



# WHAT DOES WELFARE REFORM MEAN FOR MY SERVICE?

## Impact summary for non-accommodation services

### Prepare your service for welfare reform with:

- **Policies and procedures** that take into account changed entitlements and how service users are being paid, for example rent and resettlement P&Ps.
- **Recording systems for data and support** that keep the organisation informed about clients' needs and help to plan the most effective support.
- Staff with the **skills and training** to ensure clients are supported with new and existing welfare benefits, financial and digital capability.
- An **organisational culture** that promotes clients taking greater personal responsibility for their income and moving towards employment.

### Key impacts

#### Council Tax Benefit

- People have to pay a council tax bill that was previously covered by benefit and may struggle to budget or to pay for bills, rent and daily essentials. Rent arrears or other debts are accrued.

#### Shared Accommodation Rate (SAR)

- People are evicted from 1-bed PRS properties when LHA claim is renewed and need support to find shared accommodation or gather evidence qualify for an exemption.
- More young people need support as competition for shared accommodation increases.
- People need help to resolve disputes in shared accommodation.

#### Local Housing Allowance (LHA)

- People need support to pay their rent (e.g. budgeting skills, employment, discretionary housing payments) or to move to a cheaper property due to the LHA cap, either when their claim is renewed or as rents increase at a faster rate than LHA.
- Increasing numbers of people become or remain homeless (e.g. rough sleeping, hidden homeless) in areas where there is insufficient supply of affordable PRS properties, increasing demand on services.
- People need support with daily essentials (food, bills) as they are paying a rent top-up from income.



[www.homeless.org.uk/take-a-step](http://www.homeless.org.uk/take-a-step)

[www.facebook.com/homelesslink](https://www.facebook.com/homelesslink)

@HomelessLink



**Housing Benefit Size Criteria (spare room subsidy or bedroom tax)**

- People living in council or social housing seek help to assess their options and take action e.g. moving to a smaller property, finding work or increasing hours worked, applying for discretionary housing payments, finding a lodger.

**Benefit Cap**

- People (primarily families) affected by the benefits cap need support to manage on lower income e.g. moving to a cheaper property, finding work or increasing hours worked, applying for discretionary housing payments.
- People (primarily families) need support with daily essentials (food, bills) as their income is no longer sufficient.

**Local Welfare Assistance (previously Social Fund)**

- People need information about how and when to apply for welfare assistance from the council.
- People need additional support when moving to furnish properties and buy essentials.
- People whose benefits are sanctioned or disrupted need support with essentials if no crisis support is available.
- People who struggle with budgeting need support to avoid running out of money and/or turning to more problematic forms of credit e.g. high interest payday loans.

**Universal Credit**

- People need support to understand and prepare for the transition to UC.
- People struggling to budget with monthly payments accrue arrears and run out of money to buy daily essentials or pay bills.
- People have their Universal Credit sanctioned and cannot support themselves.
- People in employment struggle to keep track of their UC entitlement after wages (especially where payment frequency does not align) and don't budget enough for rent and essentials.

**Disability Living Allowance (DLA) / Personal Independence Payment (PIP)**

- People need support to prepare for the end of their DLA claim and to make a claim for PIP.
- People whose DLA claim ends and who do not apply for, or are refused PIP, need support to budget on a lower income.
- People who no longer receive DLA or PIP are at risk of reduced mobility, access to employment and engagement with social network and activities, which could have a negative impact on their physical, mental and financial well-being that results in increased support needs.