

## Briefing Paper

# Under-Occupation Penalty - UN Special Report

**September 2013**

### Introduction

Welfare reforms have cut the amount of benefit that people can get if they are deemed to have a spare bedroom in their council or housing association home. This measure has applied to housing benefit claimants of working age since 1st April 2013.

Following the introduction of the bedroom tax in April 2013, the United Kingdom Government invited an official of the United Nations, Raquel Rolnik, to examine the implications of the policy. She has advised that the spare room subsidy may be in breach of human rights and should be reconsidered.

Conservative ministers have called the intervention by United Nations rapporteur Raquel Rolnik, 'disgraceful' and demanded an apology. Interestingly, they have chosen to attack her credibility rather than to engage with an argument with her about welfare reform and human rights. Similarly, many newspapers have focused on the housing problems of Brazil – Ms. Rolnik's home country – that are undoubtedly serious but apparently irrelevant to the current issue.

But the Brazilian, who is the United Nation's Special Investigator on Housing and a former politician, remained defiant at a news conference in London. She claimed the change to housing benefit was causing 'great stress and anxiety' to 'very vulnerable' people, some of whom could barely afford to eat. And after earlier saying the reform should be abolished, she suggested it should be 'suspended immediately and fully re-evaluated' in the light of her findings.

Ms. Rolnik, who monitors and reports on adequate housing worldwide for the United Nations Human Rights Council, insisted she was invited to the United Kingdom by the Government despite Tory chairman Grant Shapps insisting that no invitation was ever issued. Surely this is a matter of fact that could be established. However, even if Ms. Rolnik was not invited would this invalidate her conclusions?

### Overview of the Bedroom Tax

The power to reduce housing benefit in this way is contained in the Welfare Reform Act 2012 and is commonly referred to as the 'bedroom tax', 'size criteria' or 'under-occupation penalty'.

The under-occupation penalty in the social rented sector restricts housing benefit to allow for one bedroom for each person or couple living as part of the household, with the following exceptions:

- Two children under 16 of same gender expected to share
- Two children under 10 expected to share regardless of gender
- Disabled tenant or partner who needs non-resident overnight carer will be allowed an extra bedroom
- Approved foster carers will be allowed an additional room so long as they have fostered a child, or become an approved foster carer in the last 12 months.

Room 3, Shire Hall, The Sands, Appleby in Westmorland, Cumbria. CA16 6XN.  
Telephone: 017683-52165. Mobile: 07502-142658.

E-Mail: [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk). Website: [www.awics.co.uk](http://www.awics.co.uk). Twitter: @AdrianWaite  
Managing Director: Adrian Waite MA CPFA CIHM FInstLM  
Company Number: 3713554. VAT Registration Number: 721 9669 13

- Adult children in the Armed Forces will be treated as continuing to live at home when deployed on operations.

In addition, local councils have been advised to allow an extra bedroom for children who are unable to share because of their severe disabilities.

All claimants who are deemed to have at least one spare bedroom are affected. This includes:

- Separated parents who share the care of their children and who may have been allocated an extra bedroom to reflect this. Benefit rules mean that there must be a designated 'main carer' for children (who receives the extra benefit)
- Couples who use their 'spare' bedroom when recovering from an illness or operation
- Parents whose children visit but are not part of the household
- Disabled people including people living in adapted or specially designed properties.

The cut is a fixed percentage of the Housing Benefit eligible rent. The Government has set this at 14% for one extra bedroom and 25% for two or more extra bedrooms. The Government's impact assessment shows that those affected will lose an average of £14 a week. Housing association tenants are expected to lose £16 a week on average.

The so called bedroom tax is estimated to affect around 660,000 working-age social tenants - 31% of existing working-age housing benefit claimants in the social sector, with the majority of these people have only one extra bedroom.

Ministers say private sector renters do not get spare rooms free, and argue the change will save around £500m a year and free up much needed larger properties.

However, the term 'bedroom' is not defined by the Government. The Government's view is that it is for landlords to specify the size of the property and this ought to match what is on any tenancy agreement and reflect the level of rent charged. The bedroom tax will not take account of whether a room is a single or a double bedroom. A room either is a bedroom or is not a bedroom.

