

End of project report

Impact of the Bedroom Tax in Walker: qualitative interview study and assessment of the Your Homes Newcastle pilot intervention

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Executive Summary

Background

The Removal of the Spare Room Subsidy or 'Bedroom Tax' came into effect in April 2013. This policy is aimed at working age social housing tenants in receipt of Housing Benefit living in accommodation deemed too large for their needs and as a result, social housing tenants with one spare bedroom lose on average £12 per week from their Housing Benefit. The rationale for this policy is to provide the financial impetus for social housing tenants to make more efficient use of social housing stock thereby reducing public spending on social housing. Government recommendations to those affected by the bedroom tax are to: downsize; let out a room to a lodger; move into work or increase working hours.

The Coalition Government's own Impact Assessment, published in 2012, found that the bedroom tax would have no impact on health and wellbeing. This is despite longstanding evidence demonstrating that loss of income leads to worsening physical and mental health, and can have lifelong health implications for children.

The bedroom tax does not affect all regions equally and North East England is disproportionately affected. Social housing stock varies throughout the country, in response to local need over long time periods. In the North East and elsewhere there is a shortfall of one-bedroomed properties, seriously limiting the options for downsizing.

Between October 2013 and April 2014, Your Homes Newcastle (YHN) in collaboration with Newcastle City Council developed and piloted a welfare rights advice and employment intervention targeted at a locality significantly affected by the bedroom tax.

The setting for this study is the area of Walker (population 11,701) an urban neighbourhood in Newcastle upon Tyne in which sixty-nine per cent of residents live in social housing, Approximately 650 households were affected by the bedroom tax.

Aims

Within the community of Walker, to examine the impact of the bedroom tax on health and wellbeing, assess the extent to which residents could mitigate the impact of the tax through uptake of the government's recommended responses and, evaluate the impact of the Your Homes Newcastle pilot intervention.

Methods

Qualitative research using semi-structured interviews with residents; semi-structured interviews and focus groups with service providers.

Thirty-eight social housing tenants (25 women, 13 men) aged between 24 and 60 were interviewed as well as 11 service providers, from the voluntary, local authority, independent sectors and one local employer. Nineteen of the social housing tenants had lived in their homes for more than five years; 13 were long-term residents. All were either solely or partially reliant on state welfare benefits for their household income; 20 were in receipt of out of work sickness benefits; none of the social housing tenants interviewed were in full time work.

Findings

Impact of the bedroom tax on health and wellbeing

As a result of the bedroom tax, already low income households lost an average of between £12 and £22 per week. Income reduction affected purchasing power for essentials, particularly food, utility bills and rent. Coping strategies resulted in poorer diets, inadequately heated homes and restricted opportunities for social engagement. The hardship and debt that people experienced adversely affected their social relationships and ability to carry out normal social roles, disrupting family and community support networks. A further effect of the tax was to limit the flexibility within homes required to accommodate fluctuating family needs, such as care, parenting and dealing with disability. Residents recounted increased levels of stress and anxiety as a direct result of lowered incomes. Residents perceived that their health and wellbeing was adversely affected.

Extent to which residents could adopt the Government's recommendations for mitigating the impact of the bedroom tax

Downsizing

Due to the limited numbers of smaller properties, downsizing was not an option for the majority. Residents had emotional ties to their homes and communities; no-one could afford to repeat existing capital investments in new properties.

Take in a lodger

Barriers to taking in lodgers included: privacy violation; safeguarding, particularly in relation to children; inadequate space in the 'spare' room; concerns regarding drawing up safe legal contracts.

Gain employment/increase working hours

Among those able to work, there was a strong desire to gain employment or increase working hours. However, the local employment situation was difficult, with a predominance of low-paid/part-time/zero-hour contracts. Residents also faced multiple barriers to employment with a lack of appropriate skills and qualifications, mental and physical health issues, and inadequate childcare.

Discretionary Housing Payments

Discretionary Housing Payments (DHPs) are considered to be the 'safety net' for residents who have exceptional circumstances and require a temporary "top-up" to their Housing Benefit. DHPs are being increasingly used to temporarily mitigate the effects of the bedroom tax, although this varies across local authorities. Nineteen residents received DHPs. Of the 15 who did not receive them, nine were unaware, and there was some confusion regarding the application process, despite considerable efforts on the part of the City Council and service providers to inform residents. Whilst welcome, DHP's merely postponed the inevitable impact of the bedroom tax for the residents who did receive them and there was great concern about the cessation of payments.

Assessment of Your Homes Newcastle Pilot

In response to the bedroom tax, and in collaboration with Newcastle City Council, between October 2013 and April 2014 the social housing provider Your Homes Newcastle (YHN) developed and piloted a group of interventions comprising (where appropriate): advice on housing, welfare benefits and minimising debt and expenditure; working with local employers to develop employment offers; and, a 4-week induction and pre-employment

scheme for unemployed adults affected by the bedroom tax which if successfully completed would lead to a 6-month job with a local employer.

The pilot initiative successfully engaged with a large number of residents affected by the bedroom tax. One hundred and eight residents attended advice and support sessions. The information, help and support provided was regarded positively by residents, although for many, their problems were too challenging to be addressed by these measures alone. For example, budgeting advice could not surmount the underlying problem of insufficient income due to the bedroom tax.

Measurable outcomes included financial advocacy saving residents a total of £36,967.56; referrals into other services (n=29); identification of training opportunities and support to attend (n=16).

The pilot generated employment for six residents, primarily employment within YHN. A key finding of the pilot were the multiple barriers faced by residents in 'making work pay'. These included demand and supply side factors. Those who did get into work found it 'life changing'.

Service providers, in general, welcomed the pilot intervention and felt that a considerable amount was achieved in a short space of time. Ideally, service providers wanted the pilot to continue longer than seven months. Some concerns were voiced about the potential for service users to feel let down when the pilot concluded. The pilot was praised for revealing the extent and complexity of the issues faced by residents affected by the bedroom tax and welfare reform in Walker.

Conclusions

The bedroom tax results in lowered incomes among social housing tenants. Its continuation will lead to greater hardship and adverse effects on health and wellbeing. Government options of mitigating the impact by downsizing were stymied by the shortage of smaller properties. Taking in a lodger was not deemed safe, desirable or practical. Gaining employment or increasing working hours for those who could work was challenging. Help and support into training and employment provides an option for some, but this route was seriously hampered by limited employment opportunities.

These findings support the case for revoking the bedroom tax. If not withdrawn, the longer term impact will be to increase poverty and widen health inequalities.

1. Introduction

Many UK households with recipients of state welfare are currently experiencing a real terms decrease in income due to the enactment of major reforms to the UK welfare system (Department for Work and Pensions, 2011). The introduction of the Removal of the Spare Room Subsidy or 'bedroom tax' implemented in April 2013 formed a particularly controversial aspect (Edwards *et al.*, 2013). The bedroom tax is aimed at working age social housing tenants in receipt of Housing Benefit living in accommodation deemed too large for their needs (Department for Work and Pensions, 2012b). Nationally, an estimated 660,000 claimants are affected, approximately 81 per cent of whom will lose a weekly average of £12 as a result of having one 'spare' bedroom, with the remainder £22 worse off per week due to having two 'spare' rooms or more (Department for Work and Pensions, 2012b, p. 9). The rationale for this policy is to reduce public spending on social housing, to provide an impetus for social housing tenants to move to smaller accommodation and to bring greater parity between the social and private rental housing sectors. Government recommended steps to mitigate the impact of the bedroom tax are to: downsize; let out a room to a lodger; move into work or increase working hours.

Evidence on socio-economic inequalities in health suggests a close relationship between access to resources and health status (Marmot Review, 2010). It is therefore surprising that the bedroom tax was not deemed to have an impact on health and wellbeing from the government's own Impact Assessment (Department for Work and Pensions, 2012b). However, the government's Equality Impact Assessment indicated that there would be the potential for differential effects in rural areas as well as by region, household composition, age and, disability (Department for Work and Pensions, 2012a).

Some 50,000 households in North East England are affected by the bedroom tax, removing £34 million per annum from the regional economy and further reducing incomes of households in areas already blighted by high levels of unemployment and deprivation (Edwards *et al.*, 2013). The area of Walker in East Newcastle is the most economically deprived of Newcastle upon Tyne's 26 wards (Newcastle Council for Voluntary Services, 2014). The 2011 Census showed that 68.5 per cent of Walker residents lived in social housing (Office for National Statistics, 2011). Your Homes Newcastle (YHN), an arm's length

management organisation, responsible for managing social housing on behalf of the local authority, established that approximately 650 households in Walker would be affected by the bedroom tax.

In response to the bedroom tax, and in collaboration with Newcastle City Council, between October 2013 and April 2014 YHN developed and piloted a group of interventions comprising (where appropriate): advice on welfare benefits entitlement, housing, minimising debt and expenditure; a 4-week induction and pre-employment scheme for unemployed adults affected by the bedroom tax which if successfully completed would lead to a 6-month job with a local employer; and, working with local employers to develop employment offers. The aims of the pilot are to prevent homelessness, increase employment and income, reduce expenditure and improve or maintain wellbeing. The qualitative study reported here aimed to (i) examine the impact of the bedroom tax on Walker residents; (ii) assess the extent to which residents could mitigate the impact of the bedroom tax by following government recommended actions; and (iii) evaluate the YHN pilot intervention.

1.1 Background to Walker

Walker scored above average for sense of belonging in Newcastle City Council's annual resident's survey. Thus, whilst there are issues in the local area, notably dissatisfaction with housing, condition of the local environment and night safety (Newcastle Council for Voluntary Services, 2014, p. 7), reciprocity and social capital, still remain firm features of the area. There are strong community ties often based on extended family connections and longevity in the area (Newcastle Council for Voluntary Services, 2014), in part a legacy of the community solidarity that existed in this formerly heavily industrialised area (Mah, 2010).

However, Walker has suffered long term economic decline since the demise of ship building and other heavy industries and has for many years suffered high levels of unemployment (10.1%) and economic inactivity (42%) (Office for National Statistics, 2011). Walker is ranked one of the most deprived wards in Newcastle and is within the top 10 per cent most deprived areas in the UK; half of all children in Walker live in a low income household, of which 15% are single parents, the highest percentage of all Newcastle wards (Newcastle City

Council, 2014). Walker also has the second highest percentage of young people not in education, employment or training (NEET) (Newcastle Council for Voluntary Services, 2014). Economic problems are compounded by poor health outcomes; Walker has the highest percentage of people reporting their health as 'bad or very bad' (11.5 per cent). Table 1 summarises 2011 Census data positioning Walker in relation to Newcastle upon Tyne, the North East Region and England.

Table 1 - Socio-economic and housing characteristics in Walker, Newcastle Local Authority, North East Region and England

Characteristics	Walker (%)	Newcastle-Upon-Tyne (%)	North East Region (%)	England (%)
Last worked 1991-1995 (persons)	19.3	11.3	13.2	4.3
No qualifications (persons)	44.5	23.6	26.4	22.5
Day-to-day activities limited 'a lot' due to health problems or disability (persons)	15.5	9.5	11.0	8.3
Persons reporting 'bad or very bad' health	11.5	6.8	7.5	5.4
Living in housing rented from council (households)	60.0	23.3	14.8	9.4

Percentages compiled from 2011 Census data (Office for National Statistics).

2. Methods

Qualitative research methods were used to explore participant's experiences and perceptions of the bedroom tax, and to examine views of YHN's pilot intervention.

Sampling

Six hundred and fifty households in the locality affected by the bedroom tax identified by YHN were invited by letter to two YHN-organised advice sessions aimed at assisting tenants deal with the bedroom tax. One hundred and eight tenants attended. Of these, 64 completed a short questionnaire about their current circumstances and agreed to be contacted to consider taking part in the study. Thirty eight agreed to be interviewed and formed the study sample. Residents received a £10 store voucher for taking part.

