



THE HUMAN COST OF WELFARE REFORM

PRACTICAL RECOMMENDATIONS FOR CHURCH-BASED RESPONSES



JUNE 2013

THE HUMAN COST OF WELFARE REFORM

CONTENTS

Introduction	3
Key findings	3
Methodology	4
1. The impact of welfare reform	6
Changes to disability-related benefits	6
Changes to Housing Benefit	9
Debt	10
The emotional impact	11
Anticipation of Universal Credit	12
Conclusion	13
2. Church-based responses to welfare reform	14
Three groups affected by reforms	15
<ul style="list-style-type: none"> ● Former incapacity benefit claimants who need to move into employment 	16
<ul style="list-style-type: none"> ● Former incapacity benefit claimants wrongly judged as fit for work 	17
<ul style="list-style-type: none"> ● Households affected by Housing Benefit changes 	18
Conclusion	19



THE HUMAN COST OF WELFARE REFORM

INTRODUCTION

Since coming to power, the Coalition Government has made several significant changes to our national welfare system¹. The stated primary aim of these changes has been to reduce the national deficit by cutting public expenditure. A secondary aim has been to reform a system that is believed to create dependency and incentivise worklessness. As a result of these two drivers for change, the government has sought to fundamentally change the structure and administration of the welfare system.

Much has been written about the financial impact of recent tax and benefit reforms², yet the purpose of this paper is to look at the broader impact they are having on households and to consider how churches can best support those affected.

In order to understand the implications of welfare reforms for people's everyday lives, interviews were conducted with staff and project beneficiaries from ten church or faith-based community organisations around the country. In chapter one, we share their reflections on the impact of the reforms in their communities. In chapter two, we discuss activities that churches might undertake to support three groups affected by specific changes. These activities range from relief projects that help to fill short-term resource gaps, to long-term development projects addressing more deeply entrenched problems, such as lack of self-esteem or poor relational networks.

KEY FINDINGS

Whilst largely sympathetic to the overall aims of the reforms, interviewees felt that they were having a disproportionate impact on the poorest and most vulnerable in our society. Their reflections reveal the significant human costs of welfare reform, in terms of people's anxiety about the future, their struggles to adjust to a sudden loss of income, the difficulty of moving back into employment or the breakdown of social networks as a result of moving home. Many people are in need of increased support to help them cope with these changes.

Interviewees highlighted four particular issues arising from the recent reforms:

- Many claimants of incapacity benefits have undergone Work Capability Assessments, been found fit for work and so have moved on to Jobseeker's Allowance. For some, this move may be appropriate and even beneficial. Yet after several years out of the job market, many lack the self-esteem, qualifications or skills to successfully move into employment.
- Some claimants of incapacity benefits have been incorrectly assessed and moved onto Jobseeker's Allowance despite not being well enough to work. People in this situation experience a great deal of anxiety and face the difficult process of appealing the assessment.
- Families affected by Housing Benefit changes are having to contemplate moving to cheaper areas or smaller properties. Such moves result in families losing the support networks they have built up over many years, leading to isolation and increased vulnerability.
- As a result of recent reforms, many people are getting into debt. Without sufficient reserves to get through crises, such as unexpected bills or benefit delays, and with the reduction of local authority social funds, many people are turning to food banks or pay day loans.

The Church can be a valuable source of support for those affected by welfare reform. Located within communities, churches are ideally placed to offer both the short-term support that is needed by those in crisis and the long term relational networks that provide on-going support, helping people to build their self-esteem and skills, and to ultimately reduce their reliance on benefits.

METHODOLOGY

Between March and May 2013, 19 semi-structured interviews were conducted with staff members and project beneficiaries at ten church or faith-based community organisations. The aim of these interviews was to understand how welfare reforms were affecting people in different communities and to see how local organisations were offering support.

The ten organisations were chosen because of their work with either of two groups likely to be affected by recent reforms - families with young children and disabled people. Six of these projects were based in London (where certain reforms, such as the benefit cap, are expected to have a particular impact on families), two in rural Lancashire, one in Birmingham and one in Coventry.

THE HUMAN COST OF WELFARE REFORM

Open Door Centre – a small Lancashire based charity set up by local churches in 1999. The centre runs as a community café serving low-cost, healthy food. A support worker is employed to assist anyone dropping in with problems such as debt, housing and benefits. Other activities include a job club, counselling, a group for people with mental health problems and a volunteering programme for those with learning difficulties.