Details of the measure can be found in our briefing paper at <http://www.awics.co.uk/bedroomtax.asp>

### **United Nations Special Report Findings**

Raquel Rolnik, a special rapporteur on housing with the United Nations has presented her preliminary findings and recommendations on the current bedroom tax in the United Kingdom. Her final report is to follow. In an interview with the Guardian newspaper, she told the Government to scrap the bedroom tax after hearing about how the policy has affected vulnerable people around the United Kingdom.

Raquel Rolnik has been travelling all over the United Kingdom from 29th August 2013 to assess policies and programmes put in place to address issues of social housing, affordability, discrimination and other questions related to the right to adequate housing. It is unthinkable that the government could not have been aware of this.

Miss Rolnik said before she started her tour:

*"The United Kingdom has voiced its commitment to human rights on repeated occasions, and this mission will give me an opportunity to assess in-depth to what extent adequate housing, as one central aspect of the right to an adequate standard of living, is at the core of this commitment."*

**Room 3, Shire Hall, The Sands, Appleby in Westmorland, Cumbria. CA16 6XN.**

**Telephone: 017683-52165. Mobile: 07502-142658.**

**E-Mail: [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk). Website: [www.awics.co.uk](http://www.awics.co.uk). Twitter: @AdrianWaite**

**Managing Director: Adrian Waite MA CPFA CIHM FInstLM**

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She visited London, Edinburgh, Glasgow, Belfast and Manchester and met with government officials working on housing issues, various human rights commissions, academics and civil society. A final report on the official visit will be presented to the Human Rights Council in March 2014.

She has spoken to many social tenants and was concerned about the impact of the bedroom tax saying in the interview that the policy was affecting:

*“The most vulnerable, the most fragile, the people who are on the fringes of coping with everyday life.”*

She said in the interview, after presenting her preliminary findings to the government, that Britain’s record on housing was getting worse from a human rights perspective. As a former urban planning minister in Brazil, she said the previously good record on housing in the United Kingdom was being damaged by a failure to provide enough affordable social housing and the impact of welfare reform.

Ms Rolnik said that she has received ‘hundreds of testimonies’ and said there was a ‘danger of a retrogression in the right to adequate housing’ in the United Kingdom. She cited examples of disabled people, or grandmothers who were carers, and said the measure seemed to have been designed ‘without the human component in mind’. She said her recommendation was ‘that it should be suspended’ to allow time to better assess the human rights implications, and so it could be redesigned.

The full text of the report follows:

*“From 29th August to 11th September 2013, I undertook an official visit to the United Kingdom of Great Britain and Northern Ireland **at the invitation of the Government.** My visit included various cities in England, Scotland and Northern Ireland. I also had the opportunity to meet Government office from Wales in London. The main objective of my visit was to assess the country’s achievements and challenges in guaranteeing the right to adequate housing and non-discrimination in this context, in accordance with existing international human rights standards. The assessment includes legislation and policy frameworks as well as the consideration of concrete outcomes from those policies, examining how they respond to the housing needs of women, men and children, with a particular focus on those most vulnerable and disenfranchised. I wish to start this statement by expressing my gratitude to the various Government Departments, for the cooperation and hospitality extended to us during the organisation and throughout the development of this fact-finding visit. I have had the opportunity to meet with numerous Government officials, including some Ministers. In England I met with the Department for Communities and Local Government, the Department for Environment, Food and Rural Affairs, the Ministry of Justice, the Department of Work and Pensions, the Homes and Communities Agency, the Department for International Development and the Manchester City Council. I also met with officials from the Department of Housing and Regeneration from the Welsh Government. In Scotland, I met with the Scottish Government, including the Housing Services and Regeneration, the Housing Supply, the Homelessness and Equality Policy Departments; and with the Scottish National Housing authorities and Planning and Architecture Division. In Northern Ireland, I had the opportunity to meet with the Department for Social Development, and with the Northern Ireland Housing Executive. I am also grateful for the opportunity to meet with the Equality and Human Rights Commission, including a representative from Wales, the Scottish Human Rights Commission, the Northern Ireland Human Rights Commission and with a wide range of civil society organizations, including housing charities, human rights organizations, housing federations, housing associations, campaigners, researchers, litigators and academics.*

Room 3, Shire Hall, The Sands, Appleby in Westmorland, Cumbria. CA16 6XN.

