

# Please cite the Published Version

O'Leary, Christopher log and Simcock, Thomas (2022) Policy failure or f\*\*\*up: homelessness and welfare reform in England. Housing Studies, 37 (8). pp. 1379-1395. ISSN 0267-3037

DOI: https://doi.org/10.1080/02673037.2020.1849573

Publisher: Taylor & Francis (Routledge)

Version: Accepted Version

Downloaded from: https://e-space.mmu.ac.uk/626734/

Usage rights: O In Copyright

**Additional Information:** This is an Author Accepted Manuscript of an article published in Housing Studies.

#### Enquiries:

If you have questions about this document, contact openresearch@mmu.ac.uk. Please include the URL of the record in e-space. If you believe that your, or a third party's rights have been compromised through this document please see our Take Down policy (available from https://www.mmu.ac.uk/library/using-the-library/policies-and-guidelines)

# Policy failure or f\*\*\*up: homelessness and welfare reform in England

Since 2009, homelessness has been on the rise, with growing evidence that welfare reforms are a key driver of this increase (NAO, 2017). However, does this mean that welfare reform has failed? In this paper, we use policy failure as a lens through which to critically examine welfare reform and homelessness in England. Drawing on McConnell's definition of failure (2015), which seeks to bridge the gap between objective definitions of policy failure (where failure is understood as the gap between policy objectives and actual outcomes) and subjective definitions (where failure is understood as actors' perceptions), we examine welfare reform and homelessness to understand whether, how and by whom policy in this area might be considered to have failed.

Keywords: Welfare reforms, Private Rented Sector, Policy failure, Housing Benefit,

#### **1. Introduction**

Between 2009 and 2016 in England, there was an increase in the number of people sleeping or living on the street, more families living in temporary accommodation, and higher numbers of households being accepted as homeless by local authorities (Fitzpatrick et al., 2019). So, why did homelessness increase over this period?

Welfare reforms have been identified as a significant driver of this increase (Fitzpatrick et al., 2019; NAO, 2017; O'Leary, O'Shea, & Albertson, 2018; Royston, 2017). In the last decade, all Governments in the UK have implemented significant programmes of welfare reform. In particular, the reforms to Housing Benefit (HB) with the introduction of the Local Housing Allowance (LHA) in the Private Rented Sector (PRS) and subsequent amendments have been identified as a critical driver of this increase in homelessness (O'Leary et al., 2018). More recently, there is emerging evidence that identifies Universal Credit as a likely further driver of this increase (Simcock, 2018; Simcock & Kaehne, 2019).

Does this increase in homelessness constitute policy failure? How do we understand policy failure, assess welfare reform as policy, and determine whether it has failed? To answer these questions, firstly, we consider the extent to which housingrelated welfare-reform is a 'meta-policy'. We then discuss policy failure as a form of policy analysis, specifying how we have conceptualised this when assessing welfare reform. For our assessment, we identify three criteria, and in particular, make a distinction between failure and f\*\*\*up, a term we use to describe the unintended and unwanted negative outcomes arising from policy change. We then assess several housing-related welfare reforms implemented in England since 2008. Using the extant evidence, we assess whether housing-related welfare reform is an example of policy failure, policy f\*\*\*up or a combination of both. Our goal here is not to explore why failure may have occurred; this is a second, more substantive piece of research, which necessitates and is dependent on the outcome of this analysis of whether failure has occurred. In undertaking this analysis, we hope to contribute to both the theoretical literature around policy failure and the evidence around housing-related welfare policy.

#### 2. Housing-related welfare reform as meta-policy

One of the enduring challenges of policy analysis is the 'dependent variable' problem (Howlett & Cashore, 2009); deciding what constitutes 'policy', and how might we distinguish between degrees of policy change. Welfare reform emerged as a prominent policy objective in the UK in the 1980s (Gingrich & King, 2019), and is a "defining feature of contemporary UK government policy" (Beatty & Fothergill, 2018, p. 1; Jacobs & Manzi, 2014). It has attracted significant academic and broader interest, often linked to 'neoliberalism' and to 'austerity'. It is a feature of Governments of all political persuasions, with a great deal of continuity between the reforms of the Labour government (1997 to 2010) and the subsequent Coalition and Conservative Governments (Gaffney, 2015). Alongside this continuity, there is an increasing divergence between different parts of the UK in the pace, scale, and intentions behind welfare reform (Simpson, 2017). Because of this increasing divergence, we have focused our analysis on housing-related welfare reform in England.

We consider housing-related welfare reform to be a meta-policy; a form of strategic policy (Samnakay, 2017), an overarching framework that drives individual policy and programme developments over a substantive period. In doing so, we recognise that the concept of meta-policy is under-developed and that the distinction between welfare reform as a meta-policy and individual policies and policy changes under this umbrella is less than clear cut. For this paper, we have included individual reforms to means-tested or contributory benefits for working-age claimants that provide for housing costs in the private or social rented sector. We only consider reforms implemented since 2008, and therefore, focus on the following reforms:

- (1) HB reform and the introduction of LHA rates in 2008;
- (2) The CPI then 1% uprating, and, then 4-year freeze to LHA rates;
- (3) The expansion of the Shared Accommodation Rate to all single under-35s who claim benefits;
- (4) HB and under-occupation in the social rented sector (more commonly known as the 'Bedroom Tax');
- (5) The Household Benefit Cap and subsequent reduction in 2015; and,
- (6) Universal Credit.

These six policy reforms are highly interconnected. They were implemented over an eight-year period, from 2008 to 2016, although their roots go back to the early 2000s. We cannot here describe each of these reforms in any detail; however, a full overview of the reforms is provided by(for a full overview, please see: Berry & Wane, 2019; W. Wilson, Barton, & Keen, 2016).

Examining several policies that come under the umbrella of housing-related welfare reform has many advantages. In particular, we hope to avoid one of the key issues of many empirical studies of policy failure, that of examining a single, atypical case (Bovens, 't Hart, & Peters, 2001). It is also the case that there is a great deal of interconnectivity and interdependence between the policies examined here, which again suggests that examining housing-related welfare reform as a meta-policy is justified.

#### **3. Policy Failure**

Policies fail. In different ways, to varying extents, and for different reasons. Some fail spectacularly and very publicly; others fail less obviously. In some cases, there is a universal acknowledgement of failure. In others, whether and to what extent a policy has failed is contested. Nevertheless, while many policy failures are assumed to be self-evident (McConnell, 2015), how we conceptualise, categorise, explain, and learn from policy failure is less than straight-forward.

