Submission from West Lothian Council

As part of our scrutiny of local government budgets the Local Government and Regeneration Committee is seeking the following information from your council on the financial and resource impact of UK Government welfare reforms, for the period 2012/13 to 2014/15—

- Q1 – In what areas of (a) work and (b) costs and resources has the ongoing programme of UK welfare reforms affected your council?

The economic position and the wide ranging changes to welfare present a challenging situation for individuals, families, communities, and for public services. The majority of welfare reforms have been initiated through the Welfare Reform Act 2012; however there are also a number of other changes in state entitlement that have had a lower profile, but which are also significant. These other changes often have a greater financial impact on the people receiving benefits. All of this combines to produce a period of significant change for West Lothian, including for the council and its Community Planning partners.

The council agreed officers should carry out an impact assessment of the Welfare Reform changes, review the council's approach to financial inclusion, review the Corporate Debt policy, review housing policies and procedures, and consider any other appropriate actions in relation to welfare reforms. This work is on-going.

The Welfare Reform programme has had, and continues to have, a significant impact on the council and local communities.

Many of the reforms required substantial changes to the benefits historically administered by local authorities, including changes to the Local Housing Allowance scheme, the introduction of the Size Criteria in the Socially Rented Sector, the abolition of Council Tax Benefit and its replacement by the new Council Tax Reduction scheme, and additional burdens including the Scottish Welfare Fund and the introduction of the Absolute Benefit Cap.

Much of this had to be implemented by local authorities to tight timescales and our recent efforts were concentrated on this agenda.

2,195 council tenants are currently affected by the "bedroom tax" or "removal of spare room subsidy" restriction. In addition a further 880 tenants have been affected but their "under-occupancy" period has now ended.
Including tenants of Registered Social Landlords, a total of 4,319 households in West Lothian have been, or continue to be, affected by this restriction to their Housing Benefit (HB) entitlement.

The size restrictions in the social rented sector in West Lothian have resulted in a loss of Housing Benefit of £1,834,461 in 2013/14.

Our total Discretionary Housing Payment (DHP) Funding from DWP, which included funding from our two successful bids to the DHP Reserve Funding resource, amounted to £378,000.

Although we actively engage with the tenants affected there are simply not enough homes of the required size for those seeking to downsize.

The council has agreed a policy position that the bedroom tax should be abolished.

In the absence of such a move, it would be beneficial if certain circumstances should warrant exemption from the measure. These include:

- Adults with disabilities and care needs
- Separated parents with access to their children.
- All those in temporary accommodation.

In 2014/15, as a result of rent increases in the council and Local Registered Social Landlords, we estimate that the Housing Benefit loss as a result of the size restrictions in the social rented sector will be in the region of £1,900,000.

The abolition of Council Tax Benefit (CTB) with effect from 31 March 2013 and its replacement by the new Council Tax Reduction scheme from 1 April 2013 was a resource intensive operation requiring changes to software, publications, applications and staff training. All of the recipients of CTB were successfully transferred to the new scheme. Although the new scheme was subject to a 10% reduction in funding by the Department for Work and Pensions (DWP), amounting to £40 million in Scotland, this did not adversely affect our customers as West Lothian Council contributed £500,000 as part of the agreement between Scottish local authorities and the Scottish Government to cover the £40 million shortfall. The recent Scottish Budget announcement confirmed proposals to continue this arrangement in 2014/15 and 2015/16. The WLC contribution remains at £500,000 per annum.

Other aspects of welfare reform which directly impact on local authorities are increased staffing and training requirements. For example, our administration of the Discretionary Housing Payment Fund up until March 2013 consisted of two Housing Benefit staff working for a few hours per week administering the £80,000 fund. We now require four full time staff to administer the much more substantial DHP fund that we now have.
Similarly, increased staff, training, and management costs have arisen as a result of the new Scottish Welfare Fund, the administration of the Absolute Benefit Cap, and the arrears recovery work as a result of tenants and customers being unable to meet their liabilities.

However there are also a number of other changes in state entitlement that have had a lower profile, but which are also significant, with often greater financial impact on the people receiving benefits. All of this combines to produce a period of significant change for West Lothian, including for the council and its Community Planning partners. The Sheffield Hallam University report on “The impact of Welfare Reform on Scotland” estimated that in 2014/15 the overall impact of the reforms for West Lothian will be a loss of £57 million per annum to the economy.

