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Receiving the LHA : claimants' early experiences of the LHA in the nine Pathfinder Areas

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Receiving the LHA

Claimants' early experiences of the LHA in the nine Pathfinder areas

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Centre for Research in Social Policy
Dr Simon Roberts
Jacqueline Beckhelling
Katherine Hill
Viet-Hai Phung
Dr Bruce Stafford

National Centre for Social Research
Nina Stratford
Tom Anderson

Executive Summary

Introduction

As part of its reform of Housing Benefit, the Government has introduced a Local Housing Allowance (LHA) for private rented sector claimants in nine Pathfinder areas.

This report gives early findings from the claimant stream of the evaluation of LHA and covers the period up to around six months after the start of LHA in each Pathfinder. It is important to stress that these are early, emerging findings. Many claimants will only just have gone onto LHA or received direct payment for the first time, so the behavioural impacts of LHA are unlikely to have fed through as yet. These will be monitored throughout the evaluation period to assess any future changes and so these findings may develop over time.

LHA and moving

LHA aims to empower claimants by enabling them to choose between the price and quality of the accommodation they rent within a particular location. The early findings from the research show that there are a multitude of factors that affect claimants' decisions about which properties to rent. However, there is little evidence at the moment of the LHA facilitating moves amongst LHA claimants.

Reasons for moving

Amongst claimants who had moved to their current accommodation before the introduction of LHA, personal or family reasons was the most commonly given reason for having moved, by more than one-third of respondents (34 per cent). This was followed by moving to a better area (15 per cent), and wanting a larger house (14 per cent). The reasons for moving amongst those who had moved into their current accommodation after the LHA was introduced were similar . Again, personal or family reasons was the most commonly cited reason (29 per cent).

Choice

The limited availability of affordable and suitable housing also seems to be an issue for claimants when looking for accommodation. Less than a third of survey respondents felt they had a good choice. When explored with a number of claimants in more detail, factors that were reported as restricting choice of housing included limited availability of property in the area, high rental levels, landlords/letting agents' reluctance to rent to benefit recipients, the need to raise a deposit and the lack of availability of social housing. The impact of these restrictions on choice sometimes resulted in claimants renting accommodation that they considered to be less than satisfactory and/or the payment of a rent top-up.

However, LHA had played an important role in facilitating moves to more suitable property for a few claimants in the face-to-face interviews who were transferred onto LHA from the previous Housing Benefit arrangements and were being paid direct. This was through not having to declare receipt of LHA to the landlord which was considered by several claimants to have broadened their choice of property. Indeed, several said that they felt it was unlikely that they would have obtained their current property had LHA receipt been divulged to the letting agent or landlord. Despite this, and the fact that almost nine-tenths of claimants received their benefit directly (88 per cent), large numbers of claimants said their landlords knew they were getting LHA. Over four-fifths of these claimants who responded to the survey (86 per cent) said that their landlord was aware. There was little difference between claimants who had moved before LHA was introduced (87 per cent) and those who had moved afterwards (86 per cent).

In addition, landlords now seem to be increasingly asking claimants for a deposit before letting accommodation to them. The survey showed an increase since the introduction of LHA in the number of claimants who were required to pay a deposit from two-thirds (66 per cent) of claimants who moved into their current accommodation before LHA was introduced to three-quarters (75 per cent) of those who moved into their accommodation after the introduction of LHA. Raising the money to pay a deposit was seen as the biggest single difficulty in moving by several of the claimants in the face-to-face interviews.

Negotiation

There is some evidence that LHA is having an impact on claimants' ability to negotiate with their landlord over rent levels. Amongst those who moved before LHA was introduced, 16 per cent had tried to negotiate a lower amount, compared to 21 per cent of those who moved in after LHA was introduced. However, some claimants who had found it difficult searching for a property and knew that the landlord could easily let it to someone else, said that they did not want to jeopardise their prospective contract through negotiating over rent.

Awareness

Under the current Housing Benefit system, it is not always clear how much benefit claimants can expect to receive. LHA makes it easier for tenants and landlords to find out how much rent might be covered by Housing Benefit in advance, through the publication of the LHA rates applicable. Knowing how much rent may be covered by LHA is a key issue for claimants who want to move.

During the early stages of the implementation less than one in five claimants remembered seeing publicity on the LHA. The face-to-face interviews found that claimants' understanding of LHA varied. Some respondents fully understood the different aspects of LHA and a few were aware of intended policy objectives, such as the provision of choice. However, in general, claimants' awareness of LHA tended to be limited to the aspects that directly affected them, such as the amount of benefit received. The face-to-face interviews also revealed wide variation in awareness amongst claimants that the excess belonged to them and not the landlord.

This could be because at the time of fieldwork, LHA was relatively new and over time claimants' knowledge and understanding might be expected to increase. However, the importance of understanding the policy from an early stage was highlighted where in some cases lack of awareness contributed to claimants handing over the excess to their landlord and a consequent increase in their rent.

Satisfaction

The ability of LHA to be a driver in claimants' decisions to move depends also on their satisfaction with their current accommodation. The survey found that there were high levels of satisfaction amongst claimants over their accommodation. Around four in five claimants overall were satisfied with the size, number of rooms, as well as the other aspects of their accommodation such as its proximity to local shops, transport and its general environment.

In addition, most claimants said that there were only minor problems with the state of repair of their accommodation. Less than one in seven said that there were quite a lot of problems or major problems with their accommodation.

When claimants did report problems, the landlords of those who moved in after LHA was introduced were more likely to deal with them within three months than they were for claimants who moved in before LHA was introduced. For example, when pre-LHA movers reported a lot of major problems, only 22 per cent said the landlord dealt with it within three months compared to 38 per cent amongst post-LHA movers. However, this may be due, in part, to the newness of the tenancy rather than the LHA itself.

Future moves

Forty-four per cent of claimants in the survey said they wanted or needed to move. Reasons given for wanting to move were to move to a larger property or to a better area, dissatisfaction with condition of current property and financial reasons. However, less than half (42 per cent) of claimants who said they wanted or needed to move thought that they were likely to move in the next six months. Although in the face-to-face interviews there was recognition that the LHA flat rate mechanism could help planning a move, limited financial resources to fund a deposit / rent in advance, and perceived difficulty finding a suitable property within the LHA rate were seen as restricting the choice offered by LHA.

Rent excesses and shortfalls

The evaluation also looks at excesses and shortfalls between rents and the LHA rate and the factors which may influence this.

Claimants in the Pathfinders are more likely to have had an excess between their LHA entitlement and rent than a shortfall. Across all Pathfinders over one-half (57 per cent) of claimants have an excess compared to nearly two-fifths (39 per cent) of claimants who had a shortfall. However, the situation in individual Pathfinders varies. For example, three quarters of claimants in Lewisham and Edinburgh have an excess but claimants in North-East Lincolnshire, Blackpool and Conwy were more likely to face a shortfall.

Those entitled to more rooms according to the LHA size criteria are less likely to face a shortfall, as there is more scope for them to be over-occupying accommodation. Average shortfalls tended to be higher in areas where average rents are higher, for example, in Lewisham (£2) and Brighton & Hove (£19), and lower where average rents are lower, in North-East Lincolnshire (£11). Similarly there are higher average excesses in areas with higher rents, (Lewisham, Brighton & Hove and Edinburgh) and lower average amounts in lower average rent areas, for example, just £8 in North-East Lincolnshire.

The percentage of claimants experiencing a shortfall and the average shortfall amount has fallen in Pathfinder areas, after the introduction of the LHA. The removal of property specific restrictions means we would expect the percentage of claimants with a shortfall to decrease because of this. How shortfalls have been affected by the LHA will form an important part of the LHA evaluation as it progresses.

Personal responsibility

A key feature of LHA is that Housing Benefit is generally paid directly to claimants. The intention is that direct payments will encourage claimants to take responsibility for budgeting and paying their rent themselves, thus increasing their work readiness. Direct payments are also in keeping with the Government's objective of bringing those on benefit into mainstream financial services.

A large majority of claimants on LHA, nearly nine in ten, now receive direct payments. Both the survey responses and face-to-face interviews reveal that some claimants welcomed direct payments, and felt that they did increase personal responsibility, allow financial control and greater awareness of rent. Less enthusiasm for direct payments was found amongst people whose Housing Benefit had previously been paid to their landlord. It is possible that at the time the survey was carried out, people were still adjusting to the responsibility of receiving LHA and paying rent themselves, and it will be interesting to see how views compare in future stages of the research, when the longer-term impacts of the scheme become apparent.

In the face-to-face interviews the issue of responsibility was also raised when claimants expressed reservations about the ability of 'others' to cope with the responsibility of direct payments and paying rent. However, the face-to-face interviews show that claimants prioritise paying rent above other outgoings and there was no evidence of claimants spending their Housing Benefit on anything other than rent. However, it must be recognised that this is relatively early in the evaluation, and further waves of fieldwork will reveal how people have coped in the longer-term. Furthermore, most interviews were conducted before Christmas (which was seen as a risky period), and there were no examples of unexpected financial demands which could put pressure on claimants' resources.

The incidence of rent arrears amongst survey respondents was low, at this early stage of the evaluation. Across all Pathfinder areas, nearly nine in ten claimants had been up-to-date with their rent for the last 12 months.

It would be unwise to link claimants with rent arrears to an inability to manage the responsibility of paying rent. The face-to-face research revealed that payment to the landlord can occur where tenants withhold rent for a particular reason (usually in connection with repairs or improvements to the property) and payments are then paid to the landlord rather than the tenant. Understandably, there need to be safeguards to protect landlords against losing income, but tenants with legitimate complaints against their landlord may need additional support so that they do not have to (threaten to) withhold rent payments.

Linked to being paid direct, the number of tenants being paid via ACT is increasing in nearly all the Pathfinders who make use of this facility. Nearly seven in ten claimants are paid by ACT where they have the option, with nearly nine in ten being paid this way in Brighton & Hove.

In the face-to-face interviews, the payment of Housing Benefit by ACT and the paying rent via direct debit was often seen to be working well as a safeguard against spending LHA on things other than rent. However, there was resistance to automated methods of rent payment by some claimants. The issue of flexibility and control seemed to be the important issue, hence direct debit would not be seen as an appropriate or desirable method by all claimants.

The survey indicates that there is almost universal access to bank accounts amongst claimants on LHA. Over nine in ten said they made use of such accounts. Around a quarter of these had opened the account specifically to have their Housing Benefit paid into it and one in seven had opened the account for this reason since LHA was introduced.

Moreover, there is evidence that LHA has facilitated access to bank accounts for some groups, specifically amongst claimants who had never been in paid employment. Very few claimants who had tried to open an account since LHA started had been refused. Where this did happen it tended to be through not having enough identification.

Rent levels

It is important to recognise that the introduction of LHA could have wider implications on the housing market. One of the ways this may happen is to increase or decrease rents for particular types of property in an area. However, it takes time for housing markets to adjust to specific policy initiatives and, even then, there are a multitude of different factors which influence what happens in the market independently of a particular measure. Therefore, it is very difficult to isolate the impact of LHA on the private rented sectors in each of the Pathfinders and rent levels are being considered as part of the wider market stream of the evaluation as well as through the claimant stream being reported here.

DWP Management Information data show that across the Pathfinders, rents seem to have risen by 4% on average. The survey of claimants on the LHA found that approximately one in six claimants had had a rent increase since LHA was introduced in their area. This was also influenced by how long the LHA had been in operation, with claimants in some of the earlier Pathfinders more likely to have had a rent increase.

In the face-to-face interviews there was evidence of rents rising to, and above, LHA levels. Claimants' uncertainty about receiving an excess occasionally resulted in an increase to the LHA rate. Where tenants had been subject to a rent increase, it seems as though any negotiation over the increase with their landlord is very uncommon at the moment, with less than one in ten of survey respondents trying to negotiate.

Improving work incentives

Across the Pathfinders, a large majority of working age claimants on LHA (79 per cent) were not in paid work, while the majority of claimants in employment were in relatively low paid jobs, as would be expected from a means-tested benefit. The Government has introduced a raft of measures to help people back into work and to make work pay which include the New Deals, tax credits and the minimum wage. The policy intention with LHA is that greater clarity about what Housing Benefit claimants could receive, quicker benefit processing times and greater work readiness on the part of claimants, amongst other things, will help to remove further obstacles to entering the labour market.

However, less than one-half of the claimants of working age (46 per cent) expected to be working at least 16 hours per week in the next couple of years, while over one-third of claimants of working age (35 per cent) expected not to be working at all. Looking after the home or family was the most commonly cited reason for not working (49 per cent), followed by poor health or disability (13 per cent). The likelihood of claimants not expecting to work increased as their assessment of their health condition became more negative.

Although an understanding of how LHA works is crucial if it is to act as a work incentive, the face-to-face interviews show the LHA is not always understood. While some claimants understood that Housing Benefit under LHA is means-tested against earnings and that working would mean a decrease in Housing Benefit, others assumed benefit would stop completely once they started work.

Although most claimants said that LHA itself had not made a difference to whether they worked or not, several of the claimants in the face-to-face interviews had calculated the amount they would need to earn in order to compensate for lost benefits. Some said they had been unable to find employment with adequate wages to compensate for lost benefits. In addition, many of the claimants who were working, found it difficult to calculate the amount they would be better/worse off through changing the number of hours they worked.

Next steps

Claimants who participated in the survey and the face-to-face interviews will be re-contacted as part of the evaluation to assess the impact of the LHA over time. This will be augmented with analysis from the Department's own administrative data.

Chapter 1: Introduction

As part of its reform of Housing Benefit, the Government has introduced a Local Housing Allowance (LHA) for private rented sector claimants in nine Pathfinder areas. The LHA is being evaluated over a two year period and includes various streams which will form the basis of the overall evaluation[1].

1.1 Policy context

1.1.1 Background

Housing Benefit is a payment that provides help to low-income families with their rent. Local Authorities administer the benefit. However, the Housing Benefit scheme has been criticised for a number of reasons, including being too complex, for wide variations in administration of the benefit, for limiting claimants choice of housing and undermining work incentives. The Government outlined its desire to reform Housing Benefit in its April 2000 Green Paper, *Quality and Choice: A Decent Home for All*. In March 2003, the Government announced that LHA would be trialled in nine Pathfinder areas.

The LHA provides housing support based on location and household size. Unlike the current system of Housing Benefit, it is not linked to individual rents. In most cases, benefit under LHA will be paid to the claimant, instead of to the landlord. In recognition of the risk that some claimants may struggle with the responsibility of budgeting for, and paying, their rent, safeguards have been put in place for Pathfinder authorities to make payments to the landlord if the claimant is likely to have difficulty managing their own affairs or unlikely to pay their rent. Similar to the current Housing Benefit arrangements, if a claimant has fallen into arrears of at least eight weeks payment must be made to the landlord.

1.1.2 Implementing the LHA

LHA was implemented in the nine Pathfinder local authorities on different dates (Table 1.1). The Local Authorities could also introduce LHA using a 'phased' or 'big bang' approach. 'Phased' introduction involved all new claimants after the start date being on LHA and the transfer of existing claimants onto LHA when their claim was renewed or reviewed. 'Big bang' involved transferring all claimants to LHA at the start date. In addition, authorities using 'big bang' had up to six months to transfer those existing claimants whose benefit was paid to their landlord to direct-to-claimant payments. This transfer occurred about four months after LHA went live in Brighton & Hove and at six months in Edinburgh and North-East Lincolnshire.

[1]For more detail on the evaluation approach please see report no 1 in the LHA evaluation series: "Evaluating the Local Housing Allowance Pathfinders". All LHA evaluation reports can be freely downloaded from the DWP website: www.dwp.gov.uk/housingbenefit/lha/evaluationindex.asp

Table 1.1: Start Date and Method of Introduction of LHA

Start Date	Pathfinder	Method
17 November 2003	Blackpool	Phased
1 December 2003	Lewisham	Phased
12 January 2004	Coventry	Phased
12 January 2004	Teignbridge	Phased
2 February 2004	Brighton & Hove	Big Bang
9 February 2004	Edinburgh	Big Bang
9 February 2004	North-East Lincolnshire	Big Bang
9 February 2004	Conwy	Phased
9 February 2004	Leeds	Phased

1.2 The claimant stream of the evaluation

1.2.1 Aims

The claimant stream of the evaluation aims to look at the effects of the LHA on the ability of claimants to make informed choices over their accommodation, by considering the:

- influence of LHA on claimants moves/future moves
- impacts on claimants incomes and rent shortfalls
- impact on tenant financial responsibilities
- impact on rent levels
- influence on work incentives.

This report gives early findings from the claimant stream of the evaluation and covers the period up to around six months after the start of LHA in each Pathfinder.

The report brings together findings from three sources of information:

- The first of three large-scale surveys of claimants on the LHA over the period of the two years
- A number of in-depth face-to-face interviews with claimants on the LHA, and
- Administrative data being collected by the Department for Work and Pensions.

Detailed information on the research methodology is given in *Appendix B*.

1.2.2 The telephone survey

The report outlines key findings from the first of three waves of telephone interviews with claimants on the LHA. The telephone interviews aim to track the experience of claimants receiving LHA.

The main fieldwork commenced in mid-July 2004 and continued until late January 2005. The figures in this report are based on the 3,041 productive interviews, split as follows across the Pathfinder areas[2].

Pathfinder areas	Productive interviews
Blackpool	409
Brighton & Hove	426
Conwy	265
Coventry	400
Edinburgh	-
Leeds	388
Lewisham	435
North-East Lincolnshire	396
Teignbridge	322
Total	3,041

1.2.3 The face-to-face interviews

This report also draws on the findings from the first of two waves of face-to-face interviews with claimants on the LHA. The in-depth interviews aim to explore in more detail the experiences of claimants on LHA and the process by which claimants make their housing choices. Forty-three interviews were conducted with claimants across the nine Pathfinders.

1.2.4 Management information

Data for this was collected from local authorities by the Department for Work and Pensions specifically for the evaluation of LHA. This data is collected four times a year and includes information relating to all successful LHA claims. The DWP data in this report was collected in November 2004 and so reflects the position in Pathfinder Local Authorities at this time. However, data has been excluded from some of the analysis in Chapter 6 because of some missing or unreliable data. Further explanation for this is given in *Appendix B*.

[2]Edinburgh is excluded from the analysis in this report, as fieldwork was delayed in this Pathfinder. All total figures in tables are based on claimants in the remaining eight Pathfinders.

In some places in the report Pathfinder areas are compared to Control areas to examine the possible changes brought about by the introduction of LHA. In both the Pathfinder and the Control areas the picture before the introduction of LHA uses annual data from Rent Officers which runs from April 2003 to March 2004[3]. In the Control areas the picture after the introduction of LHA uses annual data from Rent Officers which runs from November 2003 to November 2004. These datasets contain 100 per cent caseload records and refer to flows throughout the period.

1.3 Interpreting the early evaluation findings

The way LHA was introduced in the Pathfinders has implications for the early stages of the evaluation and the interpretation of findings reported here. This is because claimants will have varying experience of the LHA scheme, and direct payments, depending on how long they have been in receipt of both. For instance, claimants in the 'phased' Pathfinders may only recently have been transferred onto the LHA scheme, and with it direct payments. This will mean that they will have limited experience of the LHA and so the impact on them may be minimal, at this stage. Similarly, even though those claimants in the 'big bang' Pathfinders would have transferred over to the LHA on the start date, those claimants whose landlords were previously paid Housing Benefit are likely to have had very limited experience of direct payment at the time of the survey, because of these Pathfinders switching over payments at a later date. This may mean that findings from this early stage of the evaluation change over time, when claimants have more experience of the scheme and there has been more time for any impacts to feed through. In addition, because of this, it is likely to take time for claimants and landlords to respond to changes brought about by the LHA policy.

[3]Cases which converted to LHA over this period will automatically be excluded from Rent Officer data.

Chapter 2: Claimant and household characteristics

- Just over one-half (53 per cent) of claimants on the LHA were female.
- Nine-tenths (90 per cent) were of working age.
- Lewisham was the most diverse area ethnically, with 55 per cent white claimants, 30 per cent Black or Black-British, and seven per cent Asian or Asian-British.
- Overall, nearly four-fifths of working age claimants (79 per cent) were not in paid work.
- Two-fifths (38 per cent) had not had a paid job in the last two years.
- Fifteen per cent had never had a paid job.

2.1 Introduction

This chapter outlines brief details of the personal and household characteristics of claimants on the LHA across the Pathfinders, including profiles by gender, age, household type, ethnicity, health and employment.

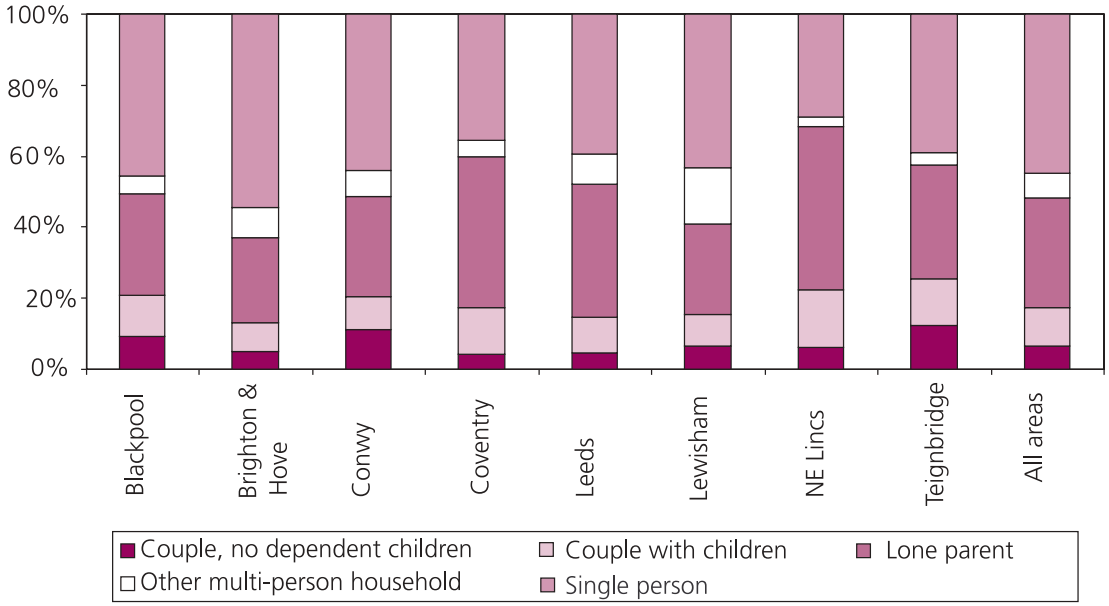
2.2 Gender

Overall, just over one-half of claimants on the LHA (53 per cent) were female. A breakdown between the different Pathfinders is given in Table A2.1. The differences between Pathfinders are largely due to the fact that lone parent households (which are mostly headed by women) were most prevalent in North-East Lincolnshire and Coventry and least common in Lewisham and Brighton & Hove.

2.3 Household profile

Overall, claimants on the LHA were living in smaller than average households, with an average household size of 2.06 persons. This ranged from 1.81 in Brighton & Hove to 2.47 in North-East Lincolnshire. Reflected in these averages is the fact that the predominant household type among claimants was a single person living alone, which accounted for 45 per cent of households overall (Figure 2.1).

Figure 2.1: Household profile by area



Base: All claimants. **Note**: Figure based on responses from 3041 claimants.

The other main household type was lone parents (29 per cent). Only one in ten households (ten per cent) comprised couples with dependent children, and six per cent were couples without children.

Household composition varied considerably from one Pathfinder area to another. Single person households were most common in Brighton & Hove (55 per cent), and least prevalent in North-East Lincolnshire (29 per cent). North-East Lincolnshire and Coventry stood out as having a relatively high percentage of lone parent households (44 per cent and 41 per cent respectively). These households were much less common in Brighton & Hove (23 per cent) and Lewisham (24 per cent).

Claimants under the age of 25 (54 per cent) were more likely to be living as a lone parent than other working age claimants (30 per cent), who were instead more likely to be living on their own (44 per cent) than under 25s (21 per cent). Over two-thirds (69 per cent) of pensioners lived on their own.

In total just under one-half (47 per cent) of households had no dependants. Claimants in North-East Lincolnshire (34 per cent) and Coventry (42 per cent) had the lowest proportion of households without dependants. In contrast, claimants in Brighton & Hove (64 per cent) and Lewisham (61 per cent) were the most likely to have no dependants in their household.

2.4 Age

The average age of claimants on the LHA was 41, varying from 38 in Lewisham, to 44 in Conwy and 46 in Teignbridge. Table A2.1 shows that a majority of claimants on the LHA (65 per cent) were aged between 25 and 49, with a further fifth (17 per cent) aged between 50 and 64. Nine-tenths of claimants were of working age.

2.5 Ethnicity

Many of the Pathfinder areas were homogenous in terms of their ethnic profile, with over 95 per cent of claimants describing their ethnicity as white in North-East Lincolnshire, Blackpool, Conwy and Teignbridge. Lewisham and Coventry were much more ethnically diverse. Table A2.2 gives further breakdown between the different Pathfinders.

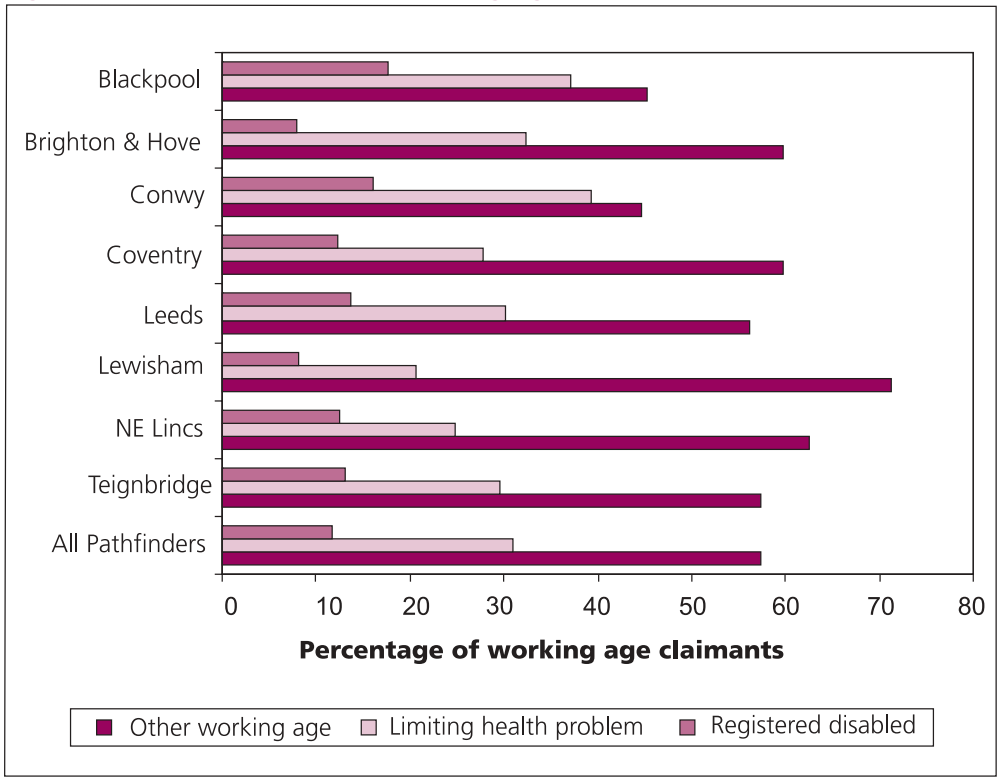
2.6 Health

As already mentioned, over ninety per cent of claimants on the LHA were of working age, yet a possible barrier to LHA providing incentives to work is the level of reported disability and ill-health amongst those claiming the benefit. Overall, as Figure 2.2 shows, over one-tenth (12 per cent) of working age claimants described themselves as registered disabled.

In addition, to capture more general problems with health, respondents were asked whether they had a long-standing illness, disability or infirmity that had troubled them for a period of time, and if so, whether this had limited their daily activities in any way. An additional third (31 per cent) of working age claimants reported that they had such an illness, disability or infirmity.

Just over half (57 per cent) of working age claimants on the LHA did not report that they were registered disabled or had a limiting illness or infirmity. Lewisham had the highest proportion, at 71 per cent of working age claimants, compared to 45 per cent in both Conwy and Blackpool.

Figure 2.2: Health status of working age claimants on the LHA



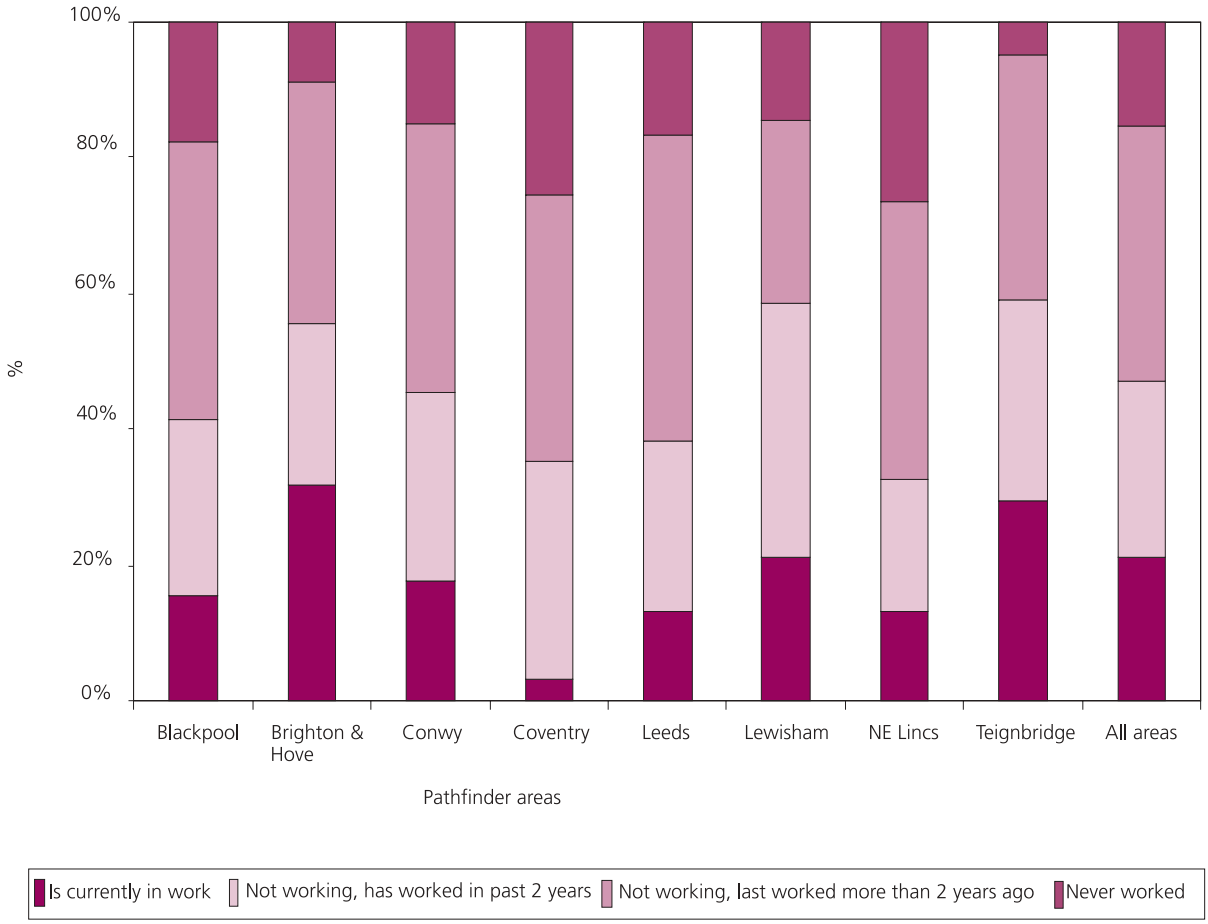
Base: All working age claimants. **Note**: Figures based on responses from 2719 claimants.

2.7 Employment

Across the Pathfinders, about a fifth (21 per cent) of all working age claimants on the LHA were currently in paid employment, but the large majority (79 per cent) were not in paid work (Table A2.3). Fifteen per cent had never had a paid job, and two-fifths (38 per cent) had not had a paid job in the previous two years.

There was some variation in work status between Pathfinders, with working age claimants in Brighton & Hove (32 per cent) and Teignbridge (30 per cent) most likely to be in paid work, compared to Coventry, where only three per cent were in work. If those who had never worked, or had not worked in the last two years, are considered to be long-term unemployed, then over two-thirds of claimants in North-East Lincolnshire (67 per cent) and Coventry (65 per cent) could be considered as such. This compares to just over two-fifths (41 per cent) of claimants in Lewisham, Teignbridge (41 per cent) and Brighton & Hove (44 per cent).

Figure 2.3: Working status for claimants of working age by Pathfinder area



Base: All working age claimants. **Note**: Figures based on responses from 2,723 claimants.

2.7.1 Characteristics of employment

Around one-quarter (26 per cent) of those in work worked 30 or more hours a week, whilst one-in-seven (15 per cent) worked less than 16 hours a week. The percentage that worked less than 16 hours a week did not vary much across Pathfinders, although there was some variation in terms of those who worked longer hours (Table A2.4).

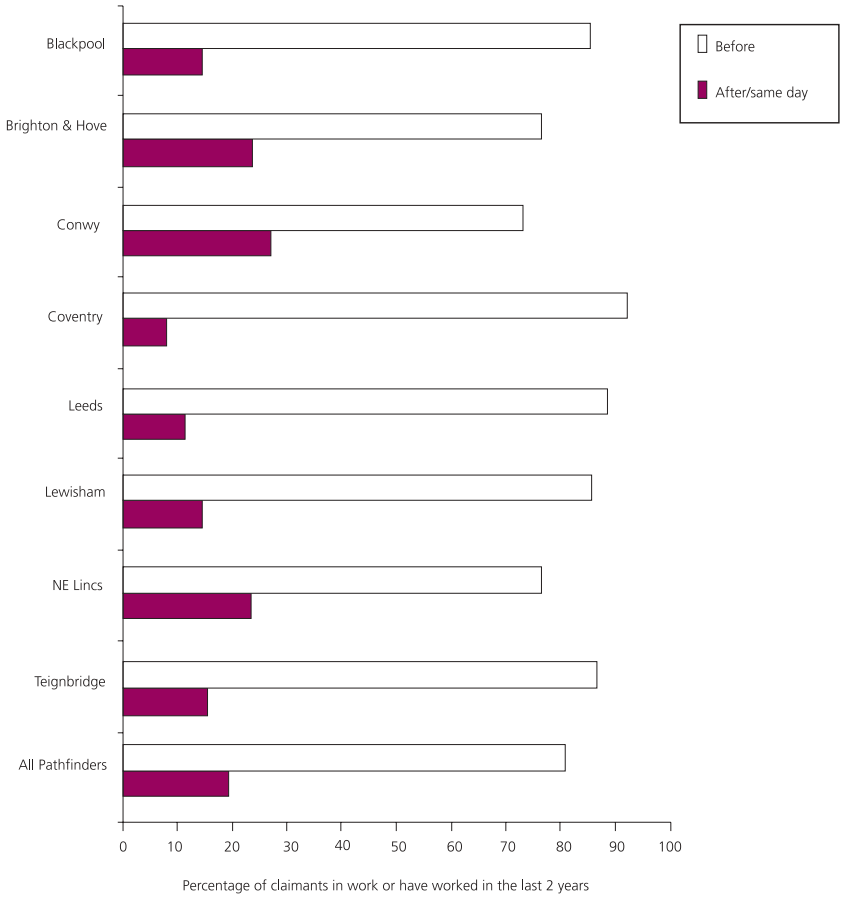
Less than one-fifth (16 per cent) of claimants had a partner in their household, and overall only four per cent had a partner who was currently in paid employment. Overall, three-quarters (78 per cent) of claimant households were workless, that is, neither the claimant nor their partner (if they had one) was in paid employment[4] (Table A2.5).

[4]Although this is a partial measure, as it excludes non-dependents who may be working and contributing to the household finances.

As would be expected from the income criteria for claiming Housing Benefit, the majority of claimants were in low paid jobs. Around one-third (34 per cent) of claimants in employment earned £4.85 an hour or less[5], while a further 38 per cent earned between £4.85 and £6.49 an hour[6].

Amongst claimants who were working, or who had worked within the last two years, one-fifth (19 per cent) started their current or last job on or after the day LHA had gone live in their area (Figure 2.4).

Figure 2.4: Percentage of claimants starting current or last job after LHA live



Base: All claimants currently working or had worked in last two years. **Note**: Figures based on responses from 1330 claimants.

When the analysis is restricted to claimants who were currently in work, one-third (34 per cent) had started their job after or on the day LHA went live.

[5] Not necessarily less than the minimum wage, as some of the working claimants were under 25.
[6] These are take home pay figures, after tax and other deductions, but including overtime, tax credits, bonuses, commission, tips etc and are based on responses from 459 working respondents who provided both hours of work and pay information.

Chapter 3: Experience of Housing Benefit and awareness of LHA

- Nearly three-fifths (57 per cent) of LHA claimants had not previously made a separate claim for Housing Benefit prior to their current claim. The remainder had some experience of claiming Housing Benefit.
- Overall, four-fifths (81 per cent) had been receiving Housing Benefit prior to being transferred onto LHA. Of such claimants, over half (55 per cent) had been in receipt of Housing Benefit for less than five years before receiving LHA, and a tenth (13 per cent) had been in receipt of HB for less than a year previously.
- In general, the face-to-face interviews revealed that awareness of LHA tended to be limited to the aspects that directly affected people, such as the amount of LHA received.
- There was wide variation in awareness amongst claimants that the excess belonged to them and not the landlord.
- Around two-fifths (41 per cent) of new claimants experienced problems paying their rent because of the time taken between obtaining an application form and hearing that the claim had been successful.
- Three-fifths of those who experienced problems paying the rent subsequently fell into arrears of more than two weeks as a result.

3.1 Introduction

This chapter gives information on the claim history for tenants on the LHA and whether their's was a new or converted claim. It also gives feedback on claimants' awareness and understanding of the LHA scheme as well as the process of applying for Housing Benefit under LHA.

3.2 History of Housing Benefit claim

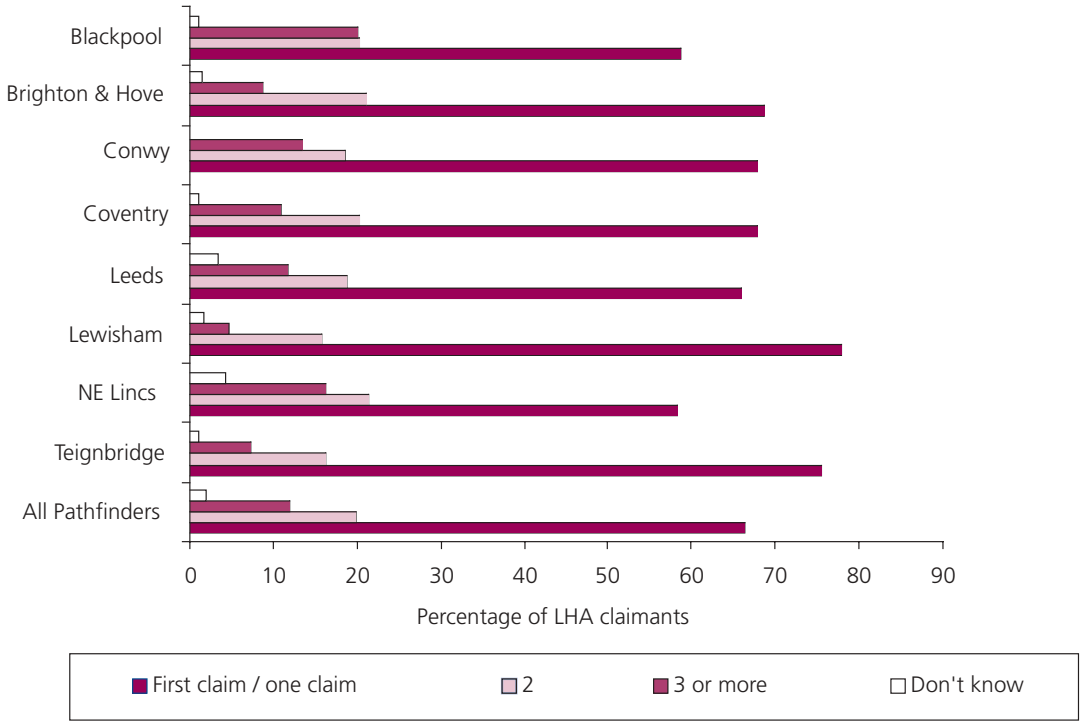
This first section examines claim history. In doing so, it includes whether the current claim is the claimant's first, how many claims respondents had made for Housing Benefit in the last five years, and the proportion of respondents whose claims under LHA can be considered either new or converted. For converted cases, it examines how long they claimed Housing Benefit prior to the LHA going live in their area.

