

Social Insecurity?

Welfare rights and welfare reform

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Aims of research:

Explore impacts of four welfare reforms on social tenants:

- ▶ Universal Credit
- ▶ The 'bedroom tax' (social sector size criteria)
- ▶ The lowered Benefit Cap
- ▶ Discretionary Housing Payments (DHP)
- ▶ Cumulative impact with other welfare reforms

Forefront the experiences of people affected

Consider the interaction of conditionality with discretion

*Act 2012, Welfare and Work Act 2016,
Discretionary Financial Assistance Regs 2001*

- ▶ Welfare rights specialist practitioner 22 years
- ▶ Commitment to social justice and legal rights
- ▶ Employed in social housing sector: advice, challenge, mitigation, analysis and practitioner research on welfare reforms (Batty, 2016; Batty and Tagg, 2017)
- ▶ Ethical issues / challenges

With thanks to:

*Professor Peter Dwyer, Thirteen Housing Group and FINCAN
(North East Financial Inclusion Network)*

Plus ...

Council tax support localisation (cuts) / Benefit Freeze

Universal Credit

(new means tested benefit replacing six benefits)

Benefit Cap

(benefits capped at £364 per week unless exempt / working)

Bedroom Tax

(deduction from housing benefit for 'underoccupancy')

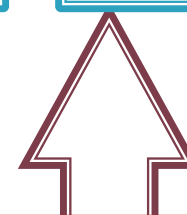
Discretionary Housing Payments

(to mitigate shortfalls in rent caused by Benefit Cap, Bedroom Tax and private rented sector cuts)

Work Capability (Sickness)

AND


Personal Independence Payment (Disability) reassessments



Context: UK Social Security 'reform'

- ▶ 'Qualitative shift' over several decades: increased behavioural and work-related conditionality
- ▶ Welfare 'retrenchment' *significantly* accelerated from 2010: 'austerity' cuts = £27 billion per year by 2021
- ▶ 'Hardest hit' areas/groups = deindustrialised towns, social tenants and lone parents
- ▶ Increased discretion framed as 'protection' for most vulnerable

(Dwyer 1998; Farnsworth & Irving, 2015; Beatty & Fothergill 2016; CPAG et al, 2015; DWP 2010; 2012;



Methods

- ▶ Micro-level case studies can illuminate wider patterns
 - the changing nature of social security(Lister, 2004; Mills, 1959, Wengraf, 2002)
- ▶ ‘Purposive sample’ of 11 tenants from 3 Local authorities in North East England
- ▶ Confidential, in-depth interviews, audio-recorded, transcribed interviews, £10 voucher given
- ▶ Risk of eviction: two Suspended Possession Orders, five ‘Notice of Seeking Possession’, three pre-NOSP. Rent Arrears between £135 to £1806

Universal Credit


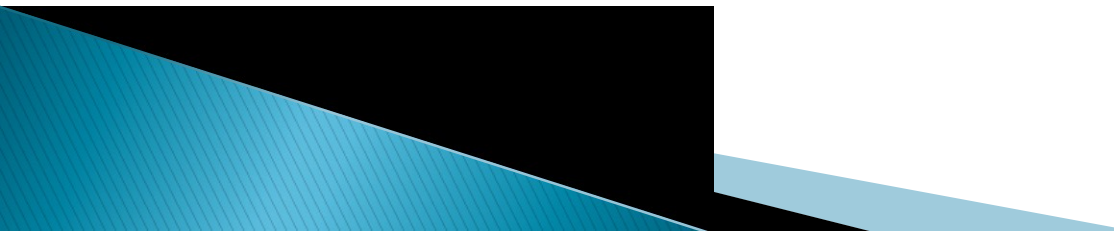
Peter (46)	Single with 3 children at weekends. Recent redundancy and now irregular work.
Lisa (41)	Single (bereaved). Works 10 hours per week.
Jackie (54)	Single, seeking work. Sanctioned for 6 months.
Karen (48)	Single parent with one child, seeking part-time work due to disability, previously sanctioned

Bedroom Tax

Marie (53)	Lives alone in 3 bed family home, disabled and unable to work.
Caroline (39)	Lives alone in 2 bed flat allocated due to disability, unable to work
Sandra (59)	Lives alone in 3 bed family home, carer.

