

THE COST OF CHANGE:

the Impact of Welfare
Reform on the Irish
Community in London

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This research was produced by the London Irish Centre (LIC), Lasa and the Irish in Britain. LIC is the largest welfare service for Irish people outside Ireland. LIC holds the Advice Quality Standard and provides advice with casework on housing, welfare benefits and debt. Lasa provides specialist support to advice and information providers in the UK and manages the premier website for advice givers in the UK (www.rightsnet.org.uk). Irish in Britain is the national representative organisation for the Irish in Britain providing leadership, campaigning and support to the Irish community.

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EXECUTIVE SUMMARY

BACKGROUND

To date, most research examining the impact of the welfare reforms has been undertaken by the Department for Work and Pensions (DWP), local authorities and housing associations. There has been no independent examination of the potential impact on any specific ethnic minority. This report sets out to explore how the reforms will affect an established migrant community, the Irish community in London. This community experiences disadvantages in terms of health (Moore et al., 2012, Tilki et al., 2009, Limbricks, 2007), housing (Randall, 2005) and social inclusion (Moore et al., 2012). Research shows that Irish people are over-represented in the social housing sector (Randall, 2005) and as recipients of incapacity benefit (DWP, 2011). Drawing on DWP impact assessments, existing research on the Irish community and in consultation with agencies providing support and advice to vulnerable Irish people, this report highlights how some of the benefit reforms will affect working-age Irish benefit claimants living in London. The report also uses case studies to illustrate the effect of individual reforms, and makes recommendations to service providers and policy makers. The LIC, Lasa and Irish in Britain hope that by exploring the current and potential effects of the reforms at this stage, agencies will be better placed to respond to the needs of those affected as they arise.

KEY FINDINGS

- Research by the DWP (2012) and Lasa and CPAG (2012) indicate that London will be acutely affected by the benefit reforms. Areas of Irish settlement, such as Brent, Ealing and Haringey (Census 2011) will be amongst the worst affected (London Councils, 2012, DWP, 2012).
- Evidence suggests that Irish people aged between 50 and 64 in London will be disproportionately affected by changes to Local Housing Allowance and the 'bedroom tax'. Evidence indicates that the subsequent reduction in income may result in pre-retirement age claimants being forced to move out of traditional areas of Irish settlement.
- The DWP has identified 20 'claimant types' who may need extra support to adjust to the new model of Universal Credit. The Irish community is over-represented in at least five of these categories. Agencies highlighted that difficulties will be faced by Irish travellers, emigrant Irish survivors of institutional childhood abuse, unemployed men between the ages of 50 and 64, homeless Irish people and those with mental health and/or substance misuse issues.
- Practitioners are concerned about the direct payment of housing related benefit to tenants, rather than to housing organisations. Many felt this would result in rent arrears and, in some cases, homelessness.

- Practitioners are apprehensive about the move to monthly and on-line benefit claims. Many felt the target of getting 80% of claimants online by 2017 was unrealistic. Senior managers highlighted the cost implications for organisations of upgrading IT systems and training for clients and staff.
- Providers of social care and welfare advice services feel that the reforms will have some positive impacts. A significant proportion of vulnerable Irish people in London are unclear about their benefit entitlements (Moore et al., 2012). Universal Credit is a single benefit that should ensure claimants receive all the benefits to which they are entitled.
- Universal Credit is designed to ease the transition between being in and out of work, which should benefit claimants employed in those industries where working hours fluctuate or '0 hour contracts' are common, such as construction and the caring professions.
- Practitioners highlighted the fact that many claimants will be affected by a number of the reforms. To date, DWP impact assessments have only examined individual policies. There is an urgent need for a cumulative impact assessment of welfare reforms to help practitioners and commissioners understand how the reforms will impact the lives of claimants.

INTRODUCTION

The Welfare Reform Act 2012 (WRA) implemented a wide range of changes to the UK welfare system. These changes have created much uncertainty for claimants and welfare advice providers. Although some of the changes represent the usual tweaks we see from governments, the Act also introduces Universal Credit (UC), the biggest change to the welfare system in over 60 years. The changes began to take effect from 2011 and implementation is expected to continue until 2017. The vast majority of current benefits will be affected in some way. Embedded in these reforms are a range of measures designed to simplify, streamline and alter the payment of out-of-work, income, housing and disability related benefits. At present, it is difficult to predict the impact of these measures in accurate figures, because changes to proposals continue to emerge from the Government, and because many households will be affected by more than one change. To date, there has been no combined or cumulative impact assessment. Nevertheless, at this stage, we know that the changes are significant and agencies are already beginning to report adverse effects on a number of groups in London.