3.2.1 First or multiple claims

Just under three-fifths (57 per cent) of claimants on the LHA said that they had not previously made a claim for Housing Benefit prior to their current claim. This varied between around one-half of claimants in Blackpool (50 per cent) and North-East Lincolnshire (51 per cent), up to around seven-tenths (71 per cent) of claimants in Lewisham.

Those who had previously claimed were asked how many claims they had made in the last five years. Figure 3.1 shows that overall two-thirds of claimants on the LHA were making either their first claim, or had made only one other claim for Housing Benefit or LHA in the last five years[7]. By contrast, one-tenth (12 per cent) of claimants had made at least three separate claims for Housing Benefit, and latterly under the LHA, in the same time period. Claimants in Lewisham (five per cent) and Teignbridge (seven per cent) were less likely to have made three or more claims in the last five years than those in Blackpool (20 per cent) and North-East Lincolnshire (16 per cent).

Figure 3.1: Number of claims for Housing benefit in last five years



Base: All claimants. **Note**: Figures exclude nine cases with missing values, and are therefore based on 3032 respondents.

[7]This figure is made up of the 57 per cent who said that they had not previously made a claim for Housing Benefit or LHA before their current claim, added to those who then said they had in fact only made one claim (their current claim) in the previous five years.

3.2.2 New or converted claim

To establish whether each LHA case was a new or converted claim[8], claimants were asked whether they were receiving Housing Benefit immediately before LHA went live in their area. In total, just over four-fifths (81 per cent) confirmed that they had been in receipt of Housing Benefit immediately prior to LHA going live, and were therefore likely to be a converted claim[9] (Table A3.1). One in seven (14 per cent) were new claims, that is, they were not in receipt of Housing Benefit prior to receiving LHA, and their current claim was their first one. Four per cent were repeat claims, that is, they were not in receipt of Housing Benefit immediately prior to receiving LHA, but had previously made a claim for Housing benefit in the last five years.

The greatest percentage of new claims was seen in Lewisham, where one-quarter (24 per cent) of claimants had not previously received Housing Benefit prior to LHA, and just over two-thirds (67 per cent) of claims had been converted from Housing Benefit. In contrast, in North-East Lincolnshire nearly nine in ten (89 per cent) claims were converted (and only eight per cent were new claimants), and in Blackpool, Brighton & Hove and Leeds, the proportion of converted claims was 82 per cent. This suggests that there may be greater movement between accommodation in Lewisham than other areas. However, in interpreting this, it must be taken into account that Lewisham is part of a much larger housing market, whereas North-East Lincolnshire, Blackpool, Brighton & Hove and to a lesser extent Leeds, are more contained markets.

A majority (55 per cent) of claimants with converted claims had been in receipt of Housing Benefit for less than five years before starting to receive LHA, although one-quarter (26 per cent) reported they had been in receipt of Housing Benefit for between five and ten years previously (Table A3.2). One-tenth had received Housing Benefit for less than a year previously, while another tenth (13 per cent) had received support with their housing costs for ten years or more.

Only five per cent of claimants with converted claims in Conwy and North-East Lincolnshire, and six per cent in Teignbridge, had been in receipt of Housing Benefit for less than a year before receiving LHA, whereas the proportion in Lewisham and Brighton & Hove was significantly higher (17 and 13 per cent respectively).

3.3 Claimant awareness and understanding of LHA

One of the aims of LHA is to facilitate greater choice on the part of claimants and enable them to make decisions about their accommodation in the same way as tenants who are renting but not in receipt of Housing Benefit. It is therefore very important that claimants have a good awareness of LHA and how the system works.

[8]A converted claim is defined as those claimants who were in receipt of Housing Benefit prior to being paid Housing Benefit under the LHA scheme. In contrast, a new claim involves cases who were not in receipt of Housing benefit prior to receiving benefit under LHA.
[9]The proportion of new claims (19 per cent) cannot be compared to the proportion of first claims (57 per cent), as they do not measure the same thing. New claims are those who say they were not on Housing Benefit immediately prior to receiving LHA, that is, they may have claimed Housing benefit in the past, but did not experience the conversion process from Housing benefit to LHA. First claims are those who had not made a claim for Housing Benefit prior to their current claim. However, the process of conversion onto LHA is automatic and does not imply a new claim. Hence the measure for first claimers includes converted as well as new cases.

3.3.1 Timing of the change over to Local Housing Allowance

Due to the high proportion (over four-fifths) of claimants transferring from the previous Housing Benefit arrangements to LHA, it might have been expected that a number of claimants might not have appreciated the changeover or when they started receiving LHA. To measure this, claimants were quoted the date that they should have commenced LHA according to administrative records, and asked to confirm whether in their opinion this was when they had begun receipt of LHA. Of the claimants for which the LHA start date was available[10], 94 per cent agreed that was when they had started to receive LHA. In all of the Pathfinders, this figure was in excess of 90 per cent, reaching a maximum of 97 per cent in Blackpool, Conwy and Teignbridge.

While the face-to-face interviews did not ask people to confirm a date of transfer onto the LHA, the timing of the changeover was discussed with some respondents in the interviews. Claimants were most clear about the changes when this coincided with moving to their current property. Others linked the change from the previous Housing Benefit arrangements to LHA to a transfer in payment of the benefit from the landlord to themselves and/or a change in the amount of benefit received. However, there was ambiguity regarding when a change to LHA took place where no change in payment method or amount received had occurred. For claimants the move onto LHA is perhaps less of a salient factor than the change that accompanied the process. Occasionally, there was no awareness of any change at all, and the term 'Local Housing Allowance' was not recognised.

3.3.2 Understanding of LHA policy and it's features

From the face-to-face interviews it is evident that claimants' understanding of LHA varies. Some respondents fully understood the different aspects of LHA and a few were aware of intended policy objectives, such as the provision of choice *'it is supposed to give us more freedom on where we live'* and that the scheme was being trialled in their area. However, awareness tended to be limited to the aspects that directly affected people, such as the amount of Housing Benefit received. Indeed one view was that it was purely a change in process and terminology:

> *'I do not know what the reason was or anything, I just had a letter saying that it was now not called Housing Benefit…I just thought they were changing the name'.*
>
> Single person, working age, transferred onto LHA.

[10]There were only 12 claimants for whom we did not have information on LHA start date.

The face-to-face interviews revealed some uncertainty about how Housing Benefit under LHA is calculated. Assumptions were made that it was based on claimants' rent levels and/or income. The link to rent rather than claimant circumstances was made by assuming that the amount of Housing Benefit received under LHA would be reduced if they moved to a cheaper property, or raised if moved to a more expensive property. In some cases where rents had increased people had expected their Housing Benefit entitlement to increase accordingly. There was a feeling amongst some claimants that as long as Housing Benefit covered the rent there was no need to know the background, and where it was more than the rent, then it was a bonus. Some claimants spoke positively about the LHA flat rates, saying that it *'seems more fair'* if based on family size, and that there was a clarity to the scheme: *'I think it is a lot clearer if you are aware of what the maximum is that you can claim'*. Though it was also pointed out that the LHA rates would be known by landlords as well as claimants, with some concern that rents below these rates could increase accordingly.

Claimants' understanding that they are able to keep the difference if their rent is less than the Housing Benefit amount is central to the LHA policy intention to allow claimants to trade between the quality and price of their accommodation. Again, the face-to-face interviews revealed wide variation in awareness with some claimants who already understood the concept and others only becoming aware during the course of the interview. In particular, where the ability to keep a surplus was not known before the respondents were sometimes '*quite surprised*' when the policy was explained. Claimants in the face-to-face interviews expressed various views about being able to keep any surplus or pay a top up. Some did recognise that it gave them more choice: '*you have got the spending power to move around a bit more*', although the point was also made that this may not be the reality in practice if the supply of privately rented housing was limited.

3.3.3 Claimant expectations of LHA entitlement/amount

As already discussed earlier, a significant proportion (18 per cent) of claimants on the LHA were either completely new to Housing Benefit, or were new repeat claimants. The majority of this section focuses on these claims, in order to identify how much knowledge claimants had about the amount of LHA they might receive when applying for it.

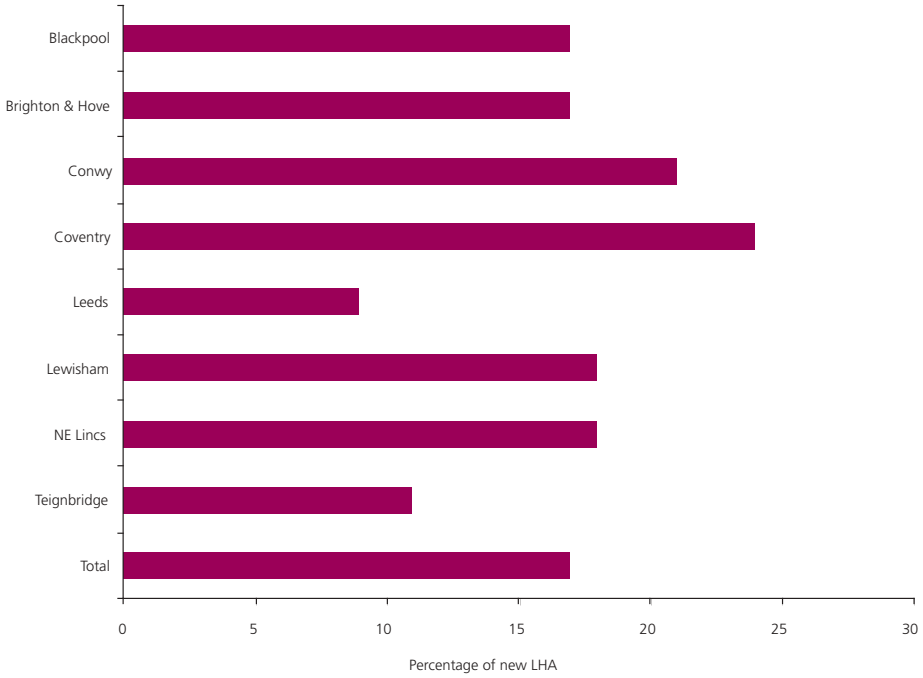
New claimants were asked *'When you applied for Local Housing Allowance, did you think it would cover all of your rent, or part of your rent?'* In advance of their application, two-fifths (40 per cent) of these claimants had thought that LHA would cover all of their rent, while around half (49 per cent) believed that it would cover only part. While over half (57 per cent) of new claimants in Coventry expected to have their rent fully covered, in Teignbridge the proportion was much lower, at just over a quarter (28 per cent) (Table A3.3).

Those in work are likely to receive less Housing Benefit than the LHA as their wages will be taken into consideration when calculating their benefit entitlement. This is reflected in the fact that fewer of those in work (27 per cent) had expected Housing Benefit to cover all of their rent than among those not in work (45 per cent).

Overall, of those new claimants who expected their rent to be only partially covered by LHA, nearly three-fifths (57 per cent) expected between 60 per cent and 99 per cent of their rent to be covered, but a quarter (26 per cent) expected to have less than 60 per cent covered. Those in work generally expected less of their rent to be covered – only 38 per cent thought that between 60 and 99 per cent would be covered, compared to 65 per cent of those not in work.

Although two-fifths of new claimants expected their rent to be fully covered by LHA before applying, less than a fifth (17 per cent) reported that they knew exactly how much LHA they would receive prior to making their claim (Figure 3.2). This proportion varied from one-quarter (24 per cent) of new claimants in Coventry, to less than one-tenth (nine per cent) of new claimants in Leeds. The expectation of having rent covered in full may, in many cases, have been based on an awareness of the LHA rates but not on knowledge about the Housing Benefit amount they would actually be awarded. However, a tenth (12 per cent) of new claimants thought that it was true that LHA always covers the full amount of rent.

Figure 3.2: Percentage of new claimants who knew how much LHA they would receive prior to making their claim



Base: All new claims. **Note**: Figures based on responses from 704 claimants. Figures for North-East Lincolnshire should be treated with caution due to low sample size.

Converted cases (that is, claimants who were receiving Housing Benefit immediately prior to receiving LHA) were asked whether they had been aware of how much benefit they would be awarded prior to receiving LHA for the first time (Table A3.4). Twenty-five per cent said they had been aware of this, and this proportion varied slightly from 28 per cent in North-East Lincolnshire and 27 per cent in Coventry and Blackpool, to 17 per cent in Conwy and 18 per cent in Teignbridge.

The face-to-face interviews revealed that for people who had moved since the introduction of LHA, where the amount of LHA was known in advance, this had been provided by the council in response to personal enquiry or someone already on Housing Benefit had been notified about LHA through the post. These claimants felt well informed about LHA rates and how they were calculated. In another case a respondent mentioned a letting agent, who specialised in finding accommodation for people on benefits, had provided information about LHA rates. However, the respondent was not aware that this was a flat rate, or that there was a potential for excesses or shortfalls. Other claimants who had moved were not aware of how much LHA they were entitled to. This included those already receiving Housing Benefit and people making new applications.

Awareness of how much LHA would be awarded also varied amongst claimants converting from Housing Benefit to LHA without moving residence. While some mentioned receiving information from the Local Authority which clearly set out the amount to be received, others were unaware and reported being confused when they had received cheques for an unexpected amount.

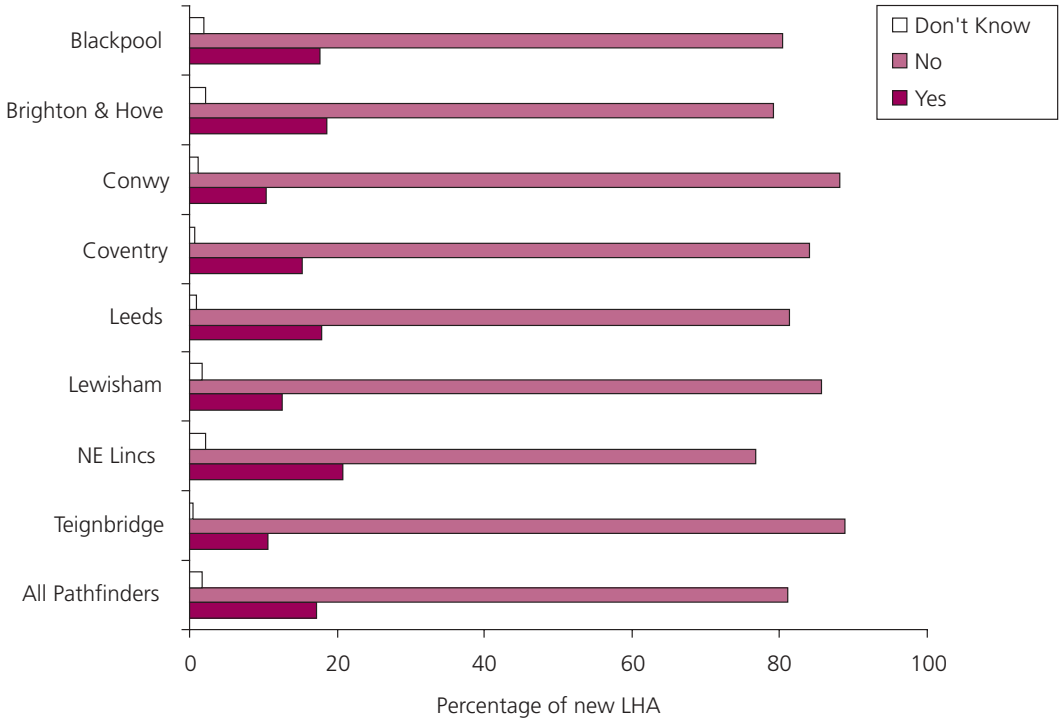
A further issue is how the Housing Benefit amount for individuals is calculated is not always clear to people when this is lower than the LHA rate. From the face-to-face interviews it is apparent that even if claimants are aware of the LHA flat rate, when Housing Benefit is calculated to take account of peoples' circumstances (income, non-dependant children), the amount of Housing Benefit which will actually be received is not necessarily clear in advance, and could also be confused by other factors affecting a claim such as a change in income or other benefit.

3.3.4 Awareness of publicity and information

As would be expected, there was a great deal of information produced and distributed before and during the implementation of LHA by the Department for Work and Pensions (DWP), Local Authorities and other organisations involved in the rental market within the Pathfinders, and the launch may have produced some local publicity. To see whether claimants were aware of publicity, excluding any advance letters from the Pathfinder authorities, they were asked *'Apart from any letters you may have received from the Local Authority about your Local Housing Allowance claim, did you see any publicity or information about the Local Housing Allowance before you started to receive it?'*

Under one-fifth (17 per cent) of Claimants on the LHA remembered seeing such publicity or information about the LHA before they started to receive it (Figure 3.3). This varied from a tenth of claimants in Conwy and Teignbridge (11 per cent) and Lewisham (13 per cent) to one-fifth (21 per cent) of claimants in North-East Lincolnshire.

Figure 3.3: Percentage of claimants who saw publicity or information about LHA before receiving it, by area



Note: Figures based on responses from 3041 claimants.

Claimants who remembered seeing publicity or information about LHA were asked where they had seen it. There were clearly two main sources of information, namely, the local or national press[11] (35 per cent), and at the Local Authority itself when visiting (31 per cent) (Table A3.5). Just over one-tenth (13 per cent) were sent information or leaflets through the post, while seven per cent had seen a poster or advertisement when around their area.

Claimants who had seen publicity were then asked an additional question about who they thought the information or publicity had originated from. Just over one-half (52 per cent) of such claimants said that the information had originated from the Local Authority, while one-fifth (19 per cent) said it had come from the DWP. Just under one-tenth (eight per cent) said the information was from the local or national press, while a small proportion (two per cent) said they had received information about LHA from landlords and letting agents, or friends and family.

[11]As there was no advertising in the national press, these sources are likely to have been local newspapers.

Around four-fifths (81 per cent) of these claimants said that they found the information helpful and easy to understand. Claimants were most likely to have found the information helpful in Blackpool (92 per cent) and Leeds (90 per cent), and least likely in Brighton & Hove (75 per cent); and claimants in Blackpool (92 per cent) were more likely to have found it easy to understand than those in Lewisham (70 per cent) or Brighton & Hove (75 per cent).

New claimants were slightly more likely to be satisfied with both the helpfulness of the information provided (93 per cent) and how easy it was to understand (88 per cent), than claimants whose claim had been converted from Housing Benefit to LHA (79 per cent and 80 per cent respectively).

The face-to-face interviews confirm the survey findings in that apart from information received through the post from the Local Authority, awareness of more general marketing about the introduction of LHA was low. Occasionally people had seen information about forthcoming changes to Housing Benefit in the local press.

Landlords and letting agents were another source of information. In particular, they had informed claimants about changes in payment methods and the need to open bank or credit union accounts.

Local Authority offices were generally a first point of information for people making new claims or transferring to LHA when moving. Here LHA had already been introduced in the area but there were mixed reports on the helpfulness and clarity of information provided, with some respondents being told about the flat rate structure and others not. Occasionally the LHA rates had been seen displayed at council offices, but there was no mention amongst respondents of the rates being on display elsewhere.

3.3.5 Awareness and understanding of Local Authority correspondence

In the face-to-face interviews claimants said that letters and leaflets from Local Authorities were a main source of information about the introduction of LHA. However there were differences in how this information was received and absorbed. Where the information received from a Local Authority was thought to be clear and helpful, people recalled being sent details (sometimes over several letters) not only on the amount of their benefit and payment method, but also about the LHA policy background and aims, being able to keep any excess, the vulnerability criteria and setting up a bank account. In other cases the Local Authority correspondence was seen as notification of a procedural change. Here people recalled receiving information about changes to the payment method and of their LHA rate or Housing Benefit amount. However, explanations in the correspondence about why the changes were taking place, the LHA policy background and features such as how the rate was calculated and the possibility of a financial excess were not recalled. Several claimants felt that they might have ignored any '*bumf*' or thrown away literature not realising it could apply to them '*maybe I have had it and just thought it was junk mail*'. Sometimes the correspondence received was seen as '*hard to understand*' and the letters '*quite tricky with the wording*'. In some cases further explanation of letters was sought from family or a letting agent.

3.4 Applying for Housing Benefit under the LHA

In the survey, new claimants were also asked a detailed set of questions covering their experience of applying for Housing Benefit under the LHA. This included questions on the application form, opinions of the staff who were dealing with their claim and the length of time it took to process their claim.

3.4.1 Making the application

Around nine-tenths (88 per cent) of new claimants remembered filling in an application form for their claim for LHA. Of those that remembered filling in the form, there were two main sources for obtaining it. A large majority (81 per cent) reported getting their form from the Local Authority and another one in seven (16 per cent) new claimants who remembered filling out the form picked it up from a Jobcentre Plus office.

All new claimants were asked about the number of visits and telephone calls they had made to a Local Authority, Jobcentre Plus or Social Security office to discuss their LHA before it was awarded. On average, three calls and three visits were made.

3.4.2 Claim processing

To find out how long it took to process a claim, new claimants were asked *'Please think about the time it took from when you (/your partner) first got the Local Housing Allowance claim form to when you (/your partner) found out that your claim had been accepted. Please tell me approximately how many weeks did this take?'* [12].

According to new claimants, the average time between when they picked up their application form to when they found out their claim had been successful was 5.7 weeks, ranging from just under five weeks in Teignbridge to over seven weeks in Leeds (Table A3.6).

Overall, three-tenths (29 per cent) of new claimants were notified that their claim had been successful within four weeks of getting an application form, and a further two-fifths (38 per cent) were informed between four and eight weeks. Less than a tenth (seven per cent) had to wait 12 weeks or more to be notified of the outcome of their claim.

The face-to-face interviews confirmed survey findings in terms of alleged variations in the time taken for a claim to be notified as successful. Where a claim had been successful in a couple of weeks a respondent thought it might have been helped through the full provision of information. However, other applications took longer (e.g. six to eight weeks and a couple of months) in cases where claimants perceived the application as straightforward and where delays had been due to requests for further information or a Housing Benefit section was known to be very busy

[12]It should be noted that processing times referred to here includes the amount of time taken for the claimant to fill in and return the application form, so the time in weeks is not strictly processing time, but time between obtaining a claim form and finding out that the claim was successful. Other evaluation reports (see note 1) give more detail on actual processing times.

Around two-fifths (41 per cent) of new claimants experienced problems paying their rent because of the time taken between obtaining an application form and hearing that the claim had been successful. This proportion ranged from nearly three-fifths (57 per cent) of such claimants in Coventry to less than a third (31 per cent) in Blackpool (Table A3.7). Three-fifths of those who experienced problems paying the rent subsequently fell into arrears of more than two weeks as a result.

The face-to-face interviews revealed that the impact of waiting for benefit to come through on paying rents was minimised by claimants taking action to avoid falling into arrears, through borrowing money from family, becoming overdrawn or taking out a loan. People felt they had very little choice as landlords or letting agents required the money, and some said that the predicament of claimants in this situation was not recognised by the Housing Benefit system.

Chapter 4: Accommodation characteristics and satisfaction

- Those with dependent children (whether a couple or lone parent) were more likely than other groups to be renting a house (71 per cent compared to 43 per cent of all claimants).
- Most claimants said that there were only minor problems with the state of repair of their accommodation (51 per cent) or that nothing needed doing (32 per cent).
- Four fifths (80 per cent) of claimants were satisfied with the number of rooms in their accommodation.
- The majority of claimants were appropriately-occupying their accommodation (56 per cent); claimants were more likely to be under-occupying (28 per cent) than over-occupying (16 per cent).
- Other aspects of a property which contributed to claimants' satisfaction levels included easy access, a garden, relationship with the landlord, and safety, as well as location in relation to local amenities and family.

4.1 Introduction

This chapter focuses on the characteristics of the accommodation being rented by claimants, including the type of property, its state of repair and the size of accommodation in relation to the size criteria for LHA. It also examines claimants' satisfaction with their accommodation, in terms of its size and condition, and various aspects of the local area.

4.2 Type of accommodation

4.2.1 Type of housing

Overall, over two-fifths of claimants (43 per cent) lived in a house and one-third (33 per cent) in a converted flat (Table A4.1). However, as would be expected from the different housing markets of the Pathfinders, the type of rented accommodation varied greatly across the Pathfinder areas, as well as depending on the claimant's household type.

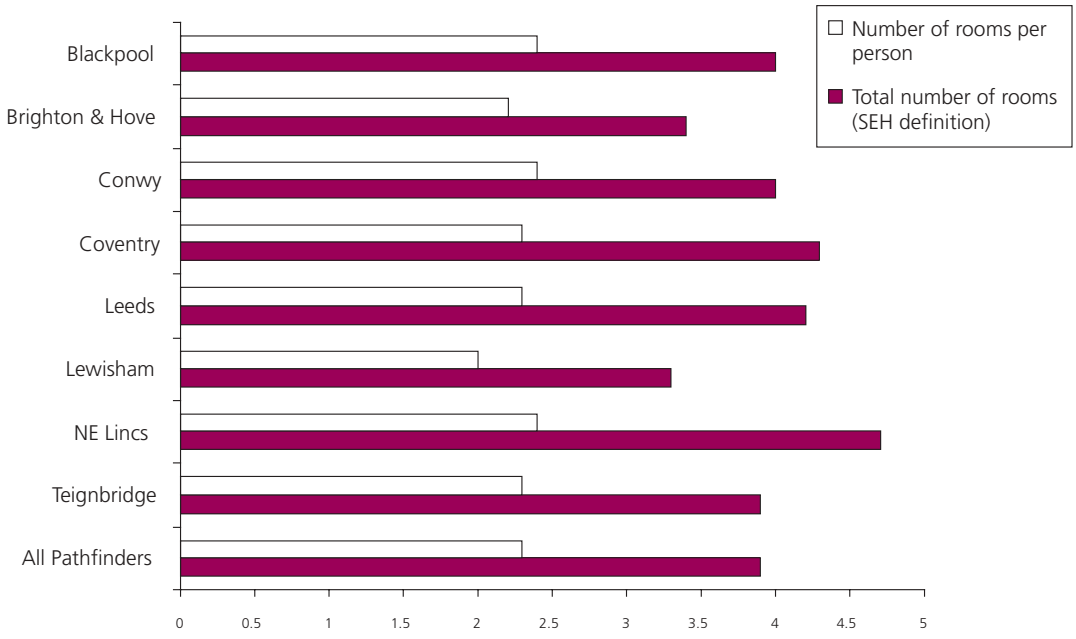
For instance, four-fifths of claimants in North-East Lincolnshire (81 per cent), were renting a house, which was more than four times the equivalent figure in Lewisham (19 per cent) and Brighton & Hove (18 per cent). Lewisham also had the highest percentage of lettings which were not self-contained (21 per cent). This is reflected in the relatively large proportion living in a bedsit (17 per cent, compared to seven per cent of all claimants on LHA).

Those with dependent children (whether a couple or lone parent) were more likely than other groups to be renting a house (71 per cent compared to 43 per cent of all claimants). Those living alone or in other types of household (i.e. multi-occupied properties) were more likely than other groups to be in accommodation that was not self-contained (12 per cent and 18 per cent respectively, compared to one per cent of other groups).

4.2.2 Size of accommodation

The average number of rooms being rented was 3.9, and this varied by Pathfinder from 3.3 in Lewisham to 4.7 in North-East Lincolnshire. However, once the number of household members is controlled for, these differences decline in magnitude, as shown in Figure 4.1. The average number of rooms per person was 2.3 and this only varied from 2.0 (Lewisham) to 2.4 (North-East Lincolnshire, Blackpool, and Conwy). Those in Lewisham were much more likely to be living in just one room (20 per cent) than all other areas (between one and nine per cent). There was no difference in the average number of rooms per person between those who had moved in before or after LHA was introduced in their area.

Figure 4.1: Total number of rooms and average number per person, by Pathfinder area



Base: All claimants. **Notes**: Figures are based on responses from 3,041 claimants in eight Pathfinder areas. SEH is the Survey of English Housing (ODPM).

The average number of rooms per person varied considerably between different household types however. Couples with children had the fewest rooms per person on average, at 1.2. Single person households had the most, with three rooms per person. Lone parents (1.8), couples without children (2.0) and other types of household (1.7) all had about the same number of rooms per person.

4.2.3 Accommodation occupied in relation to the Size Criteria

The LHA aims to give choice to claimants allowing them to trade between quality and price of accommodation. For example, claimants can choose between paying more to stay in a property larger than their need, as defined by the size criteria, or move to a smaller property and retain any surplus. This section uses DWP administrative data to look at the current accommodation decisions of claimants over the size of accommodation they occupy, in terms of whether they 'under-occupy', 'over-occupy' or 'appropriately occupy', see *Appendix A Glossary of terms* for definition, that accommodation.

Across all Pathfinder areas, 56 per cent of claimants are appropriately occupying (Table 4.1). In all but three of the Pathfinder areas (Coventry, Edinburgh and North-East Lincolnshire) the majority of claimants were appropriately-occupying. The area with the highest percentage of claimants appropriately-occupying was Brighton & Hove, (83 per cent), while North-East Lincolnshire had the lowest level of appropriate occupation[13] (18 per cent). Overall, more claimants were under-occupying (28 per cent) than over-occupying (16 per cent) and in only one Pathfinder area (Brighton & Hove) was over-occupation more prevalent than under-occupation. Coventry had the largest percentage point gap between over-occupying and under-occupying at 36 percentage points. Lewisham had the smallest gap at two percentage points.

Variations in the percentage of claimants under/over or appropriately-occupying between Pathfinders are likely to reflect a number of factors including, the tightness of the local housing market, the stock of property in each area and the type of claimants in each area. For example, Brighton & Hove, where a high proportion of claimants lived in one room properties, was likely to have a lower proportion of claimants under-occupying.

[13]The necessary exclusions in the data could go some way to explaining differences in North-East lincolnshire.

Table 4.1: Percentages of claimants under/over or appropriately-occupying

Row percentage

	Appropriately sized accommodation %	Under-occupying %	Over-occupying %	All %
Blackpool	61	28	11	100
Brighton & Hove	83	3	14	100
Conwy	66	24	10	100
Coventry	39	48	12	100
Edinburgh	35	39	25	100
Leeds	59	30	11	100
Lewisham	62	20	18	100
NE Lincs	18	55	27	100
Teignbridge	53	34	13	100
All Pathfinders	56	28	16	100

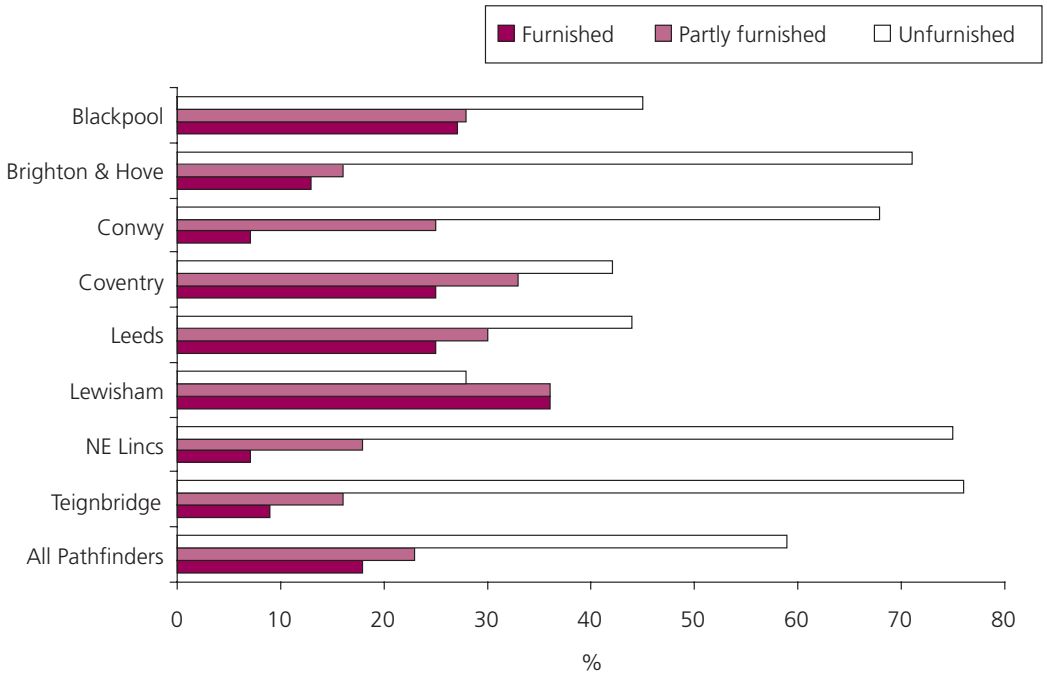
Source: DWP administrative data for Pathfinder areas. Nov 04
Note: Partial exclusions for North-East Lincolnshire.

4.2.4 Whether accommodation provided furnished

In the survey, claimants were asked whether their accommodation was provided furnished, partly furnished[14] (e.g. carpets and curtains only) or unfurnished. Three-fifths (59 per cent) of claimants said they were living in unfurnished accommodation, with the remainder split between partly (23 per cent) and fully-furnished (18 per cent) homes (Figure 4.2).

[14]However, it should be noted that the face-to-face interviews revealed that, when given only limited guidance, some respondents find defining a property as partly or unfurnished quite difficult. For example accommodation that included just carpets or carpets and kitchen appliances was thought by some face-to-face respondents to be 'unfurnished', whilst the extent of furniture that might be included in a 'partly-furnished' property varied widely from just a cooker to nearly everything except kitchen utensils and a television.

Figure 4.2: Whether accommodation furnished, by area



Base: All claimants. **Notes**: Figures are based on responses from 3,041 claimants in eight Pathfinder areas.

4.3 Condition of property

Most claimants said that there were only minor problems with the state of repair of their accommodation (51 per cent) or that nothing needed doing (32 per cent). Twelve per cent reported that there were quite a lot of problems and four per cent that there were a lot of major problems (Table A4.2). Again, there were no large differences between the Pathfinders, although those who had moved in after LHA was introduced in their area were more likely to say that nothing needed doing (37 per cent) than those who had moved in before that date (30 per cent). However, this difference is at least partially attributable to the fact that claimants who moved after the introduction of LHA have been living in their accommodation for a shorter period of time, and therefore problems with the accommodation have had less time to arise. This difference is therefore not grounds for implying that LHA has led to an improvement in the condition of the properties.

The face-to-face interviews found that where no problems were reported this could include a range of views – from accommodation being thought of as in reasonable condition to *'excellent'*. This group included claimants who had moved both before and after the introduction of LHA. Further exploration of some of the cases that reported their accommodation being in good condition revealed that LHA tenants had carried out their own maintenance, or had decorated when moving in to achieve the current standard at their own cost. Hence current condition is not necessarily a reflection of the state of a property when taking up residence.

In the survey those who reported problems with their accommodation were asked what these were (for example, damp, condensation, wiring, plumbing, draughts etc.). Assuming that those who said that nothing needed doing had no such problems, the average number of problems mentioned was 1.3 over all Pathfinder areas. There were no significant differences between the areas (varying only from 1.2 to 1.4), although couples with children and lone parents mentioned more problems (1.5) than did single people (1.0). The difference between those who had moved in before LHA was introduced (1.3) and after (1.1) was small but statistically significant, suggesting again that those who had moved since then were occupying accommodation in a slightly better state of repair[15].

Reflecting the survey findings, claimants in the face-to-face interviews raised a range of minor and more severe problems. Often multiple problems were mentioned by people who felt their property to be in poor condition. This situation was aggravated by the landlords perceived unresponsiveness to the respondents' concerns. It was sometimes felt that landlords were reluctant to spend money on repairs, or at least to minimise expenditure on repairs and maintenance. In some cases landlord inaction had led to deterioration in their relationship with tenants. This was mentioned by people who had taken up residence both before and after the introduction of LHA, and had occasionally led to a decision to move.

Just under one-half the claimants who reported a problem in the survey said that their landlord had dealt with it within three months (45 per cent). Almost one-third (30 per cent) said that they had asked the landlord but were still awaiting an outcome, while almost one-fifth of claimants (17 per cent) did not report the problem to their landlord.

There were clear differences between pre and post-LHA movers. When claimants reported problems, the landlords of those who moved in after LHA was introduced were more likely to deal with them within three months than they were for claimants who moved in before LHA was introduced. For example, when pre-LHA movers reported a lot of major problems, only 22 per cent said the landlord dealt with them within three months compared to 38 per cent amongst post-LHA movers, again possibly reflecting the newness of the tenancy.

4.4 Satisfaction with accommodation

4.4.1 Number of rooms

Survey respondents were asked to rate their level of satisfaction with a number of aspects of their accommodation. Eighty per cent of claimants were satisfied with the number of rooms in their accommodation and this was fairly uniform across the different Pathfinder areas. The least satisfied claimants were those in Lewisham of whom 22 per cent felt that they had too few rooms, and the most satisfied were in North-East Lincolnshire, where only eleven per cent said this. This reflects the fact that those in Lewisham had the fewest rooms and those in North-East Lincolnshire the most, see *Chapter 4.2.2* for more detail.

[15]Although respondents were asked first whether they had problems with the accommodation, and then, if they had, to confirm from a list which problems their property had. The average number of problems is therefore a measure of the respondent's subjective weighting of these issues rather than an objective measure of the quality of the accommodation.

4.4.2 Size of rooms

A similar picture emerged regarding satisfaction with the size of the rooms, with almost four-fifths (78 per cent) satisfied. Again there were no large differences between the areas but those in Lewisham were most likely to say the rooms were too small (23 per cent) while those in Leeds were least likely to feel this (nine per cent). Couples with dependent children were most likely to feel that they had too few rooms (33 per cent, compared to 17 per cent overall), and that their rooms were too small (22 per cent, compared to 15 per cent overall).

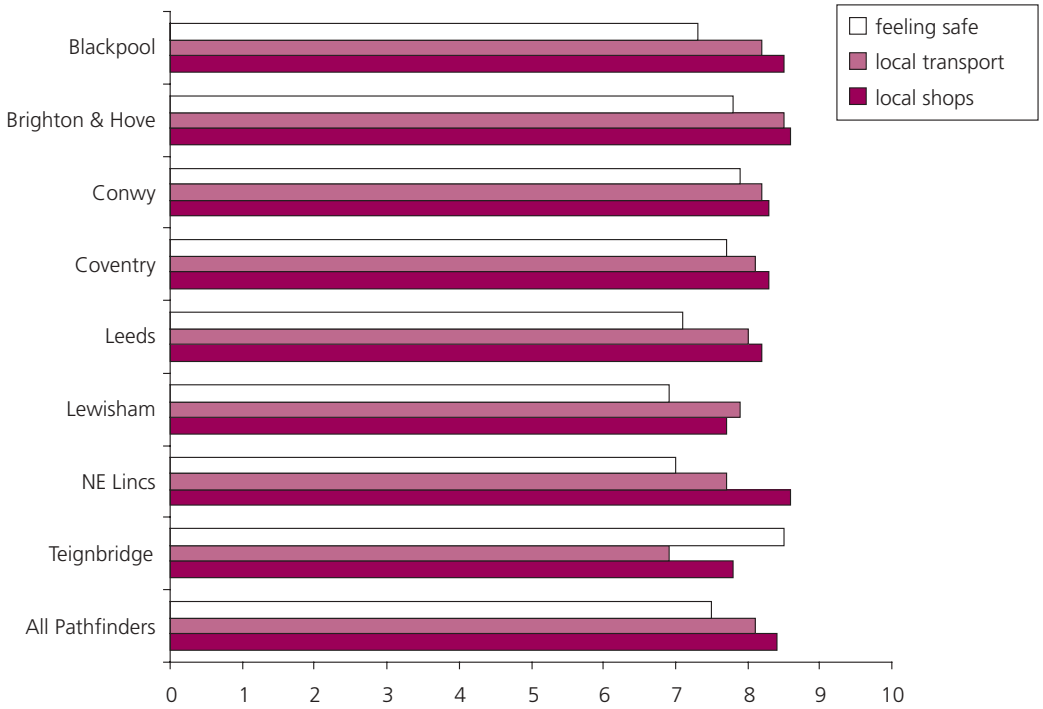
This was reflected in the face-to-face interviews where disatisfaction with the size or number of rooms was linked to having children in the household. This related not only to over-occupancy but also to situations where children were sharing bedrooms that met the size requirements of LHA[16]. Conversely, additional rooms positively impacted on satisfaction where children had separate rooms, or where this enabled people living alone to have their children or grandchildren to stay.

