Understanding the Impact of Welfare Reforms
Quarterly Report

Q2 2013/14
Cornwall Council
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Understanding the impacts of welfare reform on people and services
November 2013
Executive Summary

Understanding the impact of welfare reforms

Key messages

Welfare reform is having an impact on the Council’s financial and human resources. The impact is also being felt by agencies at the forefront of supporting the community

The impact of welfare reform on people is complex and cumulative with some people affected by multiple elements of the changes.

Further reform, including the introduction of universal credit, is yet to be implemented, but the affects are likely to continue or increase.

Introduction

The Welfare Reform Act introduces a wide range of reforms with the aim of making the benefit and tax credits system simpler and creating stronger incentives for people to work. The changes that have been implemented so far are the under-occupation charges, Crisis and care award, Council tax benefit and Personal Independence Payments (PIP). There is more information about these changes in Chapter 1.

Welfare reform is having an impact on Cornwall’s people and the Council. This paper outlines the impacts, provides evidence to illustrate them, explains what is happening nationally and how this is playing out at a local level.

Welfare reform is having an impact on the Council’s financial and human resources. The impact is also being felt by agencies at the forefront of supporting the community

The Council is feeling the impact of welfare reforms. The impacts are also manifesting across the wider community and for other agencies involved in giving advice and support to the public.
Council tax collection is down £2.7m (1.02%) against the target. Around one third of those who are paying council tax for the first time as a result of the benefit changes, are in arrears.

Cornwall Housing Limited is seeing increased rent arrears. Around £48,500 of the total £141,760 which is outstanding is owed by those directly affected by changes to housing benefit.

Applications for discretionary housing payments, which are given to people who receive housing benefit and need extra financial assistance, are up 390% compared with the first six months of last year.

People are obviously facing financial hardship, but despite this the majority of the exceptional relief and transitional support funding remains unallocated. Less than 12% (£130,313) of the £1.1m budget has been spent to date.

The revenues contact centre is experiencing around 20% more calls than the same period last year. A high number of calls (32%) are unanswered due to lack of resources, although this is being addressed. It’s not just the phone calls that have increased. There are around 7,000 face to face benefits enquiries every month, we are processing 30% more post, we issued 35% more council tax first reminders, 37% more second reminders and 29% more final reminders since April 2013.

**Other agencies**

Last year the winter wellbeing programme helped 330 people keep warm through the emergency fund. The Department of Health is no longer funding the winter wellbeing programme which means the budget has reduced by 91% (£616k 2012/13 to £50k 2013/14). There will be less support available for people struggling to heat their homes and may increase demand for support from the Council and other partners.

Cornwall Citizen’s Advice Bureau say over 50% of their enquiries are about benefits and debt.

Food banks helped more than twice the number of people in the first quarter of this year, compared to the same period in 2012.

**The impact of welfare reform on people is complex and cumulative with some people affected by multiple elements of the changes.**

The impact on people is complex and cumulative. The significance of the welfare reforms vary according to people’s individual circumstances and the combination of benefits and support they currently receive. In addition, the rolling programme of changes means we are yet to see the full scale of the impact.

The benefit’s cap affects 93 households in Cornwall, although Cornwall Housing Limited (CHL) is responsible for managing just 15 of these. However, for those 15
households, the reduction of between £11 and £85 per week is having a significant affect of household finances with 12 of the 15 currently in rent arrears.

Under occupancy, or the spare room subsidy, has affected 918 properties managed by CHL. Of these, 677 (74%) are in rent arrears.

Changes to the council tax benefit means 20,000 have to find more money to pay 25% of their council tax. Over 6,000 (31%) of these new payers are in rent arrears.

**Further reform, including the introduction of universal credit, is yet to be implemented, but the affects are likely to continue or increase.**

Universal Credit brings together housing benefit, child tax credits, job seekers allowance, income support, working tax credits and employment and support allowance into a new single benefit. This will be implemented in stages across the country although we do not yet know the date this will be rolled out across Cornwall.

There will be changes in the way Universal credit is paid that are likely to increase some of the impacts we are already seeing:

- Government have set a target of 80% of universal credit transactions to be carried out online by the end of the national roll out.
- Universal credit will be paid direct to the ‘head of the household’, monthly in arrears. This means people will need to manage their finances on a monthly, not weekly, basis which will be a challenge for some.
- While in the past, Housing Benefit was paid directly to the land lourd it will now usually be paid direct to the recipient. Housing providers are concerned that this may lead to increased arrears.
1. Introduction

About this paper
In December 2012 Cornwall Council published research into the expected impact of welfare reforms and made the recommendation that we should continue to monitor the impact as these changes are rolled out. The reason for this is to make sure we can provide people with the support they need through the transition, and to ensure our services are ready for any changes in demand.

Cornwall Council has a Welfare Reform Coordination Group which is responsible for monitoring the impact of welfare reforms. The group reports to CLT and to Cabinet every quarter using a welfare reform “dashboard”.

This quarterly report accompanies the dashboard to provide more context and detail. This report, the dashboard and wider information about welfare reform are available on the web pages. www.cornwall.gov.uk/welfarereform

This paper introduces the key elements of welfare reform and explains what has happened so far at Cornwall Council. It then goes on to analyse the data for the following key areas:
- Shared Services
- Cornwall Housing Landlord Services
- Cornwall Housing Options Services
- Voluntary Sector Services
- National picture
- The future

The information from these chapters is used to develop the dashboard which accompanies this paper. This paper and the dashboard will be updated and improved each quarter. Please do give us any feedback and let us know if we have missed anything.

The Welfare Reform Act 2012
The Welfare Reform Act introduces a wide range of reforms with the aim of making the benefit and tax credits system simpler by:
- Creating incentives to get more people into work by ensuring that work always pays.
- Merging out of work benefits and tax credits to create a single universal credit (UC).
- Reforms to other benefits aimed at reducing the cost of the benefits system.

The main elements of the Act are:
- The introduction of UC together with a benefit cap to provide a single streamlined benefit that includes housing benefit, which will be phased out.
A stronger approach to reducing fraud and error with tougher penalties for the most serious offences.

A new claimant commitment showing clearly what is expected of claimants while giving protection to those with the greatest needs.

Reforms to Disability Living Allowance (DLA), through the introduction of the Personal Independence Payment (PIP).