Telephone: 017683-52165. Mobile: 07502-142658.

E-Mail: [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk). Website: [www.awics.co.uk](http://www.awics.co.uk). Twitter: @AdrianWaite

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*“Lastly, but most importantly, I am thankful for the opportunity to visit housing estates, local areas, Gypsy/Traveller sites and homeless centres, which took place in London, Basildon, Edinburgh, Glasgow, Belfast and Great Manchester. I was able to hear first-hand testimonies and insights from residents of all ages, and witness living conditions. I wish to thank all those who took the time to meet with me, to travel to join meetings and hearings, and to offer their personal experiences to help me better understand the situation. Without their involvement, support and co-operation this mission would not have been possible.*

*“Preliminary remarks: As I have said throughout my visit, the United Kingdom has much to be proud of in the provision of affordable housing. It has had a history of ensuring that low-income households are not obliged to cope with insecure tenure and poor housing conditions, and can be well-housed. Some of the policies and practices that have played a role in providing social housing include the construction and further regeneration of a large social housing stock as well as a welfare system which covers housing as part of a social safety net. These can serve as an inspiration to other parts of the world. There are also specific efforts to prevent and address homelessness, and the Scottish Homelessness Act abolishing a priority needs test deserves mentioning. These, and others, must be commended and recognised as good human rights practices to be sustained for present and future generations, both by the Central Government as well as the devolved Governments in Wales, Scotland and Northern Ireland. At the same time, I wish to suggest that the United Kingdom's Government revisits some policy decisions with direct and indirect impacts on housing as a human right. I will limit myself to a few preliminary and provisional remarks on some of the issues of special concern. These along with other topics will be explored in more detail in my official report to the United Nations Human Rights Council at its 25th session in March 2014.*

*“In carrying out my assessment, I am guided by relevant international human rights law, in particular by the International Covenant on Economic, Social and Cultural Rights, articles 2 and 11. The United Kingdom ratified this binding instrument on 20 May 1976 without reservations. According to it, the United Kingdom has obligations to take steps to ensure and sustain the progressive realisation of the right to adequate housing, making use of the maximum of its available resources. Progressive realisation represents a strong presumption against retrogressive measures in the protection and promotion of human rights. State parties cannot move backward without offering a strict, evidence based justification of the need to take such measures and without having weighted various alternatives. Most importantly, Governments must put in place effective safeguards to protect the most vulnerable sectors of society if such decisions are made. Some of my main preliminary findings indicate signs of retrogression in the enjoyment of the right to adequate housing. It is not clear that every effort has been made to protect the most vulnerable from the impacts of retrogression, indeed much of the testimony I heard suggests they are bearing the brunt. Housing deprivation is worsening in the United Kingdom. Increasingly, people appear to be facing difficulties to accessing adequate, affordable, well located and secure housing. The numbers of people on waiting lists for social housing have risen, with reports indicating waits of several years to obtain a suitable house. This situation seems to be the result of a combination of structural measures taken during the last decades, such as the reduction in funding for subsidised schemes to provide new social housing. Interestingly, the state of the social housing stock in England has been significantly improved thanks to a Government programme known as "Decent Homes". However, the pressing need for new and more social housing is not being met, and the social housing stock that was transferred to residents through the Right to Buy scheme appears not to have been proportionally replaced. The trend has been to give priority to home ownership in detriment of other forms of tenure and to encourage a private renting sector with flexible tenure arrangements.*

**Room 3, Shire Hall, The Sands, Appleby in Westmorland, Cumbria. CA16 6XN.  
Telephone: 017683-52165. Mobile: 07502-142658.**