4.4.3 Other aspects

Survey respondents were also asked to rate their satisfaction with various aspects of their local area, by giving a mark out of ten for the local shops, transport links and safety of the area (Figure 4.4). Satisfaction with the shops was high, with an average score of 8.4 overall. Local transport links were also rated highly at 8.1. Satisfaction with how safe they felt living in the area was slightly lower at 7.5. There was some variation in the scores given across the Pathfinder areas. The greatest differences were between ratings of local transport links, with which satisfaction was relatively low in Teignbridge (6.9), compared to Brighton & Hove (8.5), and between ratings of area safety, which were lowest in Lewisham (6.9) and highest in Teignbridge (8.5). There were no large differences according to household type, but satisfaction with transport and area safety was lower among younger claimants, increasing steadily with age.

[16]It should be noted that children sharing rooms is an issue also relevant to social sector tenants as well as owner-occupiers who cannot afford larger properties.

Figure 4.4: Average mark out of 10 for aspects of local area, by Pathfinder area



Base: All claimants (excluding cases with missing values). **Notes**: Figures are based on responses for 2,890 claimants in eight Pathfinder areas.

Some claimants in the face-to-face interviews were dissatisfied with the condition of their property. Easy access was an important issue to parents of young children and people with health conditions, a garden was particularly valued by some pensioners and households with dependent children, and the relationship with a landlord could also contribute to satisfaction with a property.

In terms of location, claimants in the face-to-face interviews expressed a desire to be near shops and public transport facilities, this was particularly important for pensioners and people with health conditions. While proximity to schools also impacted on satisfaction levels for parents of dependent children. Living close to family also contributed to respondents' satisfaction with location and occasionally compensated where other aspects of the property required attention.

Where claimants were dissatisfied with an area, the contributing factors mentioned included vandalism and disturbance. Issues of security were also raised as several respondents had experienced break-ins. Conversely people satisfied with an area described it as quiet, safe, friendly or as a '*nice environment for [child] to grow up in'*. Sometimes people weighed up different aspects when judging their degree of satisfaction with their accommodation – for example, people mentioned being satisfied with a property though not the area, and vice versa.

Chapter 5: Moving history and current accommodation

- Personal or family reasons were the most commonly cited reason for moving among those who moved into their current accommodation after LHA was introduced (29 per cent).
- Factors that were reported as restricting choice of housing included limited availability of property in the area, high rental levels and landlords/letting agents' reluctance to rent to benefit recipients.
- The percentage of claimants who had to pay a deposit before moving into their current accommodation increased from 66 per cent before LHA was introduced to 75 per cent after it's introduction.
- Twenty-two per cent of survey claimants had moved into their accommodation after LHA was introduced in their area.
- Average length of residence was strongly linked to age at 16 months for under 25s, 40 months for older working age claimants and 69 months for those of pensionable age.

5.1 Introduction

This chapter gives information on claimants' moving history. This includes moving to their current accommodation, the reasons for their move and their experience of looking for accommodation. Lastly, it looks at the rental agreements claimants made with their landlords and the length of time they have lived in their current accommodation.

5.2 Moving History

As previously stated, LHA was introduced on different dates in the various Pathfinder areas[17]. Overall, 78 per cent of survey respondents had moved to their current accommodation before LHA was introduced in the area they were currently living, and 22 per cent had moved in after it was introduced, or, exceptionally, on the same day. As would be expected, in those areas that introduced LHA first, the proportion that had moved there after its introduction was generally greater. The percentage moving in after LHA varied from 14 per cent in Brighton & Hove, 17 per cent in North-East Lincolnshire and 18 per cent in Leeds, to 36 per cent in Blackpool.

This section focuses on the 22 per cent of survey claimants who moved into their accommodation after LHA was introduced in their area.

These claimants had most commonly moved from other private rented accommodation into their present homes (68 per cent). Fifteen per cent had been living rent free before the move. Of these, almost half (48 per cent) had been living with their parents and 26 per cent with someone else such as friends. Thus most of this group were newly-forming households, which explains their rent free status before the move. As might be expected, this group tended to be younger, with most either under 25 (33 per cent) or 25-49 (56 per cent), and most were either lone parents (38 per cent) or single people (38 per cent).

[17]Fieldwork was conducted at slightly different intervals after LHA go-live in the different Pathfinder areas. Fieldwork started between six and nine months after LHA was introduced in the area.

Eight per cent of survey claimants who moved in after LHA was introduced in their area had been renting from the Local Authority and six per cent had been renting other social housing (Table A5.1). It was rare for a claimant to have moved from being an owner-occupier (three per cent).

Twenty per cent of those who had moved since LHA was introduced had moved into the Local Authority area from another area. This varied across Pathfinder areas, with hardly any claimants in North-East Lincolnshire (four per cent) and Brighton & Hove (eight per cent) moving into the area, but over a third in Lewisham (37 per cent) and Conwy (39 per cent) doing so.

Overall, 70 per cent of claimants who had moved to their current address after the introduction of LHA said that they were claiming Housing Benefit at their most recent previous address, see *Section 3.2* for a discussion of the history of the Housing Benefit claims. However, this figure was as high as 88 per cent in North-East Lincolnshire and 78 per cent in Blackpool, and as low as 55 per cent in Conwy, 57 per cent in Lewisham and 58 per cent in Teignbridge.

5.3 Moving to current property

This section looks at the reasons why claimants moved to their current accommodation. It examines the differences between those who moved before the introduction of LHA and those who moved afterwards.

5.3.1 Reasons for moving to current property

The four main reasons cited for having moved house were:

- Personal and family reasons;
- Wanting to move to a better area;
- Wanting a larger house; and
- The landlord selling up.

There were some differences between the percentage of pre and post-LHA movers who cited these reasons, apart from wanting to move to a larger house.

Table 5.1: Reasons for moving from previous accommodation

Multiple Response

Reasons for moving from previous accommodation	Before LHA introduced	After LHA introduced
Wanted to move for personal or family reasons (including to be closer to friends)	34	29
Wanted to move to better area	15	11
Wanted a larger house	14	15
Landlord selling up	11	15
Wanted self contained accommodation	6	8
Structural problems	4	7
Wanted to pay lower rent	3	4
Other miscellaneous reasons	3	4
Change of job	3	2
Wanted smaller accommodation	2	2
Previously homeless	2	2
Needed ground floor accommodation	2	3
Moved from overseas	2	
End of tenancy agreement	2	2
Other financial reasons	1	1
Landlord needed property for own use	1	1
Disagreement with landlord	1	2
Asked to leave because of rent arrears	1	1
Landlord developing property	*	1
Asked to leave because of changes to Housing Benefit	*	0
Unweighted Base	2,246	789

Base: All claimants.

This section now focuses on each of the four most commonly cited reasons that claimants gave for leaving their previous address.

Personal or family reasons

Overall, more than one third of claimants who moved before LHA was introduced gave personal or family reasons as one of the factors for moving (34 per cent). This was five per cent higher than the corresponding figure amongst post-LHA movers.

There were differences across the Pathfinder areas in the percentage of claimants giving personal or family reasons for moves. Amongst claimants who moved in before LHA was introduced, those in Conwy and Brighton & Hove (29 per cent) were the least likely to mention personal or family reasons as a factor. Claimants in Blackpool and Coventry (39 per cent) were the most likely.

Amongst those who moved before the introduction of LHA, a quarter of couples with children (25 per cent) cited personal or family reasons compared to over one-third (35 per cent) of lone parents and single person households (36 per cent). For those who moved in after the introduction of LHA, lone parents were more likely than any other household type to have cited personal or family reasons (32 per cent). This was nearly twice as likely as the group least likely – couples with children (17 per cent).

Marriage or relationship break-up was cited as a reason for leaving previous accommodation by some lone parents and single males in the face-to-face interviews, and where this had occurred after the introduction of LHA tended to be new claimants. Wanting to be closer to family and/or friends was mentioned as a reason for moving to a current property by some pensioners and lone parents. Sometimes health played a role, and being near family that could provide childcare, or are *'on hand'* if taken ill was an important consideration.

Moving to a better area

Overall, 15 per cent of pre-LHA movers gave moving to a better area as one of their reasons. This was four per cent higher than the corresponding figure amongst those who moved after LHA was introduced (11 per cent). Amongst those who moved after LHA was introduced, there were area variations in the percentage of claimants who had wanted to move to a better area. These ranged from four per cent in Brighton & Hove and Lewisham to 24 per cent in Leeds.

A few claimants in the face-to-face interviews had left a previous property because they were unhappy with the area, such as where there had been trouble with youngsters, or the neighbourhood was considered *'rough'*. The type of area was often an important consideration when choosing a current property – being in a quiet or safe area for single females and pensioners, or an area thought suitable for bringing up children for lone parents.

While not necessarily seen as a 'better' area, a further reason for taking a current property was the location in relation to local amenities. Proximity to schools - to either move into, or remain inside a school catchment area was mentioned, and convenience for shops, transport links, or a workplace also considered by parents, pensioners and people with health conditions.

Moving to a larger property

Claimants in the face-to-face interviews who had moved because they wanted a larger property included single people and couples moving from shared accommodation or bed-sits to one-bedroom properties and lone parents moving to larger accommodation. Claimants with children had moved either because they had previously over-occupied properties such as a one-bedroom flat, to allow for another child they were expecting at the time, or because they had found a larger house with a garden. In only one case where the reason for moving was related to size, did this result in the under-occupation (in LHA terms) of a property. While this had occurred after the introduction of LHA, the move had been influenced by increased earnings, rather than LHA. However in a few other cases LHA did have an impact, acting as a facilitator, rather than driver, allowing a move to larger, and appropriately occupied (in LHA terms) property.

Landlord selling up

Amongst those who moved in before LHA was introduced, claimants in North-East Lincolnshire were least likely (six per cent) and claimants in Brighton & Hove and Teignbridge most likely (14 per cent) to say they had moved due to the landlord selling their previous accommodation. Of those claimants who moved after LHA was introduced, those in Lewisham were least likely to have moved out of their previous accommodation because their landlord was selling up (five per cent), claimants in Brighton & Hove were six times as likely to have cited this as a reason (30 per cent). In North-East Lincolnshire, post-LHA movers were almost three times as likely as pre-LHA movers to have moved because their landlord was selling up (six per cent to 18 per cent). In Brighton & Hove, post-LHA movers were more than twice as likely to have moved for this reason (14 per cent compared to 30 per cent).

5.3.2 Claimants' experiences of looking for current property

The face-to-face interviews with claimants explored their experiences of moving to their current property, including how they went about finding accommodation and what helped or hindered the process.

These interviews showed that claimants moving to their current property had not necessarily been actively looking to move (even where the condition of previous accommodation was unsatisfactory), rather the opportunity had arisen and been taken.

Where claimants had actively searched for accommodation, experiences varied. Searches had sometimes taken several months, and the use of contacts such as friends was seen as helpful in eventually securing accommodation. Where difficulties were mentioned they restricted choice of housing. The difficulties included limited availability of property in the area, high rent levels and landlords/letting agents' reluctance to rent to benefit recipients.

The limited availability of affordable and suitable housing was a particular issue for households with children, and had sometimes resulted in a LHA shortfall and the payment of a rent top-up. High rents were

felt to have restricted access to decent accommodation for claimants in several areas. Properties under the relevant LHA rate were sometimes seen as unsuitable or '*proper dumps*'. Difficulty finding appropriate size property was also mentioned.

Landlords' reluctance to let property to benefit recipients was repeatedly mentioned as an obstacle to finding accommodation. Often claimants described approaching numerous letting agents before finding one who would accept them. The presence of children was also felt to have added to letting agents' reluctance for one lone parent.

> *'I had to beg. My landlady would not take DSS, I begged her, I said, 'Please, I need somewhere to live, I do not want to be on the streets', and she said 'yes'.'*
>
> Lone parent, forced to move when a landlord sold property.

However in one case a claimant reported using a letting agent that specialised in finding property for benefit recipients - this was seen as tremendously helpful and a suitable property was located within a few weeks. Generally, not being *'credit worthy'* was reported as prohibiting the use of letting agents who conduct checks on prospective tenants, and limited property searches to independent landlords' advertisements and word of mouth.

The impact of these restrictions on choice of current property sometimes resulted in claimants renting accommodation that they considered to be less than satisfactory.

5.3.3 The role of LHA in moving to current accommodation

One of the aims of LHA is that claimants should know in advance the rate of LHA they were entitled to, but as reported in Chapter 3 this was not always the case. Where claimants in the face-to-face interviews were aware of the LHA rates before moving this was seen as useful. Even where it was not known if Housing Benefit entitlement would be adjusted to take account of earnings, it was felt that the LHA flat rate acted as a guide to the reasonableness of rent levels and guarded against *'paying over the odds*'. Looking for a property without knowledge of LHA rates and the Housing Benefit amount caused uncertainty about the affordability of potential accommodation. Searching for a property without knowing how much rent would be covered by LHA was described as *'doing it blind',* and effectively seen as a gamble with potentially serious consequences.

5.3.4 Choice

A key consideration in the evaluation of LHA is to consider the extent to which claimants who moved perceived themselves as having increased choice under LHA. Claimants were asked whether they felt they had a good choice of housing available when they were looking for a house. This section looks at the differences in the perceptions between claimants who had moved into their current accommodation before and after LHA was introduced.

In the survey less than one-third of claimants in all areas felt they had a good choice of housing when they were searching for accommodation. Amongst claimants who moved in before LHA was introduced, those

in Teignbridge were least likely to say that they had a good choice of accommodation when looking (16 per cent) while claimants in Blackpool and Lewisham were more than twice as likely to say they had a good choice when looking (34 per cent). After LHA was introduced, claimants in Conwy were least likely to say that they had a good choice (eight per cent), while Blackpool claimants were more than three times as likely to have maintained that they had a good choice (37 per cent).

The biggest difference between pre and post-LHA movers occurred in Conwy. Amongst those who moved in before LHA was introduced, almost one-quarter (24 per cent) said they had a good choice available. This was three times as high as the corresponding figure amongst post-LHA movers (eight per cent) (Table 5.2).

Table 5.2: Area differences in whether there was a good choice of housing available to those who had moved before and after LHA was introduced

Row percentages

Area	Before LHA introduced				After LHA introduced			
	Yes	No	Don't Know	Unweighted base	Yes	No	Don't Know	Unweighted base
	%	%	%		%	%	%	
Blackpool	34	55	11	*267*	37	55	8	*142*
Brighton	30	57	13	*364*	36	58	6	*61*
Conwy	24	64	12	*193*	8	86	6	*72*
Coventry	27	60	13	*271*	28	64	9	*128*
Leeds	31	54	15	*308*	35	60	4	*77*
Lewisham	34	47	19	*295*	31	57	12	*139*
NE Lincolnshire	29	60	11	*330*	27	69	4	*66*
Teignbridge	16	71	13	*218*	11	84	5	*104*
All areas	30	57	13	*2,246*	31	62	7	*789*

Base: All claimants.

Opinions on choice differed by type of household. One-quarter of lone parents who had moved before LHA was introduced said they had a good choice of housing (24 per cent). This was 12 per cent lower than couples with and without dependent children (36 per cent), who were most likely to have said they had a

good choice of housing. The difference between the two types of household with children could be down to the fact that couples with children were twice as likely to be in the highest income group (46 per cent to 23 per cent). Thus, they are more likely to have higher gross annual household incomes, which may improve the range of housing available to them. There could be other reasons though why lone parents feel this way. For instance, they may need to be closer to family/friends and childcare responsibilities, although this was not specifically asked in the survey.

Some respondents in the face-to-face interviews said that they would prefer social housing, but this seemed to be unobtainable. This was mentioned across household types but particularly by claimants with dependant children, pensioners and people in their fifties looking ahead to their older age. The issue of stability and security was a primary concern for LHA tenants who were aware that they were vulnerable to private landlords selling properties or imposing large rent increases. Often these claimants were on council house waiting lists, some for up to ten years, but tended to believe that the chances of being rehoused were small.

5.4 Paying deposits

A factor that can affect people's decisions about moving is whether a prospective private landlord requires a deposit. Two-thirds (66 per cent) of claimants who moved into their current accommodation before LHA was introduced had to pay a deposit. Amongst those who moved into their accommodation after the introduction of LHA in their area, three-quarters (75 per cent) paid a deposit.

For claimants who moved before LHA was introduced, there were considerable area variations in the percentages paying deposits on their current accommodation. Claimants in Leeds were least likely to have paid a deposit (52 per cent), compared to almost three-quarters (73 per cent) of claimants in Brighton & Hove. In each Pathfinder area, the percentage of claimants who paid a deposit was higher amongst post-LHA movers, although the area differences were not significant. Amongst post-LHA movers, Coventry claimants were least likely to pay a deposit (67 per cent), while Conwy and Brighton & Hove claimants were most likely (83 per cent). The area differences may be influenced by the choice of housing available to claimants and the relative state of the housing market in each Pathfinder area.

Amongst claimants who had moved in before LHA was introduced, single person households were least likely to have paid a deposit (61 per cent). The corresponding figure amongst single person households who moved in after the introduction of LHA was 69 per cent, which made this group the least likely to pay a deposit. This compared to almost three-quarters of lone parent claimants who moved in before LHA was introduced (74 per cent), which was more than any other household type. Unlike those who moved in before LHA, other multi-person households, who moved in after LHA was introduced, were least likely to have paid a deposit (66 per cent). Again, lone parents were the group most likely to have paid a deposit (83 per cent).

As expected, amongst those who moved in before LHA was introduced, households in the lowest income group – those with gross annual household incomes of less than £5,000 - were the least likely to have paid a deposit on their current accommodation (60 per cent). This compared to households in the highest income group (72 per cent) – those with gross annual household incomes of at least £15,000. Amongst claimants who had moved in after the introduction of LHA, a similar pattern emerged. Less than two-thirds of the lowest income group had paid a deposit (64 per cent) compared to at least four-fifths of claimants among the two highest income groups (83 per cent and 81 per cent).

The face-to-face interviews with claimants reflect the survey finding that paying a deposit was commonplace. Where it was reported that a deposit had not been paid when moving to a current property, this tended to be where the tenant was already known to the landlord, with some stating that it would have been difficult, if not impossible, to rent the property otherwise. A key issue was funding a deposit – this was seen as *'the biggest difficulty in moving'* and was usually funded through borrowing, whether moving before or after the introduction of LHA. Sources of funding included bank loans or an overdraft, 'the council', the Social Fund, but most often family members.

The amount of deposit paid by claimants in the face-to-face interviews varied but was often based on one month's rent. In addition, rent in advance was usually paid, and in some cases agents' fees, hence the initial outlay could amount to a not inconsiderable sum.

> *'Financially I am just not in the position to pay it back, I have no money to actually pay it back because all my money at the moment goes on food and bills, and my rent.'*
>
> Lone parent, reported receiving loan from 'the council' for deposit.

Where money had not been borrowed, people explained how deposits were *'scraped together'* but resulted in being *'skint for a month'*. Occasionally it was reported that a deposit was transferred from a previous property. This was relatively straightforward when renting with the same landlord, though in one example an agent had charged a £50 fee. However difficulties arose when a different agent was used, as although the original deposit was returned, money had to be borrowed to bridge the gap between the two and fund the £250 fee for obtaining credit checks and references charged by the new agent.

5.5 Rent negotiations

LHA is designed to give an incentive to claimants to negotiate rent levels with their landlord. This section focuses on negotiations over rent between the claimant and landlord at the time of moving into the current property. Amongst those survey respondents who moved before LHA was introduced, 16 per cent tried to negotiate a lower amount, compared to 21 per cent of those who moved in after LHA was introduced.

Amongst claimants who had moved before LHA was introduced, claimants in Conwy were least likely to feel they could negotiate with their landlord (12 per cent). The corresponding figure amongst Coventry claimants, who were the most able to feel they could negotiate, was more than twice as high (30 per cent).

The face-to-face interviews reveal that key issues in terms of negotiating a rent level with a landlord were, how reasonable a tenant considers the rent and how difficult the search for a property had been. Where it was felt that the rent was reasonable for the condition of a property, claimants were happy to pay the amount asked and did not consider negotiating. However, a few claimants who had moved in before LHA was introduced had successfully negotiated a decrease where the rent asked was considered unaffordable on a low income or more than the amount received from Housing Benefit. In some cases LHA tenants had carried out maintenance or odd jobs for the landlord to *'work it off'*.

Where claimants had found it difficult searching for a property they did not want to jeopardise their prospective contract with negotiations:

> *'There is nothing to negotiate with, that is what I found, because there was a queue a mile long behind me for this property, you know and I couldn't say anything…. You have got no negotiating powers at all. If you lived in an area where there wasn't a high demand for private rented properties, then you could negotiate. But here you are just stuck'*
>
> Lone parent, new claimant.

5.6 Tenancy arrangements

The vast majority of claimants (87 per cent) rented their property from a private landlord who was an individual or couple. Two per cent rented from a private landlord that was a company or organisation, and the remaining 11 per cent rented through a letting agency. Using a letting agency was most common in Brighton & Hove (18 per cent) and Teignbridge (11 per cent), and least common in Conwy, Coventry and Leeds (all four per cent).

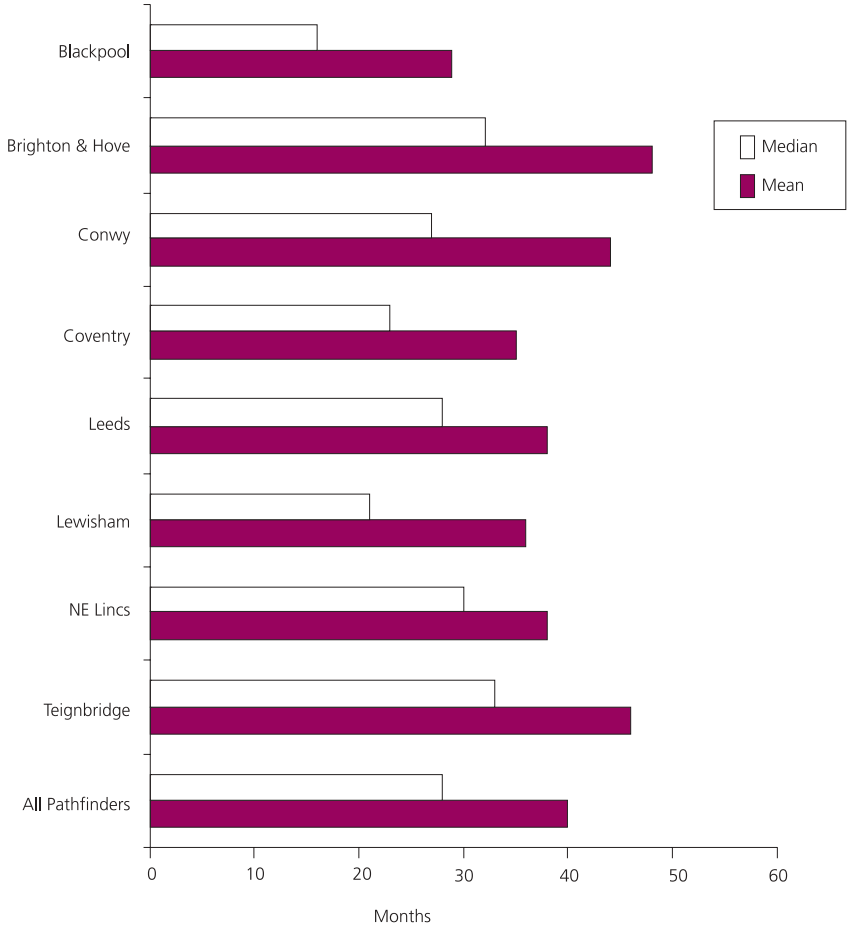
In the survey, fourteen per cent of claimants said that they did not have a tenancy agreement for a fixed length of time when they first moved into their current accommodation. This was most common in Leeds (20 per cent) and least in Blackpool (nine per cent).

In all Pathfinder areas the most commonly cited duration for a tenancy agreement was six-months (53 per cent). A further 17 per cent had contracts lasting between six months and a year. Only seven per cent had agreements lasting more than one year initially.

5.7 Length of time in current property

Amongst claimants in the survey, the average length of residence at their current address was 40 months. Lengths of residence ranged from less than one month to 186 months in a few cases. The average length of residence varied by area (Figure 3.5). The shortest was in Blackpool (29 months) and the longest in Brighton & Hove (48 months), Teignbridge (46 months) and Conwy (44 months). The median length of residence was much less than the average at 28 months, because the average is being pulled upwards by a small number of claimants who had been resident for very long periods (Table A5.2).

Figure 5.1: Average and median length of residency at current address, by Pathfinder area



Base: All claimants (excluding cases with missing values). **Notes**: Figures are based on responses for 3,036 claimants in nine Pathfinder areas.

As shown in Table A5.2, the differences between areas in average lengths of residence are reflected in the high proportion of very short residences in Blackpool (25 per cent had been resident for less than six months) compared to Brighton & Hove (nine per cent). Across all Pathfinder areas, it was most common for claimants to have been resident between two and five years (29 per cent).

Average length of residence was strongly linked to age, at 16 months for under 25s, 40 months for older working age claimants and 69 months for those of pensionable age. Indeed all of the claimants in the face-to-face interviews who had been resident in their current property for ten years or more were pensioners.

Chapter 6: Rent levels and LHA rates

- Across all Pathfinders over one-half (57 per cent) of claimants have an excess and nearly two-fifths (39 per cent) had a shortfall. Only 3% of claimants had rent levels that matched their LHA exactly.
- Average shortfalls and excesses tended to be higher in areas where average contractual rent is higher, for example, Lewisham and Brighton & Hove; and lower where average contractual rent is lower.
- As entitlement increased, the proportion of claimants with a shortfall decreased and the proportion of claimants with an excess increased.
- In each Pathfinder area average shortfalls range from 14 per cent to 22 per cent of rent, while average excesses range from ten per cent to 26 per cent of rent.
- Some claimants in the face-to-face interviews thought they were paying a rent top-up, when actually their Housing Benefit amount was more than their rent. This happened because the Housing Benefit amount covers one, two or four weeks, but rents are generally calculated over the calendar month.
- Approximately one in six claimants had had a rent increase since LHA was introduced in their area. From the face-to-face interviews claimants' uncertainty about receiving an excess occasionally resulted in an increase to the LHA rate.

6.1 Introduction

This chapter examines the rent levels of claimants on the LHA and their perception of the reasonableness of the rents they pay. It then goes on to look at whether claimants have an excess or shortfall, how much this is and the factors which may influence this as well as the overall effect of the LHA. Finally it considers the impact of the introduction of LHA on rent levels.

6.2 Rent levels

6.2.1 The average levels of rent, LHA rate and Housing Benefit amounts and the number of claimants receiving the LHA in each Pathfinder area

Using DWP Management Information data, Table 6.1 shows average weekly rent level for Housing Benefit claimants[18], average Housing Benefit amount, and the average LHA rate across all properties for each Pathfinder area. Average rent varied across Pathfinder areas with higher average rent in Lewisham (£135) and Brighton & Hove (£121) and lower average rent in North-East Lincolnshire (£77) and Conwy (£78). These variations reflect the different housing markets in the Pathfinder areas and the composition of the caseload in terms of entitlement, claimants' circumstances and property size. Areas with competitive housing markets (high housing demand and/or a shortage of properties to let) such as Lewisham, Brighton & Hove and Edinburgh are likely to have higher rents.

[18]All **rents** are contractual rents for which the claimant is liable, not rent for the entire property. The number of **rooms** is the number of habitable rooms in the property (excluding kitchens, bathrooms and toilets) that the tenant has access to. So in cases of shared accommodation this does not include rooms that are used solely by the other tenants. Definitions of LHA rate and Housing Benefit amount, are given in the glossary.

Table 6.1: The average levels of rent, LHA rate and Housing Benefit amounts and the number of claimants receiving the LHA in each Pathfinder area

	Average rent	Average amount of HB	Average LHA rate	Caseload
Blackpool	£90	£81	£86	7320
Brighton & Hove	£121	£118	£129	7700
Conwy	£78	£67	£ 73	1660
Coventry	£86	£86	£92	2840
Edinburgh	£102	£86	£119	5520
Leeds	£81	£83	£ 88	4570
Lewisham	£135	£147	£158	3340
NE Lincs	£77	£68	£ 74	3940
Teignbridge	£93	£82	£ 95	1440

Note: No exclusions in the caseloads. For other columns partial exclusions for North-East Lincolnshire. Caseloads are rounded to the nearest 10.
Source: DWP administrative data for Pathfinder areas. Nov 04

Variations in rent levels are reflected in Housing Benefit amounts and LHA rates in each area; those areas with higher levels of rent also have higher Housing Benefit amounts and LHA rates. As expected, average Housing Benefit amounts are less than average LHA rates in all Pathfinder areas.

Table 6.2 shows average rent by Pathfinder area and property size. As expected, larger properties have higher rents. Leeds and Brighton & Hove have the largest relative rent differential between a 1 room and a 6 or more rooms property. Blackpool has the smallest relative rent differential.

Table 6.2: Average rent by Pathfinder area and property size

Number of rooms	1 £	2 £	3 £	4 £	5 £	6 plus £
Blackpool	72	77	95	105	112	125
Brighton & Hove	81	118	155	178	199	207
Conwy	60	70	82	92	98	*
Coventry	58	75	87	93	97	108
Leeds	56	73	86	95	103	114
Lewisham	84	124	159	193	222	*
Teignbridge	59	80	98	109	117	*
All	73	95	114	115	120	141

Note: * based on a small number of cases meaning population may not be representative.
Note: Edinburgh and North-East Lincolnshire are excluded.
Source: DWP administrative data for Pathfinder areas. Nov 04.

6.2.2 Perceptions of reasonableness of rent levels

When exploring people's perceptions of their rent level in the face-to-face interviews an initial response amongst some was that their rent was expensive. However, this often related to views about the level of rent being *'incredibly high'* in the private rented sector in general. This was particularly the case when compared to social housing which was thought of as cheaper. It was therefore important to focus perceptions of reasonableness of rent on comparisons with similar properties in the area.

The survey data shows that across the Pathfinder areas, a tenth of claimants (nine per cent) thought they were paying higher than average rent (when referring to claimants' perception of rent the word "average" is used in the sense of "general" or "usual"). This varied from one in twenty (five per cent) in Brighton & Hove to just over one in eight (13 per cent) in Blackpool and Leeds (Table A6.1).

The survey data shows that duration of tenure influenced claimants' perception of their rent. Claimants who had rented their current accommodation for longer periods of time (more than five years) were around twice as likely to think their rent was lower than average, compared with claimants who had lived there for four years or less.

The face-to-face interviews reflect the survey findings. People who had been in their current property for longer periods tended to see their rent level as being reasonable or very good. There were reports of good relationships with landlords which had developed over the years, and some claimants whose rent was below the LHA rate had received no or only limited rent increases.

Conversely, some claimants (across areas) in the face-to-face interviews who had moved within the last year noted difficulty obtaining accommodation at what they considered to be a reasonable rate. This particularly affected lone parents, several of whom felt pushed into paying a higher rent than they would have liked. The analysis[19] of the survey data showed that households with children were less likely to think their rent was lower than average compared with single people. Households without children were fairly equally likely to think that their rents were lower than average.

For respondents in the face-to-face interviews, the condition of a property was a key issue when considering the reasonableness of their rent level. People who felt that their rent level was unreasonably high, were generally dissatisfied with their property. Issues here included poor condition and state of repair, inadequate heating and damp, coupled with landlords' lack of maintenance and unresponsiveness to reported problems. Even though rent levels were lower than the LHA rate, claimants felt that they were still too high, given the condition of the property or type of area. Frequently, adverse comparisons were made with other properties in the area and to previous accommodation.

Respondents who felt that their rent was *'about right'* tended to base their view on a comparison of their current rent and condition of the property with other properties in the area. Here, issues such as state of repair, spaciousness and location of a property were mentioned. There was a feeling amongst some that *'you pay for what you get'*.

6.3 The proportion of claimants who have an excess or a shortfall

LHA is intended to promote fairness, so that the same amount is paid to claimants with similar circumstances living in the same area. This differs from the scheme prior to the introduction of the LHA, which relates the level of benefit to the rent actually being paid. The LHA also aims to promote choice for claimants so they can trade between the quality and price of their accommodation[20]. This section uses the DWP Management Information data to investigate whether LHA is meeting the actual rent paid by claimants. The LHA rate is the maximum amount a claimant can receive before any income or non-dependant adjustments are made. When the LHA is more than the rent a claimant is said to have an excess. When the LHA is less than rent a claimant is said to have a shortfall, see *Appendix A Glossary of terms* for further explanation .

Table 6.3 shows the percentage of claimants with an excess or shortfall. Across all Pathfinders over half (57 per cent) have an excess compared to 39 per cent of claimants who have a shortfall. Percentages of claimants with excesses and shortfalls vary across the Pathfinder areas. The percentage of claimants with an excess ranges from 38 per cent, in North-East Lincolnshire, to 75 per cent in Lewisham and Edinburgh. The percentages of claimants with a shortfall range from 23 per cent in Lewisham to 60 per cent in North-East Lincolnshire.

[19]This analysis makes use of logistic regression, see notes in *Appendix B* for a fuller explanation.

[20]Under the LHA claimants can be paid an excess LHA rent amount which is higher than their contractual rent; this is impossible under the Housing Benefit scheme prior to the introduction of the LHA.

Table 6.3: Proportions with an excess or shortfall by Pathfinder area

Row percentages

	LHA rate equals rent %	LHA rate greater than rent (excess) %	LHA rate less than rent (shortfall) %	All %
Blackpool	10	40	50	100
Brighton & Hove	1	62	37	100
Conwy	3	40	57	100
Coventry	2	62	36	100
Edinburgh	1	75	24	100
Leeds	5	63	32	100
Lewisham	2	75	23	100
NE Lincs	2	38	60	100
Teignbridge	2	53	45	100
All	3	57	39	100

Source: DWP administrative data for Pathfinder areas Nov 04.
Note: Partial exclusions for North-East Lincolnshire.

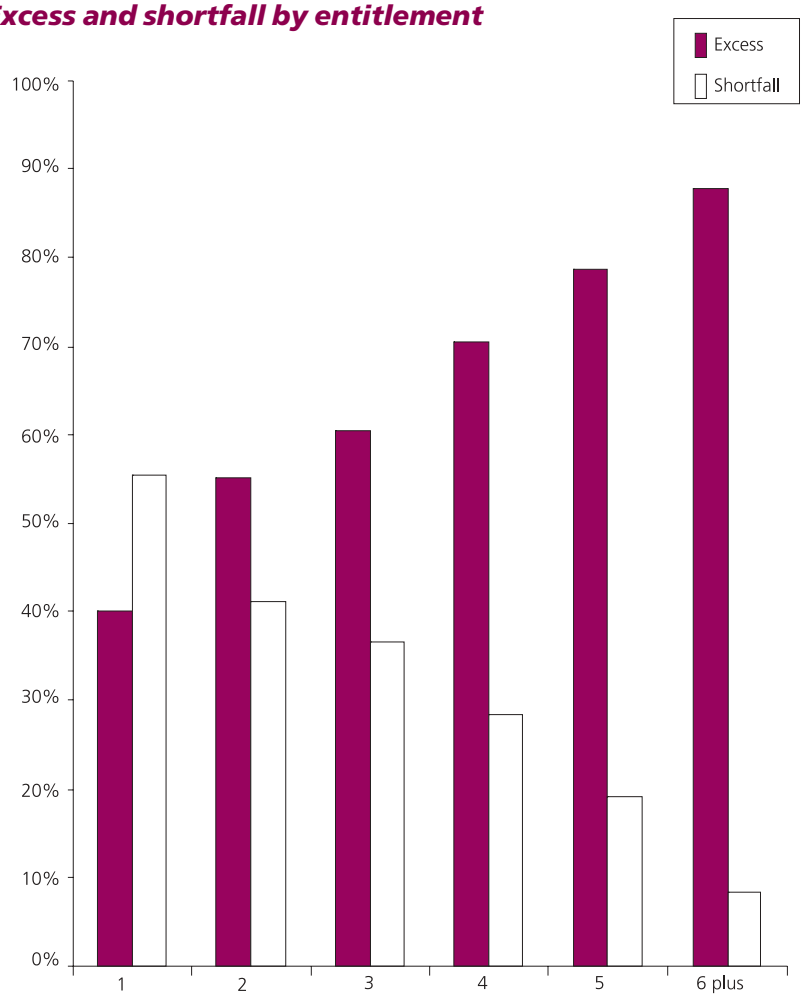
Apart from Blackpool, North-East Lincolnshire and Conwy, the percentage of claimants with an excess is higher than the percentage of claimants with a shortfall in the individual Pathfinder areas. The exception in these areas is not particularly because claimants are more likely to be under-occupying (only North-East Lincolnshire has a higher than Pathfinder average level of under-occupation, see *Section 4.2.3*). Furthermore, in the other Pathfinder areas those appropriately-occupying are more likely to have an excess than a shortfall. This is not the case in Blackpool, North-East Lincolnshire and Conwy where claimants are only equally or less likely to have an excess.

Only a small percentage of claimants have rent equal to LHA rate (three per cent). This is probably because it is unlikely that claimants, at this early stage, will be receiving exactly the same LHA as rent. Analysis on the distribution of excess and shortfalls shows that 41 per cent of claimants have an excess or a shortfall which is less than £10 a week.

6.3.1 The percentage of claimants who have an excess or a shortfall by entitlement

Figure 6.1 shows that the percentage of claimants with a shortfall decrease as entitlement[21] increases and percentages of claimants with an excess increase as entitlement increases. This relationship exists because the larger the entitlement, the more scope a claimant has for over-occupying. Consequently, the more likely they are to have an excess. Similarly for shortfalls, as entitlement increases scope for under-occupying is reduced and therefore the likelihood of a shortfall is reduced.

Figure 6.1: Excess and shortfall by entitlement



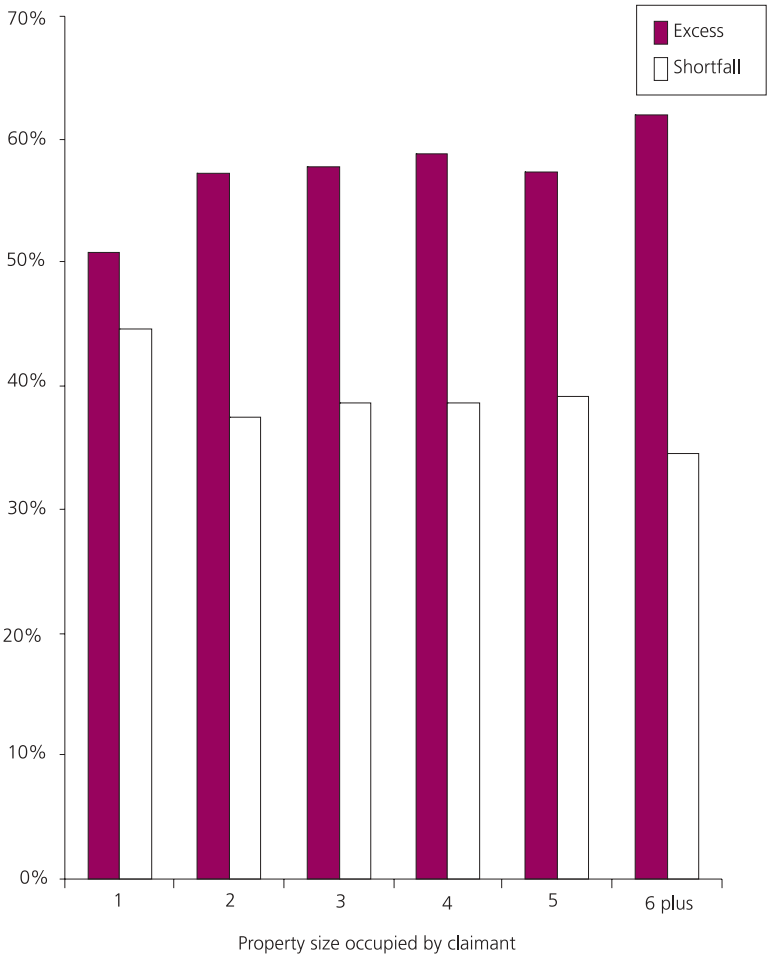
Source: DWP administrative data for Pathfinder areas Nov 04.
Note: Partial exclusions for North-East Lincolnshire.

