

Social Sector Size Criteria Briefing Note for Council 17/09/14

From the 1 April 2013 a restriction was introduced to the housing benefit awards for working age households who are deemed to have a property with more bedrooms than needed for the size of their household. 706 households in Maidstone were identified as affected by this change on its introduction.

The benefit restriction is based on a percentage of the eligible rent; 14% for one additional bedroom and 25% for 2 or more additional rooms. This means that the financial impact varies depending on the number of additional rooms and the level of rent being charged. On average the reduction equates to £20 per week for 1 bedroom and £35 per week for 2 or more bedrooms.

The number of rooms required by any household is determined by a criteria set out in regulation. One bedroom is allowed for each of the following occupiers, each occupier coming only within the first category that applies to them.

- each couple
- each other person aged 16 or other
- two children under 16 of the same sex
- two children under 10 of the same or opposite sex
- each other child

In addition one or more additional bedrooms can be allowed for a foster parent, an overnight carer and a disabled child who requires their own room.

Where a resident does not meet the criteria for an additional room but can demonstrate a genuine need or hardship they are open to claim a Discretionary Housing payment. The council receives a grant from the Department for Work and Pensions to make such awards which can be made to make up a shortfall in housing benefit or provide financial support to assist the move to more suitable accommodation, meetings costs such as removal fees, rent in advance and deposits.

Discretionary Housing payments have also been awarded on a long term basis to support disabled residents in adapted properties who are not in position to move due to lack of suitable alternatives.

The grant for Discretionary Housing Payments in 2013/14 was £247,000 and £229,000 was spent in the year supporting 475 awards. £109,000 has been awarded so far from the current budget of £257,000, support 187 households.

The government's policy objective in introducing the change was to encourage the best use of the available housing stock and limit the increasing cost of welfare support, with similar size restrictions having been in place within the private rented sector since 1997.

The council acknowledges the need to encourage the best use of the existing housing stock and has made changes to the Allocations Scheme with this in mind. In order to enter the Housing Register, there are qualifying entry requirements an applicant must satisfy. These are local connection and housing need. Whilst under occupancy is not a statutory housing need, the council took the decision to include it within the Allocations Scheme in order to allow those who are under occupying to join the Housing Register, giving them every possible opportunity to downsize and freeing up properties for overcrowded households.

APPENDIX A

Once applicants access the housing register, they are placed in one of four bands according to their personal circumstances; A- Community Contribution, B- Assistance, C-Reasonable Preference and D- Homeless. The greatest number of properties per applicant is within Band A, which is for people who work or assist their local community in other ways, such as volunteering or serving in the Armed forces. This supports the council's vision for economic prosperity and to have a growing economy.

As part of the consultation on the new Allocation scheme, we asked people's views on the fairest way to allocate properties to people once they have been placed into the appropriate band. The majority responded saying that the fairest way to allocate was by date of application.

As well as accessing the Housing Register, there is also a mutual exchange scheme, Home Swapper, where people in social housing who wish to exchange their property can list the details of what they have, and seek a property more suited to their requirements. There are currently 1202 homes registered with this scheme locally in and around Maidstone.