

Real Life Reform Report 6

March 2015



real life
reform 

I took out a loan for Christmas so I could get my daughter presents. I do this every year, but also my Discretionary Housing Payment has stopped and it's killing me trying to pay it off. The benefits have messed my money up again, and I could be in even more debt than this, but won't know until I speak to them again. It's a nightmare and it always happens to me

RLR Participant

We're reforming the welfare system to help more people to move into and progress in work, while supporting the most vulnerable.

DWP Policy Statement¹

Real Life Reform is tracking the impact of Welfare Reform on up to 100 households through to 2015.

This is the sixth of the originally scheduled reports examining how the households are responding to Welfare Reform and whether the reforms are achieving their ambition of getting people into work and reducing public spending.

The first five reports can be found on Twitter @RealLifeReform

- [Report 1 \(September 2013\)](#)
- [Report 2 \(December 2013\)](#)
- [Report 3 \(March 2014\)](#)
- [Report 4 \(July 2014\)](#)
- [Report 5 \(October 2014\)](#)

We initially planned to produce six reports over an 18-month period. We have achieved this aim and by June 2015 we will publish a summary of the study and research. We are currently considering the next steps for Real Life Reform and welcome any suggestions or feedback.

The research and interviews for this sixth report took place in November and December 2014. Quotations contained in this report are reproduced verbatim.

¹ www.gov.uk/government/policies/simplifying-the-welfare-system-and-making-sure-work-pays



Headlines

Debts

- **Average debt is £3,554 which is £1,266 higher than at the start of the study**
- **One in two households are unable to regularly meet their weekly debt repayments**
- **Weekly debt repayments average £34.56, 88.8% higher than at the start of the study (£18.21) and 40% higher than in report five**
- **64.2% of households are in debt, compared with 74.3% in report five. This slight improvement is, in part, due to the use of Debt Relief Orders**
- **79% have debt uncertainty**

Employment

- **23.5% of households are employed, the lowest level in the study. Of them, fewer than one in five are in full-time work**
- **69% of part-time employed households are looking for more hours, the highest recorded in the study**

Money Left After bills

- **Average money left after bills is £17.72 per week or £2.53 each day**
- **4 in 10 households have no money left each week**
- **More than six in every ten households have less than £10 per week left after bills**
- **Part time employed households report being in a worse position and have on average £16 left per week**

Food & Shopping

- **One in five have used a food bank**
- **Three quarters now spend the same or less on food than they did 18 months ago**
- **63.2% spend less than £40 per week on food**
- **£3.63 per person per day is the average spend on food**
- **3 in every 10 spend less than £2.86 per day on food**

Fuel

- **Average weekly spend on fuel is £24.85, 4.4% less than at the start of the study.**
- **53.8% tell us they aren't heating their homes to the levels they need**

FEBRUARY 2015

In February 2015, we asked our case studies for some additional information to supplement the main round six findings and 46% responded. Some of the key issues emerging from February 2015 include:

- **44% of respondents said their health had deteriorated since the start of the study**
- **27% of people already in debt had borrowed more money since November 2014**
- **Average debt had increased by a further 9.9% since November 2014**
- **They reported a 5.5% reduction in food spending since November 2014**



Contents

6	Preface
7	Real Life Reform – how it can be used to support excellence in housing association governance
8	Real Life Reform – At a Glance
10	1. Real Life Reform & Everyday Life
24	2. Health & Well-Being
26	3. Families & Neighbourhoods
32	4. Work Opportunities
38	5. Real Life Reform – Fulfilling our Remit
39	6. Who are our Real Life Reform Households?
40	7. Real Life Reform – the future
41	Study Group Members
42	Appendices



Real Life Reform: a brief recap

“A system that was originally designed to support the poorest in society is now trapping them in the very condition it was supposed to alleviate.”

Iain Duncan Smith, May 2010

The Welfare Reform Act 2013 introduced a series of radical changes to the UK welfare system. The government is seeking to ensure that “work pays” and to bring about savings to public spending.

Real Life Reform is tracking the impact of Welfare Reform across a cohort of 70-100 representative social housing households across the North. They share their experience of Welfare Reform, including how they are responding to the “welfare to work” campaign and how the changes are impacting on them and their household, including financial circumstances, spending decisions, health and wellbeing, and impact on family, as well as the wider neighbourhood and work opportunities.

Using a series of semi-structured interviews, the research captures information and the impact of the changes on them. In total, six interviews have now been completed over 18 months.

The interviews are collated, analysed and published in a quarterly report detailing trends and experiences.

The research study sets out in its original remit to:

- *Share and compare household experiences*
- *Demonstrate where welfare reform is achieving its goals*
- *Highlight any unintended consequences of the changes on people and communities*
- *Be used to raise awareness*
- *Be used to help influence the strategic direction of organisations and provide an evidence base for these decision-making processes*
- *Be used to support and develop front line staff that manage and respond to the issues associated with welfare reform*
- *Explore people’s experience of accessing employment*

February 2015 – Additional Research

The round six interviews were completed in November 2014. However, in January our researchers told us that they felt some case studies’ situations may have worsened since November because of the Christmas and winter periods.

This report presents round six findings and compares them to previous reports, ensuring the longitudinal aims of the study are met.

In February 2015, the researchers managed to interview 46% of the cohort again and asked them for up to date information about food & fuel spend; whether they were heating their homes to the level they needed; whether they had used a food bank; the levels of debt they had; and whether there had been any changes since November.

They also asked them about savings as a snapshot question to provide responses to recently published debt management reports.

Where appropriate, the additional findings from the February 2015 interviews have been included alongside the main findings in this report.

A summary of the changes in information from Round Six (November/December 2014) to February 2015 can be found in Appendix 2.



Preface

Welcome to the sixth Real Life Reform report.

Real Life Reform is a unique longitudinal study tracking the impact of Welfare Reform on people living in social rented housing across the North of England. It is about real people and their real experiences.

The combination of statistics, complemented by case studies, quotes and qualitative data, provides an invaluable insight into the reality that those affected by Welfare Reform face.

Of our 70 case studies in this round, all except one have participated since the start or early rounds of Real Life Reform. While we continue to see some powerful examples of resilience and determination, this report once again highlights a worsening position for many and some concerning trends for the future.

On the surface, average debt levels appear to have reduced but this is masked by the use of Debt Relief Orders. For those remaining in debt, average debts are significantly higher than at the start of the study and weekly debt repayments have increased.

Many of our households constantly struggle and juggle their money and priorities. Spend on food and fuel remains low, and the amount of money people have left each week has reduced once again. It would appear from our research, that many have no safety net.

One of our aims was to track whether the intention of Welfare Reform to get people into work, whilst protecting the most vulnerable, was working. For the first time since we started the study, we report that there are fewer of our case studies in employment than at the start of the research. There is also clear evidence that being in low-paid or part-time employment has had an adverse impact on some households and this is something to consider moving forward.

The reach of Real Life Reform has continued to grow as have our networks and support. Report Five reached more than 2.5million Twitter users and, up until December 2014, our media reach had exceeded 11million.

We are grateful to the Tenant Participation Advisory Service (TPAS), Health England and to the National Housing Federation (NHF) for recently giving us a platform at various conferences. For the NHF Board Members' Conference we produced a one page summary of reasons why Real Life Reform should be used in governance. This is included here for you to consider and use.

We would, as always, like to thank the researchers for their efforts and readers of Inside Housing will have seen an excellent feature about the research and their commitment. We would also like to thank our participants; the tenants and their families experiencing Welfare Reform who have again shared their experiences.

We are proud that Real Life Reform has achieved its aims and given them and others a voice. We are also proud to have been shortlisted for the 2015 UK Housing Awards "Outstanding Campaign of the Year". We will find out in April whether we are successful.

Once again, we hope you find this report useful. We have had some interesting discussions about the future and next steps for Real Life Reform. Watch out for announcements soon.

Please continue to support us by sharing the findings and using Real Life Reform within your own organisations to support discussions and make change happen.

Lisa Pickard,
Leeds & Yorkshire Housing Association



Real Life Reform – how it can be used to support excellence in housing association governance

In February 2015 we presented the Real Life Reform findings to delegates at the National Housing Federation Board Members' Conference.

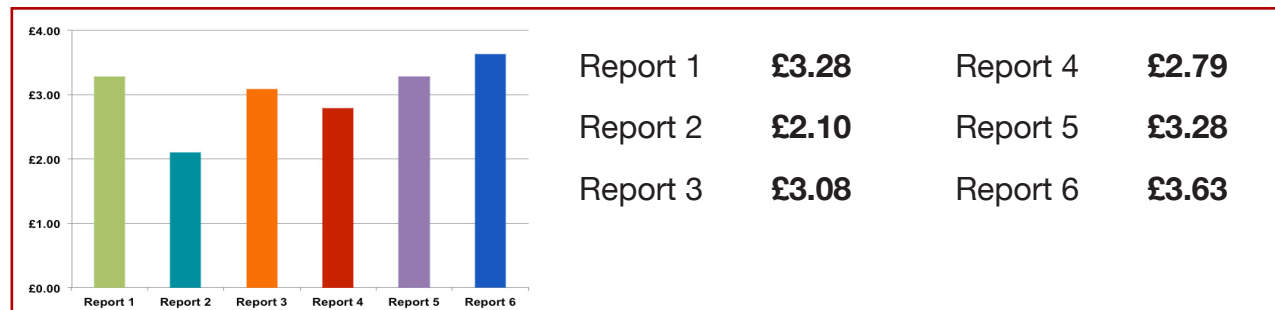
We produced a 10-point guide on why Real Life Reform supports excellence in governance and encouraged everyone to take it back to their organisations and share any feedback with us.

- 1 **Risk:** Welfare Reform is one of the key risks for the sector. The focus has been on loss of income and changes to cash flow. Real Life Reform helps Boards think about how the customer is affected and ultimately to identify longer term impacts and risks to the landlord.
- 2 **Strategic Direction & Vision:** Many social landlords are currently debating their future and whether to diversify their customer base to mitigate the risk of an over-reliance on Universal Credit. Real Life Reform can help you understand the implications of any decision and therefore enhance your ability to effectively manage risks and consider new opportunities.
- 3 **Policy & Strategy:** As austerity hits, many landlords are looking at their role in tackling fuel poverty and overall affordability of products and services. Real Life Reform has already helped a number of landlords to make a range of key policy decisions and changes to how they work.
- 4 **Customer Insight:** It gives Boards a real depth of understanding of the issues tenants may be experiencing and provides a different perspective. It brings the customer to the board room and helps inform what interventions and services can or should be provided.
- 5 **Social Purpose:** Landlords need to be accountable to tenants in accordance with the new HCA Governance Standard. But for many it's about doing the right thing and bringing together commercial & social values. Real Life Reform can help a Board improve its understanding of the business and financial implications of decisions, alongside how they impact on people.
- 6 **Data & Comparison:** The results and trend analysis can be used to inform debates and discussions and to compare with your own data to inform your strategic thinking. It could form part of your Performance Framework or Balance Score Card approaches.
- 7 **Value for Money:** Real Life Reform has been produced every quarter. It is like no other report and is available free for all landlords and other organisations. This has to represent fantastic Value for Money, but only if it is used.
- 8 **Delivery of Services & Distribution of Resources:** It provides invaluable evidence and insight into the changing role of front line staff and how they are increasingly working differently. Real Life Reform can support debates around how resources are deployed, front line services delivered and staff trained and supported.
- 9 **Partnerships & Solutions:** It can be used to facilitate discussions on collaboration and open doors with health authorities, local GPs, education and the third sector about the impact within local communities.
- 10 **Influence & Assurance:** The research can be used to support your external discussions with, for example, local councillors, Members of Parliament and media. It provides you with a tool to understand the real issues being faced by many social housing tenants.