The Barnabas Group – a drop-in group in central London for people with mental health problems. Run by volunteers from St. Paul's Church, it has been in operation for more than five years and is open twice a week.

Narthex – a faith-based charity set up over 15 years ago by St John's Church, Birmingham. The centre runs many community projects including ESOL courses, a primary school homework club, a clothes bank, a food bank, youth clubs, a drop-in for isolated men in the community, arts and crafts clubs for victims of domestic abuse, and support groups for refugees and asylum seekers. They also run money management courses and provide debt advice.

Bacup Family Centre – a church-run charity based on a Lancashire council estate and providing support to local families. As well as running regular activities, such as a mums and toddlers' group, a community shop, and a youth club, the centre also employs family support workers to provide bespoke assistance to families.

Daniel's Den – a faith-based company running parent and toddler groups at a variety of north London venues. Founded in 1996, its vision is to support inner-city families. As well as toddler groups, the company organises activities for dads, parenting courses, seminars on a range of family-related topics and many social activities.

Little Cherubs – a parent and toddler group which has been run for the last 12 years by a local church in east London. The group provides support to local parents and is an integral part of the wider church's ministry in the community.

The Oasis Group – a weekly drop-in in Coventry for people with mental health problems. Run by a local church, the group provides emotional support for those experiencing loneliness and isolation.

Growth – a charity set up by evangelical churches in Tower Hamlets. The charity provides 15 emergency beds for homeless people each night from November to June, in seven different church venues across the London borough. The guests are allowed to stay in the shelters for up to 28 days and during that time two Advocate Workers try to help them move into permanent accommodation.

Spitalfields Crypt Trust – a charity that runs two weekly drop-ins for homeless people in east London. They also employ a support worker who works with clients to get them off the street and into local accommodation.

Westminster Foodbank - a Trussell Trust food bank that has been supporting people experiencing food poverty in the borough for just over a year. It provides emergency food parcels and points people in the direction of local services.

THE HUMAN COST OF WELFARE REFORM

1. THE IMPACT OF WELFARE REFORM

Recent reforms to the welfare system are undoubtedly having a significant impact on households around the country. During our visits to church and faith-based community organisations, interviewees reflected on the effect of specific reforms on the lives of people in their communities. They also shared their perception of the ways in which the reforms could bring about positive change, as well as the degree to which they were creating problems.

CHANGES TO DISABILITY-RELATED BENEFITS

The most commonly mentioned reform was the move from incapacity benefits to Employment and Support Allowance (ESA). ESA was introduced in 2008 to replace Incapacity Benefit and Income Support for people unable to work due to disability or illness and, between 2011 and 2014, all existing claimants of incapacity benefits are being reassessed for ESA, under the Work Capability Assessment. Claimants who fail to meet the criteria of the Work Capability Assessment will not qualify for ESA and will be expected to apply for Jobseeker's Allowance (JSA). Nearly one in three of those assessed to date have been judged fit for work and moved off incapacity benefits.

Interviewees had very mixed feelings about this reform:

"The biggest change is the move from ESA onto JSA. Now I would say personally that in many cases it is a good thing... Some of them have said it is the best thing that has ever happened to them. So bear that in mind because it is not all bad. But some of them that are being forced onto Jobseeker's aren't well and they can't cope and those are the ones that we help."

Interviewees recognised the value of work and expressed the opinion that it was beneficial to encourage those who were capable to take part in some sort of work activity. However, they also talked about the difficulty of helping people adapt to this major change:

"They don't like change and a lot of them were told when they went on these benefits that that would be it for life. I do blame the government there. The government should never have done that and then, 5 or 10 years down the line, suddenly go, well, actually I think you could do something now."

After several years out of the employment market, many people lack the self-esteem, qualifications or skills to secure a job. Even when willing and able to work, they face significant barriers including fierce competition from other job seekers and the lack of public transport³:

"For one job there are hundreds of people going for it, particularly here in a rural community. And how do they get to these places where these jobs are? They can't afford bus fares, they don't drive, they can't afford to run a car. How do they get to these places to do the job? The Jobcentres are saying you have to go, if that is where the job is."

For others, the cost of childcare makes working almost impossible:

"They cannot afford to take a job on and childcare. Three days a week in a nursery for a month, yes they're getting support for some of it, but not all. It's £500. Where do people get all this money from? [The government] are saying to mothers and fathers, get out to work; then pay us a salary where they can afford to work, or we can't."

"Mothers feel under pressure to go back to work. If someone could design a job that ran from 9.30 – 2.30 during term-time, there would be a mighty workforce."