Replacing Community Care Grants and Crisis Loans with localised welfare support, giving greater power to local authorities.

Reforming Employment and Support Allowance (ESA) with the aim of making the benefit fairer and to ensure that it helps those with the greatest need.

Provision to abolish council tax benefit, paving the way for the localised council tax support introduced in the Local Government Finance Act.

**Universal credit (UC)**

- The introduction UC will see housing benefit merged into this new single benefit which, in all but exceptional circumstances, will be paid monthly, one month in arrears, direct to claimants. It is the Government's wish that 80% of UC transactions take place online. It is not yet clear exactly what role councils will have in the administration of UC, though a series of face-to-face pilots are underway to help define a way forward.

- It is anticipated that UC will be rolled out in Cornwall from October 2014 at the earliest. However, this has not been confirmed.

**Benefit cap**

- The Act makes provision for the introduction of a benefit cap for out of work households, restricting the amount of benefit a household can receive to broadly the average earned income of a working household after tax and national insurance. It will only apply to workless households and will be set at £500 per week for couples, families and lone parent households and £350 per week for single person households. Until UC is introduced it will be enforced by councils through housing benefit.

**Local welfare assistance**

- Elements of the discretionary social fund (previously administered through Job Centre Plus) have been replaced by local welfare assistance. This has been established in Cornwall and is now called the crisis and care award scheme.
What has happened in Cornwall so far?

As part of the Government changes to national benefits they have passed responsibility for council tax benefit to local councils and we have created our own Localised Council Tax Support (CTS) scheme. The Government no longer covers the full cost and has reduced the amount of funding available to Cornwall Council for benefit support by 12.5%. We estimate this means that in 2013/14 we have £6 million less funding to distribute to people in Cornwall who previously received council tax benefit.

Because of this, Cornwall Council voted, on 29 January 2013, for a new council tax scheme for Cornwall which came into operation in April 2013. Cornwall's new scheme means all working age recipients of Council tax support now pay an additional 25% contribution towards their council tax.

At the same time, Council agreed to an exceptional relief and transitional support fund of £1.1 million for one year only, to support people who are not able to pay. From 2 April 2013 crisis loans and community care grants (which were previously claimed from the Department for Work and Pensions) have been replaced by new Cornwall Council Crisis and Care Awards.

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**Personal Independence Payments (PIP)**

- Personal Independence Payments (PIP) with a 20% budget cut will replace Disability Living Allowance (DLA) from April 2013. It is intended that it will be delivered through a focus on the most disabled. While councils will not have a role in the delivery of PIP, there will be people, who formerly qualified for DLA, who will no longer be eligible for support with a consequential risk of an increased demand on councils' assessment and support services. In addition to this, anyone who finds themselves ineligible for PIP may also then be liable for the benefit cap due to losing their disability benefits exemption.

**Under-occupancy of social housing**

- With the aim of containing growing housing benefit expenditure; encouraging greater mobility in the social rented sector; and making better use of available social housing, the Act applies the size eligibility criteria applying in the private rented sector to social housing. This means that anyone deemed to be under-occupying will either need to move or face a reduction in housing benefit. The reduction will be 14% of their gross weekly rent charge for one extra bedroom and 25% for two or more extra bedrooms.
The decisions regarding Council tax benefit and the exceptional relief and transitional support fund will be reviewed as part of the 2014/15 budget setting process.

### Welfare reforms announced

<table>
<thead>
<tr>
<th>Local Government responsible for administering council tax benefit. Funding from Government reduced by 12.5%</th>
<th>January 2013 Council agrees to localised council tax scheme (starting April 2013) - working age recipients of council tax benefit pay 25%</th>
</tr>
</thead>
</table>

### Budget year 2013/14

<table>
<thead>
<tr>
<th>£6 million deficit due to reduction in Government funding for council tax benefit</th>
<th>Exceptional relief and transitional support fund agreed for one year only £1.1m</th>
</tr>
</thead>
</table>

### Crisis grants and awards

| Crisis loans and community care grants previously claimed from the DWP are stopped | Cornwall introduces its own crisis and care awards - for review pre 2014/15 budget setting |
2. Shared Services

Analysis completed by Ian Stephens (Shared Services)

Key messages

Council tax collection rates are down by 1.02% equivalent to £2.7m.

There have been more applications for Discretionary Housing Payments than last year. All discretionary funds are projected to be within budget.

About a third of new payers of Council tax (following changes to Council tax benefit last year) are in arrears.

Customers have not accessed the exceptional relief/transitional support funding to the extent expected.

Demand for the revenues contact centre continues to be high. The service is not currently able to meet this demand.

The benefit cap was introduced in mid July. 93 cases are affected.

Council Tax collection rates are down by 1.02% equivalent to £2.7m

The evidence

Council tax collection stands at 56.48% against a target of 57.5%. This compares to a collection rate of 57.5% at the same point in 2012/13.

Council Tax collection is down by 1.02% against target which equates to £2,736,248.

The implications

There will be reduced income for the Council if council tax collection does not improve. Based on current figures income for the Council will be down by £2.7m.

Additional numbers of summonses being sent to customers compared to 2012/13.

About a third of new payers of Council tax (following changes to Council tax benefit last year) are in arrears.

The evidence

The impact of CTS has become more evident as reminders, finals and summonses have been issued through the first 2 quarters. Council tax first reminders increased by 35%, second reminders by 37% and finals by 29% compared to 2012/13.
Those originally receiving max CTB in arrears 6,212 (increase of 11% from Q1) of which 4,417 have received a summons.

Those originally receiving partial CTB in arrears 1,656 (increase of 60% from Q1) of which 520 have received a summons.

Those originally not receiving any CTB in arrears 8,464 (increase of 18% from Q1) of which 5,225 have received a summons.

Council tax referrals to bailiffs in Q1 and Q2 has been 7,596 compared to 8,215 in 2012/13.

Over 26,000 people have experienced a reduction in assistance with the replacement of Council Tax Benefit with Council Tax Support. The Service is working very closely with customers to try to ensure that all available assistance has been accessed and that the introduction of 12 x monthly instalments for all payment methods is fully utilised. This will affect the recovery profile. Where appropriate, customers are being referred to the Exceptional Relief/Transitional Support funding available.

