

Local Authority Omnibus Survey – Wave 20

By GfK NOP

The Local Authority (LA) Omnibus Survey is conducted every six months among managers with responsibility for the administration of Housing Benefit (HB) and Council Tax Benefit (CTB). It aims to provide the Department with a regular means of finding out how LAs organise their benefit administration and view current and future policy and regulations.

This summary presents the findings of key sections of Wave 20 of the Survey, which was carried out from 18 January until 12 March 2010. More detailed findings from these and other sections are given in the full report, which is available free of charge on the DWP website.

Wave 20 of the Survey concentrated solely on questions around the administration of the Local Housing Allowance (LHA).

LHA administration

The average percentage of claimants that requested to have their LHA payments go to their landlord or letting agent was 25 per cent. The main reasons for this request were: rent arrears of eight plus weeks; drug/alcohol addiction; debt; poor rent history; and mental health problems.

Just over half of LAs (52 per cent) said a change to claimants receiving the payment themselves caused problems with the landlord, in particular, rent collection and rent arrears.

Thirty-seven per cent of LAs said that the number of tenant queries has increased since LHA, in particular, queries concerning whether or not LHA could be paid direct to landlords.

Landlord queries concentrated around the perceived inconvenience of having rent paid to tenants (74 per cent).

Just 12 per cent of LAs said it took more time to administer LHA than the previous scheme, in particular, operation of the safeguards policy and dealing with landlords' complaints or queries.

LHA and financial management

A third of LAs thought that rent arrears had increased since LHA.

Six in ten LAs thought that Discretionary Housing Payments (DHPs) had increased in the last year but blamed the economic climate as well as LHA.

LAs' predictions at Wave 18 of how money advice would be split between in-house provision of money advice and provision by other agencies, has proven to be very accurate.

Overall, LAs underestimated the amount of money advice required, with a third saying that ten per cent to 24 per cent of cases needed advice and seven per cent saying 24 per cent to 49 per cent needed advice.

Three in four LAs had experience of claimants terminating an HB claim to leave a weeks gap to move to LHA.

LHA and homelessness

Eighteen per cent of LAs said that homelessness had increased as a result of LHA – significantly more than said this at Wave 18.

Contact between LAs and the Citizens Advice Bureau (CAB) and Department of Communities and Local Government (DCLG) about homelessness has increased.

One in eight LAs thought that LHA has led to an increase in Social Rented Sector waiting lists.

Landlords and LHA

Forty-five per cent of LAs said that since LHA landlords were less willing to let property to HB tenants.

Eleven per cent of LAs thought that customers who claimed LHA were moving more frequently than had been the case under previous schemes.

Since the introduction of LHA, 69 per cent of LAs felt that landlords had raised their rents to LHA levels.

Fraud and error and LHA

Eleven per cent of LAs said that fraud and error had increased as a consequence of LHA (67 per cent said it had stayed the same).

Just over one in four LAs said overpayments had increased as a result of LHA (26 per cent) (51 per cent 'about the same'). 'Changes in circumstance' would seem to be a particular problem (61 per cent).

A higher percentage of LAs said that landlords (18 per cent) were less likely to report change of circumstances under LHA than tenants (nine per cent).

LAs most often recovered overpayments from claimants by 'Deduction from ongoing benefits' (85 per cent).

About the survey

One manager from all LAs in England, Scotland and Wales was invited to take part in Wave 20 of the Survey. Each received an advance letter that included a copy of the questionnaire, so that they could, if necessary, consult other managers.

A total of 227 LAs participated in the survey and this includes some LAs that did not complete every section of the questionnaire. Overall, 148 filled in the questionnaire on the web, 63 on paper and 16 on the telephone, between 18 January and 12 March 2010.

The full report of these research findings is published by the Department for Work and Pensions (ISBN 978 1 84712 790 7. Research Report 671. August 2010).

You can download the full report free from: <http://research.dwp.gov.uk/asd/asd5/rrs-index.asp>

Other report summaries in the research series are also available from the website above and from:

Paul Noakes,
Commercial Support and
Knowledge Management
Team,
3rd Floor, Caxton House,
Tothill Street, London
SW1H 9NA.
E-mail: Paul.Noakes@dwp.gsi.gov.uk

If you would like to subscribe to our email list to receive future summaries and alerts as reports are published please contact Paul Noakes at the address above.