



Department  
for Work &  
Pensions



# Evaluation of Removal of the Spare Room Subsidy

Final Report

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December 2015

## Research Report No 913

A report of research carried out by the Cambridge Centre for Housing and Planning Research and Ipsos MORI on behalf of the Department for Work and Pensions.

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First published December 2015.

ISBN 978 1 911003 14 4

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# Summary

This report presents findings from the evaluation of the **Removal of the Spare Room Subsidy** (RSRS) undertaken by Ipsos MORI and the Cambridge Centre for Housing and Planning Research. The fieldwork was carried out over the first 20 months of implementation, from April 2013 until November 2014. An interim report was published in July 2014.

The **objectives of this project** were to evaluate:

- The preparation, delivery and implementation of the policy changes by local authorities and social landlords.
- The extent of increased mobility within the social housing sector leading to more effective use of the housing stock.
- The extent to which as a result of the RSRS more people are in work, working increased hours or earning increased incomes.
- The effects of the RSRS on, and responses to it of:
  - Housing Benefit (HB) claimants.
  - Social landlords.
  - Local authorities (LAs).
  - Voluntary and statutory organisations and advice services.
  - Funders lending to social landlords.

# Contents

Acknowledgements .....	10
The Authors .....	11
List of abbreviations.....	12
Glossary of terms .....	13
Executive summary .....	14
1 Introduction.....	21
1.1 Aims .....	21
1.2 Background .....	21
1.3 Research methods .....	22
2 Implementation .....	28
2.1 Numbers and profile of households affected.....	28
2.2 Degree of impact on landlords .....	31
2.3 Administering the Removal of the Spare Room Subsidy .....	32
2.3.1 Payment methods.....	34
2.3.2 Communication between claimants, landlords and local authorities .....	36
2.4 Administering Discretionary Housing Payments .....	37
2.4.1 Discretionary Housing Payments in Scotland and Wales .....	38
2.4.2 Awarding Discretionary Housing Payments.....	39
2.4.3 The role of landlords in supporting tenants to apply for Discretionary Housing Payments.....	40
2.4.4 Renewal and conditionality of Discretionary Housing Payments .....	42
2.5 The costs of implementation .....	44
2.5.1 The costs of implementation for local authorities.....	44
2.5.2 Costs for social landlords.....	44
3 The response of claimants .....	47
3.1 Overall responses .....	47

## Evaluation of Removal of the Spare Room Subsidy – Final Report

3.1.1	Responses of claimants who were no longer affected.....	47
3.1.2	Responses of those who were still affected.....	49
3.1.3	Comparing the responses of different groups.....	50
3.2	Finding work or increasing incomes .....	51
3.2.1	Support for finding work.....	52
3.3	Moving to the private rented sector .....	53
3.4	Claiming Discretionary Housing Payments .....	54
3.5	Taking in lodgers and family members.....	57
3.6	Paying the shortfall.....	58
3.6.1	How many were paying?.....	58
3.7	Managing on a lower budget.....	61
4	Changes to the social housing stock.....	65
4.1	Altering or reclassifying stock.....	65
4.1.1	Altering stock .....	65
4.1.2	Reclassifying the number of bedrooms in properties.....	66
4.2	Allocations and lettings.....	67
4.2.1	Assessing the size of home required.....	69
4.2.2	Means testing housing applicants.....	70
4.2.3	Other changes to allocation policies .....	70
4.2.4	The impact of the changes to allocations on who can access social housing .....	71
4.3	Downsizing .....	72
4.3.1	Geographical variation in downsizing .....	75
4.3.1	Landlords' role in facilitating downsizing.....	76
4.3.2	Allowing downsizing with rent arrears.....	78
4.3.3	Demand for downsizing .....	79
4.3.4	Barriers to downsizing.....	82
4.3.5	Claimants' reasons for not wanting to downsize.....	83
4.4	The impact on overcrowding .....	86
4.5	Changes to demand for social housing.....	88

## Evaluation of Removal of the Spare Room Subsidy – Final Report

4.5.1	Managing turnover and voids.....	88
4.5.2	Shared housing.....	92
4.6	Changes to development plans.....	95
4.7	Financing future development of social housing .....	97
4.8	Rent collection and arrears .....	98
4.9	Evictions and homelessness .....	99
4.9.1	Evictions.....	100
4.9.2	Homelessness services .....	102
5	The impact on voluntary organisations, advice and support services .....	104
5.1	Overall impact .....	104
5.2	Increasing work incentives .....	106
6	Conclusions .....	107
6.1	Implementation.....	107
6.2	The response of claimants .....	108
6.3	Mobility and changing use of the housing stock.....	109
Appendix A	Claimant survey methods.....	110
Appendix B	Claimant survey – questionnaire .....	118
Appendix C	Qualitative claimant interviews – technical note.....	141
Appendix D	Landlord survey methods.....	154
Appendix E	Landlord survey .....	157
Appendix F	Topic guides for case study work and lender interviews .....	167

## List of tables

Table 2.1	Demographic profile of claimants (household heads) affected by the RSRS .....	30
Table 2.2	Which of the following best describes how you become aware when tenants start or cease to be affected by the RSRS? .....	33
Table 2.3	Which of the following payment methods have you encouraged for your tenants to pay their rental shortfalls arising from the RSRS? .....	35
Table 2.4	Has the total DHP funding (including any top up from the Scottish or Welsh Government) been sufficient to allow DHP to cover the shortfalls in full of all RSRS-affected tenants as long as they apply for it? .....	38

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Table 2.5	Which of the following best describes the system used most often for assessing eligibility for DHP for your tenants? .....	39
Table 2.6	In how many of the local authorities in which you work are you familiar enough with the policy on DHP to advise tenants affected by the RSRS as to whether they might be eligible? .....	40
Table 2.7	Do you have any other comments about DHP? .....	42
Table 2.8	Case study landlords' estimates of costs .....	45
Table 3.1	Overall responses to the RSRS among those still affected in autumn 2013 and summer 2014 .....	49
Table 3.2	Overall responses to the RSRS/actions taken by analysis groups since autumn 2013 .....	50
Table 3.3	What proportion of your tenants currently affected by the RSRS are currently in arrears/were in arrears on 31 March 2013? .....	60
Table 3.4	On which, if any, of the following things have you spent less since we last spoke in October or November of last year because of the changes to Housing Benefit? .....	62
Table 3.5	Frequency with which claimants reported running out of money before the end of the week or month at various stage before and since becoming affected by the RSRS.....	63
Table 4.1	The original size of properties reclassified in response to the RSRS .....	66
Table 4.2	Which of the following best describes your approach to reclassifying? .....	67
Table 4.3	Which of the following best describes your approach to deciding/what size of home to let to new tenants?.....	69
Table 4.4	Downsizing within the social rented sector .....	73
Table 4.5	Which two or three, if any, of these are the most important reasons you have for staying here instead of moving elsewhere? .....	84
Table 4.6	Void figures supplied by landlords.....	92
Table 4.7	Reasons for offering shared housing .....	93
Table 4.8	Reasons for not offering shared housing .....	94
Table 4.9	Total arrears held by landlords .....	99
Table 4.10	Taking action against arrears. Of tenants affected by the RSRS: .....	100
Table 4.11	Can I please check, are you currently up to date with the rent you owe, or are you in arrears? .....	101
Table 4.12	Combined responses in both autumn 2013 and summer 2014 in response to the question: Can I please check, are you currently up to date with the rent you owe, or are you in arrears? .....	101
Table 4.13	Claimants' self-reported frequency of being in arrears at various points before/since becoming affected by the RSRS.....	102

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Table A.1	Target and actual interviews by case study area .....	112
Table A.2	Sampling Tolerances for wave 1 (autumn 2013).....	115
Table A.3	The profile of the affected cohort, waves 1 and 2 .....	116
Table D.1	The size of landlords responding to the survey.....	154
Table D.2	Profile of social landlords responding to survey.....	155
Table D.3	Social rented dwellings managed by location of landlord, and location of social rented stock in Britain .....	156