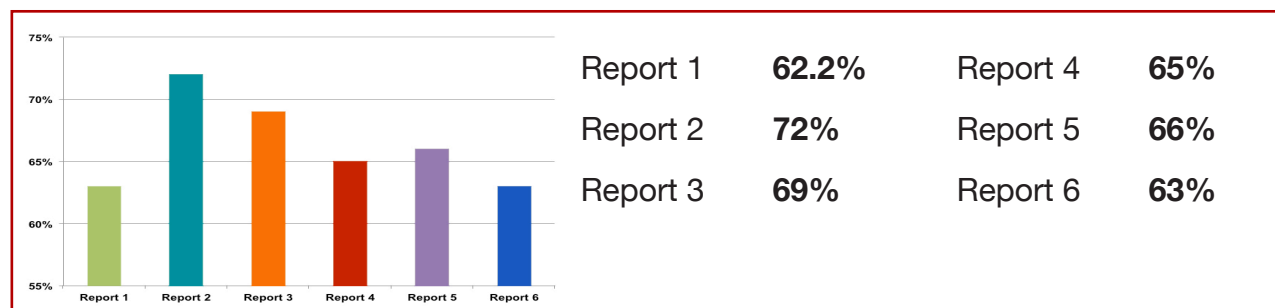


Real Life Reform: At a Glance

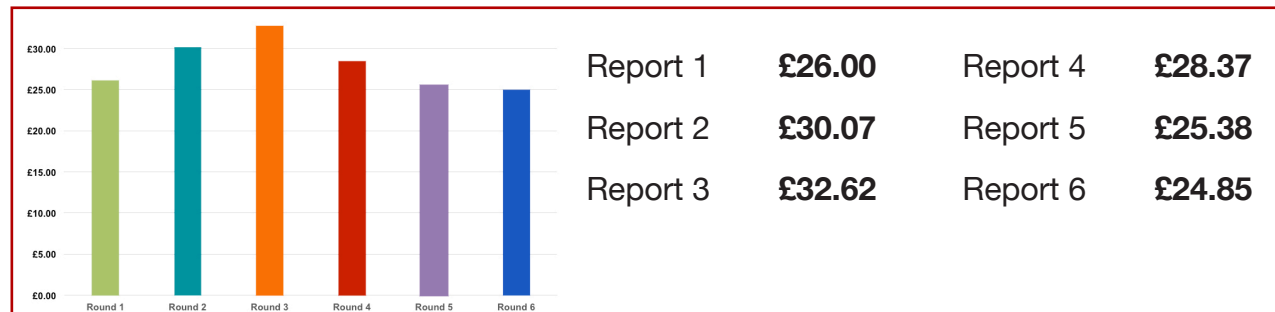
Average amount spent per person per day on food



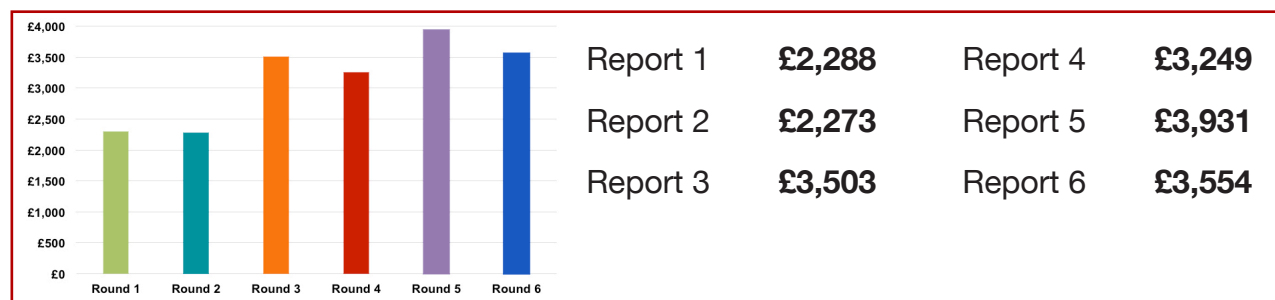
Percentage of households who spend less than £40 per week on food



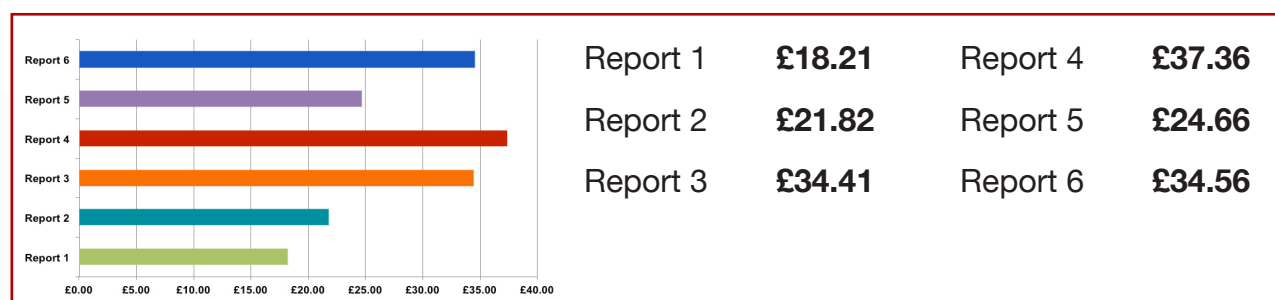
Average Weekly spend on fuel per household



Average amount of debt per household in debt



Average Weekly Debt Repayments



Average money left each week after bills



% who believe Welfare Reform will adversely affect their health and wellbeing

Report 1	88%
Report 2	83%
Report 3	75%
Report 4	86%
Report 5	80%
Report 6	77%

% who believe Welfare Reform will adversely affect their support network

Report 1	56%
Report 2	66%
Report 3	56%
Report 4	64%
Report 5	67%
Report 6	64%

% of participants who believe Welfare Reform will adversely affect their children's education



% who believe Welfare Reform will adversely impact upon their neighbourhood

Report 1	76%
Report 2	87%
Report 3	68%
Report 4	82%
Report 5	78%
Report 6	74%

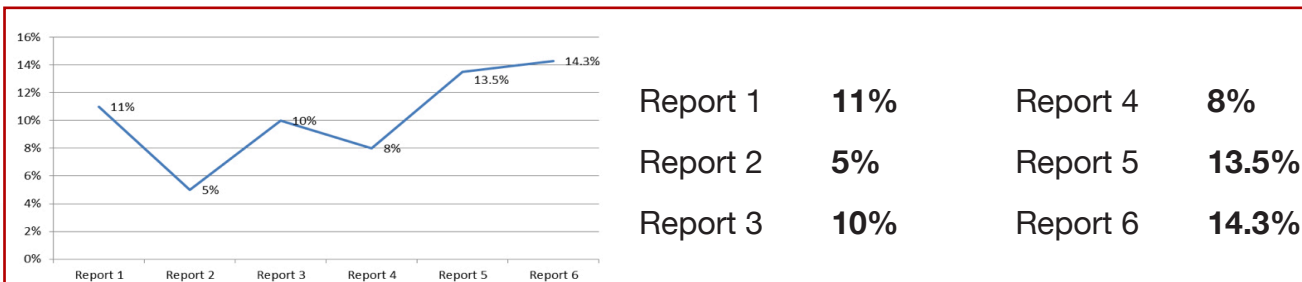
% who believe Welfare Reform will adversely impact upon shops and local businesses

Report 1	68%
Report 2	86%
Report 3	57%
Report 4	70%
Report 5	67%
Report 6	64%

% who say they are dealing well with problems

Report 1	20%
Report 2	22%
Report 3	24%
Report 4	24%
Report 5	34%
Report 6	31%

% who say they are feeling optimistic



1. Real Life Reform & Everyday Life

Throughout Real Life Reform, we have asked consistent questions at every research interview so we can track people's experiences and identify trends over time.

Report six reveals some continuing themes; some worsening positions; and also some new information, offering a better understanding of issues around:

- Changing spending habits
- Why people don't use food banks (when they need to)
- Why the majority of case studies don't have savings
- The relationship with and reliance on debts.

Priority Spending

We know from our research that the amount of money our case studies have left each week is minimal and that juggling their income to cover expenditure is a challenge.

Each interview we ask our participants what their "priority spend" is each week. The top three responses in report six are: **Fuel (42.9%) Rent (32.9%) Food (20%)**

Fuel and food - I need to keep the home warm due to my health condition.

Rent to make sure I keep my house, then gas and electric and finally food. The "bedroom tax", it's our main worry. I don't want to be evicted.

Food is my priority. The memory of living in a squat has never left me. That feeling of being hungry and vulnerable will stay with me always.

Despite fuel, rent and food being the top three priorities, in round six we find that:

- Weekly spend on fuel is at its lowest level since the start of the study
- 65% say their weekly spend on fuel has either stayed the same or reduced
- One in three households spend less than £20 per week on food.



Food Spending

The weekly spend on food has again reduced and, at an average of £40.45 per household, this equates to £3.63 per person per day.

Despite the average being £40.45 per week, more than six out of ten households spend less than this each week. While this is a slight improvement on round five [66.2%] we see a 16% increase in round six in households spending less than £20 on food.

Now almost one in three households [29.4%] spend less than £20 per week on food, compared to one in four households at the start of the study.

This is equivalent to £2.86 per day.

63.2%

Spend less than £40
per week on food

£3.63

Per person per day
average spend
on food

62.2%

in Report 1

29.4%

Spend less than
£20 per week

(less than **£2.86**
per household
per day on food)

27.5%

in Report 1

I'm not buying as much meat. I buy a lot more potatoes, rice and pasta. As these are carbohydrates they fill me up more. What used to be normality is a luxury now with regards to food.

I just shop around to get the cheapest I can.

I can visit about 6 or 7 shops sometimes because I know the best place to buy our food.

Shopping takes hours, though, doing it this way.

I've not used a food bank but am a member of Penny Lane Pantry which for £2 a week provides 15 items



Food Banks

One in five households have used or are using a food bank.

From the follow-up research completed in February 2015, 25% said they had used a food bank. Their average spend on food per week was £32.12, this had reduced by 9% since the round six interviews in November. This is equivalent to £3.13 less being spent on food.

I have thought about a food bank on several occasions when down to the last penny but feel too bad to do it. I had no money when tax credits were stopped. I was embarrassed & ashamed; I would rather go hungry.

20%

Have used a food bank

25%

in February 2015

In round six, whilst 20% had used a food bank, 29.4% of all of our case studies are spending less than £20 per week on food; which is less than those using a food bank tell us they spend. This suggests more people are needing food banks or additional food support but are choosing not to, and many talk of the stigma of using one.

The additional research revealed that many people feel ashamed to ask for food bank support and are relying on others to help them. The study also shows that many are buying cheaper food rather than fruit and vegetables.

Because I was penniless and couldn't even afford to buy food. I'm lucky my kids are grown up....

I used a food bank twice in the past when I was really struggling and before I got awarded the correct benefits that I was entitled to

it was twice through the council. I had to go through my details each time. I can't believe they didn't keep my details on screen.

Its so degrading having to ask for food parcels and then I have to go to the Parish Hall to pick them up.

I know a few of the volunteers at the Parish Hall so its a bit embarrassing letting them see me there. They must think 'whats going on?'



Shopping

Total spend on all household shopping now averages £51.46 per household – a 5% reduction [82p] since round five when it was £52.28.

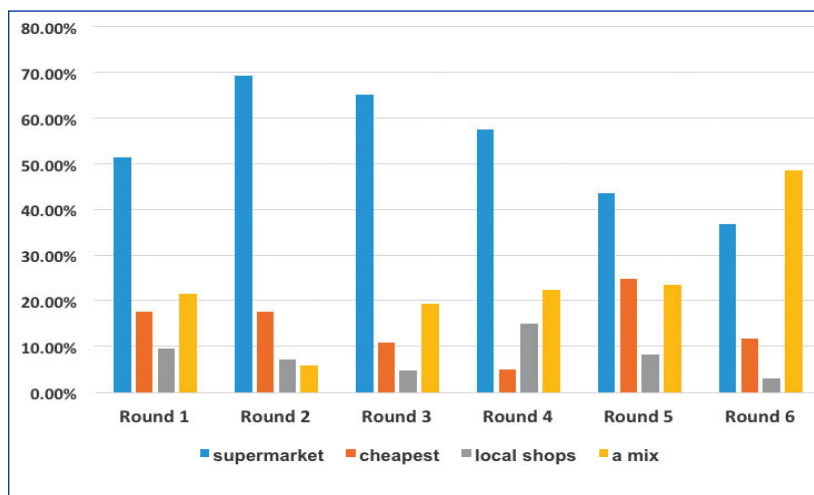
Excluding food, households are spending on average £11.01 per week on shopping items. Our case studies have also explained that, for many people, food costs have risen so they are buying less for the same amount or are having to make savings elsewhere.

In round six we also see further changes in where people shop.

Only 36.8% now say they shop at a supermarket. This is a 15.3% reduction since round five and is a 28% reduction since the start of the study.

The biggest shift has been people shopping in a variety of places to get the best deal. A “mix” now accounts for 48.5% of case study responses. This has more than doubled [124%] since the start of the study when only 21.6% said they shopped in a mix of stores.

Supermarket use is now at its lowest level in six rounds, with only 36.8% saying they shop in one, compared with 51.4% at the start of the study and a peak of 69% in round two.



Where people shop

The category which has taken the greatest impact is “Local Shops”. In round six we now see only 2.9% of case studies saying they shop only in local stores, although the quotes illustrate that these are in part used by those in the “mix” category.

Changes in Spending

74.3% of our case studies say they spend either less or the same amount on food compared to round five and 78.6% say they spend either less or the same on their wider weekly shop.

Six out of every ten case studies say they have changed their spending habits since we started this study when Welfare Reforms were introduced.

I cut back on clothes and shoes. I still can't afford to buy these. My mum has just bought me a pair of boots and has paid £18 for me to have my hair cut.

I've cut back dramatically on food. Some weeks I spend £3 on food. It's the same with gas. Some weeks I'm back to spending £5 a week. Luckily, the weather's not been too bad so far this year.



Travel

Throughout the research we have asked case studies for information about their travel spend but we have not reported this in detail in every report.

In round six, 41.4% of case studies state that spend on travel has changed since the study started and Welfare Reform was introduced. When explored in more detail, almost six out of every ten households tell us they now rarely or never use public transport.

I walk everywhere. I just can't afford it, or justify the prices they charge. I dread the winter because I have to walk 4 miles with my shopping bags.

I don't use it at all now. It's £4.20 for a day ticket; I can get a chicken and 2 pints of milk for that.

41.4%

Say their spending on public transport has changed

59.1%

NEVER or RARELY use public transport

Fuel Spending

Despite the round six surveys taking place in November 2014, our case studies are spending the lowest amount per week on fuel recorded in the study.

At an average of £24.85 per week, this is a 2% reduction since round five [summer]; 4.4% less than at the start of the study; and 24% less than round three, when fuel spend was at its highest at £32.62.