To give some perspective, the overall loss of £57 million is equivalent to around £490 a year for every adult of working age in West Lothian. In reality there will be households that lose little or nothing, while others will be well above this average. In terms of our ranking against other local authorities in Scotland, losses range from £290 to £650 per year for every working adult, with West Lothian coming twelfth highest of the thirty two local authorities.

The charts below show the estimated monetary loss to West Lothian in comparison to other Scottish local authorities and the extent of the annual loss in West Lothian resulting from each of the welfare reforms.

Figure 1
Figure 2 shows an analysis of the £57 million loss for West Lothian in 2014/15 under the various welfare reform strands.

**Figure 2**
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**Estimated loss £m p.a. for West Lothian by 2014/15**
More information on the financial impact of each of the changes is provided below.

**Disability / Incapacity**

The largest financial loss for West Lothian arises from reforms to incapacity benefits at £16 million a year covering approximately 4,600 households. Those adversely affected lose an average of £3,500 per year.

The loss of income as a result of the change from Disability Living Allowance (DLA) to the new Personal Independence Payment (PIP) in West Lothian is estimated at £6 million a year and again will affect a relatively low number of households, who will lose an average of £3,000 per year. The reforms to PIP will be implemented over the period 2013 to 2017.

**Child Benefit**

The changes to child benefit will affect all recipients and approximately 23,600 households in West Lothian. Child Benefit payments have been reduced in real terms due to a three-year cash freeze as opposed to the previous up-rating with inflation, introduced in April 2011 and to continue to April 2014.

**Tax Credits**

This is a reduction in payment rates and eligibility paid to lower and middle income households for Child Tax Credit and Working Families Tax Credit., Approximately 13,500 households within West Lothian are impacted, with a loss of income of £11 million per year.

**1% Up-rating of Welfare Benefits**

For West Lothian residents, this equates to around £10 million per year less being paid out through changing the formerly inflation linked up-rating of most working-age benefits to a capped rate of 1%.

**Housing Benefit – Local Housing Allowance**

The rules changed in 2010 governing the assistance with the cost of housing for low income households in the private rented sector. The rules apply to rent levels, ‘excess’ payments, property size, age limits for sole occupancy, and indexation for inflation. For West Lothian, this translates to an estimated 2,500 households affected with a Housing Benefit loss of £2 million per year.
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Non-dependant deductions

In April 2013, for the third year, the amount of housing benefit was reduced for households where there was a non-dependant adult resident. This is estimated to have impacted on approximately 900 households with a Housing Benefit loss of around £1 million per year.

Potential Risk and Impact Assessment Mapping

The financial reductions are substantial but also the indirect affects will be deep and far-reaching. Those on low incomes and the most vulnerable groups will be hardest hit.

To better understand the full impact of the reforms, the council’s Welfare Reform Development Group undertook mapping of the potential risks and impacts. This starts to build a picture of the type of individuals and households that will be affected directly and indirectly, the potential impacts for council services and the threat to West Lothian Council’s priorities.

Notably, people with low level disabilities, families affected by the benefit cap and individuals and families on low income are generally the hardest hit. This is complex as a household can fall into one or more categories. For example a family with school age children, with an out of work adult, a non-dependant adult and living in social housing will fall into four different categories.

Having mapped the potential risks and impacts, the Welfare Reform Working Group carried out a gap analysis exercise to incorporate the work that is currently being done to identify where there are gaps so that consideration can be given on future actions and where and how resources need to be targeted. This analysis is attached at Question 4 below.

Impact on Council Services

The Welfare Reform Development Group is also assessing the on-going and emerging impact on service provision as a result of welfare changes. To date, a number of service impacts have been highlighted and additional time limited resources have been agreed by Council Executive to provide additional support and advice for those individuals and families affected by welfare reform changes.

The agreed time limited investment aims to ease the financial burden on those affected by the changes and also allows council services to deal with the additional demands for advice and support. The position will continue to be monitored on an on-going basis.
Q2 – What was the level of actual or budgeted crisis grants made by your council in the period 2012/13 to 2014/15? What percentage increase/decrease did this represent over the previous three financial years?

The Scottish Welfare Fund was introduced on 1 April 2013 to replace two elements of the Discretionary Social Fund. The fund is a national scheme providing localised support and is administered by the council. West Lothian Council has been allocated £1.066 million in 2013/14; £674,000 for the Community Care grant element and £392,000 for Crisis Grants.