Service providers were invited to discuss their views on the impact of the bedroom tax and the YHN pilot initiative, sampled from a list of 39 employers and local support organisations involved with the YHN pilot. Service provider interviews (N=5) and a focus group (n=7) took place in local community centres and places of work. One employer took part, alongside 11 service providers from the local authority, independent and voluntary sectors.

Data Collection

Ethical approval was granted by Newcastle University Faculty of Medical Science Ethics Committee. Following written consent, interviews with residents were conducted in participants' homes, undertaken by four researchers (RP, SL, AD, EH) and lasted approximately an hour (average 57 minutes, range 22-88 minutes). A semi-structured topic guide was devised during the preliminary stages of the research and revised in light of further issues that became apparent during the data collection period. This guide aimed to assess the impact of welfare reform, particularly the bedroom tax, on the health and wellbeing of participants, and how they were dealing with their changing circumstances. The topics covered were: financial impact, physical and mental health, social relationships and use of services. Participants also completed a short form to obtain demographic information. However, ascertaining accurate information from some participants proved

problematic due to low literacy levels and lack of awareness regarding the specifics of the benefits being claimed. Interviews were digitally recorded, transcribed, and anonymised.

Analysis

Thematic analysis (Braun and Clarke, 2006) involved detailed reading of transcripts and the development of a coding scheme which was then applied to the data. Qualitative analysis software NVivo 10 was used to code and manage the data. Descriptive and analytical categories were subsequently derived.

3. Results 1: Impact of the bedroom tax on individual and community wellbeing

The findings are presented in three chapters. This chapter examines the ways in which the bedroom tax impacted on the finances, health and wellbeing of Walker residents, from the perspective of both residents and service providers. This enables us to assess the accuracy of the Government's assertion that the bedroom tax does not have an impact on health and wellbeing (Department for Work and Pensions, 2012b). Chapter 4 explores the extent to which residents were able to mitigate the impact of the bedroom tax by following the three routes recommended by the Government: downsize, take in a lodger, and gain employment/increase working hours. Chapter 4 ends with an examination of residents' experiences of Discretionary Housing Payments. In Chapter 5 we examine residents' general views and experiences of locally available support and service provision, before assessing the impact of the YHN pilot initiative on residents and service providers.

3.1 Demographics of participants affected by the bedroom tax

Thirty eight residents, age range 23 to 58 took part (Table 2). Most were over 40, single, unemployed and claiming disability benefits – reflecting the demographics of those most affected by the bedroom tax nationwide (Department for Work and Pensions, 2012a; Beatty and Fothergill, 2014). More women (n=25) agreed to take part than men (n=13). Most were single (n=21), four were divorced. None of the interviewees had a full-time job and 27 stated that they were not in paid employment of any type. Two were students and nine worked on a part-time basis – with contracts ranging from 0 to 24 hours a week. As would be expected in a study conducted in an area affected by the bedroom tax, the typical number of household occupants was low - with 15 individuals living on their own and 15 living with only one other individual, usually a spouse. In total 11 children younger than 18 years of age were living in the care of participants and thus also experiencing the effect of the bedroom tax. Lengths of tenancies ranged from four months to 33 years, with an average length of 8.7 years. Our sample therefore included both long and short-term tenants, 19 of whom had lived at their current address for five years or less and 19 of whom had lived in their properties for more than five years. Long-term residence in the area was not uncommon.

Table 2: Socio-demographic characteristics of residents

Characteristic	No. of residents
Age at time of interview (years):	
≤24	1
25-30	5
31-40	3
41-50	11
51-60	18
Sex:	
Male	13
Female	25
Relationship status:	
Single	21
Married	9
Partnered	4
Divorced	4
Employment status:	
Full-time	0
Part-time	9 (1 also a student)
Self-employed	1
Unemployed or unable to work	27
Student	2
Household composition:	
1	15
2	15
3	6
4	2
Children (<18 years) in residence:	
1	9
2	2
3	1
Length of time in residence:	
≤ 1 year	3
1-2 years	7
3-5years	9
6-10 years	6
11-15 years	5
16-20 years	2
21-25 years	5
26-30 years	0
30 years +	1

Table 3 shows the various benefits being claimed by participants. As expected all were receiving housing benefit to help with rent, in addition to Council Tax Benefit. No-one was working full time. Out of work sickness benefits (Employment Support Allowance, Disability Living Allowance, Personal Independence Payments) were received by 20 participants. Ten participants were claiming Income Support and a further six were in receipt of Job Seekers Allowance.

Table 3: Benefits claimed by participants

Benefit	No. claiming
Housing Benefit/Council Tax Benefit	38
Job Seekers Allowance	6
ESA/DLA/PIP ¹	20
Child Benefit/Child Tax Credits	10
Income Support/Working Tax Credits	6
Carers Support Allowance	2
New Enterprise Allowance	1
Undisclosed	1

¹ Benefits for sickness or disability, see glossary

Service providers

We also interviewed eleven service providers and one local employer as part of this research. Participants worked for a number of local services including the voluntary sector, community centres, local authority and organisations funded by, but independent of the local authority. Their roles broadly covered: skills, training, employment and welfare rights.

3.2 Impact of bedroom tax on individual and household finances

Unsurprisingly, the bedroom tax had a profound impact on both individual and household finances. On average, £12 per week was lost from housing benefit, with some households up to £22 per week worse off due to having multiple ‘spare’ rooms (Department for Work and Pensions, 2012b, p. 9). Critically, the bedroom tax was introduced alongside other benefit changes. Some participants were reassessed as ‘fit for work’ and moved onto lower benefits¹ and those qualifying for working tax credits had to increase their hours of employment to maintain eligibility

¹ Nationally, 25% of all Employment Support Allowance claimants will be reassessed as ‘fit for work’ (Newman, 2011).

In the light of such substantial reductions in weekly budgets, respondents were significantly cutting back on household essentials to avoid falling into arrears, as found elsewhere in the Department for Work and Pensions (2014) interim assessment of the bedroom tax.

Budgeting for basic food, heating and other utilities was extremely difficult, and became higher priorities than purchasing clothing, socialising, or saving for emergencies:

So I had to pay like me gas, me 'lectric, me water rates, me TV licence and everything else. So by the end of ... I'd paid all me bills I was lucky if I had about £6 [per week] left. That was like you know to buy well like ... you know you're knackered, I mean you are like, it's impossible. (Resident 25, Male, 58)

September last year; one of our users came in, it was about a week into school and she had her son with her, who was about nine or ten. I said, "Should he not be back to school?" She says, "He's got no shoes; he can't go back." His shoes were falling apart. He could've technically gone, but she said, "No, I'm waiting for ..." I can't remember, it was a catalogue or some such thing so she could buy him some shoes for school before he went back. Obviously that impacts on his education. (Service Provider)

Budgets were extremely tight such that a few pounds could make the difference between falling into rent arrears/debt or not. Some residents highlighted a direct link between the introduction of the bedroom tax and losing the ability to keep up with their bills entirely:

It [the introduction of the bedroom tax] was hard. It was really, really hard. Because one time, I couldn't live, do you know what I mean? Because with the rent and that, then I was left with nowt. I just couldn't cope ... It was money that I didn't have. I just couldn't live. (Resident 46, Female, 46)

All the rest of it has to be paid out and you're left at end of day with nine pound a week to live on. How do, how do they expect you to live on nine pound, what if you didn't have family? What if you didn't have savings? I mean most of my savings is gone. (Resident 62,)

YHN and other service providers offered budgeting advice to help residents deal with this increased pressure to budget their benefits to the last penny. However this advice could not address the problems faced by many residents as the underlying problem was insufficient money to meet basic needs:

I just cannot see how people can live under these conditions ... Like I said, with the carefulest of budgeting they can't make up that much difference a week ... the impact ... it's a lot ... Obviously poverty is gonna increase, but I think, like I said earlier, I think the first thing that doesn't get paid is the rent. (Service Provider)

Subsequently, in addition to budgeting and cutting back, there were a variety of other financial strategies that residents were using to cope with their decreasing incomes. Service providers noted an increased dependence on loan sharks and/or payday loan companies, stressing concern regarding the role of such organisations in plunging vulnerable individuals into arrears, serious debt or homelessness:

There's no question that people within Walker and further afield are affected and impacted by the lack of finance they have, or find themselves in a funny position subsequently having to resort to money lending and even in worse case scenarios loan sharks. (Service Provider)

I've got a massive fear of how, how many people possibly in this area are linked into loan sharks. (Service Provider)

3.3 Impact of the bedroom tax on family and community support structures

Many participants mentioned how they were increasingly reliant on family and the wider community for support. Service providers and residents recognised the importance of strong family and community networks in the Walker area and how this was still a real strength:

... there still remains a very strong, coherent community feel. I suppose in part it's supported by the extended family and the family network that still exists that hasn't been fragmented in the way that it has in other more disadvantaged neighbourhoods in the city. (Service Provider)

I've lived here a long time. We are a community, there are a lot of us who know each other, look out for each other. (Resident 16, Female, 54)

The interviews were replete with examples of informal help from personal networks – family, friends and neighbours – providing financial aid, childcare and food contributions:

I only have [childcare] help from my family, yes. If I don't have my family, really it would stop me from starting work, because banks don't give money; nobody gives money. (Resident 24, Female, 36)

If it wasn't for my mum I probably wouldn't have managed financially. She's always been the one who would never see us without money or skint. (Resident 39, Male, 46)

However, participants recognised that the ability to offer help within any given family, friendship or community network was becoming increasingly curtailed as more and more individuals, including those providing assistance, were also being negatively impacted by the bedroom tax and wider welfare reforms. It was evident that depending on help from their

close networks led some individuals to feel as though they had become a burden. Participants recounted how some important relationships and the community as a whole had been put under strain due to financial insecurity:

At one time [Walker] used to have a good community and we used to do all things. Now it's, "We can't afford this or we can't afford that". (Resident 16, Female, 54)

We had one learner last year, end of last year that I was talking to who em was paying obviously for his spare room and his family were feeding him because he was embarrassed and I think a lot of it's the, you know, the personal feelings that people have, they feel embarrassed they feel deflated. (Service Provider)

Residents expressed concern and embarrassment at becoming a financial 'burden' on family and friends many of whom were already struggling to provide for themselves. Coupled with personal pride, fear of abusing such relationships led some individuals to refuse help even when they were in desperate need:

... I think harder this year than it was last year, cos my son used to say "oh here, there's a fiver towards it" and that, cos he works and that, I mean he's got two kids himself, you know, and his wife ... well his girlfriend, she's just come out of employment because they paid them all off ... so you can't expect him ... you know, and you feel as though you're saying it all the time "oh, I've got nowt" and then he'll say "oh here ..." ... you don't want to ask them. You know what I mean. (Resident 49, Female, 58)

I think oh well I've got nothing in to eat and me sister says ... come shopping and I'll get you something in – I feel like well, she cannot manage anything so why should I have to get it off her (yeah) I should be able to get it with me own money – to live (yeah). (Resident 93, Female, 52)

As many are no longer able to rely on these informal networks of family and community support, many residents are losing their ability to cope with the financial hardship caused by the bedroom tax and wider welfare reform. Nationally debt to pay day lenders and loan sharks is rapidly increasing², alongside a rising percentage of tenants falling into rent arrears. YHN reported that by March of this year, 60% of all tenants affected by the bedroom tax were already in arrears (Your Homes Newcastle, 2014, p. 17) a number that is only likely to have increased since that time.

² Ten-fold increase from 2008 – 212 in number of debt clients at CAB with payday loans (Citizens Advice Bureau, 2014a).