Within the policy analysis literature there is much debate on how to define and assess policy failure (Dunlop, 2017; Gibb, 2015; McConnell, 2010, 2011), Policy failure has often expressed as being the opposite of success (Howlett, 2012; Zittoun, 2015), and success and failure are 'bound inexorably with each other' (McConnell, 2010, p. 346). Sometimes this relationship is framed positively, a policy is successful if it does not fail (Rutter, Sims, & Marshall, 2012); or negatively, a policy fails if it does not succeed (Kerr, 1976). Rather than a simple dichotomy, success or failure, it is recognised that there is a spectrum/continuum, and a more nuanced understanding of policy failure.

There has also been debate about whether failure should be conceptualised objectively or subjectively, between 'rationalist-scientific' and 'constructivist' understandings of policy failure (Derwort, Jager, & Newig, 2019). Rationalist-scientific approaches assume that failure can be objectively assessed; did the policy meet its stated objectives, did it have a positive or negative impact on target groups, or has the policy problem been addressed (Howlett, 2012). Such approaches often focus on the outcome of policies, but also as a failure of the policy process, because policy failure is 'the result of the decision-making process' (FitzGerald, O'Malley, & Broin, 2019). These analyses often implicitly assume that policy making is a rational-scientific process where problems are identified, options assessed, decisions made and implemented. Thus, failure might occur if an avoidable negative outcome was not identified during the policy process, or because the policy was poorly implemented.

In contrast, constructivist approaches see policy failure as being subjective assessments and interpretations by interested policy actors. Failure is a political evaluation, because 'interest groups, politicians, journalists and voters are the main judges' (Bovens et al., 2001), and failure can have political consequences. Some in this tradition have linked these subjective judgements of failure to policy outcomes; on whether policy makers could have avoided poor policy outcomes (Howlett, 2012). Others argue that there is a disconnect between policy outcomes and political assessments (Bovens et al., 2001), so that (for example) a policy can be successful in terms of achieving its objectives but considered a failure by various policy actors.

Increasingly, many definitions and empirical examinations of policy failure take account of both approaches (Derwort et al., 2019). Alan McConnell's definition of policy failure, which underpins the analysis we present here, recognises this duality. He defines policy failure as: "A policy fails if it does not achieve the goals that proponents set out to achieve, and opposition is great and/or support is virtually non-existent" (McConnell, 2010, pp. 356-357)

This definition recognises that policies are judged by different actors, in different ways. It also recognises that policies do not fail or succeed, but might fail in part. Alan McConnell suggests that we can evaluate policy success/failure across three domains: (1) process, that is, how collective decisions are made; (2) programme, that is, the implementation of policy and delivery of public services; and (3) politics (McConnell, 2010). Drawing on McConnell's definition of policy failure, we identify three criteria against which we assess whether housing welfare reform is an example of policy failure. We see this analysis as the first step; if it is an example of policy failure, the next step is to explore why failure occurred. The three criteria we use do not involve assessment of the process domain identified by McConnell, as we feel this would invariably lead to discussions of the causes of policy failure. Rather, our criteria focus on the programme and politics dimensions identified by McConnell (2010). Our three criteria are: (1) did housing welfare reform in England meet its stated objectives; (2) were there any negative unintended consequences resulting from housing welfare reform in England; and (3) has housing welfare reform been considered to be a failure by key policy actors? We recognise that many empirical examinations of policy failure can be criticised as examples of confirmation bias; that authors assume failure has occurred and seek to provide analysis to support this position. From the outset, and throughout the analysis presented here, the authors had very different views on the success or not of housing welfare reform in England.

Most empirical examinations of policy failure include whether the policy has met its stated policy objectives (Begley et al., 2019; McConnell, 2010; Nair & Howlett, 2017; Peters, 2015). Of course, many policies have multiple goals (McConnell, 2010), these might be mutually exclusive or nested, so that meeting one objective is dependent on first meeting a second objective. They might also be contradictory. Identifying the objectives of a policy is not always a straightforward task (Begley et al., 2019), nor is determining how achievement (or not) of objectives might be measured. For us, it might mean underachieving against a target, having no discernible impact, or having the opposite impact to that which was intended.

Concerning the policy objectives underpinning housing-related welfare reform in the UK, *fairness* is identified by the Labour, Coalition, and Conservative Governments in the decade since 2008. However, fairness to whom has changed during this period. For Labour, the introduction of the LHA rates in 2008 was intended to deliver fairness between benefit claimants; a core policy objective of this reform was for that two households living in the same area with similar circumstances would receive similar levels of HB (DWP, 2006, 2010). This notion of fairness started to change from late 2008 to being fairness being between benefit claimants and taxpayers, which subsequently became a cornerstone of the Coalition Governments reform proposals that later became the *Welfare Reform Act 2012* (DWP, 2012a, 2016).

A second policy objective that was central to welfare reform for the post-2010 Coalition and Conservative Governments was to reduce the welfare bill (i.e. *affordability*) (Beatty & Fothergill, 2018; DWP, 2015; Ferrari, 2015). This broad aim of retrenchment (Gaffney, 2015) has been a driver for all welfare reforms, not just housing, and is an objective that is mostly absent from the welfare reforms implemented by the Labour government (1997 to 2010).

A third consistent policy objective of housing-related welfare reform over the past few decades, with the Blair (Labour, 1997 to 2007), Brown (Labour, 2007 to 2010), Coalition (Conservative and Lib Dem, 2010-2015), and subsequent Conservative

Governments (2015-Present) is that of encouraging *choice/responsibility* (DWP, 2010, 2011, 2012b; W. Wilson, 2013). Encouraging *responsibility* involves both carrots (for example, direct payments, where HB is paid directly to the tenant, is intended to encourage budgeting skills and responsibility) and sticks (for example, sanctions and conditionality in the broader welfare benefits system). Table 1 below provides examples of individual housing-related welfare policy reforms that include these three overarching policy objectives.