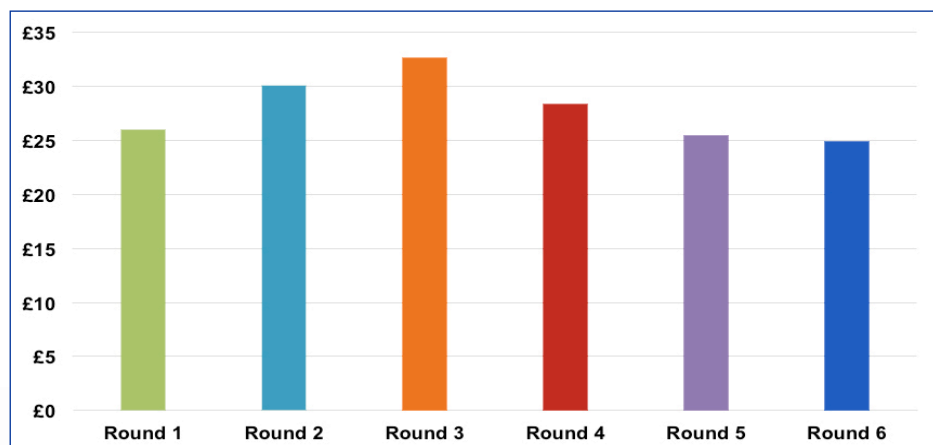
£24.85

Average spend per week on fuel

£26

in Report 1

Average weekly spend on fuel per household



What was apparent from the experiences some case studies shared with us is that many had budgeted during the summer months and overpaid during this time, so they had credit going into the winter months. However, it was clear that there was apparent concern about maintaining heating costs over the winter period.

“It’s the winter - some of the food money is having to go on gas to keep warm. We have to have the heating on all day because of my husband’s health problems”

“We nearly always have some reserve on the gas as we put £20 on each week even if there’s some credit left. This reserve has now gone, so we’ve increased it as the weather is colder and the heating is on all day.”

Fuel Spend – February 2015

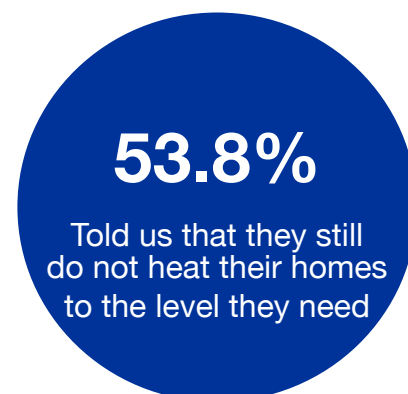
Round three interviews were completed in February 2014, a year prior to this latest report. To give a better comparable trend analysis - and to gauge the impact of the winter and understand whether concerns about winter heating materialised - 46% of the case studies shared additional information with us in February 2015.

This revealed that their average weekly spend on fuel was £34.16 which is a 4.7% increase on the same period captured in report three when it was £32.62.

Of the case studies who shared additional data, their collective average spend in November 2014 was higher than the average for report six. It was £28.57 compared to the report six average of £24.85. Comparing their actual averages shows that their weekly average spend on fuel increased by 19.6% from November 2014 to February 2015.

Considering the limited money left after bills at round six, people’s ability to afford and pay the rising costs is of concern.

While weekly spend on fuel has increased for some by February 2015, 53.8% told us they do not heat their homes to the level they need.



“It’s really cold in my house. I just can’t afford to put any more money on the meter. I try to keep [the heating] off during the day when my daughter is at college but put it on when she comes home. I am freezing sometimes because it’s a cold house anyway. No wonder I have always got a cold”



Debts

In round six we see a slight reduction in the number of households who say they are in debt [64.2%]. This is the lowest recorded since Real Life Reform started capturing the data.

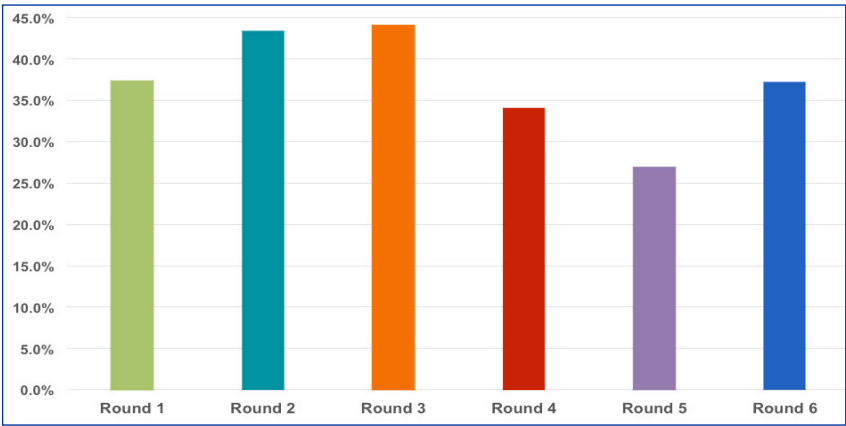
We have also seen the average debt reduce to £3,554. This is a 9.6% reduction since the last report, but still remains £1,266 higher than the average recorded in round one. This is a 55.3% increase in the average debt reported since the study started.

Sixty percent of case studies told us that their debt had changed. When we explored the reason for reduction, we found that 12% of case studies had had debts significantly or totally reduced either through Discretionary Housing Payments [DHP] being awarded, Housing Benefit being recalculated and backdated, and an emerging theme of Debt Relief Orders.

Debt Relief Orders accounted for 34% of the total reduction of debts, where individual debts ranging from £5,500 up to £14,000 had been ‘written off’ which has directly affected the averages.

We can see that the underlying position for those who remain in debt has got worse since the last report. The number of case studies owing less than £500 is now 20.9%. This has reduced by 16% since round five but this is because of increasing debts and more people owing £500 to £1000. In round five, only 1.9% owed £500-£1000. By round six this had significantly increased to 16.3%

Percentage of households in debt owing up to £1000



We see that the number of people owing debts up to £1000 has increased from 26.9% in round five to 37.2% in report six. It should be noted that this was in November 2014.

	< £500	£500 - £1000	TOTAL
Report 5	25%	1.9%	26.9%
Report 6	20.9%	16.3%	37.2%

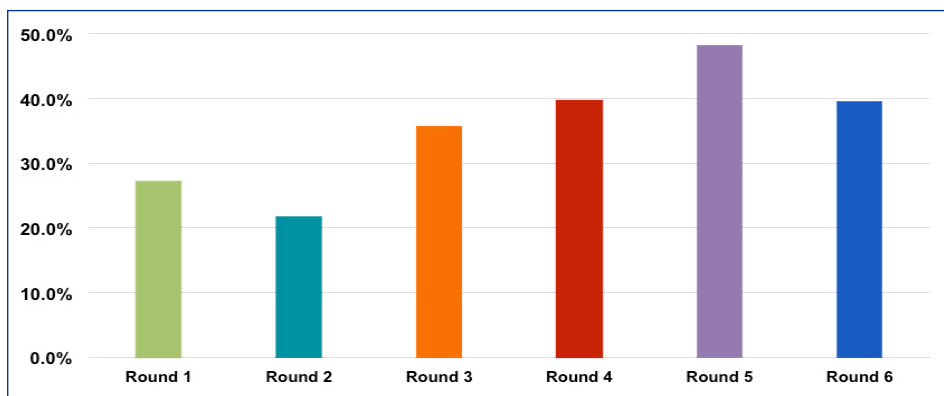


 We are still trying to manage as best we can without borrowing extra money. My partner's Debt Relief Order was completed which reduced arrears by £5,500. 



Despite the impact of the Debt Relief Orders and other large repayments (which account for a 17.9% reduction in the number of case studies with debts of more than £3,000) we still see 39.5% of case studies having debts greater than £3,000. This remains 45.7% higher than at the start of the study when only 27.1% of people in debt owed more than £3,000.

Percentage of households in debt owing more than £3000



39.5%

Owed more than £3,000
Report 6

27.1%

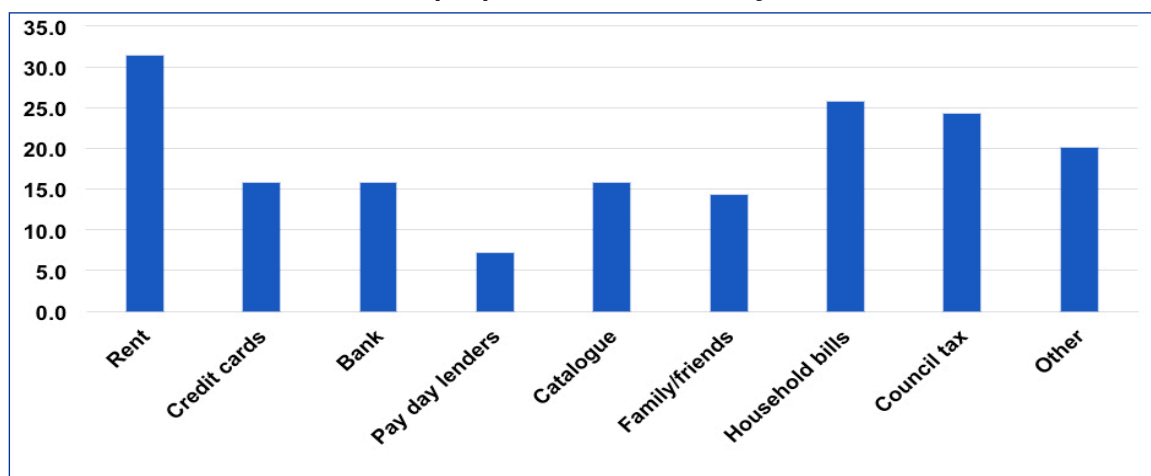
in Report 1

In round six, 31.4% of those households in debt are also in rent arrears, owing money to their landlords.

When we explore who those in debt owe money to we see that:

- 25.7% owe money on households bills including utilities. This suggests some of the weekly payments are actually for fuel debts, indicating that fuel usage is possibly lower than being reported
- 24.3% owe money in council tax
- 15.7% owe money to credit cards, banks and the catalogue
- 14.3% owe money to their family and friends
- 7.1% owe money to a pay day lender or loan shark

Who people in debt owe money to



Debt Repayments

Once again in round six, we see a significant increase in the average weekly debt repayments. This is despite the total average debt reducing.

Average debt repayments at round six now total £34.56 for households. This is a 40% increase since report five and equates to an average of £9.90 extra per week expected to be repaid off debts. This may help to explain the smaller amounts of money left each week and also lower levels of spend on shopping, food and fuel.

At £34.56, the average weekly debt repayment is now 89.8% higher than at the start of the study (£18.21), when the average debt was £2,288 compared to £3,554.

£34.56

Average weekly debt repayment

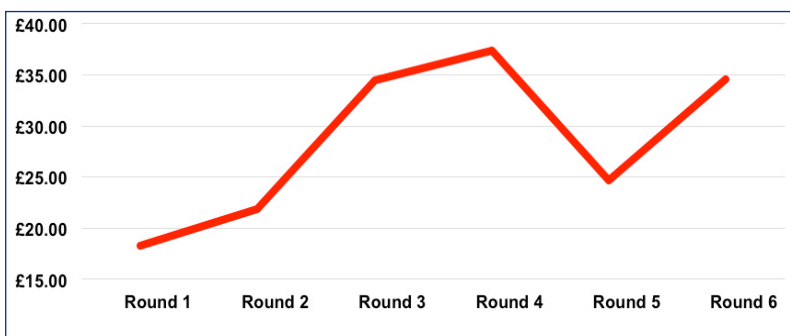
£24.66

In Report 5

£18.21

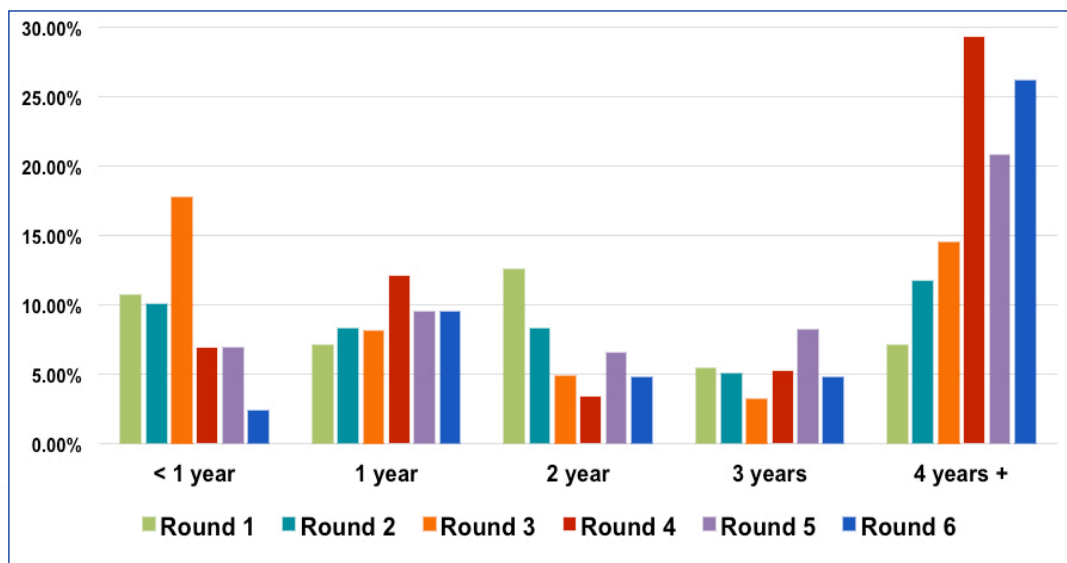
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Average Weekly Debt Repayments



During the study we have seen the number of households who now have weekly debt repayments exceeding £40 more than double, rising from 9.30% at the start of the study to 19.4% at round six.