Case study Jane an unemployed single mother with one child

Single mother Jane relies on benefits to care for her young child. Due to a recent doubling of her council tax bill she was struggling to buy the bare essentials and is reliant on healthy start vouchers to include fruit and vegetables in their diets. When the bedroom tax came into effect she couldn't afford the extra £15 weekly loss and has since become reliant on Discretionary Housing Payments to mitigate the loss of this income. However, she is worried that when these payments run out after her third and final application she will be forced to move away from an area in which she feels safe and supported, and the school where her pre-school child is settled in nursery. Jane is currently unemployed and whilst she is desperate to get into work she has found it hard to juggle employment and training with her child care responsibilities.

“So you're not slapping everyone, you're just slapping the poor people that haven't had a chance to get a job or a decent job and keep it.”

3.4 Impact of the bedroom tax on residents' health and wellbeing

There is overwhelming evidence that loss of income leads to worsening of physical and mental health, and can have lifelong health implications for children (Benzeval *et al.*, 2000; Allmark *et al.*, 2013). Personal indebtedness and fear of becoming indebted have a marked impact on mental health (Weich and Lewis, 1998; Meltzer *et al.*, 2010). Difficulties meeting housing costs are associated with poor health outcomes (Guzman *et al.*), in particular worse mental wellbeing (Taylor *et al.*, 2007), with limited money to pay for food leading to inadequate nutrition, particularly among children (San Francisco Department of Public Health, 2004).

Food was one of the first areas of people's basic living that was 'cut back' to buffer the financial impacts of the bedroom tax and other changes to welfare, a process that has been heightened by the substantial rise in food prices in recent years:

Just your basic food you just go out, I mean when you're working and that, it goes up 10 and 20 pence here and there. It, it ... you just don't realise but when you're living on a fixed budget ... it hurts you, it really does, it hurts you. (Resident 25, Male, 58)

Residents talked about how they found it increasingly difficult to purchase simple, basic foodstuffs and in some extreme cases, cutting consumption to only one meal a day, or going

to bed early to evade hunger, a pattern more prevalent among parents to ensure their children were properly fed:

I say I'd rather pay me bills and [eat] less food so I don't have to go to bed thinking eh I've got no way to pay gas, electric ... I'd rather do without food ... I'll have me breakfast, I'll have something later and that's it, then normally I go to bed between five and six at night, it just to sort of try and save that bit of food you know, I think it's worse now ... a lot of people they are scrapping and scraping to trying survive sort of thing and must be hard for them that's got little kiddies as well you know ... I explained to him [her son], I says "I cannot live meself, I can't feed meself, I says. Sometimes I got 29 pounds to live for a fortnight" (Resident 20, Female, 59)

A lot of people are giving up food and so we're finding that's got a massive impact on them ... we had to get the police to knock one [service users] door down because she was unconscious and that was through lack of food cos she wanted to pay her bills. (Service Provider)

Service providers flagged the physical impact of inadequate food intake as a concern, noting the damaging impact that inadequate food consumption was having on tenants' abilities to remain engaged with services let alone engage with training to develop skills to improve their employability. This was noted to be an issue among both children and those engaged in adult learning and training:

We're finding a lot of children in the holiday times as well are really, really hungry, we're providing like breakfast clubs and lunch things cos obviously when they're at school they get free school meals but then in holidays what happens to them then? ... Not only are the parents going hungry but we're finding a lot of the children are really struggling and obviously that affects their behaviour, even like when they're at school it affects their behaviour when they haven't had breakfast . (Service Provider)

Reflecting recent studies demonstrating the higher costs of a healthier diet (Rao *et al.*, 2013; Morris *et al.*, 2014), residents' ability to sustain eating healthy foods was severely curtailed through their loss of income. All respondents mentioned the difficulties in affording fresh fruit and vegetables and healthier food had to be substituted for cheaper items:

How are you supposed to live on £30 a week for a good diet, I have no idea, and especially with my health [diabetes] I have to have a good diet. It's impossible and I said to them, "Do you realise how much food costs? Have you actually been able to try to live on that for a week? (Resident 11, Female, 50)

Female: It's even like fruit and veg, now, though. I mean, we used to buy a ton of fruit and veg and we can't buy as much now because they're expensive and we've got to budget.

Male: Yes, and now we eat only unhealthy food, basically. Frozen food. The cheapest one you can find. (Resident 99 – female 42, male 41)

We asked all our interviewees whether they had used a food bank. Not all interviewees knew there were food banks locally, and only five residents had actually had used one. Several of those using food banks were in employment and those who did use them expressed deep shame and embarrassment about doing so:

Interviewer: And why wouldn't you go again [to a food bank]?

Ashamed ... mostly ... I went over that one a food bank in another part of the city 'cos I didn't want to go to the one over here in case anybody seen us ...being shown up and feeling ... I mean ... I was getting low pay but I thought ... ah ... ashamed. (Resident 94, Female, 51)

Food banks were associated with bygone eras of absolute poverty and thus deeply stigmatising. Going to a food bank embodied an inability to meet the most basic of needs - to feed oneself or one's family. This was regarded as such an assault on self-reliance that, for some residents, was a line they were not willing to cross:

We have always been out and bought it ourselves [ourselves], and, I know they are there to help and people need help, but at the moment I am not at that stage ... and I would be far too embarrassed to go [go], stand in a queue, so ... I am not interested in food banks to be quite honest with you, I would rather do without. (Resident 1, Male, 55)

[Despite regularly missed meals due to lack of money] Even if I was [worse off], I wouldn't [go to a foodbank], because I just feel like it's going to people that really need it ... that's the way I ... it's the way I've been brought up, it's just ... there are other people there starving, you know, that's the way I've been brought up, that's just me ... I feel embarrassed. Yeah, just a little bit embarrassed. (Resident, 103, Female, 51)

Despite the relatively low levels of use among our study participants, local food banks were themselves hard pressed due to increased need, reflecting national trends.³

We would get our delivery [of free food to distribute] on a Monday morning and it would be completely gone by Tuesday morning. People would be coming again, and again, and again [for food parcels], and we'd have to turn them away, so it was really difficult. (Service Provider)

³ Oxfam, The Trussel Trust and Church Action on Poverty reported a 54% increase on meals given to people in food poverty by the three main food aid providers in the UK from 2012/13 to 2013/14 alone. (Cooper, Purcell and Jackson, 2014)

Uniformly, residents reported cutting back on heating and utility bills in general. This, too, was linked to health problems:

Oh, yeah. Well, stuff like with her [6 year old daughter], with having to put onesies on [to keep warm], and stuff ... It's just ridiculous. But, her, I noticed her getting more sniffy. She never gets colds and stuff, but she was getting them more and more. (Resident 75, Female, 27)

Residents recounted the misery associated with living in a cold home as well as the fear of using fuel and lighting:

I go round getting washed and shaved in cold water, you know I'm scared to put the heating on. You know I walk around through the night in the dark, you know scared to put a light on. It's, it's crazy man. (Resident 25, Male, 58)

Without exception, residents recounted the numerous ways in which the bedroom tax impacted on their mental wellbeing, for example, worrying about potential re-location, not being able to provide healthy food for themselves or their children, living in inadequately heated homes, and spiralling rent arrears. All residents were under greater stress, many recounting symptoms of anxiety and depression:

Their [residents] nerves are shattered. Their mental health, and their health in general, that's absolutely what happens to people when you, you haven't got it but you have to pay for it [the bedroom tax]. (Service Provider)

Wider reforms made to welfare have further exacerbated this impact on resident's mental health. The pressures of the increasing 'conditional' sanctioning benefit regime and re-assessments taking residents off benefits altogether has further increased stress, anxiety and depression levels:

Most people who come to our projects report mental health issues – depression, anxiety – a lot of them around finances, a lot of it around the pressure to find work to complete their Universal Jobmatch ... If they don't apply for the required number of jobs then they get sanctioned. (Service Provider)

Went to the tribunal. Absolutely horrendous ... because I walked from my car using both my crutches very slowly stopping and resting em from the car to the interview room and the doctor saw me do this, I obviously don't have mobility problems. So basically they reaffirmed they weren't allowing me the mobility element [of disability payment] and they took away the care element as well. When I came home I was like that. I work 16 hours a week, I am no longer disabled which means we lose working tax credits, which means we will only get child tax credits. Either I have to quit my job because I can't get to work or I have to find another job which is more hours which I can't do because I can't work that much [due to disability] and ... it

was really bad wasn't it ... it was devastating and degrading and I did genuinely ... I felt like I was sitting there and they were calling me liar. (Resident 85a, Female, 35)

A further element of financial hardship concerns the limits it puts on the ability to socialise, both within families and friendship groupings and among the wider community. Spending on bus fares was becoming increasingly difficult, let alone affording meals for family and friends, gifts or days out. Thus residents, particularly those without young children at home, recounted becoming more and more ostracised from family and community networks:

Well of course, because I can't go and see them [her family]. I can't afford to, like birthdays and everything, times when you want to treat them a little bit. Or even if you want to go and see them, trying to get my bus fare to go and see my son, it's £3.90 on a bus ... so it sort of cuts you off from your family a little bit because you can't afford to do the things you wanna do. (Resident 101, Female, 45)

This reduced contact and increased sense of social isolation had a damaging effect on mental wellbeing. Residents themselves noted how their mental wellbeing was closely associated with their physical health, either or both of which could be said to be in a process of 'disintegration' (Chase and Walker, 2012, p. 10). Some participants spoke in more generic 'mind and body' terms, whilst other participants linked their increased stress and anxiety to specific health conditions (see Moffatt et al 2015 for further examples).

Some residents envisioned increasing suicide rates in the near future if there was not a change to the bedroom tax policy:

I'll be honest with you like am surprised the suicide rate and that sort of thing haven't sort of like jumped up because I mean they are they're scaring people to death. (Resident 25, Male, 58)

Overall, this chapter demonstrates the ways in which the bedroom tax is associated with a disquieting amount of financial hardship. Participants' accounts powerfully demonstrate how loss of income leads to worse mental health and seriously compromises residents' ability to eat healthily, heat their homes and remain socially connected. Monumental effort was put in by residents to simply 'survive' these impacts:

You just like exist, you just survive in the best way you can. (Resident 72, Male, 46)

*These people [Walker residents] survive and they don't live, they just survive.
(Service Provider)*

4. Adoption of government recommended strategies to mitigate the effects of the bedroom tax

Very few of our interviewees had the financial capacity to 'make up any shortfall from their other income, or from savings' (Department for Work and Pensions, 2012b, p. 8) to pay the bedroom tax either in the immediate term or over a longer period. Dorling (2014) has shown that social housing tenants are amongst the poorest in society and two thirds have no savings.

In this section we examine the extent to which residents were able to follow Government recommendations to either: (i) move to accommodation which better reflects the size and composition of the household; (ii) let out a spare room to a lodger, boarder, or a family member; or, (iii) move into work or increase hours worked. Failure to implement any of these recommendations could result in receipt of a fixed term Discretionary Housing Payment (DHP), but as we will see, the administration of DHPs was complex could not be regarded as anything other than a short term fix.

4.1 Government Recommendation 1: Downsize

A key rationale for the bedroom tax is to encourage individuals deemed to be 'under-occupying' social housing to downsize into houses where all the bedrooms would be sufficiently 'occupied', thus allowing social landlords to 'be able to make better use of their available housing stock' (Department for Work and Pensions, 2012b, p. 2). The legislation completely failed to take account of the lack of smaller housing stock available. Due to the lack of one-bedroom properties within the local social housing sector in the North East, it is estimated that four households will be competing for each property (Edwards, 2013), a problem not confined to the North East region⁴ (Department for Work and Pensions, 2012b; Dorling, 2014; Wilcox, 2014). The reality was that residents did not have the money to pay the bedroom tax but could not easily relocate from their 'under-occupied' property to relinquish themselves from having to pay it:

⁴ A survey of 75 landlords conducted by the Chartered Institute of Housing and Circle Housing Group found that 96% of landlords said a lack of available properties is the biggest barrier to tenant mobility (Brown, 2013).

