welfare reform changes and had started making preparations in response, but the level of engagement differed between authorities.

In 7 of the 45 authorities, senior managers and councillors were involved in making strategic decisions about the extent and ways in which they would engage with preparing for welfare reforms. They tend to have researched the impact of welfare changes on their residents and have detailed figures on the numbers affected. One in a mixed urban and rural area reported:

We have the involvement of the Chief Officer, Executive and Cabinet because these are political decisions. Do the [local authority] want to put resources into it? Do they want to make all residents aware or focus on the most vulnerable groups? The government is throwing it all at local government. Do we want to absorb it?

Many other authorities had set up steering groups to consider welfare changes but did not seem as proactive in their operational planning. In many cases, the Heads of Housing and Revenue departments were working together in a shared response.

Just 3 of the 45 authorities had less focus on welfare reform. They had done some work but did not have any clear structures in place or any specific actions started.

In general, many authorities described a lack of accurate information about welfare changes. They reported deadlines moving and difficulty finding information on the detail of the changes, making it hard to train staff and get prepared. Some expressed frustration that there was little information shared from the Direct Payment demonstration areas.⁴ Most authorities said they did not know what others were doing and felt worried that they were unprepared.

SIZE CRITERIA

From April 2013, people of working age living in a housing association or council property will be expected to live in a home with the appropriate number of bedrooms for the people in the household. This will mean that Housing Benefit will be reduced if people are living in homes that are assessed as having 'spare' bedrooms. This is known as the 'spare room subsidy', which many refer to as the bedroom tax.

UNDERSTANDING THE SIZE CRITERIA

We found that 28 of the 42 authorities knew, or were in the process of finding out, how many households were likely to be affected by the Housing Benefit size criteria. Authorities' estimates ranged from around 6% of households affected in one authority to 21% in another, although in some authorities individual housing associations had reported substantially higher percentages affected. The main reason for this variation is due to local social housing stock. For example, in some areas due to a limited number of, or no, 1-bed properties, single people have been allocated 2-bed properties.

However, many authorities indicated that it was difficult to find accurate information on household composition, as data from Housing Benefit teams or housing associations could be inaccurate or

⁴ The direct payment of rents to landlords is being piloted in a number of areas to understand the impact on social landlords.

out of date. Two authorities reported that they had purchased computer software to help them with the process of cross-referencing data to identify affected households accurately.

POTENTIAL IMPACT OF THE SIZE CRITERIA

Several authorities had tried to estimate the impact of the size criteria on residents, but none had done robust research to predict how residents might respond to the new regulations. Some authorities had sent information requests to tenants, but had few responses, and others were visiting households individually to gather information and talk to tenants about how they were going to respond.

Those authorities that were more proactive in planning for welfare changes frequently reported that residents were saying they would pay the difference between their benefits and the rent. Some considered that this was unrealistic as the shortfall could be above £25 per week for some claimants. Housing teams were concerned that, because residents were seen to be ignoring this change in regulations, they would get into debt, or would only ask for support when they could no longer pay their rent and put pressure on services at the last minute.

There was confusion amongst local authorities about what would happen if residents fell into rent arrears as a result of the size criteria; for example, whether eviction orders would be granted, and if so whether the household would be found to be intentionally homeless. To decide if a household became homeless 'intentionally' a local authority needs to assess whether the household's accommodation was lost as result of an 'act or omission' on their part. If a household is evicted for rent arrears, they might usually be expected to be deemed intentionally homeless as their situation has been brought about by a failure to pay the rent. But if these arrears arose because of factors beyond their control, namely a reduction in their level of Housing Benefit, the issue of intentionality is much less clear.

Authorities were concerned that they had insufficient stock of 1- and 2-bed properties, or shared accommodation, to house those who want or need to move. Some also identified a lack of 1-bed properties in their local private rented sector, and raised the risk that some residents may become trapped in larger properties and unable to move. Two authorities said that they were considering increasing their stock either by purchasing properties or through building programmes.