Funding has also been received to administer the scheme; this is being used for operating costs and staff costs to meet the processing and monitoring requirements of the scheme. The administration funding provided was £175,000 in 2013/14 and £160,000 in 2014/15.

The Scottish Government confirmed in their Budget announcement that they will continue the fund and will maintain the total fund available at £33 million in 2014/15 and 2015/16, with administration funding also being awarded.

For the financial year 2013/14 WLC received 3,619 Crisis Grants applications and paid out 2,170. The average pay-out for these grants was £78. The total paid out for the year was £169,260.

For the financial year 2013/14 WLC received 2,073 Community Care Grants applications and paid out 1,190. The average pay-out on these grants was £722. The total paid out for the year was £859,180.

The Scottish Government had asked local authorities to collect detailed datasets on who is applying and the reasons for the applications to the fund. This information has been gathered and analysed and the main findings are:

- 56% of applicants are aged between 25 and 45 years old
- 59% of applicants reside in local authority housing
- 13% of applicants are lone parents
- 13% of applicants are homeless
- 27% of applicants have some form of disability/illness
- Food is the most requested item
- There has been 296 referrals made to other services

In relation to previous years’ spend, we are not able to provide a comparison between current spend on the Scottish Welfare Fund against the spend on the equivalent fund in the previous three years as local authorities have only administered this scheme from April 2013.
Feedback received from council customers who have applied for the Scottish Welfare Fund has been positive with customers being appreciative for the prompt and friendly service and for the additional help and advice that is available. Positive feedback has also been received from the Citizen Advice Bureau. The Citizen Advice Bureau said that it “has had a significant, positive impact on our clients”, and that having goods delivered, “makes a huge difference to our vulnerable clients”.

- **Q3 – What has been the financial and resource implication of the welfare reforms for your social work and housing services in the period 2013/14 to 2014/15? What has been the level of emergency housing applications your council has dealt with in 2013/14? What level do you expect to deal with in 2014/15?**

The Welfare Reform changes that impact directly on the council’s tenants and households applying to the council for housing or presenting as homeless are:

- The introduction of the size criteria in the social rented sector on 1 April 2013.
- Increases in the deductions from Housing Benefit to reflect the contribution that non-dependant household members are expected to make towards the household’s housing costs.
- The introduction of the Benefit Cap from July 2013.
- The reduction in annual up-rating of the value of most working-age benefits to 1 per cent from 1 April 2013.
- Replacement of Disabled Living Allowance (DLA) by Personal Independence Payments (PIP).

Households affected by any of the Welfare Reform changes are likely to experience a reduction in income/increased housing cost and may find it more difficult to meet their rent liability. This has resulted in a reduction in income collection and an increase in the council’s homelessness caseload.

West Lothian Council has always been a top performer for rent collection and in 2012/13 we were ranked 8 out of 26 local authority landlords who have a housing service. The Scottish Housing Best Value Network which includes 25 local authorities and one Registered Social Landlord ranked us 7 out of 26.
In 2013/14 the council has faced unprecedented rent arrears levels and a task group was established in September 2013 to address this. This has been a national issue, especially for local authority landlords, as a result of reduced income levels for tenants, rising costs of living and the impact of welfare reforms.

From a peak of £2.2 million and 7,300 rent arrears cases in December 2013 we have achieved an interim year end arrears value of £1.3 million and 3,948 cases. Cases have only increased by 95 from the previous final year-end total and over 3,000 tenants have been affected by under occupancy in year. This has been a significant achievement from all involved. This has been possible due to the planned and concerted focus adopted by the task group. In achieving the £1.3m year-end position this will result in a collection rate in excess of 97%.

Once the detail of “managed payments” under Universal Credit is known, a review of Rent Arrears Policy and Procedure will be required to take account of available options to apply for the housing element of Universal Credit to be paid direct to the council.

The introduction of Universal Credit is not expected to result in a net reduction of benefit entitlement, but the intention to pay the housing element of Universal Credit to tenants, rather than direct to landlords, is likely to have a major impact on rent arrears. A review of rent collection methods is therefore planned, in an attempt to mitigate the impact on income collection as far as possible.

The Social Policy service is in the early stages of monitoring the resource implications of the welfare reforms. Much of their already existing work continues and the increase in demand which they have seen is not easily identified as a result of a particular welfare reform, or a combination of different reforms, or simply the general economic situation and “cost of living” difficulties.

