

# Welfare reform and the impact on survivors of domestic abuse

April 2019

## Summary

### Background

In 2018 the Home Affairs Committee stated: “some of the Government’s welfare reform policies are making it harder for victims to leave or avoid economic abuse and control. Single household payments under Universal Credit are a ‘retrograde and backward step<sup>1</sup>”.

In the same year, Refuge<sup>23</sup> surveyed 65 expert frontline workers and conducted eight in-depth interviews with survivors accessing its services about their experiences of recent welfare reforms. It found that recent reforms have negatively impacted survivors of domestic abuse: when women are in a relationship with their abuser; when attempting to separate from their abuser; and when rebuilding their lives following domestic abuse.

### Key welfare system issues

The welfare system has recently undergone significant change. Many of the changes have adversely impacted survivors of domestic abuse:

- The introduction of **Universal Credit** has had the largest negative impact:
  - Single household payments enable abusers to control all the household income and restrict survivors’ access to money. Under Universal Credit, rent arrears are increasingly common. A survivor might not have any access to the funds for paying the rent, but can be jointly responsible for any arrears<sup>4</sup>. The option to split a payment between partners on grounds of domestic abuse means survivors must request a split payment to which perpetrators receive a notification. This puts women at greater risk of abuse
  - Long delays between application and receipt of Universal Credit payments (a minimum of five weeks) has made the decision to leave an abusive partner much harder and serves to make some abused women reliant on foodbanks and charities after they have fled their partners
- The **benefit cap**, the **two-child limit** and the closure of the **Social Fund** limit the ability of survivors to rebuild their lives as they have increased the barriers to access affordable homes and furnish them with essential items

### Progress to date

In January 2019 the Department for Work and Pensions (DWP) acknowledged the welfare system needed to work better for survivors of domestic abuse and that they would bring forward plans to:

- Pay Universal Credit to the main carer in households with children
- Remove the planned extension of the two-child limit for children born before April 2017
- Provide enhanced domestic abuse training to a specialist in each Job Centre

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<sup>1</sup> Home Affairs Committee (2018), Domestic Abuse Ninth Report of Session 2017–19  
<https://publications.parliament.uk/pa/cm201719/cmselect/cmhaff/1015/1015.pdf>

<sup>2</sup> Refuge is the country’s largest provider of specialist services for women and children escaping domestic violence and other forms of gender violence. Refuge opened the world’s first refuge in 1971 in Chiswick, West London. 48 years later, Refuge supports more than 6,500 women and children across its services on any given day

<sup>3</sup> Survey undertaken by Refuge employee Angie Airlie, for her Women and Child Abuse MA dissertation 2018

<sup>4</sup> This further compounds issues a woman faces should she leave her perpetrator as she will be in rent arrears and face additional barriers in accessing social housing

## What would help survivors of domestic abuse?

- Separating the Universal Credit payment by default would ensure women have control over some of the household income
- Survivors should be exempt from repaying any Universal Credit advance payments in recognition that access to finances is crucial at the point of fleeing abuse
- Removing the two-child limit for all families whose third child was born after April 2017
- Reinstate the Social Fund for survivors moving into new homes so that women can access the basic essentials needed to set up a new home
- Local authorities routinely using Discretionary Housing Payments to support survivors moving into a new home

## **Additional information**

### **Understanding the broader context of women who experience abuse**

Domestic violence describes any violence or abuse that is used by someone to control or obtain power over their partner. It can include physical, sexual, psychological, verbal, emotional and economic abuse. Economic abuse seldom happens in isolation and can leave women without money for basic essentials as well as impacting on debt (including rent arrears). The recent changes to the welfare system have compounded these problems in many cases.

### **Understanding the recent impact of welfare reform on women who experience abuse**

Refuge works with over 6,500 survivors daily. Last year 32% of survivors supported through our services disclosed that they had experienced economic abuse. Many survivors need to access the welfare system when fleeing abuse as it is their only recourse to funds and need state support to rebuild their lives following abuse. Refuge has a long history of campaigning and working with Government to make the welfare system better meet the needs of survivors<sup>5</sup>.