## List of Figures

Figure 1.1	Analysis groups and their status in autumn 2013 and summer 2014 .....	25
Figure 2.1	Numbers of households affected by the RSRS by month, as a proportion of those initially affected in May 2013 .....	29
Figure 2.2	Change in the number of RSRS-affected tenants reported by landlords April 2013 to October/November 2014.....	32
Figure 2.3	Which of the following processes of applying for DHP apply to your tenants? .....	41
Figure 3.1	You told us that you are NOT CURRENTLY affected by the changes to Housing Benefit but were PREVIOUSLY affected/are no longer receiving Housing Benefit. From what you know or understand, why are you not currently affected?.....	48
Figure 3.2	Thinking about the period since 1 April 2013, which of the following statements best describes your situation in relation to Discretionary Housing Payments (DHPs)? .....	55
Figure 3.3	Proportion of tenants affected by the RSRS who have paid their rental shortfall.....	59
Figure 4.1	Have you made any changes to your allocations policy during the last 12 months to increase the priority given to potential downsizers?.....	68
Figure 4.2	Proportion of new tenancies issued to households who are under occupying in England .....	71
Figure 4.3	New tenancies issued to working-age households because of under occupation by Housing Benefit status in England .....	74
Figure 4.4	Numbers of downsizers per 1,000 tenancies initially affected, by means of downsizing and broad region where landlords stock is mostly located .....	75
Figure 4.5	Is there a financial incentive available to your tenants who wish to downsize? .....	77
Figure 4.6	Average size of landlords' typical amount offered to downsizers .....	78
Figure 4.7	Do you allow tenants affected by the RSRS and with arrears to downsize? .....	79



## Evaluation of Removal of the Spare Room Subsidy – Final Report

Figure 4.8	Combined responses in both autumn 2013 and summer 2014 in response to the question: Are you currently looking to move from this accommodation, or not?.....	81
Figure 4.9	Moves within the social sector because of overcrowding in England .....	87
Figure 4.10	Relets of social housing in England (i.e. lets excluding new build) 2013–14 by number of bedrooms .....	89
Figure 4.11	Have you experienced any difficulties in letting properties as a result of the RSRS? .....	90
Figure 4.12	Proportion of landlords reporting difficulties letting as a result of RSRS or Benefit Cap who were experiencing difficulties with each size and type of property .....	91
Figure 4.13	Do you offer shared housing (i.e. groups of unrelated adults/sharing a house)? .....	93
Figure 4.14	Ways in which landlords report having altered their development plans as a result of the RSRS.....	96

# Acknowledgements

This research was commissioned by the Department for Work and Pensions. The project managers were Chris Lord, Graham Walmsley, Ailsa Redhouse and Claire Frew and input was also received from Vicky Petrie, Simon Wheeldon, Andy Brittan and Preeti Tyagi.

The authors would also like to thank the local authority staff, housing associations, voluntary and statutory agency staff, the Scottish SCORE team and Housing Benefit claimants who gave their time to participate in this research.

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# List of abbreviations

<b>CAB</b>	Citizens Advice Bureau
<b>CAPI</b>	Computer Assisted Personal Interviewing
<b>CORE</b>	Continuous Recording of Sales and Lettings
<b>DCLG</b>	Department for Communities and Local Government
<b>Defra</b>	Department for the Environment, Food and Rural Affairs
<b>DHP</b>	Discretionary Housing Payments
<b>DLA</b>	Disability Living Allowance
<b>DWP</b>	Department for Work and Pensions
<b>HB</b>	Housing Benefit
<b>LA</b>	Local authority
<b>PIP</b>	Personal Independence Payment
<b>PRP</b>	Private Registered Provider
<b>PRS</b>	Private Rented Sector
<b>PSU</b>	Primary Sampling Unit
<b>RSRS</b>	Removal of the Spare Room Subsidy
<b>SDR</b>	Statistical Data Return completed by English PRPs
<b>SCORE</b>	Scottish Continuous Recording of Sales and Lettings
<b>SHBE</b>	Single Housing Benefit Extract (DWP's Housing Benefit data)
<b>UC</b>	Universal Credit

# Glossary of terms

<b>Affected claimant</b>	Housing Benefit claimant affected by the Removal of the Spare Room Subsidy (RSRS).
<b>The Benefit Cap</b>	The Benefit Cap, introduced in 2013 and limiting the total amount of benefits that most out of work working-age households can receive. This is £500 a week for couples and families and £350 a week for single people
<b>Discretionary Housing Payments (DHPs)</b>	Payments awarded by local authorities when they consider that a claimant requires further financial assistance towards housing costs. The DWP allocates funding for DHPs to local authorities, who decide how to allocate it and may also choose to top up the funding from their own resources.
<b>Housing Benefit</b>	Financial support paid to tenants (or to landlords on their behalf) for those who are out of work or on low incomes to help pay their rent. It can cover up to the entire value of the rent, depending on the claimant's circumstances and income.
<b>Private Registered Providers (PRPs)</b>	Housing Associations and other providers of social housing registered with the Homes and Communities Agency, but excluding local authorities
<b>Social landlords</b>	Landlords who manage social housing, including local authorities, housing associations and other registered providers.

# Executive summary

This report presents findings from the evaluation of the **Removal of the Spare Room Subsidy** (RSRS) undertaken by Ipsos MORI and the Cambridge Centre for Housing and Planning Research. The fieldwork was carried out over the first 20 months of implementation, from April 2013 until November 2014. An interim report was published in July 2014.

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- The extent to which as a result of the RSRS more people are in work, working increased hours or earning increased incomes.
- The effects of the RSRS on, and responses to it of:
  - Housing Benefit (HB) claimants.
  - Social landlords.
  - Local authorities (LAs).
  - Voluntary and statutory organisations and advice services.
  - Funders lending to social landlords.

## Background

The RSRS was brought into effect on 1 April 2013. It entailed a reduction in HB for working-age social tenants whose properties have more bedrooms than they need based on the Department for Work and Pensions (DWP) size criteria (see below).

The number of bedrooms required is worked out so that no one has to share a bedroom unless they are:

- A couple.
- Both aged under 10 years old.
- Both aged under 16 years old and of the same sex.

No more than two people should have to share any bedroom.

An additional bedroom is also allowed in certain circumstances for regular non-resident overnight carers, foster carers, disabled children unable to share a bedroom and people who are recently bereaved. Bedrooms used by students and members of the armed forces are not counted as 'spare' if they are away and intend to return home.

Those deemed to have spare bedrooms have had their rent eligible for Housing Benefit reduced by:

- 14 per cent for one spare bedroom.
- 25 per cent for two or more spare bedrooms.

(Source: Wilson (2015) 'Under-occupation of social housing: Housing Benefit entitlement' Department for Work and Pensions)

The DWP's HB data show that in May 2013, 547,000 households<sup>1</sup> were affected by the RSRS<sup>2</sup>, which equates to 11.6 per cent of all social tenancies. By November 2014, the number had fallen to 465,000, a reduction of 14.2 per cent over the first 18 months of the policy.

## Research methods

The research methods comprised:

- Two separate surveys of *social landlords throughout Britain*. The first of these ran between October and November 2013, and the second a year later in October and November 2014. A total of 312 landlords replied in full to the first survey and the second survey had 256 responses. In both surveys the landlords answering the survey (between them) managed a stock of around two million homes, over 40 per cent of the social housing stock in Britain.
- A *longitudinal survey of Housing Benefit claimants both affected and not affected by the RSRS* carried out across 15 local authorities (LAs) in autumn 2013 and summer 2014. Face-to-face interviews were carried out with a total of 1,502 HB claimants in October and November 2013, of whom two-thirds were currently affected by the RSRS according to DWP's Single Housing Benefit Extract (SHBE) records. A follow-up survey was conducted among 972 respondents between June and August 2014, split between:

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<sup>1</sup> Since HB is claimed on a family household basis, the term household has been used interchangeably with claimant throughout this report.