**E-Mail: [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk). Website: [www.awics.co.uk](http://www.awics.co.uk). Twitter: @AdrianWaite  
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Company Number: 3713554. VAT Registration Number: 721 9669 13**

*“Today, in England, approximately 17.4% of the population is renting in the private market and social housing renters provides for 17.3%. Figures of social renters are slightly higher in Scotland and Northern Ireland, but considerably lower than two decades ago everywhere in the UK. Furthermore, private tenancies can be as short-lived as six months and significantly more expensive than the social rental sector. Home ownership has provided housing for more than one generation and it is deemed a common aspiration for many. However, the takeover of the housing sector by the financial sector has exposed many households to a highly volatile market, with skyrocketing prices during the boom years and, since 2008, a credit crunch that has essentially paralysed access to credit. Various stakeholders have warned of potential risks once the interest rate on mortgages starts to claim back. In Northern Ireland, repossessions due to mortgage default continue to be one of the issues of concern. In England the Government and most stakeholders report that there is a clear shortage of housing due to a mismatch between supply and demand. For example, estimations range around 221,000 new homes needed in England per year, with less than 50% of this need actually being met (approximately 110,000). In view of the Government, this shortage is due to two main factors: the lack of available financing for the housing sector and planning constraints which lead to lack of available land for housing development. In order to respond to this critical situation, the current Government has launched several initiatives contained in its 2012 Housing Strategy in England, and has created various schemes for investment such as "Help to buy equity loan" and the "Build to Rent" to support private house buyers and developers. A smaller funding allocation is provided for grants for affordable housing under this same package of initiatives. In devolved Governments, various schemes have also been created. For example, in Wales, the "Houses to Homes" initiative aims at bringing long term empty homes back into use. A second element of this strategy is a significant reform to the planning system which, among other aspects, aims at reducing long and cumbersome administrative processes, by eliminating the regional level planning and pre-defined benchmarks for local councils to provide housing. In turn, this means that local authorities have more responsibilities as well as more direct and autonomous decision-making power. In Scotland, regional level planning has been retained in the four largest cities. A third aspect of the strategy involves the unlocking and selling of public land for housing development, through auctions in the private market without any conditionality. Simultaneously, the Government has also taken fiscal austerity measures in the context of the economic downturn in efforts to curve spending. The Welfare Reform Act of 2012 which applies UK-wide, includes some measures that have particular impact on the housing benefits, including the housing benefit cap, reductions in legal aid, and in council tax benefit. Especially worrisome in this package is the so-called "bedroom tax", or the spare bedroom under occupancy penalty. It came into force on 1 April 2013, without having been previously piloted. It essentially means a reduction in the amount of benefit paid to claimants if the property they are renting from the social housing sector is considered under occupied. The Government has argued that this policy reduces dependency and will make available a stock of under occupied homes.*

*“Fiscal austerity measures include budget cuts in local Government expenditure, as well as significant reduction on the grants available for housing associations to provide social and affordable homes. This implies that social landlords will be required to reach out to the private financial markets in order to fund their building activities. As a consequence they will be pressured to increase their profit-making activities, potentially being forced to increase rent and reduce the stock made available to social renters. Let me briefly examine how these measures are in line with the right to adequate housing and their impact on the lives of individual people. Allow me to explain. It is true and I fully share the view of many stakeholders that house building is essential for the economy and for creating much needed jobs. I also fully share the view that there is a shortage on the supply side of the equation, especially in some high demand areas like London or other main cities.*

**Room 3, Shire Hall, The Sands, Appleby in Westmorland, Cumbria. CA16 6XN.  
Telephone: 017683-52165. Mobile: 07502-142658.**