Research by Shelter indicates that BME groups are more likely to be affected by the changes, such as the benefits cap and reductions in Local Housing Allowance (Shelter, 2012). Furthermore, there is evidence that these reforms will be felt acutely by those living in areas with higher rents, such as London (DWP, 2012, Lasa, 2012). Some research has examined the impact on particular regions and on defined groups such as carers (Carers UK, 2012) and single mothers (Gingerbread, 2012). Local authorities have examined how reforms will affect their communities (for example, see Camden Council's briefing document 'Emerging impacts of welfare reforms', 2012). However, to date, there has been no examination of the potential or actual impact on established migrant communities in London, such as the Irish community.

Beginning with an overview of the reforms, this report uses existing data and information gathered in consultation with five voluntary sector agencies working with vulnerable Irish people in London, to examine the impact of the benefit reforms on the Irish community in London. The report uses actual case studies provided by agencies working with Irish people in London to bring to life the issues caseworkers will begin to see in the coming months. Based on this information, we make recommendations to policy makers, caseworkers and claimants.



PURPOSE AND METHODS

Although all agencies involved in this project had undertaken training on the benefits reforms we found evidence that, due to the pressures of front-line delivery, some voluntary sector agencies lacked awareness and were not in a position to prepare their clients for the changes. During consultation, we found a similar lack of awareness in other BME led advice and support organisations. With this in mind, the core purpose of this report is to improve awareness of the reforms.

The purpose of this report is to:

- Provide an initial exploration of how the reforms might affect the Irish community in London.
- Improve awareness within the Irish community and those working with this community of the potential impact of the reforms.
- Provide current, real-life case studies which will help decision makers and caseworkers better understand the cumulative effects of the reforms.
- Make recommendations about how advice services can manage the transition and work with claimants to mitigate the negative impact of the reforms.

The first stage of the project involved a review of the existing literature in relation to welfare reform. Using the Informaworld database a search was conducted using 'welfare reform' and 'UK' as the key search terms. Seven results were found. All publications found focused on policy and the underlying reasons for the reforms rather than the potential impact of the reforms. Searches in JSTOR and other databases had similar results. This highlighted the lack of independent and peer-reviewed data. The results of manual Google searches reflected this. Although the search found impact assessments by the Centre for Local Economic Strategy (2012), National Housing Federation (2012) and CASE Housing Consortium (2012), the majority of robust impact assessments have been completed by the DWP (2012). Notwithstanding this, the search also found numerous impact assessments by local authorities. At the last count, there are 42 new rules added to the welfare and tax system. This report focuses on changes to Local Housing Allowance (LHA), under-occupancy rules in social housing (UOR), Universal Credit (UC), and changes to disability benefits. The above impact assessments were reviewed in light of these particular changes.

The second stage involved consultation with agencies working with Irish claimants across London. Mind Yourself, the London Gypsy and Traveller Unit, Haringey Irish Centre, Cricklewood Homeless Concern and Innisfree Housing Association were invited to provide case studies which illustrated how their clients would be affected by changes to the LHA and disability benefits, the introduction of UC and the UOR. Agencies were requested to provide clients with full details of the study and obtain informed consent as to the use of their stories in this report.



AN OVERVIEW OF WELFARE REFORM

This section covers a wide range of welfare reforms that are already underway, and those which will be implemented in the coming months. The details contained are necessarily a summary of what is happening and should not be taken as a definitive statement of the law as it stands in relation to social security benefits or tax credits.

EMPLOYMENT AND SUPPORT ALLOWANCE MIGRATION FOR INCAPACITY BENEFIT CLAIMANTS

Since October 2010, claimants receiving Incapacity Benefit (IB), as well as anyone on Severe Disablement Allowance (SDA) or Income Support (IS) due to incapacity are being reassessed under the Work Capability Assessment (WCA). If deemed eligible, they are moved onto Employment and Support Allowance (ESA). Anyone deemed not to be eligible may need to claim another benefit such as Jobseeker's Allowance.

Further, anyone who is eligible for ESA is placed in one of two groups; either the Support Group, or the Work-Related Activity Group. People placed in the latter group are required to undertake certain work-related activities, such as attending work-focussed interviews, as an ongoing condition of continuing entitlement to ESA. This requirement does not apply to anyone in the Support Group, which is intended for those people with the most severe impairments and ill health.

There have been well-publicised problems with the process of migration, with many people who are found to be ineligible for ESA appealing the decision at a tribunal and having it overturned. It is essential that individuals, who following a WCA receive a decision that they are not entitled to ESA because they do not have a limited capacity for work, seek advice about making an appeal as soon as possible.

LOCAL HOUSING ALLOWANCE CHANGES

Local Housing Allowance (LHA) is the name for Housing Benefit for private tenants. Changes were made in April 2011, which introduced maximum weekly LHA rates payable for different sized properties from one to four-bedrooms (the largest sized property eligible for LHA). These rates are now calculated based on the average price of the 30% lowest-valued properties in a local area (rather than previous 50% figure). Anyone with a non-dependent adult in the household is also expected to contribute a higher amount to rent payments than before.