Interviewees felt that the pressure placed on JSA claimants to apply for inappropriate jobs was causing a lot of stress. However, they were hopeful that, with the right type and level of support, many would be able to make the transition back into employment.

"It will take time. We've got job clubs running here as well... we've got a few now that are coming to the job club and chipping, chipping away at it. They are now actually going - ooh I went for an interview - they're quite focused and buzzing."

THE HUMAN COST OF WELFARE REFORM

Case Study: Getting back into work

"I had a lady, she has five children and now when the children are at school, parents have got to go and find a job. Whereas before if you were a mum you never went to work, did you? So she was really angry. She came in and she was very, very negative. She said, 'I can't find a job, I don't know how to.'

The Jobcentre had referred her to us... she did the confidence building courses and she has done the job clubs and she does English as well, and she has completely changed. She's applying for jobs and she is looking for work, saying 'I wouldn't mind doing that cleaning job'.

So it is changing, it is being positive all the time and being positive with somebody. The confidence building classes help because it is changing a negative thought into a positive thought. It takes a long time and you have got to do it individually."

Interviewees were also concerned that many people were being wrongly assessed and pushed onto JSA despite not being well enough to work. People caught in this situation suffer a great deal of stress as they have to appeal against the decision, a process which can take many months. It was also felt that incorrect assessments were leading to many claimants having their benefits sanctioned by Jobcentres because they couldn't meet the new JSA requirements:

"The problem is that they get sanctioned so they have no money, completely no money for two weeks. A lot of our clients are going from ESA or incapacity benefit, which is a sickness benefit. A lot of them have got mental health issues, they have got drug and alcohol problems, they have not worked for a lot of years... Some of them are rightly put on Jobseeker's and that is fine. But there are some that have been put on Jobseekers that are not well at all."

In these situations, some interviewees had provided support through advocacy, either helping people to appeal against the result of the Work Capability Assessment or explaining an individual's circumstances to the Jobcentre. In some cases, successful advocacy has led to the reinstatement of ESA or the withdrawal of a sanction.



THE HUMAN COST OF WELFARE REFORM

Case Study: Appealing against the Work Capability Assessment

"I work with one man, about 55 years old; he's got epilepsy and a brain injury that means he doesn't understand everything. I helped him fill in all the forms explaining 'He's going to say this and that because he's got a head injury and he doesn't really understand.'

When he turned up to the [Work Capability Assessment], they said 'You alright?' and he said 'Yeah, I'm alright'. And then they said, 'So why can't you work?' and he said 'I don't know, why can't I work?' Then the assessors said, 'Do you think you could work?' and he replied 'Well, I don't see why not.' He didn't understand what he was being asked, but he still failed the assessment and was moved on to Jobseeker's Allowance.

So I helped him fill out the appeal forms and thought I'd better go along with him to the appeal. Again, when we walked in the room the first thing the assessor says is 'Hello, how are you today?' My client says 'I'm okay' and the assessor writes on the form 'client is okay.' I asked him what he was writing and he said, 'Your client says he's okay.'

They just didn't ask any of the questions that would be relevant to his condition. If I'd seen a form that said this guy has got a brain injury, that he is not going to answer properly, I would ask more probing questions, but they don't. Luckily because I was there with him I was able to explain his condition properly and in the end he was put on ESA."

Case Study: Struggling with sanctions

"I've got a lady who's got a family... and she works as a volunteer in loads of different places. She's looking for work, she has been to the Job Club, [but] she's had her benefits stopped four times in the last year. Just because they say you're not looking hard enough. And then they want you to apply for all these jobs, but they're not there.

Or you might see a job with three hours in the morning and three hours in the afternoon and you are supposed to apply for that. But she can't do the mornings because she's got to drop the kids at school, and she can't do the afternoons because she's got to pick the kids up from school. But that's one of the jobs she's expected to apply for.

How many jobs are out there for someone who is willing to do cleaning, that is a cook, that has done care stuff in the past, but can only work between 10am and 3pm at the most, because she's got kids. How many jobs are out there for people like that? And she was expected to find I think eight jobs a week. It doesn't sound like a lot but when you are restricted that much, it is.

She has appealed the sanctions three times and won all three times. The fourth sanction came just two months after the last appeal. She didn't even appeal; she said 'I can't be bothered anymore'. It is [with] people like that that I think it's wrong, it's wrong."