There has been a resource implication for the Community Outreach Team (COT). There has been a marked increase in people making more use of food bank and there have been increasing numbers of applications for appointee-ships.

The migration to Employment Support Allowance (ESA) has resulted in clients having to complete forms, assisted by the Community Outreach Team, and provide evidence (again often provided by COT). There have also been a number of occasions when clients have had to go to Edinburgh for medical assessments and this can result in an outreach worker being occupied for either a whole morning or afternoon. We are only at the beginning of the transition from DLA to PIP so the extent of the extra work this will generate is not yet clear. A potential issue regarding appointee-ship is when Universal Credit is introduced as this will involve housing costs and monthly payments which many clients will not be able to handle.

- Q4 – What actions has your council taken to coordinate its efforts and responses to the welfare reform changes to ensure the most needy/vulnerable people in you council area receive the support and assistance they require?
The council has two key Development Groups – Welfare Reform, and Anti-Poverty – comprising of senior officers from all affected services and representatives from partner agencies to co-ordinate our work in this area:

Better Off: The West Lothian Anti-Poverty Strategy
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Welfare Reform Development Group
Meet monthly
Work streams, sub-group & action plans

Anti-Poverty Development Group
Meet monthly
Work streams, sub-group & action plans

Anti-Poverty Strategy Board
Meets Quarterly

Reporting on progress to members through –
• Community Planning Partnership PDSP Committee
• Policy & Resources PDSP Committee
• Local Area Committees

Underpinned by two action plans:
1. Anti-Poverty Action Plan (including digital & financial inclusion)
2. Welfare Reform Action Plan
The Welfare Reform Development Group, for example, ensures that we take a pro-active approach to identifying and engaging with all those affected by the different reforms.

This has included:

- Successfully identifying all those affected by the “bedroom tax” and organising a series of early interventions including texting; home visits; area campaigns etc., to explore the options available to resolve, where possible, the difficulties these customers face.
- Identifying all of those currently in receipt of low rate Disability Living Allowance (DLA) – which will not transfer to a Personal Independence Payment (PIP) award - and engaging with them to determine whether their circumstances now might entitle them to the middle or high rate DLA – which does have a PIP alternative
- Setting up a campaign group to target residents affected by the Benefit Cap in an effort to support them to resolve the situation where possible. This may involve:
  - Assistance in gaining employment;
  - Support in moving to less expensive rented accommodation which would take them below the cap;
  - Identifying those who may be eligible for a benefit – e.g. Disability Living Allowance – which would exempt them from the cap;
  - Money and budgeting advice
  - In the short term an award from the council’s DHP Fund can also be made.
- Administering our DHP fund in a way that engages with customers and promotes the objectives of
  - Prevention of homelessness;
  - Alleviating poverty;
  - Sustaining tenancies and safeguarding residents in their homes;
  - Preventing hardship;
  - Supporting vulnerable young people in the transition to adult life;
  - Supporting young people to achieve good educational outcomes;
  - Encouraging residents to seek and sustain employment;
  - Keeping families together;
  - Supporting domestic abuse victims who are trying to move to a place of safety;
  - Supporting disabled people to remain in adapted properties

The importance of providing local support for claimants is now widely recognised. West Lothian Council’s Welfare Reform Development Group was involved in the consultation exercise around the development of the DWP’s Local Support Services Framework, and the council has a history of successful partnership working.
Although there has been a delay in the national roll-out of Universal Credit (UC), the council is continuing work on UC related issues including: the new DWP Claimant Commitment regime which has been rolled out; the Conditionality and Support partnerships to assist Jobseekers; Digital inclusion; Financial inclusion and a host of other local support services which prepare the way for a successful introduction of UC.

The Welfare Reform Development Group continues to monitor and identify those in West Lothian most in need of assistance and the work that needs to be done:

**Welfare Reforms – Risk and impact assessment on households/individuals**

The table illustrates the impact for certain household types and home tenures. However it is important to recognise that a household could fit into more than one category and may have multiple impacts e.g. a council tenant, with a disabled member and with school age children.

