

**Allocations Policy Review
Consultation Report - Impacts of restricted bedroom eligibility and the
under occupiers' penalty
January 2013**

1. Introduction

What has changed?

Sheffield City Council has produced a draft Allocations Policy. It was developed following public consultation. The draft Allocations Policy sets out a more restrictive bedroom eligibility than the previous Policy. This means that some Housing Register applicants will be allocated properties with less bedrooms than they would be currently entitled to.

This is because Council housing in Sheffield is a more scarce resource than it was which means that we have think about how to allocate it most fairly. One way to do this is by reducing under occupancy. Under occupancy is where a property is not occupied to its fullest capacity. Bedroom eligibility has also been restricted as a result of national welfare reform. The under occupiers' penalty (or bedroom tax) will come into effect in April 2013. It will affect working age tenants of social housing¹. They will no longer receive Housing Benefit for bedrooms they are deemed not to require.

The draft Allocations Policy bases its bedroom eligibility on the Housing Benefit calculation of how many bedrooms are required. This means that, for example:

- A single person will only be eligible for an allocation of a one bedroom property
- A couple will only be eligible for an allocation of a one bedroom property
- A single person with overnight contact with a child or children will only be eligible for an allocation of a one bedroom property
- A couple or single parent with two children aged under 10 will only be eligible for a two bedroom property
- A couple or single parent with two children of the same sex aged under 16 will only be eligible for a two bedroom property.

Around 65% of existing tenants are in receipt of Housing Benefit. We can also expect that this would be the case for a significant proportion of new social tenants (partly because around 30% of the Housing Register is made up of existing tenants). If the bedroom eligibility were to remain unchanged, we would risk setting new tenants up to fail. This is because they would experience a shortfall between their rent levels and the Housing Benefit they receive, and if they are unable to make up the difference themselves, it will

¹ Working age is likely to be 60 initially, but may rise to 66 in the future.

result in increased rent arrears. 65% of questionnaire respondents from the main consultation period (September 2011 – February 2012) thought that we should allocate the minimum number of bedrooms to meet housing need.

Who will be affected?

The change to bedroom eligibility in the Allocations Policy concerns Housing Register applicants. However, the under occupiers' penalty also affects existing social tenants who are under occupying and in receipt of Housing Benefit. It is estimated that around 5000 Council tenants will be affected.

We anticipate that the following groups of people will be particularly affected by both the restricted bedroom eligibility and the under occupiers' penalty:

- People with overnight contact with children who don't live with them all of the time
- People with disabilities
- People with intermittent periods of ill health, including mental health issues
- People who are cared for by a resident carer, such as their partner.

Has any work taken place to assess the impact of the changes on these groups?

The Allocations Policy Review team carried out a scoping exercise in September-November 2012 to identify groups that will be particularly affected and to find out what the impacts are likely to be. This report considers the results of the scoping exercise, targeted consultation with affected groups and the services working with them, and other consultation responses received in November-December 2012. A questionnaire was produced for people who have overnight contact with children who don't live with them all of the time and people with health issues, and this is reported on separately. The responses detailed in this report are from:

- A Disability group
- A Learning Disabilities group
- Housing Equalities Group
- A carers' organisation
- SCC Adult Social Care, including Assessment and Care Management
- SCC Housing and Health
- SCC Equipment and Adaptations
- SCC Joint Learning Disabilities Service
- Sheffield Homes Area staff
- Tenant representatives
- Sheffield Health and Social Care, including Mental Health services
- Sheffield Law Centre
- An advice service
- Consultation responses from individuals.

2. Findings

Overnight contact with children

Tenant representatives, an MP and the Housing Equalities Group said that restricted bedroom eligibility and the under occupiers' penalty are unfair on separated parents, and that it will be particularly difficult for people who have

50/50 shared access and for those who have several children. An advice centre suggested that there may be wider social impacts where children are not able to benefit from contact with both parents. Sheffield Homes area staff said that they expect lots of challenges where there is shared care or more than one child.

Services working with various vulnerable groups, including people with mental health issues and those who are in addiction recovery, pointed out that restricted bedroom eligibility and the under occupiers' penalty will mean that it is more difficult to have children to stay, which is often an important factor in recovery.

An individual respondent who has overnight contact with children reported the need to share overnight childcare as the other parent works shifts. Another lives in a shared private rented property and had hoped to resolve this unsuitable situation by re-housing in the social sector. Tenant representatives also pointed out that this makes it difficult for grandparents who look after their grandchildren part of the time.

Children sharing a bedroom

Both individuals and services mentioned situations where siblings cannot share a bedroom, or where it would severely disrupt the sleep of one or both children to share. The types of situations mentioned include children with Attention Deficit Hyperactivity Disorder and/or Asperger Syndrome who can't sleep with others in the same room. It was also noted that children cannot share when one child has a through floor lift and is hoisted. Some families have two disabled children requiring lifts and hoists, and they cannot share, because there isn't space.