[21]Entitlement refers to the number of rooms the claimant is entitled to according to the size criteria, which sets out the total number of rooms allowed when calculating the LHA rate for a claimant, taking into account family size, ages and gender of children etc. They may not necessarily live in accommodation which meets their entitlement.

6.3.2 The percentage of claimants who have an excess or a shortfall by property size

The percentage of claimants with a shortfall or excess are relatively constant when broken down by property size (Figure 6.2). This is because there is no clear relationship between property size[22] and under/over or appropriate-occupation. Without this relationship there is no obvious reason why whether a claimant has an excess or a shortfall should be related to property size.

Figure 6.2: Excess and shortfall by property size



Source: DWP administrative data for Pathfinder areas. Nov 04.
Note: Edinburgh and North-East Lincolnshire are excluded.

[22]The property size refers to number of rooms - number of **rooms** is the number of habitable rooms in the property (excluding kitchens, bathrooms and toilets) that the tenant has access to. This is the accommodation they actually occupy.

6.4 Average amounts of the shortfalls and excesses

6.4.1 Average amounts of shortfalls and excesses by area

Table 6.4 shows the average weekly shortfall and excess[23] amounts by Pathfinder area. Average shortfalls are usually higher in areas where average contractual rent is higher, in Lewisham (£24) and Brighton & Hove (£19) and lower where average contractual rent is lower, North-East Lincolnshire (£11). Similarly there are higher average excesses in areas with higher rents, (Lewisham, Brighton & Hove and Edinburgh) and lower average amounts in lower average rent areas, for example, just £8 in North-East Lincolnshire.

In each Pathfinder area, average shortfalls range from 14 per cent to 22 per cent of rent, while average excesses range from 10 per cent to 26 per cent of rent. In most Pathfinder areas, the average excesses are higher than the average shortfalls. The areas which have higher average shortfalls than excesses are those areas (Blackpool, North-East Lincolnshire and Conwy) which have a higher percentage of claimants with a shortfall. Not only are claimants in these areas more likely to have a shortfall, but they are more likely to have a larger shortfall.

Table 6.4 Levels of average shortfall and average excesses by Pathfinder area

	Shortfall £	Excess £
Blackpool	18	13
Brighton & Hove	19	25
Conwy	17	12
Coventry	16	19
Edinburgh	17	27
Leeds	17	19
Lewisham	24	37
NE Lincs	11	8
Teignbridge	16	18
All	17	22

Source: DWP administrative data for Pathfinder areas. Nov 04.
Note: Partial exclusions for North-East Lincolnshire.
Note: Average shortfalls are calculated based on all those with a shortfall. Average excesses are calculated based on all those with an excess.

[23]Average shortfalls are calculated based on all those with a shortfall, and average excesses are calculated based on all those who have an excess.

6.4.2 Average amounts of shortfalls and excesses by entitlement

Table 6.5 shows average shortfalls and excesses by entitlement. Average shortfalls are fairly constant across entitlement type, with the exception of one room entitlements. For one room entitlements average shortfalls (£24) are higher than the amount across all entitlement types (£17). One reason for this would be because that those entitled to one room properties are more likely to be under-occupying. However, the amount of average excess and entitlement type seem to be related, with average excesses increasing as entitlement type increases.

Table 6.5: Average shortfall and excess by entitlement

		Room entitlement						
		1	2	3	4	5	6 plus	All
Average Shortfall	£	24	16	15	13	14	18	17
Average Excess	£	10	18	21	28	35	62	22

Source: DWP administrative data for Pathfinder areas. Nov 04.
Note: Partial exclusions for North-East Lincolnshire.
Note: Average shortfalls are calculated based on all those with a shortfall. Average excesses are calculated based on all those with an excess.

6.5 Property size and shortfalls and excesses

Claimants' decisions about size of property is one of the factors which influences whether a claimant has a shortfall or an excess[24]. Chapter 4 (section 4.3.2) gave details of the accommodation claimants occupied and whether they were appropriately-occupying or otherwise in terms of the size criteria. Table 6.6 shows whether a claimant has a shortfall or excess dependent on whether they are over/under or appropriately–occupying.

Table 6.6: Over/under or appropriately occupying by excesses and shortfalls

Row percentages

	LHA rate equals rent %	LHA rate greater than rent %	LHA rate less than rent %	All %
Appropriately –occupied	4	58	38	100
Under occupation	2	44	53	100
Over Occupation	2	81	17	100

Source: DWP administrative data for Pathfinder areas. Nov 04.
Note: Partial exclusions for North-East Lincolnshire.

[24]This analysis, seeks to examine the effects of the LHA regardless of a claimant's income; thus, the focus is on the claimant's ability to meet the rent if they were on maximum eligible LHA. This is referred to when writing about **shortfalls** (LHA is less than rent) and **excesses** (LHA is more than rent).

As expected, Table 6.6 indicates that excesses and shortfalls are closely related to over/under occupation. Claimants who were over-occupying were more likely to have an excess and claimants who were under-occupying were more likely to havea shortfall. Around 80 per cent of those who were over-occupying had an excess, whilst only 44 per cent of those who were under-occupying had an excess.

Even for those claimants who were appropriately-occupying only a minority had LHA at a level equal to their rent. This suggests that both excesses and shortfalls are not just a product of over/under-occupation but are also the result of other factors such as quality of accommodation or whether claimants are occupying cheaper or more expensive accommodation. The majority of these factors will be determined by wider housing market conditions in each Pathfinder area.

Table 6.6 also shows that of those appropriately-occupying, 58 per cent had an excess compared to 38 per cent who had a shortfall. Thus, even controlling for any effects of over/under-occupying, claimants were more likely to have had an excess than a shortfall. This helps explain why even though claimants were more likely to be under-occupying than over-occupying (section 4.2.3), overall more claimants have had an excess rather than a shortfall (Table 6.3).

The correspondence between excess and over-occupying also seems stronger than between shortfalls and under-occupying. For example, there is a 23 percentage point difference between those appropriately-occupying with an excess and those over-occupying with an excess. This compares to only a 15 percentage point difference between those claimants appropriately-occupying with a shortfall and those under-occupying with a shortfall.

The face-to-face interviews reveal that a diversity of factors affect the over or under-occupation of a property and the extent to which property size might be a choice which could be influenced by LHA. Where people were under-occupying properties, the location and also how the property was found tended to be key issues, rather than deliberately choosing an 'oversized' property. Where someone had recently chosen to under-occupy a more expensive property (increasing a rent top-up), increased earnings from a new job was the key factor in the decision. Where over-occupancy occurred, it arose in households with children who had found their choice limited through the lack of suitably sized properties in the area. They had also been unaware of their LHA entitlement at the time of moving, which had restricted searches to lower priced properties for fear that LHA would not cover rent.

6.6 The effect of the introduction of the LHA on proportions of claimants with a shortfall and average shortfalls

The introduction of LHA removed one of the ways in which claimants might have been left with a shortfall by removing property specific restrictions[25]. Thus the introduction of LHA has reduced the percentage of claimants with shortfalls in rent[26]. Table 6.7 shows that the percentage of claimants with a shortfall fell in all areas. This varied between Pathfinder areas. The largest changes were in Leeds and Blackpool with a 32 percentage point and 26 percentage point decrease respectively. The smallest change was in Conwy, where there was only a four percentage point reduction in shortfalls.

Table 6.7: Changes in the proportions of claimants with a shortfall by Pathfinder area

Row percentages

Pathfinder	Percentage with shortfall before LHA %	Percentage with shortfall after LHA %	Percentage point change %
Blackpool	76	50	26
Brighton & Hove	50	37	13
Conwy	61	57	4
Coventry	53	36	18
Edinburgh	50	24	25
Leeds	64	32	32
Lewisham	42	23	19
NE Lincs	77	60	17
Teignbridge	55	45	10
All	58	39	19

Source: DWP administrative data for Pathfinder areas Nov 04. Rent Officer data April 2003 to August 2004. Rent Officer data November 2003-2004.
Note: Partial exclusions for North-East Lincolnshire.
Note: No allowances are made for compositional changes in either the Pathfinder or the Control areas.

[25]Property specific restrictions include Exceptionally High Rent, Significantly High Rent, and Exceed-size Criteria and were removed on the introduction of the LHA.

[26]To allow the actual number of claimants with a shortfall and the actual average amount of shortfalls to be compared, no adjustments have been made in the following section to control for changes in the composition of property sizes and Pathfinder areas. As a result changes in tables 6.7-6.9 could be, in part, reflecting these compositional changes. For example, if an area with a low proportion of shortfalls and low average shortfalls has become more dominant in the dataset then across all areas percentage shortfalls and across all areas average shortfalls with fall. This fall will be a result of the introduction of the LHA but it will not be because of the LHA policy design.

On average in the Pathfinder areas, the percentage of claimants with a shortfall fell from 58 percent to 39 percent. Average shortfalls have also been reduced, from £24 to £17 (Table 6.8). Both the percentage of claimants with a shortfall and the level of average shortfall have remained fairly stable across the Control areas, see *Appendix B* for explanation of Control areas). This could suggest that these changes are a result of the LHA, rather than wider housing market changes, although some of the fall may also be due to compositional changes, rather than any real policy effects of the LHA.

Table 6.8: Change in the proportions with a shortfall and average shortfall in Control and Pathfinder areas

	Pathfinder		Control	
	% with a shortfall	Average shortfall	% with a shortfall	Average shortfall
	%	£	%	£
Before	58	24	60	22
After	39	17	56	23

Source: DWP administrative data for Pathfinder areas Nov 04. Rent Officer data April 2003 to August 2004. Rent Officer data November 2003-2004.
Note: Partial exclusions for North-East Lincolnshire. **Note**: Average shortfalls are calculated based on all those with a shortfall. Average excesses are calculated based on all those with an excess. **Note**: No allowances are made for compositional changes in either the Pathfinder or the Control areas.

The analysis above assumes that changes in the numbers of claimants with a shortfall are largely due to the removal of one of the ways claimants can end up with a shortfall. However, it is possible that the introduction of the LHA has affected shortfalls even after controlling for the removal of property specific restrictions. To examine this, Table 6.9 shows hypothetical shortfalls at the level they would be if there were no property specific restrictions in the Pathfinder and the Control areas.

Even controlling for the removal of property specific restrictions there is a fall in the percentage of claimants who have a shortfall after the introduction of the LHA in Pathfinder areas. This reduction is around 10 percentage points in Pathfinder areas, compared to around 4 percentage points across the Control areas. This suggests that part of the decrease in the percentage of claimants with a shortfall (shown in Table 6.8) is due to the removal of property specific restrictions. However, an additional part is due to the introduction of the LHA. Possibly, claimants in Pathfinder areas are choosing accommodation which means they will not experience a shortfall. However, this might simply be capturing the effects of a change in the composition of Pathfinder areas.

Table 6.9: Changes in shortfall Hypothetical restrictions (excluding the effects of Property specific restrictions)

	Pathfinder % with a shortfall	Control % with a shortfall
Before	48	49
After	39	45

Source: DWP administrative data for Pathfinder areas Nov 04. Rent Officer data April 2003 to August 2004. Rent Officer data November 2003-2004.
Note: Partial exclusions for North-East Lincolnshire. **Note**: No allowances are made for compositional changes in either the Pathfinder or the Control areas.

6.7 Explaining differences/similarities in rent levels and LHA rates

Using data from the face-to-face interviews, supplemented with published LHA rates it is possible to further explore circumstances where LHA rates are in excess, fall short, or match rent levels.

6.7.1 LHA excess over rent level

Reasons that LHA rates may be higher than rent levels can be grouped into two main sets of circumstances:

- the claimant resides in accommodation that is smaller than need, in poor housing conditions or less sought after location, and
- the claimant pays a below average rent level.

Whilst these two sets of circumstances can be connected, this is not always the case as outlined below.

In the face-to-face interviews where rent levels were less than the LHA rate, this was often said to reflect poor housing conditions. Problems reported generally involved damp, inadequate heating, or lack of maintenance with reports of landlords' unwillingness to address these issues. The local environment was also mentioned where problems had been experienced with security and neighbourhood disturbance.

The second set of circumstances identified in the face-to-face interviews involved tenants who were generally satisfied with the condition of the property, and felt that their rent was set at a reasonable rate, sometimes known to be below the market rent level. Occasionally there had been negotiation about the rent level. Some claimants had lived in their properties for several years during which time their rent levels had been fairly stable. For this group the relationship with the landlord was often a key factor in terms of setting and maintaining rent levels and the landlords were often individuals rather than letting agencies.

6.7.2 LHA shortfall against rent level

The face-to-face interviews identified a range of reasons why rent levels were higher than the LHA rate resulting in a shortfall. These reasons are not mutually exclusive as some people were affected by several issues. Generally claimants whose rent level was higher than the LHA rate felt that they were living in good standard accommodation. This related to property size (both room size and number of rooms), condition, the presence of other amenities (such as, a garden, and/or garage), or was considered to be in a desirable location.

Under-occupancy could be a further reason why some claimants' rent was higher than the LHA rate. In a few cases, a single person was living in a two or three bedroom property, and in one household, a claimant with two children under the age of ten had chosen to move to a property where the children had separate bedrooms, whereas the LHA rate is based on children under ten sharing a room[27].

Lack of availability, and a competitive rental market coupled with difficulty finding a landlord or letting agent willing to rent to tenants on benefits also accounted for high rent levels in some cases. A few lone parents (in different areas), who had moved since LHA had been introduced, found it impossible to find suitable accommodation within the LHA rate for which they were entitled. Issues surrounding moving to current accommodation are discussed in Chapter 5. In a further few cases the shortfall, or extent of shortfall, can be explained by increases in rent, see *Section 6.9.2*.

Changes in circumstances also played some part in renting property at a higher level than the LHA rate. Here people had moved into a property whilst in a financially better position and could afford a higher rent than covered by the LHA rate, but had subsequently experienced a loss of income and a claim for benefit whilst their rent liability remained[28].

6.7.3 LHA rate matches rent level

In the face-to-face interviews, one factor responsible for LHA rates matching rent levels was rent increases being imposed after, or at the same time, as the introduction of LHA. Rent increases are discussed further in Section 6.9.2.

However, in a further few cases where the rent level matched the LHA rate, this just seemed to be coincidence, with no reports of rent increases. One example of how landlords and letting agents were responding to LHA, is a claimant who had moved into the property after the introduction of LHA, using an agency which specialised in tenants on benefits. The rent was set at exactly the LHA rate, and was due every four weeks - in line with LHA calculated on a weekly basis - rather than each calendar month which was more usual with agency rentals, although this was only one example currently.

[27]Sharing rooms is not an issue solely limited to claimants on the LHA as also relates to social sector tenants as well as owner-occupiers who cannot afford larger properties. In addition, this is an issue for non-LHA claimants in the private rented sector where the size criteria will also apply.

[28]Under current Housing Benefit rules when a Housing Benefit claim begins after loss of job/income rent is met in full for an initial three month period.

6.8 Experiences of receiving more or less Housing Benefit than the rent due

6.8.1 The Housing Benefit amount

As mentioned earlier in this Chapter, the LHA rate is the maximum amount a claimant can receive. However, this is not necessarily the amount of money actually paid to claimants in Housing Benefit, once adjustments are made for income or non-dependants. Housing Benefit amounts lower than the LHA were received by some claimants in the face-to-face interviews. They usually knew that their Housing Benefit was less than the LHA rate, but were not necessarily aware of the full amount of the LHA rate. The face-to-face interviews explored people's perceptions of the difference between the amount of Housing Benefit they received and their rent, and the impact of either receiving more or less in benefit than their rent.

6.8.2 Transparency

It was apparent from the face-to-face interviews that despite the intended transparency of LHA rates, there was uncertainty about whether the amount of Housing Benefit received left claimants with a surplus once rent was paid or needing to top up their rent from other sources. A key issue here is that the LHA rate is calculated on a weekly, and usually paid on a fortnightly basis[29], whereas rents can be paid per calendar month. Respondents tended to multiply the weekly LHA figure by four (or the two weekly amount received by two), and compared this with a monthly rent level. This method could be seen as very sensible in terms of budgeting, because in practice, a claimant would only have received four weeks LHA payment before having to pay a monthly rent, and would therefore need to find, or would be able to keep, any difference. That at some point a few months on, there could be an LHA payment left over, is perhaps irrelevant on a day-to-day basis for people managing on a tight budget. However, where this occurred people's perception of the amount of Housing Benefit surplus or rent top up differed from a figure calculated pro rata over a year - claimants in the interviews who thought in this way tended to underestimate or be unaware of any Housing Benefit surplus or overestimate the extent of a rent top-up.

A further issue is that the amount of a LHA surplus or rent top-up is susceptable to change, for example, with rent increases, and differences in earnings or benefit receipt, highlighting that these are potentially fluid, rather than static categorisations.

6.8.3 Receiving a Housing Benefit Surplus

The fact that claimants are entitled to keep any surplus between their Housing Benefit amount and rent is a key feature of LHA that differentiates it within the Housing Benefit system. The policy aims to allow claimants more choice. Respondents in the face-to-face interviews were asked about any surplus and how it was used. One of the main issues was that people did not always realise that they had a surplus. Where people's rent was charged weekly, the amount of Housing Benefit surplus was clear. However, for the reasons explained above, where rent was paid per calendar month this tended to cause confusion. Several

[29]All Pathfinders pay benefit on a fortnightly basis apart from Conwy who pay on a weekly basis.

claimants talked in terms of paying a top-up, where if proportioned out monthly they would have a Housing Benefit surplus (although likely to be a small one maybe), and for a few others, the extent of any surplus was underestimated.

Where people were aware of receiving a LHA surplus, its tangibility and impact varied depending on several factors. First, whether or not it reached the respondents. One couple who had transferred onto LHA when they moved into their current property explained that an amount equivalent to the LHA surplus was taken by their letting agent for contents insurance reported to be a condition of renting the property, so did not feel the surplus had any impact. (There was no suggestion here that this was linked to LHA as the agent was not aware the tenants were claiming benefit, and requiring tenants to take out contents insurance may be questioned in terms of industry good practice).

Secondly, there were differences in how people used their LHA surplus, for example whether it was incorporated with general budgeting or kept as a separate sum. In some cases, people could see where their surplus was being used in their budgeting, for example as a '*buffer*' to help with bills or with additional costs recently incurred due to health deterioration. Others were saving for a particular item or to visit family.

A third issue relates to people's understanding of the LHA policy. As reported in Chapter 3, low awareness of LHA could lead to some misunderstanding about the receipt of a surplus. Occasionally, it was spent on maintaining the property rather than incorporated into a personal budget where the surplus was seen as *'an incentive for people to keep up their properties'*. There was also a fear amongst some claimants that the payment was an error which could be reviewed and reclaimed. In both situations, the nature of, and entitlement to, a Housing Benefit surplus was unclear with the issue being that '*I do not class it as my money*'.

A further issue associated with receiving a surplus was the landlord's reaction. A few claimants mentioned that landlords had felt that the surplus should go to them rather than tenants, but respondents had stood their ground. These claimants felt able to assert their right to keep the payment and had clarified their entitlement to the surplus with the Housing Benefit office. By the time of the research interview, other respondents had seen initial surpluses taken up by increases in rent, see *Section 6.9.2*.

6.8.4 Paying a rent Top-up

Where the Housing Benefit amount falls short of the rent level, a claimant can be liable to pay a rent top-up. Whilst it is possible that landlords might absorb the difference, all the claimants in the face-to-face interviews who were in this situation, were expected to fund this top-up themselves. The LHA policy is designed to offer people the opportunity to trade up and move to a property with a rent level above the LHA rate, and so choosing to pay a top-up. However, whilst one claimant had chosen to move to a better quality property knowing that increased earnings would cover a greater top-up, generally payment of a top-up was not seen as a choice, lack of availability of property at the LHA rate was an issue for some.

As mentioned above in relation to surpluses, it was again apparent from the face-to-face interviews that the difference between rents paid monthly and LHA based on a weekly rate was unclear, and the extent of a top-up often overestimated against a pro rata calculation.

Where people who had transferred from the previous Housing Benefit scheme and had paid a similar amount of top-up under both schemes, paying a top-up under LHA meant effectively no change. However, the difference was felt more strongly for people making a new claim, who had moved to a more expensive property, or where rents had increased and the LHA rate had not. Here a top-up was paid for the first time, or the amount of a top-up had increased, and although the additional rental payment might not be a direct result of LHA, people felt that they were proportionately worse off. Conversely, financially beneficial changes in circumstances, such as increased earnings or entitlement to an additional benefit, meant that payment of a top-up was now easier to fund.

6.9 The impact of the introduction of the LHA on rent levels

It is important to recognise that the introduction of the LHA could have wider implications on the housing market. One of the ways LHA might impact on the local housing market is to increase or decrease rents for each property. This section considers whether rent levels have changed over the first few months of the introduction of the LHA[30].

6.9.1 Changes in average rent in Pathfinder areas

Compared to before the introduction of the LHA, there have been increases in the average level of rent in all Pathfinder areas[31]. The largest increases occurred in Coventry (seven per cent), Conwy (six per cent) and Brighton & Hove (five per cent). Across all the Pathfinder areas the increase is around four per cent as shown in Figure 6.3.

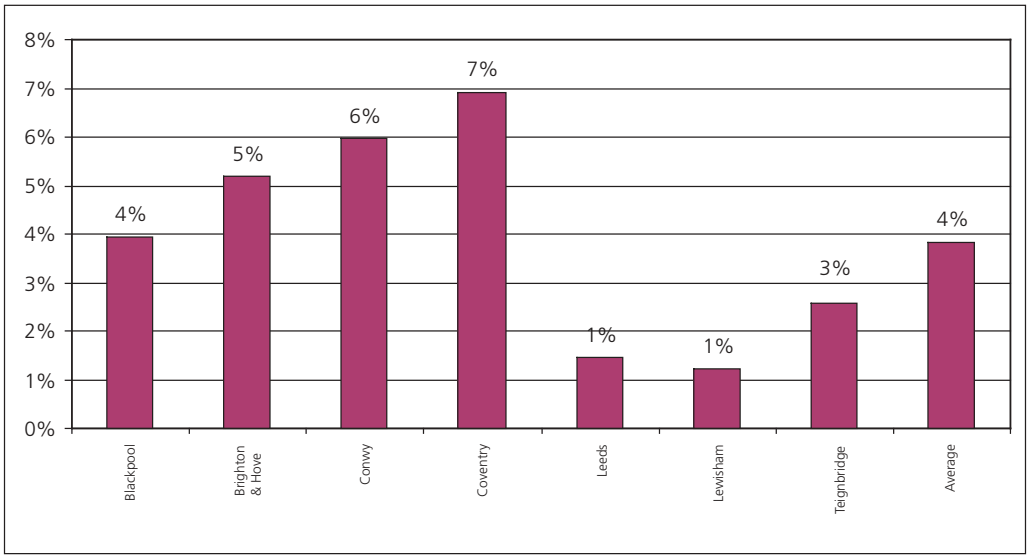
[30]The strong positive relationship between property size and rent levels evident from Table 6.2 suggests that average rents in each area will be affected not only by the rent charged for each property but also by the composition of property sizes in each area. If there is an increase in number of six room properties and a fall in the number of one room properties, average rent across all property sizes will increase, even if average rent, for one room and six room properties remained constant. To compensate for this and to isolate the effect LHA is having on rent per property, across all property sizes, it is necessary to allow for any changes that may have occurred in the composition of property sizes. Given that housing stock is fixed over the period of this analysis the need to control for composition is largely due to a change in the dataset over the period, rather than a need to control for any changes in the housing stock.

Similarly average rent levels vary across Pathfinder areas. If an area with high rents becomes relatively larger in the dataset, then even if rent had not increased for any individual property average rents could appear to increase in the results. Thus, to isolate the effect the LHA is having on rent per property, it is necessary to allow for any changes that may have occurred in the composition of Pathfinder areas.

The tables and figures in the following section allow for changes in the composition of property size by weighting the average rent for each property size before introduction of the LHA by the proportion of property sizes that existed after the introduction of the LHA. Allowances for changes in the composition of Pathfinder areas are produced by weighting each Pathfinder area average rent, by the relative size of each Pathfinder area after the LHA has been introduced.

[31]In the Pathfinder areas the picture before the introduction of the LHA uses annual data from Rent Officers which runs from April 2003 to March 2004. This dataset is 100 per cent and refer to flows.

Figure 6.3: Percentage change in Average rent levels across Pathfinder areas



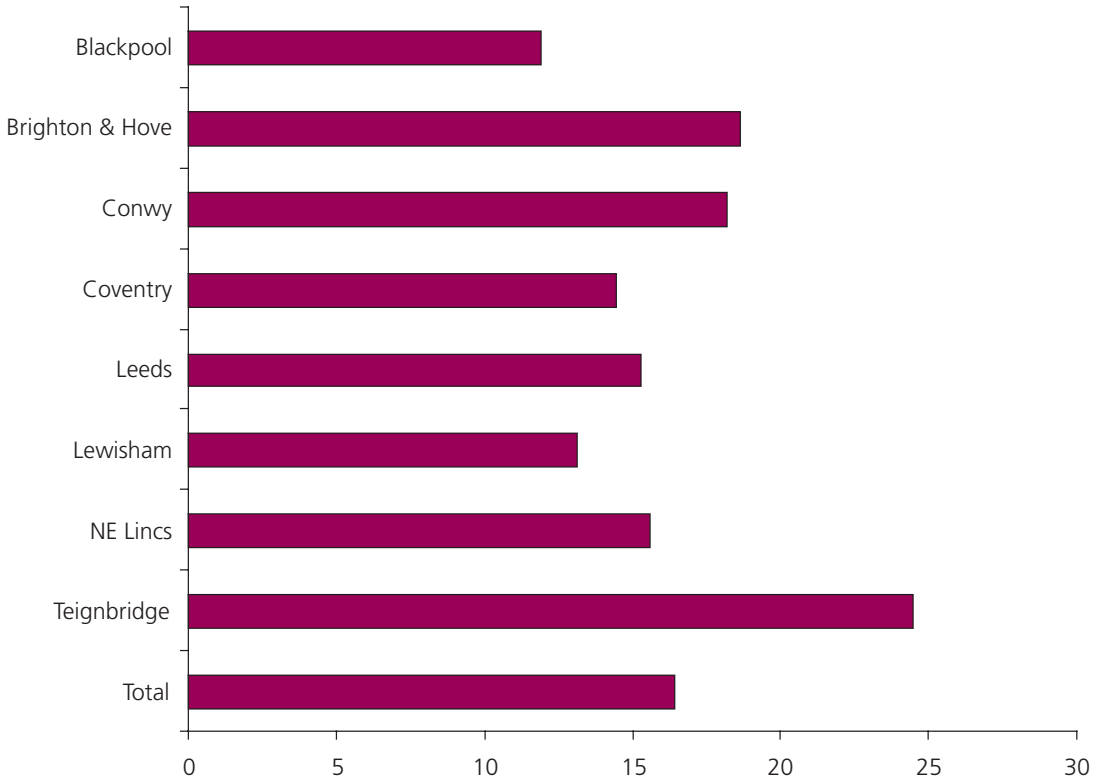
Source: DWP administrative data for Pathfinder areas Nov 04. Rent Officer data April 2003 to August 2004. Rent Officer data November 2003-2004.
Note: Edinburgh and North-East Lincolnshire are excluded. Average therefore excludes North-East Lincolnshire and Edinburgh.

Although there have been rent increases in Pathfinder areas, it is not yet possible to say what (if any) impact the LHA has had as these increases may reflect broader changes in the housing markets in these areas rather than changes due to the introduction of the LHA. The effect LHA might have on rent is an important question for the evaluation to answer and as the evaluation continues the effects of the LHA on rent will be monitored.

6.9.2 Rent increases since LHA was introduced

Approximately one in six claimants in the survey (16 per cent) had had a rent increase since LHA was introduced in their area. This varied from a low of around one in eight (12 per cent) in Blackpool up to around one in four (24 per cent) in Teignbridge (Table A6.2 and Figure 6.4).

Figure 6.4: Percentage of claimants with a rent increase since LHA introduced in area



When tenure was under seven years, the likelihood of having a rent rise since LHA was introduced increased with length of tenure (Table A6.3). However, claimants who had lived in their homes for seven years or more showed no clear trends with respect to rent increases since LHA. The likelihood of having a rent increase since LHA was introduced also increased with the claimants' age (Table A6.4). However, these two factors are related, as length of tenure tends to increase with age.

Where rents had increased, the face-to-face interviews further explored the relationship between LHA and rent increases. These claimants described varying levels of increase, reasons for an increase, implementation and impact.

Level of increase

First, the amount of the increases ranged from a few pounds a week to over one hundred pounds a month. Of key interest is how the rent increases compare to LHA rates. Where rents had been increased to match the LHA rate, this often related to the larger rises. In other cases, increases had taken rents above the LHA rate - there were no examples of actual increases where the resultant rent still fell below the LHA rate in the

face-to-face interviews. Confusion between weekly LHA rates and monthly rent levels is discussed in Section 6.8.2. This meant that occasionally claimants initially discussed their rent in terms of a monthly amount, but then said that the landlord received the whole of their LHA – a higher figure if calculated pro rata - suggesting they were not fully aware of the extent of a rent increase.

Where an annual rent increase was unexpectedly substantially more than in previous years, the new rent level exactly matched the LHA rate for the appropriate sized property. However, this link was not recognised by a respondent whose Housing Benefit was lower than the LHA rate for their household size. For some claimants, lack of awareness about the LHA policy led to uncertainty about receiving an excess after moving onto LHA which was sometimes queried with a landlord resulting in a rent increase to the LHA rate and an initial receipt or entitlement to a surplus was paid in rent, rather than kept by the claimant. A change in payment method also played a part where Housing Benefit had previously been paid directly to the landlord, rather than the claimant. As described in Chapter 7, in response to the change, some claimants had made arrangements for the landlord to receive their Housing Benefit (including any surplus) either from the Local Authority or through accompanying a tenant to cash their cheque so effectively increasing the rent.

Secondly, LHA was seldom seen by claimants as *the* reason behind rent increases and reports of a landlord explicitly saying that the increase was to bring the rent up to the LHA level were rare. Sometimes the increase was part of an annual rent review, they described landlords' justification for the rise as increased costs, or that the rent had not increased for some time or had been at a reduced rate in the past. Obviously some rent increases are likely to have occurred regardless of the introduction of LHA, however, when further exploring with respondents the implementation of the increase, there is clear evidence that – particularly where rents were increased to the LHA rate – LHA played a role in the introduction of some increases, or at least their timing.

Negotiating over an increase

In the survey, across the Pathfinders eight per cent of claimants tried to negotiate over the rent increase with their landlord. It is not possible to investigate individual Pathfinder areas as there are generally insufficient claimants with rent increases since LHA was introduced.

There was no evidence in the face-to-face interviews of negotiating with a landlord where a rent increase had been imposed since the introduction of LHA. People either felt the increase was justified, did not think about negotiating, did not want to risk jeopardising relations with a landlord or letting agent, or did not feel they had the power to question the decision:

> *'I thought I had to accept and I didn't say anything because in the end I didn't have the capacity to move'*
>
> Single person, rent increase has increased LHA shortfall.

Views on rent increases

How people viewed the role of LHA was an issue for claimants in the face-to-face interviews when considering rent increases. Some people whose potential excess had been taken up by a rent increase had not questioned whether the landlord should receive the excess. Often, they saw the increase as covering the cost of repairs, bringing the rent up to the going level, or because they just *'didn't feel it was right'* for them to keep the excess, reasoning that it was the landlord's money, rather than theirs.

Respondents usually accepted that an increase was fair where they had not had rent increases for some time, they had good relations with their landlords and were satisfied with their accommodation. Interestingly, one respondent reasoned that the rent increase must be fair as the relevant LHA rate was a flat rate based on the area.

Possible impact of rent increase

A further issue in the face-to-face interviews was that the impact of rent increases varied depending on LHA entitlement. For respondents receiving the full LHA entitlement, there was little impact where an increase brought the rent up to the relevant LHA rate. They saw themselves as being in the same position as before with no excess or shortfall. However, where an increase added to, or resulted in, a payment of a rent top-up, difficulties were mentioned. This was particularly relevant to people whose Housing Benefit was lower than the LHA, see *Section 6.8.4*. A further point was that because the LHA rate was fixed, it was possible that a rent increase could lead to a smaller percentage of rent being covered than previously, and could outweigh any LHA excess. For example, one respondent described feeling worse off, despite receiving slightly more in Housing Benefit under the LHA than the previous Housing Benefit scheme, because a subsequent rent increase meant that as

> *'the Housing Allowance is less than the rent it is not as good as the Housing Benefit because it is less money for me.… Housing Benefit was 90 per cent of your rent'.*
>
> Single person, working age, paying rent top-up following rent increase.

Future increases in rent

Forthcoming rent increases were mentioned by a few respondents in the face-to-face interviews, who had been notified of a future increase by their landlord. These were generally not unexpected and seen either as routine, or accepted where an increase had not occurred for a number of years. Whilst in all cases the proposed level of rent was still less than claimants' LHA entitlement, the potential effects varied. Where full LHA entitlement was received, the rent increase would still be covered by LHA but with a reduced excess. However, where the amount of Housing Benefit received was lower than the LHA, the additional top up would have to be budgeted for.

There was a view amongst some respondents (who clearly understood the structure of LHA) that LHA had the potential to increase rents. In some cases, this was based on their own experiences of receiving pressure from landlords to hand over a LHA excess. As one respondent explained:

> *'[The landlord] has been saying, "You have been getting my rent", I have not been getting her rent, as it is mine in the sense of the word….But she is getting greedy, she wants the rest as well' .*
>
> Pensioner, transferred from Housing Benefit, receiving LHA excess

This highlights not only that some landlords have a different interpretation of the treatment of any excess payment, but that claimants need to be fully aware of the need to negotiate rents and exercise choice.

Chapter 7: Payment of Housing Benefit and rent

- Almost nine out of ten claimants received their Housing Benefit under LHA directly (89 per cent) and over four-fifths of these claimants (86 per cent) said that their landlord knew they were getting LHA;
- Of claimants receiving direct payments, two-thirds (65 per cent) preferred to receive the allowance themselves, but;
- Of those who used to have their Housing Benefit paid to their landlord, but who now receive a direct payment, just under half (47 per cent) would prefer their payments to revert to the landlord;
- The vast majority of claimants (93 per cent) said that they made use of bank, building society or post office accounts; and
- Amongst claimants with access to accounts, around a quarter (23 per cent) said that they had opened their account specifically to receive their Housing Benefit;
- Across all Pathfinder areas, nearly nine in ten of the survey claimants (87 per cent) had been up to date with their rent for the last 12 months;
- One-half of claimants (51 per cent) who were, or had been, in arrears with their rent for at least two weeks had had problems with payments under LHA.

7.1 Introduction

This chapter examines who is paid Housing Benefit under the LHA and claimant preferences for who receives the payment as well as their views about direct payment as a policy. It then goes on to consider how claimants pay their rent to their landlord when receiving payment direct and their access to bank accounts. Lastly, it looks at the incidence of rent arrears amongst claimants on the LHA.

7.2 Proportion of LHA payments made to the claimant

One of the intentions of LHA is that Housing Benefit should be paid to claimants. The aim is to encourage claimants to take responsibility for budgeting and paying the rent themselves rather than have it paid for them. In recognition of the risk that some claimants may struggle with the responsibility of budgeting for, and paying their rent, safeguards have been put in place for payment of the LHA. Pathfinder authorities have discretion to make payments to the landlord if they consider certain conditions have been satisfied. Local Authorities must also make payments to the landlord if the claimant accrues 8-weeks rent arrears, similar to current Housing Benefit regulations.

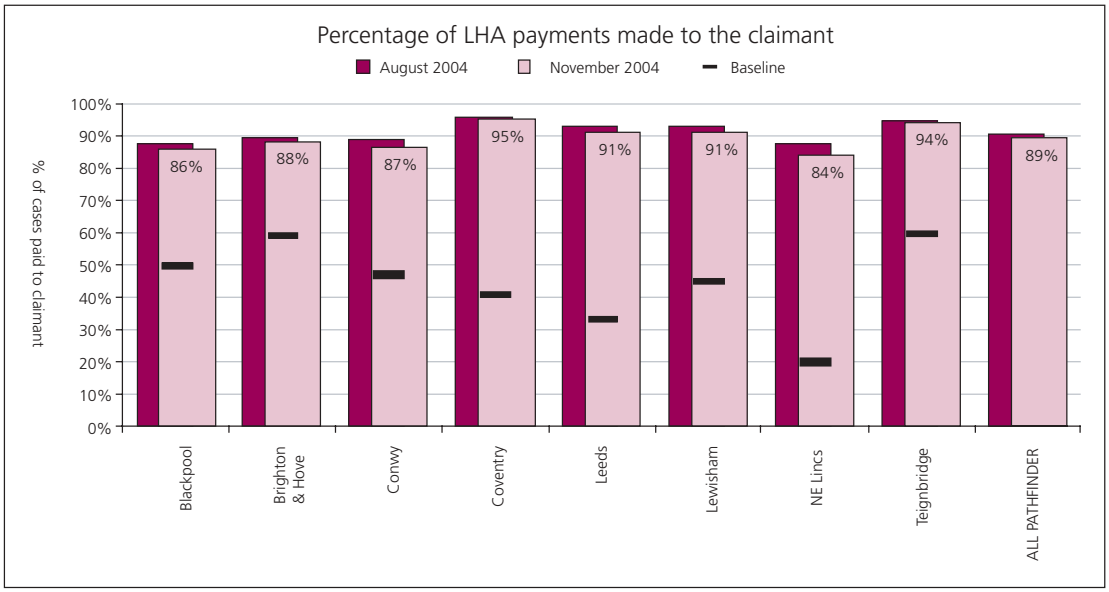
Figure 7.1 shows that under LHA, 89, per cent of claimants across the Pathfinders were receiving their benefit directly in November 2004[32], with Coventry making most payments to claimants at 95 per cent of LHA cases.

[32]This is compared to the figures reported in the Baseline claimant survey, when just under half of all respondents received their Housing Benefit.

Although the Management Information data demonstrates an improvement across all the Pathfinders in terms of the percentages of claimants who were receiving their Housing Benefit compared to the Baseline position, it is not thought that these figures represent the steady-state picture. Since the direct payment to claimants' part of the LHA scheme was implemented, the percentages of claimants receiving their benefit has steadily declined in all Pathfinder areas.

This decline was expected as evidence of vulnerability and rent arrears were likely to emerge once claimants began receiving their Housing Benefit payment directly. Therefore, at the start of the implementation of LHA there is less evidence of vulnerability and rent arrears, and so there will be a peak in the number of claimants who are paid directly. Eventually, it is expected that the decline will level off to a steady-state proportion of claimants who are paid direct and this will be monitored throughout the evaluation period.

Figure 7.1: Percentage of Housing Benefit payments that are made to the claimant



Source: August and November 04 LHA MI data, except for Leeds whose data was provided by the LA. Baseline figures taken from the published LHA Report 'The Nine Pathfinder Areas: A summary of the baseline position before the introduction of LHA.' There is no Baseline position for the Pathfinders overall as the percentages were obtained directly from the LAs and so it was not possible to aggregate them.

The face-to-face interviews found that where benefit was paid to a landlord this arrangement tended to have generally been in place when a claimant reported moving onto LHA. Moreover the continuation of payments to landlords was often initiated by a claimant with health conditions or who misused alcohol. However in one case, payment reverted back to the landlord after a period of payment to the claimant. This had been initiated by the landlord where the tenant had become technically in arrears after withholding rent because repairs had not been carried out. In another case it was suggested that a landlord had attempted to revert payment back from a tenant through an accusation of non-payment of rent, see later in this Chapter for a fuller discussion of rent arrears.