#### [Insert Table 1 Here]

Policies might also fail if they have *unintended consequences* (Peters, 2015). Unintended consequences, when outcomes were not anticipated or planned for, are different from a failure to meet stated policy objectives. Of course, it could be that the outcome was a deliberate but not publicly stated objective of the policy, or what McConnell (2010) refers to as a 'hidden' goal. We recognise that policies might also have positive unintended consequences, though our focus here is on negative effects. As we are not at this stage interested in the *causes* of policy failure, our assessment here is not on whether the unintended consequences were foreseeable or avoidable (which would fit within McConnell's process domain), but simply on whether there were any negative unintended consequences (which falls within McConnell's programme domain). In such circumstances, we distinguish between a programme failure of not meet stated objectives, and a programme f\*\*\*up or 'collateral damage' (King & Crewe, 2013) of producing negative unintended consequences.

These might be considered as 'objective' measures of policy success or failure, in that it is assumed in the rational scientific tradition that failure is objectively measurable (McConnell, 2010), focusing on the programme level 'objective' outcomes (Ingrams, 2017). However, as our definition of policy failure recognises, failure is also inherently political. Our third and final assessment criteria therefore takes account of the assessment of housing welfare reform by various policy actors.

We use these three dimensions of policy failure/success; the extent to which the policies meet stated outcomes; the extent to which policies generate unintended consequences; and what is the political assessment of the policy. In order to assess whether housing-related welfare reform in England since 2008 might be considered a failure and, or, a f\*\*\*up because it is associated with an increase in homelessness from the PRS. We draw on a number of evidential sources in undertaking this assessment. These include academic evaluation and research, as well as assessment by think tanks, homeless charities, and commentary by policy makers. We have not undertaken any analysis of social or print media commentary on the reforms. The sources used vary in terms of the quality of the research they draw upon. Some sources do not draw on any research, and simply give a political assessment of the policies covered in this analysis.

# 4. Policy-failure and/or f\*\*\*up?

The meta-policy objectives of *fairness*, *affordability*, and promoting *personal responsibility and choice* underpin the welfare reforms outlined above. We now use the three dimensions of policy failure/success to assess whether housing-related welfare reform in England since 2008 could be considered a failure and/or a f\*\*\*up because it is associated with an increase in homelessness from the PRS.

#### 4.1 Policy objectives

#### 4.1.1 Affordability (cost-saving)

It is difficult to assess whether the reforms have met this policy objective; in simple terms, spending on HB grew between 2008/9 (£17.1bn for the UK) to 2014/5 (£24.3bn for the UK) and then fell (DWP, 2018). Nevertheless, this does not mean that welfare reform has failed the affordability objective; other factors, such as changing the economic outlook, might be significant. It is also not possible to attribute changes to the HB bill to individual benefit reforms. However, there is evidence to suggest that the Government did not anticipate this period of growth, the Institute for Fiscal Studies (2014) stated that:

"Despite announced cuts of over £2 billion, real terms housing benefit spending will be nearly £1 billion higher in 2014–15 than 2010–11. This was unanticipated."

Beatty & Feathergill (2018) argue that the wider benefit spend has decreased but not to the amount forecasted. The authors concede difficulties in achieving accurate forecasts when these reforms depend on multiple levers and behaviour change (Gibb & Marsh, 2019). There are also questions here about the extent to which cost reductions in the welfare bill represent the entirety of the financial impact of these policy changes. There is evidence of the shunting of costs from Central Government to other parts of the public sector (most notably local authorities) and other actors (including private and social sector landlords). The National Audit Office (2017) concluded that the overall costs of homelessness have increased as a result of the reforms, stating that the Government has not entirely understood or evaluated the cumulative impact of the reforms. There is also evidence that landlords face higher rent arrears because of the introduction of Universal Credit (Hickman, Kemp, Reeve, & Wilson, 2017; Simcock, 2018), which has also led to increasing costs for local authorities, housing associations, and others (NAO, 2018). Cost-shunting also affects benefit claimants; evidence suggests some claimants are unable to 'shop around' for other affordable properties (Hodkinson, Turner, & Essen, 2016), and thereby forced to find alternative ways to cover the 'gap' between their rent and their benefits.

### 4.1.2 Fairness

One of the key challenges with assessing whether housing-related welfare reform met the fairness policy objective is the contestability of the term 'fairness'. Its meaning, in strict government policy terms, is financial fairness. Although, even within this strict policy usage of financial fairness, there are policy changes that we would argue are not fair. A striking example of this is the extension of the SAR to under-35s. While the Government stated that this reform was mainly about cost savings, it nevertheless made a fairness argument, stating that the change ensured "that HB rules reflect the housing expectations of people of a similar age not on benefits" (DWP, 2011, p. 4). This is London-centric, a criticism that has been levelled at many of the welfare reforms (O'Leary et al., 2018); while many people may house share in London, it is not the case in other parts of the country (even in London, only 5.5 per cent of shared properties were affordable at the SAR in 2012 (Homeless Link, 2013)). The Government's evaluation (Beatty et al., 2014) found a significant reduction in HB claimants in the 25 to 35-year age group compared to the under-25 group, with a near 40 per cent reduction in central London; the evaluators concluded that this reform probably led to an increase in hidden homelessness as many previous claimants 'fell off the radar' (Beatty et al., 2014).

More generally, Morris (2016) argues that the fairness element of broader welfare reforms is contested. A report from the Centre for Welfare Reform (Duffy, 2014) identifies that 36 per cent of benefit cuts fall on people in poverty, and other groups have identified claimants have been affected by multiple cuts (SSAC, 2014). In particular, Frank Field MP Chair of the Work and Pensions Committee in official correspondence to Amber Rudd MP, then SoS for DWP, highlighted that in real-terms claimants are receiving less in benefits because of the benefit-freeze to working-age benefits and the rising cost of living, (Field, 2019). Furthermore, nearly 50% of private renters in receipt of HB are in employment (MHCLG, 2019), this leads us to question whether reducing income through the successive caps for low-income working renters delivers 'fairness' between claimants and those in 'work'.

# 4.1.3 Personal responsibility and choice

There is a body of evidence that raises questions about the achievement of this objective. Much of this evidence relates to the 'Bedroom Tax', a reform that directly affects social rented sector tenants. Gibb (2015), for example, argues that the Bedroom Tax has not met its objectives, evidenced by Clarke et al., (2015) in their evaluation of this reform, who found that fewer than five per cent of claimants had downsized, and that half of affected claimants who had wished to take up further employment had experienced difficulties in doing so. The reform also appears to have affected landlord behaviour: in Leeds, for example, Hodkinson et al., (2016) identified that a sizeable amount of households affected by the 'Bedroom Tax' were effectively "stuck" in the accommodation due to a lack of availability of smaller more affordable properties. Within this group of households, nearly 85% were in rent arrears.