In 2018, Angie Airlie, senior development officer at Refuge, as part of her Master's degree, surveyed 65 Refuge frontline practitioners, conducted eight in-depth interviews with survivors accessing Refuge's services, and analysed in detail five case studies about their experiences of recent welfare reforms (Universal Credit, benefit cap, two-child limit, the Social Fund). A third of frontline staff surveyed had supported women who were negatively impacted by recent welfare reforms. Several practitioners were supporting between five and 20 women against whom welfare reform changes had been used by men to control their partners. Angie Airlie's findings complement and support a programme of work Refuge has been driving to bring about changes to the welfare system.

## **Universal Credit**

Merges six 'legacy benefits': Income Support, Jobseeker's Allowance, Employment and Support Allowance, Housing Benefit, Child Tax Credit, and Working Tax Credit. Universal Credit is assessed on a household basis and is paid via one monthly payment into a single bank account. Several concerning and compounding issues arise when survivors of domestic abuse try to claim Universal Credit.

## Monthly single household payment

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<sup>5</sup> See for example, Refuge (2018) submission to the Work and Pensions Committee inquiry into Universal Credit and domestic abuse <https://www.refuge.org.uk/written-evidence-work-pensions-select-committee-universal-credit-domestic-abuse-may-2018/>

- The monthly Universal Credit payment is paid to one person in the household. In cases of domestic abuse, this enables perpetrators to control the entire payment easily and inflict economic abuse. This can include, refusal to give survivors access to any money, forcing financial dependence on the abuser and reducing opportunities to leave;
  - One Refuge worker said: *“Universal Credit payments going to one person in the household have meant clients have found it very difficult to put any money aside in order to flee – sometimes not even enough to travel to a refuge”*
  - Another worker explained: *“where the housing element of Universal Credit has gone to the perpetrator, many don’t pay the rent and instead spend the money, yet our clients are jointly responsible for the rent arrears – which if they do flee and move on, could have a significant impact on their ability to access future housing”*
- At present there is an option to request to split Universal Credit - but a survivor must disclose abuse to the Department of Work and Pensions and a notification that this request has been made will appear on the perpetrator’s Universal Credit account
  - One survivor interviewed, Mary\*, requested a split payment as her husband controlled the household income; her request was refused<sup>6</sup>
- **Solution: separate Universal Credit payments should be introduced for all couples, this would increase the ability of survivors to access income and promote the economic independence of women**

#### Universal Credit – five week payment delay

- Universal Credit is paid in arrears and is subject to a five week minimum delay between application and first payment<sup>7</sup> - forcing many survivors into poverty and creating additional stress at an already very challenging time in their lives. In addition, many of the women Refuge supports wait much longer than the five week minimum for a first payment. Fear of poverty and time delay in receiving benefits is often cited by abused women as a factor behind them staying with their perpetrator
  - One worker said *“the changeover to Universal Credit has caused a significant delay in accessing benefits when women arrive at the refuge. The five-week waiting time means women have to survive with their children with no income, and only a few food bank vouchers. This means that many struggle with whether they’ve made the right decision to leave, if they can’t even feed their children on their own”*
  - Another frontline worker said: *“women I have supported who have had to make a new Universal Credit claim at the point of move-on have experienced very real difficulties in relation to having no income for a significant period of time at the point when they need to furnish a new home, get to know a new area, and make their children feel secure in a new home. Move-on from refuge should be a positive experience”*
  - Survivor, Amy\*, said: *“I don’t know if they understand the impact that it has when you have to wait so long. Especially in that period when you’re fleeing. I think if they understood the additional stress that it causes you, for something mundane when you’re trying to cope with all these massive issues, I think if they realised the additional pressure that it puts on women who are fleeing, I think maybe they would try and do something to try and quicken the process, or something to help access funds quicker in that first space of time.”*
- The DWP can make an advance payment to claimants who request one on the grounds that they do not have the finances to support themselves during a five-week wait. These advances are loans