7.3 Preferences on who receives LHA payments

From the survey data, Table A7.1 shows that of claimants receiving direct payments, two-thirds (65 per cent) prefer to receive the payment themselves, whereas a quarter (27 per cent) would prefer the payment to go to their landlord. This latter figure is particularly high in North-East Lincolnshire, where nearly three-fifths (58 per cent) would prefer their payment to go to their landlord instead. In the other areas, the proportion ranges from between 36 per cent in Blackpool down to 13 per cent in Brighton & Hove. Indeed, of those who used to have their Housing Benefit paid to their landlord, but who now receive payment direct, just under half (47 per cent) would prefer their payments to go back to the landlord.

Only nine per cent of those who used to receive Housing Benefit direct, and have continued to receive payment direct, would prefer the payment to go to the landlord. The relatively low preference for direct payments in North-East Lincolnshire would seem to be linked to the previously high rate of payments to landlords under Housing Benefit, as shown above from the Management Information data (Figure 7.1).

7.3.1 Reasons for preferring direct payments

Only a very limited number of claimants whose Housing Benefit is paid to the landlord would prefer direct payments, so this analysis refers only to claimants who are now in receipt of direct payments and prefer to be paid this way, and excludes those whose payments are currently made to the landlord.

Many of the survey claimants who preferred receiving direct payments preferred to control their finances, and appreciated the financial independence direct payments provided. As Table A7.2 shows, three-tenths (30 per cent) wanted to continue to receive payments because of this reason. Some of the other frequently given responses were of a similar vein. For example, 13 per cent wanted to continue receiving payments so that they could ensure their rent was paid on time, and five per cent liked the fact that they could use the money as leverage to get problems with their accommodation dealt with. A small proportion (three per cent) appreciated being fully aware of any problems arising from late or non-payment of Housing Benefit.

Respondents in the face-to-face interviews saw the increased control they gained over their finances due to direct payments as positive. They felt able to ensure that rent was paid on time and the system was seen as more transparent with bank statements providing proof of payments (both of Housing Benefit receipt, and rent payment). Furthermore, there was an appreciation that direct payments led to a greater awareness of making rent payments, and feelings of 'independence', than if benefit was paid to the landlord. Being able to conceal the receipt of benefit through direct payment was important to a few respondents in the face-to-face interviews who had moved since LHA was introduced, as it had enabled them to consider property in the private rented sector that otherwise would not be available to tenants on benefits.

Many other survey claimants simply found receiving direct payments more convenient (20 per cent), or were content with the new system and saw no reason to change (14 per cent). Face-to-face interviewees who paid a rent top up sometimes felt it simpler to have LHA paid directly so that they could then make one payment to the landlord. Others saw direct payments as a satisfactory method, provided no problems had occurred, or little impact was reported. Here any change in payment method tended to have been accepted as a procedural change with people having no choice in the matter.

A small group of survey claimants (one per cent) preferred to receive direct payments because they did not trust their landlord, whilst six per cent said that their landlord did not know they were receiving Housing Benefit under LHA, and wanted to keep it that way. Contrary to the fears of some observers, notably private landlords, very few claimants (two per cent) mentioned the possibility of using their benefit for purposes other than paying their rent as a reason for wanting to be paid direct.

Interestingly, however, in the face-to-face research mistrust of landlords was seen as a reason for preferring payments to the landlord, rather than direct to claimants. This was especially the case if respondents were not on good terms with landlords or had experienced disputes in the past, as it was felt that if there was no proof of payment, then landlords could accuse tenants of having arrears.

7.3.2 Reasons for preferring payment to the landlord/letting agent

Amongst the relatively small number of claimants who had their Housing Benefit paid to their landlord, and who prefer it that way, there were two primary reasons for their preference. First, not wanting the hassle or responsibility of paying the rent (given by 46 per cent of such claimants), and secondly, believing that they would not spend the money on the rent (30 per cent). Another less common, but related, response was to guarantee that the rent is paid (nine per cent).

Furthermore, those claimants who were currently receiving payment direct, but said they would prefer to have it paid to the landlord, gave similar reasons to those who already had their benefit paid to the landlord and preferred it that way. As Table A7.3 shows, a majority of such claimants (60 per cent) said that they did not want the hassle or responsibility of dealing with receiving payments and paying their rent. One-tenth (11 per cent) would prefer payments to landlords because they could guarantee the rent would be paid, and a further tenth (12 per cent) doubted their ability to spend it on paying the rent. Just under one-tenth (nine per cent) felt that payments to the landlord were less time consuming and more convenient, with some respondents mentioning the inconvenience of waiting for cheques to clear, or that they received payment every two weeks, whilst their rent required paying every month.

A further three per cent mentioned the inconvenience of dealing with banks, although only a very small proportion mentioned having no bank account (one per cent), whilst similar proportions cited having difficulty getting around to pay their rent, or security concerns around handling the money.

The face-to-face interviews show peoples' reasons for preferring to continue having benefit paid to the landlord varied. For some there was a wish to avoid dealing with the process of paying the rent themselves, this included people with health conditions which could restrict their mobility and hence going to a bank. Others recognised that their alcoholism and/or gambling meant a potential risk of not spending Housing Benefit on rent, and had set up mechanisms to restrict their access to their benefit, such as the use of a relative's bank account, or arranging for the landlord to be present when withdrawing cash for the rent. In another case it was preferred for contact with a landlord to be minimised where relations were strained. Other reasons included not having a bank account or not wishing to open one due to problems with banks in the past.

A further issue raised in the face-to-face research was the impact on relations between tenants and landlord over who the rent was paid to. Some respondents felt that payment of LHA to landlords was preferable so that if repairs were not carried out they thought the council could exert pressure on the landlords. However, with direct payents there were examples of claimants being disempowered where landlords had failed to respond to requests for repairs and where withholding rent could risk eviction.

7.4 Landlord awareness of claimant LHA receipt

Of those claimants who were paid direct, over four-fifths (86 per cent) said that their landlord knew they were getting LHA. There was little difference between claimants who had moved in before LHA was introduced (87 per cent) and those who had moved in afterwards (86 per cent).

There were some area differences in the extent to which landlords knew that their tenants were on LHA. Amongst claimants in Brighton & Hove who moved before LHA was introduced, 80 per cent of landlords knew that they were receiving Housing Benefit. For post-LHA movers, this had dropped to 65 per cent, the lowest of any of the Pathfinders.

Table 7.1: Area differences amongst pre and post-LHA movers in the percentage of claimants whose landlords were aware they were on LHA

Row percentages

Area	Before LHA introduced				After LHA introduced			
	Yes	No	Don't know	Unweighted base	Yes	No	Don't know	Unweighted base
	%	%	%		%	%	%	
Blackpool	97	2	1	*231*	98	2		*123*
Brighton & Hove	80	14	6	*318*	65	35		*54*
Conwy	93	2	5	*176*	93	5	2	*62*
Coventry	92	5	3	*256*	91	9		*118*
Leeds	90	7	3	*282*	93	5	2	*71*
Lewisham	76	16	8	*280*	79	16	4	*127*
NE Lincolnshire	96	3	1	*280*	92	2	6	*[49]*
Teignbridge	87	7	6	*202*	73	14	13	*101*
All areas	87	9	4	*2,025*	86	11	3	*705*

Base: All claimants who received their LHA directly themselves.

Not having to tell a landlord that they were on LHA was seen a positive aspect of direct payments by some respondents in the face-to-face interviews. Indeed, several claimants who had moved to their current property since the introduction of LHA felt it unlikely that they would have obtained their current property had LHA receipt been divulged. This was felt to broaden their choice of property, given their experience of landlords' and letting agents' reluctance to rent to benefit recipients.

7.5 Requests for payment to be made to the landlord

Around one-in-seven (14 per cent) of those currently receiving direct payments said they had made a request for their benefit to be paid to their landlord; this varied from one-quarter of claimants in Blackpool to one in twenty in Brighton & Hove. However, this proportion increases to nearly a quarter (23 per cent) of claimants who currently receive direct payments, but who used to have Housing Benefit paid to the landlord.

All claimants who had made such a request were asked what reasons the Local Authority had given for turning it down. Around two-thirds (62 per cent) were simply told that payments to landlords were no longer possible under the LHA, whilst a tenth (nine per cent) were told that they did not fulfil the criteria for payment to landlords (i.e. vulnerability or arrears of eight weeks). One-tenth of claimants who had been refused payments to landlords stated that they had not been given a reason at all.

In the face-to-face interviews where requests for benefit to be continued to be paid to landlords had been sucessful, this was generally on health grounds with tenants submitting requests in writing in response to correspondence from the Local Authority. However in one case a claimant felt he *'had to fight'* against the Local Authority resulting in delays to his benefit payment. Where a request was refused, there was no mention of an explanation and it was felt that the council were uninterested in the case.

7.6 Problems with landlords caused by direct payments

Switching payments from landlords to claimants under the LHA scheme might be anticipated to cause problems for some claimants in terms of their relationship with their landlord, particularly if the landlord was used to receiving payments under Housing Benefit. Therefore, claimants who had experienced the switch to direct payments were asked if it had caused any problems with their landlord or letting agent.

Fifteen per cent of such claimants reported that it had adversely affected their relationship with their landlord. Despite having the highest proportion of claimants wanting to switch payments back to landlords, North-East Lincolnshire had one of the lowest proportions of claimants for whom LHA has caused a problem with their landlord or letting agent (13 per cent). This compares with 19 per cent of such claimants in Leeds. Amongst claimants who had experienced problems as a result of the switch to direct payments, a fifth (21 per cent) said they had been threatened with, or served with, eviction as a result. However, it should be noted that this represents one per cent of all recipients of LHA, with little variation between Pathfinder areas.

Problems reported by claimants in the face-to-face interviews included landlords refusing to carry out repairs allegedly in the knowledge that witholding rent could lead to the switching of payment to the landlord. Where it was thought that a landlord was concerned that a claimant could leave without paying rent this had led to increased scrutiny and insistence on rent being paid as soon as a claimant received their cheque.

7.7 Claimant views about direct payments as a policy

During the face-to-face interviews, the principle of direct payments and it's implications were discussed in more general terms. Some believed that giving people the responsibility of paying their own rent could encourage better money management. However, concerns were expressed about the ability of all claimants to fulfil this responsibility and not spend their benefit on things other than rent. The main groups thought to be at risk were families with children (Christmas was seen as a potential pitfall), people with drug or alcohol addictions, or where a claimant (particularly, if female) had a partner with an addiction and could be persuaded into handing over the benefit.

Most often these 'at risk' groups were considered to be other people. While drug and alcohol users were singled out across the sample, it was pensioners who saw families with children as having potential problems.

7.8 How claimants receive their Housing Benefit

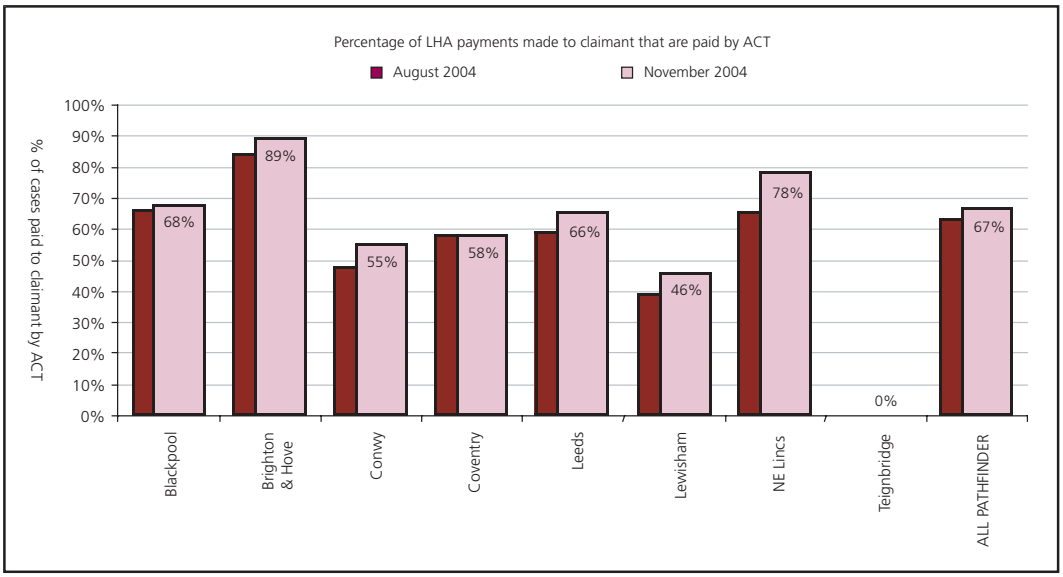
In 2003, the Department for Work and Pensions launched the Payment Modernisation Programme with the aim of establishing direct payment into a bank, building society or Post Office account as the normal method of payment for all customers. As, under LHA, the majority of Housing Benefit payments are now being made to claimants, it is of interest to examine the proportion of people receiving their benefit by Automated Credit Transfer (ACT).

Using DWP Management Information data, Figure 7.2, demonstrates that there is wide variation amongst the Pathfinders regarding the payment of Housing Benefit via ACT. Teignbridge does not yet have the facility to pay by ACT, hence none of their claimants on the LHA are paid in this way.

Figure 7.2 shows that since going live the proportion of claimants on the LHA who are paid their Housing Benefit via ACT has increased in all Pathfinders reaching 67 per cent in November 2004. The highest proportion was seen in Brighton & Hove where 89 per cent of claimants were paid using ACT.

Since the direct payments to claimants' part of the LHA scheme was implemented, of those payments made to the claimant, the proportion paid via ACT has steadily increased in all but one of the Pathfinder areas. At present it is unclear whether these figures represent steady state proportions.

Figure 7.2: Proportion of claimants receiving direct payments who are receiving them by ACT



Source: August and November 04 LHA MI data.

While ACT was the most common method of Housing Benefit receipt amongst face-to-face respondents, a sizeable minority received their payments by cheque. The former tended to be more satisfied with the method of payment than those paid by cheque. Respondents viewed ACT positively; with no accounts of disatisfaction. A perceived advantage of ACT was convenience, with mention made of not having to visit a bank to pay in, or waiting for clearance, and less chance of delay when compared to cheques. ACT was also seen as safer, because respondents did not physically handle the money. This was seen as a benefit in particular by some pensioners who said that they would have felt vulnerable withdrawing cash from the bank, and people who were misusing alcohol who were concerned that they might spend this money. The ACT system was seen as reliable, with no reported problems in payment and the advantage of knowing that benefit had been paid in, with notification of payment sent and confirmation easily checked against statements.

Payment of Housing Benefit by cheque had been chosen by some claimants, whereas others said that no other option had been offered. Several mentioned that they were expecting to change over to ACT and had returned requests but were still receiving their benefit by cheque. Concerns were raised that cheques could go missing (though there were few reports of actual problems), and time lags in waiting for a cheque to clear were seen as problematic. Where cheques were cashed, issues raised included having to go to a certain bank and where no bank account was held initial confusion had occurred.

Nevertheless there were a few respondents, who despite being aware of the possiblilty of using ACT, preferred to receive their Housing Benefit by cheque. They all had bank accounts but liked depositing the cheque themselves because felt they were more aware of payments made into and out of their accounts, and more able to keep track of their finances.

There were instances of split payments, where claimants received a cheque every four weeks. Receipt of the cheque was straightforward, but where no bank account was held problems were mentioned, for example the payment of a five pound fee – around 15 per cent of its value at a 'money shop', or, coupled with lack of awareness about split payments, had resulted in both cheques being sent to the landlord.

7.9 Methods for paying rent after direct payment

Around two-fifths (41 per cent) of survey respondents who received direct payments paid their rent in cash (Table A7.4). A further one-third paid their rent by direct debit or standing order (32 per cent), and a fifth by cheque (21 per cent). In Blackpool and Coventry, paying by cash is particularly common (61 and 59 per cent respectively), and less than one-fifth (17 and 19 per cent) pay by direct debit or standing order. In contrast, over two-fifths of claimants in Brighton & Hove (46 per cent) and Teignbridge (42 per cent) use a direct debit or standing order to pay their rent. In Brighton & Hove, only one-fifth (21 per cent) of claimants pay their rent by cash.

Methods of paying the rent were related to working status. For instance, claimants who have never worked are considerably more likely to pay their rent in cash (58 per cent) than other claimants, particularly those who are currently in work (only 33 per cent of whom pay their rent in cash). In contrast, two-fifths (40 per cent) of claimants who are currently in work pay their rent by standing order or direct debit, compared to just one-fifth (23 per cent) of those who have never worked. Even claimants who have been out of work for more than two years are less likely to pay their rent by cash (39 per cent) than those who have never worked. The fact that those who are in work, or have been in work, are less likely to pay their rent in cash implies that the source of main household income is related to how claimants subsequently pay their rent. This may be because those in work are paid into their accounts, and have a greater tendency to manage their finances in an automated way (for instance paying the rent by direct debit or standing order). This then carries on, even if the claimant becomes unemployed.

The likelihood of paying rent by cash is also linked to age, with three-fifths (59 per cent) of under 25s using this method compared to two-fifths (41 per cent) of other working age claimants and a quarter (25 per cent) of those of pensionable age.

Access to a bank account was linked to method of payment, with those who had access to one being less likely to pay their rent using cash (41 per cent) than those without access (55 per cent). Claimants in Coventry (59 per cent) and Blackpool (62 per cent) were the most likely to have paid their rent in cash, despite having an account. Claimants in Brighton & Hove (21 per cent) and Teignbridge (30 per cent) were least likely to do so.

Of claimants who received direct payments, around 13 per cent received a cheque but paid their rent by cash. A large majority of such claimants (82 per cent) paid their cheque into a bank account first and then withdrew the cash to pay their landlord (which of course means they have to wait for the cheque to clear, typically three to five days). Only one per cent of claimants receiving payment direct pay a fee or commission at a cheque cashing shop or service.

In the face-to-face interviews paying by direct debit or standing order, was generally seen as a satisfactory method of rent payment, most often used by people receiving their benefit by ACT. It was seen as a convenient method, as it eliminated visits to the bank or landlord. It was also felt to provide peace of mind as people felt confident that their rent would be paid on time. Another positive aspect was that, where combined with benefit payment by ACT, direct debits or standing orders were thought to *'safeguard'* against spending the benefit on items other than rent. Some people had arranged for their rent to be paid from the account immediately after benefit was paid in.

Rent was also transferred into a landlords' account either by telephone, on-line or in person at a bank by claimants receiving their benefit both by ACT and cheque. This method was seen as giving claimants control over their finances, for example, it allowed the juggling of money and enabled claimants to ensure sufficient funds were in the account before the rent was transferred.

There was general satisfaction with the use of cash or cheques to pay rent and reluctance amongst some people to use direct debits or standing orders, despite having banks accounts. Again, the issue of control was mentioned as people felt better able to see when money was going out of an account if withdrawn themselves. Payment of rent by cash was also used where claimants' bank accounts did not issue a cheque book, where it was seen as more convenient, it was the preferred method of the landlord, or it had always been paid that way and a tenant was reluctant to change.

Claimants whose Housing Benefit was paid direct and were paying rent top-ups noted that careful management was necessary to ensure sufficient funds were available, particularly where paying by direct debit or standing order. A few claimants whose Housing Benefit was being paid to the landlord also paid a rent top up which was funded from other benefits and paid in cash.

7.10 Access to and use of bank accounts

An aim of the Government is to promote financial inclusion, and this is assisted through LHA by encouraging access to mainstream financial services, particularly access to bank, building society or post office accounts for the payment of benefit. In the survey the vast majority of claimants (93 per cent) said that they made use of such accounts, ranging from 90 per cent in Leeds and 91 per cent in Blackpool to 95 per cent in Brighton & Hove and Conwy. Claimants who were currently in work (97 per cent) had greater access to accounts than those who had never worked, although even among the latter group, nine in ten claimants had access to an account. Additionally, even though under 25s were more likely to pay their rent by cash than by standing order or direct debit, they were just as likely as other claimants to have had access to one or more accounts.

Claimants who lived as a couple without dependent children (86 per cent) were somewhat less likely to have had access to accounts than other households types (all over 92 per cent). A few face-to-face respondents did not currently have bank accounts for reasons of choice as well as accessibility. Where difficulties had been encountered closing an account in the past, there was no desire to open a bank account again and with Housing Benefit being paid to a landlord in these cases, it was not seen as necessary. A poor credit rating was viewed as an obstacle to even enquiring about opening a bank account in one case, and lack of proof of residence had hindered access for another claimant still in the process of applying at the time of interview.

Amongst claimants with access to accounts, around a quarter (23 per cent) said that they had opened their account specifically to have their Housing Benefit paid into it. This varies from less than a fifth of such claimants in Brighton & Hove, Teignbridge (both 17 per cent) and Conwy (19 per cent) to nearly a third in Blackpool (32 per cent). To try and determine whether these accounts had been opened specifically because of LHA, claimants were asked whether they had opened their account after the start of LHA in their area. Table A7.5 shows that one-in-seven (15 per cent) of claimants opened their account specifically for Housing Benefit payments after the start of LHA in their area. This varied from a tenth (nine per cent) of claimants in Conwy and Brighton & Hove to a quarter (24 per cent) of claimants in Blackpool.

Moreover, there is some good evidence that LHA has facilitated access to bank accounts for some groups (Table A7.5), specifically amongst claimants who had never been in paid employment, one-quarter of whom (24 per cent) opened this account as a consequence of direct payments after the start of LHA in their area. This compares to seven per cent amongst those currently in work, and 12 per cent who had worked within the last two years. Only around half (57 per cent) of claimants who had never worked had a bank account opened for other reasons, compared to 68 per cent of those who had been long-term unemployed and over three-quarters of claimants who were currently working, or had worked within the last two years.

Claimants of pensionable age were less likely to have opened a bank account because of LHA than other claimants, but this may be because a greater proportion of pensioners had bank accounts for other reasons. In addition, when discussing bank accounts during the face-to-face interviews, a few pensioners mentioned having pensions paid into bank accounts because local post offices had closed. Lastly, couples with no dependants were less likely to have opened an account for benefit payments since the start of LHA.

Around one-in-fifty (two per cent) claimants had tried to open an account in the period since LHA started in their area and been refused. The most common reason for this refusal, cited by just over half of these claimants, was not having enough identification to open an account.

There were mixed reports about the accessibility of bank and building society accounts amongst respondents in the face-to-face interviews who did not have an account when LHA was introduced. Providing sufficient identification made opening a bank account a '*nightmare*' for a few claimants who were not in employment and had transferred to LHA from Housing Benefit when moving to the current property. Difficulties included producing documents required for identification, and some people had to apply to several banks before being accepted. However, in other cases the process was seen as straightforward; though money to open an account had to be borrowed from relatives by several claimants.

Claimants in the face-to-face interviews reported that once opened, bank accounts were sometimes used solely for receipt of LHA and/or payment of rent, but there was also mention of wider use:

> *'I mean in the long run having a bank account has helped me because I have more of my benefits go into it'.*
>
> Lone parent, transferred from HB.

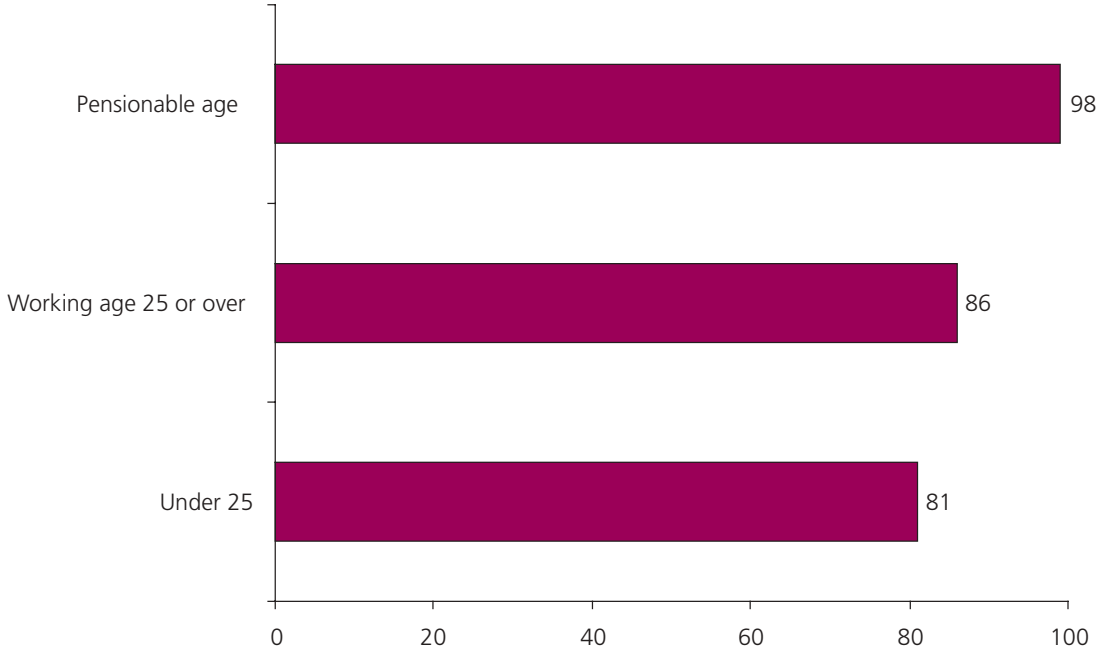
7.11 Rent Arrears

Across all Pathfinder areas, nearly nine in ten of the survey claimants (87 per cent) had been up to date with their rent for the last 12 months (Table A7.6)[33]. This varied from eight out of ten claimants (80 per cent) in Blackpool to slightly more than nine out of ten claimants (92 per cent) in Teignbridge.

[33]In this report rent arrears are discussed separately from other household debts.

There was a link between claimants' age and their likelihood of being up to date with their rent (Figure 7.3 and Table A7.7). Four-fifths of claimants aged under 25 (81 per cent) had been up to date with their rent for the past year and this rose to nearly nine in ten of claimants in the group aged over 25 but of working age (86 per cent). Nearly all claimants of pensionable age (98 per cent) had been up to date with their rent for the past year.

Figure 7.3: Percentage of Claimants up to Date with Their Rent, By Age



There is some evidence that those claimants who have experienced a break in their Housing Benefit claim through taking up employment had difficulties in keeping up to date with their rent. Claimants who were not working but had worked in the last two years were the least likely to have been up to date with their rent for the last 12 months (78 per cent), and those who have never worked were the most likely (91 per cent) (Table 7.2). In addition, the likelihood of being up to date with the rent rises as household income increases (A7.8).

There are many reasons why those who last worked less than two years' ago may be struggling to pay their rent including perhaps being used to a better standard of living and now finding it difficult to adjust to a lower income, having credit card debts from when they were working or they may be trying to remain in the accommodation they lived in when they were working, or were unable to find cheaper accommodation. One-half (49 per cent) of claimants who last worked under two years' ago said they want or need to move and fifty per cent were actively trying to move.

There is evidence from the face-to-face interviews of people who had become unemployed in the last year struggling to pay their rent including top-ups. However, here they were *not* in arrears with rent, but were accumulating credit card debts.

Table 7.2: Has claimant's rent been up to date for the whole of the last 12 months, by working status

Column percentage

		Working Status				
		Currently in work	Not working: Has worked in past 2 years	Not working: Last worked over 2 years ago	Never Worked	Total
		%	%	%		%
All Areas	Yes	88	78	90	91	87
	No	13	22	10	9	13
Unweighted base		*513*	*809*	*1218*	*488*	*3028*

Base: All claimants who stated whether they had been in arrears or not

7.11.1 Reasons for Rent Arrears

One-half of claimants (51 per cent) who were, or had been, in arrears with their rent (i.e. with two or more weeks' overdue rent) had had problems with payments under LHA (Table 7.3 and Table A7.9). This was almost twice as common as the next most frequently quoted reason; unemployment (29 per cent). It appears that problems with LHA have been experienced over most, if not all, of the Pathfinder areas rather than being concentrated in one or two areas. However, due to the low number of claimants who were, or have been, in arrears in the past year it is difficult to say anything more detailed about this.

Nearly one-half (46 per cent) of claimants who had been in arrears due at least partly to problems with LHA said it was due to delays in processing their application or that they were still waiting for their claim to be processed (Table 7.3). Nearly one-quarter (22 per cent) said it was due to late payment of LHA.

Table 7.3: Detailed Reasons for Arrears if Arrears Caused By LHA

Multiple response

		All Pathfinder Areas
Reason for Arrears		
Delay in processing application/still waiting	%	46
Late payment of LHA/Still waiting	%	22
Other/Not known	%	15
Payment stopped due change in claimant status	%	12
Amount less than expected/did not cover all of rent	%	11
Payment stopped due to review	%	7
LHA didn't cover rent due to rent restriction	%	2
Error in processing	%	2
Claimant did not re-apply	%	2
Application turned down	%	1
Payment stopped due to a query re. validity of claim	%	*

Base: All claimants in arrears caused wholly or partly by problems with LHA.
Unweighted base 224

Similar to survey respondents, rent arrears were rare amongst respondents in the face-to-face interviews but where they had occurred were, according to the respondents, *not* due to claimants spending benefit money elsewhere. Rather, from the claimant perspective, landlords' behaviour can be a contributory factor behind reports of arrears. For instance, a large rent increase imposed by a landlord raising the rent to the LHA rate had led to initial difficulty paying a substantially increased rent top-up for one claimant who received a lower Housing Benefit amount than their LHA entitlement. This situation was only resolved when a bank loan was taken out. In another instance where a property was in severe disrepair, frustration at a landlord's lack of maintenance led a tenant whose benefit was paid directly to withhold the rent in an attempt to force the landlord into action. However, according to the respondent, the landlord complained to the council and the benefit payment reverted from the tenant to the landlord without the required repairs taking place. Another respondent reported being accused of rent arrears, after agreeing with the landlord to pay for a new kitchen in lieu of rent. It was felt, by the respondent, that this was used by the landlord to demonstrate non-payment of rent for that period in an attempt to secure the payment of benefit to the landlord rather than the tenant.

Preventing rent arrears emerged as a high priority amongst claimants in the face-to-face interviews. The importance of making the rent payment to ensure *'having a roof over my head'* was repeatedly stressed by people across household groups. Security for children was mentioned by parents as: *'the kids need a home and I cannot risk losing that'*. The need to avoid arrears was crucial where people feared they would experience difficulty finding another property if evicted due to the rental market being 'tight' and landlords' stated reluctance to let to benefit recipients.

It is evident that the priority given to payment of rent contributes to avoidance of rent arrears. This is embedded not only in peoples' views about the importance of paying rent and that late payment of other bills might be more easily negotiated, but also in the ability to develop methods to prevent rent arrears. The face-to-face interviews revealed that the extent of rent arrears would have been greater but for claimants' borrowing money or accumulating other household debt.

Chapter 8: The potential role of LHA in future housing and employment decisions

- 44 per cent of claimants said they wanted or needed to move. Those who had moved into their accommodation since the LHA were less likely to want, or need, to move than those who had moved prior to its introduction.
- Two in five claimants who said they wanted or needed to move were likely to move in the next six months.
- Reasons given for wanting to move were to move to a larger property or to a better area, dissatisfaction with condition of current property and financial reasons.
- There was recognition that the LHA flat rate mechanism could help with planning a move, although limited financial resources, and perceived difficulty finding a suitable property within the LHA rate were seen as restricting the 'choice' offered by LHA.
- Just over one third of claimants expected not to be working in the next couple of years.
- Looking after the home or family was by far the most common reason given for not expecting to work.

8.1 Introduction

This chapter looks at the future intentions of claimants in terms of their housing aspirations, including their likelihood to move in the near future, and their work intentions over the next couple of years, as well as any barriers to taking up employment.

8.2 Future housing aspirations

As claimants begin to better understand the LHA scheme, it may affect their decisions about moving. Accordingly, this section focuses on claimants' intentions to move in the future. In particular it covers whether claimants would like, or need, to move, the likelihood and reasons for moving as well as looking at claimants' perceptions of ease of moving and the influence of LHA on moving decisions.

When asked in the survey, 44 per cent of claimants said they would currently like, or needed, to move somewhere else. Of these, 70 per cent said they would like to move while the rest said they needed to move. For pre-LHA movers, the desire or need to move appears to decline with age. Less than one in five claimants of retirement age said they would like, or need, to move (19 per cent). In contrast, more than one-half the claimants who were aged under 25 expressed this view (55 per cent). Similarly, amongst post-LHA movers, the trend was generally downwards as age increased. Half the claimants under 25 (50 per cent) wanted or needed, to move compared to just 22 per cent of those over retirement age. Apart from claimants who were aged between 50 and retirement age, post-LHA movers were less likely to want, or need, to move than their pre-LHA counterparts. It is likely that the fact that they had just moved is one reason for the difference.

For pre-LHA movers, the desire to move generally increased as income increased. Almost two-fifths of claimants from the lowest income group wanted, or needed, to move (39 per cent) compared to almost three-fifths of the highest income group (59 per cent). Higher incomes may give claimants a greater choice of housing, which may increase their desire to move to a better area or a larger property.

Surveyed claimants who had a surplus in Housing Benefit after paying their rent[34] were more likely than those who had a deficit[35] to say they would like, or need, to move (52 per cent to 39 per cent).

Claimants in the face-to-face interviews who did not want to move were generally satisfied with their current accommodation and felt settled. Some pensioners felt they could not face the 'upset' of moving, and parents mentioned wanting to avoid the disruption of changing schools for their children. However, it was noted that if a landlord wanted to sell the property or increased the rent, this could push claimants to move, rather than it being a decision of choice.

8.2.1 Likelihood of moving

Claimants in the survey who said they would like, or needed, to move were subsequently asked about how likely it was that they would move within the next six months. Overall, 42 per cent of those who said they would like to, or needed to, move said they were fairly or very likely to do so in the next six months. Claimants in North-East Lincolnshire were least likely to say that they were likely to move within six months (32 per cent). By contrast, more than half of Blackpool claimants expressed this view (54 per cent).

Couples without dependent children were least likely to say they were likely to move within the next six months (31 per cent). The corresponding figure amongst other multi-person households was almost twice as high (56 per cent).

Overall, older claimants were less likely than younger claimants to say that they intended to move within the next six months. Claimants aged under 25 years old were more than twice as likely (54 per cent) to say this than those of retirement age (20 per cent).

In the face-to-face interviews some claimants said that they wanted to move, but felt it was unlikely to happen in the near future. Reasons mostly related to financial barriers but also included being bound into a contract for a set period. Raising the money for a deposit, rent in advance and moving costs presented insurmountable obstacles for some claimants. Furthermore, some claimants felt that the prospects of moving were limited by the lack of availability of affordable private rented property in the area. Moving to social sector housing was thought to be the only way to find suitable affordable accommodation by some claimants. However, they said that the chances of obtaining social sector housing were slim. Several had been on waiting lists for years and expected to remain in their current property for the foreseeable future. Some claimants who were not working, said that obtaining employment could affect future moving decisions. Interestingly views differed as to whether additional income would enable a move to a more expensive property, or whether the impact of earned income on their Housing Benefit amount would mean having to move to a cheaper property.

[34]See *Glossary* for a definition of surplus.

[35]See *Glossary* for a definition of deficit.

8.2.2 Claimants who are actively looking to move

In the survey claimants who were very or fairly likely to move were asked how actively they were trying to move. Overall, three-fifths of claimants who said that they were at least fairly likely to move were actively trying to do so (60 per cent).

Just over half of single person households who said they were fairly or very likely to move also said they were actively trying to move (52 per cent). By contrast, almost three-quarters of couples without dependent children who said they were fairly or very likely to move were actively trying to do so (72 per cent).

8.2.3 Reasons for wanting to move

Overall, the most common reasons cited by claimants in the survey who were likely to move were to move to a larger property (33 per cent), move to a better area (21 per cent) and for personal or family reasons (15 per cent).

Moving to a larger property

Less than one-quarter of claimants in Leeds wanted to move because they wanted a larger property (24 per cent) compared to more than two-fifths of claimants in Brighton & Hove (42 per cent). As to be expected couples with children were most likely to want to move for this reason (48 per cent). Claimants on higher incomes were more likely to want to move to a larger property. Two-fifths of claimants in the higher income group (40 per cent) wanted to move to a larger property. Related to this, those claimants who said that they received more in Housing Benefit than the rent they paid were more likely to want to move to a larger property (44 per cent) than those who received less in benefit (26 per cent).

In the face-to-face interviews reasons for wanting to move to a larger property included the desire for more privacy where people were living in shared accommodation. The need for more, or larger, rooms was raised by families with dependant children, some of whom had moved into a current property since the introduction of LHA, but had not been able to find satisfactory accommodation, and now wanted to move again.

Moving to a better area

Claimants in Teignbridge were least likely (11 per cent) to want to move because they wanted to live in a better area. Claimants in North-East Lincolnshire (35 per cent) and Leeds (34 per cent) were the most likely and were over three times as likely to have given this as a reason to re-locate.

Personal or family reasons

Households with children were generally less likely to want to move for personal or family reasons than households without children. Couples with children were least likely to say that this was a reason for moving (nine per cent) and this was less than half the corresponding figure amongst single person (19 per cent) and other multi-person households (20 per cent).

Other Reasons

For claimants in the face-to-face interviews dissatisfaction with the poor condition of a current property, including disrepair and insufficient heating, coupled with landlords' failure to maintain a property, were cited as reasons for wanting to move.

Financial issues also influenced thoughts about moving. Claimants who were struggling to pay rent top ups and had accumulated debt felt that moving to a cheaper property would ease their financial difficulties. One claimant who was looking for work said that unless they could find a job in the near future they would have to downgrade to a cheaper property.

8.2.4 Ease of moving

Claimants in the survey who said they were fairly or very likely to move in the next six months were asked how easy it would be to find suitable accommodation to move to. Overall 61 per cent did not think it would be easy. The likelihood of claimants not finding it very easy to find suitable accommodation in their current area increased as income rose. Amongst the lowest income group, just over one-half of claimants thought that it would not be very easy to find suitable accommodation (52 per cent). This rose to 72 per cent amongst the highest income group.

Claimants in the face-to-face interviews felt that lack of affordable housing, competitive rental markets and landlords' reluctance to rent to Housing Benefit recipients would make it difficult for them to find suitable accommodation. This limited availability of suitable properties combined with lack of financial resources to fund a move, in particular money for a deposit, resulted in some claimants feeling '*stuck*' in their current property.

8.2.5 The influence of LHA on moving decisions

The LHA scheme offers Housing Benefit claimants the opportunity to trade between the quality and price of their accommodation. These options were discussed with claimants during the face-to-face interviews.

As outlined in Chapter 3, claimants were not always aware that Housing Benefit was set at a flat rate under LHA, hence there was uncertainty about what impact moving to a property with a different rent level might have on the Housing Benefit amount. Once explained, it was recognised by some claimants that the flat rate mechanism provided clarity and could be useful when planning a move. However, there was also a view that in practice, the 'choice' provided by LHA was restricted by limited financial resources and lack of availability. (See Section 8.2.4 above).

The option to move to a cheaper property and keep the difference between the Housing Benefit amount and rent was generally seen as unrealistic because the chances of finding a suitable property under the LHA rate were thought to be slim. Furthermore, it was anticipated that properties with rents under the LHA rate were likely to be of poor condition or in an undesirable area. Thus living standards were valued above a cash surplus, a point particularly emphasised by parents with dependant children and older people. The alternative option of moving to a better quality property and paying (or increasing) a rent top up was considered a possibility by a few claimants. However, this was generally seen as an option to be used only if necessary to secure suitable accommodation, rather than out of preference. For others, particularly those already struggling financially, adding to financial outgoings was out of the question.

8.3 Employment

8.3.1 Future work intentions

When asked about their future employment intentions, almost one-half of the claimants of working age (46 per cent) expected to be working at least 16 hours per week in the next couple of years. Over one-third of claimants of working age (35 per cent) expected not to be working. A tenth of claimants (11 per cent) said they expected to be working less than 16 hours a week (Table.8.1). Of those currently in work, only two per cent expected not to be working at all.