A few authorities predicted that the size criteria changes might led to increased homelessness, through arrears, increase in debt, and increased duration in temporary accommodation.

SUPPORTING RESIDENTS AROUND THE SIZE CRITERIA

All the authorities that we spoke to had notified their tenants about the changes and, at a minimum, had written to those receiving Housing Benefit to inform them that they might be affected by the changes. 33 of the 37 authorities who provided information said that they had contacted residents in some way, including sending targeted letters to those who were most likely to be affected; some included leaflets with detailed information or options for contacting the local authority for support. 23 of the 37 authorities we spoke to were visiting affected residents or those who were suspected of being most in need. Informing tenants was generally led by the organisation that managed the properties, either the local authority itself, an ALMO or other provider.

Many authorities were making use of existing structures to visit affected households, generally with Housing Officers or support workers carrying out household visits. One rural authority did a tenancy audit every three years and was using this process to visit affected tenants and gather information. Four authorities had employed people specifically to support residents through the changes, located within or alongside the Housing Team, or trained particular staff in welfare benefits, debt advice, housing and homelessness prevention.

In addition to letters from the Housing Benefits team, authorities used other methods to make residents aware of the changes, including tenancy newsletters and magazines, local newspapers, websites, social media such as Facebook and Twitter, information roadshows, outreach surgeries and interviews on local radio.

Local authorities mentioned various ways in which residents could be supported with the impact of the size criteria:

1. Move to a smaller property

Most authorities had reviewed their allocations policies, including giving under-occupiers increased priority to housing. Some gave priority to those under-occupying by two or more bedrooms over one bedroom, but others chose to allocate based on the level of financial hardship experienced by residents. A few local authorities chose to refuse housing allocations if it would mean households would under-occupy, to prevent under-occupation in the future; most however would choose to occupy accommodation – but make residents aware of the risk of becoming an under-occupier – to avoid shortfalls in their income.

Some authorities had existing under-occupancy schemes to encourage downsizing, particularly by elderly people (who would not be affected by the size criteria). One authority, however, chose not to extend its existing scheme as it did not have sufficient housing stock to downsize the new group of under-occupiers.

2. Stay and pay

Many residents were reporting to authorities that they intended to stay in their homes and manage the additional costs. Although local authorities had concerns about how they would do this, this may be the only realistic option open to some households in areas where authorities did not have enough housing stock of the right size.

3. Improve household financial management

Authorities recognised that financial management could play a role in helping residents pay the shortfall in their housing costs. Most had systems in place to provide these financial advice services, including partnerships within Citizens Advice Bureaux and other voluntary agencies. Six authorities already employed specialist advice workers, or had trained floating support workers to provide financial advice. Some areas signposted residents to these services, but in most authorities there was no increased focus on access to financial advice.

One local authority was raising the profile of their financial inclusion service. Residents had been notified of the service twice, firstly in their original letter on changes to Housing Benefit and secondly in a detailed letter from the Housing department. One-to-one appointments were offered and the service was attempting to contact all those residents who were not already in touch.

Advice was focused on three main areas: maximising benefit income, household budgeting and debt management, with several authorities reporting an increase in debt and doorstep or payday lending in their areas. Three authorities mentioned using a welfare rights officer to help residents claim for all the benefits that they were entitled to. Six of the 37 authorities said they were intending to develop links with Credit Unions to promote saving and responsible borrowing, or providing access to jam-jar accounts.

Many authorities, however, reported poor take-up of financial advice services which they attributed to residents not taking action to prepare for changes due to the size criteria.

4. Employment

Most authorities suggested that residents wanting to stay in their homes could increase their income through employment. Ten authorities mentioned specific employment support such as opening additional job-clubs and others described their intentions to address worklessness but had no plans as yet.

5. Take in a lodger

Eleven authorities also suggested that households could take in a lodger to assist in paying the shortfall in rent. Some were providing information to households who wanted to do so; others were actively encouraging residents to take lodgers; and others had a specific scheme for lodgers.