**There have been more applications for Discretionary Housing Payments than last year. All discretionary funds are projected to be within budget.**

**The evidence**
Applications for Discretionary Housing Payments have reduced through Q2 although there is still a 390% increase compared to 2012/13. 47.80% (£414,824) of the £867,795 budget spent in the 1st half of the year.

**The implications**
Discretionary funding (Discretionary Housing Payments, Crisis and Care Awards, Exceptional Relief/Transitional S) now all projected to be within budget therefore no further financial implications for Council.

**Customers have not accessed the Exceptional Relief/Transitional Support funding to the extent expected**

**The evidence**
Customers have not accessed the Exceptional Relief/Transitional Support funding to the extent expected with only 11.85% (£130,313) of the £1.1m budget currently spent. However success rates for those applying have increased from 57% in Q1 to 69% in Q2. It has been informally agreed that unused money for 2013/14 will be accrued forward for a revised year 2 scheme. This will need to be agreed formally by Members.

**Demand for revenues advice from the Council continues to be high. The revenues contact centre is not currently able to meet this demand.**
The evidence
The Revenues Contact Centre saw a 20% year on year increase in calls, from circa 50,000 to circa 60,000 (see chart 1).

During the second quarter of this year Face to Face staff has been dealing with approx 7,000 benefits enquiries per month.

30% increase in council tax post for the Income back office team to process

Average days to process housing benefit and council tax support claims has decreased to 13 days during Q2.

*number of calls offered refers to the number of people who attempted to make contact by phone. The number of calls answered are the ones answered. A high number of calls continue to not be answered due to a lack of staff. CLT is aware of this and steps are being taken to improve the situation.

The implications
Resources stretched to the limit with the increased customer contact which could result in customers not receiving the appropriate advice they need to improve their financial situation.

Improved processing times for housing benefit and council tax support reduce the financial pressures on customers.

The benefit cap was introduced in mid July. 93 cases are affected.

The evidence
93 cases have been affected by the Benefit Cap and their claims amended since 15th July.

The implications
The loss of Housing Benefit for the benefit Cap cases ranges from £0.76 to £182.96 per week. The total amount per week in lost housing benefit is £4789.70 which averages at £51.50 per case.
What are we doing about it?

Joint working with Cornwall Housing to ensure the people who need help are receiving it through the most appropriate funding stream i.e. DHP, CCA, ER/TS, Homeless Prevention Fund. A joint post was created in November 2012, funded by Shared Services and managed by Cornwall Housing, which has specifically assisted customers to remain in their tenancies.

Fully trained staff who can advise accordingly on options available to customers or signpost to one of our partners i.e. CH, CAB, Registered Providers.

Due to slow take up of ER/TS court officers we have actively assessed for this assistance when assessing eligibility for DHP. Also we have staff from all contact centres actively promoting the scheme when a claimant contacts us about council tax. Finally court officers have discussed this option with those summoned to court and have provided leaflets detailing the scheme.

Due to expected high levels of contact through the contact centres pre recorded messages were set up on the telephone lines which enabled claimants to receive information without waiting to speak to an advisor. This option has been taken up by over 3000 people.

12 monthly instalments are offered to all council tax payers regardless of the method of payment. Based on current data it is projected that council tax collection will be 1% under target at the end of the year.

Face to face team within Shared Services are working with the public by providing computer courses to enable them to access information and complete appropriate application forms on line. 70% of those who have taken the courses have become regular internet users. This will take further pressure off the customer facing staff. This programme will be rolled out to all Libraries/One Stop Shops.

Resources to be transferred from Assessments to Income to assist with the increased contact and workload.

The number of referrals to bailiffs for 2013-14 has reduced rather than increased as one might have expected. As part of the robust recovery procedures we have in place one of our key objectives is to avoid bailiff action wherever possible. This has led to a concerted effort to ensure that we attach to earnings and benefits as an alternative to sending the case to the bailiff. The downside to this is the impact on the collection rate as there is a limit to the amount that can be recovered using this method.

Payment arrangements are set where appropriate to help those customers who are experiencing financial hardship and we believe we are managing to resolve more issues at the 14 day letter stage before bailiff referral. The 14 day letter gives the customer a final chance to contact us to either agree an arrangement or pay in full before the case is passed to the bailiff.

An additional 6 Council Tax officers seconded to the Contact Centre from back office Income Teams to answer calls throughout March. This was a one off and the
back office has found it difficult to recover from losing those staff for that time. Additional resources now being sought to rectify this issue.

All Benefit Cap cases have been contacted by the Department for Work and Pensions, Shared Services and where appropriate Cornwall Housing since 2012 to advise them of the implications of this change and to work with them to find solutions to their financial situation.

We have received 20 Discretionary Housing Payment applications on benefit capped cases, of which 12 have received an award, 6 have been refused and 2 are still outstanding (information requested but no reply from client yet). Awards have not been made for the full loss amount (except one exceptional case) as this contradicts completely the intention of the regulations brought in to enforce this welfare reform change.

The national picture
Local Authorities (LA) nationally are dealing with the same issues as Cornwall Council i.e. council tax collection below target, increased customer contact, additional applications for discretionary funding. Figures released by the Labour Party suggest 450,000 additional summonses have been sent nationally since April, although this is based on responses from only 112 LA’s nationally it reflects the trend for Cornwall. NB: The Conservative Party have condemned the survey as ‘shoddy’ although haven’t produced their own figures. Labour has also confirmed that the highest number of summonses have occurred in Labour run councils.

Information on collection rates is not available nationally at the moment so no comparison can be made with the 2012/13 overall collection rate of 97.4%. However other LA’S who passed on the full reduction in funding to their council tax benefit claimants are also reporting a reduction in collection.

Both Plymouth City Council and Oxford City Council, along with many other smaller authorities have been proactively contacting customers affected by the Welfare changes and working with external organisations to help them change their financial circumstances by providing them with training and/or work experience, as well as ensuring that they are receiving all the statutory and discretionary help they are entitled to. There is a belief from all the LA’s I have spoken to that we need to help with the long term situation of our customers and move away from the short term financial awards solution. As you will see below, Cornwall Council is moving in this direction.