<table>
<thead>
<tr>
<th>Households</th>
<th>Potential direct impact (including financial &amp; passported benefits) for households/individuals</th>
<th>Potential indirect impact for household/individuals</th>
<th>Pro-active or mitigating work</th>
<th>Highlight any gaps in service provision (or other comments)</th>
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</thead>
</table>
| Household pension credit age | No impact at present | Uncertainty as to future entitlement of any passported benefits when Universal Credit comes in | • Advice Shop Age & illness team  
• Discretionary Housing Payments  
• Publicity & marketing strategy to be further developed | |
<table>
<thead>
<tr>
<th>Household with pre-school children</th>
<th>Potential direct impact (including financial &amp; passported benefits) for households/individuals</th>
<th>Potential indirect impact for household/individuals</th>
<th>Pro-active or mitigating work</th>
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<tbody>
<tr>
<td>• Loss of income</td>
<td>• Debt problems</td>
<td>• Anti-Poverty action plan has specific actions related to this customer segment e.g. fuel advice project</td>
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<tr>
<td>• Inability to claim/manage claim</td>
<td>• May struggle to pay for basic needs (e.g. food, fuel poverty)</td>
<td>• WL Advice Network mapping advice provision to ensure more streamlined, effective advice and identify gaps</td>
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<td>because of lack of digital access</td>
<td>• Rise in stress/ depression/addiction/domestic violence/anti-social behaviour</td>
<td>• Welfare Reform action plan continues to develop training/briefing sessions for all CPP front-line staff</td>
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<td>• Potential budgeting problems –</td>
<td>• Lack of concentration in nursery (hunger/stress at home)</td>
<td>• Publicity &amp; marketing strategy to be further developed</td>
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<tr>
<td>run out of money before end month</td>
<td>• Behavioural problems</td>
<td>• Digital Inclusion action plan being integrated into anti-poverty action plan</td>
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<td></td>
<td>• Effect on extras e.g. school trips</td>
<td>• Financial Inclusion action plan being integrated into anti-poverty action plan</td>
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<tr>
<td></td>
<td>• Fall in development goals</td>
<td>• Publicity &amp; marketing strategy to be further developed</td>
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<tr>
<td></td>
<td>• Effect on general health &amp; wellbeing</td>
<td>• Discretionary Housing Payments</td>
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<tr>
<td></td>
<td>• Potential risk of homelessness</td>
<td>• Extend Anti-Poverty strategic board to include CPP partners i.e. police/NHS</td>
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<tr>
<td></td>
<td></td>
<td>• Access required: parents in low paid work</td>
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<td></td>
<td></td>
<td>• No mechanism in place to routinely offer financial advice to parents after birth of child</td>
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<th>Potential indirect impact for household/individuals</th>
<th>Pro-active or mitigating work</th>
<th>Highlight any gaps in service provision (or other comments)</th>
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</table>
| Household with school age children | - Loss of income  
- Inability to claim/manage claim because of lack of digital access  
- Potential budgeting problems – run out of money before end month  
- Potential loss of –  
  - Free school meals  
  - Clothing vouchers  
  - Education Maintenance Allowance | - Debt problems  
- Rise in stress/ depression/ addiction/ domestic violence/ anti-social behaviour  
- Lack of concentration in class (hunger/ stress at home)  
- Behavioural problems  
- Fall in academic attainment/ life chances  
- Effect on general health & wellbeing  
- Potential risk of homelessness | - Anti-Poverty action plan has specific actions related to this customer segment e.g. money advice  
- WL Advice Network mapping advice provision to ensure more streamlined, effective advice and identify gaps  
- Publicity & marketing strategy to be further developed  
- Digital Inclusion action plan being integrated into Anti-Poverty action plan  
- Financial Inclusion action plan being integrated into Anti-Poverty action plan  
- Staff aware of potential help available through Discretionary Housing Payments | - Develop strategy for financial education in primary, secondary schools and colleges to include credit unions |
| Household with non-dependants | - Loss of income  
- Inability to claim/manage claim because of lack of digital access  
- Potential budgeting problems – run out of money before end month | - Debt problems  
- Potential risk of homelessness  
- Rise in stress/ depression/ addiction/ domestic violence/ anti-social behaviour  
- Effect on general health & wellbeing | - Anti-poverty action plan has specific actions related to this customer segment  
- WL Advice Network mapping advice provision and developing a strategic approach to ensure more streamlined, effective advice and identify gaps  
- Publicity & marketing strategy to be further developed  
- Digital Inclusion action plan being integrated into Anti-Poverty action plan  
- Financial Inclusion action plan being integrated into Anti-Poverty action plan  
- Publicity & marketing strategy to be further developed | - Extend Anti-Poverty Strategic Board to include CPP partners i.e. police /NHS. |
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</table>
| Household working age (in work) | • May have increased income  
