



Housing Futures Network: The impact of cutting housing benefit on underoccupiers in social housing

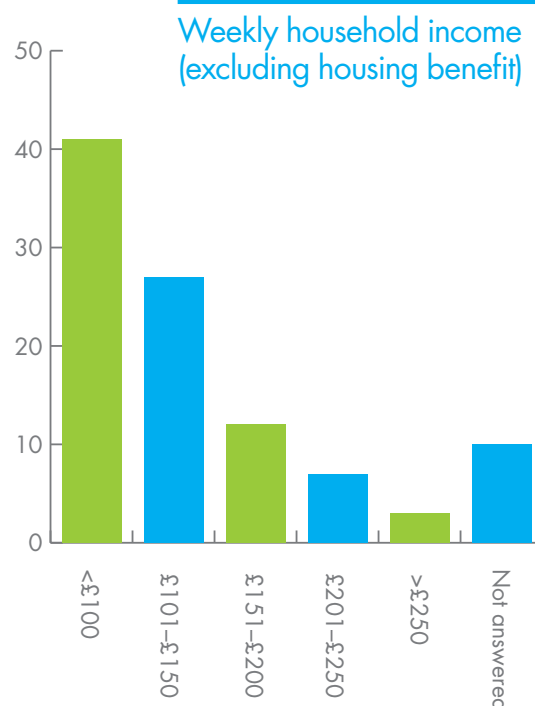
Background

From 2013 the government is proposing to change housing benefit rules so that working-age households in social housing who are underoccupying their property would see their housing benefit reduced by a proportion of their rent.

Research was undertaken to understand how households would be affected by the proposed cut by three members of the Housing Futures Network: Affinity Sutton, Places for People and Riverside. A survey of 452 households from across the three housing associations was carried out. All participants in the survey were underoccupying their homes according to the criteria the government plans to use.

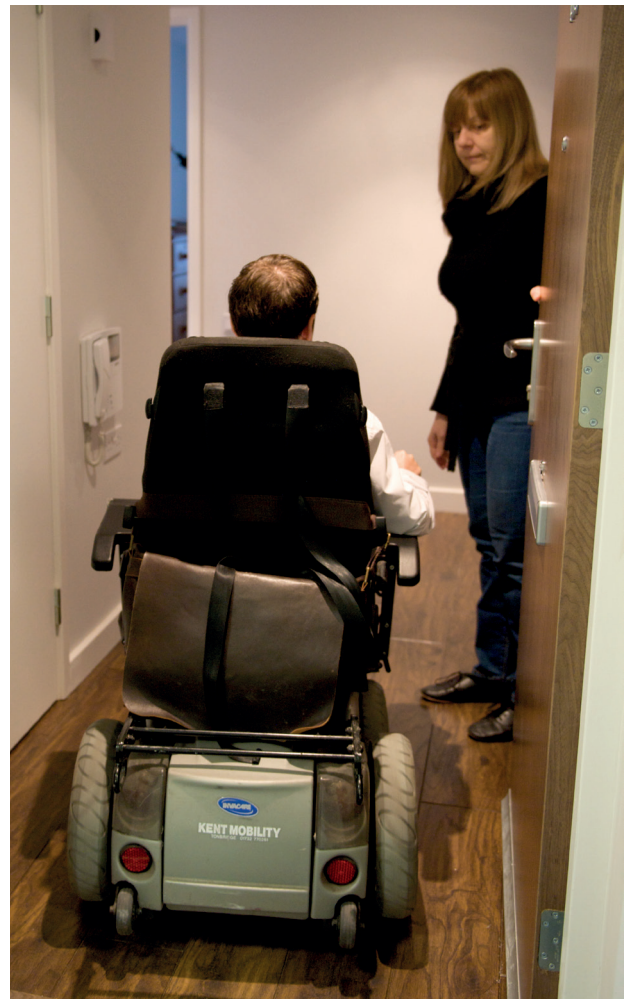
Who would be affected by the cuts to housing benefit?

- Forty-four percent of those affected are a single person living alone, whilst 23% are living with a partner. One in four households included one or more children under 16.
- Nearly three quarters (72%) of households include someone with a disability or major health concern, with 40% in receipt of Incapacity Benefit or Employment and Support Allowance (ESA). 81% of households do not have anyone in employment, with 16% in receipt of Job Seekers Allowance.
- Over two thirds have a household income (excluding housing benefit) of less than £150 per week.
- Forty-two percent report struggling to manage financially to some extent and 41% say they regularly run out of money before the end of the week/month.



Circumstances at home

- Most (54%) of households have decreased in size since they have lived in their current home, which may be the reason they are now underoccupying: others are likely to have always been underoccupying according to the definitions used in the proposed new rules. The main reason for household size reducing is children leaving home (70%) but bereavement (20%) and separation (20%) are also common reasons.
- Twelve percent feel their current property is somewhat too large for them, but the vast majority (82%) feel it is about right. Half definitely don't want to move out of the property they currently live in, most commonly because they are settled in the area and had connections to the local community, which include family and caring commitments.
- A smaller number (27%) would 'definitely' or 'probably' like to move, for a wide range of reasons including being unhappy with the neighbourhood or wanting somewhere more suited to the needs of a disability.
- Twenty percent live in a property which has some form of adaptations for a person with a disability who is currently living in the household.