SHARED ACCOMMODATION RATE LOCAL HOUSING ALLOWANCE EXTENDED TO UNDER 35 YEAR OLDS

Since January 2012, anyone aged under 35 years can only claim LHA at the shared accommodation rate (SAR), previously called the 'single room rate'. SAR is paid to a maximum amount equivalent to renting a single room in a shared house, even if you are living in self-contained accommodation. Previously, this restriction only applied to anyone aged under 25 years.

WORKING TAX CREDIT CHILD CARE COSTS REDUCED FROM 80% TO 70%

Working Tax Credit (WTC) is paid to people working in low-income employment for more than 16 hours a week. Lone parents and families with children can claim extra help through WTC if they have childcare costs, up to a maximum amount. Since April 2011, the amount of eligible childcare costs that can be claimed for has been reduced from 80% to 70%.

MINIMUM HOURS REQUIREMENT FOR WORKING TAX CREDIT FOR A COUPLE WITH CHILDREN INCREASED FROM 16 HOURS P/W TO 24 HOURS P/W

Since April 2012, couples with children who claim WTC must work at least 24 hours per week between them to qualify for payments, with one partner working at least 16 hours per week. The previous rule was that couples had to work at least 16 hours a week combined, and this change is estimated to have affected around 300,000 households in the UK.

CHILD BENEFIT WITHDRAWN/REDUCED FOR HOUSEHOLDS WITH ONE EARNER EARNING £50,000 P/A OR MORE

Since January 2013, Child Benefit (CB) for one or more children will be reduced or completely withdrawn from households in which someone earns over £50,000 per year, depending on their exact earnings. Someone in this situation can either decide to forego claiming CB completely, or they can claim the payments and then undergo the HMRC self-assessment process to repay the excess.

OVERALL BENEFIT CAP (IN FOUR LONDON BOROUGHES FROM APRIL 2013, NATIONAL ROLL-OUT FROM SEPTEMBER 2013)

From April 2013, an overall benefit cap is being introduced, set at £500 per week for couples and single parents, and £350 per week for single people. Initially, the cap will be applied in four London boroughs (Bromley, Croydon, Enfield, and Haringey), with wider roll-out nationally throughout the summer which will be completed by September 2013. Households entitled to working tax credit will be exempt from the cap, as are some households with a recipient of certain disability benefits.

Benefits used to calculate total welfare benefits for the purposes of the cap include:

- Incapacity Benefit
- Income Support
- Jobseeker's Allowance
- Employment and Support Allowance (except where it is paid with the support component)
- Bereavement Allowance
- Carer's Allowance
- Child Benefit
- Child Tax Credit
- Guardian's Allowance
- Housing Benefit (whether paid direct to you or to your landlord, but not including Housing Benefit paid for Supported Exempt Accommodation)
- Maternity Allowance
- Severe Disablement Allowance
- Widowed Parent's Allowance
- Widowed Mother's Allowance
- Widow's Pension, including the age-related component

Initially, any reduction required is applied through Housing Benefit (HB) payments, with local authorities being responsible for implementing the cut. Official guidance says that other benefit income should be used to make up shortfalls in rent which result from cuts in HB payments. If people think they cannot afford to pay their rent, they are advised to approach their local authority for assistance.

UNDER-OCCUPATION PENALTY TO HOUSING BENEFIT FOR SOCIAL HOUSING TENANTS (ALSO CALLED THE 'BEDROOM TAX')

From April 2013, working-age tenants living in social housing who are claiming HB may be affected by new size criteria. If they are deemed to have one or more spare bedrooms, their HB payments will be cut. If they have one spare bedroom, their HB payment will be cut by 14% of their rent liability. If they have two or more spare bedrooms, their HB payment will be cut by 25% of their rent liability.

For example, someone liable for £80 per week rent who receives £40 per week HB and who has two spare bedrooms will have their HB payment reduced by £20 per week (25% of £80 rent).

WORKING-AGE BENEFITS (INCLUDING LOCAL HOUSING ALLOWANCE) UPDATED BY 1%

For three years from April 2013, most working age benefits and tax credits will be updated at 1%, rather than being linked to the inflation index as before. In effect, this will see real-term reductions in the value of benefits and tax credits against inflation. This also now applies to Housing Benefit payments, which will no longer be linked to local rent levels.

PERSONAL INDEPENDENCE PAYMENTS INTRODUCED TO REPLACE DISABILITY LIVING ALLOWANCE

From April 2013, the Personal Independence Payment (PIP) is being introduced to replace Disability Living Allowance (DLA), which is intended to cover additional costs arising from living with an impairment or ill health. At first, the PIP scheme will only apply to new claims in certain 'controlled start areas' in the North West and North East of England. From June 2013, new claims in all remaining areas of Great Britain will be covered by the new PIP rules. From October 2013 onwards, DLA claimants will begin to be reassessed under the new PIP rules, but the majority of current DLA claimants will not be affected until 2015.