There is growing evidence of the conflict between this objective and that of affordability. Rugg and Rhodes (2018) argue that the cost-saving reforms have "eroded"

the objectives of personal responsibility and choice, by creating rent caps not linked to market conditions. Others suggest that the cost savings reduce the ability of claimants to 'shop around' for cheaper housing because landlords are switching out of the market resulting in fewer alternative affordable properties (Hodkinson et al., 2016; JRF, 2014; Morris, 2016).

Creating barriers to choice and responsibility is not just a feature of the 'Bedroom Tax', but is also identified as a consequence of broader housing-related welfare reforms, In the PRS, affected tenants are unlikely to move, instead seeking to reduce household expenditure elsewhere to meet the shortfall (Kemp, Cole, Beatty, & Foden, 2014). The Work and Pensions Committee (2019) report on benefit cap identifies that the reform has performed "disappointingly" against these objectives; a small proportion of claimants going into work; that the reforms were not fair, and there was movement of costs from DWP to local authorities and other organisations.

Hickman et al. (2017) found that Universal Credit claimants were experiencing challenges with direct payments of the housing element of their benefits, leading to an increase in rent arrears. Ian Wilson (2019) similarly found a negative impact of direct payments but questioned whether, in the long term, this policy instrument might be successful in terms of developing personal responsibility as tenants become 'normalised' to managing their rent payment.

#### 4.2 Unintended consequences

Increasing rates of homelessness was not an explicit policy objective of welfare reforms introduced since 2008; however, there is now a sufficient body of evidence (from a range of sources, including academia, charities and policy actors) to suggest that the reforms partly explain the increases and, as such, is an unintended consequence of these reforms. In our rapid examination of the existing literature, we identify three broad themes relating to the consequences of housing-related welfare reforms. These themes are related to issues of unaffordability; rent arrears and evictions in the PRS; and, 'No DSS' discrimination and stigmatisation.

There is a growing concern in the academic and policy literature regarding the ability of claimants to afford properties in the PRS because of housing-related welfare reforms. Rugg and Rhodes (2018) argue that these reforms to LHA have effectively introduced first and second-order rent controls (See: Whitehead & Williams, 2018), which limit rents at the outset of a tenancy and prevent in-tenancy rent increases. Rugg and Rhodes (2018) identify that these measures are negatively affecting the ability of low-income households from affording properties in the PRS, especially as the freeze to benefits means that rent levels are likely to have exceeded benefit levels (Simcock, 2019). There is growing evidence that LHA rates do not adequately cover the lowest rents in the PRS (CIH, 2018; Crisis, 2019; Fitzpatrick et al., 2019; Rugg & Rhodes, 2018; Simcock & Kaehne, 2019; Spurr, 2017). For instance, research from the Chartered Institute of Housing (2018) identified that 90% of LHA rates did not meet the 30<sup>th</sup> percentile rents, and research from Simcock and Kaehne (2019) found that a majority of private landlords reported a gap between what was covered by LHA rate and the rent, with 65% of landlords reporting that this gap was £50 or more a month. This gap, therefore, is likely to be reducing the amount of available, affordable properties to those claiming support for their housing costs (O'Leary et al., 2018). This unaffordability may also have a further negative unintended consequence with private landlords reporting they were cutting repairs (Beatty et al., 2014), which could lead to worse conditions for the lowest income households (Rhodes & Rugg, 2018).

The SAR is causing affordability issues for under-35s and increasing demand for Houses of Multiple Occupation (HMOs) (Wilkinson & Ortega-AlcÁzar, 2017). There is growing evidence that there is a dearth of affordable homes for under-35s affected by this reform (Crisis, 2014; Green & McCarthy, 2015; Rugg, Rhodes, & Wilcox, 2011; Unison, 2014), and research for Crisis identified in 2012 that only 13% of properties were affordable within the SAR, and only 12% were accessible to claimants due to landlords/agents being unwilling to let to tenants who claim benefits (Sanders & Teixeira, 2012).

Alongside the increasing unaffordability of rented property due to rents, household costs and benefit levels not keeping pace, rent arrears for those claiming benefits had increased over the last few years. Simcock (2018) found that the proportion of landlords with Universal Credit tenants in rent arrears had increased from 27% of landlords in 2016 to 61% in 2018. In follow-up research, Simcock and Kaehne (2019) identified that while this had reduced slightly to 54% of landlords with Universal Credit tenants in rent arrears, the majority of these landlords reported the rent arrears began after a new claim for Universal Credit or migration onto this benefit. This is a significant issue for claimants in the PRS, mainly due to the absence of security of tenure they often face; while less than one third of landlords reported they had regained possession from their Universal Credit tenants in the past 12 months, the majority of these reported the main reason was rent arrears (Simcock, 2017, 2018; Simcock & Kaehne, 2019). O'Leary et al., (2018) further identified that claimants of HB/Universal Credit faced a 'double whammy'; these were more prone to have their tenancy ended by landlords than other tenant groups, and then unable to find alternative affordable accommodation.

Claimants' inability to find alternative affordable accommodation in the PRS could be exacerbated by the growing unwillingness of landlords to let to benefit claimants. One study identified that just under one-third of landlords had actively discriminated against tenants who claimed benefits in the past three years (Simcock & Kaehne, 2019). Numerous studies have also identified that large numbers of private landlords are unwilling to let to tenants who claim Universal Credit/benefits (Clarke & Monk, 2013; Clarke & Oxley, 2018; Cole, Powell, & Sanderson, 2016; Pattison & Reeve, 2017; Simcock, 2017, 2018; Simcock & Kaehne, 2019; Watts & Stephenson, 2017), with the studies identifying policy changes such as the freeze to LHA rates or the lack of direct payment of the rent as key reasons behind this. Simcock and Kaehne (2019) identified that twice as many landlords were unwilling to let to Universal Credit claimants because of perceptions of problems with UC in comparison to those who had experienced issues, suggesting landlords are stigmatising benefit claimants based on perceptions of risk due to welfare reforms. Fitzpatrick et al., (2019) identify that the reduction of evictions in the PRS in the most recent year could be due to rising unaffordability of properties to rent and landlord unwillingness to let these groups of tenants. Furthermore, Fitzpatrick et al., (2018) and Stephens et al., (2018) identify reductions in HB claims for single under-35s and for claimants in Inner London, with some authors arguing that the reforms may have caused an increase in 'hidden homelessness' with individuals living with others or family members even though they would prefer to live independently (Fitzpatrick et al., 2019; Rugg & Rhodes, 2018).