Using 'spare' bedrooms

Seventy-three percent have one or more 'spare' bedrooms (not used for someone in the household to sleep in regularly). The reason that some households do not have spare bedrooms but are still underoccupying is likely to be because some people (children or couples) who are expected to share a room are not doing so. Over half of households with children have no bedrooms 'spare', but would still be hit by the cut to housing benefit.

Some households may have needs for extra space/bedrooms which aren't recognised by the bedroom requirements which would be used to assess Housing Benefit. These include:

- Fifteen percent of couples living together do not share a bedroom
- Thirteen percent regularly have children who stay overnight as part of a shared parenting arrangement
- Nine percent use spare bedroom(s) for storing equipment needed to deal with a disability or medical condition
- Five percent have a carer who sometimes stays overnight
- Four percent of households include someone who works nights/irregular shifts.

Over a quarter of households identify two or more bedrooms as having a single bedspace — this could impact on the number of people who can occupy the property without being overcrowded, but the new bedroom requirements do not take this into account.

What would happen if cuts to housing benefit were introduced?

Seventy-one percent of those surveyed stand to lose up to £15 per week in housing benefit: 29% stand to lose more than this. Based on their current circumstances, 52% would find it 'very difficult' and 31% 'fairly difficult' to make up the shortfall in housing benefit to pay towards their rent.

Over a third of households (35%) think they would be very or quite likely to run into arrears if the amount they received in housing benefit were cut.

Twenty-five percent said they would be quite/very likely to downsize to a smaller property to escape

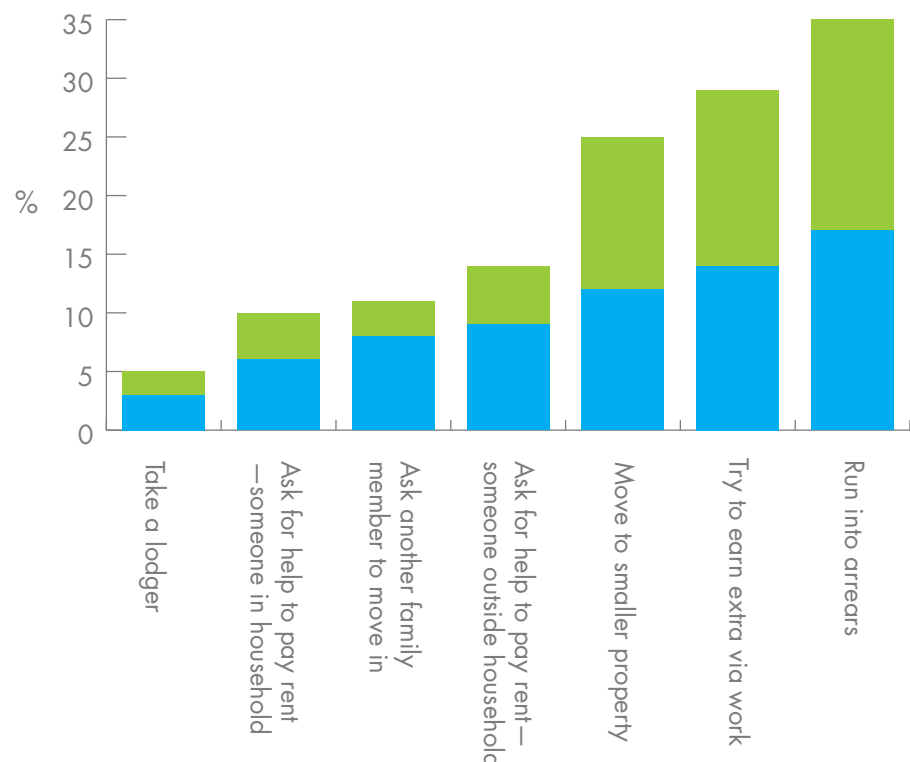
the housing benefit cut, but 50% would be very unlikely to consider doing so. Most of those who would consider downsizing are people who already expressed a desire to move.

Twenty-nine percent would be quite/very likely to seek to earn some or more money via work to cover the rent. Households already in employment or claiming Job Seeker's Allowance were more likely to consider this an option.

Other courses of action included asking others for financial support to pay the rent.

Anticipated responses to a cut in housing benefit

■ Quite likely
■ Very likely



About the Housing Futures Network: The Housing Futures Network was established in 2008 to examine the future of social housing in the UK. Its members are four of the largest housing providers in the country; Affinity Sutton, Gentoo, Places for People and Riverside.

Between them, the member organisations of the Housing Futures Network own or manage around 200,000 properties.

Research Methodology: The survey was commissioned by HFN with input from the Cambridge Centre for Housing and Planning Research and undertaken by independent research consultancy QA Research. 452 tenants (all of whom are currently under-occupying their homes in accordance with the criteria proposed by the Government), were surveyed by telephone in August and September 2011.