They bring in a law, but the other way you can't do anything about it because you can't move out of a two bedroom flat to a one bedroom flat because there aren't enough one bedroom flats ... There are no options and nowhere to move.
(Participant 90, Female, 53)

The other issue is really around the availability of housing, because one thing that this has shown is the dearth really of appropriate housing, quality housing, for individuals ... The distribution in terms of the East End [of Newcastle], there's not enough single person accommodation that is quality. (Service Provider)

Concerns were expressed by service providers as to how the housing stock would be maintained in the long term. Reflecting findings found in the Department for Work and Pensions (2014) interim evaluation, housing providers are now facing the problem of having to rapidly build more 'inefficient' one bedroom properties due to demand⁵ whilst larger homes are beginning to stand empty⁶, as well as simultaneously dealing with the huge administrative, borrowing and social costs that come with rising arrears (Consortium of Associations in the South East (CASE), 2012):

Long term I can't see how they [YHN] can maintain their housing stock to the levels that they do. (Service Provider)

It's how we develop different housing models that involve different organisations to ensure that there's a broad availability of different kinds of housing that are appropriate to places like this, because clearly what this has shown up is, I mean, there's been a lack of investment generally I think in housing for ten or twenty years, new housing. (Service Provider)

As well as considerations about housing stock and availability of suitable accommodation, Wright (2013, p. 14) points out that the bedroom tax adopts a purely utilitarian approach to housing which 'reduces a home to a house, judged according to bricks and mortar, not the quality of the relationships it fosters for its inhabitants'. This came through strongly in our interviews. The average tenancy length was 8.7 years and ranged from one year or less to over 30 years (see Table 2). When participants talked about their houses, they described with great emotional attachment what their homes meant to them; places full of memories,

⁵ Around a third of developing landlords have altered their build plans as a result of RSR or the Benefit Cap in order to build more one bedroom homes and/or fewer larger homes (Department for Work and Pensions, 2014, p. 17).

⁶ 'Difficulties in letting larger properties were reported by 41 per cent of landlords who participated in this research' (Department for Work and Pensions, 2014, p. 80)

in which they had built up long term connections to family, friends, neighbours and the wider community:

That's why it's like part of me, this house. It's part of my family, my kids and my grandchildren ... I've lived here a long time. (Participant 16, Female, 54)

There's one lady who has got a three-bedroom house and is having to find £20 a week who we know is already sleeping downstairs because she can't afford to heat the house and is struggling to buy food, or is living on the very basics, like a loaf of bread a week, that type of thing. Now for her, she could possibly move house but she's surrounded by people that she's known all her life, and has grown up in that area and doesn't want to do that. So she's decided she'll just find the £20 a week, so obviously that's going to have a huge effect on her, a huge effect. (Service Provider)

Most of our participants reflected upon a strong attachment to Walker and attributed a positive community spirit to the area. Many participants recounted how their community and family networks provided them with support such as free childcare, no interest loans or help with the weekly shopping (see Moffatt at el 2015). Emotional resilience was derived from these informal support networks as many residents noted the sense of safety they felt through knowing and trusting people that lived in their immediate locality:

I was brought up in Walker. I wouldn't expect to go anywhere else; I wouldn't feel safe. (Resident 46, Female, 46)

Moreover, as well as having strong attachment to living in Walker, many residents expressed the desire to keep their homes due to the considerable monetary investments they had made over the years. Either from a voluntary desire to decorate their house to make it their own home, to a more necessary need to either furnish and floor empty flats on arrival or invest in adaptations to make their living spaces accessible⁷, residents repeatedly mentioned the amount they had spent on their property. In a lot of cases this was an investment they did not have the capital to repeat:

Female: *I felt like I will be kicked out from the house. It's horrible, you know. Because we love this house. We made it how we like, and now it will be a disaster for me to move somewhere else. I just can't...*

Male: *Your heart wouldn't be in it. Because you've put that much effort into one place.
(Residents 99a and 99b – Male and Female, 42 and 41)*

⁷ Investments in homes included fitting hand-rails, bed-rails, ceiling and bath hoists as well as adapting bathrooms into wet rooms.

This house has been adapted for my disabilities ... and you know, it's our home, I don't see why we should have to move. If we get offered a house [from YHN] they can't say oops sorry we got it wrong. Let's take it off you and stick you in a two bedroomed flat. (Resident 85a, Female, 35)

The Government view the bedroom tax as a policy that will inhibit claimants from being able to live in accommodation 'considered too large for their needs' (Department for Work and Pension, 2012b, p1). However residents stressed they did not consider their extra rooms as non-essential and instead saw the recommended option of downsizing as eradicating their ability to flexibly accommodate family within their households. Relocation diminished the space available to accommodate family (including part-time custody over children). Room guidelines restricted siblings⁸ or even partners⁹ from having the space required within the household to undertake everyday tasks, including caring or having adequate space to accommodate needs such as space for homework, appropriate sleeping arrangements:

By the rules, my daughter is not 16 years old, and she can share one room with the little one. Again, it is not possible, because the little one is shouting in the night, crying in the day, and there is a big gap between them, an ages gap ... They cannot share one room. It is not possible for them, because my daughter studies very hard, and the little one is a baby. They live by themselves in rooms now, but I have to pay [the bedroom tax] because by law, I have a spare room. (Resident 24, Female, 36)

There was a general disregard expressed towards the government, (as implementers of the bedroom tax) as it was felt they enacted the policy without understanding why individuals might need their 'spare' rooms, or how hard it was to minimise to the space allocated by the bedroom tax:

I think the government just want to make the poor poorer and the rich richer ... You just feel ... You feel angry about it, actually. You feel really angry about these people who have got their own properties and everything, and they've got like seven bedrooms and there's three people in the house, and you're struggling because someone decides that, "Oh, we're going to tax that bedroom". It's not fair. It really isn't. (Resident 99, Female, 42)

Thus whilst it was intended that the bedroom tax would encourage those inhabiting 'under-

⁸ Many siblings physically could not share rooms despite what the legislation stipulates as the age gap was felt to be too much or the bedroom was not big enough.

⁹ One resident noted how they slept in separate bedrooms due to health problems.

occupied' properties to downsize, many residents stressed their reluctance to move as they did not see their council-owned property simply as a house, one that they could flexibly leave at any time to suit their monetary needs, but rather as a home. Homes are spaces that are invested in over time, places of safety, within communities that offer friendship and support. Thus many of our interviewees elected to pay the bedroom tax in order to stay in their homes, and in so doing, were then forced to cut back on other essentials such as food or heating, as a result of their financial hardship.

Overall, this policy fails to recognise the strong commitment that individuals have to living in their homes and in the local area they have grown attached to. At the time of interview only two residents had decided to downsize due to their severe financial situation as a result of the bedroom tax. In doing so they had lost their homes, as well as the support of family, friends and neighbours living nearby. This is evidence of the way in which the bedroom tax is 'undermining the sustainability of communities' (Edwards, 2013).

I've heard of a couple of people, like through friends of friends, who are saying that they can't afford the bedroom tax and they've put in for smaller properties. But they moved from family homes to smaller properties and they're struggling, they're heartbroken. They've got memories in their family homes and they're stuck in a one-bedroom flat in high-rise flats. So it's just a shame. I don't know how the government and the council and people like that can put people through this sort of pain. (Resident 101, Female: 45)

Case Study – Mike, single father with part time custody of his two children

Mike had previously always worked full-time but following redundancy he started claiming Job Seekers Allowance a year ago. When the bedroom tax came into effect he couldn't afford the reduction in housing benefit so he downsized to a bedsit despite this compromising his ability to accommodate his two children that he has part-time custody over. He was determined to find a new full-time, skilled job to move out of this situation but so far his job search has been unsuccessful as vacancies have either been unsuitable or on temporary and zero hour contracts.

"I'm on a mattress on the floor next to them now [following a move from a two-bed to a one-bed flat] ... whereas before they had their own bedroom ... they're asking, "oh, where's our bedroom?" ... I've only been not working for less than a year ... Now I regret downsizing because you get the kids come in and they're like, "Where's my bedroom, Dad?" and everything, you know? It's a no-win situation"

Further to this, in a post interview discussion, despite their desire to retain their homes downsizing had become a reality for more residents. However, the lack of monetary support needed in their vulnerable financial position to finance the practicalities of moving house (such as costs of redecorations or removal van rental) was providing a further barrier to downsizing:

I found that little flat when I went around to see them at the housing office and I said "I would like to take it I says but I cannot shift you know I've got no money for to get, get shift like getting shifted in, it needs carpets and needs a bit paint and that, I says I haven't got any money", "oh well there's nothing we can do". So one minute you know they're trying to get you out of your house and the next minute you say "right well I've found somewhere maybe I would like of go there" and then they, "well no we cannot help you." You know so you're in a catch 22 but a couple of weeks ago I got a letter off Your Homes Newcastle saying that they're going to try and help people that shift but it was too late then, you know I had missed it. (25, Male, 58)

The government's recommendation to downsize takes no account of the availability of smaller accommodation, pays no attention to the impact on individuals or communities of forced moves and fails to recognise the emotional significance that residents attached to their homes and the importance of staying in their local community. Downsizing is therefore a recommendation that, by and large, residents in this study either would not or could not implement.

4.1 Government Recommendation 2: Take in a lodger

Another action recommended by the Government to mitigate the effects of the bedroom tax was to take in a lodger. This was regarded as problematic for a number of reasons. Firstly, as also highlighted in the Department for Work and Pension's (2014) interim evaluation, there were concerns about losing the privacy of one's own home in order to share with a comparative stranger:

I wouldn't feel comfortable living with a stranger. All me life I've always lived with my mum and dad or my wife, and this is the first real house I've had by myself and I'm loving the independence with it, and the thought of having a stranger living with us would really sit well with us ... especially if my daughter was going

to sit here, I don't want my daughter being here when there's a stranger.

(Resident 39, Male, 46)

A second concern was raised by parents of young children and adults who felt vulnerable, usually as a result of mental health problems, physical ill-health or disabilities. Essentially, people were concerned that letting a lodger into their home would raise safeguarding issues:

For me, it is not an option to give a room, because I have little children, girls, and a boy, and it is not an option, no. (Resident 24, Female, 36)

Well yeah, the thing is I've, I've got children, so the thing is ... you do get a Government minister saying well ... get a lodger, but the thing is I've got to ask a lodger to do like a CRB [Criminal Records Bureau] check ... you don't get a CRB check for free, you've got to pay for it – it's about a £100 quid ... so who's going to pay the £100? ... I mean, if someone wants a room, you know, I mean yeah they may be OK but if you say to 'em "go pay for a CRB check", they're gonna give you a look in the face and laugh and walk off ... so like on that point, you're just stuck, stuck at that point because you can't do it ... so you're stuck with paying for the room. (Resident 72, Male, 46)

A third issue related to anxieties about drawing up contracts, insurance, recruitment and the general practicalities of finding and retaining a lodger, what to do if the lodger was difficult, or worse, defaulted on rent or bills. Residents were coping with their limited budgets through strict management of food and energy usage, and worried that whilst having a lodger might bring income in there was also a chance they could put them into an even worse financial position if they did not pay their share of the bills:

I was thinking about renting the bed out. But everybody has said, "But how can I live with a stranger?" I don't even know who the person is. Then, okay, I'm not – I haven't studied law. I knew that I had to make a contract, but it must be really perfect – fair for him or her and fair for me and I knew that it's hard and how – maybe this person just goes away and disappears. Where do I get this money back from? Maybe he or she spends all this gas, electricity and everything. I'm very careful with these things, I'm really careful. I'll be even more in danger. (Resident 90, Female, 53)

Participants were aware that there were numerous contractual and practical issues related to taking in a lodger, but lacked the knowledge and support they felt was required to do this properly and safely and did not feel aided by services in doing so.