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<sup>6</sup> Mary is the only survivor Refuge has supported who has requested a split payment, to our knowledge. DWP figures confirm only a tiny number of survivors are safe enough to request a split payment as only 20 split payments were granted in the last year (Justin Tomlinson, 10<sup>th</sup> October 2018, Hansard, Col. 147WH)

<sup>7</sup> Since April 2018 existing housing benefit is paid for two weeks after a Universal Credit application, therefore claimants have three weeks without housing costs and five for all other types of benefit

and must be paid back over 12 months; repayments are automatically deducted from Universal Credit repayments at a rate of up to 40 per cent<sup>8</sup>. Women who are paid a benefit advance therefore receive lower payments than their full benefit entitlement for many months, meaning they continue to struggle to meet their and their children's needs

- For people already receiving Universal Credit, the five-week minimum delay should not be imposed again where they make an application to change their circumstances (e.g. as a result of leaving an abusive partner). However, this is not the case for many women that Refuge supports. Job Centre staff require additional training to ensure that this does not happen
- **Solution: Refuge would like to see the DWP exempt survivors from repaying advance Universal Credit payments, in recognition of the importance of access to financial resources when fleeing domestic abuse**
- **Solution: Job Centre staff should receive training to ensure that survivors in receipt of Universal Credit do not have to wait for five weeks without a benefit payment when their circumstances change. Information on when the five-week wait does not apply should be clearly available and explained to applicants**

## Benefit cap

- Introduced in 2013
- The cap limits the combined value of all benefits received by a household. The current limits are £384.62 per week for couples or single-parent families, and £257.69 per week for single people without children (£442.31 and £296.35 respectively in London)
- There are a few exemptions which can be made, depending on applicant circumstances (the full list of exemptions can be found at [www.gov.uk](http://www.gov.uk))
- Refuge's frontline workers reported that the benefit cap makes it very difficult for women to afford appropriate accommodation in much of the country, limiting their ability to live free from abuse:
  - Frontline workers commented: *"the cap has really hindered clients to move on from violent partners, especially if their only option is private rented accommodation, as they cannot afford to pay the difference due to high rent levels"*
  - And *"the housing benefit cap has meant that survivors find it very difficult and time consuming to find somewhere else to live [other than with the perpetrator] with the limited amount of money available for rent"*
- The benefit cap has a detrimental impact on women rebuilding their lives. 52 per cent of Refuge's workers surveyed said they supported survivors who had fled, for whom the benefit cap was a problem. Two workers stated *all* their clients experienced difficulties related to the benefit cap:
  - A refuge worker said *"[the] benefit cap has affected women without children trying to move on from refuge accommodation. Particularly when they want to live in a specific area, where they have a support network which is crucial to their mental health and well-being, in an area where the LHA [Local Housing Allowance] would be significantly higher but the HB [Housing Benefit] cap means they cannot afford to live near the people they need"*
  - Another said: *"[the] benefit cap means clients struggle financially as rent would increase but housing benefit would not."*
- Local authorities have the ability to make Discretionary Housing Payments to support people who are struggling with the costs of rent or moving home, but in Refuge's experience these are not routinely used to assist survivors with deposits or the shortfall between the rent on a safe property and their entitlement to benefits

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<sup>8</sup> From October 2019 the maximum deduction will be lowered to 40%, HM Treasury (2018)

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/752073/Universal\\_Credit\\_web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/752073/Universal_Credit_web.pdf)

- **Solution: The Government should consider exempting survivors from the benefit cap**
- **Solution: Local Authorities use their ability to grant Discretionary Housing Payments to support survivors in accessing safe, affordable homes**