Sharing a bedroom with a partner

Tenant representatives said that sometimes there are medical reasons for people not to sleep in the same room and that this makes things very difficult for them. Various services said that disabled people may require a spare room for their partner to sleep in during periods of ill health. They said that sometimes a partner sleeps separately due to the noise made by medical equipment. Some couples are both wheelchair users, and it is generally not possible to accommodate two wheelchairs in the same bedroom.

A spare room for visitors

Tenant representatives said that tenants won't be able to have visitors to stay. Mental Health services said that having family members to stay is often an important factor in mental health recovery. Adult Social Care reported that some service users have family who live abroad and visit for a few weeks several times a year, providing support at those times.

Care and support

People with non-resident carers that provide overnight care will not be affected by the under occupiers' penalty if they have an additional bedroom for this. However, people who need care intermittently, temporarily and/or

who receive care through informal networks of support will be affected. This is one of the most significant areas of concern.

Tenant representatives said that resident carers need a spare room as well as non-resident carers. A carers' organisation also noted that where there is a resident carer, it is important to retain spare bedrooms so that further family members can provide support to the carer and cared-for.

A carers' organisation added that it is very common for informal/unpaid family carers who are not resident to stay overnight. Adult Social Care said that there are cases where family members provide overnight care and support only at weekends or for part of the year.

Mental Health services said that people with mental health issues often have a friend or relative to stay during periods of relapse, which may happen infrequently. They said that the changes will impact disproportionately heavily on BME groups who tend to rely much more on family and neighbourhood support.

There was also concern from services about people who need care while recovering from illness rather than being long-term disabled.

Equipment and adaptations

The need for room for storage or use of medical equipment has been raised on several occasions. Adult Social Care pointed out that many people with a long-term disability use a room for equipment, which could be a hazard if it has to remain in the hallway or living room. Some people on home dialysis need an additional bedroom to dialyse hygienically.

The Housing Equalities Group said that where adaptations have been made which make a spare room unusable, the tenant should not be penalised. Services mentioned concerns about what will happen to people who are under occupying but where adaptations have been made to their property.

Space

Tenant representatives said that smaller properties lack space for storage. Mental health services said that having less space will lead to feelings of confinement for some people with severe agoraphobia or social anxiety who rarely or never leave their home, and people who have been mistreated or tortured in prison, who have Post Traumatic Stress Disorder. An advocate for people with autism said their client group may require an additional room so that they can cut themselves off from the world, which is essential to their mental wellbeing.

Impacts on individuals

'The choice of moving home or moving into poverty will be a very difficult one,' (Adult Social Care).

Many people discussed their anxiety about the under occupiers' penalty. Adult Social Care said to expect people's general wellbeing to be affected.

Several groups mentioned the financial difficulties and upheaval of moving, noting that some people can't afford to move.

Tenant representatives and a range of services said that where the only source of income is from benefits, the shortfall between their rent levels and the Housing Benefit they receive will be significant. Adult Social Care said that around one third of service users, those with the lowest disposable incomes, are not currently charged for their support and that if their housing costs increase, they will be worse off. A range of services working with vulnerable client groups, such as long-term disabled people and people with mental health issues, said that it would be very unlikely that under occupying tenants from these groups would be able to pay the shortfall themselves. The wider context of cuts to other benefits was also mentioned.

They said this means that if people do make up this shortfall themselves, they are likely to sacrifice some basics such as food, heating or social care services. An individual with a health condition said that they had cut back in every way possible but would still not be able to make up the difference. One service said that in a household with disabled children who cannot share, they may pay for the 'extra' bedroom, but the impacts elsewhere in their lives will be severe. For instance, they may then not be able to afford a car, and bearing in mind the children's disabilities, this may mean that they are no longer able to go out.

Tenant representatives said that where people can, they will do without something else to keep the extra room and not have to move. Adult Social Care said that where people are unable to make up the difference and have to move, they may lose out on family contact and care. Tenant representatives emphasised the importance of being able to have care from family.

Impacts on services

Adult Social Care expects to collect lower levels of contribution from people who have a personal budget. This is because if they are under occupying, their rent will increase, leaving them with less disposable income; which in turn means that they may contribute less (or not at all) to the cost of their support. The contributions are re-invested in Adult Social Care so this will be affected.

Adult Social Care also expects increased levels of anxiety and/or people not coping, which will have impacts on their service. Several services pointed out that if people cannot afford to stay where they are and have to move away from networks of care and support, the cost of their overall support from the state will increase.

A carers' organisation said if unpaid family carers are not able to stay overnight, many people would be unable to remain in their home: 'It seems you are penalising the very people you ought to be supporting.'

Mental health services said that it will drive more individuals into hospital or respite care who would otherwise be able to manage crisis episodes in their

own homes with support. Other services said that this will lead to increased hospital admissions and longer periods spent in hospital.

Tenancy sustainability

Tenant representatives said that some people have lived in a property all their lives and shouldn't have to move out. They said that the restricted bedroom eligibility within the Allocations Policy and the under occupiers' penalty put an end to council tenancies being for life.