Finally, some participants disputed that their 'spare' room was big enough for a lodger:

They're coming round and asking about lodgers – well what lodger's gonna go in a room that's not got anything to hang clothes or a little cabinet at the side of the bed – nobody's gonna pay money for that room. (Resident 93, Female, 52)

At the time of our interviews, only one resident had taken in a lodger, on an informal basis as a family friend needed a temporary place to stay. Others considering the option did not have these informal contacts and they were aware that for their own and their lodger's protection, a number of procedures had to be followed, which they did not feel competent to engage with on their own. Many, particularly those with children, were concerned that bringing a stranger into their home was both risky and a privacy violation. Given these accounts, the option to take in a lodger whom that they did not know, was not something our participants felt either willing or able to do.

4.1 Government Recommendation 3: Gain employment / increase working hours

Case study – Warren, carer for Alice (disabled wife) and child with care needs living in a three bedroom house

Warren is the primary carer of the house and looks after his wife with a disability and their son who has care needs. Alice was recently re-assessed no longer eligible for her DLA benefit (despite being accepted for the higher rate of care on the PIP scheme when it was trialled a few months later in the North East), a process which dramatically increased her levels of stress and anxiety. Their home has been adapted to suit Alice and her son's specific needs leaving them unwilling to move despite the introduction of the bedroom tax. Warren is currently juggling three zero hour contract jobs and cannot get enough hours from them to sustain a living. However despite repeated applications for more permanent work, a lack of certification and experience coupled with a scarcity of suitable jobs has left him facing constant rejection.

"We try so hard to live a good honest life and it just doesn't seem to pay off."

A major motivation for the introduction of the bedroom tax is to improve work incentives for working age social housing tenants, in essence, it is to enforce the 'make work pay' ideal set out by the Government. Most of participants (n=27) were unemployed or unable to work due to sickness, ill-health or caring responsibilities (see Table 2). We explore some of

the reasons for unemployment, enabling us to ascertain the extent to which moving into the labour market is a realistic option, although it is certainly an aspiration for many. We also examine the employment experiences of our interviewees working part time or on a zero hour contract basis (n=9) – increasingly popular forms of employment in recent years¹⁰ – looking particularly at their options to increase working hours.

At 10% the North East region currently holds the highest unemployment rate in England (Office for National Statistics, 2014). Following the demise of heavy industry, shipbuilding in Walker's case, the area has experienced much higher unemployment than city, regional or national levels (Table 1), much of which is long term. Unemployment is caused by a series of factors. Exploring these through our participants' experiences illustrates just how difficult it is to 'make work pay'.

4.1.1 Problematic labour market

All interviewees emphasised the precarious nature of the labour market, particularly the low-paid, part-time nature of a large majority of available jobs – insufficient to generate enough income to support an individual let alone a family. Anger and resentment was expressed toward zero hour contracts in particular:

Zero contracts, what the hell is that? ... How can someone survive not, not knowing from one week to the next if they're going to get their money? (Resident 72, Male, 46)

I don't want to come off benefits to get a contract for – it's not even a contract. It's a zero-hour contract ... there is no contract. "Oh, we've got work next week. We might have it next week", so then you've got to go through all that again ... by the time you pay your bus fares, go up there, and all that, and you're just the same off. What's the difference? (Resident 29, Male, 29)

Reflecting findings detailed by Newcastle Council for Voluntary Services (2014) in the *Below the Waterline* report on Walker, a number of participants stressed that given the poor wage of most available jobs it often did not make financial sense for some benefit claimants, particularly those with dependent children, to gain employment. Bewilderment was expressed regarding the expectation that individuals should trade financial stability and all

¹⁰ There are 1.4 million individuals on zero hour contracts in the UK (Pyper and McGuinness, 2014, p. 3) and the total number of part-time workers is rising to a record high (Institute for Public Policy Research, 2009, p. 1-2).

associated advantages of being in receipt of benefits for the low-paid unpredictable reality of employment:

They are making people on the dole worse off. They are trying to because people were saying that sometimes it's better to be on the dole than working. Sometimes it is depending on what job you have got. If you work in a pound shop then aye, go back on the dole because it's better being on the dole. And that's the daft thing what the government is doing, they are trying to turn it around and say that working [on a low wage] is better than being on the dole. (Resident 92, Female, 28)

The other thing is if they come off benefits, they can't pay that [debt] either because while they're on benefit their debt is kind of shelved, or they pay a pound a week off or whatever. If they go out to work they'd have to pay all that debt so again that's another reason. Why would they? (Service Provider)

Lack of available full time jobs paying a living wage was a major factor contributing to unemployment. Despite this, a strong desire to work was expressed by the majority of residents, including those with physical disabilities and chronic health problems:

I love to work. I love to keep up with people. I miss lots of people now because I'm in the house most of the time ... I miss work badly. (Resident 34, Female, 56)

I can't not function, I still have to go to work [despite illness] because that's just me. I've always worked and I work because I want to. It's good for my mental health to be at work. (Resident 85a, Female, 35)

This desire to gain employment despite potential financial insecurity reflects the findings of Shildrick *et al.* (2010). Shildrick *et al.*'s (2012) most recent work from Teesside in North East England demonstrates that employment failed to provide a route out of poverty because of the lack of opportunities in the local labour market, leading to the 'low pay, no pay' cycle. It was the insecure nature of low paid work that was the main reason people shuttled between jobs and benefits. This was the experience of both younger and older workers, indicating that these jobs are not necessarily stepping stones to better employment. Whilst the employment opportunities were poor, many of our participants were also limited by a number of factors which created barriers to seeking, gaining or retaining employment.

4.1.2 Barriers to employment

Numerous barriers to employment were identified by residents and service providers including: time out of the labour market, a lack of appropriate skills and qualifications, mental and physical health problems and inadequate childcare:

I've said, from day one, if the government said to me, "We will provide you with full-time childcare for free; your child will be looked after while you're at work, and you don't have to pay for it," I'd go to work full-time, no problem ... but they don't do it that way They say, "If you work this many hours, you get 70% of your childcare paid for." 70%? That 30% is still a hell of a lot if you're not working full-time. 30% childcare, with the amount that childcare costs these days, it's ridiculous." (Resident 75, Female, 27)

If you're an employer and had a choice between someone who's perfectly fit and healthy or someone who's sick, well, it's fairly obvious who they're going to go for. I wouldn't blame them for that. I know there are systems in place for discrimination and that, but at the end of the day, they're not going to want someone who's going to have to have time off work to go for hospital appointments and stuff like that. (Resident 11, Female, 50)

They're just not ever going to get [a job] – they're not employable for lots of different reasons. Other people, it's not their time to look at their work, they've got too much to deal with mental health etcetera ... you know, it's just hard ... Those people are not employable for a long, long time and they would need a lot of work before they actually could be employed by anybody. (Service Provider)

Despite a strong desire to work; residents were often pessimistic about employment opportunities, a view rooted in negative past experiences and numerous fruitless attempts to gain employment. Interviewees highlighted that not hearing back from employers about applications was particularly damaging to morale - leaving individuals uncertain as to whether their application was processed at all:

I mean, every time I apply for a job I kind of say to myself now well I'll either not hear from them or I'll hear from them but it will be, "I'm really sorry but you've been unsuccessful". That's what goes through my mind. (Resident 85b, Male, 32)

We [service providers] try to raise aspiration, try to get them to look broadly, but again I think sometimes it's even worse than a rejection letter; you hear nothing, absolutely nothing. I think to keeping going in the face of that is so difficult. (Service Provider)

Service providers highlighted that what might appear as lack of aspiration was often a result of personal recognition of limited employment opportunities in light of age and ability:

They're not going to build a career now they're 50 or they're 45 and they've always had rubbish in their life. They've had four failed attempts at doing something, "Well, why should I bother again?" They're not going to be the entrepreneurs of the future particularly so they can't see a future. (Service Provider)

The impact of the loss of financial support from the government for local training courses on engagement in further education was stressed. Interviewees outlined that most residents could not risk taking out a loan to finance education due to their existing financial situation:

Going back probably eighteen months we were able to offer Level 3 programmes and a number of those were free to students ... That disappeared almost twelve months ago and what was replaced by that was still access to Level 3 but you had to take a loan. Now how many people from Walker or Byker or Scotswood, Benwell, Elswick, [areas of high socio-economic deprivation and high unemployment] wherever, are actually going to take a loan to do a Level 3 programme? Firstly, it's such a speculative move in one sense because it doesn't guarantee you a job, and even if you get a job is it a zero hour's one? In which case, how do you pay it back? I think we had some reports from one of our partners, FE [Further Education] college partners, going back to probably October or November last year, where they'd had one enquiry about a loan. So immediately even though you have people who have aspiration it's very easy for that aspiration to be frustrated by almost ... the prevailing, I suppose, policy, in terms of education and particularly at that lower end. So I mean it's bad enough anyone taking a £9,000 loan for a degree course, and even that for some I'm sure is speculative. But at the lower end it's virtually impossible, virtually impossible. (Service Provider)

It's like the whole take from the poor, give to the rich, whatever it is. It's always like that, I feel, with the government though ... I don't even get any help with me college fees. I've had to apply for a student loan, to go to college, so I can then work, so then I'm paying my full rent, and I'm not taking benefits off the government. But I still don't get any help for that kind of thing. There's never a lot of help. (75, Female, 27)

As well as the fact that possessing a qualification or completing an apprenticeship no longer ensures employment in 'living wage' secure employment:

There's nothing we can do about it, [having a lack of money] up until I find another job. I've applied for a few and I'm just waiting back ... people might say, "Well, you've got a degree and you're going cleaning", but I don't mind. I'll do any job because at this moment in time, that job suits me while I'm looking for other jobs and going for interviews. (108, Female, 52)

A shortage of appropriate skills was believed to be particularly debilitating to employment rates within this community. Employability was believed to suffer as a result of one or more of the following: low level literacy and numerical ability (lacking key qualifications such as GCSEs); inadequate IT knowledge and/or experience; poor comprehension of 'soft' skills, such as appropriate public interaction and presentation of self, which have become increasingly important to employers in recent years (Shildrick, 2012). Lack of experience was a key barrier:

[To gain employment] I have to have experience in that sector or previous experience in that sector or a certain qualification to be able to do that kind of work and I just, I don't get the chance to get the experience (Resident 85b, Male, 32)

It's very difficult, because at the minute the levels of skill amongst the majority of the people that we are working with are fairly low, and work experience, so pulling together a good CV is difficult; there's often very little for them to put on it. (Service Provider)

Whilst up-skilling was highlighted as a viable option for some, interviewees stressed this process can be incredibly time consuming and thus residents typically remain on benefits (JSA) for a significant length of time after embarking upon training. This highlights that even for a large number of able and engaged individuals there is no *quick* way to 'make work pay'.

Employment is such a key policy, and there are an array of government, voluntary and private sector services and organisations providing help for those seeking work. However, government funded services are also authorised to stop benefits of individuals who they deem to be contravening the job seeking rules. Those who are 'sanctioned' are thus forced onto lower incomes. Our final section on employment explores the experiences of those receiving assistance to find work and those whose benefits are stopped.