THE HUMAN COST OF WELFARE REFORM

CHANGES TO HOUSING BENEFIT

As well as reforms to disability-related benefits, interviewees talked about the impact of changes to Housing Benefit. In London, the cap on Local Housing Allowance introduced in 2011 means that some families are being moved to cheaper areas:

"Some of our families from the school have been completely moved out of the area... because of the housing benefit changes... They've gone all over the place, but miles away. One's gone to Walthamstow. One's gone out to Barnet⁴. And of course they're still travelling into school because their whole network is here. It's just ridiculous. But they're hoping they'll be re-housed, but I think it's very unlikely that they will be."

Interviewees felt that the main reason people do not want to move is because they have spent years building up local support networks with schools, organisations, churches and local services. Moving to another area might reduce their rent, but it would also destroy these networks, leading to isolation and increased vulnerability. The fact that some families are willing to travel for several hours a day to keep their children in the same school shows the value people attach to those networks.

Most of the interviews were carried out before the new under-occupancy rules (commonly known as the 'bedroom tax') came into effect in April 2013. Many interviewees, however, were already nervous about its potential impact:

"This room tax coming in is going to be a nightmare as well. I can see why the government is doing it, but again it's hitting the people at the lower end and they're really struggling... A lot are trying to move but haven't moved and I'm aware that they're in debt already, so as soon as April comes they're just going to get worse."

While sympathetic to the aims of the reform, one interviewee expressed their frustration:

"[There are] not many one-bedroom properties, and that's the problem. I've got a lot of younger people who are homeless. The young lad who's waiting to see me he's homeless, and there's a three bedroom place coming up but... if I find him a three bedroom house, by the first of April that's going to be it for him. He'll end up having another problem because then he'll be evicted and then he'll have a big debt behind him."

The lack of one-bedroom properties means that people who are willing to move, but unable to find a suitable property in their area, are still being penalised.

Case Study: Dealing with the 'bedroom tax'

"Somebody I've known for quite a while, living in County Durham. She's a single mother and she works three part time jobs already. Her children are 19 and 24. The 24 year old is married and the 19 year old is at university, so she has no children at home all of the time. She's looking at an extra charge of £44 a week because this student's bedroom isn't occupied full-time.

At the minute, I don't know what she's going to do. I don't think she knows actually. Downsize. But what do you do if one of the children comes home. Or take on another job? I mean, she works three jobs as it is. She doesn't actually have one day of the week where she's not at work."



THE HUMAN COST OF WELFARE REFORM

DEBT

Interviewees also talked about the growing problem of debt. Since 2011, most benefits have been uprated according to the Consumer Price Index instead of the Retail Price Index. From April 2013 most will be uprated by just 1% each year for three years. The result of these changes is a reduction, in real terms, of the value of benefits paid. Some interviewees were already seeing the impact:

"You lose four pounds on that benefit there, you lose five pounds on that benefit there, and you get to the end of three or four months and you have lost 25 quid. That could be the week's shopping because they live so poorly."

As a result, many people are getting into debt:

"I think the critical thing is that most of our clients don't have reserves put aside to deal with the crises that happen. Little things will then tip them over the edge and put them into debt, because they don't have the back-up of savings or family support to help them over those crisis points, like paying [for] a washing machine or an unexpected bill."

Delays in the administration of benefits can also cause people to slip into debt:

"All their benefits then get changed and there's a gap... For some, that's two or three weeks where they have no money and you're relying on that money being there to put gas and electric on cards, for food. They say it will be all right because it catches up. But it's no good to catch up if you don't have any gas or electric."

In the past, people facing such situations have been able to apply for crisis loans but funds for these have been cut and the way they are administered has been changed:

"The one change that has affected our guests is the alterations in crisis loans administered by the social fund. It used to be that they were administered centrally and you could call up this one number, but now it's all being devolved to the local authorities and the local authorities are all administering it in slightly different ways, with slightly different criteria."

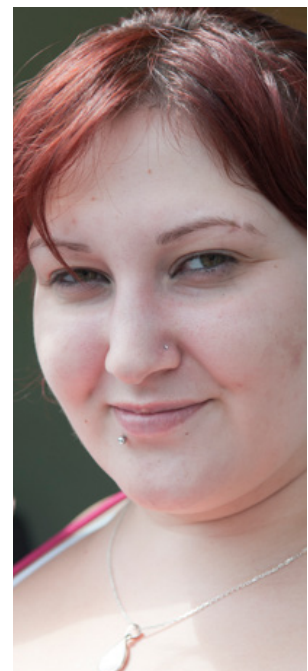
Cuts in benefit payments, payment delays and the reduction of crisis funds were all cited as causes of personal debt. In order to make ends meet, many more people are turning to food banks or pay day loans.