Looking to the future
Further Welfare Reform under the guise of Universal Credit is still to be implemented nationally, although pilots have started in 4 areas and will be extended to another 9 areas from now until March 2014. The national roll out timetable has not yet been released although Central Government still insist that the programme is on time and will be completed by October 2017. Due to a lack of detail it is still not apparent how big the participation for Local Authorities will be although LA’s will be expected to work in partnership with local service providers (Citizens Advice Bureau, Registered Providers, Jobcentres etc) to
provide a Local Support Service Framework which will help the most vulnerable customers to access Universal Credit through the digital by default channel.

Although there is no funding currently for the LSSF, it has become apparent that early work in this area needs to take place not only to help those with future UC requirements, but to help those customers now who are affected by Welfare reforms. Therefore a strategic board containing representatives from Job Centres, Cornwall Housing, Shared Services (Assessment and Face to Face) has been convened and a working group has already met to initially identify current services available to the public and how best these can be joined together.

The Crisis and Care Award Scheme will need to be agreed for 2014/15 along with revised Discretionary Housing Payment and Exceptional Relief/Transitional Support scheme policies. Although all 3 schemes have helped a considerable amount of customers this year, it is felt that building conditionality into these policies will not only help customers financially in the short term but also provide incentives for them to help themselves in the long term by working with us to attain relevant training and/or work experience where appropriate.

There is a major change to the fee structure within the bailiff industry with effect from 6th April 2014. On receipt of a case from the council the bailiff will charge the customer an initial fee of £75.00 for what is being referred to as the compliance stage. If the customer fails to make contact within this stage to either pay or make an arrangement the case will be passed for bailiff enforcement. Currently the first visit fee is £24.50 but this will increase to £230.00 and there are still ongoing discussions as to whether the customer will also have to pay the VAT costs of an additional £46.00. This would mean that a first enforcement visit would cost £276.00 in addition to the legal fees already owed to the council and the £75.00 costs at compliance stage. The bailiff contract is up for tender next year with the award being made in September 2014. The main issues that need to be worked through are what we expect the bailiff companies to do at the compliance stage and whether we have a limit on the value of the debt that we pass to the bailiff companies. One option is that we send low value cases to a collection agent, paying a commission on what they collect. This process would not increase the fees owed by the customer. We will be working through the potential changes to our recovery policy in the coming months to ensure readiness for the changes in April.
3. Housing Options

Analysis completed by Mark Vinson (Cornwall Housing)

Key messages

The statistics for Quarter 2 do not show that welfare reform has led to an increase in approaches to Cornwall Housing Limited’s Housing Options Service at this time. There is still a huge concern regarding the effect of the migration of households to Universal Credit which has yet to begin in Cornwall.

Although Cornwall Housing Limited has not seen an increase in approaches as a result of Welfare Reform, elements of it, such as the benefit cap are still affecting individual households who are already in temporary private sector leased accommodation.

The statistics for Quarter 2 do not show that welfare reform has led to an increase in approaches to Cornwall Housing Limited’s Housing Options Service at this time. There is still a huge concern regarding the effect of the migration of households to Universal Credit which has yet to begin in Cornwall.

The evidence

Preliminary figures show that 2214 households approached Cornwall Housing Limited in Quarter 2 2013-2014. This is a slight decrease on the number approaching the service in the equivalent quarter in 2012-2013 (2342).

Quarter 2 2013-2014 has seen a rise in the proportion of households seeking assistance due to family and friend exclusions (+2.5%) and those seeking accommodation (+3.5%). In September 2013 there has been an increase in the proportion of households seeking advice on receipt of a private rented sector notice to quit (+2%) and family and friend exclusions.

Housing enquiry type by proportion

<table>
<thead>
<tr>
<th>Housing enquiry type by proportion</th>
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<tbody>
<tr>
<td>PRS rent arrears</td>
</tr>
<tr>
<td>LA/RSL rent arrears</td>
</tr>
<tr>
<td>Debt/Finance</td>
</tr>
<tr>
<td>NTQ private sector</td>
</tr>
<tr>
<td>seeking Accommodation</td>
</tr>
<tr>
<td>Family friends unable to accommodate</td>
</tr>
<tr>
<td>Welfare Reform</td>
</tr>
</tbody>
</table>
Preliminary data from Quarter 2 shows that the three main causes of homelessness remain the same (family & friend exclusions, relationship breakdown and loss of private rented accommodation). The proportion of households accepted as homeless due to the loss of an assured short-hold tenancy has fallen back to 27% of acceptances but there has been a corresponding rise those made homeless as a result of relationship breakdown.

The P1Es also show that during Quarter 2 the Housing Options Service prevented or relieved homelessness for 488 households, of which 101 (21%) were enabled to remain in their home and 387 (79%) were assisted into alternative accommodation. Of those assisted into alternative accommodation 60% were enabled to move into the private rented sector, the majority assisted via the Homelessness Prevention Fund.

**The implications**

There is still a high demand for housing advice and assistance and we have still not seen the full effects of Welfare Reform translate into a rise in demand upon the Housing Options Directorate. The migration to Universal Credit has yet to happen in Cornwall and we are still expecting it to have a significant impact upon the service when it does so.
Those approaching the Service for advice on receipt of a notice to quit in the private rented sector rose in September, this coupled with the upward trend in homelessness acceptances for this reason suggest that this remains a key area of work in terms of homelessness prevention.

Where successful the homelessness prevention work carried out by Cornwall Housing Limited is predominantly facilitating access for households into suitable and affordable tenancies in the private rented sector. The reliance on the Homelessness Prevention Fund to support deposits/bonds and rent in advance indicates that if fund will need to be resourced to match any expanding need.

**What are we doing about it?**
Cornwall Housing Limited continues to work closely with a range of agencies and organisations to prevent homelessness and provide access to effective housing advice and assistance.

Cornwall Housing Limited has/is actively supported private sector access initiatives for young people and rough sleepers run by Shelter and Crisis. We have also supported a bid for further funding to develop private sector access for 18-35 year olds affected by the single room rent.

Cornwall Housing Limited is developing its current ‘Stepping Stones to Homes’ scheme in increase the supply of affordable homes in the private sector.
Cornwall Housing limited Housing Options Directorate is continuing to monitor the effect of Welfare reform and identify any trends that may become apparent.