Debt Repayment Periods (see Debt Uncertainty section)



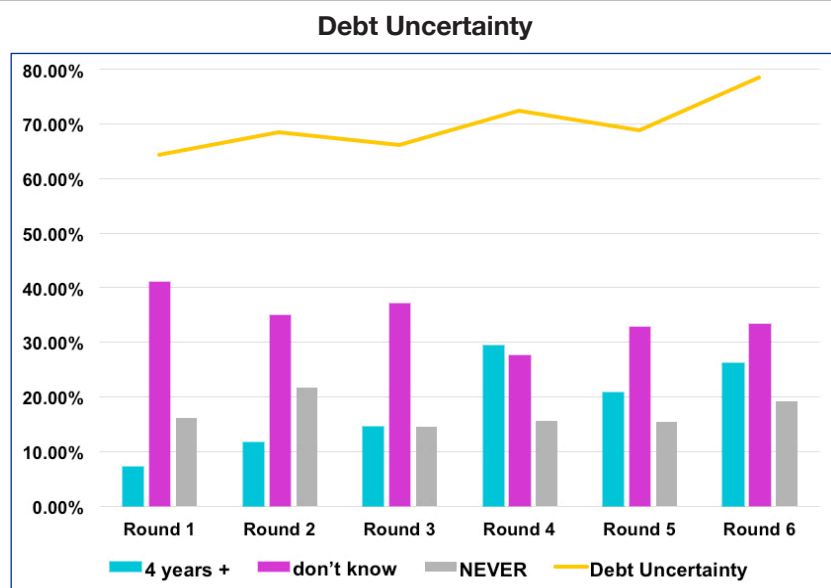
Debt Uncertainty

As we see from the graph on page 18, debt uncertainty has increased in report six.

26.1% of people in debt say their debts will take more than four years to repay compared to 20.8% in round five and only 7.1% at the start of the study.

Adding to this the percentage of people in debt who don't know when debts will be repaid [33.3%] and those who say their debts will "never" be paid off [19.1%] we see that nearly four in every five [79%] have high levels of debt uncertainty.

This compares to 64% in round one.



Similarly, the number of households in debt who tell us they do not pay off their debts each week has risen. In round six, one in two [50.1%] of households in debt told us that they either never pay their debt payments each week or only do so occasionally. This is a 37.2% increase since round five, when it stood at 36.5%, and a 32.2% increase since the start of the study.

This indicates to us that while the average weekly debt repayment reported is £34.56, some households may be expected to pay more but cannot afford it or they don't pay the average amount expected.

“Winter fuel bills have caused the increase. I'm not sure when it'll be paid. When I ring up Eon, they want £140 a month off me to pay the bill and towards next month. All I can do is pay what I can. I'm going to try to pay £50 a week while I can, but come April, I'll be paying under-occupancy charge - £25 a week.”

“I owe the Provident £500 - this was to pay for my wife's funeral last year”

“I'll be dead before I pay it off. The amount of time they take to sort it out – you get different letters saying different things and I can't afford to ring up. You end up in more debt waiting for it to be sorted”

Since the start of the study, we have seen:

- A 55.3% increase in debts – a £1,266 average increase in debt per household in debt
- An 89.8% increase in weekly debt repayments – rising by £16.35 per week to £34.56
- 25% higher levels of debt uncertainty – rising from 48.2% to 59.4% taking more than 4 years or not knowing when their debts will be repaid
- A 32.2% increase in households not paying their debt off each week, rising from one in three to more than 50% being unable to regularly repay what is expected



Report six shows an improvement in the proportion of people worried about getting into debt. This is the lowest recorded in the study. 61.2% now say they are worried about getting into more debt compared with 83.8% at the start of the study

In November 2014, 72% said they had no plans to borrow more money, the highest level recorded in the study.

In February 2015 we asked for additional figures to capture whether the Christmas period had impacted on debt. Of the case studies who provided us with additional data, we saw their debts increase by an average of £290 per household in a maximum period of 10 weeks.

68% of case studies who gave us supplementary information in February told us their debts had changed.

Of these, 85% had seen their debt position become worse and 34% of those who gave more information actually borrowed more money.

Borrowed £635 more since round six in November and now owes £1335

I took out a loan for Christmas so I could get my daughter presents. I do this every year, but also my Discretionary Housing Payment has stopped and it's killing me trying to pay it off.

The benefits have messed my money up again, and I could be in even more debt than this, but won't know until I speak to them again. It's a nightmare and it always happens to me

Borrowed a further £300 since round six and now owes £825

I got a budgeting loan to help with Christmas. I am lowering my food spend a little to pay for heating as I'm paying off the budgeting loan.

Money Left After Bills

Each report, we ask the case studies how much they have left after food, shopping and essential bills. What we have found throughout the study is that case studies respond to this differently. In round six, a number of participants shared quotes illustrating that, for many, the amount left each week is not actually spare money but is used to cover everyday living costs, debts and other bills.

It's not the same each week. I would say about £40 but all of that pays off my debts, so once they have been paid I am basically left with nothing.

On average I have £50 a week. I have to pay bus fares – it's £15.50 a week for me and £13 a week for my daughter. I also have to give my husband money because he's out of work and he's not entitled to any benefits because I work



At report six, case studies on average had £23.65 left each week after bills. This has reduced by 21% since round five when it totalled £30.13. The reduction in money left of £6.48 less each week, given that food and fuel spend broadly remains similar, appears to be attributable once again to the fluctuation and increase in debt repayments, which were £9.90 per week higher in round six compared to round five.

What we do see as a constant thread is the juggling of finances to be able to cope and “make ends meet”.

Despite the average amount of money left each week being £23.65, four in ten say they have no money left each week. This is a 9% increase on round five [37.5%]. Added together with households saying they have less than £10, we see more than six in every ten households trying to manage with this low level of “disposable income” and evidence that many are now not managing.

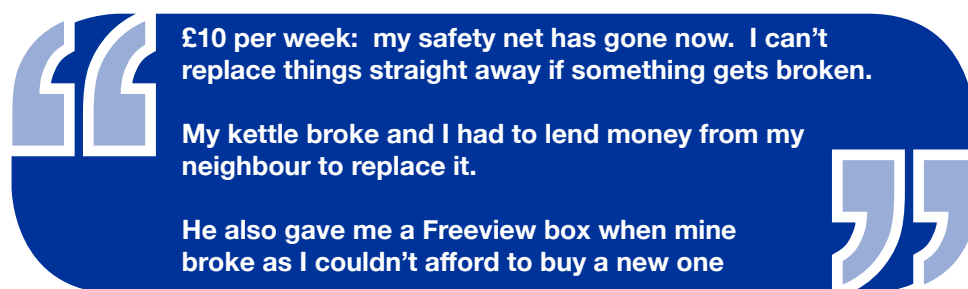
Money Left After Bills by Employment Type

Throughout the study we have also compared money left each week after bills by employment type.

In round six, we see that the money left after bills for those case studies who are unemployed has reduced by 7.2% from round five to £21.19. We have also seen a 23.2% reduction from round five in the average money left each week for employed households [to £32.83 in round six].

The average money left each week after bills (if we exclude full-time employed households*) would be £17.72.

Round six does reveal that for the first time since the study started, those households in part-time employment are now worst affected. They have reported an average of £16 left per week and those on zero hour contracts £5.83 per week.



£10 per week: my safety net has gone now. I can't replace things straight away if something gets broken.

My kettle broke and I had to lend money from my neighbour to replace it.

He also gave me a Freeview box when mine broke as I couldn't afford to buy a new one

£17.72

Average money left each week after bills excluding those in full time employment*

£21.19

Average money left each week (Unemployed)

£16

Average money left each week (Part Time Employed)

£5.83

Average money left each week (Zero hour contracts)

* As reported in the Employment section, the number of case studies in employment has dropped to the lowest level since the start of the study and the proportion of them in full-time employment is equally at its lowest. Including this small sample would therefore distort the averages and the true picture of money left each week for unemployed and low-income households.



Savings

In February 2015, the [Step Change](#) report recommended that people needed a safety net of savings of £1000 to cope with unexpected matters to avoid getting into debt. As part of the supplementary questions we asked in February, we also asked our case studies whether they had any savings.

Only 6.25% of participants who responded in February said they had savings of £1,000. One case study reported “living off” their savings. One case study reported ‘living off’ their savings and it would seem reasonable, given the levels of debt reported, to anticipate that the majority of our case studies do not have this safety net to fall back on.

CASE STUDY: Jamie has been in and out of work

He is currently working fixing computers and security cameras on a zero hour contract. This is the third zero-hour contract he has had in the last couple of years. He has said it before but mentioned again that it's such a horrible way to live because each Friday morning he gets up, goes into work and doesn't know until after lunch if he will have work the following week.

He has no debt, pays £20 per week fuel, £17 per week food and now has savings.

“I cleared all my debt a while back and live hand to mouth even though I am working because I can't face going into debt again.

“The only reason things have stayed the same is because I have managed to find jobs when I have come out of work. It's still a horrible way to live though, never knowing if you will be working next week. I am desperate to get a permanent full time job.

“I don't have the heating on anywhere near as much as I would like to because it's just too expensive. Plus I never know from one week to the next if I will be working the following week so I have to use as little as possible. It's freezing in here sometimes but you just have to get on with it.

“My health is the same and again that's because I have managed to find work. I know this would change drastically if I was finished up and had to go on the dole. I wouldn't cope

“During my working life I have paid more into the pot than I have claimed so in times of need I should be entitled to claim a decent benefit when needed. The system doesn't support those of us who have worked most of our life and have now fallen on hard times. It's supposed to be a great system when in reality it's not”.



Observations

Conclusions will be drawn in more detail in our 18 month report due by June 2015.

However, in round six it continues to be clear that our case studies are living off very low levels of disposable income and are continually 'robbing Peter to pay Paul'.

Both weekly spend on food and fuel is now less than 18 months ago but this appears to be through necessity, rather than through choice. The anecdotal examples and experiences case studies are sharing with us suggest that people are not eating as they should and with 54% telling us they don't heat their homes to the levels they need, food and fuel poverty are evident. Both could lead to health and other implications.

The dependency on borrowing to cope is also evident. Weekly debt repayments have almost doubled since the start of the study and as a result, the amount of money left per week is very low. Excluding the full time employed households, which are a small, unrepresentative sample, unemployed and low income households are surviving on an average of £17.72 per week after food and bills. We see an increasing reference to stress and anxiety in comments made by affected households.

For the first time in the study, we now see that in-work households are worst affected. Those in part-time work are left with less money after bills than those who are unemployed. While in monetary terms this is negligible, our data suggests this is due to increased costs associated with getting to and from work, and people also trying to obtain more hours. We also see examples where debts have been incurred to support getting into work or during periods of unemployment, and this leaves a legacy when in work.

However, keeping things in perspective, all households are living with no or little safety net. The results of this section and the effects they are having on health and wellbeing are being closely monitored. 76.5% of our case studies are unemployed and of them, four out of every five cannot work due to health, disability or caring responsibilities. The results from Real Life Reform indicate that these households, despite showing resilience, are increasingly becoming more vulnerable.



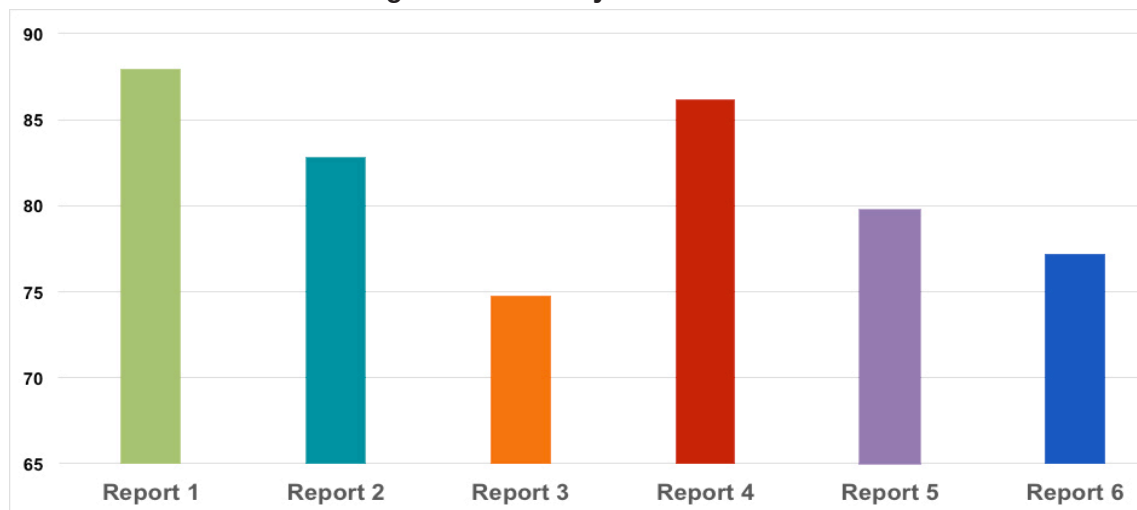
2. Health & Well-Being

Real Life Reform is a longitudinal study and, following six rounds of interviews, we can see from the series of graphs, quotes and diagrams the trends that have emerged around areas such as impact on health, concern for children's education and the impact of Welfare Reform on neighbourhoods.

When asked to describe how *"the benefit changes will affect the health of people in my house,"* the range of answers has shown some fluctuation, with answers ranging between 86% in report one and 77.1% in report six expressing concerns.

In this round, 47.1% of respondents strongly agree that Welfare Reform is having a negative impact on their health and well-being, with a further 30% agreeing, making the total of 77.1%. The chart below shows the responses over

% of People who said "I'm concerned at how benefit changes will affect my health over time"



In February 2015, we asked our case studies some supplementary questions including whether their health had stayed the same, got worse or got better since the start of the study.

