



Housing Benefits Consultation Team
Department for Work and Pensions
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Dear Sirs

Please find below Circle Anglia's response to the consultation on housing benefit. Whilst in the main, the document relates to private sector residents and tenancies, we have submitted a number of points based on our own knowledge and experience that we hope will be of value.

Circle Anglia is one of the UK's leading providers of affordable housing. With a dedicated team of more than 2,000 staff, Circle Anglia manages more than 51,500 homes, including supported and sheltered housing, for more than 187,000 people across the UK.

The Circle Anglia Group includes 11 partners - eight registered providers (RPs): South Anglia Housing, Wherry Housing Association, Old Ford Housing Association, Circle 33 Housing Trust, Roddons Housing Association, Mercian Housing Association, Mole Valley Housing Association and Russet Homes; two support and care partners: EPIC Trust and Invicta Telecare, as well as Commercial Services Circle Anglia for shared ownership, market rent and private sale properties.

Some general points:

- We support any changes to Housing Benefit that make it simpler and encourage social housing tenants into work
- As an example of good practice, Wherry Housing Association has addressed and increased the take-up of in-work housing benefits via a telephone campaign during which we targeted all households that had not claimed housing benefit in the preceding six months and offered a trial calculation
- We are concerned that the various parameters that low earning tenants have to meet which act as barriers to the transition into work. We believe that this should be a cumulative scale, rather than individual parameters for each means tested benefit. This would mean that claimants would retain more of their earned income. Low earnings disregards do not often cover the costs of travelling to work. Childcare disregard caps are also too low and may be better paid as a tax allowance, as disregards would be distributed equally between all tenure types and paid at one source. We are concerned that this could impact upon customers in temporary accommodation, but equally acknowledge that benefit levels should not be a deterrent to finding employment
- Although Local Authorities are required to operate inclusive Choice Based Lettings schemes, they still have the right to give preference to local applicants. In reality, this often means that mobility is restricted for those that have secured or are seeking employment in another location. This could be addressed through allocations guidance
- We are concerned that merging payment of means tested benefits and thus paying housing benefit direct to the claimant would result in arrears levels escalating across the social housing sector, but we support better alignment between benefits to simplify the process for claimants

Please do not hesitate to contact me if you have any queries.

Yours sincerely

Clare Brine
Head of Public Affairs

Question 1. Do you agree that a Transition into Work Payment will help to ease the move into work?

Yes in principle, however we would like to make the following points:

- 4.9. We are in agreement with this as long as there is not a situation where claimants could be worse off under these proposals if, for example, they have childcare costs and were not in receipt of full housing benefits prior to being eligible for the TiWP?
- 4.8 We are concerned that increasing the out of work period for the proposed Transition into Work Payment (TiWP) would discourage people from taking short-term employment and would penalise seasonal workers. We also consider that the longer qualification period could act as a disincentive to finding employment in cases of mid-term unemployment. We believe that clarity is required on whether both claimants need to be unemployed to be eligible

Question 2. What would be the main features of such a scheme to secure maximum impact and minimise risk?

We believe the reassessment would need to be completed prior to the three month period coming to an end, so claimants could pre-budget for the change in their outgoings.

Question 3. Should we introduce fixed period Housing Benefit awards for those customers in work?

Yes we agree that this is worth consideration. However, how would rent increases be reflected if benefit rates were fixed for six months? How would changes in household composition be treated? At the moment, the housing benefit system provides a safety net for people who are on fixed rate tax credit but have reduction in their income (they can then claim housing benefit). By fixing housing benefit in the same way, claimants would lose this protection and be vulnerable to eviction.

Question 4. What would be the main features of such a scheme to secure maximum impact whilst avoiding any perverse incentives and minimising risk to those whose income falls significantly?

As above.

Question 5. What is the level of rent above which it would not be reasonable for the taxpayer to offer support?

Housing Associations have target rents so this is not applicable.

Question 6. How should we set benefit rates at an appropriate level so that they reflect the housing choices of other working households not eligible for benefit?

No comment on this question.

Question 7. How could we set benefit rates to reflect different market conditions in different areas?

We believe that this would be extremely difficult to do and would involve a level of bureaucracy that may be expensive. It may also turn private landlords off renting to those in receipt of housing benefit.

Question 8. Would excluding the most expensive rents when setting Local Housing Allowance rates result in fairer levels of benefit?

Probably, but we would suggest that this would go against good practice of creating sustainable communities.

Question 9. How should we set appropriate Housing Benefit areas?

No comment on this question

Question 10. Should the Local Housing Allowance size criteria be adjusted?

The social housing sector does not let children of different sexes over eight years old share rooms so this does not apply. We query whether the Local Housing Allowance property size determination differentiates between children under 18 of a different sexes? We wonder whether raising the age to 18 would encourage young people to leave the family home?

Question 11. Should Housing Benefit be extended to provide for an extra bedroom where there is an established need for a room for a non-resident carer?

Yes we agree that allowances should be made for caring responsibilities.

Question 12. Is there a case for providing for an extra bedroom in the size criteria to help parents who need to care for non-resident children if there is evidence that working households can do so?

Yes possibly; but in addition we would want to see safeguards that prevent parents claiming access right abusing access arrangements allowances, but otherwise support this proposal.

Question 13. Should Housing Benefit entitlement be conditional on property meeting certain standards?

The report makes reference to use of the housing benefit system to lever improvements in property conditions and carbon footprint. Whilst we support the concept of better regulation of private landlords, we are concerned that this would actually penalise residents living in sub-standard housing rather than incentivise private landlords to bring homes up to decent standards.

Occupants of such accommodation will already face financial exclusion due to additional energy costs. Restricting benefit could ultimately make these households vulnerable to eviction or further exclusion. We query whether we should be using the benefits system as a leverage to enforce third party behaviours.

Question 14. Should a direct payment to the landlord be linked to the property meeting a certain quality or energy standard?

As above. We believe that whilst the intend is right, it could end up hard to encourage and penalising the most vulnerable.

Question 15. We would welcome views on how Housing Benefit can contribute to the delivery of improvements in the standard of private sector housing for tenants

No comments on this section