<sup>2</sup> Data from <https://stat-xplore.dwp.gov.uk/>. DWP figures relate to the numbers on the second Thursday of the month. Data for April were not available. The DWP's data from StatXplore include only people affected by the RSRS who were still in receipt of at least some HB. Some people who would otherwise be eligible for partial HB have been affected by the RSRS but are not recorded in the figures, because the RSRS has reduced their HB award to zero. The DWP has not published any figures on the number of people affected in this manner.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- respondents from the ‘**affected cohort**’, which included all those affected in the autumn 2013 survey. This group is split between those ‘**still affected**’ and those ‘**no longer affected**’ by summer 2014; and
- respondents unaffected in autumn 2013 and still unaffected by summer 2014, flagged as ‘never affected’.

See section 1.3 for more detailed information.

- **Detailed qualitative interviews with 30 of the surveyed claimants affected by RSRS** were carried out in November 2013 in six of the 15 areas, with follow-up interviews conducted between September and November 2014. Where possible, interviews were conducted with the same participants from the first wave of qualitative interviews, with those who could not be re-contacted replaced by claimants of interest from the second wave of the longitudinal survey.
- **Case study work in ten local authority areas.** This included group interviews carried out with LA staff and social landlords in the summer of 2013 and again in early autumn 2014, and telephone interviews with a total of 47 local agencies across the ten areas in the autumn of 2013 and again in autumn 2014, including Children’s Services, the Citizens Advice Bureau, Job Centres and local voluntary organisations<sup>3</sup>.
- **Interviews with eight of the major lenders to the housing association sector** were conducted during October 2013 and they were contacted again in October 2014.
- **The DWP’s Local Authority Insight Survey.** This was undertaken between October and December 2013 and included questions added to assist this evaluation.
- **Analysis of secondary data sources.** This included data on social housing lettings from CORE (Continuous Recording of Sales and Lettings, published by the Department for Communities and Local Government (DCLG)) and SCORE (Scottish Continuous Recording of Sales and Lettings, published by the Scottish Government) and DWP’s own data.

This report has drawn upon all these sources of information, using more than one source where possible to increase the validity of the conclusions drawn.

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<sup>3</sup> LA staff interviewed included those involved in the administration of HB, as well as strategic housing managers and (where applicable) those responsible for managing social housing stock.



## Key findings

### Implementation

- The DWP's data shows a reduction in the number of households affected by the RSRS from 547,000 to 465,000 by November 2014, a reduction of 14.2 per cent<sup>4</sup>. The greatest falls were in London, followed by the North West and East of England (StatXplore).
- There was an increase in the average age of those affected by the RSRS during the period of the research (StatXplore): partially explained by the rising pension age, but the research suggested that changing allocation rules are likely to have reduced the number of younger claimants (case study work) whilst younger claimants were also more likely to have found work or otherwise ceased to be affected (claimant survey).
- A combined 46 per cent of those **no longer affected** said this was because of a change in household composition or their/their children's ages. One in five (20 per cent) said they found work or increased earnings and were no longer affected (claimant survey).
- The majority of claimants from the **affected cohort** were still affected nine months later (claimant survey). Of those affected in autumn 2013, 17 per cent were **no longer affected** by summer 2014 (claimant survey).
- A range of systems had been devised jointly by LAs and social landlords for keeping landlords updated about which tenants were affected by the RSRS. Landlords working across many areas were more likely to be having difficulties in knowing which tenants were affected (landlord survey).
- Among those claimants still affected by the RSRS in 2014, 29 per cent said they applied for Discretionary Housing Payment (DHP) when asked what actions they had taken to deal with being affected (claimant survey). Comparatively few **still affected** claimants were successful with their application (36 per cent of those applying, 23 per cent of all still affected) (claimant survey).
- Awareness of DHPs increased. Those who did not apply were asked if they had heard of DHP – 52 per cent said they had, meaning 66 per cent in total of the **still affected** claimants were aware of DHP by 2014, an increase from 49 per cent nine months previously (claimant survey).
- Setting conditions on the receipt of DHP (e.g. job seeking or registering and/or bidding for downsizing) was something that most LAs had developed over the course of the first year of the RSRS. LAs were becoming better at managing DHP and predicting levels of demand (landlord survey and case study work).
- LAs were not excluding disability benefits (Disability Living Allowance (DLA), or Personal Independence Payment (PIP)) but considered both income and expenditure relating to disabilities when they means test to assess eligibility for DHP. There was some confusion amongst landlords about this (landlord survey and case studies).

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<sup>4</sup> This is a net reduction. The extent of 'churn' of households on and off being affected by the RSRS is not known.

### The response of claimants

- Seventeen per cent of claimants affected in autumn 2013 had ceased to be so by summer 2014 (claimant survey). The most common reasons for ceasing to be affected were finding work/increasing earnings, a friend or relative moving in or a change in age of children meaning they were no longer considered to have a spare bedroom (claimant survey).
- Twenty per cent of affected claimants say they have looked to earn more through employment-related income as a result of the RSRS, rising to 63 per cent of those who said they were unemployed and seeking work.
- Overall, five per cent of respondents (or another adult in their household) in the initially **affected cohort** found work between 2013 and 2014 – three per cent were still affected, while for two per cent this meant becoming unaffected (claimant survey).
- Barriers to finding work or additional hours cited by participants included lack of employment opportunities in the local area and employers being unable to offer additional hours (claimant qualitative interviews).
- Most social landlords required permission for tenants to take lodgers, but only 0.3 per cent of their affected tenants had asked for permission to take a lodger (landlord survey). Seventeen per cent of no longer affected claimants reported the reason as being a friend or relative moved in while two per cent said that a lodger had moved in.
- Around 12,000 RSRS-affected claimants nationally were estimated to have moved to the private rented sector, less than 2.2 per cent<sup>5</sup> of affected tenants (landlord survey).
- The proportion of **affected** claimants who had paid all their rental shortfall rose from 41 per cent in 2013 to 50 per cent in 2014, whilst the proportion who had paid none of their shortfall fell from 20 per cent to 10 per cent (landlord survey).
- Claimants who were **still affected** by the RSRS in 2014 were more likely than those no longer affected to say they run out of money by the end of the week or month very/fairly often (78 per cent compared with 69 per cent) (claimant survey).
- Among those **still affected**, claimants had paid the rent by: using up savings; borrowing from family or friends or accruing debt (claimant qualitative interviews), although we do not know whether they have a history of borrowing for other purposes.
- In the affected cohort cut backs were made on energy (46 per cent of those who had cut back on spending), travel (33 per cent), food (76 per cent) and leisure costs (42 per cent) (claimant survey and qualitative interviews).
- Overall 55 per cent of tenants affected by the RSRS were in arrears in autumn 2014, though 43 per cent had been in arrears in March 2013 (prior to the introduction of the RSRS) (landlord survey).

### Changes to the social housing stock

- There is evidence of a declining proportion of lets to those who under occupy their new home in England, and an increase in proportion of lets to families from 36.3 per cent in 2012–13 to 40.7 per cent in 2013–14 (CORE).