#### 4.3 Response of policy actors

The final dimension in assessing whether housing-related welfare reform policy has been a failure or f\*\*\*up is the response of policy actors; the political assessment of these reforms. Here, we identify policy actors as government ministers, civil servants, MPs, Peers, and stakeholder organisations. Our analysis of the response of the different policy actors identifies varying levels of public opposition from policy actors. Which perhaps reflects the significant number of reforms, with some of the 'harsher' or headline reforms taking precedent in media coverage. In particular, the benefit cap, the benefit freeze, and the roll-out of Universal Credit have received significant opposition from a range of policy actors.

A damning political assessment is the resignation of Ian Duncan Smith MP as SoS for the DWP, whose resignation stated that the benefit cuts were 'indefensible' and that the reforms were for 'political self-interests' rather than for the 'national interest'. Other senior Government ministers have since criticised the 'affordability' reforms, such as the benefits freeze and cap. Amber Rudd has also acknowledged problems with the implementation of Universal Credit in the PRS and announced a new online system to process Alternative Payment Arrangement applications (for direct payment of rent to the landlord) faster (Simcock, 2019).

Opposition to, and criticism of, these welfare reforms are also evident across the twenty-four Work and Pension Select Committee reports published since 2017. For example, a report on the Benefit Cap, the Committee branded the performance of this reform as 'disappointing' against the three meta-policy objectives we identified, called for a full audit of this reform, and to take account of the "human costs" of this reform (Work and Pensions Select Committee, 2019).

There has been broader criticism of the Government's welfare reforms and specifically reforms relating to housing from right across both Houses of Parliament, and from local/regional politicians. There has also been criticism of these reforms by charities (such as Shelter, Crisis, JRF), representative organisations (such as Generation Rent, CIH, and the Residential Landlords Association,) and thinktanks (for example, the Resolution Foundation). In particular, Crisis has formed a multi-organisation campaign against the benefit freeze and the impacts of this freeze on LHA rates, with the organisations saying these reforms have made private renting unaffordable to claimants and had to "choose between food and rent" (Wainwright, 2019).

#### 5. Conclusions and recommendations

Most examinations of policy failure utilise stated policy objectives as a means of assessing whether a policy has been a success or failure. In undertaking this analysis on whether housing-related welfare reform policy can be considered to have failed because of its effect on levels of homelessness, we have identified three overarching stated policy objectives of affordability, fairness, and enabling personal responsibility and choice. The extant evidence gives a somewhat mixed picture on success against these three objectives. However, levels of homelessness were not directly covered in any of the stated policy objectives and increase in homelessness has increased welfare spending against the stated policy objective of decreasing spending in this area. Overall, we therefore conclude that the evidence is more suggestive of failure, or at least a degree of failure, than of success.

The use of stated policy objectives to assess whether a policy has succeeded or failed focuses on policy implementation, asking the simple evaluative question of whether a policy was successfully implemented. Several authors have noted the methodological challenges of using stated policy objectives to assess whether a policy has succeeded or failed. These methodological challenges include identifying the goals of policy (Begley et al., 2019), multiple goals, failure for whom (McConnell, 2015), and issues of measurement. We faced several of these challenges in the analysis we present here; and conclude that there is no objective or unbiased means by which some of the questions raised by this analysis can be addressed, and judgement is an inevitable part of such approaches. Nevertheless, we also argue that there are serious issues with using stated policy aims as a mechanism for assessing whether a policy has failed. This sort of policy evaluation asks whether the policy was implemented and worked as intended and assumes that stated policy objectives are an expression of how the policy was *intended* to work. Stated policy objectives are expressed in public interest terms, often as a means of addressing some perceived policy problem. In terms of housing-related welfare reform, the meta-policy objectives are framed in terms of policy problems of rising and unsustainable welfare costs, arbitrary and unfair funding decisions, and that the welfare system creates barriers to work and the 'wrong' kind of incentives.

However, using the stated policy objectives to assess policy success or failure implies that policy is the outcome of a rational, problem-orientated process undertaken by unbiased and public interest orientated policymakers. This seems to ignore theories of the policy process, which reject the notion that policy is made in the public interest and theorise that policy is made to further other interests. These other interests might be structural or more agency-based interests, which see policy as the outcome of strategic negotiations by self-interested policy actors. These interests affect the framing of policy problems, whether issues get on the agenda, as well as which policy instruments and options are considered.

The politics domain in policy failure analysis proposed by both McConnell and Bovens and 't Hart would seem to take account of these interests. The politics domain recognises that there might be 'hidden' objectives (McConnell, 2015) and that there might be conflict between the programme goals (the publicly stated policy objectives) and the political ones (Bovens & 't Hart, 2016). However, this implies that hidden and political goals are separate from policy objectives; and does not recognise that policy objectives are themselves the result of a policy process that is driven by political and hidden objectives. It is outside the scope of this paper, but we would argue that more theoretical work is needed to integrate public policy theories of the policy process with policy analysis approaches to assessing policy success or failure.

Using stated policy objectives in this way also ignores the policy myopia faced by policymakers (Nair & Howlett, 2017); that policymakers are boundedly rational, that they do not concurrently examine the potential policy alternatives to make decisions about which is most likely to address identified policy problems, but rather 'satisfice', assessing options one by one until the find an option that is 'good enough' to meet their needs. We have previously noted that the LHA was piloted between 2002 and 2008 and implemented in full from April 2008. It was a significant change in the way that housing welfare is calculated, affecting a large number of households in the UK, which was rolled out just before the financial crash that affected many countries, including the UK. While there is some evidence to suggest that policymakers might have been aware of the impending crash when introducing these welfare changes, a number of the key economic indicators and measures were not available or did not indicate any problems. Which raises an interesting question; would policymakers have made different policy decisions had the roll-out been planned for 2009 or 2010, and not 2008?