**Although Cornwall Housing Limited has not seen an increase in approaches as a result of Welfare Reform, elements of it, such as the benefit cap are still affecting individual households who are already in temporary private sector leased accommodation.**

**The evidence**
Cornwall Housing Limited is working with households identified as being subject to benefit cap within its stock of private sector leased temporary accommodation. Currently there are 3 households in temporary accommodation who are subject to the benefit cap. The shortfall in rent ranges between £67.44 and £93.96 per week. A fourth household was subject to the benefit cap but has moved on to working tax credit.

**The implications**
Rent levels in private sector leased temporary accommodation are higher than in other forms of social housing leading to a higher level of rent arrears within a shorter period of time. This could ultimately lead to the Authority ceasing its housing duty towards households who not take reasonable steps (such as claiming DHP) to maximise their income and make up the shortfall in housing benefit.

One of the households is subject to a Notice to Quit having, despite our efforts to engage, made no attempt to pay the shortfall or claim DHP. The possible outcome
for this family is eviction and the discharge of the Council’s main homelessness duty.

**What are we doing about it?**
The Homelessness & Move On Team are taking a pro active approach in monitoring and supporting households affected or likely to be affected by the benefit cap in temporary accommodation.

**The national picture**
Recent research has indicated that rent arrears in the private sector have decreased substantially. Representatives of private landlord have attributed this to increased investment in the sector. This view is not universally shared.

A recently published survey indicates that The vast majority (70%) of the public think people affected by the benefit cap should be prepared to find jobs or work more hours and two-thirds (65%) say they should be willing to move to a cheaper property.

Independent research published today (10 October 2013) shows that 60% support the cap even if it means that those affected have to take a job, regardless of the pay.

The Ipsos MORI report shows public attitudes towards the Benefit Cap and is published following the completion of its national rollout last month.

**Looking to the future**
Cornwall Housing Limited Housing Options Service has concerns about the introduction of Universal Credit which we believe could put household unused to managing finances in difficulty.
4. Housing Landlord

Analysis completed by Sara Nott and Paul Oxford (Cornwall Housing).

Key messages

The number of households continuing to be affected by Housing Benefit reductions due to under-occupancy and in rent arrears has increased. However, the overall number of households affected by the under-occupancy reduction in Cornwall Council and Cornwall Housing’s properties has reduced slightly.

15 households in Cornwall Council and Cornwall Housing tenancies are affected by the Benefit Cap.

The number of households continuing to be affected by Housing Benefit reductions due to under-occupancy and in rent arrears has increased. However, the overall number of households affected by the under-occupancy reduction in Cornwall Council and Cornwall Housing’s properties has reduced slightly.

The evidence

- Cornwall Housing manages all 10,500 units of Cornwall Council’s (CC) housing stock and 56 units of its own housing stock, at the end of Q2, 918 of these tenancies, (9% of all tenancies), were affected by the under occupancy reduction, 677 of which are now in an arrears situation.
- The % of tenants in Cornwall Council and Cornwall Housing (CHL) tenancies, affected by under occupancy who are in an arrears situation has increased from 59% at the end of Q1 to 74% at the end of Q2.
- This percentage compares with the results of FOI requests to 114 Councils across the country which showed that an average of 31% of all affected tenants were ‘pushed’ into rent arrears. Barrow in Cumbria reported the highest percentage with 76% of its tenants affected by under occupancy being in rent arrears, which is marginally higher than the levels being recorded by CHL at the end of Q2.
- In CC and CHL tenancies, rent arrear increases since the introduction of the under occupancy reduction, amongst the 918 affected households, totals £48,589. This level of arrears is much lower than initial financial modelling forecast (£61K at Q2 increasing to £244K by the end of Q4), due to the proactive stance taken by CHL prior to the implementation of Welfare Reform, partnership publication of the changes, ongoing advice and support and early rent management intervention. Arrears for this group of tenants prior to the introduction of the under occupancy reduction stood at £93,171 and now totals £141,760.
- Whilst the number of households in rent arrears has increased, so has the number of households which have made a repayment agreement. This reinforces the positive impact of work carried out by the welfare advisors and the rent management team.
- Q2 geographical area traffic light ratings for the under occupancy cases are shown in the following table:
<table>
<thead>
<tr>
<th>RAG Rating Under Occupancy</th>
<th>Mid Area</th>
<th>North East</th>
<th>South East</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>RED (Cases in rent arrears and not reducing)</td>
<td>93</td>
<td>101</td>
<td>112</td>
<td>306</td>
</tr>
<tr>
<td>AMBER (Cases in rent arrears with a repayment plan in place)</td>
<td>108</td>
<td>106</td>
<td>157</td>
<td>371</td>
</tr>
<tr>
<td>GREEN (Cases paying and no arrears)</td>
<td>95</td>
<td>77</td>
<td>69</td>
<td>241</td>
</tr>
<tr>
<td>Total</td>
<td>296</td>
<td>284</td>
<td>338</td>
<td>918</td>
</tr>
</tbody>
</table>

- CHL continues to work with affected tenants in line with its reviewed Rent Management Policy, which reflects the expected impacts of welfare reform changes. In Q1 3 Notice of seeking possession orders were served, this increased by a further 13 Notices being served in Q2, giving a total of 16 Notices served since April 2013. Notice of Seeking Possession Orders are the first stage in a legal process that could lead to eviction. In the case of ‘non persistent’ arrears and in line with policy, CHL may serve a Notice on arrears of £350.00 upwards. Persistent rent arrears may result in a Notice being served at a lower level.
- At the current time no cases are being progressed to Court action stage, and CHL is working with households at Notice stage to resolve their rent arrears situations.
- Rent arrears management in the tenancies unaffected by the under occupancy reduction are, despite the poor economic climate, first class, with the rent arrears for CC and CHL properties reducing. In Q1 there were 2937 (non under occupancy reduction) tenants in rent arrears, which is 30% of non affected tenancies. The arrears for these households totalled £781K. At the end of Q2, the number of tenants in arrears (non under occupancy reduction) had reduced to 2870, which is 20% of non affected tenancies, with the arrears totalling £751K. The total arrears for all 10,556 properties stood at £911K at the end of Q1, and £893K at the end of Q2.