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<sup>5</sup> Precise percentage unknown due to 'churn' within the caseload.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- By autumn 2014, most landlords gave top priority to downsizers, with 57 per cent reporting that they had increased the priority in response to the RSRS, but 20 per cent did not give them top priority (landlord survey).
- The landlord survey suggests that nationally around 45,000 RSRS-affected claimants had downsized within the social sector by autumn 2014, as compared with around 24,000 in autumn 2013 (landlords surveys).
- In England the RSRS has resulted in a substantial increase in demand for downsizing, compared to previous rates. The data shows a substantial increase in working-age tenants moving within social housing via transfer lists because of under occupation from 2,755 per year in 2009–10 (less than 0.5 per cent of all tenants) to 14,755 in 2013–14 (CORE).
- Landlords reported in autumn 2014 that around 16 per cent of affected tenants were currently registered for downsizing – which would suggest that nationally around 87,000 tenants currently affected by the RSRS were seeking to downsize. This is a slight reduction on the 19 per cent reported to be registered for downsizing at the time of the first survey (autumn 2013) (landlord surveys).
- Claimants' reasons for not wanting to downsize were most often related to remaining close to family, liking the area, good neighbourhoods, liking the accommodation, and particular difficulties for disabled tenants related to finding a property that meets their needs as well as in packing and transporting belongings. For families with children, schools (48 per cent) were the most important barrier to moving (claimant survey).
- Most LAs and social landlords reported that large numbers of people were unable to move because of a shortage of smaller homes. Some claimants said they had not registered because they were aware of the shortage (case studies and claimant qualitative interviews).
- 42 per cent of landlords reported difficulties in letting some properties because of the RSRS. There was a strong correlation between the proportion of tenants affected by the RSRS and reporting difficulties in letting homes as a result. Fifty four per cent of landlords with the highest proportion of tenants affected reported difficulties letting, compared with 13 per cent of those with the lowest proportions (landlord survey).
- Data supplied by landlords does not provide evidence of any statistically significant increase in voids (landlord survey). There is some evidence of increased turnover since the introduction of the RSRS in England, most notable for larger property sizes (CORE). Case study evidence found that there were costs associated with the increased turnover and reletting activity.
- Around half (51 per cent) of developing landlords said they have altered their build plans as result of the RSRS, up from a third in 2013. They were building more one bedroom homes and fewer larger ones. Some were concerned about the future of the policy at the time of the fieldwork and hence were reluctant to alter their stock profile (landlord survey).
- Lenders generally felt housing associations had responded well to RSRS and have put resources in place. The RSRS was not thought to have impacted on the pricing of loans made to the housing association sector. Their concerns were more focused on the wider package of welfare reforms and Universal Credit rather than RSRS specifically.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- There was no significant change in levels of arrears held by social landlords between autumn 2013 and autumn 2014 (landlord survey). Most landlords said they now considered the affordability of the rent for prospective tenants before letting.
- 40 per cent of **still affected claimants** said they were currently in arrears in 2014, a slight fall from 47 per cent in 2013 (claimant survey). Overall, the cause of arrears is uncertain – as we cannot directly attribute increases in arrears to the RSRS. (The comparable figures for non-affected claimants are 19 and 21 per cent respectively). Tenants with arrears arising solely as a result of the RSRS were in most cases being supported and encouraged to pay, or helped with the use of DHPs (case studies). The RSRS was reported to have had some impact on homeless households seeking to move on from temporary accommodation as it was now quicker to move families, due to larger properties being freed up by downsizers, but conversely harder for singles who were now competing with more households, including downsizers, for one bedroom properties.
- The research found no discernible increase in evictions arising from the RSRS at the time of the autumn 2014 fieldwork. Landlords reported having applied for possession on five per cent of RSRS-affected tenancies, though less than a tenth of this number have actually been evicted (landlord survey). Case study work suggested most evictions by November 2014 had been of tenants with pre-existing arrears and/or who had not engaged with their landlord (case studies). Most agencies reported an increase in demand for their services from 2013, but the RSRS was one of several reasons for this and it was not possible to clarify what specific impact it had, that might not be attributable to other welfare reforms and economic changes. Agencies were concerned about the cumulative impact of welfare reform, especially the RSRS and Council Tax liability (case studies).

# 1 Introduction

This final report presents findings from the evaluation of the Removal of the Spare Room Subsidy (RSRS). The evaluation was led by Ipsos MORI and the Cambridge Centre for Housing and Planning Research and the fieldwork was carried out between April 2013 and November 2014. The interim findings were published in 2014<sup>6</sup>. The evaluation also examined the impact of the Benefit Cap within the social rented sector. The findings from this strand of the work were presented separately in the autumn of 2014<sup>7</sup>.

The focus of the evaluation is Great Britain (England, Scotland and Wales).

## 1.1 Aims

This final report presents the findings from the study, covering the first 20 months of implementation from April 2013 to November 2014.

Assessing whether Housing Benefit (HB) expenditure has fallen is being carried out by the Department for Work and Pensions (DWP) separately, and does not lie within this evaluation.

The objectives of this evaluation were to explore:

- The preparation, delivery and implementation of the policy changes by local authorities (LAs) (in their strategic housing role) and social landlords.
- The extent of increased mobility within the social housing sector leading to more effective use of the housing stock with households in more suitable sized accommodation.
- The extent to which, as a result of the RSRS, more people are in work, working increased hours or earning increased incomes.
- The effects of the RSRS, and responses to it by:
  - Claimants.
  - Social landlords.
  - LAs.
  - Voluntary and statutory organisations and advice services, including Children's Services.
  - Funders lending to social landlords.

## 1.2 Background

The RSRS was brought into effect on 1 April 2013. It entailed a reduction in HB for working-age social tenants whose properties have more bedrooms than they are considered to need, based on the DWP's size criteria (see below).

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<sup>6</sup> See [www.gov.uk/government/publications/removal-of-the-spare-room-subsidy-interim-evaluation-report](http://www.gov.uk/government/publications/removal-of-the-spare-room-subsidy-interim-evaluation-report)

<sup>7</sup> See [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/386213/supporting-households-affected-by-the-benefit-cap.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/386213/supporting-households-affected-by-the-benefit-cap.pdf)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

The number of bedrooms required is worked out so that no one has to share a bedroom unless they are:

- A couple.
- Both aged under 10 years old.
- Both aged under 16 years old and of the same sex.

No more than two people should have to share a bedroom.

An extra bedroom was also allowed for:

- A non-resident overnight carer for the tenant or their partner.
- Foster carers who have fostered or become approved for fostering within the last year.
- A child whose disability or medical conditions means they cannot share a bedroom with another child whom they would otherwise be expected to share with.

Bedrooms used by students and members of the armed forces are not counted as 'spare' if they are away and intend to return home.

(Source: Wilson (2015) 'Under-occupation of social housing: Housing Benefit entitlement' Department for Work and Pensions)

Those with one spare bedroom, according to the criteria, have had their rent eligible for HB reduced by 14 per cent, whilst those with two or more spare bedrooms have had their rent eligible for HB reduced by 25 per cent. People on partial HB will in some cases have ceased to be eligible for HB as the reductions are applied to their eligible rent, not the actual amount of HB previously received. The average reduction was projected to be around £14 (DWP, 2012<sup>8</sup>).

The DWP's initial data on the impact of the RSRS shows that in May 2013, two-thirds of tenants with one spare bedroom were seeing reductions of between £10 and £15 a week, whilst 16 per cent had their HB reduced by under £10. For tenants with two or more spare bedrooms, half were experiencing reductions of between £20 and £25, with 28 per cent were seeing reductions of over £25<sup>9</sup>.

### 1.3 Research methods

There were six strands to this research:

- A survey of social landlords throughout Britain.

This survey ran between 16 October and 8 November 2013 and again between 13 October and 7 November 2014. A total of 750 landlords were invited to take part in each survey, comprising all stock-owning LAs and Private Registered Providers (PRPs) with over 1,000 properties, as well as a sample of smaller social landlords throughout Britain. A total of 312 responded to the first survey and 256 to the 2014 survey.

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<sup>8</sup> DWP. (2012). Housing Benefit: Under occupation of social housing Impact Assessment, Department for Work and Pensions.

<sup>9</sup> <https://sw.stat-xplore.dwp.gov.uk>

## Evaluation of Removal of the Spare Room Subsidy – Final Report

The survey asked for substantial numeric data relating to finances and numbers of affected tenants. Landlords were instructed: “Draw on any data you hold wherever possible, but give us your best estimate if not. Please leave blank any questions where you do not know the answer, and cannot provide a good estimate either”.

The landlords who responded were representative of all social landlords in terms of their spread between England, Scotland and Wales. In 2013, they had an average of 11.1 per cent of their stock occupied by tenants affected by the RSRS, which was precisely the national average as of August 2013. In 2014, the landlords answering the survey had 10.4 per cent of their stock occupied by tenants affected by the RSRS, very close to the national figure of 10.0 per cent for August 2014. For further details, see Appendix D.

- A longitudinal survey of HB claimants both affected and not affected by the RSRS.