## The two-child limit

- Introduced in April 2017, limiting some child-related benefits to two children per family
- Applies to third and subsequent children born after 6 April 2017
- The Government planned to extend the two-child limit to all children, regardless of birth date, but in January 2019 scrapped this extension
- Child-related benefits can be claimed for a third or subsequent child born after April 2017 if they were conceived due to rape through the 'non-consensual conception exemption'
- The two-child limit forces survivors and their children into poverty and increases financial dependence on perpetrators. This can make it even harder for women to leave abusers
- Frontline staff are concerned the two-child limit enables perpetrators to increase their financial control over women
  - On the impact of the two-child limit, one of our workers said: *"victim feels unable to support three children financially as a single mother"*
  - Another said: *"the two-child cap means that some women will be pressured into having more children and becoming financially reliant on the partners for support."*
- The opposite has also occurred:
- One worker said: *"whilst [the survivor was] pregnant with her third child, her ex demanded she have an abortion because he said they could not get any more money for another child and when she said she didn't want [an abortion] he tried by being violent to enforce a miscarriage"*
- **Solution: Remove the two-child limit for all families**

## Social Fund

- The discretionary Social Fund was closed in 2013. The fund provided loans or grants to low-income families affected by financial or domestic emergencies. Typical use included grants for previously homeless families to buy beds and white goods for their new home
- The Social Fund was replaced by local schemes (generally termed community care grants), however most have closed or had funding cuts of up to 90 per cent<sup>9</sup>
- The closure of the Social Fund has negatively impacted survivors of abuse rebuilding their lives. If they are offered social housing, they often receive a week's notice before they must move into the property. They have to move the day that they receive their keys, often into homes that are bare shells. This means many women move into homes without carpets or light fittings
  - One frontline worker said: *"the Social Fund ending has meant for some they are now in homes without any money for carpet, beds, cookers, and other basic items which result in more health problems for them"*
  - Another worker said: *"without the social fund and community care grant women often have to move into properties with the bare minimum. This can lead to feelings of depression and a heightened sense of what they have lost due to the alleged perpetrator's abuse"*
- Sara's\* husband emptied the house of furniture and took the children's clothes; the house was "empty. Not one sofa". Sara experienced a seven-week delay before receiving her first Universal Credit payment and survived only by borrowing money. Refuge staff work hard to manage these situations, applying for funding from charities but this is still subject to long waits

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<sup>9</sup> Centre for Responsible Credit (2017) The Decline Of Crisis And Community Care Support In England: Why A New Approach Is Needed  
<https://www.responsible-credit.org.uk/wp-content/uploads/2017/10/Decline-in-Local-Welfare-Schemes-final.pdf>

- 43% of workers surveyed said the closure of the Social Fund, and lack of access to crisis loans and community care grants, were an issue. For many women rebuilding their lives, welfare reform has made it significantly more difficult to access appropriate housing and furnish a new property with essentials
- **Solution: Reinstate community care grants and the Social Fund to assist women who are rebuilding their lives after fleeing domestic abuse with essentials like furniture and white goods**

## Conclusions and recommendations

In January 2019 the DWP acknowledged the welfare system needed to work better for survivors of domestic abuse. As a result, the DWP announced plans to pay Universal Credit to the main carer in households with children, scrap the planned extension of the two-child limit for children born before April 2017, and provide enhanced domestic abuse training to a specialist in each Job Centre .

In addition to the changes implemented to date , Refuge would welcome the following:

1. Universal Credit payments to be separate for all couples by default<sup>10</sup>
2. Survivors be exempt from repaying advance Universal Credit payments, in recognition of the importance of having access to financial resources when fleeing domestic abuse
3. Reconsider the two-child limit for all families as it pushes women and children into poverty
4. Consider exempting survivors from the benefit cap
5. Reinstate community care grants and the Social Fund to assist women who are rebuilding their lives after fleeing domestic abuse with essentials like furniture and white goods
6. Local Authorities to routinely use their ability to grant Discretionary Housing Payments to support survivors in accessing safe, affordable homes
7. An annual review on the cumulative impact of welfare reforms on survivors of domestic abuse

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<sup>10</sup> The Scottish Government has committed to introducing separate payments by default