

Appendix D

Surrey Data Overview

Benefit Cap

The cap on total household benefits imposes an upper limit of £500 per week for couples and £350 per week for single people living alone and was introduced in Surrey from 15 July 2013. The groups that are excluded are disabled people and those working at least 16 hours a week.

- Current data analysed by local District and Borough Councils anticipate 556 households will be affected.
- A conservative estimate predicts the average loss across all households will be £3,300 per year.
- The 157 worst affected households will lose over £5,200 per year.
- DWP impact assessments estimate that 85% of affected households will be families with children, which equates to 473 in Surrey. The same analysis finds 47% will be lone parents, equating to 261 households.

Local Authority	# losing £1-30 p/w	# losing £30 - £100 p/w	# losing >£100 p/w	# of households affected
Elmbridge	11	24	15	50
Epsom & Ewell	24	26	11	61
Guildford	29	20	31	80
Mole Valley	5	11	6	22
Reigate & Bans.	8	25	12	45
Runnymede	7	12	8	27
Spelthorne	24	46	36	106
Surrey Heath	11	12	5	28
Tandridge	15	10	7	32
Waverley	7	22	6	35
Woking	20	30	20	70
Surrey total	161	238	157	556

Source: Surrey Benefit Managers Group

Social Sector Size Criteria [‘bedroom tax’]

The Social Sector Size Criteria is a reduction in Housing Benefit (HB) for social housing tenants who are deemed to be under-occupying their property. One spare bedroom will result in a 14% reduction in HB; two spare bedrooms will lead to a 25% reduction. There are a number of exemptions, including approved foster carers, disabled residents needing space for specialist equipment and two children over the age of 10 of different genders are not expected to share.

Case Study – Elmbridge Borough Council

Elmbridge BC analysis has found that households with one extra bedroom will lose an average of £17.49 p/w (£909 p/a). Households with two extra bedrooms are expected to lose £33.07 p/w (£1,719 p/a).

Elmbridge BC also interviewed residents who will be affected by the SSSC to understand how they would cope with the drop in income:

- 18% of households affected said that they would look to downsize to avoid the charge.
- 82% of households would stay in their homes and would have to cover the loss from other income.

Local Authority	Households with +1 beds	Households with +2 beds	Total # of households
Elmbridge	379	109	488
Epsom & Ewell	108	24	132
Guildford	388	98	486
Mole Valley	134	29	163
Reigate & Bans.	349	105	454
Runnymede	172	47	219
Spelthorne	312	71	383
Surrey Heath	186	48	234
Tandridge	<i>tbc</i>	<i>tbc</i>	200
Waverley	330	75	405
Woking	259	134	393
Surrey total			3557

Source: Surrey Chief Housing Officers Group

Disabled adults

Between October 2013 and 2016, Disability Living Allowance is being phased out and will be replaced by the new Personal Independence Payment. People claiming sickness benefits are also currently being reassessed for Employment Support Allowance (ESA) to see if they are work ready.

Disability Living Allowance (DLA)

There are 32,310 DLA claimants in Surrey. The Government projects a national 23% reduction in caseload as people transfer from DLA to Personal Independence Payments. In Surrey this would mean 7,500 DLA claimants lose their entitlement over the next few years. There are currently 2000 claimants in receipt of the lower care component of DLA and are very likely to lose their £21 p/w benefit.

Employment Support Allowance

Surrey County Council estimates up to 2,392 Employment and Support Allowance claimants could lose all their current entitlement (£94.25p/w); 553 disabled young people could lose an average of £25p/w and nearly 80 would lose all their benefit (£94.25pw). (DWP Impact Assessment 2011)

Carers

There are an estimated 31,000 carers in Surrey providing care for over 35 per week. Only 5,160 of these receive Carers' Allowance. Carers' Allowances are largely protected from the reforms, but no detailed national impact assessment has yet been conducted on them. Based on Carers UK estimates, over 100 carers in Surrey are likely to be at risk of losing their benefits.