- **44% told us their health had got worse**
- **50% said their health had stayed the same**
- **6% said their health had improved**

Being on a low income, my eating and lifestyle are really affected. I'd love to go swimming - they run special sessions in a warm pool - and I know it would help my condition but it's £4 a time and I just can't afford it.

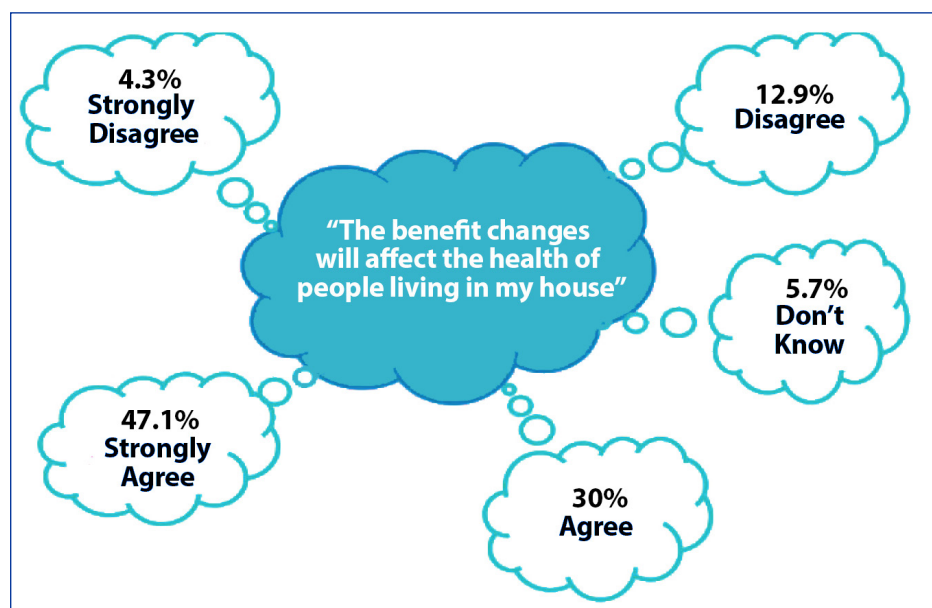
I'm still worried about what can happen to me as a result of the Discretionary Housing Payment [ending]. I'm buying cheaper food, it's not very healthy and it's putting a strain on my health.



The qualitative evidence and quotes that continue to be recorded indicate that many households are talking about and experiencing stress, depression and other similar issues.

From the six reports, it is apparent from the comments made by participants that when there is a lack of certainty, their levels of stress and anxiety rise.

This being the case, if Universal Credit creates an increased level of uncertainty then it would be logical to expect people to worry more about their health and wellbeing.



77%

Agree changes will affect the health & wellbeing of people in their home

75%

In report 3

86%

In report 1

What is clear for our case studies is that they report very high levels of concern about their health and wellbeing. This is consistently high and within the scope of this survey the results are among the highest reported in response to any of the questions.

Observations

As previously reported, anxiety about health and wellbeing continues to be a consistently strong theme emerging from this study and has to be a concern, not just for tenants and housing associations, but partners in education, health and employment.

It will be of interest and a consideration for colleagues working in health to read that 44% of our participants in Real Life Reform feel that their health has got worse over the 18 months of the study, with a further 50% saying that they felt no different. Quality of life for people would appear to have declined and low levels of wellbeing are known to lead to a greater reliance on health care and the costs associated with it.

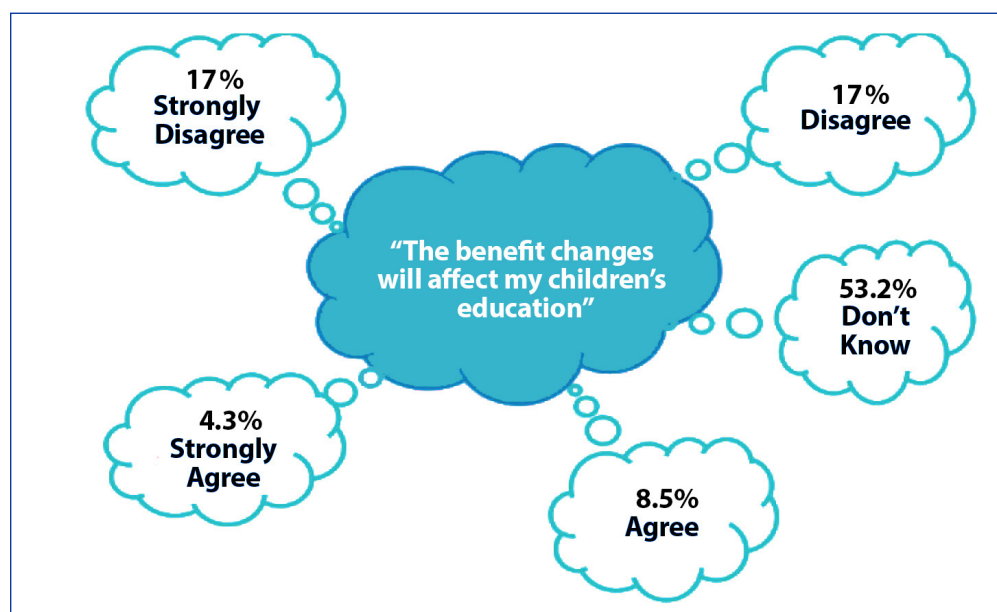
We know that a number of health organisations are looking to provide more services within the community and evidence from the recent **Due North** report highlights what it regards as a North/South divide, or inequality, in terms of health care and the importance of proactively providing health and wellbeing services at community level.



3. Families & Neighbourhoods

The Real Life Reform reports have demonstrated that participants are worried about the impact of Welfare Reform on their families and the neighbourhood where they live, but are not as worried about the impact they think it will have on the education of their children.

Throughout the study so far, we have recorded an improvement in how people view the impact of Welfare Reform on their children's education. That trend has continued and now just 1 in 6 (13%) worry that Welfare Reform will have a negative impact on their children's education.



13%

Agree changes will affect their children's education

33%

In report 3

54%

In report 1

Consistent with previous reports, the percentage of people who are concerned for their children's education is not as high as concern for participants' own health and well-being. Previous reports have highlighted the determination and resilience shown by the participants not to let changes impact negatively on their children and this continues unabated.



My daughter mentioned the possibility of going to university. I don't know how I'll ever be able to support her - but I don't want her education to suffer.

Everything costs money - trips, meals and so on. She's doing well but the social side is suffering. Not having money makes her the odd one out all the time. She's being teased as she has to wear her old glasses because I can't afford contacts. Having the right fashion and shoes helps with fitting in and she doesn't have those.



As illustrated in all the reports to date, parents are stating that their children come first. It is positive that after more than a year of Real Life Reform, the results now indicate that 5 out of 6 households feel their children are relatively unaffected by Welfare Reform when it comes to their education, but this study cannot evaluate whether this optimism proves to be founded.

That strong desire to put their children first, initially evidenced in report one, has remained in place and has become stronger throughout the study.

While there is strong determination and resilience around ensuring children are not adversely affected, we do see in the Every Day Living section, examples where households have borrowed money for items such as school uniforms and school activities.

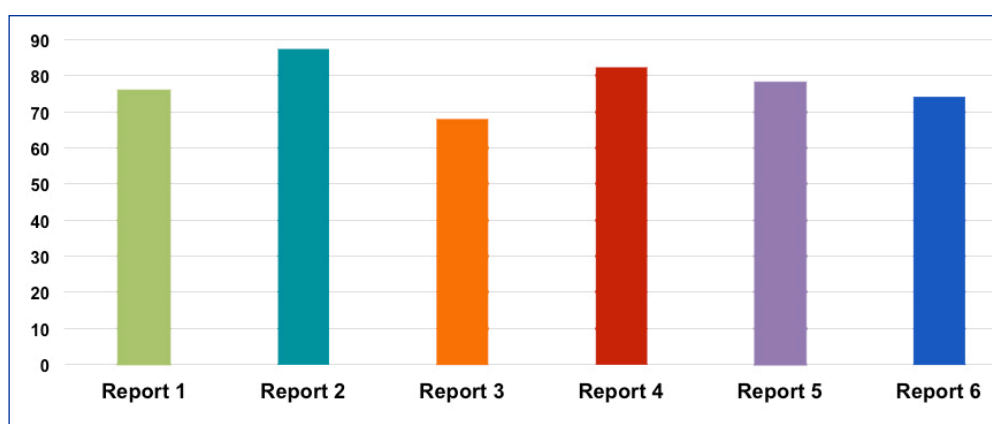
Impact on Neighbourhoods

Results in this section suggest participants have expressed a high level of concern about the likely impact of Welfare Reform on their neighbourhood.

Aside from a slightly improved view in report three, the levels of worry and concern have again remained consistent. Around 4 in every 5 people think the benefit changes will adversely impact upon their neighbourhood.

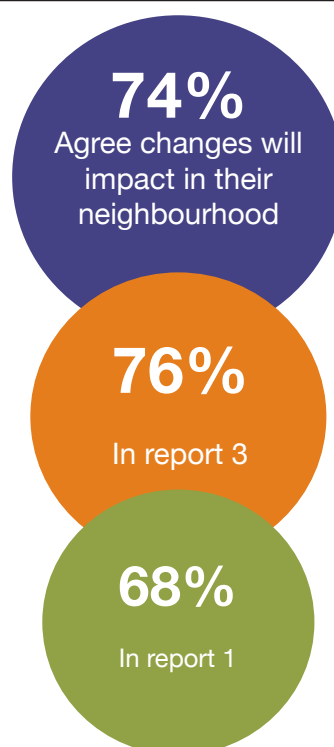
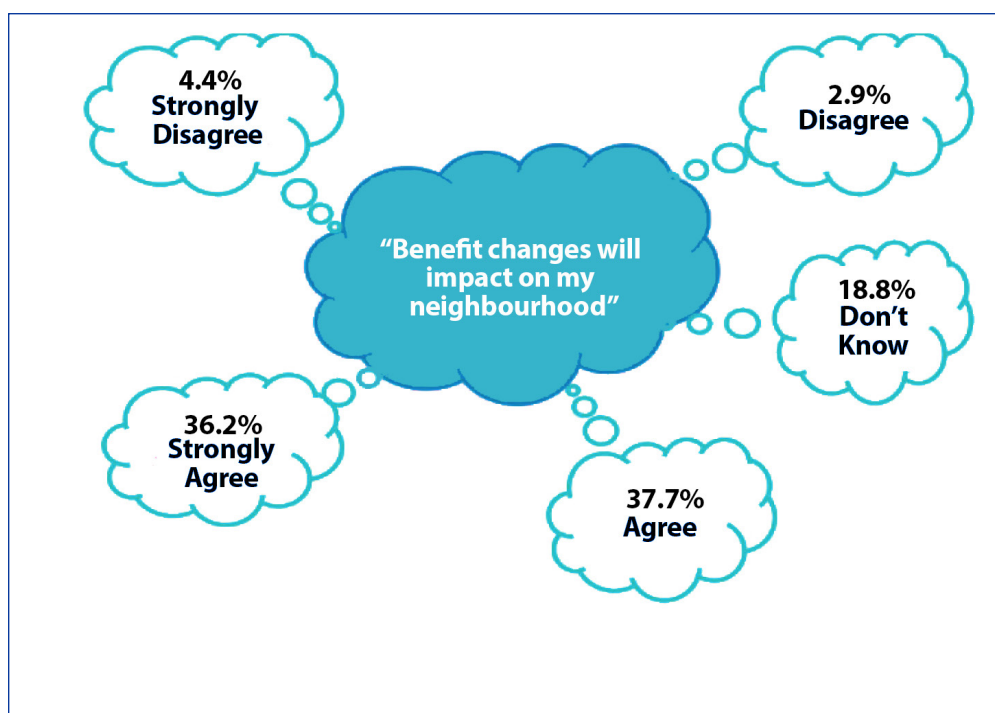
In report five, we suggested the results may reflect an uphill battle to encourage tenants living in social housing to feel positive about Welfare Reform and the impact it may have on their neighbourhood. This remains the case in this latest report.