4.1.3 Assistance to seek employment: institutional and third sector assistance

Residents detailed mixed experiences of services attempting to facilitate their transition into the labour market. On the whole, local employment services were praised – The Walker Learning Hive, a local voluntary sector organisation, for their relaxed and friendly approach, and Newcastle Futures, a local quasi-public sector organisation, for their experience and practical help such as access to computers and allowances for interview expenses:

[The Learning Hive] are helping us, they are doing it quite good, I was a bit frightened, because I don't like to ... I'm strange with new people because you know I don't bother anybody really, erm so I went in and yes she was helpful. (Resident 20, Female, 59)

Aye, they're great them [Newcastle Futures] ... started using the computers ... she got us a suit and all that [for work] ... They let you use the phones. You can use the phones for anything you want, so if you've got a council tax bill or whatever you can ring them up, sort out things like that ... As soon as you seen a job you liked, they would help you apply for it ... Sort you out. Give you your bus fares, everything. It's great, like. (Resident 29, Male, 27)

However, most individuals recounted negative experiences of the Jobcentre, expressing frustration at a felt lack of support in helping them to gain employment. Government quotas dictated that Jobcentre clients were required to apply for a certain number of jobs otherwise their Job Seekers Allowance is stopped for a period. Several participants talked about the consequences of targets such as having to prove they had applied for a certain

number of jobs per week, and how this had had a detrimental effect on their ability to properly apply for suitable positions that they were better qualified for or more motivated to gain:

You're meant to spend six hours a day looking for jobs. Because you've got to apply for six – you've either got to apply for them or write down what you've been doing for six hours. Who spends six hours a day looking for jobs? The jobs aren't there. So you've got to apply for nearly every job just to fill that thing ... it's all wrong. It's totally wrong ... I've got a trade as well, so it's hard to ... come outside of my trade (Resident 29, Male, 27)

I mean I want to do customer service but the Job Centre wants me to do catering. Cos I've got more qualifications in there and I don't want to do it no more. But they don't listen. I thought at the end of the day it's what we want. You should help people into that kind of work but they don't listen. We've just got to do what the Job Centre tells us to do ... I've got to do it whether I like it or not. (Resident 86, Male, 42)

Local service providers supported these claims – emphasising that they had witnessed first-hand how such employment seeking practices negatively impacted on the individuals they intended to assist:

... they've gotta spend so much time doing Universal Jobmatch. I don't know if you've heard anything about it, but a lot of the jobs on there are not real jobs, not proper jobs, and yet they have to apply for them. They usually don't hear a response; things go into a black hole and that's it, but they have to spend so much time a week doing that, it prevents them getting onto the proper job sites or doing some proper, meaningful training that would take them towards employment.

In Newcastle there has been an increase in benefit sanctioning with an average of 485 sanctions a month applied in the last year (Newcastle Council for Voluntary Services, 2014, p. 21). All interviewees highlighted that they felt sanctioning was an unfair and poorly regulated way to reprimand individuals that did not comply with service user contracts. Reflecting research detailing the effectiveness of conditionality (Newman, 2011), individuals stressed that they did not believe sanctioning was the most effective way to enable behaviour change among benefit claimants, only that it was causing severe hardship amongst those not 'wise' to the system:

We had an incident ... of a gentleman who did his Universal Jobmatch but hadn't filled in the box at the end. He did apply for the jobs but he didn't record it and he was sanctioned for six weeks.

Some residents also noted that they disliked 'signing on' (for JSA) as they felt the staff were unhelpful and judgemental at times:

I mean, it's degrading, it's degrading having to go to the dole and prove that you have to do 35 hours looking for work ... But even some of them don't have their manners; because you're all signing on they look at you as if you're the muck under their shoe. (Resident 16, Female, 54)

Chase and Walker's (2012, p. 8) documentation of experiences elsewhere in England, also found that benefit claimants often feel 'degraded, looked down on, judged and not listened to' when engaging with state welfare bureaucracies.

The data presented in this section emphasises that the apparent simplicity behind the idea of 'making work pay' is fraught with complexities. These include the macro-economics of national and regional employment and wage structures, the welfare system itself, as well as personal distance from the labour market, skill levels and more personal barriers such as health problems and caring responsibilities. Positioning unemployment as solely the responsibility of the unemployed, justifying the 'stick' approach inherent in Welfare Reforms and sanctions can result in further reducing incomes of those already struggling.

4.2 The final resort: Discretionary Housing Payments (DHP)

Central government give every local authority a pot of money each year to help people who qualify for housing benefit but are having trouble paying their rent or finding enough money to pay for the start-up costs of a tenancy. These funds are known as Discretionary Housing Payments (DHPs). In recent years the government has increased the amount of money available to help tenants to adjust to cuts to housing benefits. The local council decide who should receive a DHP, and how often the payment is made. Payments can also be backdated. When the money for the year runs out, no more payments can be made. A tenant may receive a maximum of three DHPs. DHPs are considered to be the 'safety net' for residents who have exceptional circumstances and require a temporary "top-up" to their Housing Benefit. This logic extended to using DHP to resolve what Government perceived as the temporary problems related to the bedroom tax. Therefore DHP was used to help people maintain their bedroom tax payments whilst they sought longer term solutions such as: downsizing, taking in a lodger, gaining employment or increasing working hours

(Department for Work and Pensions, 2012a). Newcastle City Council secured £861,000 additional DHPs from central government as a direct result of the scale of the problems precipitated by the bedroom tax and worked in partnership with Your Homes Newcastle, Newcastle Council for Voluntary Services and the members of the Newcastle Advice Compact to raise awareness about DHPs among service providers in order to expedite the distribution of DHP's. Because DHPs are discretionary and cash limited it is difficult to publicise in the same way as a definite rights based entitlement. It is also worth noting that DHP provision varies across local authorities.

Table 4 shows the distribution of DHPs among our respondents. Of the 15 who never claimed, nine participants were unaware about DHP as a possible route of assistance with the bedroom tax. This was in spite of YHN sending information about DHPs to all tenants affected by the bedroom tax, as well as a door knock to every affected household in the Walker area to inform residents about the implications of the bedroom tax.

Table 4: Discretionary Housing Payment Status of Participants

Discretionary Housing Payment (DHP) status at time of interview	No. of participants
Claiming	19
No longer claiming	1
Never claimed	15
Unknown	2

For all recipients, DHP was regarded as an enormous help in dealing with the bedroom tax:

I learnt [about DHP] ... through just the Council, the Council fella coming around and saying "you might be able to have help with your discretionary"... luckily we got the discretion order, we got that, that's opened up to us again this year, cos we had it last year, and we've got it again this year, so it's carrying on at the moment, it's helping us out (Resident 103, Female, 51)

Most of our participants claiming DHP at the time of interview appeared to hear about it in a rather arbitrary way, either via contact with services or by word of mouth, through relatives and friends. The method of finding out about DHPs was not perceived to be systematic or criteria-based:

The only reason I have found out about the DHP was when I went down to the Citizen's Advice because I went down, was for something unrelated... they mentioned the DHP and I went, "well I have never heard nothing about that" ... and there is a lot of people, my neighbour, say about twenty doors up, he has a two bedroom place, he is by himself, and he is paying the bedroom tax, and I told him about the DHP and he didn't know about it. (Resident 58, Male, 45)

Interviewer: Did you get discretionary housing payment at any point?

Respondent: No.

Interviewer: Did you know about it?

Respondent: I knew about it once I'd already left, once I'd come down [downsized] to the bedsit, but when I was in there [two bedroom council house] no-one mentioned it. I would have kept it. Because I went from a big, big flat – a really nice flat, to a shithole, now. Do you know what I mean? ... There was no information. No-one ever told me about that. (Resident 29, Male, 27)

I didn't know nothing about it [DHP], it was my son, well it was somebody else told me that they were getting it back ... I thought "well how do they work it out?" you know, how can they just say ... She went, "oh it was money that was left". (Resident 49, Female, 58)

The Department for Work and Pensions (2014, p.15) interim report on the bedroom tax stated that 'more than half (56 per cent) of claimants surveyed who have not applied for DHP said they were not aware of it'. This uneven knowledge of DHP was similarly reflected amongst our interviewees.

Residents' experiences reflect a major problem with DHP from the perspective of the local authorities distributing the payments. DHP payments to local authorities vary from year to year, and Newcastle City Council themselves unexpectedly received a much larger sum than in the previous year, which had to be quickly distributed, adding further strain to already pressed service providers.

Uncertainties surrounding DHP significantly impacted on recipients. Whilst the payments were an undoubted relief, their fixed term nature did not prevent anxiety about the longer term. The bureaucracy surrounding payments was perceived to be complex and appeared poorly understood. Most importantly, DHP did not eliminate the feeling of living on the edge of financial stability, but merely postponed it.

5. Results 3: Assessment of services offering help and support

5.1 User and provider perspectives on services and support

Most residents reported that they were aware of the existence of services in their area and the city more widely. However, in part due to the complex problems that they faced, coupled with an apparent plethora of services appearing to be unconnected, many said they found it difficult to know where to turn for help. This was also reflected in service provider perspectives:

I think we need to move away from what I often describe as the islands of activities that go on in our city. It's all, there's lots of islands of activities it should be all connected up a bit more successfully and you know get in the mind set of you know when I'm going and talking to somebody I'm not actually just selling my service I'm actually thinking of going, "Well what's the other services and how do I connect them in?" (Service Provider)

Attitudes of self-reliance also accounted for lack of recourse to services:

I mean there is a lot of people round here who are very proud, and although they are piss poor they will not ask for help (Resident 58, Male 45)

Some service providers mentioned such attitudes as being among the most prominent barriers to service engagement in the Walker area:

That [pride] is a tremendous thing in one part but it can also be quite disabling in others in the sense that if you have that personal pride who do you then turn to when you have to face difficulty? Obviously with the contraction of a range of services at the local level people become even further isolated or their routes to advice and support are diminished. (Service Provider)

Knowing what was available service-wise was tricky for residents. Some service providers recognised that residents were typically either engaged with a number of different services or none at all. It was acknowledged that navigating these organisations has become increasingly difficult in recent years following the dissolution of central information sources such as Walker's local library¹¹:

... I just wouldn't know which ones [service] the best to help you get out of whatever debt or whatever problem that you're in ... so I wouldn't know what to look for, not now anyway. (Resident 103, Female, 51)

¹¹ The old Walker Library building closed on Saturday 6 July 2013 (Newcastle City Council). Whilst it was reopened on Monday 22 July 2013 in a purpose built area within Walker Activity Dome, it is a much smaller facility and it became apparent that many of our interviewees did not know of its existence.

I think it's confusing [to negotiate services] because there's almost a – there's no central source. Organisations themselves ... don't have the infrastructure and don't have the resource necessarily to communicate or collaborate other than through emergency. Therefore as a service user where do you go if you can't go to your local library and ask a question – because there isn't one? (Service Provider)

There were many positive experiences among residents who used local services and felt respected and helped.