Case Study: Dealing with debt

"I was made redundant when I was on maternity leave. I had to start a part-time job, which was roughly a £900 pay cut to my salary. We got a loan to cover the repayments of another loan plus the mortgage... It's the sort of loan where the interest is probably higher than the actual repayment itself. But at the time you don't really look at that, you just see the money that they are offering.

We got into a little bit of debt... I think we are probably about six months away from getting repossessed, so we have had to sell the flat quickly so we can get the equity... We contacted the local authority to see if there was any property, but they said they would not even look at us because we are ex-leaseholders... It is stressful, it is stressful.

It is just ridiculous really, but a couple of weeks ago we had like £7, we had to pay the nursery fees plus we had to get like five meals to last us, and you have got to do all that with £7. So it was hard. That was the lowest point. Lenny asked for a biscuit or something and I just burst into tears. Apart from the church, I wouldn't have anyone to talk to."



THE HUMAN COST OF WELFARE REFORM

THE EMOTIONAL IMPACT

The recent programme of reforms is having a significant emotional impact on people around the country. One interviewee commented:

"People are getting very anxious about money, about their benefits. About all the different benefit changes. There is some general anxiety around... I think there's a lot of fear."

The anxiety is so great for some people that it leads to periods of depression or even hospital admission. Interviewees felt that this anxiety is often rooted in a sense of powerlessness, a feeling that you have to fight with the system to get something done. This can be perpetuated by the experience of Jobcentres: *"One of the things we find is that people who have come from the Jobcentre are frustrated and angry, as they have to shout to be heard."*

One interviewee related a difficult experience she had at a Jobcentre:

"It's quite humiliating, they've got no compassion. About a month ago they made me cry, they were so rude to me and I'm a tough old bird. I asked them if they'd stamp [my oyster card] for me, but they said no, if you want it, walk. They were extremely rude to me. It was a particularly difficult week and I had a few tears. I was in there with people who all looked at the floor and nobody comforted me or spoke to me."

Many interviewees, even those sympathetic to the objectives of the reforms, felt that the changes were disproportionately affecting those at the bottom; the poorest and the most vulnerable in our society:

"For me, the biggest issue is the lack of compassion in the changes that are taking effect. Amongst the people making the decisions, there is either a refusal or an inability to understand that when you change something at the top, it is down at the bottom that it has its biggest impact. It is the people at the bottom of the food chain that it hits the hardest, and it hits quickest."

ANTICIPATION OF UNIVERSAL CREDIT

Universal Credit is a new benefit, to be rolled out over the next few years, that will amalgamate several existing means-tested benefits: Income Support, Jobseeker's Allowance, Employment and Support Allowance, Housing Benefit, Child Tax Credit, Working Tax Credit and social fund budgeting loans. It is hoped that bringing these diverse benefits together will simplify the currently complex system and make it easier for people to move in and out of work. Many interviewees, however, had concerns about particular aspects of the new scheme.

One such concern was direct payment. At the moment, Housing Benefit is paid directly to landlords. Under Universal Credit, the full amount will be paid directly to the claimant:

"A number of our guests have their housing benefit paid directly to their landlord, which does help a lot. So then you change it to make sure that the benefits are paid to the clients. Whilst on the face of it, it sounds really humanizing and empowering, in practice I can think of many people with chaotic lifestyles who'd really struggle to manage that."

Others might struggle with claiming the benefit online:

"One of the biggest fears in this community is that when they go over to [benefits] being online, there are whole families that don't know how to use a computer. When the benefits are going online, the job searches are going online, Jobcentre Plus has gone mostly online, it all impacts the community."

For others, the monthly payment of benefits might cause problems:

"When it goes onto monthly benefits, that's going to be a huge problem... If you are struggling to manage on two weeks money, when that goes to four weeks, where do you find the other two weeks?... You will spend it because you need to spend it. You end up with nothing for the rest of the month."

While hopeful that Universal Credit will make it easier for people to work, interviewees felt that these particular aspects of the planned system will increase claimant's vulnerability.

THE HUMAN COST OF WELFARE REFORM

Case Study: Dealing with multiple reforms, a mum's perspective

Paul (not his real name) is in his 30's and lives in Lancashire. He is schizophrenic. He was receiving ESA but, in autumn 2011, he was reassessed, found fit for work and moved onto JSA. Paul didn't understand what had happened; all he knew was that the money had stopped.