The expectation of working could possibly be linked to the local labour market in the Pathfinder area. Only one-fifth of claimants in Lewisham (20 per cent) said they did not expect to work in the next two years. This contrasts with Blackpool where almost one-half said they did not expect to work (47 per cent). Three-fifths of claimants in Lewisham (61 per cent) said they expected to work at least 16 hours a week in the next couple of years, which was 19 per cent higher than claimants in Blackpool, who were the least likely to believe this (35 per cent) (Table 8.1).

Table 8.1: Work intentions by area

Area	Working 16 or more hours a week %	Working less than 16 hours per week %	Not working %	Don't Know %	Unweighted base
Blackpool	35	10	47	8	*360*
Brighton & Hove	54	11	27	8	*372*
Conwy	36	11	45	9	*213*
Coventry	41	12	40	7	*361*
Leeds	40	12	39	9	*365*
Lewisham	61	12	20	7	*416*
NE Lincolnshire	39	11	41	9	*359*
Teignbridge	44	9	40	7	*276*
All areas	46	11	35	8	*2,722*

Base: All claimants of working age who gave a valid response.

Claimants with more recent experience of working were less likely to expect not to work. Only two per cent of those currently in work expected not to be in work in the next couple of years. By contrast, more than one-half of those who had not worked in the previous two years (55 per cent) and those who had never worked (54 per cent) had the same expectation. Amongst the few claimants in the face-to-face interviews who had become unemployed since the introduction of LHA, a strong determination to resume work was linked to feeling 'guilty' about receiving benefits and the view that earned income was the only way to curb escalating debt.

Claimants in the face-to-face interviews who were not working due to childcare responsibilities stated that they would like to work in the future, for example when a child started school.

Claimants who had a surplus from LHA were 11 per cent less likely to say that they expected to be working at least 16 hours a week than claimants who had a deficit (40 per cent compared to 51 per cent). The former group was also more likely to say that they expected not to be working at all in the next two years than claimants who thought their rent was more than their Housing Benefit (38 per cent compared to 32 per cent).

8.3.2 Reasons for not working

Claimants who were unemployed and looking for work or staying at home to look after their family were asked to identify the reasons that make it difficult for them to work. Looking after the home or family was the most commonly cited reason (49 per cent). Poor health or disability (13 per cent) was also a major reason (Table 8.2).

Table 8.2: Reasons for not working

	Multiple response
	% of claimants citing
Looking after home/family	49
Not found a suitable job	24
Poor health or disability	13
Other reasons	12
Caring for other family members	7
Need more skills	7
Family problems	3
Would be worse off	3
No decent jobs available nearby	2
Break	1
Housing problems	0
Transport problems	0
Unweighted base	*1,236*

Base: Claimants of working age who were unemployed and looking for work or staying at home to look after their family.

8.4 The influence of LHA on claimants' work intentions

During the face-to-face interviews claimants said that they believed LHA to be means-tested against earnings and that therefore working would mean a decrease in LHA. Others assumed Housing Benefit would stop completely once they started working, while other claimants were very unclear about how Housing Benefit was calculated.

Most of these claimants said LHA itself made no difference to whether they worked or not. Reasons for wanting to work invariably related to improving claimant's standard of living and paying off debts, and this depended on finding well-paid work. Some claimants had found themselves financially worse off when taking on paid work due to loss of benefits, whereas others had calculated the amount they would need to earn in order to compensate for lost benefits. Some claimants said they had not been able to secure employment with adequate salary/wage levels to compensate for lost benefits, and in one case the claimant had turned down work because of this.

However, many of the claimants who were working, found it difficult to calculate the amount they would be better/worse off by changing jobs, or increasing hours. Most stated that LHA would have no bearing on their decision.

Only one claimant interviewed recognised that LHA required greater responsibility in managing money:

> *'The principle is right, you give the tenant more power to have their say and if you were going to get a job you'd have to pay your own rent anyway'.*
>
> Couple with dependant children, neither partner working, both have health conditions.

However, he still felt it was not worthwhile for him to find work because he would not be able to earn enough to compensate for lost benefits.

Chapter 9: Household finances and financial well-being

- One-half of claimants were in households with gross annual incomes of under £10,000 (53 per cent).
- The overwhelming majority of claimants had a benefit or tax credit as a source of income. The most commonly received benefits - other than Housing Benefit - were Council Tax Benefit (43 per cent), Income Support (43 per cent) and Child Benefit (37 per cent).
- More than two-thirds of claimants (70 per cent) were not in arrears with any household bills. The claimants in the face-to-face interviews generally considered rent to be the most important bill to pay.
- Only one in ten claimants in the survey reported having any savings (10 per cent).
- Overall, most claimants (53 per cent) said there had been no change in their financial situation over the last two years. Of the remainder, more felt worse off (27 per cent) than better off (20 per cent).

9.1 Introduction

This chapter explores households' self-reported annual income, arrears on household bills, savings and claimants' perceptions of their financial well-being. Because the income information is self-reported, the related findings should be treated with some caution.

9.2 Gross annual household Income

9.2.1 Income profile

One-half of claimants were in households with gross annual incomes of under £10,000 (53 per cent), while more than one-seventh of households had gross annual incomes of £15,000 or more per annum (14 per cent). There were significant variations by area in the gross annual household incomes of claimants.

Claimants in Lewisham and Blackpool (13 per cent) were most likely to have gross annual household incomes of less than £5,000. The corresponding figures in Conwy and Leeds were only one per cent lower (12 per cent). The high percentage of claimants in Lewisham and Blackpool who had gross annual household incomes of less than £5,000 may at least be partly explained by the low percentage of households with children – lone parents and couples with children in these areas. This is because the benefits and tax credits available to households with children are relatively more generous than those available to their childless counterparts. This explanation could also apply to Conwy where there was a low percentage of households with children and a high percentage of claimants in the lowest income group (12 per cent).

Claimants in Lewisham were also much more likely than any other area to be in the highest income group (22 per cent). Claimants in Pathfinders in the south were generally more likely to be in the highest income group – Lewisham (22 per cent), Brighton & Hove (17 per cent) and Teignbridge (15 per cent). Pathfinders in other areas were generally least likely to be in the highest income group – Blackpool (12 per cent), Conwy (12 per cent) and North-East Lincolnshire (11 per cent). This may be because there was a slightly higher proportion of claimants in work than the other Pathfinders.

Table 9.1: Gross annual household incomes by area

Row percentages

Area	Under £5K %	£5K to £10K %	£10K to £15K %	£15K or more %	Unweighted base
Blackpool	13	46	28	12	*396*
Brighton & Hove	8	38	38	17	*405*
Conwy	12	45	31	12	*250*
Coventry	9	46	32	13	*388*
Leeds	12	45	29	15	*378*
Lewisham	13	40	25	22	*419*
NE Lincolnshire	7	48	33	11	*364*
Teignbridge	8	43	35	15	*301*
All areas	10	43	33	15	*2,901*

Base: All claimants who gave valid responses.

As might be expected, given the Government's policy of 'making work pay', claimants who were currently in paid work were most likely to have gross annual household incomes of at least £15,000 (25 per cent).

The most commonly received benefits were Council Tax Benefit (43 per cent), Income Support (43 per cent) and Child Benefit (37 per cent).

Table 9.2: The benefits and tax credits that claimants received

Multiple response

Benefits or tax credits claimants received	% of claimants receiving
None	8
Council Tax Benefit	43
Income Support	43
Child Benefit	37
Child Tax Credit	17
Incapacity Benefit	16
Disability Living Allowance	14
Jobseeker's Allowance	13
Working Families Tax Credit	10
State Retirement Pension	9
Pension Credit	5
Some other state benefit or tax credit	5
Another sickness or disability benefit	2
Severe Disablement Allowance	2
National Insurance Credits	1
Social Fund Loan	1
Statutory Sick Pay	0
Unweighted base	*3,041*

Base: All claimants.

9.3 Arrears on household bills, budgeting and the use of credit

This Section focuses on survey data of the number and nature of arrears claimants had with household utility bills, and also reports on budgeting strategies and more general debt explored in the face-to-face interviews. This Section does not include arrears relating to rent, which are covered in Chapter 7.

9.3.1 Arrears and budgeting for household utility bills

More than two-thirds of claimants in the survey (70 per cent) were not behind with any household bills. Of the claimants that were behind, more than one-half had arrears on two bills (16 per cent). The percentage of claimants who were behind with bills declined as the number of household bills they were behind with increased (Table 9.3). However, the fact that 70 per cent of claimants were not behind with any bills may present a more positive picture of household finances than is actually the case. For instance, claimants may pay for electricity and gas by using a card meter, in which case they do not incur any arrears. This may make using electricity and gas more expensive for them, and may lead them to incur arrears elsewhere or consume less of these or other utilities than their latent demand.

During the face-to-face interviews, a range of budgeting strategies were described, most of which, other than paying a bill on receipt, did not require the receipt of a utility bill. For some claimants their rents included the cost of utilities such as water, gas and electricity. Others tended to use direct debits in order to spread payments and avoid the worry of forgetting to pay a bill. Claimants who preferred to budget using direct debits tended to be (or had recently been) in paid employment, but also included pensioners who now had their pension paid directly into a bank account. Others relied on card or coin meters or made use of Post Office tokens, cards or stamps. Those who favoured this method tended to have been on Housing Benefit for several years, and were not generally working. Occasionally, credit cards were used to pay rent and other bills where outgoings were reported as exceeding income. While this was recognised as *'crazy'* by one claimant it was felt there was little choice until employment was found. Some claimants in the face-to-face interviews said they needed to rely on family members or friends to help them out financially.

Despite competing demands for household income, Housing Benefit payments under LHA were often not absorbed into a household budget, but kept to one side specifically for rent payment with a view that *'it is not my money at the end of the day'.* Where respondents were aware of their potential to spend their benefit money on things other than rent, systems had been set up to prevent this occurrence and avoid rent arrears.

Table 9.3: Claimant arrears on household bills by area

Row percentages

Area	Not behind with any bills %	Behind with one bill %	Behind with two bills %	Behind with three bills %	Behind with at least four bills %	*Unweighted base*
Blackpool	69	20	6	3	3	*406*
Brighton & Hove	72	15	7	4	2	*423*
Conwy	77	13	7	2	1	*262*
Coventry	67	13	11	6	3	*397*
Leeds	70	15	6	5	5	*387*
Lewisham	66	16	8	5	5	*431*
NE Lincolnshire	69	17	8	4	2	*394*
Teignbridge	76	12	8	2	2	*319*
All areas	71	16	7	4	3	*3,019*

Base: All claimants who gave valid answers.

LHA is paid to the landlord if the claimant is considered vulnerable by the Local Authority or has rent arrears of eight or more weeks. A claimant may be considered vulnerable if they are deemed to have difficulties in managing their money, for example, they have severe debt problems. These debt problems may include having numerous arrears on household bills and loans. As already mentioned, around nine-tenths of respondents received their LHA directly. As expected, these claimants were also more likely than those who had their benefit paid to the landlord not to be behind with household bills. More than seven-tenths of claimants paid directly (72 per cent) were not behind with any bills, compared to less than two-thirds of claimants who had their LHA paid to their landlord or letting agent (63 per cent) (Table 9.4).

Table 9.4: Claimant arrears on household bills by who LHA is paid to

Row percentages

Who receives LHA?	Not behind with any bills %	Behind with one bill %	Behind with two bills %	Behind with three bills %	Behind with at least four bills %	Unweighted base
Paid to landlord/letting agent	63	21	8	5	3	*286*
Paid to respondent (or partner) direct	72	15	7	3	3	*2,713*
Overall	71	15	8	4	3	*2,999*

Base: All claimants who gave valid answers.

9.3.2 The use of credit

As rent and household bills were generally considered a priority the use of credit was viewed by some claimants in the face-to-face interviews as a legitimate means of avoiding arrears: *'I think everyone does it, you rob Peter to pay Paul'*. Credit was also used to cover household items such as microwaves, and Christmas, and as mentioned in Chapter 5, to pay the deposit and advance rent when moving. Methods for acquiring credit included: bank loans, Social Fund loans, credit cards, bank overdrafts and family. Where credit was being used, it invariably served the purpose of an, at least temporary, 'safety net'. In some cases, respondents had become unemployed carrying pre-existing financial burdens, such as student and bank loans and store/credit card debts. However, some claimants (often pensioners) in the face-to-face interviews were strongly opposed to the use of credit with the view that *'if I haven't got it, I go without'*.

9.4 Savings

9.4.1 Who has savings?

Only one-tenth of claimants in the survey reported having any savings (10 per cent). Claimants in Blackpool and Coventry were least likely to have savings (six per cent) while claimants in Brighton & Hove were the most likely to have savings (14 per cent).

Most of the respondents in the face-to-face interviews felt that they had no money available after paying rent, bills and other expenses to be able to save. For those that had savings, the amount ranged from £100 to £2,800. The respondent with £2,800 was a pensioner and stated that these savings were diminishing as a result of a rent increase. Most respondents had no regular savings regime. Of those that did, amounts saved weekly ranged from £10 to £16. The respondent saving £16 per week was doing so from a LHA excess. Several pensioners were also allowing their excess to accrue in a bank account rather than incorporate it into the household budget. They were saving, either to build a cushion for emergencies, in preparation for Christmas, or to pay for specific things, such as a trip or to visit family.

Claimants who had their Housing Benefit paid to their landlord were much more likely to have savings of less than £1,500 than those paid direct (88 per cent and 64 per cent, respectively), and they were less likely to have savings of more than £3,000 (six per cent and 13 per cent, respectively).

9.5 Perceptions of Financial Well-Being

Claimants were asked about their perceptions of their financial situation. First of all, they were asked whether they felt better or worse off than a year ago. They were also asked how they perceived their current financial situation.

9.5.1 Better or worse off

Overall, most claimants (53 per cent) said there had been no change in their financial situation over the last two years. Of the remaining claimants, more felt worse off (27 per cent) than better off (20 per cent).

This pattern was also reflected in each Pathfinder area. Claimants in North-East Lincolnshire were least likely to feel better off than they were the previous year (14 per cent), while claimants in Blackpool were most likely to feel this way (22 per cent). Claimants in North-East Lincolnshire were also the least likely to feel worse off (19 per cent), while one-third of claimants in Lewisham felt this way (34 per cent). Lewisham was also where there was the biggest gap between claimants feeling better and worse off (13 per cent). Lewisham was the only Pathfinder area where less than one-half of claimants felt about the same as they did a year ago (45 per cent). This contrasts with North-East Lincolnshire where two-thirds felt the same way as the previous year (67 per cent) (Table 9.5).

Table 9.5: Perceptions of financial well-being by area

Row percentages

Area	Better off %	Worse off %	About the same %	*Unweighted base*
Blackpool	22	26	52	*405*
Brighton & Hove	20	28	52	*424*
Conwy	17	30	53	*260*
Coventry	19	28	53	*391*
Leeds	21	27	52	*384*
Lewisham	21	34	45	*426*
NE Lincolnshire	14	19	67	*391*
Teignbridge	18	25	57	*319*
All Areas	20	27	53	*3,000*

Base: All claimants who gave valid responses.

There was little variation in the age of claimants who felt better off than they were a year ago: it ranged from 17 per cent amongst claimants aged 50 and over through to 20 per cent of those aged 49 and under. Only 14 per cent of claimants of retirement age felt worse off, while claimants aged under 25 were more than twice as likely to have said this (34 per cent). Feeling the same increased with age, with claimants of retirement age being the most likely to feel this way (67 per cent) compared to 44 per cent of those aged under 25.

The percentage gap between claimants feeling better and worse off was similar amongst those paid direct (seven per cent) and those who had LHA paid to their landlord (six per cent). Claimants who received Housing Benefit directly were significantly more likely to feel worse off (27 per cent) than those who had it paid to their landlord (22 per cent).

There was a clear association between claimants' who had a surplus or deficit between Housing Benefit and rent and whether they felt they were better or worse off. Claimants who had a surplus were twice as likely as those who had a deficit to feel better off (32 per cent to 15 per cent). They were also much less likely to feel worse off than those who had a deficit (21 per cent to 31 per cent).

The face-to-face interviews revealed that the impact of a benefit surplus on household finances varied for claimants. Several felt it had made *'a big difference'* for example where it left them more pension to live on, or paid for a child's school trip which otherwise could not have been afforded. Even where a surplus was less than five pounds a week it was felt that *'every little helps'*. One respondent had arranged to pay his rent on a two weekly basis, so that a surplus of less than ten pounds a week felt a more substantial amount when viewed fortnightly '*you can feel the difference in your pocket, it's great'*. For others it had provided the means of paying bills, for minor 'luxuries' such as a day out with the children or saving for contingencies. A few working age couples in non-working households, explained how it was put into a 'general pot' for their household budget, and although they were glad to get it, felt it necessary to supplement other benefits levels. One couple who had generally run out of money before their JSA was due required their surplus *'to get us back to normal again'*.

9.5.2 Claimants' perceptions of current financial situation

Given that just 20 per cent of claimants thought that they were better-off than one year ago, it is not surprising that only 17 per cent thought that they were managing very or quite well financially. Twenty-seven per cent did not think they were managing very well, including 17 per cent who either had some financial difficulties or were in deep financial trouble. More than one-half (56 per cent) of claimants thought they were getting by alright.

In all areas, the percentage of claimants who felt they were at least managing quite well was exceeded by the percentage who thought they were managing badly. Claimants in Lewisham were least likely to feel that they were managing very or quite well (15 per cent), while claimants in Teignbridge were most likely to believe this (21 per cent). Claimants in North-East Lincolnshire were least likely to think they were managing badly (20 per cent). Lewisham claimants were almost twice as likely to feel this way (38 per cent) (Table A9.1).

Claimants who were not currently in work but had worked in the last two years were least likely to say they were managing quite or very well (13 per cent). Claimants who last worked more than two years ago and those who had never worked were equally likely to be managing very or quite well (19 per cent). Indeed, claimants who had never worked were least likely to feel that they were managing badly (22 per cent). One-third of claimants who were not currently in work but had worked in the past two years were most likely to think they were managing badly (34 per cent). Of this group, five per cent were in deep financial trouble. Those with the least recent experience of work – those who last worked over two years ago (19 per cent) and those who had never worked (19 per cent) - were more likely than those currently in paid work to feel that they were managing very or quite well (15 per cent).

As might be expected, claimants in the higher income groups were more likely to say that they were managing very or quite well and vice-versa. For example, claimants in the highest income group were least likely to feel they were managing badly (21 per cent), and those in the lowest income group were most likely to feel they were managing badly (37 per cent).

Claimants who had their Housing Benefit paid to the landlord rather than to themselves were slightly but significantly less likely to say they were managing very or quite well than those who had their benefit paid to themselves (16 per cent and 17 per cent, respectively). They were also significantly more likely to say they were managing badly (32 per cent and 26 per cent, respectively).

As expected, claimants who a benefit surplus under LHA were more likely to be managing at least quite well than those who had a deficit (18 per cent compared to 15 per cent). They were also less likely to be managing badly (24 per cent and 28 per cent, respectively). Those who had a surplus are more likely to have had a higher disposable income, and this may be reflected in a more positive outlook regarding their current financial situation.

In the face-to-face interviews some claimants described their financial situations in various negative ways such as '*precarious'*, a *'juggling act'*, and *'living hand to mouth'*. Others stated that they were coping reasonably well although qualified this by describing the frugality of their lives: no holidays, no days out, no new clothes, for example. Where claimants in the face-to-face interviews were struggling to balance their outgoings with income, paying a rent top-up was not necessarily viewed as a cause of financial problems, but was often seen as adding to the burden. It was felt that paying a top-up increased outgoings sometimes making balancing finances *'very hard going'* and could result in borrowing and accumulation of debt, a cause of concern for those in such a position. Whilst the payment of top-ups would have occurred regardless of LHA, this illuminates the financial position of some claimants.

Appendix A

Glossary of terms

Glossary of terms

In this report the following terminology is used:

ACT (Automated Credit Transfer) – A method of paying money directly from the Local Authority to the recipient's bank account.

Appropriately-occupy – Claimants whose accommodation matches the DWP size criteria, see *Size criteria* below.

Deficit – Claimants have a deficit if their Housing Benefit amount (i.e. the amount they receive after adjustments for income or non-dependents) is less than their rent. Both the Housing Benefit amount and the rent figure is provided by the claimant where this term is used.

Direct payments/paid direct - Refer to payments made to the claimant (not the landlord).

Excess – When LHA (i.e. the maximum eligible LHA before income and non-dependent based adjustments) is more than rent a claimant is said to have an excess.

Housing Benefit amount – This is the amount of benefit that the claimant will receive each week after any income or non-dependent based adjustments have been made i.e. the amount of money actually paid to the claimant.

LHA/LHA rate – This refers to the maximum eligible Housing Benefit. It is the rate for which a claimant is eligible, based on location and rooms requirement, before any income or non-dependent based adjustments are made. LHA rates are set by Rent Officers.

Management Information (MI) – Statistics collected by the DWP from Local Authorities for the LHA evaluation.

New claimants – Refers to both new first-time claimants and new repeat claimants (see below).

New first-time claimants – Claimants who claimed Housing Benefit under LHA for the first-time.

New repeat claimants – Claimants who were not receiving Housing Benefit immediately before being switched to LHA, but who had received Housing Benefit in the past.

Over-occupy – Claimants who live in property that is deemed to be smaller than their needs under the DWP size criteria, see *Size criteria*, below.

Rents – All **rents** are contractual rents for which the claimant is liable, not necessarily rent for the entire property. For any analysis based on MI and survey data, this will exclude ineligible service charges. For the face-to-face interviews respondents may class rent as being what they actually pay their landlord (including charges which would be ineligible for Housing Benefit).

Rooms – The number of **rooms** is the number of habitable rooms in the property (excluding kitchens, bathrooms and toilets) that the tenant has access to. In cases of shared accommodation this does not include rooms that are used solely by the other tenants.

Shortfall – When LHA (i.e. the maximum eligible Housing Benefit before income and non-dependent based adjustments) is less than rent a claimant is said to have a shortfall.

Size criteria – The size criteria are applied by the Rent Officers to calculate the number of bedrooms and living rooms that a claimant is entitled too. LHA rates are based on this entitlement.

The conditions are as follows. One room is allowed as a bedroom, for:

- a married couple;
- a single person aged 16 or more;
- two children of the same sex under the age of 16;
- two children (of the same or opposite sex) under the age of 10;
- a child under the age of 16.

In addition living rooms are allocated as follows:

- one if there are one to three occupiers;
- two if there are four to six occupiers;
- three if there are seven or more occupiers.

Surplus – Claimants have a surplus if their Housing Benefit amount (i.e. the amount they receive after adjustments for income or non-dependents) is more than their rent. Both the Housing Benefit amount and the rent figure is provided by the claimant where this term is used.

Top up – A rent **top up** is paid by a claimant whose Housing Benefit amount (i.e. the amount they receive after adjustments for income or non-dependents) is less than their rent.

Under-occupy – Claimants who live in property that is deemed to be larger than their needs under the DWP size criteria, see *Size criteria*, above.

Appendix B

Methodology, notes and conventions

Methodology, notes and conventions

The telephone survey

This report outlines key findings from the first of three waves of telephone interviews with claimants on the LHA. The telephone interviews aim to track the experience of claimants receiving LHA. To get representative estimates for Claimants on the LHA in each Pathfinder, a sample of 1,300 was randomly selected from the deregulated private rented sector in each area, after excluding cases that had previously been selected for the baseline survey of Housing Benefit claimants. A sub-sample of 920 claimants was then randomly drawn from the initial 1,300 to form the main sample, with the remaining claimants forming a second stage sample.[1] It was necessary to issue some or all of the second stage sample in every Pathfinder, due to the difficulty in making contact with named claimants by telephone. An opt-out letter was sent from the DWP to all named claimants, with one per cent replying to say that they did not want to take part in the study during the designated opt-out period. The opt-out rate was consistent across the Pathfinder areas.

In some cases, claimants renting from outside the de-regulated private rental sector were found to be part of the original sample. These cases were removed from the sample through a series of eligibility questions asked at the start of the interview. For these reasons, claimants whose tenancy agreements began prior to 1989 and those living in Almshouses and in caravans were also excluded from analysis.

The main fieldwork commenced in mid-July 2004 and continued until late January 2005. The figures in this report are based on the 3,041 productive interviews, split as follows across the Pathfinder areas:

Pathfinder areas	Productive interviews
Blackpool	409
Brighton & Hove	426
Conwy	265
Coventry	400
Edinburgh	-
Leeds	388
Lewisham	435
North-East Lincolnshire	396
Teignbridge	322
Total	3,041[2]

[1]In some of the areas with small caseloads and phased implementation of LHA, notably Teignbridge and Conwy, it was not possible to draw a sample of 1300 due to insufficient numbers of eligible claimants. These areas had no second stage sample, and the number of achieved productive interviews is smaller as a result.

[2]Edinburgh is excluded from the analysis in this report, as fieldwork was delayed in this Pathfinder. All total figures in tables are based on claimants in the remaining eight Pathfinders.

Weighting

Data in this report has been weighted for two reasons. Firstly, it is to account for the fact that claimants who had continuously been on Housing Benefit had a lower probability of being selected than newer claimants. Secondly, for some variation in response rates between some key demographic sub-groups. However, in practice this detailed weighting scheme has modest effects on estimates. Results for each area can be interpreted as representative of Claimants on the LHA within the Pathfinder, whilst figures in total columns are representative of all Claimants on the LHA (in eight of the Pathfinders). Thus, areas with large caseloads have a disproportionate effect on determining the estimates for all Claimants on the LHA.

The face-to-face interviews

This report also draws on the findings from the first of two waves of face-to-face interviews with claimants on the LHA. These in-depth interviews aim to explore in more detail the experiences of claimants on LHA and the process by which claimants make their housing choices.

The study was conducted in all of the Pathfinder areas (including Edinburgh). Forty-three interviews were achieved, comprising between four and six per Pathfinder depending upon the size of the private de-regulated Housing Benefit caseload. The sample was purposively selected from the Local Authorities' records of claimants on the LHA using an issued sample per Pathfinder of six times the achieved number of interviews.

The aim was to achieve a sample split between claimants receiving a LHA excess and those not, and include a spread of household types in each area. It was expected that the sample frame would contain information on the claimants' date of birth, and the numbers of children and non-dependants in the household. However this was not always the case. Lack of such information coupled with recruitment difficulties meant that the criteria were not always met within a Pathfinder area. However, a spread of characteristics was achieved across the sample as a whole.

Pathfinder areas	Achieved number of face-to-face interviews
Blackpool	4
Brighton & Hove	5
Conwy	4
Coventry	5
Edinburgh	5
Leeds	6
Lewisham	5
North-East Lincolnshire	5
Teignbridge	4
Total	43

As in the telephone survey an opt out exercise was conducted and contact attempted with those who did not opt out. Lack of valid telephone numbers was an issue during recruitment, hence reply slips requesting contact numbers and door knocking were also used to secure interviews. Fieldwork was conducted between September 2004 and February 2005 by members of research teams at the Centre for Research in Social Policy, the Centre for Urban and Regional Studies, and the Centre for Housing Policy. Interviews followed a topic guide, were tape recorded, transcribed verbatim, and analysed using a framework thematic approach.

Management information

Data for this was collected from local authorities by the Department for Work and Pensions specifically for the evaluation of LHA. This data is collected four times a year and includes information relating to all successful LHA claims. The DWP data in this report was collected in November 2004 and so reflects the position in Pathfinder local authorities at this time. However, data has been excluded from the some of the analysis in Chapter 6 because of some missing or unreliable data.

In some places in the report Pathfinder areas are compared to Control areas to examine the possible changes brought about by the introduction of LHA. In both the Pathfinder and the Control areas the picture before the introduction of LHA uses annual data from Rent Officers which runs from April 2003 to March 2004[3] . In the Control areas the picture after the introduction of LHA uses annual data from Rent Officers which runs from November 2003 to November 2004. These datasets contain 100 per cent caseload records and refer to flows throughout the period.

Exclusions

The total LHA caseload in November 2004 was 38324. However, due to data quality problems some cases were excluded from the analysis. These exclusions were made to the MI data in chapter six.

Caseload counts

Tables 4.1, 6.3-6.9, the first three columns of table 6.1, and figure 6.1 are based on a caseload of 37966 .

Tables 6.5 and figures 6.2 and 6.3 are based on a caseload of 28839.

The final column in table 6.1 has no exclusions and therefore is based on a caseload of 38324.

[3]Cases which converted to LHA over this period will automatically be excluded from Rent Office data.

Details of exclusion

1) Partial exclusions were made for all analysis in the North-East Lincolnshire dataset due to problems with the shared room flag and number of room entitlement. Claimants who had a shared flag or who had a one room entitlement were excluded (335 cases). These exclusions were made to all MI analysis in chapter six. They mean that conclusions on North-East Lincolnshire are subject to some revision.
2) Where analysis involved the number of rooms variable, Edinburgh and North-East Lincolnshire were excluded. This meant that an additional 9130 cases are excluded.
3) All cases where rent was four times the average rent for the area and rooms size were excluded. These exclusions were made to all MI analysis in chapter five. This meant an additional 23 cases excluded when partial exclusions were made in North-East Lincolnshire and an additional 20 cases when Edinburgh and NE Lincolnshire are excluded.

Details of data problems

Exclusions due to problems with room variable

In North-East Lincolnshire and Edinburgh there were data extraction problems with the room variable after some sample checking it was decided the variable was unreliable. Thus, all tables relying on a breakdown by property size have Edinburgh and North-East Lincolnshire excluded.

Exclusions due to problems with shared properties

In North-East Lincolnshire there were also problems with the room variable for claimants in shared properties. Claimants with one room entitlement who live in shared properties were often recorded as having all the rooms in the house, rather than the rooms they had access to. This was compounded by problems with the shared variable not adequately capturing those in a shared property.

Exclusions because rent is too high

In previous datasets there had been significant problems with the rent variable. The most common problem was that monthly rather than weekly rents had been submitted. To prevent this the data set was cleaned by excluding cases where rent was four times the average rent for the area and room size. In the full dataset before any other exclusions are made this excludes 25 cases.

Conventions used

The following conventions are used in tables.

1 Conventions regarding percentages in tables:

- * less than 0.5 per cent
- 0 no observations
- - category not applicable
- .. data not available
- [ ] numbers in square brackets are percentages based on between 30 and 49 unweighted cases, and should, therefore, be treated with caution as they may be unreliable. Blank spaces in tables indicate that the unweighted base is under 30, and figures have therefore not been reported.

2 The total columns in all tables relate to the weighted average for eight of the nine Pathfinder areas, excluding Edinburgh. The figures therefore represent the experience of all Claimants on the LHA in the eight areas included in the analysis.

3 Due to rounding, percentage figures may not add up to exactly 100 per cent, but may total between 98 and 102 per cent.

4 Tests of significance are at the 95 per cent level ($p<0.05$).

5 The term "average" refers to means unless otherwise stated.

Appendix C

Survey tables

Table A2.1: Gender and age, by Pathfinder area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Gender									
Male	48	51	43	40	45	55	34	49	47
Female	52	49	57	60	55	45	66	51	53
Age groups									
Under 25	11	6	9	15	11	12	15	6	10
25-49	62	68	56	60	67	70	64	53	65
50-64	19	16	21	18	18	13	14	25	17
65 or over	8	10	13	7	5	5	6	16	8
Pensionable age	10	11	16	9	6	5	8	17	10
Average age	42	42	44	40	40	38	39	46	41
Base: All claimants									
Unweighted base	*409*	*426*	*265*	*400*	*388*	*435*	*396*	*322*	*3,041*

Note: Figures for average age are based on responses from 3037 claimants for whom we were given an exact age at last birthday. The unweighted base in Blackpool for the average age was 408, whilst in Lewisham it was 434, in NE Lincs it was 395 and in Teignbridge 321.

Table A2.2: Ethnicity, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Ethnicity									
Asian or Asian British	1	2	1	12	4	7		0	3
Black or Black British	0	3	*	5	4	30	*	0	5
White	96	90	96	78	88	55	98	98	89
Mixed origin	2	3	2	3	2	5	*	1	2
Other origin	0	1	0	1	1	1	*	1	1
Don't know/refused	1	1	1	*	*	2	1	0	1
Base: All claimants									
Unweighted count	*409*	*426*	*265*	*400*	*388*	*435*	*396*	*322*	*3,041*

Table A2.3 Current working status, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Working	16	32	18	3	13	21	13	30	21
Not working, worked in past 2 years	26	24	28	32	25	38	19	30	26
Not working, worked more than 2 years ago	41	36	40	39	45	27	41	36	38
Never worked	18	9	15	26	17	15	26	5	15
Base: All working age claimant									
Unweighted count	*360*	*372*	*213*	*361*	*366*	*416*	*359*	*276*	*2,723*

Table A2.4: Work summary for working claimants, by area

Column percentages

	Blackpool & Hove	Brighton	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Employee: less than 16 hours per week	11	16	[12]		15	19	15	13	15
Employee: 16-29 hours per week	49	32	[59]		55	18	65	37	39
Employee: 30 or more hours per week	30	26	[14]		16	45	10	30	26
Employee: Variable hours	0	3	[0]		3	2	2	2	2
Self-employed	11	22	[14]		9	17	7	17	17
Don't know/refusal	0	1	[0]		2	0	0	0	*
Base: All working claimants									
Unweighted count	*59*	*120*	*39*	*13*	*52*	*92*	*50*	*90*	*515*
Average working hours	23	24	[22]		[22]	28	[19]	26	24
Base: All working claimants who provided hours of work									
Unweighted base	*57*	*112*	*39*	*13*	*48*	*85*	*49*	*86*	*489*

Note: Average working hours excludes a small number of missing values, and cases with working hours of over 98 in a week, which are assumed to be unreliable.

Table A2.5: Household work summary

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Workless household	83	69	83	97	87	76	86	71	78
One working	17	29	16	3	13	24	14	27	21
Two working	1	2	1	*	*	1	0	2	1
Base: All claimants									
Unweighted count	*409*	*426*	*265*	*400*	*388*	*435*	*396*	*322*	*3,041*

Table A3.1: Whether a converted, new or repeat claim, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Converted claim	82	82	75	76	82	67	89	75	81
New claim	13	13	18	16	13	24	8	19	14
Repeat claim	3	4	7	6	5	6	1	5	4
Don't know	1	*	*	2	*	2	1	1	1
Base: All claimants									
Unweighted base	*409*	*426*	*265*	*400*	*388*	*435*	*396*	*322*	*3,041*

Table A3.2: Amount of time on Housing Benefit before receiving LHA, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Less than a year	11	13	5	9	10	17	5	6	10
1 to less than 2 years	11	11	11	17	13	28	10	13	13
2 to less than 3 years	9	13	11	11	9	10	15	11	12
3 to less than 4 years	14	10	6	11	13	8	10	6	10
4 to less than 5 years	9	8	12	10	9	5	14	12	10
5 to less than 10 years	25	29	28	23	22	16	26	27	26
More than 10 years	14	12	21	14	14	8	13	16	13
Don't know	7	5	7	6	10	8	8	8	7
Base: All converted claim									
Unweighted base	*337*	*348*	*192*	*290*	*310*	*270*	*350*	*203*	*2,300*

Table A3.3: Whether felt rent would be wholly or partially covered by LHA before applying, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Rent fully covered	39	37	35	57	45	49	[36]	28	40
A reduced figure	52	54	52	33	42	40	[57]	60	49
Don't know	9	10	13	10	13	10	[7]	12	10
Base: New claims									
Unweighted base	*66*	*76*	*72*	*103*	*76*	*155*	*41*	*115*	*704*

Table A3.4: Whether claimants knew how much benefit they would be awarded prior to receiving LHA for the first time, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Yes	27	26	17	27	21	20	28	18	25
No	73	72	81	73	78	79	70	80	74
Don't know	0	2	2	0	1	1	1	2	1
Base: Converted claims									
Unweighted base	*337*	*348*	*192*	*290*	*310*	*270*	*350*	*203*	*2,300*

Table A3.5: Where saw publicity or information about LHA, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Sent information through the post/leaflet	15	8		12	23	29	6	[15]	13
Local Council/Town Hall/Local Authority	33	30		30	27	34	34	[29]	31
Jobcentre Plus	4	7		2	11	7	0	[2]	5
Word of mouth/friends	4	2		1	3	14	2	[7]	3
Housing Association	1	0		0	2	2	0	[0]	*
From the local library	2	1		1	1	4	0	[0]	1
The local or national press	30	37		33	36	7	50	[28]	35
Citizen advice bureau	2	4		1	1	1	0	[6]	2
On a poster/around town	5	9		8	2	5	2	[6]	7
Post office	1	0		7	2	0	0	[0]	1
Estate agents/letting agents/landlords	5	1		0	2	0	2	[5]	2
Voluntary agencies	1	0		0	0	0	0	[0]	*
Other miscellaneous/DK	8	14		14	7	2	15	[19]	11
Base: All claimants who saw publicity or information about LHA before receiving it									
Unweighted base	*72*	*76*	*28*	*60*	*68*	*55*	*80*	*31*	*470*

Table A3.6: Time taken for claim to be successful, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Less than 4 weeks	37	20	43	20	19	33	[35]	39	29
4 weeks to less than 8 weeks	35	40	25	53	34	39	[36]	40	38
8 weeks to less than 12 weeks	18	28	14	14	25	15	[18]	8	20
12 weeks or more	5	6	12	9	12	8	[5]	6	7
Don't know	5	7	6	4	10	6	[6]	7	6
Base: All new claimants									
Unweighted base	*66*	*76*	*72*	*103*	*75*	*155*	*41*	*115*	*703*
Average weeks	5.1	6.2	5.7	6.0	7.3	5.2	[4.9]	4.6	5.7
Base: All new claimants									
Unweighted base	*63*	*71*	*68*	*99*	*68*	*148*	*38*	*110*	*665*

Table A3.7: Whether processing time caused problems paying rent, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Yes	31	45	40	57	39	45	[29]	33	41
No	66	55	60	42	59	55	[71]	67	58
Don't know	2	0	0	1	2	0	[0]	0	1
Base: All new claimants									
Unweighted base	*66*	*76*	*72*	*103*	*75*	*155*	*41*	*115*	*703*

Table A4.1: Accommodation type, by Pathfinder area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
House	45	18	47	74	72	19	81	57	43
Purpose built flat or maisonette	11	20	16	8	4	25	3	7	13
Converted flat	36	51	32	8	12	33	13	30	33
Other self-contained	3	3	1	3	3	2	0	2	2
Not self-contained	5	8	4	7	9	21	3	4	8
Base: All claimants									
Unweighted base	*409*	*426*	*265*	*400*	*388*	*435*	*396*	*322*	*3,041*

Table A4.2: State of repair of accommodation, by Pathfinder area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Nothing needs doing	35	31	38	29	26	29	32	37	32
Only minor problems	47	55	44	51	53	50	49	46	52
Quite a lot of problems	11	11	12	12	13	13	12	11	12
A lot of major problems	6	2	4	7	6	7	4	3	4
(None of these)	0	1	1	1	2	1	2	1	1
Base: All claimants									
Unweighted base	*409*	*426*	*265*	*400*	*388*	*435*	*396*	*322*	*3,041*

Table A5.1: Tenure at previous address, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Renting from other individuals/ organisations	72	79	52	52	50	65	76	67	68
Living rent free	10	10	21	27	22	21	9	19	15
Renting from LA / council	11	4	12	8	14	8	6	6	8
Renting from HA / Co-op	6	5	7	10	9	4	8	2	6
Buying with mortgage	2	3	6	3	5	1	1	4	3
Owned outright	0	0	0	0	0	0	0	0	*
DK/refused	0	0	2	0	1	1	0	3	*
Base: All claimants moved in after LHA go-live[1]									
Unweighted base	*138*	*59*	*69*	*120*	*74*	*131*	*61*	*100*	*752*

[1]This table excludes five respondents who were not asked this section due to routing error and 23 who had not previously had a stable or UK address within the last two years or for whom information was missing about the number of stable or UK addresses within the last two years.

Table A5.2: Length of residency at current address, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Less than six months	25	9	12	23	18	16	11	9	15
Six months to one year	19	14	20	14	9	19	14	20	15
More than one up to two years	16	17	16	15	19	19	18	13	17
More than two up to five years	27	29	24	29	31	25	38	30	29
More than five up to ten years	10	22	21	14	19	15	17	19	17
More than ten years	3	9	7	6	4	6	3	9	6
Base: All claimants									
Unweighted base	*409*	*425*	*265*	*398*	*387*	*434*	*396*	*322*	*3,036*

Note: This table excludes cases with missing values.