One London borough developed a lodging scheme in partnership with a large homelessness agency operating in the area. The agency runs a website containing details of potential landlords and lodgers, and also vets potential lodgers for the resident. The scheme will be promoted to any residents affected by welfare reform.

6. Other

Authorities suggested a range of other ways in which residents could get support with changes due to the size criteria. One had identified high levels of stress or mental health concerns amongst residents affected by welfare reforms and put in place better links with an early intervention mental health service to offer health-related and practical support. Other responses included supporting the establishment of food banks to assist those residents who were struggling to manage on reduced benefits, which was mentioned by two authorities.

CHANGES TO LOCAL HOUSING ALLOWANCE

We also asked local authorities about how they had responded to changes in the Local Housing Allowance (LHA), which is the Housing Benefit provided to people who live in private rented accommodation. There have been four changes to the LHA: a cap on the amount available depending on the number of bedrooms required; an extension of the Shared Accommodation Rate from under 25 years to under 35 years; a setting of LHA rates at the 30th percentile of rents in each Broad Rental Market Area rather than the median (50th percentile); and a change in the way the LHA rate is uprated. The Shared Accommodation Rate is dealt with separately below.

Few of the 32 authorities that discussed this issue could provide details on how many residents had been affected by the cap on LHA, although some said that they were in the process of finding out. Nine authorities were able to provide figures, which ranged from just 10 households in a mixed rural and urban area to over 11,000 in a large urban authority. None of the authorities have made estimates of how the changes in uprating of the LHA would affect residents.

In general, authorities considered that there would not be much impact on residents of the LHA changes. Some had been expecting to see many more residents using the Housing Options service, and had been surprised at the low level of contact so far. Only one authority noted an increase in homelessness applications which they attributed to these changes. In some authorities, poorer areas had relatively high LHA rates as they were included in the same Broad Rental Market Area (BRMA) as more wealthy areas, so residents were less likely to be affected by LHA changes. It is likely that the impact of these changes has yet to be felt.

The main challenges faced by households affected by LHA changes were affordability and availability. The state of the local rental market was also a significant feature. Some authorities had taken steps to support residents who would be affected:

- A few had increased the amount of homelessness prevention work they did with households affected. One identified four households affected by the LHA cap and was providing them with Discretionary Housing Payment (DHP) while the authority tried to find them alternative affordable accommodation.
- A few authorities were investigating the availability of private rented accommodation in their areas, including taking snap-shot surveys to understand the availability, location and price of properties. Two authorities had created websites to advertise affordable housing to prospective tenants. One was for landlords to find suitable tenants (requiring them to accept people on benefits and offering 12-month contracts as a minimum). The second was for tenants, giving a list of affordable properties, an option to calculate LHA entitlement, and an indication of how much above or below the cap the property was. The authority reported that rents had decreased since the website had begun operating as landlords came into competition with each other. Most authorities, however, did not have a comprehensive system for mapping the availability of appropriate housing.
- Several authorities were trying to encourage landlords to accept lower income tenants and those on benefits, as they reported that the private rented sector was becoming increasingly unaffordable. One authority operated a social lettings pilot which provided support to both landlords and tenants. Another had initiated a landlord accreditation scheme and would only discharge their homelessness duty to those landlords who had signed up to the scheme.⁵ Many also operated bond schemes which aimed to encourage landlords to let to low-income tenants.

Three authorities said that they tried to negotiate with landlords to reduce their rents. Two had intervened directly in individual cases, but with mixed success. They reported that many landlords were unwilling to reduce rents, although some had by a small amount. The third was negotiating through a local landlords forum.

SHARED ACCOMMODATION RATE

We asked local authorities about their responses to changes in the Shared Accommodation Rate (SAR). The SAR is the level of Housing Benefit that applies to single people in the private rented sector who are aged under 35 years. It limits housing allowance to a maximum amount based on what the authority decides is an appropriate rent for a shared property in that area. From January 2012, the age criteria for the SAR was increased from under 25 to under 35.