A total of 15 areas were selected for the purposes of undertaking primary survey research among HB claimants in the social rented sector. These covered England (13 areas), Scotland and Wales (one area each) and were chosen to ensure a range of housing market circumstances, region, tenure mix, type and size of LA throughout Britain. This was not designed to be representative in any statistical sense – and should not be considered as such, but rather to ensure coverage of a mixture of stock-owning and non-stock owning, rural and urban and unitary and district authorities.

Table 1.1 below shows key statistics of the 15 case study areas, as compared to the national average:

**Table 1.1 Key statistics of the 15 case study areas**

	15 case study areas	Britain
Proportion where LA owns stock	60%	53%
Proportion rural (Defra class 4–6)	40%	51%
Mean % private rented sector tenants	19%	16%
Average overcrowded households per 100 households	5	4
Mean proportion social sector with 1–2 rooms	10%	11%
Mean estimate of proportion of tenants affected by RSRS	15%	14%

Source: 2001 and 2011 Censuses, Defra, Scottish Government and Welsh Government websites; Estimate of proportion affected by RSRS modelled from DWP impact assessment.<sup>10</sup>

In order to encourage frank and open discussion, the case study authorities in which fieldwork was undertaken (via the claimant survey and case study work) were selected on the basis of guaranteeing anonymity; they have not been identified in this report.

The survey of claimants was a longitudinal one, that is to say interviewers returned to the same respondents to research how things had changed (according to what they think had changed and by comparing their responses between the two waves). This is distinct from a cross-sectional study in which two matched but separate samples are built in order to

<sup>10</sup> DWP. (2012). *Housing Benefit: Under occupation of social housing Impact Assessment*, Department for Work and Pensions. The Impact Assessment provided estimates of the likely number of affected claimants by region. These were used to estimate the likely proportion of tenants who would be affected in each region, (as the actual numbers by LA were not known at the time of selecting case studies).

## Evaluation of Removal of the Spare Room Subsidy – Final Report

compare or detect changes with weighting applied to the two samples (if necessary) to be sure that any differences are ‘real’ and not simply the product of variation in the samples. Since, in this final report, the focus has been undertaking longitudinal analysis, the data used is unweighted. For further information about this, please see Appendix A.

The first (autumn 2013) wave of research ran between 1 October and 24 November 2013, following a small-scale pilot survey conducted in September. The sample was drawn from the May 2013 Single Housing Benefit Extract (SHBE), which flagged claimants as either ‘affected’ or ‘non affected’ by the RSRs at the point the extract was compiled. Ipsos MORI interviewed 100 claimants face-to-face in their homes in each area. Sampling and quotas were structured to achieve interviews with affected claimants in a 70:30 ratio of affected to non-affected claimants at both local and aggregate levels.

In total, 1,071 affected HB claimants were interviewed plus a non-affected sample of 431 HB claimants. For analysis purposes, findings focus on the 871 claimants flagged in the May 2013 SHBE extract as affected by the changes<sup>11</sup> and who said they were currently affected by the changes and that their Housing Benefit has been reduced (**‘affected’**), and on the 381 claimants flagged as not affected in the May 2013 SHBE extract and who said they were **not currently affected by the changes** (**‘non-affected’**).<sup>12</sup>

The second (summer 2014) wave of research ran between 16 June and 4 August 2014. Ipsos MORI completed interviews with 972 respondents who took part in the autumn 2013 survey. Reflecting the longitudinal nature of the survey, the focus of analysis in this report is on certain types of claimant based on their longitudinal status at wave one and wave two:

- 1 Those in the autumn 2013 survey recontacted in 2014 who were flagged as affected by the changes in the May 2013 SHBE extract **and** who said they were *‘currently affected by the changes and Housing Benefit has been reduced’* (called the **‘affected cohort’**). Of these:
- 2 those who were still affected in 2014 (*‘I am currently affected by these changes and my Housing Benefit has been reduced’*), including those receiving Discretionary Housing Payment (DHP) to cover the shortfall (referred to as **‘still affected’**);
- 3 those who say they were no longer affected by 2014 (*‘I am not currently affected by these changes, but I have been previously’*) (**‘no longer affected’**); and
- 4 those who were unaffected in autumn 2013 and remain unaffected in 2014 (*‘I am not currently affected by these changes and never have been’*) (**‘never affected’**, or the **‘comparison group’**)

The diagram in Figure 1.1 shows the movement of the four groups of interest between the two waves of research.

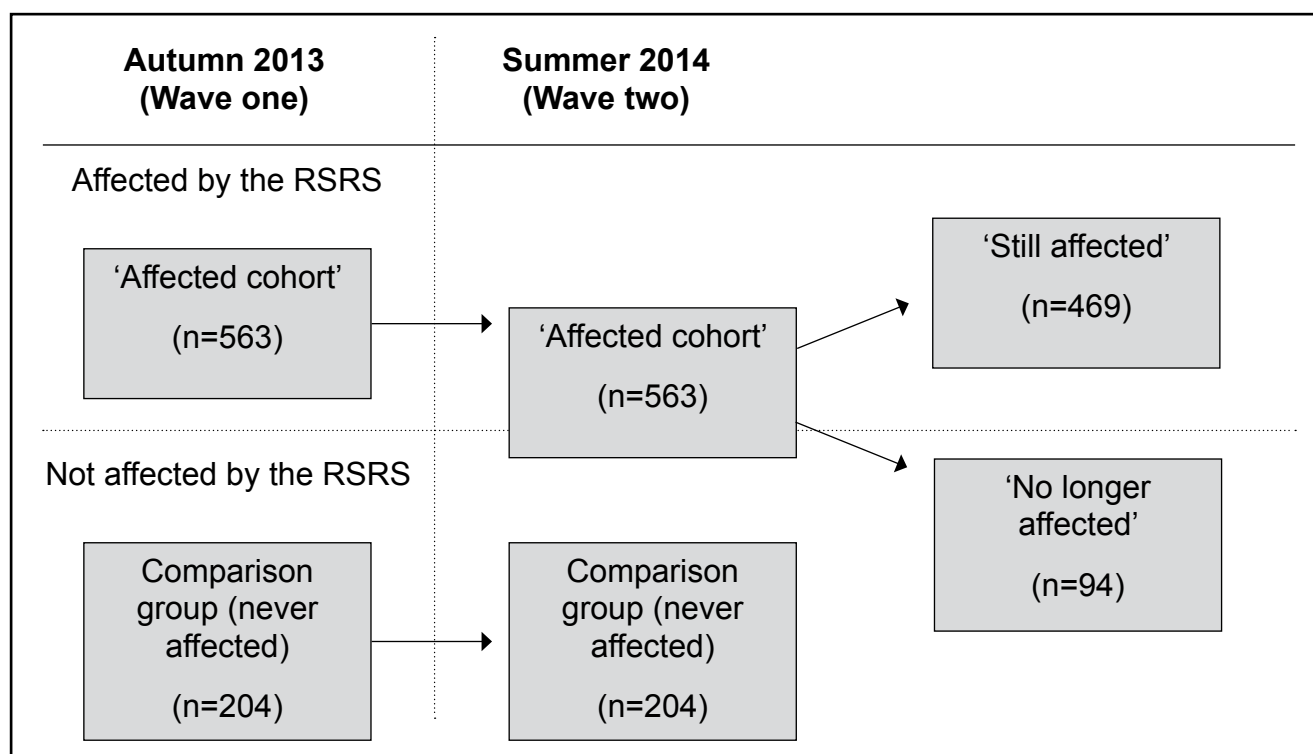
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<sup>11</sup> This was derived from SHBE field 21 – ‘the weekly amount of social sector size criteria/ under-occupation deduction’.

<sup>12</sup> This allows greater certainty, but relies on respondent recall/reporting (and does not provide precise validation of the SHBE flag). We detected some confusion on the issue – for example, of the 1,502 taking part in the survey, 180 flagged as affected by SHBE said that their HB had not been reduced. A further 32 flagged as not affected by SHBE said that their HB had been reduced, while 10 said they believed they were affected but their HB had not been reduced. A further 28 were unsure of their current status.