Finally, our analysis of housing-related welfare reforms has identified from the available evidence a mixed picture with the extent to which the policies meet the stated meta-policy objectives. Leaning towards a degree of failure across all three objectives. Secondly, we identified that housing-related welfare reform is an example of policy f\*\*\*up because of the serious negative unintended consequences of contributing to the increase in homelessness. Finally, in terms of the political assessment, there has been significant opposition and criticism of these reforms. Overall, therefore, we conclude

based on these three elements, that housing-related welfare reform has been mostly a policy failure and a policy f\*\*\*up.

# References

- Beatty, C., Cole, I., Powell, R., Kemp, P., Brewer, M., Browne, J., . . . Joyce, R. (2014). *The impact of recent reforms to Local Housing Allowances: summary of key findings.* (1910219312). London, UK: Department for Work and Pensions
- Beatty, C., & Fothergill, S. (2018). Welfare reform in the United Kingdom 2010–16: Expectations, outcomes, and local impacts. *Social Policy & Administration*, 52(5), 950-968. doi:10.1111/spol.12353
- Begley, P., Bochel, C., Bochel, H., Defty, A., Gordon, J., Hinkkainen, K., . . . Strange, G. (2019). Assessing policy success and failure: targets, aims and processes. *Policy Studies*, 40(2), 188-204. doi:10.1080/01442872.2018.1557134
- Berry, K., & Wane, K. (2019). *Housing and Social Security*. Edinburgh, UK: Scottish Parliament Information Centre (SPICe).
- Bovens, M., & 't Hart, P. (2016). Revisiting the study of policy failures. *Journal of European Public Policy*, 23(5), 653-666.
- Bovens, M., 't Hart, P., & Peters, B. G. (2001). Success and failure in public governance: A comparative analysis. Cheltenham, UK: Edward Elgar Publishing.
- CIH. (2018). *Missing the target? Is targeted affordability funding doing its job?* London, UK: Chartered Institute of Housing. Retrieved from <u>http://www.cih.org/resources/PDF/Policy%20free%20download%20pdfs/Missin</u> <u>g%20the%20target%20final.pdf</u>
- Clarke, A., Hill, L., Marshall, B., Oxley, M., Pereira, I., Thompson, E., & Williams, P. (2015). *Evaluation of the removal of the spare room subsidy: Final report*. (DWP research report 913.). London, UK: Department for Work and Pensions. Retrieved from <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/atta">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/atta</a>

chment\_data/file/506407/rsrs-evaluation.pdf

- Clarke, A., & Monk, S. (2013). The role of the private rented sector in preventing homelessness: identifying good practice and the impact of policy change. Cambridge, UK: Cambridge Centre for Housing and Planning Research, University of Cambridge. Retrieved from https://core.ac.uk/download/pdf/24060551.pdf
- Clarke, A., & Oxley, M. (2018). Using incentives to improve the private rented sector: three costed proposals. York, UK: Joseph Rowntree Foundation. Retrieved from <u>https://www.jrf.org.uk/report/using-incentives-improve-private-rented-sector-three-costed-proposals</u>
- Cole, I., Powell, R., & Sanderson, E. (2016). Putting the Squeeze on 'Generation Rent': Housing Benefit Claimants in the Private Rented Sector - Transitions, Marginality and Stigmatisation. *Sociological Research Online*, 21(2), 1-14. doi:10.5153/sro.3909
- Crisis. (2014). Shut Out briefing: Young people, housing benefit and homelessness. London, UK: Crisis. Retrieved from <u>http://www.crisis.org.uk/data/files/publications/Crisis%20Shut%20Out%20Briefing.pdf</u>
- Crisis. (2019). Cover the Cost: How gaps in Local Housing Allowance are impacting homelessness. London, UK: Crisis Retrieved from <a href="https://www.crisis.org.uk/media/240377/cover">https://www.crisis.org.uk/media/240377/cover</a> the cost 2019.pdf
- Derwort, P., Jager, N., & Newig, J. (2019). Towards productive functions? A systematic review of institutional failure, its causes and consequences. *Policy Sciences*, 52(2), 281-298.

Duffy, S. (2014). Counting the Cuts. London, UK: Centre for Welfare Reform.

- Dunlop, C. A. (2017). Policy learning and policy failure: Definitions, dimensions and intersections. *Policy & Politics*, 45(1), 3-18.
- DWP. (2006). *Welfare Reform Bill 2006 Regulatory Impact Assessment*. London, UK: Department for Work and Pensions.
- DWP. (2010). Housing Benefit: Changes to the Local Housing Allowance Arrangements. London, UK: Department for Work and Pensions.
- DWP. (2011). Housing Benefit equality impact assessment: Increasing the Shared Accommodation Rate age threshold to 35 London, UK: Department for Work and Pensions.
- DWP. (2012a). Benefit Cap (Housing Benefit) Regulations 2012: Impact assessment for the benefit cap. London, UK: Department for Work and Pensions.
- DWP. (2012b). *Housing Benefit: Under occupation of social housing (Impact Assessment)*. London, UK: Department for Work and Pensions.
- DWP. (2015). DWP's welfare reform agenda explained. London, UK: Department for Work and Pensions. Retrieved from <u>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/atta</u> <u>chment\_data/file/238683/7506.pdf</u>
- DWP. (2016). Welfare Reform and Work Act: Impact Assessment for the benefit cap. London, UK: Department for Work and Pensions.
- DWP. (2018). *Guidance: benefit expenditure and caseload tables*. Department for Work and Pensions, UK: London. Accessed online at <u>https://www.gov.uk/government/publications/benefit-expenditure-andcaseload-tables-information-and-guidance/benefit-expenditure-and-caseloadtables-information-and-guidance</u>
- Ferrari, E. (2015). The Social Value of Housing in Straitened Times: The View from England. *Housing Studies*, 30(4), 514-534. doi:10.1080/02673037.2013.873117
- Field, F. (2019). Letter to Amber Rudd MP: Freeze in working age benefits for 2019-20. London, UK: Work and Pensions Select Committee. Retrieved from <u>https://www.parliament.uk/documents/commons-committees/work-and-pensions/Correspondence/19022801.let.Amber%20Rudd%20freeze%20working -age%20benefits.pdf</u>
- FitzGerald, C., O'Malley, E., & Broin, D. Ó. (2019). Policy success/policy failure: A framework for understanding policy choices. *Administration*, 67(2), 1-24.
- Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S., Watts, B., & Wood, J. (2018). The homelessness monitor: England 2018. London, UK: Crisis. Retrieved from <u>https://www.crisis.org.uk/media/238700/homelessness\_monitor\_england\_2018.</u> pdf
- Fitzpatrick, S., Pawson, H., Bramley, G., Wood, J., Watts, B., Stephens, M., & Blenkinsopp, J. (2019). *The homelessness monitor: England 2019*. London, UK: Crisis. Retrieved from <u>https://www.crisis.org.uk/media/240419/the\_homelessness\_monitor\_england\_2</u> 019.pdf
- Gaffney, D. (2015). Retrenchment, reform, continuity: welfare under the coalition. *National Institute Economic Review*, 231(1), R44-R53.
- Gibb, K. (2015). The multiple policy failures of the UK bedroom tax. *International Journal of Housing Policy*, 15(2), 148-166. doi:10.1080/14616718.2014.992681
- Gibb, K., & Marsh, A. (2019). *Housing and system thinking*. Edinburgh, UK: UK Collaborative Centre for Housing Evidence Retrieved from <u>https://housingevidence.ac.uk/publications/housing-and-system-thinking/</u>