Most of the authorities in our research discussed the SAR, although 15 of the 33 were unable to tell us how many residents were affected by it.

In general, local authorities said they had seen only a few homelessness applications that were related to changes in the SAR, and in some cases these were residents who had been placed in their accommodation as part of a homeless prevention service initially.

Some authorities described how they had supported residents with the impact of SAR changes:

- Availability of affordable shared accommodation was an issue for those tenants who chose to move. Some authorities were attempting to create more shared housing, such as by converting existing properties. In some areas where the quality of shared housing was poor, the local authority had set up a licensing scheme to encourage a higher standard of accommodation.

⁵ Incidentally, some authorities near London reported that London boroughs were discharging their homelessness duty into the private rented sector, or using temporary accommodation, in their areas.

- Some areas had few local precedents for house-sharing. In two, the authority was helping residents find flat-mates, by keeping a register and matching residents, or by creating an information hub for tenants and landlords.
- To help low-income tenants compete in the private rented sector, two authorities had set up social lettings schemes to help reassure landlords. One was a supported lodgings scheme whereby the tenants with higher support needs received assistance from the local authority.
- Local authorities generally assumed that affected tenants had managed their change in income themselves, as few had presented as homeless or asked for support. Some tenants who were not able to move immediately were temporarily offered Discretionary Housing Payment in some cases, whilst they looked for alternative accommodation. One authority chose to pay DHP to all affected residents who were turning 35 within the next year to prevent them having to move.

Two of the 33 authorities suggested that the extension of the SAR to under 35 year olds was having an impact on younger people who were competing for the same private rented accommodation. This corresponds with the findings of our recent *Young and Homeless* research⁶ which showed that the extension is having an impact on young people and hence homelessness amongst young people. One authority bordering London said that there were bottlenecks in hostels and temporary accommodation as few people were able to move on to independent rented accommodation. They predicted a rise in applications for social housing as the private rented sector was becoming less accessible.

BENEFIT CAP

In our research, we asked local authorities about the impact of the benefit cap on their local areas. From April 2013, there will be a limit to the total amount of money someone can receive from all benefits added together in four boroughs in London. This will be rolled out nationally from July 2013, with full implementation by September 2013. At the time of the research, the benefit cap was scheduled to be implemented nationally from April 2013, and local authorities were planning on this basis. There will be different limits for people in different circumstances. If there is any reduction required, and prior to Universal Credit which rolls a number of benefits into one, it will be taken from Housing Benefit or Local Housing Allowance.

25 of the 31 authorities who discussed the benefit cap were able to give us details on the number of households affected, which ranged from just 2 to 1,033. They reported that the average reductions in benefits for those affected ranged from £60 to £125 per week.

Most authorities had plans in place to support affected residents, although the extent of help available varied:

- In general, local authorities seemed to be dedicating more individual tailored support to residents affected by the benefit cap than to those affected by other welfare reform changes. Most authorities reported making strong efforts to ensure that all those affected had received detailed information and were discussing their situation with the authority.
- Several authorities had identified a member of staff to deal specifically with these cases. One had created a 'benefits cap response team', with four Housing Options staff, three voluntary sector workers and a JobcentrePlus worker. It also included a benefits specialist to help affected residents with their benefits applications. The team were contacting those affected, and raising awareness in the local area, but also training local professionals so they could refer residents.

⁶ Young and Homeless 2012, www.homeless.org.uk/youth-homelessness

- Most authorities were considering using Discretionary Housing Payment to support affected residents.

DISCRETIONARY HOUSING PAYMENT

We talked to local authorities about how they were planning on using their Discretionary Housing Payment (DHP) budgets. Discretionary Housing Payment is for local authorities to help people who qualify for Housing or Council Tax Benefit but who are struggling to pay their rent or council tax. It can be used for rent deposits, rent arrears, or the shortfall between Housing Benefit and rent.