**Figure 1.1 Analysis groups and their status in autumn 2013 and summer 2014<sup>13</sup>**



Focusing on these groups allows a comparison of the behaviours/responses to RSRS among those who remained under occupiers and those who were no longer under occupying, as well as comparing against the group of claimants who were never under occupying/affected.

For further details on methods and the interview schedule used, see Appendix A.

• **Follow-up qualitative interviews with 30 claimants affected by the RSRS**

In addition to the survey of claimants, 30 in-depth qualitative interviews were conducted in autumn 2013 among those affected by RSRS (who had taken part in the original survey). Respondents were chosen based on a range of demographic characteristics to ensure a cross-section of affected claimants was interviewed. Interviews were conducted in six of the 15 areas (four in England, one in Wales, one in Scotland) to ensure the inclusion of a diverse selection of case study areas

These claimants were contacted again to take part in a follow-up interview in autumn 2014. Of the 30 who took part in autumn 2013, 22 were interviewed again in autumn 2014. Eight interviews were conducted with claimants who had taken part in the survey but had not taken part in the qualitative interviews in autumn 2013. These claimants were again selected to reflect a range of demographic characteristics and who had pursued diverse responses to the RSRS.

Further details about the qualitative interviews can be found in Appendix C.

<sup>13</sup> Please note that the 'affected cohort' grouping is placed across the affected/not affected line to reflect the proportion of respondents within this group who are no longer affected.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- The qualitative findings described in this report include some indications of the prevalence of views or experiences across the sample or within subgroups, presented through the use of words such as ‘most’, ‘many’ and ‘few’ to describe how typical views or experiences were across the relevant group. This should be considered indicative rather than exact due to the nature of qualitative research which is not intended to give a statistical measure of the prevalence of different views. Rather, qualitative research is designed generate detailed and exploratory accounts, provides insight into the perceptions, experiences and behaviours of participants.

- **Case study work in ten local authority areas.**

The ten case study LAs were chosen to reflect a range of housing market circumstances. Nine of the ten areas were chosen from within the 15 areas selected above<sup>14</sup>. Group interviews were held between May and August 2013 in each location with between two and ten LA staff in attendance at each interview and these same people were interviewed again by telephone in September 2014. In total, 26 landlords were interviewed by telephone in summer 2013 and again a year later. These landlords between them held 89 per cent of the housing stock in the case study areas, around 186,000 properties. Interviews were also conducted in November 2013 and again in October 2014 with a total of over 50 local agencies and LA departments across the ten areas, including Children’s Services, the Citizens Advice Bureau, Job Centres and local voluntary organisations. One LA and one housing association who both took part in 2013 declined to participate in 2014 and one (different) housing association had declined in 2013 but agreed to participate in 2014.

The topic guides used are provided in Appendix E.

- **Interviews with eight of the major lenders to the social housing sector in the UK.**

Eight interviews were conducted during October 2013, and six lenders provided written responses to questions in October 2014. In 2013, the six largest lenders were all included, along with two others both of whom were selected because they were recent entrants to the sector lending to housing associations. In 2014, the same lenders were contacted again, along with others by open invitation via the Council of Mortgage Lenders’ Social Housing Panel. This panel includes most of the lenders to the housing association sector in the UK. Thus, although it is not a full survey of the market, the coverage does provide a useful snapshot of views in October 2014.

- **The DWP’s Local Authority Insight Survey.**

The DWP carry out a survey of all LAs every six to 12 months, known as the Local Authority Insight Survey’ (formally the Omnibus Survey)<sup>15</sup>. The autumn 2013 survey ran from October to December 2013 and included questions added to contribute to this evaluation. The questions added covered:

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<sup>14</sup> The intention had been to choose just nine from within the 15 selected for claimant interviews, but one case study area was found not to have adequate SHBE data and therefore was no longer suitable for claimant interviews. It was therefore decided to include an additional tenth case study area – nine from the 15, as planned, as well as continuing fieldwork in the tenth one where claimant interviews could not be carried out.

<sup>15</sup> For further information about the Local Authority Insight Survey see [www.gov.uk/government/publications/local-authority-insight-survey-wave-24-rr847](http://www.gov.uk/government/publications/local-authority-insight-survey-wave-24-rr847)

## **Evaluation of Removal of the Spare Room Subsidy – Final Report**

- DHPs and their use in relation to people affected by the RSRS.
- HB advice given to people affected by the RSRS.
- Communication with claimants affected by the RSRS.
- Whether the numbers affected had increased or decreased and perceived reasons for any decrease.
- Other comments on the RSRS.

This report has drawn upon all these sources of information and used triangulation methods which involve using information from more than one source wherever possible in order to cross-check and increase the validity of the conclusions drawn.

## 2 Implementation

This section reports on the implementation of the Removal of the Spare Room Subsidy (RSRS) during its first 20 months of operation, until autumn 2014. The Interim Report of July 2014 covered preparedness and initial implementation of the RSRS. The second round of fieldwork in autumn 2014 focused on ongoing issues of communication between landlords and local authorities (LAs), emerging staff training needs and ongoing communication with claimants.

### 2.1 Numbers and profile of households affected

#### Key findings

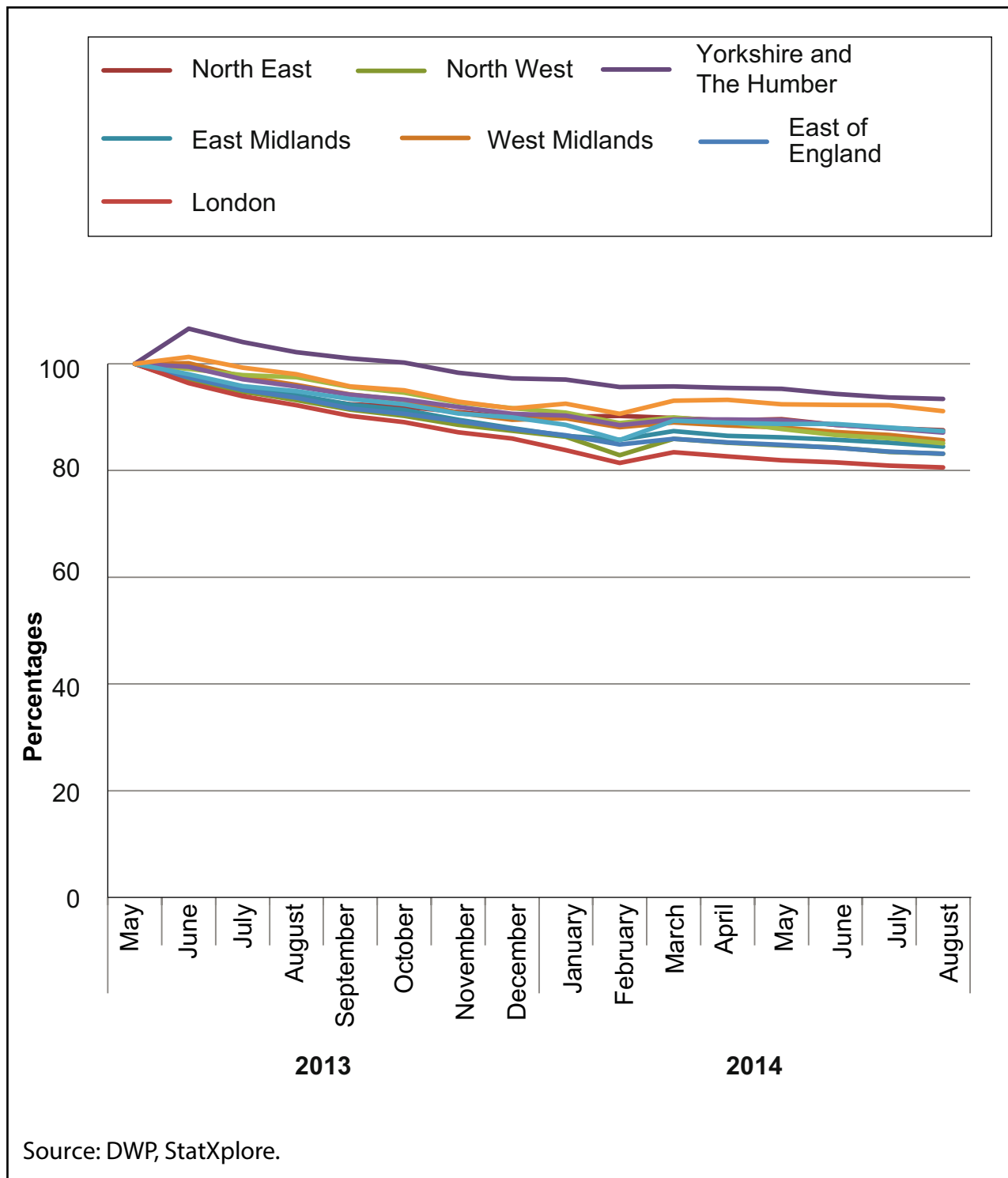
- The Department for Work and Pensions (DWP's) data shows a reduction in the number of households affected by the RSRS from 547,000 to 465,000 by November 2014, a reduction of 14.2 per cent<sup>16</sup>. The greatest falls were in London, followed by the North West and East of England (StatXplore). There was an increase in the average age of those affected by the RSRS during the period of the research (StatXplore). This is partially explained by the rising pension age, but the research suggested that changing allocation rules are likely to have reduced the number of younger claimants (case study work) whilst younger claimants were also more likely to have found work or otherwise ceased to be affected (claimant survey).
- The large majority of claimants from the affected cohort were still affected nine months later (claimant survey). Of those affected in 2013, 17 per cent were no longer affected by autumn 2014 (claimant survey).
- Those no longer affected were more likely to be younger and more likely to be in households with young children (StatXplore).
- A combined 46 per cent of those no longer affected said this was because of a change in household composition or their/their children's ages. One in five (20 per cent) said they found work or increased earnings and were no longer affected (claimant survey).

