

UK “bedroom tax” leads to record requests for emergency assistance

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More than 200,000 people requested emergency assistance from local councils in the six months after the bedroom tax and other cuts to benefits were introduced in April of last year.

The tax, which the Conservative/Liberal Democrat coalition government calls the “spare room subsidy”, means around 660,000 housing benefit claimants who are deemed to have one or more spare rooms can have between £14 and £22 a week deducted from their benefits.

To prepare public opinion before the tax was first introduced, government ministers constantly stigmatised social housing tenants for creating a housing shortage and overcrowding. On January 23, Work and Pensions Secretary Iain Duncan Smith repeated the accusations in a keynote welfare speech, declaring that people who under-occupied social housing were not only “taking money from taxpayers” but helping keep “two million” families on waiting lists.

The reality is that for decades councils have been forced to sell off housing to tenants and were prevented from building new accommodation. In London, the Cambridge Centre for Housing & Planning Research estimates that there will be a shortfall of 186,333 social rented homes by 2021.

As a result of the tax, those who are unable to make up reductions in their benefits have been faced with eviction, forced to downsize (in a situation of a huge shortage of one-bedroom properties), look for private-sector accommodation (generally more expensive and increasing the chance of falling into rent arrears) or seek emergency assistance through the Discretionary Housing Payments (DHP) scheme.

A recent survey by the Local Government Association (LGA) found that 81 percent of councils

had reported a sharp increase in applications for DHP support and that, without the money, many tenants would end up homeless. Although the government had increased the size of the DHP fund, many authorities had been forced to raid funds earmarked for other public services to cope with the surge in claims for assistance.

Sharon Taylor, chair of the LGA’s finance panel, explained how a tenant’s ability to “downsize” is “severely limited” by a lack of affordable accommodation:

“Unless more is done to create homes, households will be pushed into financial hardship and we will see a huge rise in the number of people going to their councils asking for help to make ends meet.

“We are already seeing that demand for help from DHPs is significantly outstripping the money the Government has made available to councils to mitigate the changes in some areas.

“This will have a significant impact on local government budgets, which are already stretched to breaking point by the deepest cuts in the public sector.”

Several reports have been published showing the devastating effects of the bedroom tax across the UK. Latest figures from the Department for Work and Pensions show that in Scotland 75,662 people have seen their benefits reduced and that 45,772 have claimed £15.4 million in emergency housing support since April 2013—four times as many as in 2012.

One tenant told the *Daily Record*, “People think if you’re on housing benefit and paying Bedroom Tax, then you must be out of a job and living off the state—that’s the image the UK Government and some TV programmes put out there.

“But I’m working constantly, as are many others, but we’ve been hit by this devastating tax that leaves many

working people striving just to get through the day.

“I was told by a person who visited from the council that I should get a better job and then I could have more money, but I’ve put out loads of CVs and am willing to do anything, but of the few companies that reply back, it’s a case of thanks but no thanks.”

In a report published last month in Newcastle upon Tyne, the city council had only managed to move 279 bedroom taxed tenants—about 5 percent of the total—to smaller accommodation, and 139 face eviction.

The report also reveals that the “hidden” costs of the bedroom tax are around two thirds (£2.1 million) of the estimated housing benefit savings and include welfare and debt advice for tenants, managing empty properties that are now too expensive to move into and increased rent arrears. The figure does not include the cost of DHP—about £680,000 this year—or the cost of dealing with those made homeless.

In the southwest city of Plymouth, the tax has hit almost 2,000 families who have lost an average of £710 a year. More than 200 tenants of Plymouth Community Homes (PCH) have been unable to find smaller homes or make other arrangements.

PCH chief executive Clive Turner explained: “Lots of people are making sacrifices to enable them to stay in the homes they have got, but how long they can continue to absorb that loss in housing benefit we are not sure. We suspect the position will get more difficult for people the longer this goes on. The bedroom tax has caused a huge amount of anxiety for individuals and it has caused us a huge amount of additional work and resources to assist them.”

The bedroom tax has hit disabled people particularly hard, with up to 8 out of 10 of those claiming DHP assistance in many areas being disabled.

Bunny Gilson, who rents a three-bedroom house from PCH, told the *Plymouth Herald* how the bedroom tax had affected the care of her 19-year-old son Daniel who suffers from the degenerative disease Duchenne muscular dystrophy and has a carer who uses their spare bedroom one night a week.

Until now, Gilson has been receiving DHP support to cover her 14 percent loss of housing benefit, but from this April will have to find the money herself. Gilson said, “I feel like it’s a two-pronged attack from the Government and the housing association. They keep calling asking me to move into a smaller house, but I

can’t move.

“It will work out as losing about £12 to £14 a week. They means tested me and I just can’t afford it. I will have to pay it out of Daniel’s disability benefit.”

The situation is set to deteriorate dramatically in the coming months as the new “universal credit” benefits system, which combines six working-age benefits into one monthly payment, begins to bite. A particularly callous example of the government’s policy concerns families in receipt of housing benefit who suffer bereavement. Until now, they have been given a 52-week leniency period before being reassessed for the bedroom tax, but this is set to be slashed to just 12 weeks.

Joe Levenson of the National Council for Palliative Care, speaking of the implications for bereaved welfare recipients, stated, “They don’t want to be worrying about financial problems or uncertainties about their living arrangements. It really makes a distressing situation even more upsetting and hard to deal with. We’re concerned that changes to the benefit system will put people at risk of not being able to stay in their homes after bereavement.”



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