I think when you're not working you've got doubts in the back of your head, "Oh, I can't do this, I can't do that." But the people at [local service provider] in particular, they bend over backwards and they say, "Well, yes, you can do it"... they've been great. (Resident 39, Male, 46)

However, a negative experience with one service was often projected onto others, effectively 'tarring all with the same brush' and leading to disengagement, lack of trust and feelings of stigma:

You just felt like you're just sort of, you're an inconvenience in a way you know? ... I went along [to local service for benefit claimants] and honestly I felt that big [gesturing very small] when I left the place. Honestly I felt belittled. (Resident 25, Male 58)

Every time we lose that one client they never come back and then they tell ten people, which is what we've got in some areas, you know, "Oh, I didn't get really that good service." ... I'm telling you every service has it because we can't possibly be doing 100% service quality, nobody does. (Service Provider)

Residents' accounts have clearly shown the negative impact of the bedroom tax and wider welfare reforms on their lives. However, it is also important to highlight that many service providers were operating with increased demand and fewer resources. Thus, providing core services became a daily struggle:

Some of them [the services] are really stretched, for instance Welfare Rights are. You do have to wait quite a while before you can see a Welfare Rights person. (Service Provider)

You've got an organisation [national advice provider] like that very good badge name but it was opening at 10 o'clock and closed at 10 past 10 because the queues are there. (Service Provider)

This increased pressure was exacerbated by widespread cuts to service funding forcing many organisations to dramatically reduce their staff with consequences for the level of assistance which could be provided:

I've gone from having 40 staff 24 months ago to ... on a day-to-day or weekly base I tend to have around about 7 staff ... we're all facing the same sort of pressures. (Service Provider)

We're limited again in what we can offer, 'cause we're only funded for three days a week ... when we first started it was open a few more days, a couple more days a week. (Service Provider)

Service providers were extremely anxious about the continuation of budgetary cuts, forcing them into a 'hand to mouth' existence. Drastic cuts had led several services to not only limit the volume of support but also significantly change the type of support on offer. Mirroring findings from Newcastle Council for Voluntary Services (2013), service providers noted that their services had to adapt in line with recent reforms. The role of frontline staff was highlighted as particularly affected. Increasing workloads due to staff cuts, coupled with the need to regularly update themselves with changes to the benefit system and confronting the extreme hardship experienced by service users:

The advisor's time is spent on doing things that really they shouldn't have to do ... the team have brought stuff [furniture/food] in for other people who move and they'll go the extra mile but that's not what we are there for. (Service Provider)

I think additional pressure is brought to bear not just through demand but in terms of organisations almost wanting to - not reconstruct themselves - but almost reposition themselves to offer a broader range of support because they're painfully and acutely aware of the nature of the need, which is very difficult because you can't be everything to - no matter how you want to be. (Service Provider)

Providers were evidently frustrated that it had become increasingly difficult to impart the support their service was positioned to deliver, with so much staff time occupied with preventing users from being adversely affected by recent reforms:

... it feels a little bit sometimes like running to stand still ... helping people to avoid sanctions, to stop their situation spiralling really. (Service Provider)

Welfare reforms ... means we're working twice as hard because we're trying to protect them [clients] from being sanctioned and we're trying to help them navigate the systems. (Service Provider)

Reflecting existing literature on the impact of welfare reform on support staff in Scotland (White, 2014), the increased level of help (beyond the realms of their training) expected from staff, coupled with stress of dealing with emotionally draining situations (e.g. witnessing child poverty and high levels of stress, frustration and despair) was noted to have

had a negative impact on the wellbeing of service staff. In addition some expressed frustration over working tirelessly to reduce poverty in Walker only to witness it increase and the adverse impact this on employee morale:

... it does really affect you, not just as an organisation but as a group of individuals, some of the things that you see and some of the things that you hear ... around the things that they suffer. I am aware sometimes some of the staff are upset by some of the stories that they hear. It's very difficult then to do anything about some of those things. (Service Provider)

5.2 Assessment of Your Homes Newcastle (YHN) Pilot Intervention

The YHN Newcastle pilot intervention was developed in response to the introduction of the bedroom tax in an attempt to mitigate the rent arrears and homelessness that were predicted to increase as a result of the policy. The initiative was set up to engage tenants in Walker and co-ordinate the delivery of existing support and advice on a case-by-case basis following a needs assessment. The pilot intervention was conducted for seven months from September 2013 to April 2014. This included budgeting and housing advice, with a primary focus on testing the government's hypothesis that work pays, supporting residents who were farthest from the labour market to seek employment. This was done through promoting access to training opportunities, creating new job opportunities where appropriate as well as co-ordinating local employers in the area to create jobs specifically for residents (Your Homes Newcastle, 2014).

5.2.1 Outreach, support and advocacy

The pilot was successful in delivering comprehensive outreach, tailoring advice and support to residents on an individual basis, a 'co-ordinated targeted approach ... enab[ling] multiple issues to be addressed at once' (Your Homes Newcastle, 2014, p. 14). A number of proactive strands of work were undertaken. Initially, this comprised an attempt to contact all residents affected by the bedroom tax through a 'door knock' and leaflet drop, together with an invitation to attend local drop-in sessions, to find out about the bedroom tax and to explore with YHN staff whether any steps could be taken to mitigate the impact of the tax. One hundred and eight residents attended the drop-in sessions with a further five requesting a home visit. Many residents were referred onto other advice and support

services. Several interviewees expressed gratitude towards YHN for the help received as well as way they were treated:

[YHN support] takes a bit of the pressure off and helps you to relax a bit more ... You know at least someone's trying to help you instead of just saying "Put up and shut up," and you've got someone that's aiming to give you that little extra that you need to get through it all
(Resident 107, Female, 28)

As well as providing emotional support, this case by case advocacy resulted in clear financial successes too. Out of 29 onward referrals, £35,764.48 has been paid to tenants as a result of applications for DHP, backdated benefits and charity applications along with £1203.08 refunded for incorrect charging of the bedroom tax (Your Homes Newcastle, 2014).

5.2.2 Training and employment

There was a concerted effort throughout the pilot to get residents onto training courses. Throughout the duration of the pilot, 16 residents enrolled onto YHN and external courses on practical skills, administration, hospitality, care work, teaching, engineering and literacy support. It was apparent that appreciation of the training provided extended beyond those that gained employment; training boosted the confidence levels of several interviewees, whilst also mitigating the digital exclusion experienced by some. The provision of accessible childcare and travel expenses allowing individuals to attend training was felt to be a positive element of the pilot, encouraging individuals that would otherwise struggle to attend, such as single mothers:

Yeah, when you do those courses as well, I made a lot of new friends which sort of helps as well. Because obviously when you're working, you're working with a good friend group and when you leave you don't always keep in touch with everybody, and I missed that. (Resident 39, Male, 46)

I went for the five week course. It was quite fun and they helped us with bus fare and childcare and stuff like that so I could drop the little one off with the child minder and everything. So that's him interacting with other kids on top of it. (Resident 107, Female, 28)

Interviewer: If you could talk about how you feel now compared to how you did a year or a year ago? [Before doing the YHN training course]

Respondent: I feel a lot more optimistic. I feel like I've got a future.
(Resident 39, Male, 46)

Three of the six residents that had gained employment through the pilot were interviewed (despite numerous attempts to interview all six employees). These participants indicated that they had benefited extensively from the training provided, the job offer and also the pastoral support given by YHN Project Manager, all of which positively impacted on both their financial status and their personal wellbeing:

I mean if it hadn't been for [YHN Project Manager], I don't know what I would have done. I mean she's been a Godsend ... It's [the future] a lot brighter than what it was ... it's [the job] going to give us something to you know upbeat ... I can get up in the morning and say good morning to people .(Resident 25, Male, 58)

I've got more of a spring in my step [since YHN employment] and I'm smiling more. I did feel 12 foot tall when walking about. (Resident 39, Male, 46)

[Regarding getting a job with YHN] *Yes, it happened like a miracle – once in my life. (Resident 24, Female, 36)*

Delivery of accessible training and employment was highly beneficial for those who enrolled although the numbers of jobs created by the pilot was small (n=6), and largely on short-term contracts, within YHN's own organisation¹². This reflects the difficulties faced in creating local and sustainable jobs for residents in Walker when so many 'require regular, intensive support to access training or a job' (Your Homes Newcastle, 2014, p.14) as well as taking account of the economic climate and nature of the labour market. This pilot has shown that 'test[ing] the government's hypothesis that work pays ... [by] primarily supporting residents who were farthest from the labour marker to seek employment' (Your Homes Newcastle, 2014, p.1) is not an intervention that can be achieved easily on a short timescale.

Furthermore, a primary focus on aiding individuals to gain employment failed to combat the high levels of poverty experienced by Walker residents who were unable to improve their employment status as they were already working at full capacity, were physically or mentally restricted or subject to caring responsibilities and thus unable to benefit from the pilot:

¹² Posts included: Three 6 month posts within YHN (gardening, schools project), Two 6 month jobs with Places for People subsidised by pilot (admin), 1 secured permanent contract with company following a referral onto a training course (Your Homes Newcastle, 2014).

They [YHN] were helpful if I wanted to get more jobs but I know I can't do more jobs. I can only about do this job and that partly kills us. (Resident 94, Female, 51)

5.2.3 Service providers' views of the YHN pilot

Overall, service providers praised the YHN pilot, in particular the project manager for various achievements reached in the period of the pilot and verified her professionalism and commitment to making a difference to the people of Walker:

[YHN Project Manager] being the person she is she has been brilliant at getting people's trust I think in the short space of time that she has it. (Service Provider)

I think [YHN Project Manager] achieved great stuff in the time that she had it. I don't know how she did it. (Service Provider)

...it [the pilot] benefited from the passionate people like [YHN Project Manager] you know who drove lots of things. (Service Provider)

Despite these achievements, some service providers expressed negative views regarding this 'co-ordinated targeted approach' (Your Homes Newcastle, 2014, p.14) as they felt the pilot took on the role of delivering welfare advice and employment interventions even though long-standing specialised services addressing such needs already existed in the Walker area. Some service providers stated that prior to embarking on the pilot intervention, YHN should have dedicated more time to becoming familiar with research on the area that had already been undertaken and assessing what services were already offered in the Walker community before developing another support system:

... I just think if you start something like that [YHN pilot] you have to have the right parameters, like scope ... But we didn't, we just put 'bang' somebody in without really any expert scoping and I think that's been the problem ... there is such a thing [as] too many people dealing with them and then we'll put another person in, instead of looking back and going, "How many people are you ..." like taking a few case studies, "How many agencies do you connect with?"

These reservations reflected a commonly held concern about the difficulties of co-ordinating existing services. However, most service providers felt that the YHN Project Manager's work had done much to improve relations and co-ordination between existing services in the area:

I felt that [YHN Project Manager's] role has strengthened networks in this area. I think her, you know the person that she is has been an added bonus ... but I think the role has actually strengthened the actual people that you have never probably worked with before and now.
(Service Provider)

A further reservation concerned the short-term nature of the pilot. Gaining trust of local residents typically took a long time. Therefore, some service providers felt that the brevity of the pilot may have been detrimental to their services – encouraging individuals to become engaged only to find that the initiative did not exist a few months later. There were concerns that this could impact on residents' willingness to seek help again in the future:

My experience, certainly in terms of groups like this, they need continuity. You know, many of them will be passed from pillar to post in terms of organisations and services. You know, "You don't go here, you go there. You see this person, you see that person". That's really not helpful. They almost need a single point of contact through which other services feed in ... I think the biggest thing [problem] for me was the length of time in terms of the pilot, which in an ideal world for me would have been twelve months or eighteen months. But I appreciate for YHN that's massive investment in terms of staff time and cost... I feel in some respects YHN Project Manager did a fantastic job, but it was short term and I think it takes some time in situations like this, and that these sort of circumstances and addressing these sorts of problems to develop quality relationships. (Service Provider)

Despite these reservations, the pilot initiative was largely viewed as having a positive impact, for example, by supporting residents to attend existing services that they might benefit from and the difference this made to people's willingness to engage in available support:

What worked really, really well was what we call the 'warm handover'. They'd met [YHN Project Manager] and they would bring them to the [service]; I'd arrange to meet them ... which got them across that barrier. I think that really, really helped bringing people in. Once they've met us, they tend to stay with us ... the pilot helped break that ice and get people in who hadn't been in before. (Service Provider)

Moreover, all service providers felt that the pilot was of considerable benefit in revealing the extent of the issues experienced by Walker residents affected by the bedroom tax. Although service providers acknowledged that they were already aware that most Walker residents dealt with numerous problems on a daily basis, they highlighted that the true complexity of these issues only become clear following the implementation of this initiative:

It has actually unearthed a lot of issues that I think we kind of knew were there, just gut instinct. We knew that those issues were there, the mental health, the ill health and the motivation and everything, their confidence levels, just the generational unemployment thing. It has identified that – there's even more than we thought there was, of those cases out there. Those people are not employable for a long, long time and they would need a lot of work before they actually could be employed by anybody. So I think it has been really good for unearthing what the real issues are and giving the picture of what the realistic life is for some of those people. (Service Provider)

The concerns regarding potential difficulties in cross-service collaboration, preventing replication of pre-existing services and short-termism were largely outweighed by the achievements:

I think the pilot was great; I think it was really good. I think what was achieved within the very, very short time that they had was incredible ... My tweak for the project? More staff for YHN Project Manager, so that the contact could be more thorough. Like I say, I think she did a fantastic job, but obviously with 700 households – a massive, massive job. More bodies on the ground and more time to do it, yeah, more longevity to the project would've been great. (Service Provider)

I think there are some really positive outcomes and some really positive, I think, opportunities for the future. (Service Provider)

Any assessment made of this initiative must take into account that the volume and quality of work conducted in Walker by YHN over the six month period cannot be measured solely in quantitative terms particularly due to the short time frame to achieve results in such a challenging environment. The interviews have demonstrated the strengths and weaknesses as experienced by residents and service providers. It is important to point out that, despite relatively small numbers, the benefit felt by the residents who gained employment (n=6), engaged in training (n=16), and approached support services (n=29) has the potential to be life changing:

I think a pilot is exactly that. As long as you're able to identify the strengths the weaknesses, the opportunities, and also look at what else has been learned and help form that in developing it further then I think this type of initiative, and this particular initiative, is exactly what Walker needs. (Service Provider)

6. Discussion

To our knowledge, this is the first in depth qualitative study of the impact of the bedroom tax. The findings clearly demonstrate that the reform is associated with a disquieting amount of financial hardship. Coping strategies resulted in poorer diets, inadequately heated homes and restricted opportunities for social engagement, disrupting family and community support networks. It is our opinion, based on the accounts of Walker residents and the observations of service providers that, contrary to Government assertions the bedroom tax is indeed having a harmful effect on the health and wellbeing of individuals, households and the community.

The Department for Work and Pensions (2012b) Impact Assessment of the bedroom tax drew on research from the Housing Futures Network to 'model' the behaviour change of affected claimants, predicting that approximately 25 per cent were likely to downsize, approximately 10-15 per cent would offer their spare room to a lodger or a family member and nearly 30 per cent would move into work or increase their hours. Nationally, within the first 6 months of the policy's implementation only 4.5 per cent downsized, 2 per cent have taken in a lodger and only 2.3 per cent have been able to secure better paid employment or find work altogether (Department for Work and Pensions, 2014). A key finding of our study is a detailed explanation of why these predictions of behaviour change in the face of the bedroom tax are wrong. The 'options' suggested by the government to mitigate the impacts of the bedroom tax have proved, among participants interviewed in this study, nearly impossible to implement.

Firstly, the government recommendation to downsize failed to recognise residents' strong attachment to their homes and local area. This, coupled with a lack of suitable smaller accommodation, lack of means to finance the move itself, has left most residents unwilling or unable to downsize. Social housing tenants lived in homes that they had made their own, adapted to their needs and used to accommodate family networks within a community that gave them friendship and support.

Secondly, the meaning of home as a safe, private space indicates why very few residents took in a lodger. Residents did not wish to share their home with a stranger, particularly if they had children or felt themselves vulnerable. This was accompanied by worries over

decreased control on strictly rationed utilities, such as heating and lighting, and concerns that the tenant might run up large bills. Other issues included a lack of space in the 'spare' rooms themselves as well as a lack of support from services in obtaining legal contracts required when renting out a room. Combining these reasons together meant that most residents did not feel in a position to take up this 'option'.

Thirdly, and perhaps most notably, was the attention that participants gave to employment and worklessness, particularly constraints over 'making work pay'. Our work adds to an increasing body of literature (Shildrick *et al.*, 2010; Shildrick, 2012) which demonstrates that moving out of poverty through employment is highly dependent on the availability of jobs on or above the living wage. Participants were clearly aware of the bifurcated nature of the UK labour market and that in all likelihood their skill level would only allow them to gain low-paid insecure jobs. The low wages and precarious nature of many jobs (zero/part-time hours) were the primary reasons why some of our participants did not view employment as a route out of poverty in the current economic climate.

The political drive to define employment as the answer to the problems of many living on the breadline has positioned unemployment firmly with the unemployed themselves – making it appear solely the responsibility of individual citizens irrespective of the labour market (Newman, 2011, p. 91). This has shifted the way benefit claimants are viewed by wider society. In recent years the workless have become synonymous with the 'undeserving' if they 'do not at least seek paid employment, regardless of the quality and calibre of the work available' (Garthwaite, 2011, p. 370), a view that has been bolstered by government and national media rhetoric (Baumberg *et al.*, 2012). The view that those who do not take the vacancies on offer are benefit 'scroungers' who do not want to work appears to have been widely adopted (Newman, 2011, p. 94). Our findings suggest that many benefit claimants wish to work, but are plagued by barriers to entering the employment, which include the weak labour market, as well as lack of skills, experience or qualifications, health problems and affordable childcare.

The only prediction the Housing Futures Network model *under-estimated* was the 35 per cent of claimants that were expected 'to be very likely to fall into arrears if their Housing Benefit were to be reduced' (Department for Work and Pensions, 2012b, p. 12). By March

2014, 60 per cent of affected tenants were already in rent arrears to YHN (Newcastle Council for Voluntary Services, 2014, p. 16).

6.1 Strengths and weaknesses

This study has several strengths. Firstly, the use of well-developed and robust qualitative research methods (Green and Thoroughgood, 2009). Secondly, it derived important insights into sensitive topics concerning finance, mental health, welfare and employment from individuals who do not regard themselves as having a voice. Thirdly, accounts of those affected by the bedroom tax were corroborated by service providers as being widespread throughout the community, indicating that our findings are not confined only to those we interviewed.

Weaknesses primarily concern limitations in sampling since we were unable to recruit full time employees on low incomes. This is an important group to include in future research, especially in the light of the large growth of in-work poverty and continuing reliance for many low income workers on benefits (Watts *et al.*, 2014). Further to this we only recruited 'engaged' residents that had already attended a session run by YHN at which they further consented to be part of our research. The majority of affected social housing tenants in Walker did not attend the advice sessions from which we recruited. Whilst we know very little about this group, it will include individuals even further from formal support services or the job market. This study also only provided a snapshot in time, it is highly likely that if the bedroom tax continues, and as people can no longer avail themselves of discretionary housing payments, the level of hardship and misery identified in this study will increase with serious consequences for the longer term health and wellbeing of affected individuals as well as negative implications for community cohesion and resilience.

Our research has shown that affected residents are finding it impossible to budget their decreasing incomes, with many spiralling into debt and rent arrears to provide themselves with the bare essentials. This level of financial instability has only been mitigated by the allocation of DHPs on a temporary basis, for those who accessed them. Increased poverty, and debt, alongside rising food and fuel prices, resulted in food and fuel poverty as people cut back on food and heating. This has had a harmful impact on health, as would be predicted by a wealth of research evidence on poverty, inequalities and health (Marmot

Review, 2010). It has also had an impact on mental wellbeing as financial worries and creeping social isolation appear to have increased stress, anxiety and depression levels. Furthermore, previously resilient informal family and community support networks are becoming increasingly strained whilst formal services are swamped just mitigating the most extreme effects of welfare reform (benefit sanctions, food poverty, debt, arrears) with increasingly limited resources. The evaluation of the YHN pilot brings home the extent of the problems faced by some social housing tenants in entering the labour market, but also indicates the positive effect on those who do.

Thus, in light of any real 'options' provided by the government, the decreasing finances created by the bedroom tax, alongside other changes to welfare have left social housing tenants bearing the financial and health impacts of reforms on an individual, household and community level.

Finally, it is worth revisiting the original aims of the bedroom tax policy over and above those which affect social housing tenants directly. These were to (i) improve 'housing stock efficiency' and (ii) save tax payers money over the housing benefit bill. The effect of the bedroom tax on housing stock in the North East will be to increase housing voids in larger properties, a particular problem for areas like Walker. Housing stock cannot be altered overnight; overcrowding is not an issue, the supply of larger social rented homes is reasonable, but the number of one bedroom properties is low (Newcastle City Council, 2014). The overall impact of the tax in a city like Newcastle is to make the distribution of social housing less efficient, encouraging a short term approach that is unsustainable and counter to the sustenance of community wellbeing. This is despite evidence that the distribution of social housing is four times more efficient than the private housing sector (Dorling, 2014), as well as this, the social housing sector provides higher quality and more secure accommodation than the private rented sector. The Coalition Government have yet to produce figures on whether the bedroom tax is saving tax payers money, but research in Scotland indicates that the costs of implementing penalties associated with the bedroom tax exceed any savings by up to £10 million (COSLA, 2013). Indeed, one of our participants made a similar observation:

It's an absolute joke. They are going to end up in thousands of pounds worth of arrears and Your Homes Newcastle are going to spend so so much more money trying to recoup those arrears, getting eviction notices and everything else. It's just cheaper all round if they just scrapped the bedroom tax. It's pointless.

(Resident 85a, Female, 35)

7. Conclusions

The bedroom tax results in lowered incomes among social housing tenants. Contrary to government assertions, study participants and service providers indicated that health and wellbeing was adversely affected. The continuation of the tax will lead to greater hardship among affected households. Government options of mitigating the impact by downsizing, taking in a lodger and gaining employment or increasing working hours were difficult or impossible to undertake. Residents' and service providers' accounts as well as the government's own interim evaluation lend weight to the case for revoking the bedroom tax. If not withdrawn, the longer term impact will be to increase poverty and widen health inequalities.

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9. Glossary of Terms

Term	Abbreviation	Description
Job Seekers Allowance	JSA	For people capable of work but currently unemployed. There are a number of stipulations to receiving JSA, including proving you are applying for a certain number of jobs every week. Failure to comply with conditions can result in individuals being sanctioned. Sanctioning is a process whereby an individual loses their benefits for a fixed period of either 4, 13, or 26 weeks, or 3 years depending on the severity of their transgression.
Employment and Support Allowance	ESA	For people aged 16-64 who cannot work due to sickness or disability, and not receiving Statutory Sick Pay. There are two types: Contributory ESA (for those who have paid a certain amount of national insurance contributions) and Income-related ESA (paid if income and capital are low enough). It is possible to get both depending on the circumstances. To qualify for ESA you must undergo tests confirming to confirm limited capacities. ESA replaces Incapacity benefit and Income Support for ill individuals.
Disability Living Allowance	DLA	Previously granted to individuals with long-term health conditions. Currently you can only claim DLA for a child under 16.
Personal Independence Payment	PIP	For people aged 16-64 with a disability or long-term health condition. Introduced April 2013 it will eventually replace DLA. Payment takes into consideration daily living and mobility.
Carers Support Allowance	-	£61.35/ week towards the cost of caring for an individual with substantial caring needs. It is not essential that you are related to or live with the person you care for but you must be over 16 and spend at least 35hours/week with them to qualify.
New Enterprise Allowance	NEA	Unemployed individuals are able to claim this in order to start a business.(Citizens Advice Bureau, 2014) Individuals must be over 18, and on JSA, ESA or Income support as a lone parent to qualify.
Universal Job Match		Universal Jobmatch is a government website through which unemployed people can search for job vacancies. Since 2013 Jobcentre Advisors have been able to sanction JSA claimants that do not use this site to look for jobs – see:

<https://www.gov.uk/government/news/jobseekers-required-to-use-universal-jobmatch> for more details