**E-Mail: [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk). Website: [www.awics.co.uk](http://www.awics.co.uk). Twitter: @AdrianWaite  
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*“However the right to adequate housing compels Governments to look beyond aggregated general figures of supply and demand in order to place housing needs - and not housing markets - at the centre of the decision-making. The right to housing is not about a roof anywhere, at any cost, without any social ties. It is not about reshuffling people according to a snapshot of the number of bedrooms at a given night. It is about enabling environments for people to maintain their family and community bonds, their local schools, work places and health services allowing them to exercise all other rights, like education, work, food or health. Some researchers argue that the "Help to Buy" scheme can intensify the pressure on prices, which are already high in a number of places. Also, according to recent trends in the housing market and taking into account the high prices of land, market builders have moved towards the higher end of the market. This will not increase the supply for the ones who are struggling to pay their rents or who linger for years in the social housing waiting lists. Historically, access to affordable housing has been sustained by two main policies, namely, development of social housing with public funding and a needs-tested welfare system including housing benefits and other services that have been directly or indirectly been linked to housing for low income households. I would like to refer now to the package of welfare reform and its impact on a number of human rights, but especially on the right to adequate housing, such as for those seeking to live independent and dignified lives with physical and mental disabilities. The so-called bedroom tax is possibly the most visible of the measures. In only a few months of its implementation the serious impacts on very vulnerable people have already been felt and the fear of future impacts are a source of great stress and anxiety. Of the many testimonies I have heard, let me say that I have been deeply touched by persons with physical and mental disabilities who have felt targeted instead of protected; of the grandmothers who are carers of their children and grandchildren but are now feeling they are forced to move away from their life-long homes due to a spare bedroom or to run the risk of facing arrears; of the single parents who will not have space for their children when they come to visit; of the many people who are increasingly having to choose between food and paying the penalty. Those who are impacted by this policy were not necessarily the most vulnerable a few months ago, but they were on the margins, facing fragility and housing stress, with little extra income to respond to this situation and already barely coping with their expenses. Another aspect that deserves some comments is the reform of planning policies in England, gives local level authorities expanded responsibilities. The power dynamics of a particular local council may not allow for a forceful negotiation with developers, to speed up delivery, and this situation may last for years despite the urgent need for additional housing stock. In fact, several documents and assessments acknowledge that land with permits has increasingly become the asset in itself, rather than an asset for the social well-being of the community. Similarly, it is also of concern that there is no property tax on land, including dormant or vacant land for years. Land value, including in the financial circuits, has escalated in the last decades, yet it is still mostly regarded as a private matter, hence for-profit. I would recommend that the Government sets a regulatory framework to avoid this kind of speculation. Similarly, on the land and planning strategies let me say that selling public land to private developers for the best price can mean that a valuable public resource is not being used as a means to increase the availability of housing for those who need it, in times of housing stress. A significant part of the existing social housing stock in UK was built on local council and other public land. In times of pressure on affordable housing, the mobilisation of public land can be an important tool, so I recommend that the Government releases public sector land only for social and affordable housing to be built. Planning systems reforms are also being considered in Northern Ireland, devolving powers to Local Councils, which will also be territorially redefined. In this context, I want to express my concern at the potential that this decentralisation may have for increased sectarianism and discrimination.*

*Room 3, Olive Hall, The Sands, Appleby in Westmorland, Cumbria. CA10 6AT.  
Telephone: 017683-52165. Mobile: 07502-142658.*

**E-Mail: [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk). Website: [www.awics.co.uk](http://www.awics.co.uk). Twitter: @AdrianWaite**  
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*“In closing, let me also mention that during my visit I have also received multiple testimonies on the shortage of sufficient, adequate and safe sites for Gypsy and Traveller communities across the United Kingdom, many of whom feel this is part of the stigma and discrimination they regularly face from Governments and society as a whole. Despite multiple efforts and policies put in place to address this situation, it is fair to say that leaving local authorities to make their own decisions with no accountability and national process to reconcile the Gypsy and Traveller communities with settled communities remains a source of concern. Gypsy and Traveller communities too should engage more in the political debate and make efforts to ensure that their situation effectively changes. Other population groups, highlighted by the Committee on Economic, Social and Cultural Rights in 2009, which continue to face inadequate access to affordable housing are Catholics in Northern Ireland, specifically in North Belfast. The current allocation scheme was created to be fair and open, and to allocate accommodation on the basis of meeting the housing need of people. Despite the efforts of the Northern Ireland Housing Executive, I remain concerned that full equality has not been achieved yet. I also received information and testimonies about discrimination in access to housing by EU citizens, migrant workers and their families, refugees and asylum seekers. I am especially concerned with the policy which places the responsibility (backed by the threat of a fine) on landlords to check residence status of tenants, which I have heard often pushes undocumented people into the most insecure, worst quality and poorest located housing.*