Most people will be asked to attend a face-to-face assessment with a healthcare professional (HCP) who will look at a claimant's ability to carry out specific PIP activities, including self-care and walking around. The HCP should look at the claim form and any medical evidence from GPs or consultants. After the assessment, the HCP advises a DWP decision-maker who decides whether a claimant is entitled to PIP and at what rate(s). They also decide the length of the award and the review date, based on the likelihood of a health condition or impairment changing.

Campaigners have expressed concern over the Government's stated ambition to reduce the spending on the DLA budget by at least 20%, which could see many existing DLA claimants losing their entitlement under the PIP reassessment (Lasa, 2012). Receiving DLA can mean extra payments with other benefits such as Income Support and Housing Benefit, and it also exempts recipients from the overall benefit cap described above.

CENTRALISED COUNCIL TAX BENEFIT TO BE ABOLISHED AND REPLACED BY LOCALISED COUNCIL TAX SUPPORT

From April 2013, every local authority in England, Scotland and Wales must introduce their own local scheme of council tax support for people of working age on low incomes. Previously, the Council Tax Benefit (CTB) scheme applied nationally, but was administered by local authorities. Government stipulated that pensioners must be fully protected from any cuts made to the council tax support budget. It is important to note that before handing the responsibility for council tax support to local authorities, central government reduced the budget by 10%. This means that regardless of how local authorities operate they will have less money than under the previous scheme. Furthermore, local authorities are required to protect pensioners.

This will lead to increases in the amount that other low-income households will have to contribute. Wales and Scotland have decided not to pass the cut onto claimants, and whilst some local authorities in England have decided to do the same, most will have to charge low-income households council tax for the first time from April 2013.

Early estimates suggest that three-quarters of local authorities in England will require new or higher council tax payments from the lowest income households. The reduction in support will depend primarily on which local authority someone lives in. Although there is no regionalised comparative analysis, the Joseph Rowntree Foundation estimates that 71% of local authorities will require all working-age adults to pay at least some council tax regardless of income (2013). 11% will make some changes but these will not affect all CTB recipients. 78% of those households affected by the changes currently pay no council tax. Councils will have to start collecting, on average, £140 per year from these households, in monthly collections of just under £12 (Joseph Rowntree Foundation, 2013).

LOCAL SCHEMES FOR COMMUNITY CARE GRANTS/CRISIS LOANS INTRODUCED (EACH BOROUGH INTRODUCES THEIR OWN SCHEME)

Community Care Grants, intended to help people settle or remain living in the community, and Crisis Loans, which help people receiving eligible benefits suffering a short-term financial crisis, are abolished with effect from April 2013. Local authorities in England will be expected to introduce their own schemes of financial support to replace these payments. There is currently little information about what form these schemes will take when introduced.

DISCRETIONARY HOUSING PAYMENTS

Discretionary Housing Payments (DHP) are intended to help people experiencing difficulties with paying their rent due to shortfalls in Housing Benefit payments. In light of other HB reforms described above, the Government has increased the amount of DHP funding available to local authorities over the next two years, as the reforms bed-in. The responsibility for making DHP payments lies with the local authority and they are time-limited and, as the name suggests, discretionary.

UNIVERSAL CREDIT

Universal Credit (UC) is a new benefit that will be paid to people on low incomes, whether they are in or out of work. It replaces the following benefits and tax credits:

- Income Support
- Jobseeker's Allowance (income-based)
- Employment and Support Allowance (income-related)
- Child Tax Credit

- Working Tax Credit
- Housing Benefit

Many of the changes described above will apply to UC, such as the overall benefit cap. There will also be some more fundamental changes with the introduction of UC, in particular:

- a single monthly payment of all benefits combined
- a single household payment (i.e. to one adult in a couple)
- payment of housing costs to the claimant rather than the landlord household
- online claiming and management of benefit

From April 2013, UC will be rolled out in certain 'Pathfinder' areas in the North West of England to test how it works in practice. From October 2013, the Government plans to roll out UC for all new claimants across Great Britain. If you currently receive any of the benefits in the list above, you will be moved over at a later date, with full implementation due by the end of 2017.

Most people claiming UC will receive a single monthly payment of all the different elements combined, but the Government realises that the single monthly payment idea is a big change and won't work for everyone from the outset.

Therefore, some people receiving UC may get Personal Budgeting Support, which is made up of many different elements. These range from simple ideas such as a referral for online money advice, to more complex elements such as alternative payment arrangements.

There will be three types of 'alternative payment arrangements':

1. Some people will be able to have the housing cost element paid directly to their landlord.
2. Some people will receive their UC payment more frequently than once a month.
3. Some joint claims will be paid/split across both claimants, or changed to the other member of a couple.