Table A6.1: How Claimants felt that their rent Levels Compare to Similar Properties in the Area, By Area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	Total
	%	%	%	%	%	%	%	%	%
Higher than average	13	5	7	11	13	12	9	10	9
About average	63	51	61	51	47	48	69	49	55
Lower than average	16	37	27	28	30	27	16	35	28
Don't know	8	7	6	10	10	13	7	6	8
Base: All claimants who assessed the reasonableness of their rent									
Unweighted base	*409*	*426*	*265*	*400*	*388*	*435*	*396*	*322*	*3,041*

Table A6.2: Whether rent has increased since LHA introduced into the area, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	Total
	%	%	%	%	%	%	%	%	%
Has rent increased?									
Yes	12	19	18	14	15	13	16	24	16
No	88	81	82	86	85	87	84	76	84
Base: - All claimants who gave details of rent increases									
Unweighted base	*323*	*386*	*237*	*300*	*317*	*361*	*353*	*285*	*2,562*

Table A6.3: Whether rent has increased since LHA introduced into the area, by length of tenure

Column percentages

	Less than 1 year %	1 year to less than 2 years %	2 years to less than 3 years %	3 years to less than 4 years %	4 years to less than 5 yaers %	5 years to less than 6 years %	6 years to less than 7 years %	7 years to less than 8 years	8 years to less than 10 years %	10 years or more	Total
Has rent increased?											
Yes	3	11	20	17	20	27	32	26	28	22	16
No	97	89	80	83	80	73	68	74	72	78	84
Base: All claimants who gave details of rent increases and length of tenure											
Unweighted base	*590*	*531*	*379*	*267*	*185*	*133*	*95*	*108*	*175*	*98*	*2,561*

Table A6.4: Whether rent has increased since LHA introduced into the area, by age

Column percentages

	Under 25 years old %	Over 25, but of Working age %	Pensionable age %	Total %
Has rent increased?				
Yes	10	17	21	16
No	90	84	79	84
Base: All claimants who gave details of rent increases				
Unweighted base	*230*	*2078*	*282*	*2,590*

Table A7.1: Whether wants to change who receives payment, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Whether prefers direct payments									
Prefers receiving payment direct	57	79	66	63	64	75	27	76	65
Would prefer payment to the landlord	36	13	27	30	27	20	58	18	27
Don't know if want to change	7	8	8	7	8	5	15	6	8
Base: All claimants receiving direct payment									
Unweighted count	*354*	*373*	*238*	*375*	*354*	*408*	*329*	*303*	*2,734*

Table A7.2: Reason for preferring direct payments, by area

Multiple response, column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	Total
	%	%	%	%	%	%	%	%	%
Direct payment increases personal responsibility/allows claimant to manage finances	22	33	41	15	31	25	40	37	30
More convenient/easier for claimant	19	25	15	15	18	12	20	22	20
Happy with current system	19	13	16	17	11	11	9	19	14
Can ensure rent is paid on time/ can monitor rent	14	8	11	26	18	16	15	14	13
Indifferent/don't care	14	8	10	5	7	9	21	5	9
Landlord doesn't know they are on Housing Benefit	1	9	2	7	4	10	0	4	6
Use as leverage with landlords	7	3	4	11	14	6	0	2	5
Easier for landlord/landlord prefers it	3	3	2	2	3	3	0	5	3
Better knowledge when things go wrong with Housing Benefit	10	1	1	3	2	3	2	3	3
Financial flexibility/choice on what to spend money on	2	3	1	3	2	2	1	*	2
Claimant believes they have to because of top up	*	2	3	3	3	4	0	1	2
Other miscellaneous reasons	1	3	1	2	1	2	2	3	2
Don t know/no specific reason	1	3	2	3	1	3	2	1	2
Doesn't trust their landlord	1	1	1	1	1	2	0	1	1
Base: All claimants that prefer direct payments and are currently being paid this way									
Unweighted count	*205*	*297*	*155*	*237*	*228*	*302*	*91*	*238*	*1,753*

Table A7.3: Reason for preferring landlord payments, by area

Multiple response, column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
Claimant doesn't want hassle/ responsibility	62	[40]	74	62	66	57	67	[56]	60
Claimant not good with money/ tempted to spend it	13	[12]	6	11	6	7	16	[15]	12
To know the rent is being paid	9	[14]	10	10	9	9	12	[11]	11
Less time consuming / saves time	5	[19]	5	8	9	14	6	[14]	9
Saves claimant having to deal with the banks	0	[2]	6	0	0	4	5	[3]	3
Claimant has difficulty getting around	1	[0]	1	6	4	2	3	[3]	2
Easier for landlord/landlord prefers it	4	[2]	3	2	2	2	1	[3]	2
Prevents claimant being blamed for late payment	1	[0]	2	4	2	1	0	[1]	1
Security – doesn't want to carry money around	1	[0]	0	4	1	0	2	[0]	1
The money is the landlord's anyway	1	[2]	1	0	1	0	0	[5]	1
Doesn't like landlord/doesn't want to deal with landlord	0	[2]	0	1	2	4	0	[0]	1
Happy with existing system/see no reason to change	1	[2]	0	1	0	0	1	[3]	1
Claimant has no bank account	0	[0]	0	2	4	0	0	[1]	1
Trusts landlord / letting agency	0	[0]	0	0	0	2	0	[0]	*
Payment is going to landlord anyway	0	[0]	0	0	0	1	0	[0]	*
Other miscellaneous reasons	1	[7]	10	4	2	2	7	[6]	5
Don't know/no specific reason	4	[6]	0	0	1	1	0	[3]	2
Don't mind either way/Don't care	3	[2]	0	1	1	3	1	[0]	2
Base: All claimants that prefer landlord payments but are being paid direct									
Unweighted count	*123*	*47*	*63*	*109*	*93*	*83*	*186*	*48*	752

Table A7.4: How claimants paid their rent, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	All Pathfinders
	%	%	%	%	%	%	%	%	%
How pays the rent									
Pay by cash	61	21	44	59	52	42	56	31	41
Have a direct debit/standing order set up	17	46	31	19	23	25	24	42	32
Pay by cheque	18	26	17	15	21	27	11	24	21
Transfer money to landlord's bank account	5	7	10	8	7	9	9	6	7
Some other way	0	*	0	0	0	0	0	1	*
Don't know	0	*	0	*	*	0	*	0	*
Base: All claimants who receive their payments direct									
Unweighted count	*354*	*373*	*238*	*375*	*354*	*408*	*329*	*303*	*2,734*

Table A7.5: Working status, age group and household types by bank account status

Row percentages

		Opened account for LHA	Opened account for HB	Refused account since LHA live refused	Hasn't tried to open account	Has bank account: not opened for HB/LHA	*Unweighted base*
Working status							
Is currently in work	%	7	6	1	3	84	*515*
Not working, has worked in past 2 years	%	12	5	1	4	78	*815*
Not working, last worked more than 2 years ago	%	17	8	2	5	68	*1,219*
Never worked	%	24	9	3	6	57	*492*
Age group							
Under 25	%	14	7	1	5	72	*301*
Working age 25 or over	%	16	7	2	4	71	*2,422*
Pensionable age	%	8	5	2	5	79	*318*
Household type							
Couple, no dependent children	%	7	3	4	8	78	*222*
Couple with children	%	18	9	1	6	66	*359*
Lone parent	%	16	7	1	3	72	*1,043*
Other multi-person household	%	12	8	1	3	74	*212*
Single person	%	15	7	2	5	71	*1,205*
All claimants	%	15	7	2	4	72	*3,041*

Base: All claimants

Table A7.6: Has claimant's rent been up to date for the whole of the last 12 months, by area

Column percentages

	Blackpool	Brighton & Hove	Conwy	Coventry	Leeds	Lewisham	NE Lincs	Teignbridge	Total
	%	%	%	%	%	%	%	%	%
Yes	80	91	88	81	82	81	90	92	87
No	20	9	12	19	18	19	10	8	13
Base: All claimants who stated whether they had been in arrears or not									
Unweighted base	*409*	*425*	*263*	*397*	*385*	*431*	*396*	*322*	*3,028*

Table A7.7: Has claimant's rent been up to date for the whole of the last 12 months, by age

Column percentages

Age		Under 25	Over 25 but of working age	Pensionable age	Total
		%	%	%	%
All Areas	Yes	81	86	98	87
	No	20	14	2	13
Base: All claimants who stared whether they had been in arrears or not					
Unweighted Base		*298*	*2412*	*318*	*3,028*

Table A7.8: Has claimant's rent been up to date for the whole of the last 12 months, by income

Column percentages

Income	Less than £5,000 %	Over £5,000 but less than £10,000 %	Over £10,00 but less than £15,000 %	£15,000 or more %	Total %
Has Claimant been in arrears for 2 weeks or more in the past 2 years?					
Yes	75	85	87	91	86
No	25	15	13	9	14
Base: All claimants who stated their income and whether they have been in arrears or not.					
Unweighted base	*236*	*1,150*	*867*	*437*	*2,690*

Table A7.9: Reasons for arrears, by area

Multiple response

	Blackpool %	Brighton & Hove %	Conwy %	Coventry %	Leeds %	Lewisham %	NE Lincs %	Teignbridge %	Total %
Reason for arrears									
Problems with LHA	61	[48]		58	54	48	[37]	[36]	51
Unemployment	20	[37]		28	22	37	[33]	[33]	29
Other debts/responsibilities	16	[22]		18	17	33	[28]	[25]	21
Other reasons	12	[10]		13	15	16	[21]	[18]	13
Illness	13	[12]		13	9	16	[2]	[9]	13
Working fewer hours/less overtime	8	[5]		3	2	2	[7]	[8]	6
Increases in rent	2	[5]		13	4	6	[9]	[8]	6
Domestic problems	7	[2]		5	7	8	[12]	[8]	6
Base: All claimants in arrears									
Unweighted base	*77*	*37*	*29*	*79*	*67*	*82*	*37*	*30*	*438*

Table A9.1: Perceptions of current financial situation by area

Row percentages

Area	Managing very well	Managing quite well	Getting by alright	Not managing very well	Have some financial difficulties	In deep financial trouble	*Unweighted base*
	%	%	%	%	%	%	
Blackpool	3	13	60	9	12	2	*406*
Brighton & Hove	4	12	55	12	15	3	*424*
Conwy	4	12	53	14	13	2	*262*
Coventry	1	16	56	10	13	4	*398*
Leeds	5	13	57	6	16	2	*386*
Lewisham	3	12	46	13	21	5	*431*
NE Lincolnshire	4	14	62	7	9	3	*394*
Teignbridge	6	15	56	7	12	4	*321*
All Areas	4	13	56	10	14	3	*3,022*

Appendix D

Logistic Regression

Logistic Regression

Logistic regression was used to investigate the factors that might have influenced claimants to consider that their rent was lower than average. The regression model assesses the influence of area, claimants' age, household type, income, working status, length of tenure and state of repair of accommodation on perception of rental levels. The factors that might influence claimants to consider their rent was higher than average were not analysed, as only 314 claimants thought their rent was higher than average.

Age of claimant, income and state of repair of accommodation were not part of final regression model, indicating that they wielded little influence on the claimants' perceptions of rent compared to the other factors. Each of the factors were assessed compared to a reference group, which is shown in brackets in Table D1 There were no significant differences between most of the Pathfinder areas compared with Leeds (the reference group). However, claimants in Blackpool and North-East Lincolnshire were around half as likely to think their rent was lower than average compared with Leeds, and claimants in Brighton & Hove were more likely.

Claimants who had never worked were about one half as likely to think their rent was lower than average compared to claimants who were in work, but there were no other significant differences due to working status.

The duration of tenure also influenced claimants' perception of their rent. Claimants who had rented their current accommodation for longer periods of time, more than five years, were around twice as likely to think their rent was lower than average, compared with claimants who had lived there for four years or less.

Household type affected claimants perception of rent. Claimants with children (couples and lone parents) were significantly less likely to think their rent was lower than average compared to single people (the reference group). There were no significant differences between the household types without children.

Table D1: Results of logistic regression analysis of factors associated with perceiving rent as below average vs average or higher than average rent

Factor	Odds Ratio	Significance
AREA (Leeds)	1.00	-
Blackpool	0.45	*
Brighton & Hove	1.16	*
Conwy	0.85	NS
Coventry	0.96	NS
Lewisham	0.87	NS
North East Lincs	0.44	**
Teignbridge	1.13	NS
	1.00	-
	0.48	*
	1.01	NS
HOUSEHOLD TYPE (Single people)	1.00	-
Couple, no dependent children	1.04	NS
Couple with children	0.74	*
Lone parents	0.74	**
Other multi-person household	0.92	NS
WORKING STATUS (Currently in work)	1.00	-
Last worked less than 2 years ago	0.91	NS
Last worked more than 2 years ago	0.74	NS
Never worked	0.59	**
LENGTH OF TENURE (Less than 4 years)	1.00	-
5 to 7 years	1.81	**
8 or more years	1.84	**

Base population: All claimants

* - p<0.05
** - p<0.01
( ) - categories in brackets are used as reference

Appendix E

Questionnaire

BLOCK A ELIGIBILITY CHECK

Intro

Good (morning/afternoon/evening). My name is XXX calling from the National Centre for Social Research. We are carrying out a study about people's experiences whilst claiming (Housing Benefit/Local Housing Allowance). We recently sent you a letter explaining about the purpose of this survey. Have you received this letter?

INTERVIEWER: If not sure, ask If another member of the household may have received it

1: Yes
2: No

(If Intro=No & QArea = 1 (control areas only))

Intro2

This study is designed to collect information about your experiences of claiming Housing Benefit. Your name has been selected at random from Housing Benefit records. The study is being conducted on behalf of the Department for Work and Pensions. We are interested in your views and experiences, whatever your present circumstances.

(If Intro=No & QArea = 2 (pathfinder areas only))

Intro3

This study is designed to collect information about your experiences of claiming the Local Housing Allowance, which has recently been introduced to replace Housing Benefit in your area. Your name has been selected at random from records of all people who claim Local Housing Allowance. The study is being conducted on behalf of the Department for Work and Pensions.

We are interested in your views and experiences, whatever your present circumstances.

ConfRem

I would like to remind you that everything you tell me will be treated in accordance with the data protection act and that your answers to the survey will not affect your benefits in any way.

BRName

Can I just check that your name is (textfill name from sample file)?

1: Correct
2: Incorrect

(If name is incorrect)

Reswrg

INTERVIEWER: Code reason name is incorrect

1: Named person has changed title / name
2: Named person is unavailable throughout survey period but their spouse / partner is available
3: Named person not known on this number

Soft check If code 2 'INTERVIEWER Are you sure? We want to interview the named sample member where ever possible. If Named sample member is not available then you may do a proxy with a partner of the OPPOSITE sex by suppressing this check.

Hard Check If code 3 'This person is not eligible for his survey. Thank them for their time and go to admin.

(If BRName = incorrect)

BRTit

INTERVIEWER: Record correct title.

BRFNm

INTERVIEWER: Record correct forename.

BRSNm

INTERVIEWER: Record correct surname.

BRSex

INTERVIEWER: Code respondent's sex.

1: Male
2: Female

HBCheck

I understand that you (or your partner) are currently receiving (Housing Benefit/Local Housing Allowance). Is that correct?

1: Yes
2: No

NODK, NORF

If Code 2 Hard Check - Only respondents who are receiving housing benefit or whose partners are receiving housing benefit are eligible for this study.

EligCk

And do you (and your partner) rent the property that you live in?

1: Yes, rents
2: Yes, part rent, part buy
3: No

NODK, NORF

If 2: Hard Check 'Can I just check do you part rent, part buy?

INTERVIEWER If respondent part rents, part buys they are not eligible for the survey

If No: Hard check 'Are you sure. Check with respondent. If they are not in receipt they are not eligible for this survey.'

(If rents property)

(If EligCk = Yes, rents)

EligCk2

And do you rent your accommodation from ... READ OUT ...

INTERVIEWER: Code 4 (Local Authority) includes people renting from Housing Action Trusts, New Town Development Agencies and Scottish Homes.

Code 5 (Housing Association) includes registered social landlords and local housing companies.

Refusal or don't know not allowed.

1: ... a private individual landlord,
2: a private landlord that is a company or organisation,
3: a letting agent or letting agency,
4: a Local Authority / council/ New Town Development / Scottish Homes,
5: a housing association or co-operative or charitable trust of Local Housing Company,
6: an Alms House,
7: or is it someone else?

Hard check if not 1-3 'Are you sure. Check with respondent. If they are not renting from a private individual, private organisation or letting agency they are not eligible for this survey.'

EligCk3

Can I just check, do you still live in the local authority of (textfill name of authority)?

1: Yes
2: No

If yes, filtered on to block B.

BLOCK B: RESPONDENT DETAILS

Intro2

I'd now like to ask about you and your household.

BRDoB

Firstly, how old were you at your last birthday?

Range: 16..120

(If BRDoB = refusal)

BRdobc

Could you tell me instead in which of the following age bands you were in at your last birthday? Were you ... READ…

1: Under 25,
2: 25-49,
3: 50-64,
4: 65 and over?

BMarital

Which of the following best describes you? Are you ... READ OUT…

1: married,
2: living with a partner,
3: single,
4: divorced,
5: separated,
6: widowed?
7: other (please specify)

(If other at Bmarital)

BmaritalO

INTERVIEWER: CODE RESPONDENT'S MARITAL STATUS: OPEN

BREcSt

And could you tell me which of these best describes what you were doing last week, that is in the 7 days ending Sunday the _____? Were you ... READ OUT…

INTERVIEWER: Code one response only, priority order.

1: in paid work,
2: in full-time education,
3: Government programme (e.g. New Deal, Jobcentre programme),
4: unemployed and looking for work,
5: looking after the home or family,
6: long-term sick / disabled (not able to work),
7: retired,
8: or were you doing something else? (PLEASE SPECIFY)

(IF (BREcSt = other)

BORecSt

INTERVIEWER: Enter details of 'other' activity: OPEN

BHou

I would like to ask about the other people living with you. How many people, including yourself, live in your household?

INTERVIEWER, EXPLAIN IF NECESSARY: By household, I mean those who live with you and use the same living room or share at least one meal a day with you?

Range: 1..15, NODK, NORF

BNam

What is the first name of the (1st, 2nd, 3rd, etc.) other person living in your household?

INTERVIEWER Enter first name only.

BRel

What is (textfill person's name) relationship to you?

1: Spouse or partner
2: Son or daughter (natural or adopted)
3: Foster or stepchild
4: Grandchild
5: Brother/sister
6: Parent (including step/in-law)
7: Grandparent
8: Other child, related or unrelated
9: Other adult relative
10: Friend
11: Unrelated adult

BSex

INTERVIEWER CODE OR ASK And can I just check, is (textfill person's name)

...READ OUT...

1: Male
2: Female

BAge

And what was (textfill person's name) age at his/her last birthday?

INTERVIEWER If age not known, ask for an estimate.

Record Age: _____

INTERVIEWER: IF THE AGE OF 'THAT PERSON' IS 16 OR OVER, THEN ASK THE FOLLOWING QUESTIONS:

BEcSt

Could you tell me which of these best describes what he/she was

doing last week, that is in the 7 days ending Sunday the _____? Was he/she ... READ OUT ...

INTERVIEWER Code one response only, priority order.

1: In paid work (part or full time)
2: In full-time education
3: Government programme (e.g. New Deal, Jobcentre programme)
4: Unemployed and looking for work
5: Looking after the home or family
6: Long-term sick / disabled (not able to work)
7: Retired
8: Doing something else? (SPECIFY)

(IF (DEcSt = Other))

BxEcSt

INTERVIEWER Check for other activity below

1: In prison
2: Living overseas
3: Caring for a sick or disabled friend or relative
4: Other - PLEASE SPECIFY

(IF (BEcSt = other) THEN)

BEcStO

INTERVIEWER Enter details of 'other' activity. OPEN

(If becst = Work)

WrkHr

Can I just check does (textfill person's name) work full or part-time?

1: Full-time
2: Part-time

BLOCK C: ACCOMMODATION TYPE

Intro

I now want to ask about your current accommodation.

Accom

How would you describe the accommodation where you (and your partner) live? Is it ... READ ...

INTERVIEWER Must be space used by Household (not the address / dwelling unit as a whole if this is occupied by more than one household.

1: a house or bungalow
2: a flat or maisonette
3: a room/rooms
4: or is it something else?

(If accommodation is a house or a bungalow)

(If Accom = 1)

HseType

Is the house/bungalow ... READ...

1: detached
2: semi-detached
3: or terraced/end of terrace?

(If accommodation is a flat or maisonette)

(If Accom = 2)

FltTyp

Is the flat/maisonette ... READ ...

1: a purpose-built block
2: a converted house/some other kind of building?

(If accommodation is something else)

(If Accom = 4)

AccOth

Is the accommodation a ... READ ...

1: caravan, mobile home or houseboat
2: or some other kind of accommodation?

Ifgard

Do you have ...READ...

INTERVIEWER Code first that applies.

Include communal or shared gardens if the household uses/would want to use them. Exclude allotments.

1: a garden?
2: a patio or yard?
3: a roof terrace or large balcony?
4: HAS NONE OF THE ABOVE

(If accommodation is NOT a caravan, mobile home or houseboat)

(If AccOth NOT 1)

Bedsit

Is your accommodation a bedsit?

INTERVIEWER IF YES, Does it have cooking facilities?

1: No, not a bedsit
2: Bedsit without cooking facilities?
3: Bedsit with cooking facilities?

(If not a bedsit)

(If Bedsit NOT = 2 or 3)

TypRm1-11

Do you have any of the following rooms in your accommodation (that is, those rooms at the address that you rent)?

INTERVIEWER If YES, record number.

If NONE, Code '0'.

Do you have ... a bedroom designed to take a double bed (incl. attic bedroom)?
... a bedroom designed to take a single bed (incl. boxroom/attic bedroom)?
... a separate kitchen, not used for eating meals?
... a kitchen-diner?
... other room for cooking?
... living or dining rooms (incl. conservatory used all year round)?
... combined living room/bedroom?
... bathroom with toilet?
... bathroom without toilet?
... separate toilet?
... any other rooms (incl. cellars, utility, shower room, attics)?

Range: 0..7

ShrRm

And does your household share any (of these) rooms with other households (or would share if the currently vacant accommodation was occupied)?

INTERVIEWER: Include communal bathrooms, kitchens, living space.

DO NOT include landings / hallways.

IF NECESSARY ADD 'By household I mean those who live with you and use the same living room or share at least one meal a day with you'

1: Yes
2: No

(If shares any rooms)

ShrWh

Which rooms does your household share with other households?

INTERVIEWER Which others?

1: bedsit without cooking facilities
2: bedsit with cooking facilities
3: double bedroom (incl. attic bedroom)
4: single bedroom (incl. boxroom/attic bedroom)
5: separate kitchen, not used for eating meals
6: kitchen-diner
7: other room for cooking
8: living or dining rooms (incl. conservatory used all year round)
9: combined living room/bedroom
10: bathroom with toilet
11: bathroom without toilet
12: separate toilet
13: other (incl. cellars, utility, shower room, attics)

MovInY

When did you start living at this address?

FIRST ENTER THE YEAR.

ENTER '9997' IF ALWAYS LIVED HERE.

Range = 1900..9997

Check: If year started living in property is before year of birth

(If MonInY > (Year of interview -Respondent Age))

(If MovInY = 1998..2004)

MovInM

NOW ENTER THE MONTH.

IF DK, ASK 'Was it Winter, Spring...?' AND ENTER MID-SEASON MONTH

Range = 1..12, NODK, NOREFUSAL

(If interview is with partner of named HB recipient)

SamTim

Did you move into the property around the same time as (textfill name of HB recipient)?

1: Yes
2: No

(If interviewing named recipient or their partner moved in at same time as them)

Depost

When you (and textfill name of HB recipient) first moved to this accommodation did (either of) you pay a returnable deposit to cover damages?

INTERVIEWER If deposit covered only rent paid in advance please code as 'No'.

1: Yes
2: No

(If paid deposit)

(If depost = Yes)

LADep

Did [you / textfill name of HB recipient] receive any help paying your deposit from the Local Authority or any other organisation?

1: Yes
2: No

((If paid deposit)

(Deosit = Yes))

Depamt

Please tell me how much you paid as a deposit to your landlord or to the letting agency, excluding any rent paid in advance?

INTERVIEWER: Enter amount in pounds.

INTERVIEWER: Rent in advance is non-returnable whereas deposits are returnable, usually depending on factors such as damage to property and rent arrears. If pays a certain amount each week to build up a bond enter the total amount required by landlord.

Range: 1.9999

((If MovInY NOT 997) and (named respondent or proxy moved in at same time))

ReasIn

What were your **main** reasons for leaving your previous address?

INTERVIEWER Code all that apply

1: Wanted larger house or flat
2: Wanted smaller accommodation
3: Wanted self-contained accommodation
4: To move to a better area or neighbourhood
5: For personal or family reasons (including to be closer to friends)
6: Change of Job / Nearer to job
7: Wanted to pay lower rent
8: Landlord asked me to leave/evicted - selling the previous property
9: Landlord asked me to leave/evicted - because of rent arrears
10: Landlord asked me to leave/evicted - other reason (please specIfy)
11: Because of structural problems with the property
12: Respondent was previously homeless
13: End of tenancy agreement
14: Landlord asked me to leave/evicted - because of changes to Housing Benefit system
15: Better off financially
16: Worse off financially
17: Other financial reasons
18: Moved to current address from **overseas**
19: Some other reason (please specIfy)

(If landlord asked them to leave)

OthEvic

INTERVIEWER: For what other reason were they asked to leave/were evicted by the landlord?: OPEN.

(If some other reason)

OthRea

INTERVIEWER: CODE OTHER REASONS FOR LEAVING PREVIOUS ADDRESS: OPEN

(If Reasin = 15, 16 or 17)

AwardC

Can I just check, did the change to your financial position have anything to do with changes to the amount of your ^(Housing Benefit/Local Housing Allowance) award?

1: Yes
2: No

(If don't mention lower rent at ReasIn)

(If ReasIn <> 7)

Rentfac

And can I just check, was the amount of rent you were paying a factor in moving out?

INTERVIEWER: If not previously renting, code 'NO' here.

1: Yes
2: No

(If wanted to pay lower rent or rent was a factor in moving)

(If ReasIn = 7 or rentfac = yes)

RentI

And when you (and your partner) were deciding whether to move to your **current** accommodation, was the amount of rent being charged the **most** important reason for you moving in?

INTERVIEWER: If rent was not a factor code 'No'.

1: Yes
2: No

Choice

And when you (and your partner) were looking for your current accommodation, was there a good choice of housing in the area?

1: Yes
2: No

Furn

Is your accommodation provided ... READ OUT ...

1: furnished
2: partly furnished (e.g. carpets and curtains only)
3: or unfurnished?

LenTen

When you first moved into your current accommodation, was your tenancy agreement for a fixed length of time?

INTERVIEWER IF YES How long for?:

0: No
1: Yes, less than six months
2: Yes, six months
3: Yes, over 6 months, up to one year
4: Yes, over one year

Heat1

What types of heating do you have in this accommodation?

INTERVIEWER: Code all that apply.

PROBE: What others?

ADD IF NECESSARY: Do you have central heating in this accommodation?

1: Central heating
2: Night storage heater/s
3: Fixed room heater/fire (Gas or Electric)
4: Open fire/s or stove/s
5: Portable heaters (Electric, Bottled gas/paraffin or Oil-filled)
6: Other
7: (None of these)

Warm

In winter, are you able to keep this accommodation warm enough?

INTERVIEWER Code 'can't afford it' as 'no'

If can only keep some of the house warm, code 3.

1: Yes
2: No
3: Some of it

SatCon

I'd now like to ask you to rate some aspects of your accommodation.

How many marks out of 10 would you give the following ... READ

INTERVIEWER If asked tell respondent that 10 represents the highest score and 1 the lowest.

... the decoration of your accommodation, thinking in particular of the condition of the walls and floors?1..10

SatKit

(How many marks out of 10 would you give the following ... READ)

... your kitchen, thinking in particular of the condition of the appliances?1..10

SatBath

(How many marks out of 10 would you give the following ... READ)

... your bathroom, thinking in particular of the condition of the bath, handbasin, shower etc.?1..10

Enough

Do you think the number of rooms in your accommodation is too few, too many or about right?

1: Too few
2: Too many
3: About right

Size

And on the whole, do you think the rooms in your accommodation are too small, too big or about right?

1: Too small
2: Too big
3: About right
4: [SPONTANEOUS] Some too big / some too small
5: [SPONTANEOUS] No opinion

Repair

How would you rate your accommodation's state of repair? Would you say ... READ ...

1: nothing needs doing,
2: it has only minor problems,
3: it has quite a lot of problems,
4: or does it have a lot of major problems?
5. [SPONTANEOUS] None of these

(If repair = 2 to 4)

WhRep

Do you or *have* you had any of the following problems with your accommodation in the past 3 months...READ...

INTERVIEWER: Read each in turn and code *all* that apply.

1: rising damp
2: water getting in from roof, gutters or windows
3: condensation
5: problems with electrical wiring
6: plumbing
7: problems with draughts?
8: Other (specify in a note)

(If repairs = 2 to 4)

Anyorep

Are there any other problems with this accommodation, like the ones we've just been discussing?

1: Yes
2: No

(If Anyorep = Yes)

Whothp

INTERVIEWER Enter details of other problems: OPEN

(If repair = 2 to 4)

(If Respondent has lived in current property for more than 3 month)

Oldrep

Has your landlord dealt with any of these problems in the last 3 months?

INTERVIEWER: If 'No', probe whether landlord has been informed of problems. If currently dealing with problem(s), code 'Yes'.

1: Yes
2: No, claimant asked landlord but they declined to deal with them
3: No, asked landlord and awaiting outcome
4: No, but not asked landlord to deal with them

SatTran

I'd now like to ask you to rate some aspects of your local area.

Using the same scale we used before, how many marks out of 10 would you give the following ... READ

INTERVIEWER If asked tell respondent that 10 represents the highest score and 1 the lowest.

... the local transport links, thinking about how easy it is to get around?1..10

SatShop

(How many marks out of 10 would you give the following ... READ)

... the shops in your local area, thinking about how easily you can buy basic goods?1..10

SatSafe

(How many marks out of 10 would you give the following ... READ)

INTERVIEWER Prompt - 'A score of '10' would imply that you feel completely safe and '1' completely unsafe.

... how safe you feel living in your area?1..10

BLOCK D: RENT SETTING & HOUSING BENEFIT

Intro

I now want to ask about the rent [you / textfill name of HB recipient] pay and the Housing Benefit you receive.

CovAll

Can I just check, does the housing benefit cover all of the rent or do you (and your partner) have to pay some additional money?

INTERVIEWER: Don't know or refused not allowed at this question.

1: Housing Benefit covers all rent
2: Have to pay money in addition to housing benefit

(If covall = some)

ActRen

How much do **you** (and your partner) actually pay in rent **after** you have received any (Housing Benefit/Local Housing Allowance), excluding any payments to pay off arrears?

INTERVIEWER: Whole pounds only. If claimant says they don't pay the additional rent, or the landlord doesn't bother to collect it, then code 0

Range: 0..99997

(If ActRen IN 1..9997)

ActPer

And what period of time does that cover?

1: One week
2: Two weeks
3: Four weeks
4: Calendar month
5: Year
6: Other (EXPLAIN IN A NOTE)

(If ActRen IN 1..9997)

IncWat

Can I just check, does this amount include ...READ...

... any charges for water?

1: Yes
2: No

IncHt

(...and does this amount include ...READ...)

... any charges for heating?

1: Yes
2: No

IncCT

(...and does this amount include ...READ...)

... any payments for council tax?

1: Yes
2: No

IncSvC

(does this amount include ...READ...)

... any service charges (including hot water)?

1: Yes
2: No

(If IncWat=Yes or IncHt=Yes or IncCt=Yes or IncSvC=Yes)

AftRen

How much do you (and your partner) pay in rent **excluding** any charges for water,

heating, council tax and service charges?

INTERVIEWER: Whole pounds only 1..99997

(If AftRen IN 1..9997)

PerAct

And what period of time does that cover?

1: One week
2: Two weeks
3: Four weeks
4: Calendar month
5: Year
6: Other (EXPLAIN IN A NOTE)

(ASK ALL)

HBen

How much Housing Benefit/rent allowance do you (and your partner) receive?

INTERVIEWER: First code whether you will record an amount of money or a proportion of the rent.

NODK, NORF

1: Amount of money
2: Proportion (%) of the rent

(If HBen = Money)

HBenM

INTERVIEWER Enter the amount of money received in rent allowance/housing benefit in whole pounds only.

Range = 1..9997

(If HBenM IN 1..9997)

HBenMT

And what period of time does that cover?

1: One week
2: Two weeks
3: Four weeks
4: Calendar month
5: Year
6: Other (EXPLAIN IN A NOTE)

(If HBen = Prop)

HBenP

INTERVIEWER Enter the proportion of rent received in rebate/housing benefit

Range = 1..100.

(If ActRen=RESPONSE or AftRen=RESPONSE) AND HBenM = RESPONSE)

TotRen

From what you have told me the total amount of rent for this accommodation adds up to around (ActRen + HbenM) per week. That is, the amount charged before any deductions but NOT including charges for water, heating, service charges and so on. Does this sound about right?.

1: Yes
2: No

(If LHA covers all the rent)

ExtrLHA

Is the rent for this accommodation less than the amount of Local Housing Allowance you receive?

INTERVIEWER: The LHA is (amount coded at totpay) per week.

1: Yes
2: No

(If amount not right)

(If Totren = No)

RenAct

So how much is the total rent?

Range: 1..99997

(If TotRen IN 1..9997)

TotPer

And what period of time does that cover?

1: One week
2: Two weeks
3: Four weeks
4: Calendar month
5: Year
6: Other (EXPLAIN IN A NOTE)

Prear

Have you been up to date with the rent for the whole of the last 12 months or has any rent ever been owing for a fortnight or longer during that time?

1: Paid up to date
2: Rent owing for a fortnight or longer

(If ever in arears in last 12 months)

ArrREA

There are many reasons why people get behind with their rent. Please tell me whether each of the following were a reason why you were behind with your rent ... READ ...

INTERVIEWER: Read each and code all that apply.

1: … increases in the rent,
2: unemployment,
3: working fewer hours/less overtime,
4: illness,
5: other debts / responsibilities,
6: problems in connection with (Housing Benefit/Local Housing Allowance),
7: domestic problems?
8: None of these

(If arrears were caused by Housing Benefit))

(If ArrRea = 6)

HBProb

Please tell me what the problem was with (Housing Benefit/Local Housing Allowance) that contributed to you having dIfficulty paying your rent?

INTERVIEWER: Code all that apply

PROMPT: What other reasons?

1: Delay in processing application for ^(Housing Benefit/Local Housing Allowance) / Still Waiting
2: Late payment of (Housing Benefit/Local Housing Allowance) / still waiting
3: Payment stopped because of (Housing Benefit/Local Housing Allowance) review
4: Payment stopped because of change to respondent's status
5: Amount of (Housing Benefit/Local Housing Allowance) was less than expected / didn't cover full amount of rent
6: (Housing Benefit/Local Housing Allowance) didn't cover full amount of rent because of 8: rent restriction
7: Application turned down
8: Some other problem (please specIfy)

(If HBProb = 8)

OthHBPr

What other problems?: OPEN

((If in Pathfinder area) and (arrears were caused by LHA))

((If ArrRea = 6) & (QAREA = 2))

LHAProb

Did you have these problems with arrears prior to Local Housing Allowance starting in your area, that is any time before (textfill date LHA started in area)?

1: Yes
2: No
3: Was not on HB prior to (date LHA started in area)

(If HB was less than they expected)

RentRes

When you found out that your (Housing Benefit/ Local Housing Allowance) was less than you had expected, did you ask your landlord whether the rent could be reduced?

1: Yes
2: No

(If asked landlord if rent could be reduced)

RentDec

Was the rent reduced?

1: Yes
2: No

Whohas

Is your (Housing Benefit/Local Housing Allowance) paid direct to your landlord or letting agent, or is it paid to you (or your partner) first?

INTERVIEWER: ONLY CODE 4 WHEN RESPONDENT DIRECTLY MENTIONS THAT THEY RECEIVE SOME OF THEIR HB/LHA AWARD THEMSELVES AND SOME GOES STRAIGHT TO THE LANDLORD

1: Direct to landlord/letting agent
2: Paid to respondent (or partner) first
3: SPONTANEOUS: Paid to a third party e.g. charity for the homeless
4: SPONTANEOUS: Payment is split between the claimant and the landlord

(If paid to respondent)

(If Whohas=2)

Howpaid

Is your (Housing Benefit/Local Housing Allowance) paid to you (or your partner)...READ

1: ... by cheque,
2: directly into a bank account or post office account,
3: or do you receive it some other way? (please specify)

(If Howpaid = 3)

HowpaidO

INTERVIEWER: Record how else they receive their (Housing Benefit/Local Housing Allowance): OPEN

{If paid to respondent first}

{If Whohas=2}

Payrent

And how do you **usually** pay your rent to your landlord or letting agency? Do you ... READ

INTERVIEWER: CODE ALL THAT APPLY

1: Have a direct debit/standing order set up,
2: Request a transfer of the money to your landlord's bank account,
3: Pay by cheque,
4: Pay by cash,
5: Or do you pay your rent in some other way

PayrentO

INTERVIEWER: RECORD OTHER METHOD OF PAYING RENT: OPEN

((If multicoded response to payrent) AND (have to pay a top up))

Payrent1

You have just told us that you pay your rent to your landlord or letting agency in more than one way. Does this happen because you have to top up your (Housing Benefit/Local Housing Allowance) award to cover the full amount of your rent, because you like to vary how you pay your rent, or for some other reason?

INTERVIEWER: IF THE RESPONDENT SAYS THAT THEY PAY THEIR RENT IN DIFFERENT WAYS FOR LOTS OF DIFFERENT REASONS, SPECIFICALLY ASK IF HAVING TO FIND SOME MONEY ON TOP OF THEIR BENEFIT AWARD IS ONE OF THEM. IF SO, CODE 1 INSTEAD OF 4.

1: Have to top up (Housing Benefit/Local Housing Allowance) to pay rent
2: Like to vary how they pay the rent
3: For some other reason
4: SPONTANEOUS: For lots of dIfferent reasons

(If payrent1 = top up)

Payrent2

So do you usually pay your top up using a dIfferent method to when you pay the bulk of your rent?

1: Yes
2: No

(If payrent2 = yes)

Payrent3

So which method do you **most often** use to top up your (Housing Benefit/Local Housing Allowance) award in order to cover your rent? READ…

1: Have a direct debit/standing order set up,
2: Request a transfer of the money to your landlord's bank account,
3: Pay by cheque,
4: Pay by cash,
5: Or do you pay your rent in some other way

(If paid LHA/HB by cheque but pays rent in cash)

(If Howpaid = Cheq and Payrent = cash)

Hwcash

And how do you usually cash your (Housing Benefit/Local Housing Allowance) cheque? Do you... READ...

INTERVIEWER: CODE ALL THAT APPLY

1: ... use a cheque cashing shop or service,
2: pay it into your bank account first and then draw the cash out,
3: cash it through family or friends,
4: or do you cash it in some other way (please specify)?
5: SPONTANEOUS: Don't cash my cheque at all

(If some other way)

HwcashO

INTERVIEWER: RECORD HOW ELSE THEY CASH THEIR CHEQUE: OPEN

(If through a cheque cashing shop or service)

(If Hwcash = 1)

Cshserv

When you use a cheque cashing shop or service, do you pay a fee or commission?

1: Yes
2: No

(If pays commission)

Compaid

How much fee or commission do you pay?

INTERVIEWER: Record full details including the amount or % commission paid: OPEN

(If Pay rent by cheque, cash or some other way)

Colrent

Does your landlord or letting agent usually come to collect your rent in person?

1: Yes
2: No

(If paid to respondent first)

(If Whohas=2)

LAware

Is your landlord (or letting agency) aware that you receive (Housing Benefit/Local Housing Allowance)?