Benefit Cap

Gary (33)	Couple with 4 children, looking for work.
Nicola (33)	Single with 8 children, youngest are 2-year old twins so not able to work.
Louise (35)	Single with 6 children, including a baby so unable to work and has previously fled domestic violence.
Mandy (31)	Single with 5 children and has started part-time work.

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- ❑ Long waits for payment PLUS administrative problems
 - ❑ Treatment of earnings (eg effect of last wage from work, variable earnings) – ie interaction with the ‘low pay no pay’ cycle (Shildrick et al, 2012)
 - ❑ Poor jobcentre support
 - ❑ Removal of ‘work allowances’ (earnings disregards) and meanness of the taper – eg participant only £27 per week better off working extra 10 hours
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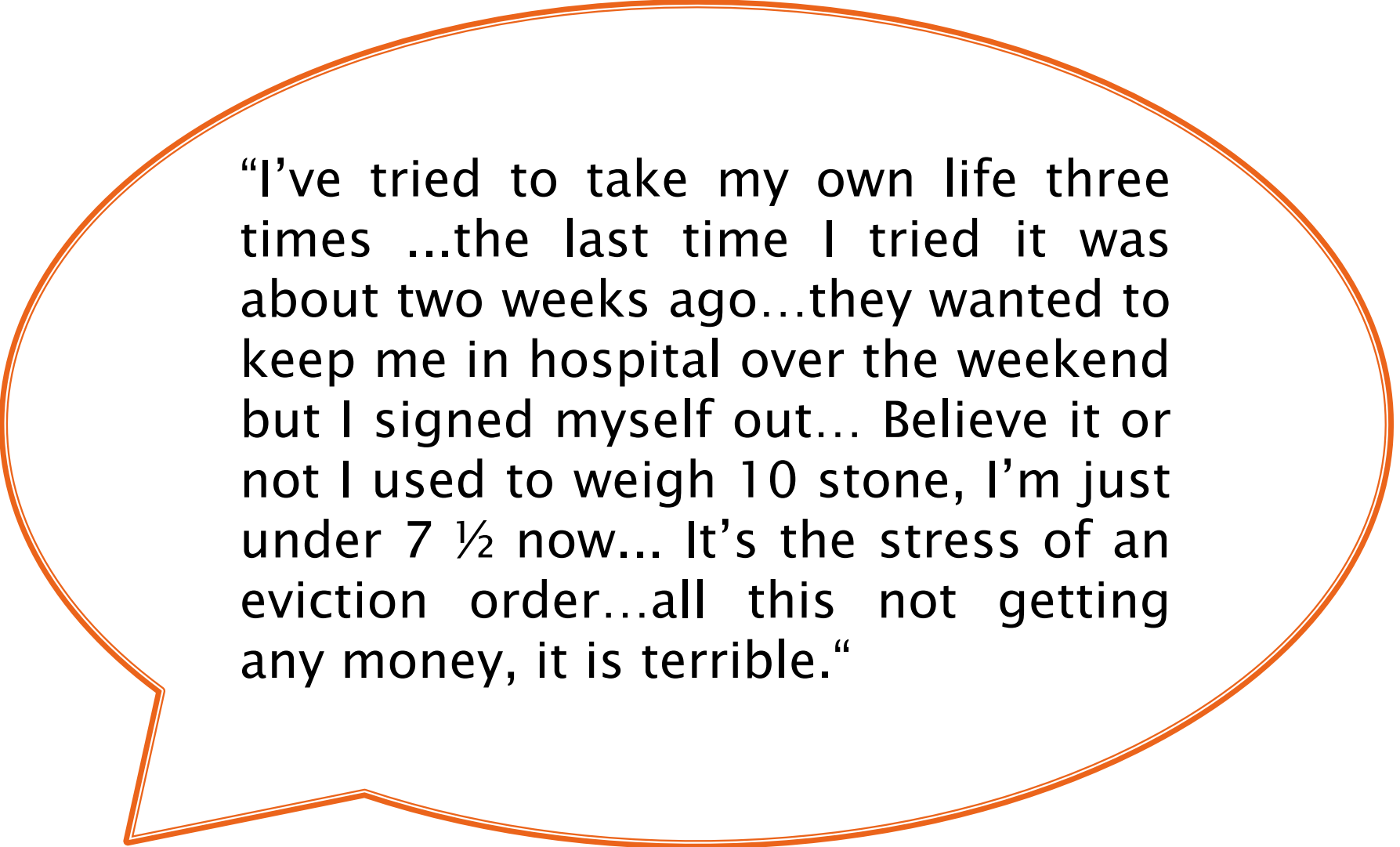
Conditionality and discretion - What is going on?