• Inability to claim/manage claim because of lack of digital access  
• Potential budgeting problems – run out of money before end month | • Debt problems (minority)  
• Potential risk of homelessness | • Anti-Poverty action plan has specific actions related to this customer segment  
• WL Advice Network mapping advice provision and developing a strategic approach to ensure more streamlined, effective advice and identify gaps  
• Publicity & marketing strategy to be further developed  
• Digital Inclusion action plan being integrated into Anti-Poverty action plan  
• Financial Inclusion action plan being integrated into Anti-Poverty action plan  
• Publicity & marketing strategy to be further developed | • Access required: parents in low paid work and/or have money problems  
• Develop actions to includes employers as part of Economic Development Strategy  
• Cohesive approach to external funding applications with partners |
| Household working age (out of work) | • Loss of income  
• More sanctions incurred if not classed as actively seeking work  
• Inability to claim/manage claim because of lack of digital access  
• Potential budgeting problems – run out of money before end month | • Potential risk of homelessness  
• Debt problems  
• Rise in stress/depression/addiction/domestic violence/anti-social behaviour  
• Effect on general health &wellbeing | • Anti-Poverty action plan has specific actions related to this customer segment  
• WL Advice Network mapping advice provision and developing a strategic approach to ensure more streamlined, effective advice and identify gaps  
• Publicity & marketing strategy to be further developed  
• Digital Action plan being integrated into anti-poverty action plan  
• Financial Inclusion action plan being integrated into Anti-Poverty action plan  
• Publicity & marketing strategy to be further developed | • Resource required to support digital inclusion  
• Resource required to help individuals to upskill and therefore improve chances of finding work e.g. extend volunteering within council  
• Target 1600+ people affected by low rate care DLA |
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</table>
| Household working age (transitioning into work) | • Potential budgeting problems – run out of money before end month (no job grant available)  
  • More emphasis on actively seeking work online  
  • Inability to claim/manage claim because of lack of digital access | • Debt problems | • Anti-Poverty action plan has specific actions related to this customer segment  
  • WL Advice Network mapping advice provision and developing a strategic approach to ensure more streamlined, effective advice and identify gaps  
  • Publicity & marketing strategy to be further developed  
  • Digital Inclusion action plan being integrated into Anti-Poverty action plan  
  • Financial Inclusion action plan being integrated into Anti-Poverty action plan  
  • Publicity & marketing strategy to be further developed  
  • Anti-Poverty Action Plan includes Advice Shop/ABE action to recruit, train, support and use volunteers. This is geared to help people get back to work.  
  • Continue targeted work on specific groups i.e. Staff from Benefits, Advice Shop and A2E working together to visit and support those affected by the Benefit Cap. | • Complex benefits system makes it difficult to make short term work pay  
  • No systematic link up between agencies (e.g. DWP and WLC) to initially support people taking work |
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</table>
| Household where physical or mental health issues | • Loss of income  
• Possible loss of passported benefits including concessionary travel/ taxi card/ blue badge/NEC card  
• Move emphasis on actively seeking work  
• Inability to claim/ manage claim because of lack of digital access | • Debt problems  
• Isolation as travel more difficult  
• Rise in stress/ depression/ addiction/ domestic violence/ anti-social behaviour  
• Effect on general health and wellbeing  
• Potential risk of homelessness | • Anti-poverty Action plan has specific actions related to this customer segment  
• WL Advice Network mapping advice provision and developing a strategic approach to ensure more streamlined, effective advice and identify gaps  
• Publicity & marketing strategy to be further developed  
• Digital Action plan being integrated into anti-poverty action plan  
• Financial Inclusion action plan being integrated into anti-poverty action plan  
• Publicity & marketing strategy to be further developed | • Action plan and resources required to work with 1600+ people affected by low rate care DLA.  
• Improve relationship with NHS professionals  
• Plan required to develop corporate action using volunteers  
• Further develop data sharing and referral of people accessing travel schemes |
| Household where physical or mental health issues (continued) | • Potential budgeting problems – run out of money before end month  
• Potential financial impact for carers | | | |
| Single 16-25 year olds | • Greater difficulty setting up own tenancy  
• Specific groups will be impacted, e.g. disabilities, non-dependants | • Less financial resilience  
• Lack of support in crisis (Scottish Welfare Fund) | Anti-poverty Action plan has specific actions related to this customer segment i.e. ABE working with 45% of students within this age group  
• WL Advice Network mapping advice provision and developing a strategic approach to ensure more streamlined, | Develop use of new ways of communicating i.e. social networking which is in common use in this age group |
### Households (including financial & passported benefits)
**Potential direct impact for households/individuals**
- Increase in rent for under-occupying tenants
- Potential budgeting problems – run out of money before end month