% of people concerned about the impact of Welfare Reform on their neighbourhood



“Everybody is struggling. People are selling things to make ends meet. My neighbour tried to sell me a kitchen gadget they no longer use as they needed the money”





“ Nearly everybody you speak to around here is in the same boat - no money and depressed. It's horrible to see and I know lots of these people used to work too so it's not their own fault. They have gone from having a decent wage to living on virtually fresh air. **”**

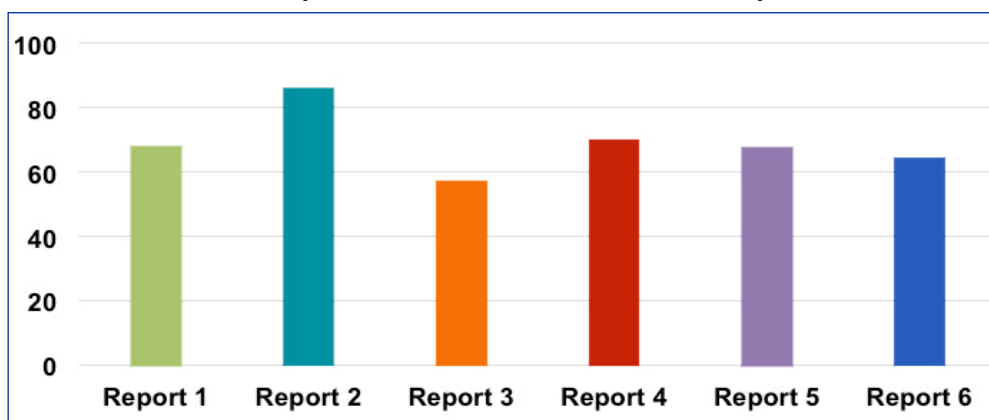
“ Just talking to people, I know that there are lots of people around here who are really struggling and not just people who are not working. Some people have part-time work but they don't seem to be any better off if I'm honest. **”**



Local Shops

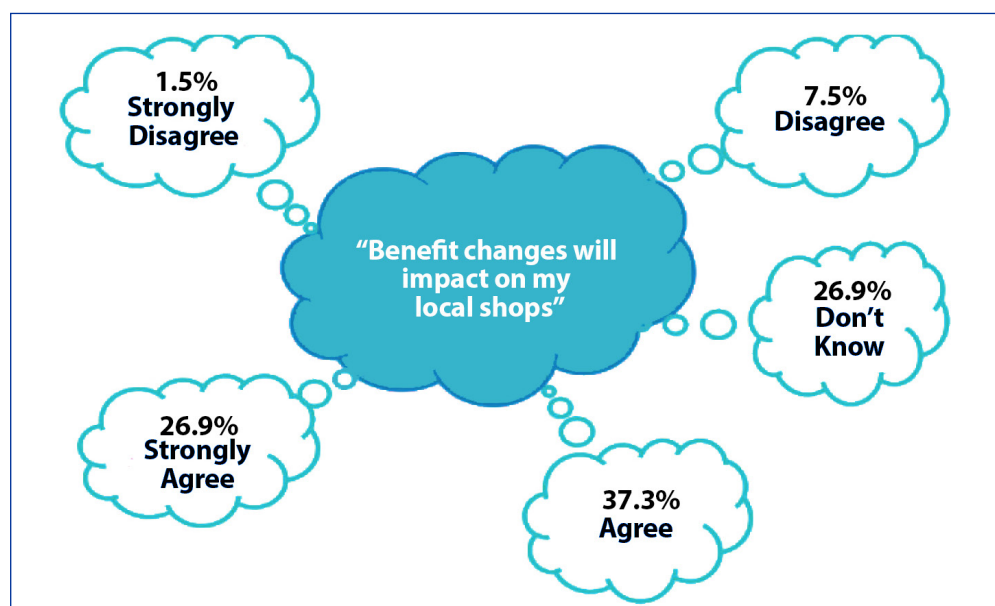
It is recognised that a key sign of a successful neighbourhood is the availability and vibrancy of a number of local shops. These are focal points for the community and serve to create a feeling of an economically active area. Over the course of the study, we have seen levels of concern plateau, with just over 60% expressing concern about this issue. This shows a relatively high level of concern about something that will be of importance to the success of their neighbourhood.

% of participants who are concerned about the impact of Welfare Reform on local shops



We have previously reported that as a number of our participants live in some of the most deprived wards in the country, it is perhaps not surprising to hear stories of shops closing down or struggling to keep going.

However, without those shops and some form of economic activity, are those neighbourhoods likely to be regarded as positive places where people want to live or to visit? The reputation of a neighbourhood is something that is hard earned but easy to lose and clusters of boarded-up shops or failing businesses are visible signs that an area is struggling to remain vibrant and attractive.



64.2%

Agree changes will affect their local shops

57%

In report 3

76%

In report 1



“As local people are using food banks, they’re spending less in local shops and businesses - so I expect them to suffer.

It’s the reason I lost my job as my employer could no longer afford paid workers due to low takings at the cafe where I worked and is now relying on volunteers.”

“It’s getting worse. There are still good shops closing down in the local shopping centre. If new shops do open it’s usually cheaper shops or at the moment Christmas shops.”

“The shops are always changing hands.

Somebody opens a new shop and gives it a go for a few months then they have to close because they don’t make any money. Then somebody else comes along to give it a go and the same thing happens again.

The turnaround on some of these shops is really high.”

“Local shops are not as busy as they used to be. The local pizza shop is very quiet and the local chippy used to be open till 12 at night. Now it closes at 10pm despite the fact that there is a local pub open late.

This chip shop has been around for 30 years and is really struggling to survive. Also, the number of pubs has reduced and there is now only one pub in the area still open.”

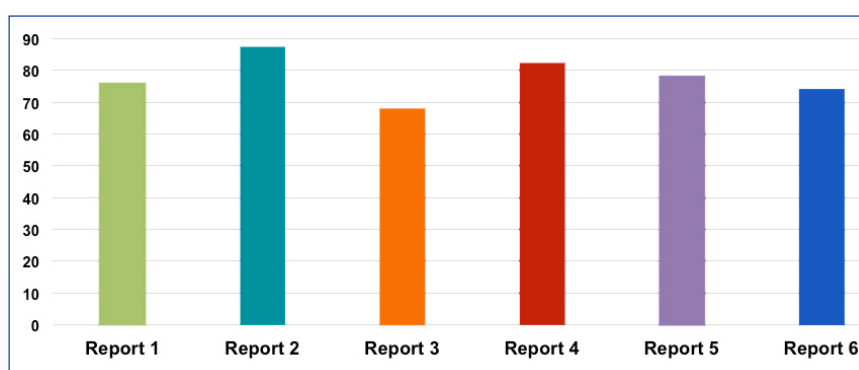
The quotes above show that people are still attempting to keep businesses going or to re-open shops but perhaps with a different commercial activity. The quote citing the problems for a chip shop that has been trading for 30 years shows that well established facilities that communities will have grown up around are equally at risk as new shops that are starting up.

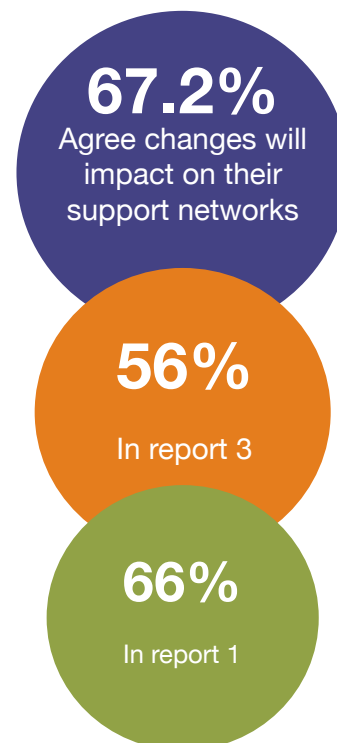
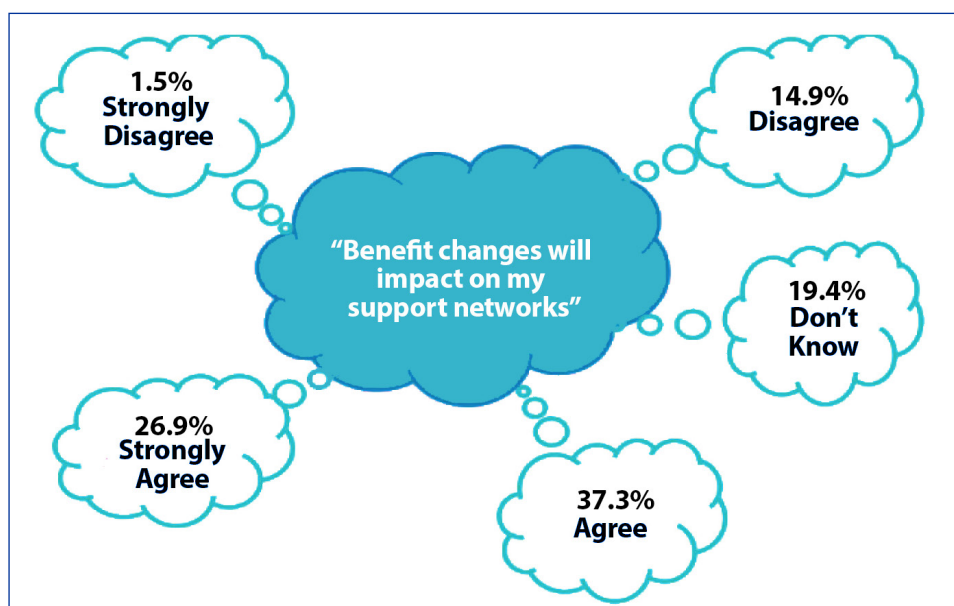
Support Networks

As with most other responses in this section, the results over time indicate that people have consistently expressed concern about the strength of their support networks. This consistency might suggest that networks have remained intact (otherwise it would be logical to expect an increase in concern) and that this is more of a perception issue than not.

That said, qualitative responses from participants continue to indicate that people believe their support network is going to be adversely affected by Welfare Reform.

% of participants who are concerned about the impact of Welfare Reform on their support networks





“I still have the same support network that I always have had. My children don't know the extent of what we are going through and how we are struggling as we don't want to worry them.”

“I have a friend who's been so helpful. He continues to pay for my phone and internet and he's great with the children. I don't want to keep accepting his help but I can't afford not to at the moment. I wish I could do more to thank him.”

The comments above are illustrative of the kind of support that people get and give to one another. Throughout the course of this study it has been apparent that neighbours, family and friends do support each other in many ways and this has been evidence of the resilient nature of the communities in which our participants live. Without those networks the fabric of those neighbourhoods would be very much at risk.

Observations

The consistency of results throughout the study so far is interesting. People have consistently reported concerns about their neighbourhood, the closing of local shops, and the impact of Welfare Reform on their support networks.

The resilience of their support networks has been tested by Welfare Reform but it is apparent that in many instances these have stayed firm, even if that has been at some considerable financial or emotional cost.



4. Work Opportunities

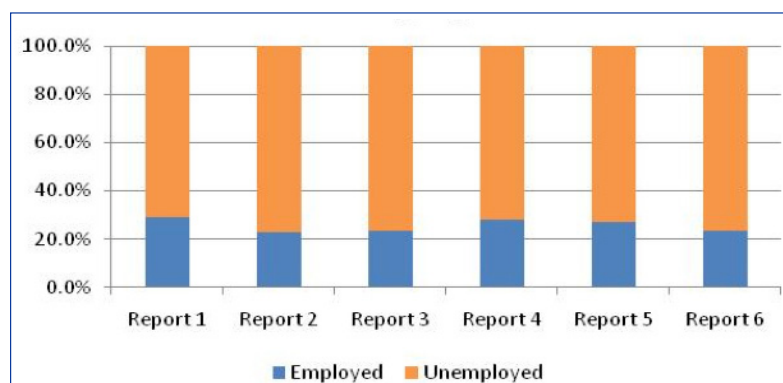
Throughout Real Life Reform, we have explored the relationship between our households and employment. One of the principal drivers of welfare changes is to “make work pay” under the premise that securing sustainable employment will offer a route away from poverty and reduce dependency on the benefit system.

Section 1, Every Day Life, shows that being in full-time employment is the only category where there is real financial gain, although the data does illustrate in-work poverty even where there is at least one member in full-time employment.

Employment Status

In round six, 23.5% of our case study households are employed. 76.5% are unemployed. These levels are the lowest recorded since the start of the study when 28.8% were in employment.

Households' employment status



“Recently I’ve had some luck - I had an interview on Wednesday and I think it went well. I have another one on Tuesday and I’m feeling confident about that. On the other hand, I’ve applied for a lot of jobs and heard nothing back.”

The reduction in employment since report five is against the backdrop of higher unemployment levels in the North compared to the UK average. Figures published by ONS in January 2015, covering the period September to November 2014, indicate higher levels of unemployment in the three northern regions included in this study compared to the UK average of 5.8% unemployment:

- The North East had an unemployment rate of 8.5%, this being the highest regional unemployment rate in the UK, although the region saw the largest decrease in unemployment on the August 2014 quarter.
- Yorkshire & Humberside has unemployment of 6.8%.
- The North West unemployment rate is 6.5%.

With 76.5% of our case studies unemployed, this is significantly higher than the regional and national average. This is explained by the fact that four out of every five households who are unemployed cannot work due to health issues, disabilities or being carers.

While employment levels have remained within a band of 23% to 28%, we see in round six a big change in the type of employment our households are in. Of the 23.5% in employment, fewer than 1 in 5 are in full-time work, this being the lowest level recorded since the study started and the culmination of a downward trend in full-time employment since round three.

The remaining 87.5% are in some form of part-time employment. As we see in section two of this report, this is the category that has experienced the most strain on their income and money left each week.



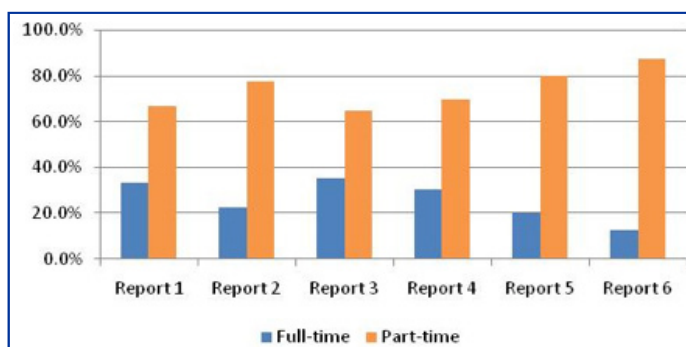
“I’m totally fed up. The job centre is not supportive in helping you find work. I’ve been sent on training courses that are not going to improve my chances of getting a job. Even when a vacancy comes up that I know I could do, it’s so demoralising to not hear anything back at all. Just nothing. Time and time again...”