1: Yes
2: No

(If current payment to respondent & in pathfinder area)

Askdir

Since being on Local Housing Allowance, have you at any time asked for your payment to go to your landlord (or letting agent)?

1: Yes
2: No

(If askdir = yes)

Reasdwn

What reasons were you given for having this request turned down?: OPEN

(Pathfinders only)

PriLHA1

Prior to (textfill start of LHA date in area), when the Local Housing Allowance started in your area, was your Housing Benefit paid to the landlord, or did you receive it yourself?

1: Direct to landlord
2: Claimant received payment
3: SPONTANEOUS: Not previously on Housing Benefit

(If currently direct to landlord and prev HB direct to landlord)

((PriLHA = Land) AND (Whohas = dire))

Dirself

And can I just check, have you at any time since you've been on Local Housing Allowance received the payment direct to yourself?

1: Yes
2: No

((If Dirself = yes) or (If claimant prev paid to landlord now on direct payment and in pathfinder area))

DirProb

Did the change to direct payment, that is, you receiving the payment, cause any problem with your landlord or letting agency at the time?

1: Yes
2: No

(If DirProb = YES)

Threvic

Were you served with, or threatened with, eviction from your accommodation as a result?

1: Yes
2: No

(If had arrears since starting LHA and check question = yes)

SwchPay

You mentioned before that you've had problems with arrears since starting on the Local Housing Allowance. Was it these problems that caused your benefit payments to go back to your landlord or letting agency?

1: Yes
2: No

(If Housing Benefit/LHA is paid direct to landlord)

(If Whohas=1)

Paychoi

Would you prefer to have your (Housing Benefit/ Local Housing Allowance) paid directly to yourself (and your partner)?

1: Yes
2: No

(If prefer rent paid to tenant)

(If Paychoi=1)

Payten

Why is this?

INTERVIEWER: Record reason for prefering direct payment: OPEN

(If prefer rent paid to landlord as currently is)

(If Paychoi=2)

Payland

Why would you want it to still be paid direct to your landlord?

INTERVIEWER: Record reason for prefering payment to landlord: OPEN

(If Housing Benefit/LHA is paid direct to tenant)

(If Whohas=2)

Paychoi2

Would you prefer to have your ^(Housing Benefit/ Local Housing Allowance) paid directly to your landlord or letting agency?

1: Yes
2: No

(If prefer rent paid to landlord)

(If Paychoi2=1)

Payten2

Why is this?

INTERVIEWER: Record reason for prefering payment to landlord: OPEN

(If prefer rent paid to landlord)

(If Paychoi2=1)

Payland2

Why would you want it to still be paid direct to you (or your partner)?

INTERVIEWER: Record reason for prefering direct payment: OPEN

(If interviewing named recipient or their partner moved in at the same time)

Renac

Before you (and your partner) first moved into this accommodation your landlord would have told you how much the rent would be. Did you try to negotiate a lower amount?

INTERVIEWER: This is the amount the flat was advertised for / the first amount the landlord mentioned.

1: Yes
2: No
3: Rent not mentioned until after tenant moved in

(If rent not mentioned until after tenant moved in)

LateRen

Did you disagree with the first amount of rent suggested by your landlord after you moved in?

1: Yes
2: No

(If respondent did not accept amount of money)

(If Renac = yes)

Neg

Did you (and your partner) end up paying less than your landlord originally proposed?

1: Yes
2: No

(If landlord amended rent)

(If Neg = Yes)

MorLes

Did you end up paying more or less than originally proposed?

1: Yes
2: No

(If Respondent accepted landlord proposed rent)

(If Renac = no)

Wouneg

Can I just check, did you feel able to negotiate the amount of rent with your landlord?

INTERVIEWER: Code 'NO' If the respondent did not feel able or was not able to negotiate with their landlord.

1: Yes
2: No

(All been in current property for more than 6 months)

Rench

Has your rent gone up in the last 2 years?

INTERVIEWER: This refers just to the current accommodation.

1: Yes
2: No

WhenIncM

When was the last time your rent was increased?

INTERVIEWER: Enter MONTH at this question and year at the next question.

WhenIncY

When was the last time your rent was increased?

INTERVIEWER: Enter YEAR.

Range: 2003..2008

(If rent increased)

(If Rench = yes)

Chaccp

Did you (and your partner) end up paying the full increase or were you able to negotiate a discount?

INTERVIEWER: Probe using precodes

1: Paid the full amount suggested
2: Negotiated discount

Rencomp

I would like you to think about how the rent you pay compares to **similar** properties in your local area. Would you say your rent is ... READ ...

1: higher than average,
2: about average,
3: or is it lower than average?
4: SPONTANEOUS Doesn't know the rent levels for similar properties

BLOCK E: KNOWLEDGE AND EXPERIENCE OF HOUSING BENEFIT

Claim1

Is this the first **ever** claim you alone (or jointly with your partner) have made for (Housing Benefit/ Local Housing Allowance)3 excluding any 'renewal' or repeat claims at your current address?

1: Yes
2: No

(If not the first ever claim for Housing Benefit/ LHA)

NoCla

How many claims have you made for (Housing Benefit/Housing Benefit or Local Housing Allowance) in the last 5 years?

INTERVIEWER: Please include the current claim in the total recorded here.

Range: 0..10

(Pathfinders with admin info on LHA start date)

Start1

Can I just check, from admin records we think you started receiving (Housing Benefit/Local Housing Allowance) in (textfill month and year). Does that sound about right?

1: Yes
2: No

(Pathfinders without admin info)

Start2

Can I just check, for how many months have you been receiving (Housing Benefit/Local Housing Allowance)?

INTERVIEWER: This period should exclude any previous period when they were claiming (Housing Benefit/Local Housing Allowance).

Range: 1..36

(If start1 = no)

Start3

So approximately how many months have you been receiving ^(Housing Benefit/Local Housing Allowance)?

INTERVIEWER: This period should exclude any previous period when they were claiming (Housing Benefit/Local Housing Allowance).

Range: 1..36

(Pathfinders only)

PreHB

And **immediately** before you started to receive Local Housing Allowance were you receiving Housing Benefit?

1: Yes
2: No

(If PreHB = Yes)

TimeHBY

Approximately how long had you been receiving Housing Benefit before you started on the Local Housing Allowance?

INTERVIEWER: Enter number of **YEARS** first and months at next question. If less than one year, enter '0' here.

Range: 0..10

(If PreHB = Yes)

TimeHBM

(Approximately how long had you been receiving Housing Benefit before you started on the Local Housing Allowance?)

INTERVIEWER: Enter number of **MONTHS**: 0..12

Hawa1

I am going to read out some statements about (Housing Benefit/Local Housing Allowance) and I'd like you to tell me whether you think they are **true** or **false**.

Anyone who rents a property from a private landlord can make a claim for (Housing Benefit/ Local Housing Allowance)?

1: True
2: False

(If not currently receiving direct housing benefit payments)

(If Whohas NOT Resp)

Hawa2

(Is it true or false that ...)

(Housing Benefit/Local Housing Allowance) can only be paid direct to a landlord?

1. True
2. False

Hawa3

(Is it true or false that ...)

(Housing Benefit/Local Housing Allowance) **always** covers the total rent payable?

1. True
2. False

Whenap

Can I just check, did you (/your partner) make this claim for (Housing Benefit/Local Housing Allowance) before or after you moved into your current accommodation?

1: Before
2: After
3: At time of moving in (VOLUNTEERED)

(Control areas only)

(If Qarea = 1)

RentDet

Before your last claim for Housing Benefit, did you ask the local authority and the rent officer to determine the amount of rent that you could get Housing Benefit for?

1: Yes
2: No

(IN CONTROLS AND NO RENT DET) OR (IN PATHFINDER)

FullR

When you (/your partner) applied for (Housing Benefit/Local Housing Allowance) did you think it would cover all of your rent or part of your rent?

1: All / Full rent
2: Part of it / reduced figure

(If respondent thought the rent would only cover part of it or If asked for determination)

(If FullR = Part OR RentDet=Yes)

FullP

What percentage of your rent did you think would be covered by your (Housing Benefit/Local Housing Allowance)?

INTERVIEWER: If 'half of it' CODE 4.

1: All of it
2: 80 - 99%
3: 60 - 79%
4: 40 - 59%
5: 20 - 39%
6: 1 - 19%
7: Didn't think application would be successful.

(Pathfinder areas only)

Preawar

Prior to making your claim for the Local Housing Allowance, were you aware of exactly how much benefit you would receive If your claim was successful?

1: Yes
2: No

(Pathfinder areas only)

Preawar2

Prior to receiving the Local Housing Allowance for the first time, were you aware of exactly how much benefit you were going to get?

1: Yes
2: No

(Pathfinder areas only)

Publity

Apart from any letters you may have received from the Local Authority about your

Local Housing Allowance claim, did you see any publicity or information about the Local Housing Allowance before you started to receive it?

1: Yes
2: No

(If Publity = yes)

WherPub

Where did you see this publicity or information?: OPEN

(If Publity = yes)

WhoPub

Who was the publicity or information from? Was it from ... READ OUT

INTERVIEWER: Code all that apply.

1: .. the council,
2: the DWP or DSS,
3: or was it from someone else (please specify)

(If Who Pub = 3)

WhoPubO

INTERVIEWER: Who was the publicity or information from?:OPEN

(If Publity = yes)

Hlpinf

Do you agree or disagree that...

'The publicity and information I saw was helpful.'

1: Agree
2: Disagree

(If Publity = yes)

Easyl

Do you agree or disagree that...

'The publicity and information I saw was easy to understand.

1: Agree
2: Disagree

Formfil

I am now going to ask you about the forms that have to be filled in to receive (Housing Benefit/ Local Housing Allowance). Did you fill the application form(s) in on your most recent claim?

1: Yes
2: No

(If filled in form on most recent HB/LHA claim)

(If Formfill = Yes)

FormWh

Can you tell me where you got hold of your application form for your most recent claim? Was it..READ..

1: A Local Authority office
2: Jobcentre Plus or Social Security office
3: A voluntary sector agency or advice agency
4: Somewhere else (please specify)

(If FormWh=Some)

FrmEls

INTERVIEWER: Record where else they got the form from: OPEN

(If filled in form on most recent HB/LHA claim)

(If Formfill = Yes)

FordIff

Please tell me whether you agree or disagree with each of the following statements.

'...The form itself was difficult to fill in.

1: Agree
2: Disagree

(If filled in form on most recent HB/LHA claim)

(If Formfill = Yes)

Fortim

(Do you agree or disagree that...)

It did not take long to fill in the form.

1. Agree
2. Disagree

(If filled in form on most recent HB/LHA claim)

(If Formfill = Yes)

Fornot

(Do you agree or disagree that...)

The notes and / or leaflets which came with the form were helpful.

1. Agree
2. Disagree

(If filled in form on most recent HB/LHA claim)

(If Formfill = Yes)

Forall

(Do you agree or disagree that...)

Overall I could understand the forms, leaflets and letters without help from other people.

1. Agree
2. Disagree

(If filled in form on most recent HB/LHA claim)

(If Formfill = Yes)

FrmAgi

Were you asked to provide additional information after submitting your application form?

1: Yes
2: No

Offvis

Can I just check, how many times did you make a **personal visit** to a local authority,

Jobcentre Plus or Department for Work and Pensions office to discuss your (Housing Benefit/ Local Housing Allowance) before it was awarded?

INTERVIEWER: Do NOT include visits by partners.

Code 'none' as '0'

Range: 0..99

Offcal

And how many times did you **telephone** the local authority or Jobcentre Plus or

Department for Work and Pensions office before your (Housing Benefit/Local Housing Allowance) was awarded?

INTERVIEWER: Do NOT include visits by partners.

Code 'none' as '0'

Range: 0..99

((If in control area) AND (named recipient or their partner moved in at the same time))

CalPro

Please think about the time it took from when you (/your partner) first got the Housing Benefit claim form to when you (/your partner) found out how much you were going to get.

Please tell me, approximately how many weeks did this take?

INTERVIEWER: If less than a week code '0'

If knew in advance of claim - i.e. had a pre-tenancy determination - code '97'.

Range: 0..97

((If in Pathfinder ares) AND (named recipient or partner moved in at the same time))

Timtake

Please think about the time it took from when you (/your partner) first got the Local Housing Allowance claim form to when you (/your partner) found out that your claim had been accepted. Please tell me, approximately how many weeks did this take?

INTERVIEWER If less than a week code '0'

Range: 0..60

(If interviewing named recipient or their partner moved in at the same time)

Approb

Did the time it took to process your application cause you any dIfficulties in paying your rent?

1: Yes
2: No

(If any dIfficulties)

(If Approb = Yes)

Arecum

Did you (and your partner) fall behind with your rent for more than two weeks as a result of this?

1: Yes
2: No

Revis1

Thinking of your current (Housing Benefit/Local Housing Allowance) award, have you (and your partner) ever requested the Local Authority to reconsider their decision about the amount of (Housing Benefit/Local Housing Allowance) you have been awarded?

1: Yes
2: No

(If requested review)

(If Revis1=Yes)

Revis2

Please tell me the reasons why you (and your partner) requested this review?

INTERVIEWER: Probe Fully: OPEN

(If requested review)

(If revis1 = yes)

ChaRen

And what was the outcome of the review in terms of the amount of benefit you receive? Did it increase, decrease or stay the same?

1: Increase
2: Decrease
3: Stayed the same

Othcon

Other than to request a review have you (/your partner) ever had any further contact with (Housing Benefit/Local Housing Allowance) officers since your claim was approved?

1: Yes
2: No

(If further contact)

(If Othcon=yes)

Othcon2

Why did you (or your partner) have further contact with these officers?

INTERVIEWER: Code all that apply.

PROBE: What other reasons?

1: Change of address/moving
2: Change in income/earnings
3: Change in household composition
4: Change in other personal circumstances
5: Lost / stolen benefit
6: Late payment of benefit
7: Change of landlord (but same property)
8: Dispute with landlord
9: Change in rent
10: Change in other housing costs (including service charges)
11: Council Tax
12: Council Tax Benefit
13: Some other reason

OthHlp

Thinking about your claim for (Housing Benefit/ Local Housing Allowance), have you (or your partner) **ever** sought any advice or guidance from anyone other than the Local Authority about your ^(Housing Benefit/Local Housing Allowance) claim?

PROBE IF YES: Who was this?

0: No advice sought
1: Citizen Advice Bureau
2: Solicitor
3: Welfare Rights Office
4: Jobcentre Plus/social security office
5: Friend/family
6: Other (please specIfy)

(If other in othhlp)

OthHlpO

INTERVIEWER: Record other sources of advice or guidance: OPEN

(If sought advice)

(If OthHlp <> none)

OthReas

For what reason(s) did you seek this advice or guidance?: OPEN

BLOCK F: FUTURE HOUSING ASPIRATIONS

Intro

I am now going to ask you some questions about where you might live in the next few years.

NeedMv

Would you currently like, or do you need, to move out of this property into somewhere else?

INTERVIEWER IF YES, probe for whether 'like to' or 'need to'.

1: Yes, like to
2: need "Yes, need to
3: No

(If likes to or needs to move)

WhyMv

Why do you want/need to move?

INTERVIEWER: Code all that apply

PROMPT: Why else?

1: Want larger house or flat
2: Want smaller accommodation
3: Want to live in self contained accommodation
4: To move to a better area or neighbourhood
5: For personal / family reasons (including to be nearer to friends)
6: Change of Job / Nearer to job
7: Want to pay lower rent
8: Landlord has asked me to leave/evicted - selling the property
9: Landlord has asked me to leave/evicted - because of rent arrears
10: Landlord has asked me to leave/evicted - other reason (please specIfy)
11: Because of structural problems with the property
12: Reaching the end of tenancy agreement
13: Landlord asked me to leave/evicted - because of changes to Housing Benefit system
14: Better off financially
15: Worse off financially
16: Other financial reasons
17: Some other reason (please specify)

(If Whymv = 10)

WhEvic

INTERVIEWER: Record any other reasons why the landlord has asked the tenant to leave: OPEN

WhEvic2

INTERVIEWER: Record any other reason for the tenant wanting/needing to move accommodation: OPEN

(If Whymv = 14, 15 and 16)

AwardM

Can I just check, has the change in your financial position got anything to do with changes to the amount of your ^(Housing Benefit/Local Housing Allowance) award?

1: Yes
2: No

LikeMv

How likely are you to move in the next six months? Are you ... READ ...

1: very likely
2: fairly likely
3: not very likely
4: or are you not at all likely to move?

(If very or fairly likely to move)

(LikeMv = 1 or 2)

LikeMvO

And what area or town would you like to move to?: OPEN

(If very or fairly likely to move)

(LikeMv = 1 or 2)

CurLk

Are you actively trying to move at present?

1: Yes
2: No

Mvease

If you were to stay in your current area in the future, how easy would it be to find suitable accommodation to move to. Would it be ... READ ...

1: …very easy
2: Fairly easy
3: Not very easy
4: Not at all easy

Movrent

When you move accommodation are you more likely to rent or to buy?

1: Rent
2: Buy
3: Part rent, part buy
4: Some other arrangement

(If likely to pay rent)

(If Movrent = 1 or 3)

Frpay

Do you expect to pay more rent, less rent or about the same amount when you move?

1: More
2: Less
3: About the same amount

BLOCK G: HOUSING HISTORY

Intro

I am now going to ask you some questions about where you (and your partner) have lived over the past few years.

(ASK ALL LIVED AT CURRENT PROPERTY FOR LESS THAN 2 YEARS)

NoMoves1

Can I just check, how many different addresses have you (and your partner) lived at since (Year and month of interview - 2 years)?

INTERVIEWER: make sure this number EXCLUDES their current address.

Please include only UK addresses

Exclude addresses whilst travelling.

Range: 0..10

[The following questions are asked for each property lived at in the last 2 years]

PreMon

How many months did you live at the property?

Range = 1..997

HBOld

Did you receive (Housing Benefit/Housing Benefit or Local Housing Allowance) whilst living at this address?

1: Yes
2: No

Preliv

In your previous accommodation, were you ... READ ...

INTERVIEWER: Read each in turn and code all that apply

1: ...living with parents (include foster parents, and in care),
2: living with a spouse or partner,
3: living with someone else e.g. with friends,
4: were you living alone,
5: or were you living somewhere else?

Prev

At the time when you moved, did you own or rent your accommodation, or were you living rent free?

1: Own
2: Rent
3: Rent Free

(If owned previous accommodation)

(If Prev=Own)

Own

Did you own your accommodation ... READ ...

1: outright
2: were you buying it with the help of a mortgage or loan?

(If rents previous accommodation)

(If Prev = Rent)

PrevR

Did you rent it from a ... READ ...

1: …a local Authority or council
2: Housing Association or co-operative or housing charitable trust
3: or some other individual or organisation?

MoveLa

Was the address where you were living then in the same Local Authority as you are living now, that is, (textfill local authority)?

1: Yes
2: No

WhyM

Can you tell me why you left that accommodation?

INTERVIEWER: Code all that apply.

PROMPT: What other reasons?

1: Wanted larger house or flat
2: Want smaller accommodation
3: Wanted self contained accommodation
4: To move to a better area or neighbourhood
5: For personal or family reasons (including to be closer to friends)
6: Change of Job / Nearer to job
7: Wanted to pay lower rent
8: Landlord asked me to leave/evicted - sold the property
9: Landlord asked me to leave/evicted - because of rent arrears
10: Landlord asked me to leave/evicted - other reason
11: Because of structural problems with the property
12: End of tenancy agreement
13: Landlord asked me to leave/evicted - because of changes to Housing Benefit system
14: Had become better off financially
15: Had become worse off financially
16: Other financial reasons
17: Some other reason (please specIfy)

(If some other reason)

(If whym = 17)

WhyMO

INTERVIEWER: Please record other reason for leaving accommodation: OPEN

(If Whym = 14, 15 or 16)

AwardN

Can I just check, did the change to your financial situation on this occasion have anything to do with changes to the amount of your (Housing Benefit/Housing Benefit or Local Housing Allowance) award?

1: Yes
2: No

Rentchk

Can I just check, was the rent being too high a reason why you moved out of that address?

1: Yes
2: No

BLOCK H: CURRENT AND HISTORICAL WORK DETAILS

Intro

I'd now like to ask a few questions about any current or recent work you have done.

(If not currently in work)

EverWk

Have you ever had a paid job or worked as a self-employed person?

INTERVIEWER: No 'don't know', no 'refusal'

1: Yes
2: No

(If EverWk = yes)

WhWkY

Which year did you leave your last paid job, either as an employee or self-employed?

INTERVIEWER: Enter the year

No 'don't know', no 'refusal'

Range = 1930..2050

(Soft check If Wrk3 IN 1930..1970, display ARE YOU SURE?)

(If WhWkY IN 1998..2004)

WhWkM

And in which month did you leave?

INTERVIEWER: No 'Don't know', no 'refusal'.

If 'DK', ask 'was it Winter, Spring...?' and enter mid-season month

SEE HELP <F9>

Mid-season months
Winter Jan (01)
Spring Apr (04)
Summer July (07)
Autumn Oct (10)

Range = 1..12

Working

COMPUTER CALCULATE WORKING SITUATION

(Worknow Is currently in work, haswork Not working, has worked in past 2 years, notwork Not working, last worked more than 2 years ago, never Never worked, dkdate Not working, has worked, date unknown)

(If Working = Worknow or Working = haswork)

LstWkY

When did you start your (current/last) job?

INTERVIEWER: First enter the year.

'Don't know' and 'refusal' not allowed at this question.

Job = period of paid work with one employer or period of continuous self-employment.

If more than one job, ask for **MAIN** job only

Range = 1930..2050

(Soft check if Wrk6 < 1970, display ARE YOU SURE?)

(If LstWkY IN 1998..2004)

LstWkM

INTERVIEWER: Now enter the month.

'Don't know' and 'refusal' not allowed at this question.

If 'DK', ask 'Was it Winter, Spring...?' and enter mid-season month

SEE HELP <F9>

Mid-season months
Winter Jan (01)
Spring Apr (04)
Summer July (07)
Autumn Oct (10)

Range = 1..12

(if Working = worknow, or haswork)

WrkStat

(Are/were) you an employee or (Are/were) you self-employed in this job?

INTERVIEWER No 'don't know', no 'refusal'

1: Employee
2: Self-employed
3: Government scheme
4: Unpaid family worker

(If Working = worknow or haswork)

JTitle

What is/was your job title?: OPEN

(If Working = worknow or haswork)

Jtyp

What do/did you mainly do in your job?

INTERVIEWER: Describe fully - Probe for details of what they do.

For example, if a teacher, probe whether primary or secondary schools.

If an engineer, probe for type of engineer e.g. electrical, chemical, civil etc.

ENTER DESCRIPTION: OPEN

(If WrkStat = emp)

ESup

Do/did you directly supervise or are/were you directly responsible for the work of any other people?

INTERVIEWER: This does not apply if the respondent only supervises

- Children, e.g. teachers, nannies, childminders
- Animals
- Security or buildings, e.g. caretakers, security guards

1: Yes
2: No

(If ESup=Yes)

ExSup

How many?

Range = 1..997

(If Working = worknow or haswork)

Emake

What do/did they make or do at the place where you work(ed): OPEN

(If self-employed (WrkStat = SEmp))

Enum

In your work or business, do/did you have any employees?

1: Yes
2: No

(If (Enum = Yes))

Exnum

How many?: _____

Range = 1..997

(If an employee (WrkStat = Emp))

Eempno

Including yourself, how many people are/were employed at the place where you usually work(ed)?

1: 1-9
2: 10-24
3: 25-499
4: or 500 or more

(If WrkStat = Emp AND if Working = worknow)

FixPerm

Do you think your job is considered by your employer to be ... READ OUT

1: ... a temporary job (lasting less than 12 months)
2: a fixed term job (lasting between 1 and 3 years)
3: or, a permanent job (with no fixed time for ending)?

(If Working = worknow or haswork)

Ehrs

How many hours a week do/did you usually work in this job, excluding meal breaks but including any paid overtime?

INTERVIEWER If no fixed hours, enter 997

Range = 1..997

(If an employee (WrkStat = Emp))

Epay

What is/wasyour usual take home pay in this job, after tax and other deductions,

but **including** overtime, tax credits, bonuses, commission, tips, etc.

INTERVIEWER: Probe for best estimate.

Enter amount to nearest £.

Range = 1..99997

(If Epay in 1..99997)

Eper

What period of time does/did this cover?

1: One week
2: Two weeks
3: Three weeks
4: Four weeks
5: Calendar month
6. Two calendar month
7. Eight times a year
9. Nine times a year
10. Ten times a year
11. Three months / thirteen weeks
12. Six months / 26 weeks
13: Once a year / 12 months / 52 weeks
14. Less than once a week
15. One off / lump sum
16: None of these (EXPLAIN IN NOTE)

(If Epay in 1..99997)

TaxCr

Does/did this amount include a payment for Working Tax Credit or WFTC?

1: Yes
2: No

(If self-employed (WrkStat = SEmp))

Espay

About how much a week are/were you earning after all expenses and other deductions, but before income tax?

INTERVIEWER: Reference week = last week.

Code whole pounds only.

Range = 1..9997

BLOCK I: FUTURE WORK INTENTIONS

Intro

I am now going to ask you about what you might be doing in the next year or so.

WkInt

Taking everything into account, what do you think is most likely to be your

work situation over the next couple of years. Do you think you will be... READ...

1: working 16 or more hours a week
2: working less than 16 hours per week
3: or will you not be working?

(Ask all in work)

Othemp

In a year from now do you expect to be ...READ OUT...

1: ...working for the same employer as now
2: working for a different employer
3: or not working at all?

{(ASK ALL OUT OF WORK NOT IN FT ED, RETIRED OR LONG TERM SICK)}

(ASK ALL CURRENTLY UNEMPLOYED AND LOOKING FOR WORK OR STAYING AT HOME WITH FAMILY)

ResUn

For many people there are things outside their control which make it difficult

for them to be in employment. Others choose not to work because they want to do

other things. Please tell me the reasons why you are not currently working?

PROMPT: What other reasons?

1. Having a break from work
2. I need more quals / skills to get a job
3. Looking after home / children
4. Caring for other family members
5. I have poor health or a disability
6. I have housing problems
7. I have family problems
8. Transport problems
8. Would be worse off financially
9. No decent jobs where I live
10. Not found a suitable job
11. Other reasons

(If currently unemployed/staying at home and WKInt = 1 or 2 then Wrksek)

Wrksek

When looking for a job what pay do you expect to get?

INTERVIEWER: If respondent says 'minimum wage' code 99997 at this question

and '1 - An hour' at the next question.

Range = 1..99997

(If Wrksek = response)

WrksPD

What period does that cover?

1. An hour,
2: One week
3: Two weeks
4: Four weeks
5: Calendar month
6: Year
7: Other (EXPLAIN IN A NOTE)

(If currently unemployed/staying at home, WKInt = 1 or 2 and Wrksek not minimum wage)

Payres

(If you were unable to get the pay you expected,) what is the lowest **take home** pay you would accept?

INTERVIEWER: Add if necessary - 'if the job was alright'

If respondent says 'minimum wage' code 99997 at this question and '1 - An hour' at the next question.

If the respondent says that they would not accept a lower amount, code 99996

Range: 1..99997

(If Payres = response)

WillPD

What period does that cover?

1: Hour
2: One week
3: Two weeks
4: Four weeks
5: Calendar month
6: Year
7: Other (EXPLAIN IN A NOTE)

(If wrksek or payres answered)

Hrswil

How many hours a week would you be willing to work for that pay?

Range = 1..120

BLOCK J: EDUCATION AND QUALIFICATIONS

Intro

I am now going to ask you some questions about your education and qualifications.

MEduc

Thinking about your education, at what age did you finish your continuous full-time education at school or college?

1: Not yet finished
2: Never went to school
3: 14 or under
4: 15
5: 16
6: 17
7: 18
8: 19 or over

GProb1

Do you have any problems with reading or writing English?

INTERVIEWER If YES, Probe using precodes.

1: Yes, reading English
2: Yes, writing English
3: Yes, reading and writing English
4: No

GProb2

Do you have any problems with numbers or simple arithmetic?

INTERVIEWER: Use code 2 ONLY if respondent qualifies their answer

1: Yes
2: Yes, some problems
3: No

BLang

(Can I check,) is English your first or main language?

1: Yes, English is respondent's first or main language
2: No, another language is respondent's first or main language
3: Respondent is bilingual in English with another language

Rqlany

Do you have any recognised academic, vocational, clerical, business or commercial qualifications, including those gained at school and overseas qualifications?

INTERVIEWER If respondent seems uncertain, code 1.

1: Yes
2: No

(If Rqlany=1)

Rqual1

I am now going to read out a list of qualifications, could you please tell me if you have each of these. Do you have... READ ...

INTERVIEWER: Code first that applies then move to next question.

Code 9 if respondent has none of these.

1. ...a first degree or post-graduate qualification
2. a Diploma in Higher Education
3. a Teaching qualification
4. a Nursing or other medical qualification
5. a Level 4 or 5 NVQ
6. a HNC or HND
7. a BTEC higher certificate
8. or an RSA higher diploma?
9. None of these

(If Rqual1=9)

Rqual2

And can I just check do you have any of the following qualifications ... READ ...

INTERVIEWER: Code first that applies then move to next question.

Code 9 if respondent has none of these.

1. A levels
2. AS levels
3. Level 3 NVQ
4. GNVQ advanced
5. RSA advanced diploma
6. BTEC National Diploma
7. City and Guilds Advanced Craft
8. Trade apprenticeship
9. None of these

(If Rqual2=9)

Rqual3

And do you have any of the following qualifications ... READ ...

INTERVIEWER: Code first that applies.

1. GCSEs
2. O LEVELs
3. CSEs
4. Level 2 NVQ
5. GNVQ intermediate
6. RSA first diploma
7. BTEC general diploma
8. City and Guilds Intermediate Craft
9. Level 1 NVQ
9. GNVQ foundation level
10. BTEC first/general certificate
11. Other professional qualification (specify in a note)
12. Baccalaureate or Welsh Baccalaureate
13. Some other qualification (specify in a note)
14. None of these

(If Rqual 3 = 11 or Rqual3 = 13)

Rqual0

What other qualification do you have?

INTERVIEWER: Probe fully for the qualification title and level, and whether it is nationally recognised. Also probe for whether the certificate was awarded for attendance or achievement: OPEN

BLOCK K: OTHER DEMOGRAPHIC DATA

BHeal

How is your health in general? Would you say it was... READ OUT ...

1: very Good
2: Good
3: Fair
4: Bad
5: Very Bad?

BDisab

Do you have any long-standing illness, disability or infirmity?

By long-standing, I mean anything that has troubled you over a period of time, or that is likely to affect you over a period of time?

1: Yes
2: No

(If BDisab = Yes)

BLimit

Does this illness or disability/Do these illnesses or disabilities limit your daily activities in any way?

1: Yes (always or sometimes)
2: No (never)

Disab

Can I check, are you registered as a disabled person, either with Social Services or with a green card?

1: Yes
2: No

Disaboth

Can I check, is anyone else in your household registered as a disabled person, either with Social Services or with a green card?

1: Yes
2: No

Carer

Is there anyone living with you who you look after or give special help to

because they are elderly, or have a long standing illness or disability?

1: Yes
2: No

EthGrp

To which of these groups do you consider you belong? Your answer will help us to know how equal opportunities policies are working. Are you ... READ...

1. (Asian or Asian British,
2. Black or Black British,
3. White,
4. of mixed origin
5. or of other origin? (WRITE IN)

((If Ethgrp = 2))

WhBlack

Would that be ... READ ...

1. black of Caribbean origin
2. black of African origin
3. or black of other origin? (WRITE IN)

((If Ethgrp = 1))

WhAsian

Would that be ... READ ...

1. Asian of Indian origin
2. Asian of Pakistani origin
3. Asian of Bangladeshi origin
4. Asian of Chinese origin
5. Or Asian of other origin? (WRITE IN)

(If respondent describes themselves as in other ethnic group)

(If Bethnic = Other)

OthEth

Please can you describe your ethnic group?

INTERVIEWER: Enter description of ethnic group: OPEN

MLic

Do you hold a current full licence to drive a car or motorcycle?

1: Yes
2: No

(If respondent has a driving licence. If Licence = yes)

MVeh

Is there a car, van or motorcycle normally available for your use?

1: Yes
2: No

BLOCK L: PARTNER'S DETAILS

Intro

Entitlement to Housing Benefit is often based on the circumstances of both people in a couple. I would therefore like to ask you a few questions about your partner.

(If partner is currently in work)

PEhrs

How many hours a week does (textfill partner's name) usually work in his/her job, excluding meal breaks but including any paid overtime?

INTERVIEWER: If no fixed hours, enter 997.

Range = 1..997

(If not currently in work)

PEverWk

Has (textfill partner's name) ever had a paid job or worked as a self-employed person?

INTERVIEWER No 'don't know', no 'refusal'

1: Yes
2: No

(If PEverWk = yes)

PWhWkY

Which year did he/she leave their last paid job, either as an employee or self-employed?

INTERVIEWER No 'don't know', no 'refusal'.

Enter the year.

Range = 1930..2050

(Soft check If Wrk3 IN 1930..1970, display ARE YOU SURE?)

(If PWhWkY IN 1998..2004)

PWhWkM

And in which month did they leave?

INTERVIEWER No 'don't know', no 'refusal'.

If DK, ask 'Was it Winter, Spring...?' and enter mid-season month

SEE HELP <F9>

Mid-season months
Winter Jan (01)
Spring Apr (04)
Summer July (07)
Autumn Oct (10)

Range = 1..12

BLOCK M: INCOME, EARNINGS AND OTHER HOUSING COSTS

Intro

I now want to ask about your (and your family's) income.

HHIncA

What is your (family's) total income before any deductions for income tax, National Insurance and so on? Please include income from all sources such as earnings from employment, tax credits, benefits, grants, maintenance from an ex-partner, interests from savings and so on.

INTERVIEWER: Enter amount at this question and period at next question.

INTERVIEWER: The amount coded here should **include** any Housing Benefit received and any tax credits.

Range: 0..99997

HHIncP

INTERVIEWER: Enter period at this question

1. Weekly
2. Fortnightly
3. Monthly
4. Annual
5. Some other period (PLEASE EXPLAIN IN A NOTE)

Banded unfolding brackets used if no answer given at HHIncA

AnyBank

Can I just check, do you currently have a bank, building society or post office account that you have used within the last 12 months?

1: Yes
2: No

((If in Pathfinder area) AND (Anybank = yes))

WhyAcc

Did you open the account specIfically so that your (Housing Benefit/Local Housing Allowance) could be paid into it?

1: Yes
2: No
3: SPONTANEOUS: This was one of the reasons for opening the account

(If anybank = yes)

SinLHA

So can I just check, have you opened this account since (textfill start date of LHA in area)?

1: Yes
2: No

(If no at anybank)

RefuAcc

Have you tried to open a bank, building society or post office current account since (textfill start date of LHA in area) and been turned down?

1: Yes
2: No

(If turned down when trying to open an account)

(If RefuAcc = YES)

ReasDow

What reasons were you given for being turned down?: OPEN

Anysav

Do you yourself (or jointly with your partner/ spouse) have any savings accounts, assets or investments?

INTERVIEWER: If the respondent says there is no money in the accounts, code 'Yes at Anysav', and then code 'no savings' at the next question, Totsav.

1: Yes
2: No

(If any accounts)

(If Anysav = yes)

Totsav

Thinking of all your savings accounts, assets and investments what would you say is the current value held by you (and your partner / spouse)?

INTERVIEWER: If necessary, prompt using precodes.

0: No savings
1: Less than £1,500
2: From £1,500 up to £3,000
3: From £3,000 up to £8,000
4: From £8,000 up to £20,000
5: From £20,000 up to £25,000
6: From £25,000 up to £30,000
7: From £30,000 up to £35,000
8: From £35,000 up to £40,000
9: Over £40,000
10: Does not wish to say

Banded unfolding brackets used if no answer given at TotSav

GeligDB

Do you, or any other members of your household, receive **any** state benefits or tax credits at the moment?

IF YES, Which ones? Which others?

0: None of these,
1: Incapacity Benefit,
2: Income Support,
3: Pension Credit/Minimum Income Guarantee,
4: State Retirement Pension,
5: Council Tax Benefit,
6: Child Benefit/Guardians Allowance,
7: Jobseeker's Allowance,
8: Severe Disablement Allowance,
9: Disability Living Allowance,
10: Working Tax Credit (WFTC/DPTC),
11: Child Tax Credit,
12: Social Fund Loan or Community Care Grant,
13: Statutory Sick Pay,
14: National Insurance credits,
15: Another sickness or disability benefit,
16: Some other state benefit or tax credit (PLEASE EXPLAIN IN NOTE)

Debt

Sometimes people are not able to pay every bill when it is due.

May I ask, are you ...READ...

INTERVIEWER: Read each in turn and code all that apply.

1: behind with the electricity bill
2: behind with the gas bill
3: behind with other fuel bills like coal or oil
4: behind with Council Tax
5: behind with insurance policies
6: behind with telephone bill (including mobiles)
7: behind with television/video rental or HP
8: behind with other HP payments
9: behind with water rates
10: behind with the TV license
11: not behind with any of these?

Cards

Do you have any credit cards, charge cards or shop or store cards?

1: Yes
2: No

(If any cards)

PayCard

Are you at the moment able to manage the repayments on these cards? I mean, to meet the minimum amount you have to repay?

INTERVIEWER If respondent says 'Some of them', please code 'No'

1: Yes
2: No

GetBy

Taking everything together, would you say you (and your family) are ... READ...

1: ...managing very well,
2: managing quite well
3: getting by alright
4: not managing very well
5: have some financial difficulties
6: or are in deep financial trouble?

ChgSta

And would you say that you (and your family) are @Ifinancially@i better off, worse off

or about the same compared with this time last year?

1: Better off
2: Worse off
3: About the same

(IF ChgSta = better or worse)

Finsit1

Have any of the following caused you (and your family) to be **better off** in the past year? READ OUT...

INTERVIEWER: CODE ALL THAT APPLY

INTERVIEWER: IF BEEN PROMOTED, GOT A PAY RISE, RETIRED OR LOST A JOB CODE AS 1

1: A change in your employment status,
2: A change in the condition of your health,
3: Some other change your in personal or family circumstances,
4: A change to your (Housing Benefit/Local Housing Allowance),
5: or a change in some other state benefit/tax credit you receive?
6: None of these

(IF ChgSta = better or worse)

Finsit2

Have any of the following caused you (and your family) to be @Iworse off@I in the past year? READ OUT...

INTERVIEWER: CODE ALL THAT APPLY

INTERVIEWER: IF BEEN PROMOTED, GOT A PAY RISE, RETIRED OR LOST A JOB CODE AS 1

1: A change in your employment status,
2: A change in the condition of your health,
3: Some other change your in personal or family circumstances,
4: A change to your (Housing Benefit/Local Housing Allowance),
5: or a change in some other state benefit/tax credit you receive?
6: None of these

(IF fINSIT <> 2)

ChecNeg

Can I just check, did receiving (Housing Benefit/ Local Housing Allowance) play any part in changing your financial situation over the last 6 months?

1: Yes
2: No

BLOCK N: ADMIN

Thank

I've now just a few things I need to ask for administrative purposes.

AgainWC

We may like to contact you again. Would you be willing to have another interview? Again, your replies will be treated in strict confidence.

1: Yes
2: Yes quallfied
3: No

Stab

In case we need to contact you again we would like to have the name of someone who will know where you are If you move in the next few months. Please can you give the details of someone suitable?

1: Yes - ask respondent to inform that person
: No / Refused

SstNamWC

PLEASE ENTER NAME OF RELATIVE/CLOSE FRIEND.

SstRelWC

PLEASE ENTER RELATION TO RESPONDENT

1: Father
2: Mother
3: Son
4: Daughter
5: Son-in-law
6: Daughter-in-law
7: Brother
8: Sister
9: Uncle
10: Aunt
11: Grandfather
12: Grandmother
13: Friend
14: Other

StAdd1- StaddPC

PLEASE ENTER STABLE/CONTACT ADDRESS

StTelNum

PLEASE ENTER STABLE/CONTACT Telephone Number