The DWP's data show that in May 2013 a total of 547,341 households were affected across Britain, falling to 471,887 by August 2014, a reduction of 13.8 per cent over the first 16 months of the policy. There were variations between LAs in the degree of the reduction, but a net reduction was found in every single LA in Britain. A higher reduction was seen in England (14.8 per cent) than in Wales (12.6 per cent) or Scotland (8.9 per cent).

Figure 2.1 shows how this reduction has occurred across the different parts of Britain.

<sup>16</sup> This is a net reduction. The extent of 'churn' of households on and off being affected by the RSRS is not known.

**Figure 2.1** Numbers of households affected by the RSRS by month, as a proportion of those initially affected in May 2013<sup>17</sup>



<sup>17</sup> The apparent rise in June 2013 in some regions is related to missing data from May 2013 in some authorities. No data has been published from April 2013. The fall of around 2,000 in February 2014 and subsequent rise back up in March would appear most likely related to the closing of the loophole that had excluded people with claims running continually from prior to 1996.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Proportionally the greatest falls in the number of claimants affected between May 2013 and August 2014 occurred in London (a 19 per cent fall), followed by the North West and East of England (both 17 per cent). Overall, the reduction in numbers happened mainly in the first few months of implementation, falling by five per cent between May and August 2013. The numbers fell by a further nine per cent in the following 12 months (August 2013 to August 2014). With the exception of the North West, the reductions have been highest in the regions where the smallest proportions of social tenants were affected by the RSRS.

The DWP data also show the differential impact on age groups, with the number of young people affected having reduced by 29 per cent, as compared to a rise of 28 per cent for the over 60s. This is most likely related to the changes in allocation systems reducing the proportion of new lets to under occupying tenants (who are most likely to be young) and the increase in the upper age limit for being affected by the RSRS, in line with increases in women's pension age (Table 2.1):

**Table 2.1 Demographic profile of claimants (household heads) affected by the RSRS**

	Characteristic	May 2013	August 2014	Reduction
<b>Age of claimant</b>	Under 25	24,843	17,615	29.1%
	25 to 34	82,044	65,528	20.1%
	35 to 44	110,736	87,765	20.7%
	45 to 49	93,972	78,152	16.8%
	50 to 54	102,883	91,581	11.0%
	55 to 59	100,931	90,654	10.2%
	60 to 64	31,723	40,582	-27.9%
	Unknown	206	11	94.7%
<b>Number of dependent children</b>	0	387,755	341,258	12.0%
	1	83,500	68,470	18.0%
	2	66,055	54,132	18.1%
	3	5,926	4,776	19.4%
	4	3,519	2,825	19.7%
	5+	584	436	25.3%
<b>Total</b>	471,887	547,341	13.8%	

Source: DWP, StatXplore.

Table 2.1 also shows a reduction in the proportion of affected households who have children. This may be related to the greater availability of suitable stock for downsizing for those in need of two or more bedrooms, though may also be partially accounted for by the increased numbers of over 60s affected, who are less likely to have dependent children.

These figures are net figures; it is not possible to tell from this data alone whether it is the same households affected by August 2014 as were affected in May 2013, due to the churn in the Housing Benefit (HB) caseload. It is likely that somewhat more than 13.8 per cent of initially affected tenants had ceased to be so by August 2014, whilst some other tenants are likely to have also become affected during this period.

The claimant survey provided self-reported outcomes for those who were affected at the start of the policy. It found that the large majority (82 per cent) of claimants from the **affected cohort** of respondents in autumn 2013 were still affected by summer 2014. Among this group, 17 per cent said they were no longer affected (but had been previously), while one per cent said they were unsure (but for the purposes of the analysis were treated as still affected).

The survey also found relatively little movement in and out of being affected by the RSRS between autumn 2013 and summer 2014. Almost all claimants **still** affected by the policy said they became affected at its inception and had been affected ever since. Some 97 per cent said they had been affected since 1 April 2013 (as one might expect given the original sample for the autumn 2013 survey was drawn from the May 2013 SHBE extract). A similarly high proportion (94 per cent) said they had been affected **consistently** during that time, though a small proportion (6 per cent) said they had been affected at some times since 1 April 2013 but not at others.

The majority of **still affected** claimants had their HB reduced by between £10 and £15 per week (38 per cent) or more than £15 per week (43 per cent), with many uncertain about the amount by which their HB had been reduced (16 per cent). Those with three or more bedrooms in their property were far more likely to pay more than £15 per week of their rent (55 per cent of them did so).

In line with the caseload analysis (but keeping in mind the smaller base size of this sub-group of the affected cohort), those **no longer affected** by the RSRS were much more likely to be in families with at least one child under 16 (54 per cent compared with 27 per cent of those still affected).

They were also likely to be younger; 53 per cent of respondents no longer affected were 45 or older compared with 71 per cent of those who were still affected. However, those still affected (75 per cent) were more likely to report having someone in their household with long-term health problems than those no longer affected (62 per cent).