Claimants will not be able to apply for personal budgeting support or an alternative payment arrangement, but their need for either will be assessed during the application process for UC if it becomes clear that the claimant has, or has had, problems with rent arrears, evictions, debt, not having a bank account and other support needs.

THE IMPACT OF THE REFORMS ON THE IRISH COMMUNITY IN LONDON

At present it is difficult to predict the precise impact of the benefit reforms, as final details about the changes are still emerging. It is expected that households will have different behavioural responses to the reforms. The cumulative effects of the changes must be understood in the context of reduced advice services and legal aid across London. Furthermore, agencies have questioned the accuracy of the figures provided in the DWP impact assessments (Lasa, 2012). These limitations aside, this section draws together available data on the profile of the Irish community in London and the available research on the potential impact of the reforms in order to begin to understand the impact on the Irish community in London.

In December 2012 the Office for National Statistics released the first data from the 2011 census on ethnicity and birthplace. According to this data, 175,974 London residents identified as 'White Irish' (ONS, 2012) and 162,581 London residents were born in either the Republic of Ireland or Northern Ireland (ONS, 2012). The data also shows that Brent, Islington, Hammersmith & Fulham, Haringey and Ealing remain the areas with the highest proportions of Irish-born residents in the population (ONS, 2012).

IRISH RANKINGS IN CENSUS 2011 RESULTS

Constituency	%	Rank
Brent Central	3.4	1
Islington North	3	2
Hammersmith	2.9	3
Hampstead and Kilburn	2.9	4
Ealing Central and Acton	2.7	5
Islington South and Finsbury	2.5	6

DWP impact assessments estimate that 124,480 households in London will be affected by the reforms (2012). The 2011 census found that 2.14% of London residents identify as 'White Irish'. Using this as a proxy measure, (i.e. an indicator used to stand in for one that is difficult to measure directly), one estimate is that 2614 Irish households will be affected by the reforms.

POSITIVE IMPACT

DWP impact assessments on UC claims that some reforms will have a positive impact on ethnic minority communities (DWP, 2012). There is currently a low take-up rate for some benefits amongst households from certain minority backgrounds (Platt, 2010). Under the current system people may claim one benefit but be unaware they are also entitled to claim others. Recent research indicates that a notable proportion of Irish people in London lack awareness of their benefit entitlements (Moore et al., 2012). As a result of

creating a single, integrated payment for most major income-related working-age benefits, UC awards will automatically include all the elements to which a household is entitled. Therefore, in theory, it will ensure that claimants receive all the benefits to which they are entitled. At consultation stage, we found support amongst agencies for the principles of this reform. The prospect of a simplified system that offers improved work incentives was welcomed. Nonetheless, the scale of the new IT system concerned providers and some highlighted the number of administrative errors received using the current system.

Although the full data set from the 2011 census is yet to be made available, the 1991 and 2001 censuses provide evidence that Irish men are commonly to be found working in the construction industry. The 2001 census found that this was true for around a fifth of White Irish men of working age. These are far higher proportions than those found in any other ethnic population (Limbricks, 2006). With so many White Irish people working ‘on the buildings’, there is inevitably a significant group of workers who have been adversely affected by the economic downturn and who move between temporary employment and unemployment. Between a quarter and a third of White Irish women are working in health and social services (ONS, 2001). This is a far greater proportion than in the white British population and on a par with the Black African and Black Caribbean populations. Much care work and nursing work, while not always temporary, can be low-paid or may involve antisocial hours.

“Some of our clients are reluctant to take on work because they are afraid it will affect their benefits. They know they will have to stop their benefits and then go through the hassle of setting it up again if they become unemployed again and this can be a barrier. Universal Credit will remove this barrier.”
(Caseworker, Advice Agency).

It seems that UC will benefit Irish people who are employed in occupations that are temporary in nature, such as caring or construction. UC is not specifically an ‘in work’ or ‘out of work’ benefit. It is one credit for people whatever their employment status. Because of this, it should ease the transition into and out of work as people will not need to transfer to a different benefit as their situation changes. Furthermore, there are no fixed hours thresholds, such as the previous 16 hours a week rule. UC will make it pay to work just a few hours per week, whereas the current system inadvertently encourages people to work for 16 hours each week or not at all.

UC will be calculated and delivered electronically and automatically adjusted each month in line with earnings. In some jobs the employer will have to report earnings to the DWP which will use that information to adjust payment amounts. In other instances people will need to self-report so that benefits can be adjusted. The main idea is that there is one taper rate for all benefits in UC (65%) and a benefit entitlement will stop immediately when claimants earn over the threshold. This acknowledges the reality that some households experience a couple of months of stable employment before becoming unemployed again. Claimants will need to earn over the limit for six months or longer before the claim will end, but rapid reclaim will be available. This will be beneficial for Irish people in unstable employment.