*“As a brief summary of my preliminary remarks, I would like to highlight three recommendations: First, and foremost, I would suggest that the so-called bedroom tax be suspended immediately and be fully re-evaluated in light of the evidence of its impacts on the right to adequate housing and general well-being of many vulnerable individuals. Secondly, I would recommend that the Government puts in place a system of regulation for the private rent sector, including clear criteria about affordability, access to information and security of tenure. Thirdly, I would encourage a renewal of the Government's commitment to significantly increasing the social housing stock and a more balanced public funding for the stimulation of supply of social and affordable housing which responds to the needs.*

*“I hope that my visit and subsequent report will be able to assist the Governments in England, Scotland, Northern Ireland and Wales in these efforts and I look forward to continuing the constructive dialogue established during my visit.”*

## **Government Reaction**

Various senior Conservative figures have voiced their displeasure at the preliminary findings of the United Nations report. Among the critics of the findings of the initial report is Conservative chairman, and former Minister for Housing, Grant Shapps who has condemned the findings as an ‘absolute disgrace’. Mr Shapps said he would be writing to the United Nations Secretary General to protest. He claimed that Raquel Rolnik failed to meet any ministers or officials, was biased and had wrongly called the ‘spare room subsidy’ policy ‘the bedroom tax’. However, he did not seek to engage with the arguments that she had put forward.

Ms Rolnik rejected most of the criticisms made by Mr Shapps, although she did apologise for referring to the policy as the ‘bedroom tax’, saying that she had done so because that was ‘what everyone has been calling it since I got here’.

Mr Shapps, responding to her comments accused her of being 'biased and one –sided' and said that she had not been invited by ministers and that:

*"She has clearly come with an agenda,,, It is completely wrong and an abuse of the process for somebody to come over, to fail to meet with government ministers, to fail to meet with the department responsible, to produce a press release two weeks after coming, even though the report is not due out until next spring, and even to fail to refer to the policy properly throughout the report... That is why I am writing to the secretary general today to ask for an apology and an investigation as to how this came about."*

He also said that she came from a country, Brazil:

*"That has 50million people in inadequate housing".*

In his letter to United Nations Secretary General Ban Ki Moon, Mr Shapps urged the claims to be withdrawn and said:

*"By referring to the policy as the 'bedroom tax' and posing for photos receiving 'dossiers' from those opposed to ending the Spare Room Subsidy, I believe that Ms Rolnik has shown political bias... We would have hoped that Ms Rolnik would have taken the necessary steps to ensure that her report was based on all the information available to her from the Government before she declared her conclusions less than two weeks after her 'mission' began."*

The Department for Work and Pensions later confirmed that Ms Rolnik, 'had one meeting with a senior official at the Department for Work & Pensions' and that on 10th September 2013 there was a further meeting 'at which the findings were presented by the rapporteur'. A spokesman said that at the start Communities Secretary Eric Pickles 'popped in - it would be pushing it to call it a meeting'.

It is surprising that the government paid so little attention to the presence of a United Nations rapporteur. This could be interpreted either as a 'snub' to the United Nations or a mis-judgment that has resulted in bad publicity for the government.

It is also interesting that Grant Shapps has decided not to dispute the arguments put forward by Ms. Rolnik but to attack her credibility.

However, lawyers have pointed out that the conclusions of the United Nations do not carry legal weight in the United Kingdom although it could be expected that government would note them.

## **Political Reactions**

Shadow work and pensions secretary Liam Byrne said the policy should be dropped and said what was 'shocking' was that the Conservatives were pushing ahead with "hated" changes which he said were primarily hitting disabled people.