**Potential indirect impact for household/individuals**
- Debt problems
- Potential risk of homelessness
- Separated families access arrangements

**Pro-active or mitigating work**
- Advice Shop has a court advice project aimed helping people avoid homelessness
- Discretionary Housing Payment for tenants with disabled adaptations to meet their needs
- Pro-active assistance to find mutual exchange partner if wish to downsize
- Landlord forums held to update social landlords on Welfare Reform issues.
- Financial Inclusion action plan being integrated into anti-poverty action plan

**Highlight any gaps in service provision (or other comments)**
- Impact of rent arrears on allocation policy
- Increase in demand for housing
- Review corporate debt policy
- Review of allocation policy of needed

### Tenure Social Housing

<table>
<thead>
<tr>
<th>Tenure Social Housing</th>
<th>Potential direct impact for households/individuals</th>
<th>Potential indirect impact for household/individuals</th>
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</tbody>
</table>

### Tenure Owner Occupier

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<tr>
<th>Tenure Owner Occupier</th>
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<th>Pro-active or mitigating work</th>
<th>Highlight any gaps in service provision (or other comments)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• No direct impact</td>
<td>• Loss of any passported benefits when Universal Credit comes in</td>
<td>• Advice Shop has a court advice project aimed helping people avoid homelessness</td>
<td>• Impact of rent arrears on allocation policy</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Mortgage to Rent scheme</td>
<td>• Increase in demand for housing</td>
</tr>
</tbody>
</table>

### Tenure Private rented

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<thead>
<tr>
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<td></td>
<td>• Increase in rent for under-occupying tenants</td>
<td>• Debt problems</td>
<td>• Advice Shop has a court advice project aimed helping people avoid homelessness</td>
<td>• Impact of rent arrears on allocation policy</td>
</tr>
<tr>
<td></td>
<td>• Families having to live in smaller houses</td>
<td>• Potential risk of homelessness</td>
<td>• Discretionary Housing Payment for tenants with disabled adaptations to meet their needs</td>
<td>• Increase in demand for housing</td>
</tr>
<tr>
<td></td>
<td>• Potential budgeting problems – run out of money before end month</td>
<td>• Rise in stress/ depression/ addiction/ domestic violence</td>
<td>• Pro-active assistance to find mutual exchange partner if wish to downsize</td>
<td>• Review corporate debt policy</td>
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<tr>
<td></td>
<td></td>
<td>• Separated families access arrangements</td>
<td>• Landlord forums held to update private landlords on Welfare Reform issues.</td>
<td>• Review of allocation policy of needed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Staff aware of potential help available through Discretionary Housing Payments.</td>
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</table>
## Local Government and Regeneration Committee
### Inquiry into the Impact of Welfare Reforms on 2014/15 and 2015/16 Spending Plans and Resources

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<td><strong>Tenure</strong></td>
<td><strong>Homeless/Temporary accommodation</strong></td>
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<td>• Increase in rent for under-occupying tenants</td>
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<td>• Advice Shop has a court advice project aimed helping people avoid homelessness</td>
<td>• Potential increase in numbers presenting as homeless</td>
</tr>
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<td>• Potential budgeting problems – run out of money before end month</td>
<td>• Rise in stress/ depression/addiction/domestic violence</td>
<td>• Anti-poverty Action plan has specific actions related to this customer segment i.e. Cooking By Numbers and Skint is targeting young homeless people</td>
<td>• Potential increase in length of stay in temporary accommodation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Deterioration of social networks</td>
<td>• Transport of children to school if temp accommodation in another community</td>
<td>Review of allocation policy needed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Extended disruption to children's education</td>
<td>• Support with tenancy sustainment including practical development of cooking and budgeting skills</td>
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</tr>
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<td>• Applications for a Scottish Welfare Fund grant completed by Homeless staff. Staff aware of potential help available through Discretionary Housing Payments.</td>
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