Tenant representatives and the Housing Equalities Group said that this prevents people from planning ahead to when their household needs more room, and means that people will need to move more often. Tenant representatives added that not being able to re-register for two years after moving will make life additionally difficult for families who are no longer eligible for a larger property until their children reach a certain age. They also said that applicants should be able to move into a property that will continue to suit their needs, rather than having to move again soon afterwards.

The Housing Equalities Group said that it doesn't take account of other changes in household size, such as former household members moving back into the home.

Tenant representatives said tenancy sustainability and community cohesion will be affected by those who have had to move to a smaller property due to the shortfall between their rent levels and the Housing Benefit they receive, but that that property is not in the area where they have always lived.

Availability of smaller properties

A number of people had concerns about the availability of smaller properties in the face of high demand. Most do not want to move from the area they live in. Several noted that age restrictions limit choice even further.

How can we mitigate the adverse impacts of restricted bedroom eligibility and the under occupiers' penalty?

The draft Allocations Policy extends the existing priority for under occupiers to any downsizing, in order to help them to move more quickly should they need to. The bedroom eligibility allows for flexibility in exceptional circumstances, for instance where people have health and/or social care needs for an additional bedroom.

Suggestions

Some think that the bedroom eligibility within the Allocations Policy should retain an element of discretion or flexibility for certain groups, subject to the provision of affordability advice.

Several groups said that the Allocations Policy should accommodate circumstances that justify having a spare room, such as disability or access to children. A service that works to rehouse disabled families said that there needs to be wording in Policy about siblings who can't share. The Joint Learning Disabilities Service said that some people with a learning disability

and/or autism need an extra room. Mental health services noted that having an extra bedroom might be a sufficiently important factor in some people's recovery that they would choose to take a property with an extra bedroom, if they could afford it, even if it meant doing without something else.

Tenant representatives said that some people will be prepared to pay, and that people who can afford it should have the choice. They said that there should be the flexibility to allow people to have a spare room. Tenant representatives, the Housing Equalities Group and an MP said that people who are not in receipt of Housing Benefit should still be able to be allocated a larger property. A tenant group suggested that families with older children and children of different sexes should be prioritised over families with younger children or those with same sex children, but that all should be allowed to bid on larger properties.

An MP suggested that it would be fairer if people who have overnight contact with children could access maisonettes and flats, as now. They said that the restricted bedroom eligibility is unfair where someone wants to transfer from a two bed property to a property in another area, but would no longer be able to have two bedrooms. This is because they wouldn't be using a resource that they hadn't already been using. They asked whether the more restrictive bedroom eligibility could be reviewed in future.

A tenant group said that bedroom eligibility in the Allocations Policy should not be based on the Housing Benefit calculation of how many bedrooms are required, as this may change after a relatively short period, subject to the results of the next general election.

A Learning Disabilities group said that while the Allocations Policy should offer smaller properties to prevent people from being affected financially by the under occupiers' penalty, people should put their objections forward and also start gathering evidence about the impacts of benefits cuts. Similarly, a service working to rehouse disabled families suggested recording the impacts for the small numbers of families where siblings cannot share. Tenant representatives said that the Council needs to do more to oppose the under occupiers' penalty.

Tenant representatives said that perhaps downsizing should be one of the highest priorities. They also noted that people would be more willing to downsize from larger properties if they could still keep one spare room. They said that there is a need for help and support for people who are downsizing, including assistance with removals and disposal of furniture, and preferably, help with removal costs.

Tenant representatives also asked whether the Council can remodel properties to change their bedroom size.

Communication

Several groups expressed concerns about the communication of changes to Housing Benefit, and noted that a lot of people don't know about it. Some had received conflicting information from different sources.

Services raised the lack of certain guidance about where exceptions will be made, for instance, where siblings cannot share, where there is a need for room for storage of medical equipment, or where adaptations have been made to a property which is under occupied. Until they are clear about this, they do not want to raise anxiety with vulnerable service users.

A Learning Disabilities group said that people might be worried or surprised, and asked how people will be informed. They said that people need to be informed about the changes now. They added that some of the information being given out is very complex, and discussed the need for accessible, understandable information.

Sheffield Law Centre noted the need for very clear communication of the changes and the importance of distinguishing between the Allocations Policy and the under occupiers' penalty, as some people think that the Council is going to force people to leave their existing homes.

Tenant representatives said that proactive work is needed to identify those that are likely to accrue arrears and risk eviction. They asked for a further meeting to discuss welfare reform.

3. Conclusion

Most people understand the reasons for restricting bedroom eligibility, subject to there being flexibility where needed. The under occupiers' penalty presents more problems. Some of the biggest impacts of these changes will be experienced by people who have 50/50 shared access to children, or several children living with them part of the time; people with resident carers, intermittent and/or informal care or support arrangements; and both adults or children who would be severely affected by having to share a bedroom. Additionally, the under occupiers' penalty will have negative effects for people who can't afford to pay for an additional bedroom and can't afford to move either; and some people who cannot find a smaller property in their area of support or familiarity.