**The implications**

- The implications for households affected by the under occupancy changes have potential long term impacts. Whilst the most able may manage their finances in the short term, the vulnerable including disabled tenants, in all likelihood will not manage the sometimes severe impact on their income. There is also the potential for widespread hardship vulnerable or not when the cost of living increases over the winter months.
- From a landlord and managing agent’s perspective, increased arrears can mean increased collection costs, and impacted income streams, which may...
Increased costs are also being experienced due to the increased turnaround in properties due to tenants downsizing. Whilst this has some positive affect for those in housing need, it is a double edged sword, with increased competition for smaller properties when they become available. As there are a high number of homeless single and couple applicants in Cornwall awaiting re-housing further pressure on tenants wanting to transfer to smaller properties could impact the spend on temporary accommodation.

If evictions follow, there will be impacts not only for the households involved but on their communities. CHL’s legal costs may increase, as could use of adult and children’s services, along with the involvement of Housing Options, part of CHL, to provide further housing advice and to take homeless applications.

16 of the 114 Councils that responded fully to a FOI enquiry, detailed above, have adopted no eviction policies for arrears due to under occupancy reductions. However there are also potential implications to a no evictions policy, does this encourage non payment, and the impact that may have on income streams and services?

What are we doing about it?

- Cornwall Housing have a team of specialist advisors working with affected households. They provide advice and support around a range of issues such as indebtedness, money management, downsizing and employment options. In addition to a support service, there is a rent management team who target low level rent arrears, to prioritise prevention rather than action. Monthly strategic rent management meetings take place to monitor the impact of the ongoing work of these teams.
- CHL works closely with affected tenants to support those who wish to downsize to do so, however there is limited stock availability to facilitate these moves. Whilst the majority of affected tenant wish to remain where they are and try and pay the charge, this who do wish to move are severely hampered by the lack of opportunities to move. Out of 998 1 bedroomed general needs properties within CC’s housing stock, at the end of September 2013 there were only 21 properties available, over half of which were ear marked for those needing to downsize.
- Since the introduction of the under occupancy reduction, 6 tenants have moved through the under occupancy direct let process, set up by CHL to facilitate moves for households affected by under occupancy. The direct let list identifies those who are at highest risk of losing their tenancy due their extreme financial situation, and who have chosen to downsize. There are currently 26 tenants registered on this list who are awaiting a move, but there are insufficient vacant properties to meet that demand. In addition to this all tenants wishing to downsize can register on Cornwall Homechoice and bid on suitable properties as they become available, 31 CC and CHL affected tenants have transferred through Homechoice as at the end of Q2.
- The following chart shows the current under occupation levels, and the number and sizes of properties that would be required if all affected tenants wished to downsize:
<table>
<thead>
<tr>
<th>Current Bed Size</th>
<th>No. of Cases</th>
<th>1 bed required</th>
<th>2 bed required</th>
<th>3 bed required</th>
<th>4 bed required</th>
<th>5 bed required</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Bed</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Bed</td>
<td>443</td>
<td>443</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Bed</td>
<td>444</td>
<td>110</td>
<td>334</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Bed</td>
<td>29</td>
<td>3</td>
<td>4</td>
<td>22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Bed</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>6 Bed</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Totals</td>
<td>918</td>
<td>556</td>
<td>338</td>
<td>22</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

- Partnership working is key to ensuring households are aware of this change and future changes and to plan how to mitigate the impacts of those changes. CHL works closely with Shared Services, and now with the welfare coordination working group to ensure that Managers and Members are also aware of the impacts and risks of welfare reform.
- Watching the national picture to ensure that CHL is aware of legal challenges, DWP regulation changes and best practice to ensure it does everything to support tenancies, and maintain income streams.
- Planning phase 2 of the Welfare reform Action Plan. This involves rolling forward ongoing actions from phase 1, but also preparing for further change when Universal credit is rolled out in Cornwall. One of the biggest risks for Cornwall at this moment is being unaware of when the introduction of Universal Credits is coming to Cornwall.

15 households in Cornwall Council and Cornwall Housing tenancies are affected by the Benefit Cap.

The evidence
- Current Shared Services, DWP Benefit Cap scans confirm 15 households in tenancies managed by CHL have been affected by the Benefit Cap due to the level of their household’s income. This includes 1 Gypsy and Traveller family.
- The Benefit Cap was introduced between late July and the end of September 2013. Of the 15 families affected, 8 were in an arrears situation before the Cap was introduced, (66%), increasing by the end of Q2 to 12, (80%).
- The arrears for this group of tenants, prior to the Cap being introduced totalled £3,948 increasing to £5,065 by the end of Q2. An overall increase of £1,117 in a matter of weeks.
- 1 household already had a Suspended Possession Order in force prior to the Cap. A Suspended Possession Order is when the Courts award CHL/CC possession of the property subject to the payment of current rent and arrears ordered by the Court. Failure to make theses payments will result in CHL applying to the Court for a Warrant of Execution against that order requesting possession of the property, and the eviction of the household. The tenancy in question is currently a borderline case for an application for a warrant, though officers continue to work with the tenant to try and avoid
• In the other cases it is likely that 4 Notice of Seeking Possession Orders will be served shortly due to increased arrears since the implementation of the Cap.
• Q2 geographical area RAG ratings for the Benefit Cap cases are shown in the following table:

<table>
<thead>
<tr>
<th>RAG Rating Benefit Cap</th>
<th>Mid Area</th>
<th>North East</th>
<th>South East</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>RED (Cases in rent arrears and not reducing)</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>AMBER (Cases in rent arrears with a repayment plan in place)</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>GREEN (Cases paying and no arrears)</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>6</td>
<td>4</td>
<td>15</td>
</tr>
</tbody>
</table>

The implications
• The implications of these Benefit Cap cases are that a high degree of non-payment will continue subject to the levels of cap applied. The households in CC and CHL stock are affected by cuts of between £85 and £11.00 per week, and it is likely that some of these required weekly payments will not be sustainable, with the potential loss of some tenancies. The family affected with the cap of just over £85 per week, is made up of 2 adults and 8 children, whose ages range from 7 to 19, all currently shown as being in full time education. The potential costs to other services should that tenancy alone fail would be dramatic.
• Whilst the number of tenancies in CC and CHL stock affected are limited, the weekly loss to income streams will not be substantial compared to the under occupancy impacts, but could potentially accumulate over time, however the potential knock on costs to other services should these tenancies fail could be high.
• Further impacts to these households may occur when they migrate to Universal Credit as the full Benefit Cap will be implemented, whereas at this time any maximum reduction is limited to the weekly Housing Benefit entitlement less £0.50 to ensure eligibility to other HB linked benefits.