Labour at Westminster has not committed to scrapping the policy if it wins the next election. Mr Byrne said that he had to demonstrate it would have the money to reverse the changes stating:

*"I am working very hard... to show how and why this tax should be dropped."*



However, the Scottish Labour Party's spokesman Jackie Baillie has suggested that the bedroom tax would be abolished by a Labour Government. Speaking ahead of two rallies in Glasgow against the bedroom tax, Ms Baillie said:

*"We are very clear. Labour rejected this approach when it was put to them in government, for social landlords. We have campaigned for its abolition... Yes we will abolish it. My understanding is that you can expect an announcement relatively soon."*

Plaid Cymru welcomed the report, suggesting the benefit changes were one of the 'most toxic policies for decades'. Hywel Williams MP said:

*"The United Kingdom is a signatory to the International Covenant on Economic, Social and Cultural Rights... This means that Ms Rolnik's findings should carry weight within the British justice system and prompt the government to abandon this most inhumane of policies."*

The UNITE Union welcomed the United Nations report. Colin Hampton, chairman of Chesterfield UNITE, said he supported the claims that the 'bedroom tax' breaches human rights to housing and should be immediately suspended. He said:

*"I think the government should be far more responsive to independent reports about their policies, particularly in the light of human rights abuses. It is their job to listen and to accept critiques."*

Chris Rigley, 57, who lives alone in Inkersall and has been obliged to pay £136 a month to stay in his three-bedroomed house since the policy was introduced in April said:

*"I have bipolar and chronic obstructive pulmonary disease which means I find it difficult to walk more than five metres without stopping... I have two grown up children, and so this is very much our family home. And it's not just a case of moving into a property. It's about living in a community where I feel secure... I welcome the United Nations inspection in the United Kingdom. I don't think it is something we should be above as a country. She has seen how we are treating our weakest and most vulnerable members."*

## **Reactions in the Sector**

Grainia Long, Chief Executive at the Chartered Institute of Housing, that gave evidence to Ms Rolnik's investigation, said:

*"We agree with Ms Rolnik's damning assessment of the crisis in the United Kingdom's housing system. The bedroom tax doesn't work, it isn't fair and the government needs to think again. This policy penalises some of the poorest and most vulnerable people in the country who have no option but to cut spending on essentials like food and fuel to keep a roof over their heads."*

*"The protections afforded to households under international human rights law are intended to ensure that an adequate standard of living is a right to be enjoyed by everyone. We are concerned that Ms Rolnik has concluded that this right is at risk of not being realised."*

*"Few people are better placed than Ms Rolnik to draw conclusions on the impact of the housing crisis in the United Kingdom. This is a significant statement from the United Nations Special Rapporteur and we strongly urge the government to heed her advice."*

Hugh Owen, Director Policy and Communications at Riverside Housing Association has commented that Over 6,000 Riverside tenants are affected by the under occupation penalty, or over a third of working age claimants. Tenants in every part of the organisation are affected, including London and the South East. Over 45s and disabled tenants are over-represented.

Mr Owen also comments that the housing association are starting to see a clear business impact from the movement of a number of key measures in the wrong direction: rent arrears, empty properties and re-let times. Whilst these rises are not yet outside the range of periodic variations, closer analysis suggests that housing benefit reductions are almost certainly a key driver. This is backed up by anecdotal evidence from operational teams.

Other reports such as 'The Bedroom Tax in Merseyside - 100 Days On' by the National Housing Federation confirm that the bedroom tax is having a devastating impact in one of the poorest areas of the country and is failing to achieve the Government's ambition of freeing up extra social housing.

Based on recent figures collected by the National Housing Federation from 18 housing associations across Merseyside that collectively own more than 130,000 properties in the area, The Bedroom Tax in Merseyside: 100 days on has revealed that:

- During the first four weeks of the bedroom tax coming into force more than 14,000 Merseyside households fell into arrears with their rent. For nearly 6,000 it was the first time they had ever spiralled into rental debt.
- Nearly 26,500 households in Merseyside are being impacted by the bedroom tax yet due to a shortage of smaller homes only 155 managed to downsize into housing association properties in April 2013.
- More than £22 million which could be used to build desperately needed new homes across Merseyside will be lost this financial year as a result of the financial impact on housing associations of the bedroom tax.