'He was found fit to work even though he was really quite poorly. He couldn't shop, think or do anything. He was in a mess because of it. We decided that we would have to go to the MP,' his mum remembers.

Paul and his parents then went to speak to his MP, GP and mental health team to get enough evidence to appeal against the decision. They sent in the appeal form in January 2012. Eight months later his appeal was approved and Paul was put into the support group of ESA.

'Almost everything he goes to, I have to go with him because I'm worried that they would put him into something that is going to make him ill. The people who do these things are not there for him – I am.'

'He used to do some voluntary work and things. It's not like he doesn't do anything. He just wants to contribute, but it's very difficult when you have to do these things and he gets really stressed about it all. It's so hard.'

In April 2013, Paul was then found to be under-occupying his two-bedroom property.

'That upsets him because he doesn't want to move from where he is... if he is moved out from there, he would be ill. I know he would be ill.'

His parents are going to cover the difference in his rent for the moment, but Paul will try to move to a one-bedroom property in the same complex as soon as one becomes available.

'It's a nightmare every week. Every week I have to do something for him and it doesn't just have an impact on him. It has an impact on all of us. Everybody is worried about him. Everybody is worried about how he is going to be. It just feels sometimes like you're going backwards because it took twenty years to get him where he is right now and every time something comes up, he's ill and it sends him back.'

CONCLUSION

Interviewees expressed mixed feelings about recent welfare reforms. Whilst they were largely sympathetic towards the government's aims of getting people into work or making better use of social housing stock, they were also aware of the negative impact in their communities.

As people are moved off incapacity benefits, many struggle to make the transition from a long period out of work into employment. Others who are incorrectly deemed fit for work, face a long appeal process or have to negotiate the new JSA requirements to avoid sanctions. Families and individuals affected by changes to Housing Benefit may be forced to move into smaller or cheaper properties, leaving established support networks behind. As a result of these changes, as well as general cuts to benefit payments, more people are getting into debt and struggling to make ends meet.



THE HUMAN COST OF WELFARE REFORM

2. CHURCH-BASED RESPONSES TO THE EFFECTS OF WELFARE REFORM

The Church has a long history of working with the most vulnerable members of our society. Located within communities, churches are ideally placed to offer both the short-term support that is needed by those in crisis and the long term relational networks that help people to build their self-esteem and skills, and to ultimately reduce their reliance on benefits.

In this chapter, we suggest possible activities that churches might undertake to support those affected by welfare reform. It may be that your church is already doing many of the activities mentioned. If not, perhaps one activity mentioned here will be relevant and achievable in your community. In the words of one interviewee:

"You don't have to have 12 staff, you don't have to have lots of projects, just one thing that you can see isn't being done and you feel called to do it. Get involved in whatever way you can."

Underpinning all of these suggestions is the understanding that the most important task of the Church is to be a loving and inclusive community, especially at a time when many are struggling to make ends meet:

"People want someone to listen to them. People who will say, I can't be in it totally with you, but I can walk it with you... Families don't want somebody who gives them all the answers. They just want somebody to say, you're doing all right actually. The bits that you're not, we'll help you with."

While activities and projects are valuable, we should not underestimate the importance of simply knowing people and being known. These relationships are key to transforming people's lives.

THREE QUESTIONS TO ASK

Providing targeted and effective support requires careful planning. Churches seeking to respond to the effects of welfare reform, might find it helpful to think about these three questions:

What are the effects of welfare reform in your community?

Reforms do not always have a universal impact. For example, families with young children living in London are more likely to be affected by changes to Housing Benefit, given the high rental prices in the city. Churches could find out more about how reforms are impacting their community by using Local authority briefings, census data and Church Urban Fund's Poverty Lookup tool⁵.

What are local organisations doing to provide support?

If certain services are already being run by statutory agencies or charities, it may be best for local churches to support that work, or to use their resources to address a different need. Working in partnership with other community actors can often help to strengthen local relationships and make activities more sustainable.

What gaps exist that your church might be able to help fill?

Decisions about church-based activities should not only look at current service gaps, but also take into account the resources and assets available within the church and the local community. Particular skill sets or social networks might help to make certain activities more viable.

Answering these three questions will help churches to identify the activities they can most usefully undertake to respond to the effects of welfare reform in their community.

THE HUMAN COST OF WELFARE REFORM

THREE GROUPS AFFECTED BY REFORMS

It may also be helpful to identify three groups of people that have been particularly impacted by recent changes.