- ▶ ‘Good cause’ in relation to sanctionable failures (not applied)
- ▶ Discretion of Work Coaches to modify conditionality requirements because of physical and mental impairments and care responsibilities (Regs 88 and 97, Universal Credit Regulations)
- ▶ Fear of sanctions and severe hardship used to ‘discipline’ claimants: ‘*designed* to reduce people ... to complete destitution’ (Webster, 2014)
- ▶ Online UC ‘journal’ enables hyper-surveillance of whether claimants are ‘doing enough’ work search
- ▶ Power relationship – work coach can stop subsistence income but also tasked with personalised support:
‘the micro-problem of discretion’ (Adler and Asquith, 1981)

Jackie: “The attitude of my work coach was disgusting ... he’s got it in for me...ever since I’ve been sanctioned, it’s him!”

Conditionality and discretion: impacts

- ▶ 'Sanctions' caused periods of destitution
- ▶ Significant physical and psychological impacts (including on a child)
- ▶ Use of food banks, going without food, warm water, hot drinks, phone power and credit, ability to wash clothes, having to ignore priority debts
- ▶ Shame and stigma of reliance on relatives (especially adult children)
- ▶ Negative effects of sanctions detrimental to



“I’ve tried to take my own life three times ...the last time I tried it was about two weeks ago...they wanted to keep me in hospital over the weekend but I signed myself out... Believe it or not I used to weigh 10 stone, I’m just under 7 ½ now... It’s the stress of an eviction order...all this not getting any money, it is terrible.”

Jackie (age 54): sanctioned Universal Credit
nt



Karen, single parent with a disability on Universal Credit:

Four emails came through straight away ... so I checked my phone, and I had to go straight onto my Universal Credit [online account], *accept* them, 'cos if you don't accept them straight away, you get sanctioned...no matter which way you turn they have actually got you ... if you don't look for work ... I'm able to work if I grit my teeth and work through the pain, but ...it's not good for my knee, because it does hurt.

Housing Insecurity

- ▶ Lord Freud in 2016 dismissing social housing UC evidence said arrears ‘pre-existing’ and ‘complicated’.
- ▶ In all cases multiple causes including:
 - Poor communication DWP, Sanctions, Complexity of calculation or administration, Claimant errors during periods of exceptional stress
- ▶ Welfare reforms caused or exacerbated rent arrears
- ▶ *Fear* of eviction a significant theme of all narratives and contributed to deteriorating mental health
- ▶ Also resistance: “they can put me out, I’m not bothered”

Manner of intervention during possession action:

hierarchical power–relationship (denial of hardship)

vs

empathy and offer of practical support

Marie (housing officer rent arrears visit):

[I said] ‘So you’re telling me I have to sit and starve, have no water, and no food, no gas and no electric, as long as I pay my rent?’ ... I thought, for someone in authority, as you are, you should have helped me at that point, but instead the arrears were just building up and up.

Gary (4 children, benefit capped)

Every night I was going to bed thinking, are they just going to come and put the shutters on, what about all my stuff .. And then you watch programmes where they shot everything on the road .. And that proper got in my head ... where would I go and who'd be able to cope with my moods? Sometimes I felt suicidal.