THE IMPACT ON THE MOST VULNERABLE

The DWP has recognised that some claimants will need extra help to adjust to the new method of claiming UC because they face a particular temporary issue. Others may need help for longer. In the Local Support Services Framework the DWP sets out the ‘claimant types’ they expect to be most likely in need of additional services (DWP, 2012, p. 24). Of the 20 categories suggested by the DWP, at least five relate to the Irish community in London. These are claimants with mental health issues (Tilki, 2009, Ryan, 2006), literacy difficulties (as experienced by Irish travellers and survivors of institutional abuse), drug or alcohol addiction (Tilki et al., 2009), those working abroad and victims of abuse (Tilki et al., 2009, CICA, 2009).

According to key informants working in this area and reports from Irish organisations, (for example Leeds Irish Health and Homes (LIHH, 2006) and Innisfree Housing Association (Randall and Brown, 2005), homelessness and poor housing conditions are major problems for Irish people across Britain. This is particularly true for Irish men between 45 and 64 years of age (Tilki, 2009). A disproportionate number of this group leave the workforce due to long-term limiting illness, and are reliant on benefits as a result (Tilki, 2009). Alcohol misuse is a particular problem for Irish men previously involved in construction (Tilki, 2006), and is often linked to mental health problems compounded by being forced out of work, ill health and living alone.

“There is a real danger that tenants will resort to expensive short-term loans which will only increase their debt and ultimately may lead to them into a financial crisis.”
(Director, Housing Association)

The Irish Traveller community faces particular disadvantages and is likely to be adversely affected by the reforms. According to the 2011 census there are 8,196 White Gypsies or Irish Travellers in London. However, it is likely that this is an under-representation resulting from problems of identification and fears of consequent discrimination. Irish Travellers suffer poorer health than any other English speaking ethnic minority group in England (Parry et al, 2004). Comparable data in Britain suggests that life expectancy in the Irish Traveller community is less than the general population (Cemlyn et al, 2009). Within the community there are higher rates of stillbirth, infant mortality and maternal death (Royal College of Gynaecologists, 2001). These disparities are associated with poor access to health services, poor accommodation, discrimination, and poor health literacy.

The DWP’s equality impact assessment of the benefits cap states that “a large proportion of those affected are likely to be large families, implying that households from cultural backgrounds with a high prevalence of large families and households from certain ethnic minorities that tend to have a higher proportion of large families are more likely to be affected. We estimate that of the households likely to be affected by the cap approximately 40% will contain somebody who is from an ethnic minority” (2012, p.8). The benefit cap alone is therefore likely to have a serious impact on the Irish travelling community in London.

UC is likely to have a particularly adverse effect on Irish Travellers. As a single benefit, paid to households on a monthly basis, and predominantly managed through digital channels, UC should reduce administrative

complexity and cost. However, agencies are concerned that Irish Travellers will struggle to manage these new arrangements. Irish Travellers experience educational disadvantage and subsequent low levels of literacy. At the end of secondary education, just 12% of Gypsy, Roma and Traveller pupils achieved five or more good GCSEs, including English and mathematics, compared with 58.2% of all pupils (Communities and Local Government, 2012). Financial and digital illiteracy will impact on this community's ability to manage budgets independently and manage their benefits online.

During consultation, agencies identified emigrant survivors of institutional abuse as a group likely to be adversely affected by the reforms. Of the 170,000 children placed in institutional care between 1936 and 1970 estimates suggest that approximately 40% moved to the UK (Higgins, 2010). The impact of such serious abuse can affect people throughout life and many have had no formal support in coping with these problems. Research has shown a clear causal link between institutional abuse and psychological and mental health problems in later life including anxiety, stress and depression, difficulties in maintaining relationships, addiction and anti-social or criminal behaviour (CICA, 2010). Furthermore, the level of education in those care institutions was very poor and the majority of those leaving them went on to spend their lifetime in manual, casual and other low paid work (Higgins, 2010). In addition, the lack of preparation for life outside the institution has left some survivors vulnerable to exploitation, a factor which for some contributed to lives of homelessness, substance abuse and anti-social behaviour (Higgins, 2010). Providers were particularly concerned about this group's ability to manage monthly payments and their own housing costs.

THE IMPACT ON THOSE IN POOR HEALTH

Irish-born people living in Britain experience elevated mortality and poorer self-reported health and limiting long-term illness, which has persisted into second and third generations despite improvements in socio-economic circumstances (Harding & Balarajan, 2001). Previous research on Irish-born and second-generation Irish people living in Britain has suggested that the prevalence of depression (Weich, Nazroo, Sproston, et al., 2004) and suicide (Crawford, Nur, McKenzie, and Tyrer P., 2006) are elevated compared to non-migrant groups living in Britain (Harding & Balarajan, 1996). Research by Tilki, Ryan, D'Angelo and Sales (2009) found that there is a significant group of Irish people between the ages of 50 and 64 who suffer a range of inter-related problems. Many have left the labour force early due to ill-health which leads to both economic problems and social isolation, but they are not eligible for services and benefits available to those of pensionable age. Premature exit from paid work, for the reasons outlined above, may be particularly problematic for men (Tilki, 2009).

