

Consultation Response

The Housing Benefit Amendment Regulations (2009)

Referred by the Social Security Advisory Committee

February 2009

National Association of Welfare Rights Advisers

The National Association of Welfare Rights Advisers was established in 1992 and represents advisers from local authorities, the voluntary sector, trade unions, solicitors and other organisations who provide legal advice on social security and tax credits.

We strive to challenge, influence and improve welfare rights policy and legislation, as well as identifying and sharing good practise amongst our members.

NAWRA holds a number of conferences throughout the year across the UK, attended by members from all sectors of the industry. An integral part of these events are workshops that help to develop and lead good practice.

Our members have much experience in providing both front line legal advice on benefits and in providing training and information as well as policy support and development. As such NAWRA is able to bring much knowledge and insight to this consultation exercise.

NAWRA response to The Housing Benefit Amendment Regulations

NAWRA acknowledges the difficulties caused by properties with more than 5 bedrooms under the existing scheme.

However, NAWRA believes that if eligible rent is capped at a 5 bedroom rate there will inevitably be a negative impact on larger families who are at least already at higher risk of poverty. It will severely limit the options for housing leaving them more likely to be living in overcrowded and/or unsuitable accommodation and possibly lead to families splitting as they are unable to find housing as a family unit.

Housing costs to be capped at the rate for 5 bedroom accommodation

NAWRA believes that Option 3 in the explanatory memorandum is a more suitable way forward for amending the regulations for the following reasons:

As the proposal states, in many areas there are few, if any, properties available that have more than 5 bedrooms. Therefore many larger families, who would be entitled to benefit at the 6 plus bedrooms rates, may in fact be living in 5 bedroom properties anyway. By the nature of the scheme only properties with a rent level in the bottom 50% of the BRMA will

come within the LHA. Inevitably these are likely to be the smaller 5 bedroom properties and therefore be less suitable for larger families who ideally require a 6 plus bedroom property but are unable to access one in the market. If there were a technically derived increased LHA for 6 plus bedroom properties this would mean more choice for the claimant. They would have a greater choice from the very limited market for 6 plus bedroom properties and they would also have a choice from more than 50% of the 5 bedroom market. This means that they would have greater access to larger 5 bedroom properties which may include more than one living room and would therefore be more suitable for adapting to their family needs thus avoiding an overcrowded situation.

This option was rejected as it would introduce extra complexity into the system and may not be transparent to customers. NAWRA believes that applying a simple formula to extrapolate the 5 bedroom rate for 6 bedroom and larger properties is less complex than the current system of rates having to be requested and calculated on an individual basis. It can also be completely transparent as the rates for larger properties can be provided and advertised to potential customers in the same way that they currently are for properties with 5 bedrooms or fewer.

Equality issues

The proposal acknowledges that almost all the households entitled to 6 plus bedrooms have children in them and tentatively estimates that 3,000 of the approximate 5,000 families entitled to 6 plus bedrooms could have children living below the poverty line. The equality impact assessment shows that a disproportionate number of customers from minority ethnic groups will be affected by the proposal. 10% of HB households overall are from minority ethnic groups whereas 37% of HB households requiring 5 plus bedrooms are from minority ethnic groups.

NAWRA believes that this is unacceptable and by adopting Option 3 the impact on both ethnic minority families and those living below the poverty line will be less than in the current proposal.

13 weeks transitional protection

NAWRA queries on what basis a time period of 13 weeks was chosen for transitional protection. It is concerned that many of the customers affected will have children at school.

Given the limited number of properties available they may have to move some distance forcing a change of school which would be disruptive. As option 3 would increase the number of properties available this would reduce the risk of this happening.

4th February 2009