"Very stressful, it was all thinking are we gunna lose the house, with four kids...It's the last thing you want to hear isn't it ... you don't want to lose your house"

Marie (disabled, bedroom tax)

Lowered Benefit Cap– ‘blunt conditionality’ and use of hardship as a ‘work incentive’ (CPAG, 2015)

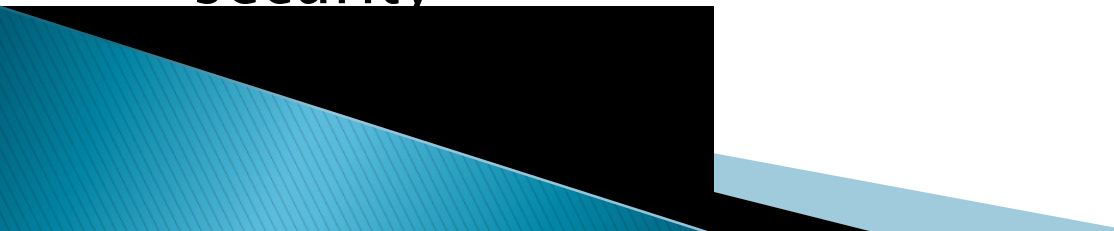
Barriers to employment:

- Care of very young children
- Lack of family support or childcare
- Local labour market
- Need for proximity to home / school / transport
- Qualifications and skills

Mandy ‘escaped’ the Cap (purposively sampled)

- 16 hour job very local to home AND school
- Fixed weekly hours PLUS free childcare
- Better off because of Tax Credits

DHPs: Protect vulnerable claimants?

- ▶ Short-term and temporary (despite guidance on long-term awards for vulnerable groups)
 - ▶ Localised conditionality: requirement to cooperate with agencies, supply receipts for scrutiny of expenditure
 - ▶ Complexity: “the civic have nothing to do with your rent anymore” (a UC claimant) = additional layer of bureaucracy rather than simplification
 - ▶ Inconsistency during the financial year –shifting the focus onto mitigating crisis rather than providing security
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A 'cumulative impact': normalisation of severe hardship

- ▶ Monthly Universal Credit referred to as 'pot of gold' but after deductions only £300 left for 3 weeks for a mother and child (not enough left at the end of last month even to travel to hospital in an emergency)
- ▶ “In a way it's a good thing because it's making me more aware ... [but] I get really anxious over it”
- ▶ UC sanction hardship payments are REPAYABLE – deductions at 40% therefore extend hardship for 2.5 times the length of the sanction (Webster, 2017)

Marie on loan sharks:

£100 off the loan-sharks, where you have to pay £200 back ... because you're desperate ... then you've got that worry at your door. What if I can't pay them, what will they do? ...

The girl's husband went to my son's house, where his kids were, and he was going to put him in the boot of a car ... and my son stood and pissed himself in front of his kids.

Sandra (bedroom tax)

He'll phone me, 'Mam I'm doing a lasagne, do you want to come over? I think ... 'No', even though I'm hungry. 'Nah, I'm busy today son' ...sometimes he'll bring it over... I've lost two and a half stone [in weight], but I don't know if that was the worry with the cancer.

Protection of 'the most vulnerable and needy in society'?

(Prime Minister David Cameron, 2011)

- ▶ Participants: difficult personal lives – bereavement, ill-health, relationship breakdown, caring responsibilities
- ▶ Material & psychosocial conditions of poverty = higher likelihood of mental and physical illness (Marmot, 2006).
- ▶ Health problems exacerbated by reforms
- ▶ Traumatic events: domestic violence (five of nine women), serious sexual assault, attempted suicide.

Disability and sickness benefit reassessments

- ▶ being found 'fit for work' and appeal process
- ▶ constant fear and stress of process
- ▶ financial cushion against bedroom tax)

Conclusions 1 / 2

- ▶ People were still housed but were among '*the new destitute*' (Fitzpatrick et al, 2016)
- ▶ Reforms are *designed* to reduce benefits below subsistence levels
- ▶ Hardship used to 'incentivise' work: the principle of 'less eligibility' (Lister, 2011) which ignores realities of labour market, disability, and other social responsibilities such as caring
- ▶ DHP had reduced arrears but not protected tenancies or provided housing security for vulnerable people
- ▶ Combination of reforms means disabled people 'squeezed' (Fitzpatrick, 2013)

Conclusions 2/2

- ▶ Concern for the wide discretionary powers of Jobcentre 'work coaches' to mediate conditionality – combination of localisation and discretion described as a 'radical departure'

(Work and Pensions Committee, 2016)

- ▶ As social landlords 'reposition themselves in the rental market' where will poor people live?

(Keohane and Broughton, 2013)

Housing, food and health are welfare rights and should not be provided by charity or discretion.

These rights are significantly undermined by welfare reforms since 2010.



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