- Gingrich, J., & King, D. (2019). Americanising Brexit Britain's Welfare State? *The Political Quarterly*, *90*(1), 89-98.
- Green, S., & McCarthy, L. (2015). Is sharing the solution? : exploring the opportunities and challenges of privately rented shared accommodation for single people in housing need. *People, Place and Policy*, 9(3), 159-178. doi:10.3351/ppp.0009.0003.0001
- Hickman, P., Kemp, P. A., Reeve, K., & Wilson, I. (2017). The impact of the direct payment of housing benefit: evidence from Great Britain. *Housing Studies*, 32(8), 1105-1126. doi:10.1080/02673037.2017.1301401
- Hodkinson, S., Turner, A., & Essen, C. (2016). Exploring the Impacts and Implications of a Changing UK Welfare State under Digitalisation and Austerity: the Case of Leeds. Leeds, UK: University of Leeds. Retrieved from <u>http://eprints.whiterose.ac.uk/101701/8/HiRes%20Digital%20Welfare%20Repor</u> t%202016%20(withHyperlinks).pdf
- Homeless Link. (2013). Nowhere to move: Is renting on the Shared Accommodation Rate (SAR) in London Affordable? London, UK: Homeless Link. Retrieved from <u>https://www.homeless.org.uk/sites/default/files/site-</u> attachments/No%20Where%20To%20Move FINAL.pdf
- Howlett, M. (2012). The lessons of failure: learning and blame avoidance in public policy-making. *International Political Science Review*, *33*(5), 539-555.
- Howlett, M., & Cashore, B. (2009). The dependent variable problem in the study of policy change: Understanding policy change as a methodological problem. *Journal of Comparative Policy Analysis*, 11(1), 33-46.
- IFS. (2014). *What is happening to spending on social security?* : Institute for Fiscal Studies. Retrieved from <u>https://www.ifs.org.uk/publications/7447</u>
- Ingrams, A. (2017). The transparency performance puzzle: A fuzzy set qualitative comparative analysis of policy failure in open government initiatives. *Information Polity*, 22(1), 25-39.
- Jacobs, K., & Manzi, T. (2014). Investigating the New Landscapes of Welfare: Housing Policy, Politics and the Emerging Research Agenda. *Housing, Theory and Society*, 31(2), 213-227. doi:10.1080/14036096.2013.857716
- JRF. (2014). Housing Benefit Size Criteria. York, UK: Joesph Rowntree Foundation.
- Kemp, P., Cole, I., Beatty, C., & Foden, M. (2014). The impact of changes to the Local Housing Allowance in the private rented sector: The response of tenants: Department for Work and Pensions.
- Kerr, D. H. (1976). The logic of 'policy'and successful policies. *Policy Sciences*, 7(3), 351-363.
- King, A., & Crewe, I. (2013). *The Blunders of Our Governments*. London, UK: Oneworld.
- McConnell, A. (2010). Policy success, policy failure and grey areas in-between. *Journal* of Public Policy, 30(3), 345-362.
- McConnell, A. (2011). Success? Failure? Something in-between? A framework for evaluating crisis management. *Policy and Society*, *30*(2), 63-76.
- McConnell, A. (2015). What is policy failure? A primer to help navigate the maze. *Public Policy and Administration, 30*(3-4), 221-242.
- MHCLG. (2019). English Housing Survey 2017 to 2018: Headline Report. London, UK.: Ministry of Housing, Communities, and Local Government. Retrieved from <u>https://www.gov.uk/government/statistics/english-housing-survey-2017-to-2018-headline-report</u>