Most of the authorities in our research had already made some plans (13 of the 34), or were starting to make them, about how they could use their DHP budget in the future. Only three had chosen to wait until it became clearer where the money would be needed.

Local authorities had either decided to prioritise certain groups, decide awards on a case-by-case basis, or award to all those affected whilst the money lasted. Most preferred to prioritise particular groups: most commonly families, disabled people in adapted properties, foster carers and those affected by the size criteria. Five authorities had decided to operate DHP on a case-by-case basis, because they felt it was not yet clear where the money would be needed most.

29 of the 37 authorities had decided that the DHP budget would be managed by the revenues and benefits department. Generally, they reported that there were good working relationships between them and the Housing team, although some authorities said revenue departments could forget the role of DHP in homelessness prevention. A few others felt that revenue and housing departments had different eligibility criteria for DHP which could cause conflicts.

In eight authorities, the Housing team had responsibility for DHP budgets, jointly in four cases with the revenue team, and held monthly meetings to decide on access to payments.

CONCLUSION AND RECOMMENDATIONS

The findings of this research, whilst perhaps not surprising, are troubling. The drive behind the introduction of welfare reform changes, in particular the introduction of Universal Credit, is designed to support people become job ready and whilst they are in employment. Homeless Link has consistently raised concerns about the impact of the pace of change on people who are homeless, voluntary agencies and local authorities. As this survey highlights, local authorities are really struggling with the additional burdens placed on them by administering the majority of these changes, at a time when they are experiencing unprecedented levels of cuts to their budgets. They are faced with having to make tough decisions about which groups to prioritise for support, rather than being able to support the whole community. These challenges must be recognised and local authorities supported if we are to ensure that the welfare reform changes do not lead to increased homelessness, indebtedness and greater vulnerabilities.

Nationally, Homeless Link asks for:

1. Changes to welfare benefits implemented at a pace which reflects the capacity of the Department for Work and Pensions, local authorities and agencies to respond, and at a pace which does not negatively impact on customers.
2. A welfare system that is truly universal – that is available to all – yet identifies and supports all individuals in a personalised way throughout their personal journey.
3. A welfare system with built-in safeguards to ensure the most vulnerable are not penalised. This is particularly pertinent during this period of rapid change when so many outcomes are yet to be understood.
4. Rigorous independent monitoring to assess the discrete and cumulative impacts of reforms including mechanisms for recipients of benefits and those who support them to feedback their experiences.
5. A willingness by Government to implement changes where the benefit system is clearly failing to deliver to all people who are reliant upon it.
6. A recognition of the additional burden being placed on local authorities to administer challenging and unpopular changes.

Notwithstanding the challenges faced by local authorities, there are a number of actions that they can take based on the findings from this research. We suggest that local authorities:

- Audit local housing supply, including private rented sector supply and affordability, to identify gaps and look for ways to improve access for groups affected by welfare reform.
- Research the likely impact of each reform in order to plan support and mitigate negative impacts.
- Proactively communicate and work with those individuals likely to be affected, either directly or in partnership with a housing or support provider.
- Anticipate and prepare for future support needs arising from welfare reform, e.g. silting up of temporary accommodation such as hostels, an increase in debt issues, use of payday loans and illegal money sharks.

- Where Discretionary Housing Payment has been allocated to certain groups, assessing what support or options are available to those groups who cannot access DHP and the risks this creates.
- Consider how best to provide advice and support on welfare claims, budgeting and debt advice, employment, taking in lodgers, moving home etc.
- Plan on-going communication with claimants and ensure that information is readily accessible to those affected by the impact of welfare reforms at different times.
- Take action in partnership to implement or promote provision such as budgeting advice and access to Credit Unions and basic bank accounts.

Homeless Link will continue to collect information and best practice from local authorities to share this with others. We will also be monitoring the impact of the welfare reform changes on homeless people.