The report has also stated that disabled people are bearing the brunt of the changes, with an estimated 19,055 disabled people in Merseyside losing over £13 million a year due to the bedroom tax. Many of these residents live in homes that have been adapted to meet their needs, a time consuming and costly process, and may now have to move. Meanwhile, Government support to help vulnerable people affected by the bedroom tax through Discretionary Housing Payments is proving a short-term fix, with some Merseyside residents receiving grants for just three months.

## **Conclusions**

The report from the United Nations represents an interesting contribution to the debate about the under-occupation penalty. The arguments that it contains are sensible and its recommendations are worthy of serious consideration. It is disappointing that the government has chosen to attack the credibility of the United Nations rapporteur rather than to engage constructively with the points that she has made. Constructive debate involving all informed contributions would be more likely to lead to good public policy formation.

**Adrian Waite**  
**September 2013**

# **Welfare Reform: The Implications for Housing and Local Government**

**October 2013**

This seminar will look in detail at the Government's controversial welfare reforms and their implications for claimants, social landlords, local authorities and the public finances in all the nations of the United Kingdom.

The seminar comes at a critical time with the government in the process of implementing the welfare reforms that are contained in the Welfare Reform Act of 2012. Many of the reforms are to be introduced in April 2013 including the benefits cap, under-occupation penalty, the localisation of council tax support, personal independence payments and the universal credit pilots. In October 2013, Universal Credit will start to be rolled out for new claimants.

But what effect will all this have on claimants, housing associations and local authorities and how can they manage the reforms to mitigate the risks that they face.

## **What the Seminar addresses:**

- Introduction and Overview of Welfare Reform
- Welfare Reform Act 2012
- Under-occupation penalty (bedroom tax)
- Total Benefits Cap
- Universal Credit
- Personal Independence Payment
- Council Tax Support
- New Information & Communications Technology Systems
- The impact of welfare reform on tenants and landlords
- Direct payment demonstration projects
- Practical steps to manage the effects of the reforms
- Advice and Communications
- Housing Options and Allocations
- Management of Rent Arrears
- Discretionary Housing Payments
- Partnership working
- Case Studies
- Demographics
- Social and Affordable Housing Supply
- Potential future reforms

The course includes opportunities for networking and is accompanied by a very useful book entitled:

**“Welfare Reform: The Implications for Housing and Local Government”**

## **Who should attend?**

All those with an interest in the welfare reforms including councillors and officers of local authorities; board members and officers of housing associations; representatives of tenants and claimants; staff of voluntary bodies; academics; lawyers and civil servants.

## **Venue and Date:**

**London:** Novotel Hotel, Waterloo – 9<sup>th</sup> October 2013

Further details can be found at: <http://www.awics.co.uk/welfareseminar.asp>

The seminar is also available in-house.

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The book: 'Welfare Reform: The Implications for Housing and Local Government' is available to buy separately from the seminar. It runs to 100 pages, is fully up to date and sells for £30 plus £3.25 postage and packing. Further information is available at: <http://www.awics.co.uk/TechnicalBooks.asp>

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## About 'AWICS'

'AWICS' is a management consultancy and training company. We specialise in providing support in finance and management to clients in local government and housing in England, Scotland and Wales. We are well known for our ability to analyse and explain complex financial and management issues clearly.

Our mission statement is 'Independence, Integrity, Value'. We therefore provide support to clients from an independent standpoint that is designed to help the client to achieve their objectives. We are passionate about working with the utmost integrity. We believe that we offer the best value for money that is available today!

For more information about us and our services please visit our website at [www.awics.co.uk](http://www.awics.co.uk) or contact Adrian Waite at [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk)

Services that we offer include:

- Management Consultancy – <http://www.awics.co.uk/ManagementConsultancy.asp>
- Interim Management – <http://www.awics.co.uk/interimmanagement.asp>
- Regional Seminars - <http://www.awics.co.uk/regionalSeminars.asp>
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