In February 2011, estimates indicated that 8,920 Irish people claimed ESA or incapacity benefits, making the Irish community the second largest ethnic group claiming this benefit. Although the DWP does not collect ethnicity data on DLA claimants, available evidence indicates that Irish people may be over-represented within this claimant category. For example, in the DWP's equality impact assessment of the disability benefits reforms, the two main medical conditions affecting recipients of DLA are arthritis and mental health conditions. Research has shown that Irish people in Britain have a high incidence of

a range of mental health problems (Sproston and Nazroo, 2002; Weich and McManus, 2002). Furthermore, Aspinall (2001) found that men from the Republic of Ireland suffer from degenerative diseases and injuries associated with work in the construction industry. In light of the lack of meaningful data relating to DLA claimants, and considering the disproportionate levels of poor health and claims for ESA as detailed above, it is reasonable to infer that the Irish community is significantly represented in terms of DLA claimants. Moreover, in every region in England the proportion of White Irish men aged between 25 and 74 who are not working because of permanent illness or disability is higher than the proportion of White British men not working for the same reason. In England, 11% of White Irish men are not working because of illness or disability.

“We see lots of older Irish people being turned down for DLA. Sometimes, on paper, their disabilities do not seem that severe, conditions developed from a lifetime of hard physical work. They are turned down even though it is clear to us that the person needs help to manage their disability.”

(Caseworker, Advice Agency).

One intended outcome of DLA reform is to reduce DWP expenditure by 20% by 2015/16 (DWP, 2012). The DWP’s equality impact assessment for the DLA reform claims “there is no evidence to suggest that the policy would be more likely to affect any particular ethnic minority group” (DWP, 2012, p.11). The DWP does not collect ethnicity data on DLA claimants. However, using data from the Family Resources Survey, the DWP suggests that a slightly higher proportion of people from a white background receive Disability Living Allowance and Carer’s Allowance, which suggest ‘white’ claimants are more likely to be affected by the reduction in spend (DWP, 2012). The Family Resource Survey does not analysis ethnicity-specific data separately and, as is often the case, the Irish community is included in the ‘White’ category. Considering the disproportionately high levels of poor health amongst the Irish community, and the fact that people from a white background will be affected, available data indicates that the Irish community are more likely to be affected by the reduction in spend on disability benefits.



CASE STUDIES

All clients in these case studies have given their consent to their local support agency to be included in this report. However, all identifiable personal information and images have been changed.

Brian has lived in Kilburn since the 1970's. He moved from Ireland and worked as a steel fixer until he experienced problems with his hip and was forced to stop working. Brian is in receipt of the lower rate of Employment and Support Allowance (£71 per week).

Brian was living in private lodgings until a year ago when the property was purchased by a developer and he was evicted. After searching all over Kilburn he found a one-bedroom property for £140 per week.

As a result of recent changes, the maximum amount that Brian can receive from Brent Council in Local Housing Allowance is £87.50 a week. This leaves him with a shortfall of £52.50 a week.

In November 2012, according to Home.co.uk, there were 2,548 properties available to rent in Kilburn; 20 (0.78%) of these were under £500 per calendar month. As Brian does not meet the criteria for social housing, he will be forced to look for accommodation outside Brent and possibly outside London. In the short term, he might qualify for Discretionary Housing Payments to help him meet the shortfall. However, these are time-limited and, as the name suggests, entirely at the discretion of the local authority.

Brian has an extremely limited social network, he never married and many of his peers are isolated and suffering from poor health.





Mary moved from Ireland in the 1960's. She currently lives alone in a two bedroom council property in central London. She is suffering from acute depression and anxiety as a result of childhood maltreatment.

Mary's son has long-term problems with drugs and alcohol misuse. He has a daughter and is estranged from the daughter's mother. Mary uses her spare bedroom to accommodate weekly, supervised visits of her grandchild.

Mary is currently in the assessment phase for Employment and Support Allowance and receives £71 a week. She is also receiving £107 in HB per week. Under the new under-occupancy rules, Mary is deemed to have a spare bedroom, and her Housing Benefit payments will be reduced by 14% of her rent level (£14.98 per week).

Without the use of this spare room Mary's son would not be able to see his daughter, which would in turn weaken family ties for all involved. Research has shown that that strong family ties can diminish people's depressive feelings (Moor & Komter, 2012).

Local authorities have suggested that a lodger may be a solution in such situations. However, if Mary gives up her spare room it may have serious consequences for her family life and her son's ability to maintain contact with his daughter. Furthermore, her Housing Benefit will probably be reduced anyway, calculated against any payments from the lodger. This case illustrates the savings that will be made from under-occupancy penalties, and also highlights that these reforms may have wider societal implications.