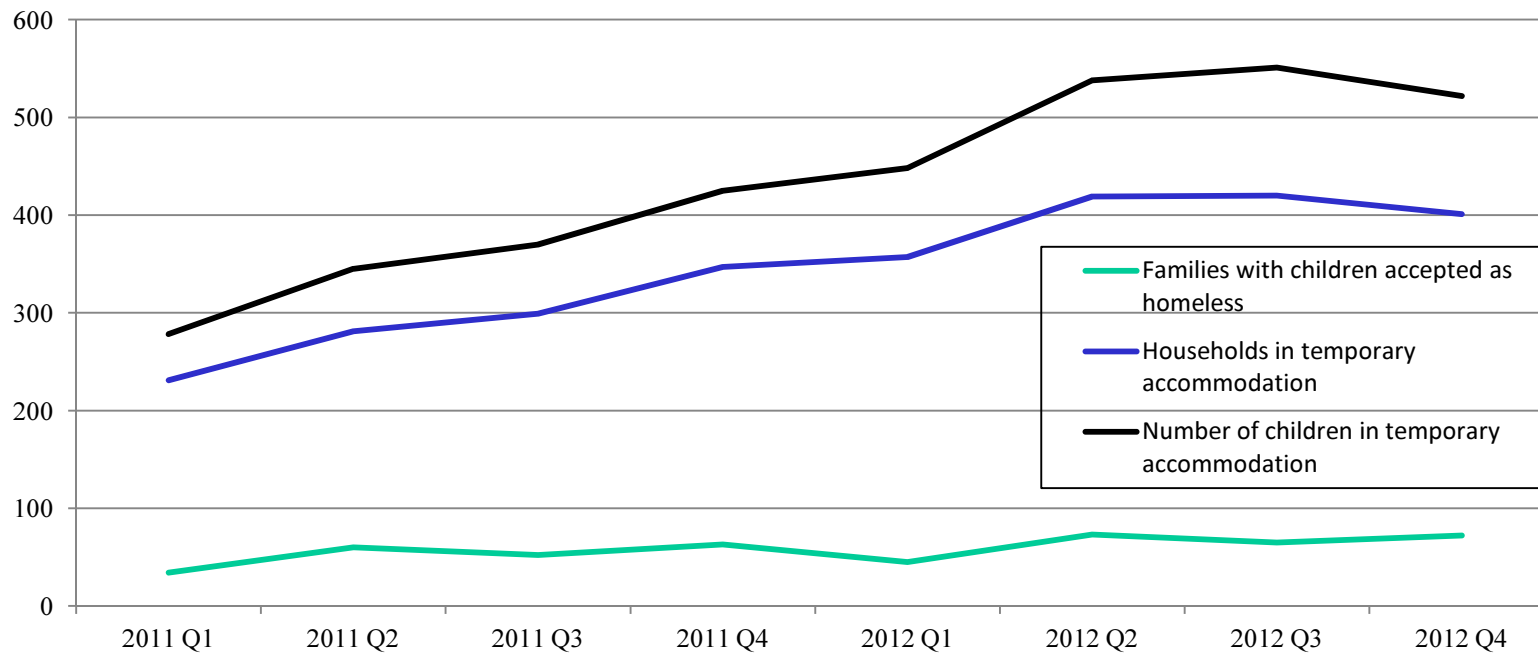
Local Authority	DLA claimants
Elmbridge	2,980
Epsom & Ewell	2,140
Guildford	3,680
Mole Valley	2,450
Reigate & Banstead	4,480
Runnymede	2,380
Spelthorne	3,120
Surrey Heath	2,160
Tandridge	2,670
Waverley	3,300
Woking	2,940
Surrey total	32,310

Source: NOMIS

Homelessness

The graph below outlines the trends in homelessness in Surrey over the past two years.

- The number of households in temporary accommodation (TA), and the number of dependent children housed in TA, has almost doubled since 2011 to 522, though the latest figures from Q4 2012 have shown a small decrease .
- The number of families that have been accepted as homeless has risen steadily from 34 households in 2011, to 72 by the end of 2012.