- Morris, L. (2016). The moral economy of austerity: analysing UK welfare reform. *The British Journal of Sociology, 67*(1), 97-117. doi:10.1111/1468-4446.12186
- Nair, S., & Howlett, M. (2017). Policy myopia as a source of policy failure: Adaptation and policy learning under deep uncertainty. *Policy & Politics*, 45(1), 103-118.
- NAO. (2017). Homelessness. London, UK: National Audit Office.
- NAO. (2018). Rolling out Universal Credit. London, UK: National Audit Office.
- O'Leary, C., O'Shea, S., & Albertson, K. (2018). *Homelessness and the Private Rented Sector*. Manchester, UK: Manchester Metropolitan University. Retrieved from <u>https://research.rla.org.uk/wp-content/uploads/MMU-Homelessness-and-the-</u> <u>private-rented-sector.pdf</u>
- Pattison, B., & Reeve, K. (2017). Access to Homes for Under-35's: The impact of Welfare Reform on Private Renting. Sheffield, UK: Sheffield Hallam University. Retrieved from <u>https://research.rla.org.uk/wp-content/uploads/SHU-Access-tohomes-for-under35s.pdf</u>
- Peters, B. G. (2015). State failure, governance failure and policy failure: Exploring the linkages. *Public Policy and Administration, 30*(3-4), 261-276.
- Rhodes, D., & Rugg, J. (2018). Vulnerability amongst Low-Income Households in the Private Rented Sector in England. York, UK: Centre for Housing Policy, University of York. Retrieved from <u>http://www.nationwidefoundation.org.uk/wp-</u> content/uploads/2018/09/Vulnerability-report.pdf
- Royston, S. (2017). *Broken benefits: What's gone wrong with welfare reform*: Policy Press.
- Rugg, J., & Rhodes, D. (2018). The Evolving Private Rented Sector: Its Contribution and potential. York, UK: Centre for Housing Policy, University of York. Retrieved from <u>http://www.nationwidefoundation.org.uk/wp-</u> <u>content/uploads/2018/09/Private-Rented-Sector-report.pdf</u>
- Rugg, J., Rhodes, D., & Wilcox, S. (2011). Unfair Shares: A Report on the Impact of Extending the Shared Accommodation Rate of Housing Benefit. London, UK: University of York and Crisis. Retrieved from <u>https://www.york.ac.uk/media/chp/documents/2011/unfairshares.pdf</u>
- Rutter, J., Sims, S., & Marshall, E. (2012). The 'S'factors: Lessons from IFG's policy success reunions. *Institute for Government*.
- Samnakay, N. (2017). Thinking Strategically in Federal Policy: Defining the Attributes of High-level Policies. *Australian Journal of Public Administration*, 76(1), 106-121.
- Sanders, B., & Teixeira, L. (2012). No room available: a study on the availability of shared accommodation. London, UK: Crisis. Retrieved from https://www.crisis.org.uk/media/236898/no room available2012.pdf
- Simcock, T. (2017). Welfare Reform and Universal Credit: The impact on the private rented sector. Manchester, UK: Residential Landlords Association. Retrieved from <u>https://research.rla.org.uk/wp-content/uploads/Welfare-Reform-and-</u> <u>Universal-Credit-The-impact-on-the-private-rented-sector-2017.pdf</u>
- Simcock, T. (2018). *Investigating the effect of Welfare Reform on Private Renting*. Manchester, UK: Residential Landlords Association. Retrieved from <u>https://research.rla.org.uk/wp-content/uploads/investigating-effect-welfare-reform-private-renting.pdf</u>
- Simcock, T. (2019). Housing benefit freeze still driving tenants from their homes, despite Universal Credit reforms. *The Conversation*.

- Simcock, T., & Kaehne, A. (2019). State of the PRS (Q1 2019): A survey of private landlords and the impact of welfare reforms. Ormskirk, UK: Edge Hill University. Retrieved from <u>https://research.rla.org.uk/wp-content/uploads/2019-Q1-State-of-the-PRS-Report-FINAL.pdf</u>
- Simpson, M. (2017). The social union after the coalition: Devolution, divergence and convergence. *Journal of Social Policy*, *46*(2), 251-268.
- Spurr, H. (2017). Shut out: The barriers low-income households face in private renting. London, UK: Shelter. Retrieved from <u>http://england.shelter.org.uk/\_\_data/assets/pdf\_file/0004/1391701/2017\_06\_-</u> Shut out the barriers low income households face in pivate renting.pdf
- SSAC. (2014). *The Cumulative Impact of Welfare Reform*. (Occasional Paper No. 12). London, UK: Social Security Advisory Council.
- Stephens, M., Perry, J., Wilcox, S., Williams, P., & Young, G. (2018). UK Housing Review 2018. London, UK: Chartered Institute of Housing.
- Unison. (2014). A new housing benefit deal for young people. London, UK: Unison. Retrieved from <u>https://www.unison.org.uk/content/uploads/2014/11/TowebWHY-WE-NEED-</u><u>A-NEW-HOUSING-BENEFIT-DEAL-FOR-YOUNG-PEOPLE2.pdf</u>
- Wainwright, D. (2019). Benefit cuts 'have made private renting unaffordable'. *BBC*. Retrieved from <u>https://www.bbc.co.uk/news/uk-england-48038833</u>
- Whitehead, C., & Williams, P. (2018). Assessing the evidence on Rent Control from an International Perspective. London, UK: London School of Economics. Retrieved from <u>https://research.rla.org.uk/wp-content/uploads/lse-internationalevidence-on-rent-control-report-2018-final.pdf</u>
- Wilkinson, E., & Ortega-AlcÁzar, I. (2017). A home of one's own? Housing welfare for 'young adults' in times of austerity. *Critical Social Policy*, 37(3), 329-347. doi:10.1177/0261018317699804
- Wilson, I. (2019). Direct payment of Housing Benefit: responsibilisation at what cost to landlords? *International Journal of Housing Policy*, 1-22. doi:10.1080/19491247.2019.1584493
- Wilson, W. (2013). *The reform of Housing Benefit (Local Housing Allowance) for tenants in private rented housing*. London, UK: House of Commons Library.
- Wilson, W., Barton, C., & Keen, R. (2016). Housing Benefit measures announced since 2010. (05638). London, UK: House of Commons Library.
- Work and Pensions Select Committee. (2019). *The benefit cap*. (24). London, UK: House of Commons Work and Pensions Select Committee. Retrieved from <u>https://publications.parliament.uk/pa/cm201719/cmselect/cmworpen/1477/1477.</u> <u>pdf</u>
- Zittoun, P. (2015). Analysing policy failure as an argumentative strategy in the policymaking process: A pragmatist perspective. *Public Policy and Administration, 30*(3-4), 243-260.

Meta-Policy Objectives	<b>Reforms and Objectives</b>
Affordability	Shared Accommodation Rate: "Help contain growing Housing Benefit expenditure" (DWP, 2011, p. 4)   Benefit Cap (2016): "Further reduce benefit expenditure and continue to help tackle the financial deficit." (DWP, 2016, p. 1)
	<i>Bedroom Tax</i> ': "contain growing Housing Benefit expenditure" (DWP, 2012b, p. 1)
Fairness	<i>Local Housing Allowance:</i> "To restructure benefit support by moving to a more simple, transparent and fair way of calculating housing costs met by Housing Benefit" (DWP, 2006 p. 20)
	<i>Shared Accommodation Rate:</i> "Ensuring greater fairness – ensuring that those receiving Housing Benefit do not have an advantage over those who are not benefit" (DWP, 2011, p. 4)
Personal responsibility and choice	<i>Local Housing Allowance:</i> "To encourage tenants to take greate personal responsibility for managing their own rent payment" (DWP, 2006, p. 20).
	<i>Benefit Cap (2012):</i> "Improve working incentives for those on benefits" (DWP, 2012a, p. 6)

# *Table 1.* Meta-policy objectives and examples of individual policies and objectives