What are we doing about it?
• Prior to the Benefit Cap being implemented, both CHL and CC ran comprehensive publicity campaigns to ensure that applicants potentially affected by the Benefit Cap could make informed choices about the changes, and seek advice.
• Every CC and CHL tenant affected by the Benefit Cap has been contacted to discuss their individual situations and to offer support and advice around money management, indebtedness and work options.
• Where appropriate Welfare Advisors have assisted households in applying for disability welfare benefits which give exemptions to the Cap.
• All affected tenants have been given advice on Discretionary Housing Benefit (DHP) and Council Tax Exceptional Transition Relief. There have however been few applications, despite ongoing contact. (Shared Services confirm that there have been only 3 applications for these awards.)
• CHL continue to work with the affected households to try and sustain these tenancies, however there is a very strong likelihood that there will be evictions due to the impacts of the Benefit Cap.

The national picture
• “The majority of the public believe ‘bedroom tax’ should be abandoned.” A COMRES poll(1) conducted on behalf of the National Housing Federation shows the level of public opinion against the policy. The survey of more than 2000 adults revealed that 59% now agree that the ‘bedroom tax’ should be abandoned. This result is up from 51% in April.
• Successful First Tier Tribunal appeals. A number of appeals have been successful in Scotland and Middlesbrough on the basis of bedroom size and disability. The tribunals whilst not setting a legal precedent will no doubt influence future tribunal appeals. The DWP states that it will appeal some of the decisions around bedroom size.
• Chartered Institute of Housing (CIH) Scotland states that ‘Outlawing bedroom tax evictions will send the wrong message.” David Bookbinder, Head of Policy and Public affairs at CIH Scotland said, in addition to other comments about the ‘tax’: “There are already indications that some Councils who very publicly declared ‘no evictions’ policies are paying the penalty with particularly high arrears levels. The proposed legislation - or merely the prospect of it - is likely to further increase arrears levels, which is not in the interests of any of the landlord’s tenants.”
• Welfare changes cause arrears to soar: A survey by Inside Housing and Capita have revealed one in 10 respondents to the survey said their organisation had seen rent arrears increases of more than 20% as a result of welfare reforms such as the ‘bedroom tax’. 41% of the 459 respondents reported a rise of more than 5%, and a further 23% reported increases but had not identified how much.
• High Court to rule on Benefit Cap ‘within a month’. Two judges are being asked to rule that capping regulations are unlawful and breach the human rights of out-of-work women struggling to bring families up on their own. The case is being brought by three families arguing that the policy discriminates against lone mothers and will force refuges for women fleeing domestic violence to close.

Looking to the future
• CHL, Landlord Services, fully expects arrears levels attributable to welfare reform to continue to increase in Q3. This may be further impacted by DHP reviews, as transitional support comes to an end and as winter living costs start to have an impact on household budgets. This may well result in the
• CHL’s Rent Management Policy does not preclude eviction due to the impacts of Welfare Reform. However in the case of under occupation, it should be noted that successful Court action may well be determined or at least influenced by whether alternative accommodation has been offered and refused.

• Cornwall continues to await confirmation of the Universal Credit roll out in this area. The lack of confirmation of that date is severely impacting timeline planning around issues such as publicising the changes, visiting affected households and resources. However whilst it is a risk it is also an opportunity to ensure that we are as prepared as possible for the changes when they arrive.

• Legal challenges to the under occupancy reduction may well impact local appeals, and CC’s and CHL’s stance on bedroom size.

• The outcome of High Court human rights appeals may impact on Benefit Cap cases both in Social Housing and the Private Sector.

• Currently data provided is for CC and CHL properties only. However other social housing providers are being contacted to ask if they will join the key messages process to give a Cornwall wide over view of the impacts of welfare reform on social housing providers and tenant.
5. Voluntary Sector

Analysis completed by Lorna Fish

Key messages

Enquiries about benefits are the most common type of enquiry dealt with by Cornwall Citizens Advice Bureau.

The number of people helped by food banks more than doubled in the last year. The proportion of those that relate to benefits has also increased.

1553 people received advice, practical help or an emergency grant from the winter wellbeing programme to help them keep warm last winter.

Enquiries about benefits are the most common type of enquiry dealt with by Cornwall Citizens Advice Bureau.

The evidence

In Q1 of 2013-14 Cornwall CAB helped 2579 clients with 4717 enquiries (some clients have more than 1 enquiry). The most common enquiries were regarding benefits and debt. The average debt owed per client was £9,278.

CAB Cornwall recently introduced the PETRA information system and because of this it is not possible to compare with past data. Full data for Q2 2013 is not yet available.

<table>
<thead>
<tr>
<th>Q1 2013-14 – Enquiry type</th>
<th>Number</th>
<th>% (rounded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits</td>
<td>1844</td>
<td>39</td>
</tr>
<tr>
<td>Debt</td>
<td>806</td>
<td>17</td>
</tr>
<tr>
<td>Employment</td>
<td>461</td>
<td>10</td>
</tr>
<tr>
<td>Housing</td>
<td>412</td>
<td>9</td>
</tr>
<tr>
<td>Relationships &amp; Family</td>
<td>315</td>
<td>7</td>
</tr>
<tr>
<td>Legal</td>
<td>239</td>
<td>5</td>
</tr>
<tr>
<td>Consumer</td>
<td>158</td>
<td>3</td>
</tr>
<tr>
<td>Financial (services)</td>
<td>89</td>
<td>2</td>
</tr>
<tr>
<td>Utilities</td>
<td>81</td>
<td>2</td>
</tr>
<tr>
<td>Tax</td>
<td>77</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>64</td>
<td>1</td>
</tr>
</tbody>
</table>
What are we doing about it?
Cornwall CAB has a contract with Cornwall Council to provide “core” advice services. In addition to this it also provides targeted advice projects funded by various agencies. These include the growth fund (debt and welfare advice) and advice work in children’s centres which are funded by Cornwall Council.

Other organisations also provide advice services in Cornwall including food banks, housing associations and voluntary and public sector organisations.

