

Policy response to:

Welfare Reform Bill (NI) 2011

Equality Impact Assessment Consultation

November 2011

General comments

Housing Rights Service welcomes the DSD's (Department's) commitment to consult on the Equality Impact Assessment for the Welfare Reform Bill. However, we believe that the publication of this document is premature given that the Bill in Britain has not yet finished its legislative passage and the Northern Ireland Bill has not yet been drafted. We look forward to continuing to work with the Department on further consultation on the draft bill once published.

Furthermore, we are unable to comment fully on any perceived adverse impacts because there are significant gaps in available information. This includes data regarding religious belief, political opinion, racial group and sexual orientation. The Department has advised that it does not gather data under these categories for the purposes of administering social security benefits. Housing Rights Service is very concerned that this is the case. **We therefore recommend that this is addressed immediately; as such information will be essential to enable Government to fully understand and respond to the impacts of Welfare Reform locally.**

With regard to information sources, we strongly recommend that the Department liaises with the Housing Executive which has equality monitoring built in to the NI House Conditions Surveys, Continuous Tenants' Omnibus Surveys as well as its own routine equality monitoring information. We also suggest that the Department contacts the Housing Association movement. As publically funded organisations, Housing Associations should also retain certain information for monitoring and auditing purposes. Data regarding household size and housing benefit entitlements would be particularly useful.

Housing Rights Service has contributed to the NI Welfare Reform Group's response which covers a wide range of issues. In this response, we focus on the areas of the consultation that relate to housing:

- Universal Credit benefit cap
- Restriction to Housing Benefit entitlement in the social rented sector
- Housing Benefit: up-rating local housing allowance by the CPI.

Universal Credit benefit cap

We are extremely concerned that the majority of households affected by this policy will have children. In fact, larger families with several children who require larger accommodation (and consequently higher Housing Benefit) will be affected significantly. It is clear that this policy will have a differential adverse impact on families with dependants. Child poverty in the UK stands at more than one in four children.¹ In Northern Ireland 21% of children live in persistent child poverty² which is more than double the rate in Britain, and severe child poverty stands at 40,000 or almost 10 per cent.³ The introduction of a £500 per week cap for families (including housing costs) could drive Northern Ireland children, whose parents are in receipt of benefits, deeper into poverty and potentially into homelessness.

Additionally, basic analysis of available information would suggest that there could be a differential impact of this proposal based on community background. As demographics suggest, there are more Catholic households with larger families of working age who could be impacted directly by this policy. **On this basis, we strongly recommend that the Department undertakes a thorough analysis of this proposal against religious background and political opinion to ascertain whether or not there could be an adverse differential impact on one particular community.**

Restrictions to Housing Benefit entitlement in the social rented sector

The policy proposal is to introduce size criteria for working age claimants in social rented housing. Housing Rights Service acknowledges the need to make best use of social housing stock, however we disagree that this enforced method is the best way of achieving this objective for the following reasons.

Many social housing tenants have been living in the same property for decades. These properties were allocated to tenants on the understanding that would have security of tenure. As such, many older tenants have established community and family links and have invested significant amounts of time and money into their homes. The impact of this change will mean a loss of approximately £7 to £14

¹ Available at http://statistics.dwp.gov.uk/asd/hbai/hbai2010/pdf_files/full_hbai11.pdf

² Save the Children commissioned the persistent child poverty research - 'Persistent Child Poverty in Northern Ireland' Marina Monteith, Katrina Lloyd and Patricia McKee, Feb 2008 Save the Children, ARK and ESCR

³ Severe Child Poverty in Northern Ireland - Save the Children briefing paper, Feb 2011

per week. The Housing Executive estimates that up to 40,000 of its tenants could be affected. (The total number under-occupying in Housing Association accommodation is unknown.) Unless these tenants can afford to pay the shortfalls, it is likely that they will be asked to relocate to smaller accommodation which could be outside their locality. In Northern Ireland, there is a limited supply of smaller social housing units particularly in high demand areas and rural locations. If appropriately sized social housing is not available, the under-occupying tenants will be forced to give up their secure tenants' rights and relocate to the private rented sector where rents (and housing benefit costs) are higher and where there is much less regulation. It is unclear whether there will be financial assistance with the costs of relocating e.g. deposits, removals, any re-connection charges etc. Additionally, the vast majority of households on the common waiting list require smaller units of accommodation. Therefore Government needs to ask whether this policy could in fact create a greater number of voids in larger homes.

Additionally, the consultation document (page 34) acknowledges that claimants without children are much more likely to be affected. It advises that Discretionary Housing Payments (DHP) could be considered in those cases. We would like to point out that in Northern Ireland DHPs are currently not available to social housing tenants and therefore this assistance would not be available locally.

Housing Rights Service strongly advises that, in the interests of fairness, Government should introduce greater options and incentives for current under-occupiers to downsize and that discretion is permitted to allow for circumstances where occupiers are unable to access appropriate suitably sized accommodation.

Basic analysis of available information would also suggest that there could be a differential impact of this proposal on a community background basis. As demographics suggest, there are larger number of smaller older Protestant households (predominantly occupied by women). **On this basis, we strongly recommend that the Department undertakes a thorough analysis of this proposal against religious background and political opinion to ascertain whether or not there could be an adverse differential impact on one particular community.**

Housing Benefit: up-rating local housing allowance by the CPI

Housing Rights Service acknowledges that there is unlikely to be an adverse differential impact of this policy on any Section 75 group in particular as everyone in receipt of LHA will be affected. We do however want to formally record our objections to this policy as it will remove the link with actual market rents. The effect of this measure will be to shrink the 30% of the market that is currently available to claimants in the private rented sector. In the long term there will come a point when the cheapest property which is available in a given market area is more expensive than the full LHA rate. It is our view that this measure will increase hardship, could lead to home loss and that Landlords could be less prepared to accept benefit claimants as tenants.

Conclusion

Housing Rights Service has concerns that a number of the proposals within this document could have an adverse differential impact on certain section 75 groups. In particular we have concerns about the significant gaps in information provided. For these reasons, we would recommend that further analysis and consultation is undertaken before laying the draft Bill before the NI Assembly. We look forward to the opportunity to contribute further to the consultation process.

For further information contact

Nicola McCrudden

Policy & Communications Manager

(t) 028 90267919 (e) Nicola@housingrights.org.uk