In round four, we introduced a new category to better understand what our households viewed as part-time and also to understand how contract and zero-hours impacted on our participants.

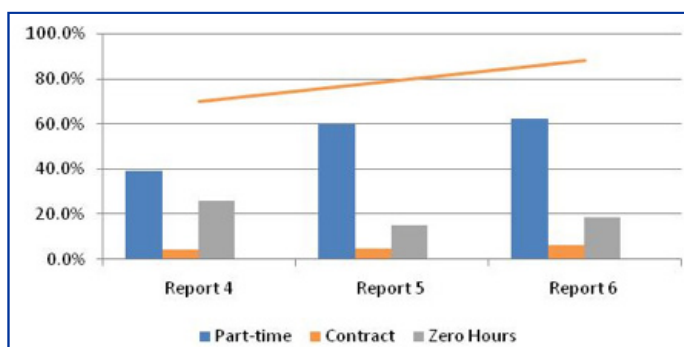
Apart from showing a continued reduction in full-time employment - from 30.4% of those in work in round four to 12.5% in round six - the research shows that after a reduction in zero-hour employment from round four to round five, there was an increase between round five and round six. This highlights further the volatility of this type of work.

In comparison, ONS figures show that nationally, 73.1% of people in employment work full time and the remaining 26.9% work part time [September to November 2014]. Our case studies are almost in reverse; with the majority in part time or uncertain employment.

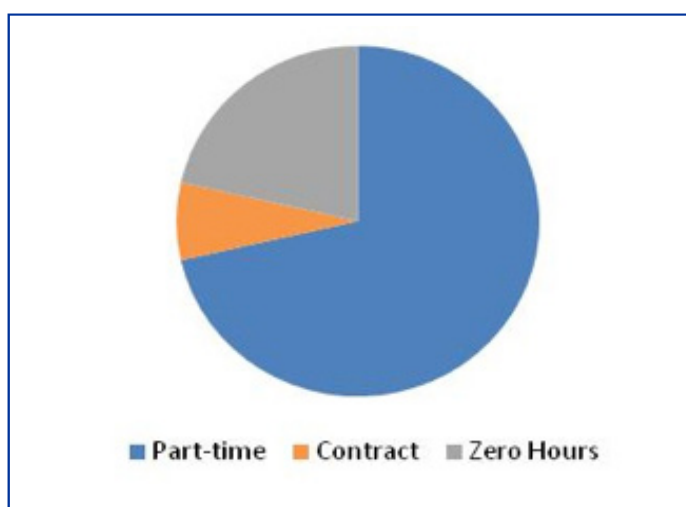
Households in employment by type



Part-time hours broken down by type



Report 5 part-time employed households by type



Report 6 part-time employed households by type



In round six we once again see an increase in the percentage of part-time employed households saying they are seeking and need to increase their hours. This figure now stands at 69.2%, compared to 50% in round five and only 35.7% at the start of the study. Having almost doubled since the start of the study, it's clear from our Everyday Living section that the potential to increase income by working more hours is the driver.

“We just buy the basics and we often live off Whoops food from Asda as you can get some bargains from there if you go shopping late of an evening. Asda is only round the corner from us so that's easy to do. We don't have the money to treat ourselves to anything nice though. We could never have a little luxury even as a one-off because we don't have the money to do it.”

69.2%

Looking for more hours

50%

In report 5

35.7%

In report 1

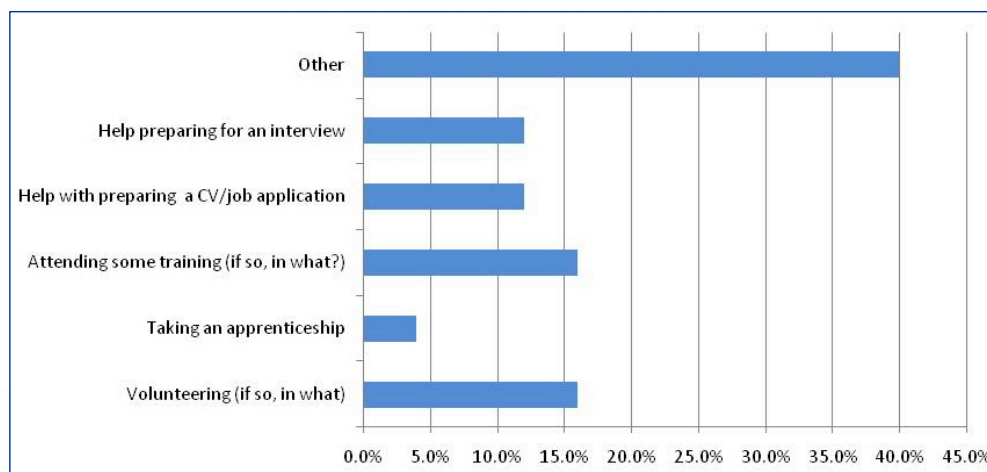
Only 20.7% of unemployed households say they are actively looking for work – largely those who have been out of work for less than two years. Those in longer term unemployment cite health, disability or caring responsibilities as the reason they cannot work.

Nationally there were 1.07m people unemployed due to either short-term or long-term sickness [24.3%] between August and October 2014. A further 2.3m people are not working due to looking after the family or the home [25.3%] (ONS). Our case studies illustrate a norm where just over half of those who are unemployed will remain so due to their health or circumstances.

Support needed to secure employment

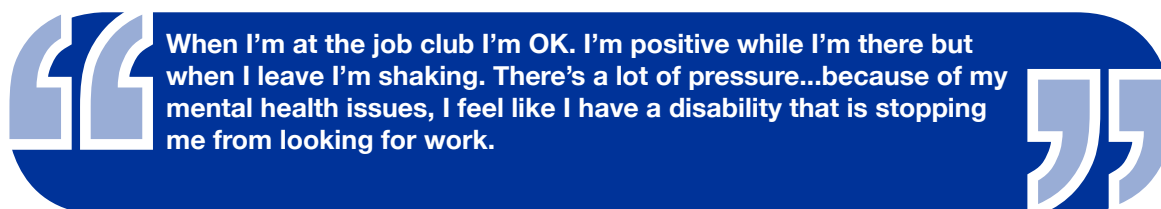
We asked our unemployed households what would assist and support them in securing employment. The two main areas of support mentioned were “volunteering” and “attending some training” with 16% saying they would benefit by getting either of these forms of work experience. While the proportion of participants stating that volunteering would help their job search fell from round five, those showing a preference for attending training almost doubled over the same period. This is an area that landlords and other stakeholders may like to consider to help improve access to interviews and securing employment.

Support needed to secure employment



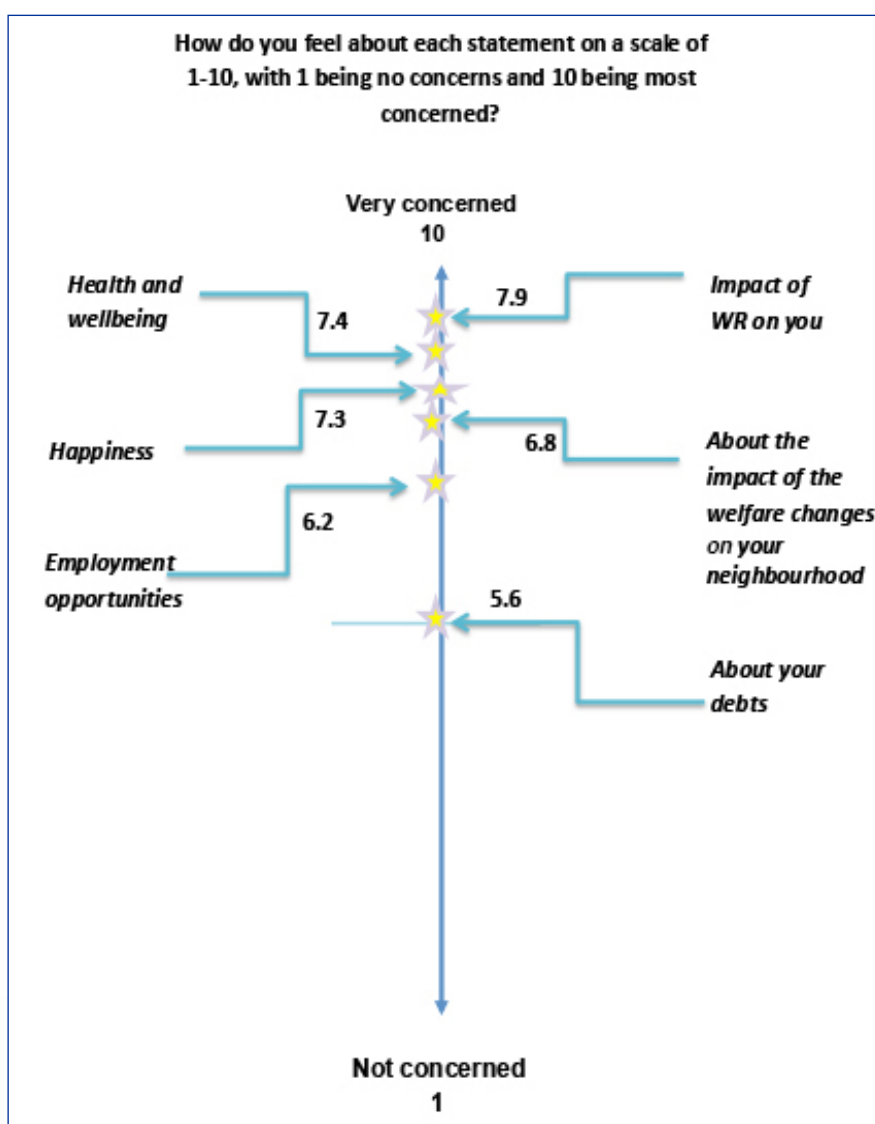
While the smallest proportion of participants cited apprenticeships as a way into work, this is an increase on both round five and round four results.

All other categories reduced in this round but again, as in round five, we did see an increase with 40% saying “other” forms of support would help. A number of participants mentioned the need to regain good health before they could secure employment, while others felt that community-based projects would provide valuable work experience.



How do Participants Feel?

In this section, we have reported a steady reduction in levels of concern about the majority of the indicators below. For instance, concern about getting into debt currently stands at a score of 5.6 in report six but in report one was showing as a score of 6.9. The issue here remains, that people are reporting that they are borrowing more money and falling into debt, or in some cases resorting to Debt Relief Orders (DROs) but are not as worried about that eventuality as they once were.

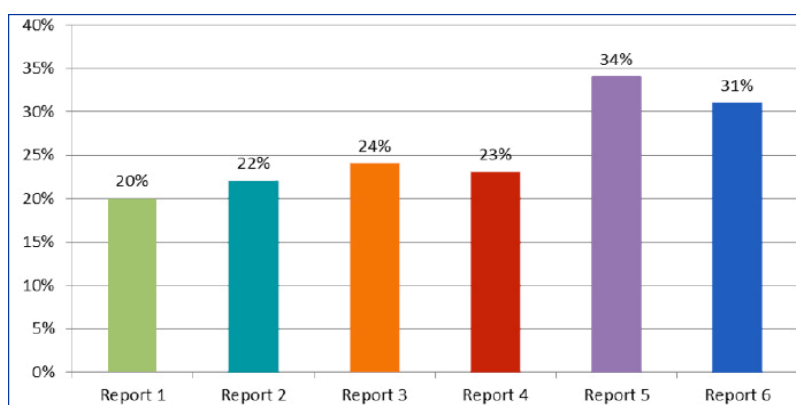


Dealing with Problems

Over the duration of the study there is an increasing underlying trend in the resilience of people to deal with issues and problems that they encounter.

The table below illustrates responses to “How well are you dealing with problems...” . We see a slight reduction from report five, however at 31% this is an improvement on 20% at the start of the study, showing that nearly one in three of our case studies is feeling capable of dealing with the problems they encounter.

I am dealing with problems well all of the time/often



I am still on anti-depressants because of the lack of money. In fact the doctor has recently upped the amount of tablets I take.

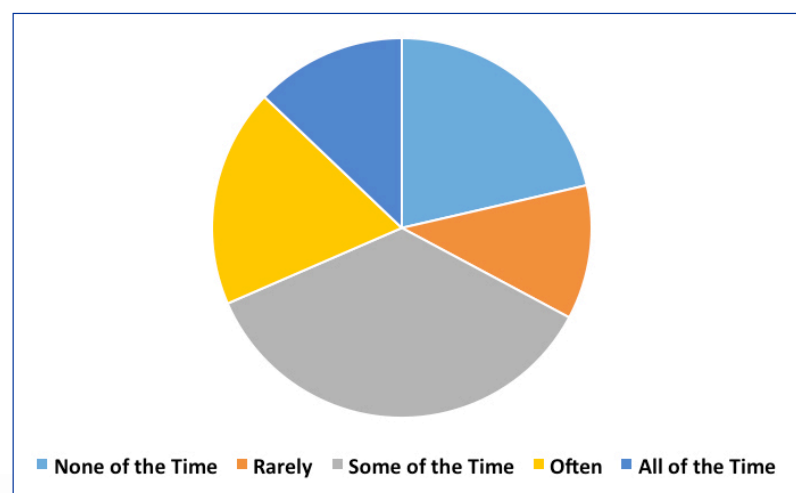
It's just a constant worry.

What this does however mask is an increase at the other end of the scale with participants saying they are dealing with problems well “None of the Time”.

Since report four, when 16.3% of participants said that “none of the time” they felt they dealt with their problems well, we have seen a continued trend of increasing inability to deal with problems. By report five it was 18.9% and at report six, it totals 21.4%. More than one in five households are saying they do not cope with the problems they are encountering.