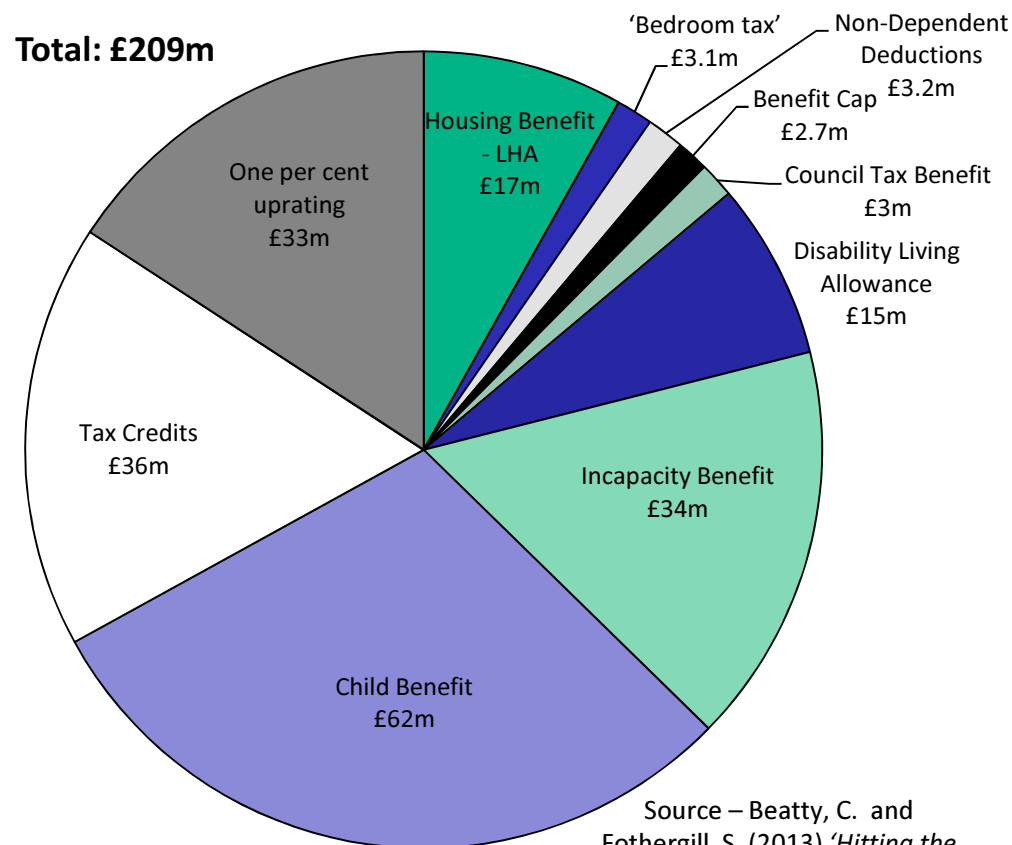
Source: Shelter

Financial impact on Surrey

This chart shows the estimated loss per year to Surrey's economy as a whole from the various welfare reform changes.

- Though often not widely discussed because they affect a larger number of people less severely, changes to Tax Credits, Child Benefit and the 1% uprating of benefits together total £131m (63%) of the overall loss of £209m.
- Though Child Benefit changes are likely to impact on higher income households, this change alone will reduce spending power in Surrey by £62m per year.
- The reforms that are predicted to lead to the greatest losses to individual households, including the Benefit Cap, Social Sector Size Criteria and changes to Disability Living Allowance, will have a relatively low aggregated impact.

Projected Impact on Surrey's Economy (£millions)



Source – Beatty, C. and Fothergill, S. (2013) *'Hitting the poorest places hardest: The Local and regional impact of welfare reform*

Qualitative research into impacts

In Autumn 2012, Surrey County Council commissioned qualitative research on the likely impacts of welfare changes on residents' day-to-day lives. The research focused on low income families and people with disabilities. Through in depth interviews, the work provided a richer picture of how families cope now on benefits and how they are likely to respond to future changes. Surrey County Council is commissioning follow up work with these families to track impacts over time.

All of the respondents expressed an interest in finding work, including those with significant disabilities. The main barriers to employment were fitting it around family life (school hours and near to home) and they often had little idea how to find work.

Nearly all families **had loans with Provident**, a door step money lender with typical rates of 400% APR. These lenders were preferred as the families often did not have access to conventional banking, and they offered a convenient, personal service.

Benefit dependent families were **spending at least half their income on housing costs**, particularly those in private rental accommodation. The cumulative impact of the welfare reforms were projected to lead to **a loss of 15% of income**.

Families expected to do **'more of the same'** when **facing reduced income**, including borrowing more, seeking cheaper housing and cutting back further on spending, particularly on fresh food.

The full research report can be accessed at:

https://www.surreycc.gov.uk/__data/assets/pdf_file/0008/556253/SCC-Preparing-for-the-impacts-of-welfare-reform-March2013-FINAL.pdf

Surrey snapshot

Employment

- **Total unemployment has risen** from 24,300 in 2011 to 27,900 in 2012 - a rise from 4.1% to 4.6%.
- However, in 2012 the number of people claiming Job Seekers Allowance fell from 13,025 to 11,508, a reduction of 12%.
- There are 2480 young people who are currently classed as unemployed in Surrey

In 2012, the main operator of food banks in Surrey, The Trussell Trust, **provided emergency food for 1196 adults and 816 children.**

Private rents are becomingly increasingly unaffordable for low-income households. For example, Elmbridge and Surrey Heath saw rents rise 14.1% from 2011 to 2012, the highest rise of any local authority in England, including London. (Shelter - Jan 2013)

The 14 Citizens Advice Bureaux in Surrey dealt with 109,738 requests for advice in 2012/13. Demand for benefits advice rose 15% over the course of the year to a total of 49,819 cases. CABs also fielded 28,585 debt, 15,011 employment and 16,323 housing enquiries.