Former incapacity benefit claimants who need to move into employment. By 2014, approximately 1.5 million claimants of incapacity benefits will have been reassessed for ESA, under the Work Capability Assessment. Of these, approximately 200,000 are expected to move onto JSA. As a result of this move, individuals will experience a significant fall in income since the JSA is just £3,820 per year, compared to the long-term incapacity benefit rate of £5,340 per year. The prospect of moving back into employment can also be extremely intimidating for people who have been out of work for a long period, particularly if they had previously been told they would never have to work again.

Former incapacity benefit claimants wrongly judged as fit for work. According to a House of Commons paper, appeals have been lodged against approximately 40% of Work Capability Assessments and 38% of these have been successful. This means that many tens of thousands of people who are not capable of entering employment, either due to mental health problems, learning disabilities, ill health or physical impairments have been wrongly ruled fit for work. The process of appeal may take many months and can be extremely stressful for the individuals and families involved.

Households affected by Housing Benefit changes. Hundreds of thousands of households have been affected by recent changes to Housing Benefit. For example, 660,000 are projected to lose an average of £14 per week because of the 'bedroom tax'. Another 21,000 households are expected to lose an average of £74 per week because of the overall cap to Local Housing Allowance. Many households will be looking for ways to make up the shortfall in their rental payments or considering a move to a cheaper area or smaller property.

For each of these three groups, we identify the particular challenges they may face as a result of recent reforms, categorising these into short-term, transitional and long-term.

We will then list potential activities that churches, depending on their context and assets, might undertake to help individuals and families overcome these challenges.



THE HUMAN COST OF WELFARE REFORM

1 Former incapacity benefit claimants who need to move into employment

Challenges		Possible church-based responses
Short-term	Reduction or delay in benefit payments.	<p>In-kind support – many churches already provide in-kind support through food banks. This work could be expanded to include furniture, clothing, second-hand household goods as well as signposting to longer-term support services.</p> <p>Cash support – funding for crisis loans has been significantly reduced in recent years. Churches could help people access affordable credit by putting them in touch with the nearest Credit Union (www.findyourcreditunion.co.uk).</p>
Transitional	<p>Overcoming barriers to employment:</p> <ul style="list-style-type: none"> ● poor CV or job application writing skills; ● access to computers for job searches; ● cost or lack of public transport; ● childcare costs. 	<p>Job clubs – churches could supplement Jobcentre provision by running groups to help people write CVs, complete job applications, practise interview techniques and even lend people clothes for interviews. Alternatively, they could set up a CAP Job Club or a Safe Choices course (see CUF's Ready-to-go Project Directory) to offer more intensive support.</p> <p>Access to computers – churches could make office computers available for job searches at certain times and/or repurpose second-hand computers donated by church members.</p> <p>Car shares – some car share organisations do exist (goCarShare, National CarShare) but, using their knowledge of local employment centres and gaps in public transport provision, churches could organise a more targeted service.</p> <p>Childcare – churches could help to organise local childcare circles or assist people in gaining a childcare qualification, thereby increasing available childcare and providing the possibility of employment.</p>
Long-term	Lack of self-esteem, qualifications or skills.	<p>Confidence building – churches may consider running confidence building courses alongside job clubs. Spear courses, run by the Resurgo Trust, offer a possible template for these courses.</p> <p>Training courses – where training gaps exist, churches could run courses relevant to their community and local employment opportunities such as computer literacy, secretarial skills or basic Maths and English qualifications.</p> <p>Voluntary placements – churches could help people to gain new skills by hosting formal, voluntary placements. Church members could also provide internships in their places of work.</p>
	Lack of flexible jobs that fit around school hours.	<p>Flexible employment – churches could make sure that, wherever possible, their employees are able to work around school hours. They might also talk to local employers to encourage them to be more flexible.</p>