Ellen was born in London to Irish parents. She suffers from Wegeners Granulomatosis, severe depression, hypertension, dizzy spells, hearing problems and constant tinnitus. She was turned down for Disability Living Allowance, but as a result of support from an Irish agency she won her appeal. Ellen recently applied for Employment and Support Allowance. After attending a work capability assessment she was deemed to be capable of work. With the help of a voluntary sector agency she is appealing this decision and is currently waiting for her appeal date to be set.



Anecdotal evidence from voluntary sector agencies working with Irish people in London indicates that Ellen's case is not usual. This case highlights the difficulty in assessing incapacity and sickness claims without input from the support agencies that have long-term relationships with clients.

An intended outcome of the welfare reforms is the reduction of working-age DLA expenditure by 20% by 2015/16. Clients like Ellen who are not capable of working, but do not have chronic illnesses, will lose their exemption from the benefit cap if they are refused DLA.



Kathleen is a 35-year-old mother of five children aged between 1 and 14 years old. She lives in a two bedroomed flat in a social housing tower block. She is separated from her alcoholic husband and is finding it very hard to cope in such cramped conditions. The council has told Kathleen that although her accommodation is overcrowded, it is very unlikely she will be offered a larger home in the social housing sector. This is due to a lack of social housing and because, in the event that a suitable property became available, any homeless family would take precedence over an overcrowded family every time.

Kathleen's council offered to facilitate a move to a larger property in the private sector. She is unable to take this offer due to the benefit cap; she has a household income of £335 per week, comprising of Income Support, Child Tax Credits and Child Benefit. The new cap on benefits means that Kathleen could only receive Local Housing Allowance up to a maximum of £165 per week before reaching the £500 limit on benefits paid to families regardless of their size. Kathleen would be unable to find anywhere in London to rent for £165 a week, so remains trapped in a severely overcrowded property to the detriment of her mental health and that of her children.

Francis is from the Irish Traveller community and came from Ireland as a child. She is now in her 40s and living in four bedroom temporary accommodation supplied by a Housing Association in Enfield. She was placed there by the Homeless Person's Unit in May 2006. Francis is a single parent with six children between the ages of three and 20 years old, five of whom are still living at home. She is currently in receipt of Income Support, Child Benefit and Child Tax Credit.



Her current rent is £375 a week. In April when the benefit cap comes in her benefit entitlement will exceed the £500 threshold. Her housing benefit will then be reduced to £25 per week. Once she has paid her rent she will be left with £150 to live on and bring up her five children.

In addition Francis has approached Enfield Council who are only able to assist by offering her accommodation outside of London. This action will result in Francis being taken away from her immediate family, many of whom live in and around the Enfield area, and would lead to her isolation from this current critical support network.



RECOMMENDATIONS

VOLUNTARY SECTOR AGENCIES

- Irish voluntary sector agencies should prioritise specialist training and prepare information on the reforms for all front line staff with an emphasis on managing and mitigating risks to those most vulnerable.
- Changes to LHA, the benefit cap and the 'bedroom tax' will result in a reduced income for some client groups. Agencies should work proactively with these groups to reduce the risk of claimants falling into arrears.
- It is essential that agencies working with Irish benefit claimants collect solid data on the effect of the reforms on their clients. Evidence gathering should be consistent and fed back regularly to Irish in Britain who can provide a coordinated response to the initial impacts of the reforms.
- The Welfare Reform Act 2013 contains provisions for more frequent payments, payments made directly to landlords and to more than one recipient per household. Irish voluntary sector agencies should collaborate with the wider welfare advice sector to understand and communicate how these provisions apply to the sub-groups discussed in this report.

COMMISSIONERS AND FUNDERS

- The reforms are taking place in the context of reductions to the number of advice services in London which are already under pressure from an increased volume of clients. Proper resources should be allocated to agencies offering independently approved quality assured advice.
- The role of culturally sensitive services which are able to engage effectively with vulnerable Irish claimants should be recognised, and used in several ways. The data shows that a significant number of Irish people will need to seek independent advice. It is essential that culturally sensitive organisations are involved in the delivery of the local support services framework and in particular helping to identify where alternatives to the main payment arrangements may be appropriate.

GOVERNMENT

- Where possible local authorities and UK government bodies should take the lead in ensuring that Irish ethnicity data on DLA, UC and benefit caps is analysed separately and not aggregated into the ‘White Other’ category.
- A detailed cumulative impact assessment must be completed urgently to help practitioners and communities accurately understand the effects.
- The cost of appeals could be minimised by implementing a requirement that independent advice agencies develop a working relationship with front line advice and advocacy services working with individuals, to better inform the assessments.

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The Society provides grants to Irish people in London who are without some basic need, or who cannot cope with a small financial emergency. It is the oldest Irish charity in Britain, and depends on donations and legacies to continue its work. To inquire about applying for a grant, or to contribute to the Society, please contact the London Irish Centre.

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