The Department of Health is no longer funding the winter wellbeing programme which means the budget has reduced by 91% (£616k 2012/13 to £50k 2013/14). There will be less support available for people struggling to heat their homes at a time when the wider impacts of welfare reforms are being felt.

The evidence
For 2013/14 Cornwall Council received grants of over £550,000 from DOH and DECC which aimed to prevent excess winter deaths and tackle fuel poverty. Services provided include a phone line, practical help and an emergency fund. These services are provided in partnership with the voluntary sector.

The Department of Health is no longer funding the winter wellbeing programme which means the budget has reduced by 91% (£616k 2012/13 to £50k 2013/14). There will be less support available for people struggling to heat their homes at a time when the wider impacts of welfare reforms are being felt.

Of the 330 people who applied for help through the Emergency Fund in 2012/13, a total of 323 received £72,626.81 equating to an average of £225 each. This overall sum included £22,105 for electricity key meter payments distributed by Citizens Advice Bureau. This compares to 145 households who received the fund in 2011/12 averaging £246 each.

*Note: The winter wellness work area is very seasonal and so reporting quarterly is not appropriate.*


The implications
It is estimated that the winter wellbeing interventions save £1.27 for every £1 spent mainly through reduced hospital admissions.
Excess winter deaths contribute to 1 in 20 of all deaths per year. Estimates are that excess winter deaths in the coldest quarter of housing are almost three times as high as in the warmest quarter. The latest available recorded figures for 2010 show 277 Excess Winter Deaths occurred in Cornwall.

DECC reports show that Cornwall has 44,706 (19.1%) households classified as being in fuel poverty. The England average is 16%. People experiencing fuel poverty will have to make difficult choices about how to spend their money in the context of any reductions in their incomes due to Welfare Reforms.

**The number of people helped by food banks more than doubled in the last year. The proportion of these that relate to benefits has also increased.**

**The evidence**

Data from the Trussell Trust shows an increase in the number of people receiving help from food banks. The number of people helped more than doubled between Q1 2012 (1666) and Q1 2013 (3672).

The proportion of these that relate to benefits has also increased from 36% in Q1 2012 to 48% in Q1 2013.

In 2012, the other food banks operating across Cornwall (non-Trussell Trust) gave out 155,977 meals.
Number of people helped by Trussell Trust

<table>
<thead>
<tr>
<th></th>
<th>2011 Q1</th>
<th>2011 Q2</th>
<th>2011 Q3</th>
<th>2012 Q4</th>
<th>2012 Q1</th>
<th>2012 Q2</th>
<th>2012 Q3</th>
<th>2012 Q4</th>
<th>2013 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total clients</td>
<td>705</td>
<td>894</td>
<td>1322</td>
<td>2005</td>
<td>1666</td>
<td>2502</td>
<td>3285</td>
<td>3054</td>
<td>3672</td>
</tr>
<tr>
<td>Benefit related</td>
<td>345</td>
<td>434</td>
<td>574</td>
<td>871</td>
<td>605</td>
<td>891</td>
<td>1232</td>
<td>1353</td>
<td>1763</td>
</tr>
<tr>
<td>Other crises</td>
<td>360</td>
<td>460</td>
<td>748</td>
<td>1134</td>
<td>1061</td>
<td>1611</td>
<td>2053</td>
<td>1701</td>
<td>1909</td>
</tr>
<tr>
<td>% Benefit related</td>
<td>49%</td>
<td>49%</td>
<td>43%</td>
<td>43%</td>
<td>36%</td>
<td>36%</td>
<td>38%</td>
<td>44%</td>
<td>48%</td>
</tr>
<tr>
<td>Foodbanks operational</td>
<td>6</td>
<td>7</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
</tbody>
</table>

Case Studies (Source [www.trusselltrust.org](http://www.trusselltrust.org))

Couple forced to borrow soup to feed 18-month-old daughter

When temperatures plummet in winter, foodbank clients across the UK are often forced to choose between eating and heating. For Anne-Marie and Danny, 22, a delay in benefits hit at the same time as Danny was off work with flu. He received no sick pay and finances got so tight that they were faced with eviction as well as having no money for food.

The couple and their 18-month-old daughter, Tia, were living and sleeping in one room to reduce heating bills. They resorted to borrowing a tin of soup from their neighbours to stop little Tia going hungry. When the foodbank delivered an emergency foodbox to the delighted family there was ice on the inside of their windows.

'I don’t know what we would have done next if it wasn’t for the foodbank’ says Danny.

*December and January often see foodbank client numbers increase across the UK as people struggle with additional costs of heating and Christmas.*

Skipping school to avoid embarrassment of no lunch money

A primary school boy stopped attending school recently because he could not face the embarrassment of having no money for lunch. On visiting his home to deliver a foodbank parcel, the school’s liaison officer discovered there was no food, except a little oats and milk. The mother’s purse was empty. The mother of two explained that her husband had left her and that the benefits were in his name. He had not been contributing towards child care since leaving and when she informed the
Benefits Agency all benefits were stopped, including child benefit, because of her ‘change in circumstances’. The support worker estimated that it would take two to four months for the benefits to be re-assessed.

Officially, additional benefits like free school meals are not available to children unless parents can prove that they are in receipt of benefits. Fortunately, the foodbank was able to step in to help, enabling the boy to return to school.

*Benefit delay and benefit re-assessment cause people across the UK to go hungry. Almost 40% of foodbank clients last year experienced benefit delay.*

**The implications**

It is not possible to be certain whether this increase in foodbank is due to an increase in demand or increased supply and public awareness. However, some food banks have reported clients coming to them with concerns about welfare reform:

> “We have had many clients in distress recently worrying about how to pay council tax where previously they did not have to and it is great that you will be feeding this data back to the Cllrs who make those decisions” (Food Bank).

Alongside other data, this suggests that households are facing increasingly difficult choices between buying food or paying various bills and rent.

**What are we doing about it?**

Care professionals such as doctors, health visitors, social workers, CAB and police identify people in crisis and issue them with a food bank voucher.

**Looking to the future**

This chapter provides information about only a tiny proportion of the work the voluntary sector is doing in this area. This section will be developed further in future quarters.

Produced by:

**Cornwall Council Welfare Reform Coordination Group**

Coordinated by:

**Lorna Fish, Policy Specialist**

18 November 2013
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