



Local Authority Insight (Wave 32)

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This report presents findings from the first qualitative strand of the Local Authority (LA) Insight research. In-depth interviews were conducted with 25 LAs, into the management and delivery of Discretionary Housing Payments (DHPs), Universal Support and the shortened backdating period for Housing Benefit claims.

Discretionary Housing Payments

A DHP can be paid to people entitled to Housing Benefit (HB) or the housing element of Universal Credit who are in need of additional financial help to meet housing costs. LAs can exercise broad discretion when awarding DHPs.

The reasons underpinning DHP awards were wide-ranging, encompassing welfare-reform related and non-welfare reform related causes. Welfare-reform related spend was driven by the Removal of the Spare Room Subsidy (RSRS), restriction of Local Housing Allowance (LHA) rates, and the overall Benefit Cap. Less commonly, DHPs were awarded to cover housing costs for other reasons, such as job loss and rent increases.

DHP applications were assessed on a case-by-case basis except where blanket policies were in place. For example, Scottish LAs prioritised DHP awards for households affected by the RSRS. Decisions were guided by whether applicants belonged to a group identified as a priority by LAs; whether a DHP would solve the problem; the cost effectiveness of a DHP compared to other options (such as rehousing a claimant)

and the extent to which the claimant had tried to improve the situation.

DHP awards were discretionary in amount, frequency and duration. Spending on a first-come, first served-basis was the most common approach to allocating budget. This was characterised by applying strict eligibility criteria to each application and spending according to present demand, rather than dividing the budget across time periods.

While submitting monitoring information to Department for Work and Pensions (DWP) was described as straightforward, LAs experienced difficulty categorising the reason behind awards in cases where a claimant was affected by multiple reforms, or a combination of welfare reform-related and unrelated factors.

Universal Support

Universal Support encompasses a range of services offered to support residents making the transition to Universal Credit, such as help with personal budgeting and digital access and inclusion.

LAs described Universal Support as being in the early stages of development, with the expectation that delivery models would evolve, take up and demand of services would rise and the monitoring and evaluation of Universal Support would become more systematic as Universal Credit is rolled out to groups with more complex needs. LAs' decisions about how services are delivered – for instance whether

they are delivered in-house or by external partners – were made on the basis of capacity, efficiency and effectiveness, in the light of existing provision available to claimants.

One view was that low uptake to date reflects low levels of need for budgeting or digital inclusion support among early claimants, often with single, simple claims. However, some concerns about missed need were raised. LAs felt that some claimants who could benefit from Universal Support services were not accessing provision either because of the limitations of referral processes or because of reluctance to engage with services on the part of the claimant. It was also suggested that claimants accessing the support would benefit more from in-depth, longer-term support rather than the ‘light touch’ transitional support offered through Universal Support.

Reduction in the Housing Benefit backdating period

From April 2016, the maximum period for which an HB claim could be backdated was reduced from six months to one month. Since it took effect, participating LAs had received either few or no backdating requests exceeding a month. The impacts observed as a result of this recent change were therefore limited and largely remain to be seen.

LAs saw the reduction in the HB backdating period as a relatively minor change within the context of wider welfare reform. Limited impacts were expected particularly in LAs where backdating demand had always been low or where recent targeted efforts had been made

to encourage timely claims. Others anticipated negative implications for the particularly vulnerable groups that tended to apply for backdating previously. The impacts anticipated included increased inability to pay off arrears and debts, evictions, homelessness and increased demand for temporary accommodation and negative impacts on mental health and family relationships.

Overarching themes

The importance of partnership working and communication within LAs and between LAs and external stakeholders, such as landlords, advice services and Jobcentre Plus, was a common theme emerging from this research in relation to managing the effects of welfare reforms. External stakeholders often facilitated LAs’ ability to prepare for upcoming reforms; identify vulnerable claimants and understand how best to meet their needs; communicate welfare reforms effectively to claimants; provide early targeted support; and encourage take up of other entitlements.

While this emphasis on communication was near universal, the extent to which LAs collected data and monitored the delivery of services such as Universal Support, DHPs varied more significantly. Whilst some LAs closely monitored take up and sought to evaluate the impact of provision, others did not report any monitoring beyond that they were required to submit to DWP. Future research could explore further LAs’ arrangements for monitoring the delivery and uptake of services such as Universal Support or claims for HB backdating to inform future provision.

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The full report of these research findings is published by the Department for Work and Pensions (ISBN 978 1 911003 61 8. Research Report 936. January 2017).

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