This suggests that although the overall trend is positive, there are a number of households and participants in the study who are finding it increasingly difficult to cope with the problems that they are encountering.

Ability to deal with problems well



It causes worry and stress. It's that sick feeling you get in your stomach each day when you wake up knowing that you're living hand to mouth and don't know when it's going to end.



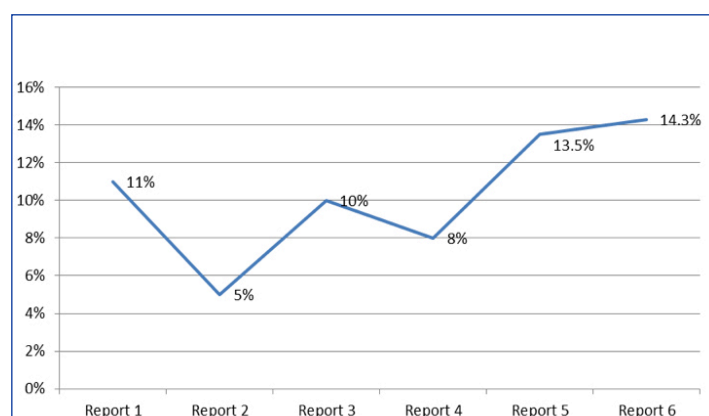
Feeling Optimistic

As with the resilience shown in dealing with problems, there appears to be some increased optimism among participants in the study.

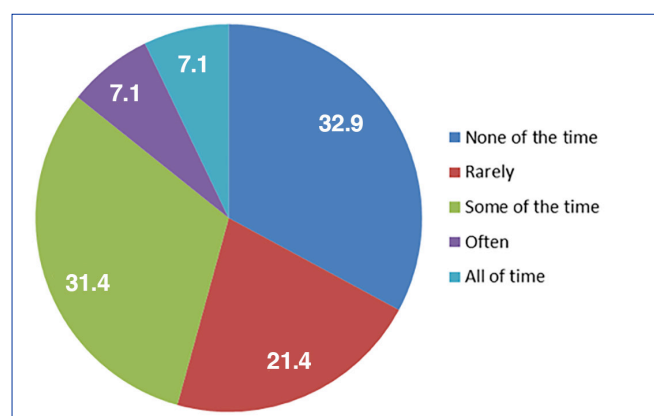
Although only a slight increase from 13.5% in report five to 14.3%, the levels of optimism expressed by participants has risen during the course of the study from 11% at the start and a low point of just 5% in report two. While optimism remains low, the increase, however small, is welcome and this is supported by a slight reduction in those saying that they feel optimistic “None of the Time” or “Rarely”.

While we still see more than one in two of our case studies [54.3%] telling us in round six that they are not optimistic, this has improved slightly by 6.5% from round five when it was 58.1%.

I am feeling optimistic all of the time/often



I am feeling optimistic about the future



“Worrying about possible changes is making my condition worse. I feel very uncomfortable with it all. Being made to feel worthless is having a negative impact on my mental wellbeing, as well as my physical health.”

Observations

Despite some statistical improvements we must be mindful of both ends of the scale. Whilst nearly one in three of our case studies say they cope well with their problems, more than one in five say they never cope well. And similarly with optimism; 14.3% is the highest level of optimism in the study but even though slightly improved, more than half of our case studies tell us that they are never optimistic.

As part of the 18 month review and analysis due by June 2015, we will explore whether there are particular household types which typically fall into each category. We recognise that levels of concern may be very difficult to change and that current events or individual experiences impact particularly on feelings such as pessimism, which can be entrenched.



CASE STUDIES: From our facilitators' perspective...

My tenant seemed a bit more positive this time...

He had been worrying about possible changes to his benefits, and after arranging for a benefits advisor to visit, this seemed to have put his mind at rest a little for the time being.

He was extremely positive about Real Life Reform and was pleased that some of his quotes had been used. He actually felt he had been listened to and was valued. He does seem to be coping OK at the moment, but is not getting as much support from neighbours as he used to and is missing their company. Overall, a more positive visit this time than the last.

J is certainly resourceful and budgets hard...

He has paid off his water arrears and his Social Fund loan and is determined not to get into debt or borrow any more money.

Not finding work is really taking its toll. There have been glimpses of optimism during my visits. He has talked about his design work and the equipment he would need to eventually be self-employed; growing his own vegetables; and once I turned up and he was trying on interview clothes he had purchased with job centre support.

In the main, however, he is jaded and his hope of finding work and moving forward with his life diminishes each time he gets zero feedback from his endeavours. It's been really hard sometimes to delve... He's bright, young, personable and deserves a chance to move his life forward.

5. Real Life Reform: Fulfilling our Remit

Our research sets out in its original remit to:

1. Share and compare household experiences
2. Demonstrate where Welfare Reform is achieving its goals
3. Highlight any unintended consequences of the changes on people and communities
4. Be used to raise awareness
5. Be used to help influence the strategic direction of organisations and provide an evidence base for these decision making processes
6. Be used to support and develop front line staff that manage and respond to the issues associated with Welfare Reform
7. Explore people's experience of accessing employment

Summary

In previous reports we have set out how the original objectives of the study have been met. This report continues to provide evidence of how Welfare Reform is impacting on the participants and their neighbourhoods.

We are proud to have delivered six reports on time in an 18-month period and we know that these reports have been used by a variety of organisations in a number of ways. We will look to capture that in our final summary report due before the end of June.

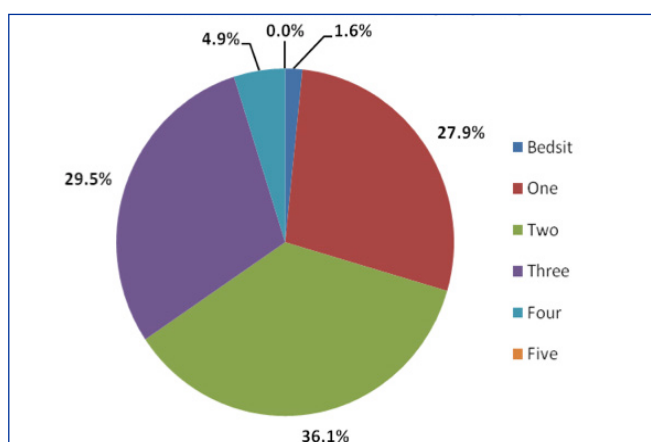


6. Who are our Real Life Reform Households?

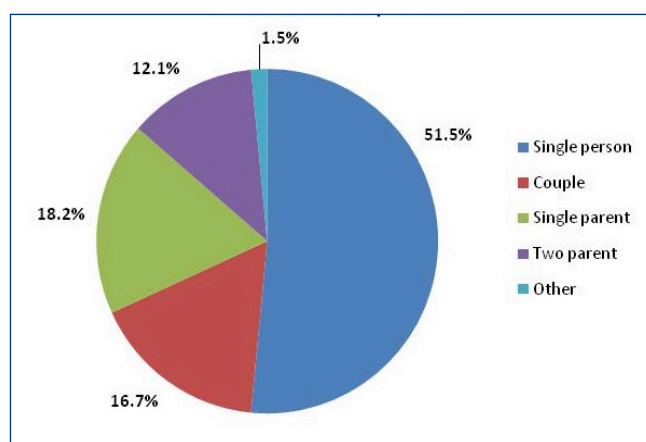
Although there has been minimal change in the participants between rounds five and six (there was only one new participant to join the study in the latest round), there have been some changes in some participants' circumstances.

For instance, there was a further increase in households living in smaller properties. This is the culmination of increases in every round since round three. In round six, 64.5% of participants live in one- or two-bedroom properties compared to 62.9% in round five. It can be seen from participants' comments that a number have down-sized to avoid the under-occupation penalty. The new participant in this round also lives in a one-bedroom property.

Number of bedrooms in the property



Household composition



The increased popularity of smaller properties corresponds with an increase in smaller households. Households containing single people (51.5%) and couples (16.7%) were more prevalent in round six compared to round five (50% and 14.7% respectively). Conversely, combined figures for single and two-parent families fell by 2% on round five. Those that provided information to explain the changes pointed to children leaving home to form their own households.

Ethnicity of interviewee	Percentage (%) of participants
White	87.3%
Black/ African/ Caribbean/Black British	7.9%
Asian and Asian British	1.6%
Other	1.6%
Mixed/Multiple Ethnic Groups	1.6%



7. Real Life Reform – the future

When Real Life Reform began in 2013, we said we would produce six reports over 18 months which would make this, our sixth report, our last one.

However, there has been significant interest in keeping the study going and for others to get involved. We are currently exploring who we might work with; how we support the study; and how we keep it relevant to the challenges many social housing tenants and landlords face.

There is also real interest in Real Life Reform potentially increasing its scope of enquiry to strengthen its use by colleagues in sectors such as health, education and employment.

Throughout the study, excluding the small number of participants who moved out of social housing, more than 94% of case studies stayed with Real Life Reform.

In February, 80% of those who participated in the supplementary questions told us they were keen to remain involved. Such support complemented by their openness, sharing of examples and experiences, suggests they feel the reports have accurately portrayed their situations and stories.

During March and April, we will be considering future phases of Real Life Reform. If you are interested in finding out more or have any suggestions about how Real Life Reform could diversify or add value to your organisation, please let us know. Either tweet us [@RealLifeReform](https://twitter.com/RealLifeReform) or email either lisa.pickard@lyha.co.uk or awilliams@lht.co.uk





Study Group Members

Lisa Pickard

Chief Executive
Leeds and Yorkshire
Housing Association

Charlotte Harrison

Executive Director
Northern Housing
Consortium

Richard Bramwell

Assistant Communications
& PR Manager
Symphony Housing Group

Andy Williams

Director of
Neighbourhood Services
Liverpool Housing Trust

Karen Croucher

Research Fellow
University of York

Sara Herrington

Head of Housing and Support
North Star Housing Group

Phil Rhodes

Social Inclusion Officer
Stockport Homes

Vicky Bannister

Director of Tenancy Services
Wigan & Leigh Homes

Stephen Blundell

Director of Housing &
Customer Service
Leeds Federated
Housing Association Ltd

Noel Sharpe

Executive Director
Customer Services
Halton Housing Trust

Derek Stewart

Director of
Neighbourhood Services
Leeds and Yorkshire HA

Laura Hay

Communications Manager
Halton Housing Trust

Matthew Gaunt

Team Manager
KNH



THE UNIVERSITY of York



Appendix 1

As part of Real Life Reform we commit to understanding current issues that are facing our households and sector. Below are some of the links we have recently considered which you may find useful.

[The final report](#) from the National Housing Federation's Welfare Reform impact assessment has been released, showing while the overall number of tenants in arrears because of the under-occupation charge has fallen, the situation for those who are in arrears has got worse.

[An investigation conducted by Inside Housing](#) has shown that the impact of Welfare Reform is pushing up the cost of repairs and maintenance as social housing providers improve and modernise larger homes.

[The Institute for Fiscal Studies](#) has found that poorer households have suffered the most from Welfare Reform and tax rises (such as VAT) and that households were, on average, £1,127 a year worse off after the implementation of reforms since 2010.

[A new report from the Centre for Cities](#) has shown that the north-south divide 'has widened'. It shows that for every 12 net new jobs created in the south of England, only one has been generated in towns and cities in the rest of Britain.

The Joseph Rowntree Foundation's [annual report into Minimum Income Standards](#) – a benchmark of income adequacy based on what the public think provides an acceptable living standard – has shown that the proportion of people living with income below the MIS increased by nearly a third between 2008/9 and 2012/13.

[A report from the Institute for Fiscal Studies](#) has shown that British workers are taking home less in real-term wages than in 2001, pointing to a continued squeeze on income standards.

[Homeless Monitor](#), an initiative by Crisis and the Joseph Rowntree Foundation (JRF), has said that a 9% rise in homelessness in 2013/14 has been masked by local authorities increasingly offering help through 'prevention and relief' in place of formal homelessness applications.

[The Department for Work and Pensions](#) has announced a £40m cut in funding for Discretionary Housing Payment. Funding will be £125m in 2015/16 compared to £165m for this year.

stepchange.org which provides advice on how to manage on a low income and debt management

[Due North Report](#) from Public Health England looking at health equity and the North/South divide when it comes to the provision of health and wellbeing services.



Appendix 2

The table below summarises any key changes from the main round six data collected in November 2014, which this report analyses, and the supplementary additional data captured in February 2015

	November 2014 ROUND SIX INTERVIEWS	February 2015 SUPPLEMENTARY INFORMATI- ON	Observations
DEBTS: Average debt	64.2% in debt £3554	68% in debt £2938 for the sample in Nov £3228 average in February 9.9% average increase of £290	Of those in debt: <ul style="list-style-type: none"> • 27% borrowed more • 50% remained the same [which means they didn't make payments or they borrowed more]
Average weekly fuel spend	£24.85	£28.57 for the sample in Nov £34.16 average in February 19.5% average increase of £5.59 54% said they do not heat their homes to the level they need	19.5% increase on weekly fuel spending applied to Round six, would equate to an average weekly fuel spend of £29.69 which is less than the same period in 2014.
Average weekly spend on food	£40.45	£42.70 for the sample in Nov £40.36 average in February £2.35 or 5.5% reduction in weekly spend on food	72% confirmed they had changed how much they spent on food since November. If 5.5% reduction is applied to Round six, spend would be £38.22, the lowest since round 2.
Food Banks	20% used a food bank	25% had used a food bank	n/a
Savings	n/a	94% have no savings	n/a