THE HUMAN COST OF WELFARE REFORM

2 Former incapacity benefit claimants wrongly judged as fit for work

Challenges		Possible church-based responses
Short-term	Lack of understanding of benefit changes.	Explaining changes – some claimants of incapacity benefits might not fully understand why their benefits have been changed. In those cases, churches could provide support by taking the time to understand recent welfare reforms and finding simple, accessible ways to explain them.
	Reduction or delay in benefit payments.	In-kind support – many churches already provide in-kind support through food banks. This work could be expanded to include other in-kind goods (see above) and signposting to longer-term support services. Cash support – churches could refer people to Credit Unions (see above). However, getting a loan would only be appropriate when recipients fully understand the terms of the agreement and have the means to make repayments.
Transitional	Process of appealing a Work Capability Assessment.	Support during appeals - church members could provide practical help by filling out appeal forms, setting up appointments, helping to arrange transport or, where possible, attending appeals. This support could be provided within the church community or through charities such as a Disability Advice Centre. Managing stress – for those with mental health problems, the process of appealing a Work Capability Assessment may cause a deterioration of their condition. While not experts in psychiatric care, churches could still help by watching for warning signs and contacting families or support services to arrange further care.
	Appealing benefit sanctions.	Appealing against sanctions – where benefit sanctions fail to take proper regard of an individual's circumstances, churches could provide support by acting as advocates; ringing the Jobcentre on their behalf to explain the circumstances that led to the sanction and asking for it to be repealed.
Long-term	Lack of support services, resulting in loneliness and isolation.	Drop-ins – church-based drop-ins, activity groups or lunch clubs for people with mental health problems or disabilities could help to reduce isolation and loneliness. Similar groups run for carers might also prove an invaluable source of support. Volunteer roles – churches could offer voluntary roles for incapacity benefit claimants capable of some form of work. For example, people with learning disabilities might be able to help serve a community meal or volunteer in a food bank.

THE HUMAN COST OF WELFARE REFORM

3 Households affected by Housing Benefit changes		
Challenges		Possible church-based responses
Short-term	Reduction of Housing Benefit.	Cash support – if a family or individual’s Housing Benefit has been reduced, they might need short-term cash support whilst deciding the best course of action. Churches could offer support by referring them to a Credit Union (see above).
Transitional	Budgeting and debt.	Budgeting support – where the benefit reduction is not too great, families may be able meet additional costs by adjusting spending patterns. Churches could help by either directing people to budgeting courses, such as the CAP money course, or by training members of their congregation to deliver that support themselves. Debt advice – if debt is a significant local issue, churches could provide support by running a Community Money Advice Service or setting up a CAP centre. Alternatively, they could signpost to other local service providers.
	Moving house and losing existing social networks.	Support moving house - for those unable to make up benefit shortfalls, churches could provide support through the difficult process of moving house. Firstly, they could notify other churches that a family is moving into their area; asking that they get in touch with the family, help to meet any immediate needs and let them know about local groups where they can meet others. Churches could also provide physical help with the move itself, providing volunteers to pack and carry boxes as well as transport. This kind of support would help to minimise stress if a house move was unavoidable.
Long-term	Securing better paying jobs.	Training courses – churches could help people secure better paying jobs by enabling them gain to new qualifications or develop soft skills. They could also encourage people to take up opportunities available through schemes like LearnDirect. Wealth accumulation – projects that help families to increase their assets can help to build resilience against crises. Few churches currently run such projects, but much could be learned from organisations such as The Share Foundation. Support local schools – where local schools are struggling to give their pupils a good quality education, churches could provide support by becoming governors, running homework clubs or funding youth workers. In the long run, this could help young people to secure better paying jobs. Support the Living Wage campaign - churches could actively support this campaign, lobbying local organisations and agencies to start paying the Living Wage.

THE HUMAN COST OF WELFARE REFORM

CONCLUSION

Many people are experiencing real difficulties as a result of recent welfare reforms. However, the Church can be a valuable source of support for those trying to move back into employment, attempting to appeal against a Work Capability Assessment or contemplating moving house. This support can be delivered on a very short-term basis by providing much-needed resources, or on a more long-term basis, helping people to build strong relational networks or secure better-paying jobs that will ultimately reduce their dependence on benefits.

References

- 1 Please see 'Guide to Welfare Reforms 2010 – 2017', Church Urban Fund and the Church of England, for more information about recent reforms.
- 2 Please see 'It all Adds Up: the cumulative impact of welfare reform', Church Urban Fund and the Church of England, April 2013.
- 3 People claiming JSA are now expected to apply for any job that comes up within an hour and a half's journey from their home by public transport. They risk sanctions if they do not comply with these requirements.
- 4 Both neighbourhoods mentioned are over one hour's travel by public transport from the interview location.
- 5 Church Urban Fund's Poverty Lookup tool gives parish level data on a range of poverty-related indicators. If, for example, there is a high percentage of people in your parish without any qualifications this might indicate a need for training courses or job clubs. To find out more about your parish, please visit: www.cuf.org.uk/povertyinengland