## 2.2 Degree of impact on landlords

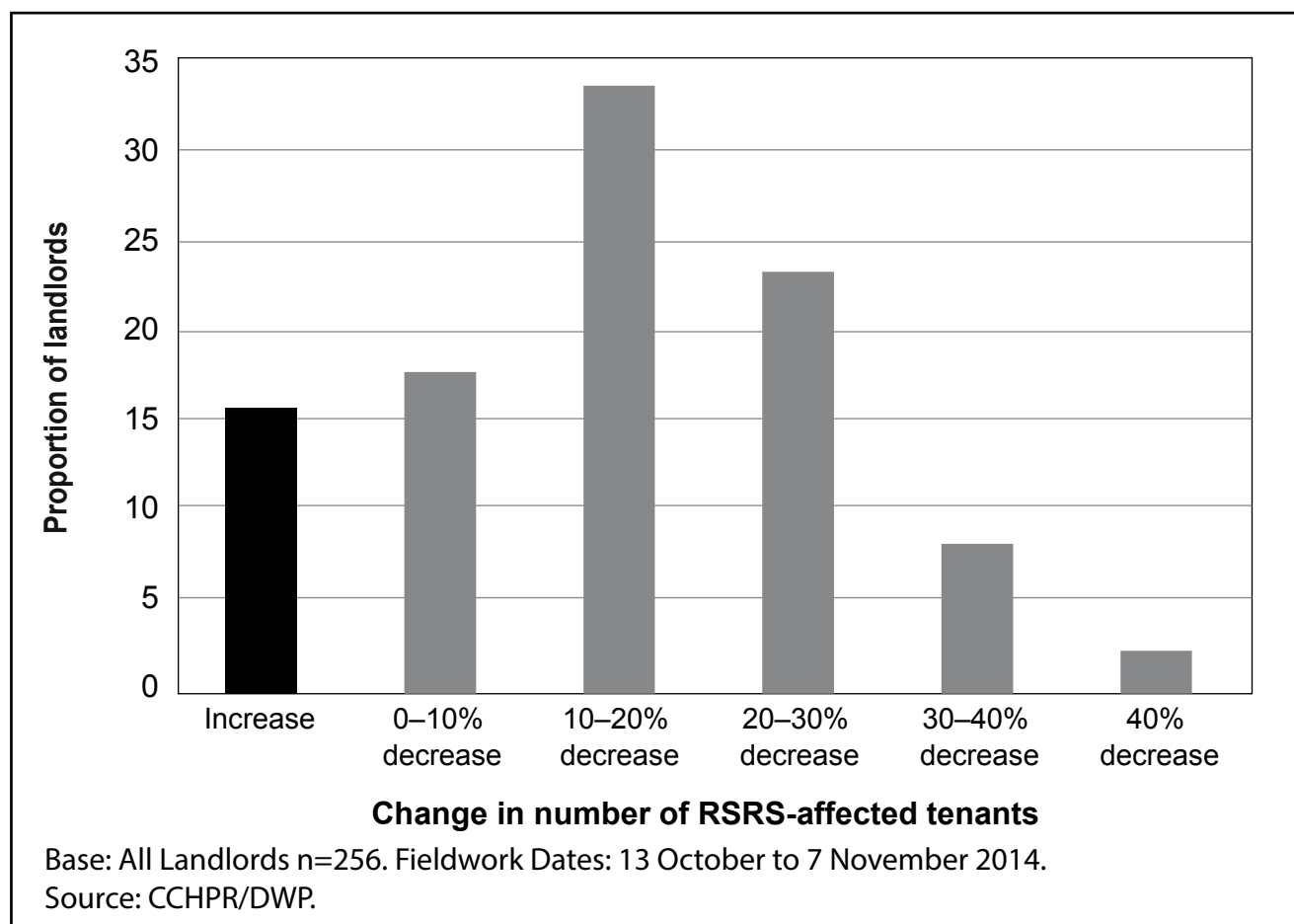
### Key findings

- The overall proportion of tenancies affected fell from 11.5 per cent to 10.0 per cent by autumn 2014 (various data sources). The landlord survey found substantial variation between landlords in the degree of impact with the proportion of tenants currently affected ranging from two per cent to 48 per cent.
- Most social landlords saw a reduction in the proportion of tenancies affected during the first 18 months of operation, some of over 40 per cent, but 16 per cent of landlords saw an increase (landlord survey).

The impact of the RSRS on social landlords varied between areas and between landlords. Overall, the proportion of tenants affected fell from 11.5 per cent of tenancies in April 2013 to 10.0 per cent (10.4 per cent among for landlords answering the survey) by August 2014<sup>18</sup>. The reduction, however, varied considerably with some landlords seeing a reduction of over 40 per cent and others seeing an increase of up to 28 per cent (Figure 2.2).

<sup>18</sup> Sources: 2011 Census on stock size, and DWP StatXplore on claimants affected by RSRS.

**Figure 2.2 Change in the number of RSRS-affected tenants reported by landlords April 2013 to October/November 2014**



Overall the proportion of tenants affected ranged from two per cent to 48 per cent. Amongst landlords with over 1,000 general needs properties, the proportions ranged from two per cent to 34 per cent, which is likely to reflect their stock profile and historic allocation practices; for further details see Chapter 4.

## 2.3 Administering the Removal of the Spare Room Subsidy

### Key findings

- A range of systems had been devised jointly by LAs and social landlords for keeping landlords updated about which tenants were affected by the RSRS.
- Most landlords were, by autumn 2014, informed regularly but a minority were informed less than monthly (15 per cent) or not at all (8 per cent).
- Landlords working across many areas were more likely to be having difficulties in knowing which tenants were affected.



## Evaluation of Removal of the Spare Room Subsidy – Final Report

In 2013, the landlord survey found that around a quarter of landlords were not informed regularly when tenants started or ceased to be affected by the RSRS. The 2014 survey found that these figures had changed little (Table 2.2).

**Table 2.2 Which of the following best describes how you become aware when tenants start or cease to be affected by the RSRS?**

System	2013		2014	
	Number	Proportion	Number	Proportion
We have access to the local authority HB database so we can see for ourselves	42	14%	31	12%
The local authority informs us on a case by case basis when people start or cease to be affected	45	15%	20	8%
The local authority informs us on a regular basis (at least monthly)	43	14%	41	16%
The local authority informs us but less often than monthly	34	11%	29	11%
We do not get informed by the LA reliably so rely on the tenant telling us directly	44	14%	38	15%
Other (please explain)	90	29%	21	8%
A mixture of the above	8	3%	75	29%
Total	306	100%	255	100%

Base: All Landlords (2013 n=306; 2014 n=255). Fieldwork Dates: 16 October to 8 November 2013 and 13 October to 7 November 2014. Source: CCHPR/DWP.

Landlords with dispersed stock reported more difficulties in finding out when tenants started or ceased to be affected. Stock-owning LAs were generally able to access the HB database themselves so found this task easier and were less likely than housing associations to report difficulties. Some of the case study housing associations reported difficulties in maintaining up-to-date information from LAs:

*‘We’re not told by the LA, so we do rely on our tenants informing us. We do know if they’re on full Housing Benefit and that stops, so we will contact them then. But we only really know if their rent account goes into arrears. The LA did initially send us lists but it took a lot of their time so they were only willing to do it for a short period of time.’*

*‘The local authority does sometime send exceptional lists for data to be checked, but the task has largely fallen to us to update ... The revenue team will be able to identify if the Housing Benefit has been stopped, or the tenant starts to fall into arrears. This is then leads to a conversation about the shortfall with the tenant. Where the tenant is able to pay the shortfall, and there are no arrears, then it is likely that we will not be aware of whether they are affected or not.’*

(Interviews with case study social landlords)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Housing associations who worked across different areas often had different systems in place in different areas:

*'We have a close relationship with [the LA where most of our stock is]. They undertake a data sharing exercise on a monthly or bi-monthly basis. We also have a good relationship with [the case study LA], but this is on a more ad-hoc basis, and the information is shared via a spreadsheet ... Our own team check Housing Benefit notifications on a daily basis so that they are quickly able to identify changes which can then be fed to the local teams.'*

*'It's a combination – we deal with 33 different local authorities. We have good working relationships with our "big five" and get electronic notifications of award letters. For the others we just see a reduction in the Housing Benefit award, so we get in touch with them.'*

(Interviews with case study social landlords)

There were other examples of what was felt to be good practice operating in some areas:

*'We get a list from the LA on a month by month basis, record it on our housing management system.'*

*'We get an updated list every month, so can see who's newly affected and who's not.'*

(Interviews with case study social landlords)

### 2.3.1 Payment methods

Many tenants affected by the RSRS had previously had their rent paid in full by HB, so handling rent payments themselves to cover the RSRS shortfall was new to them. Landlords generally offered a range of payment methods. Direct debits were preferred by landlords as being less resource-intensive for them to collect, but were reported as not always being the most popular, or the most suitable, option for tenants. Some case study landlords expressed concerns that tenants with little reserves could end up incurring a charge if their benefit payments were delayed for some reason, meaning that the direct debit pushed them into an overdraft. They were also aware that not all tenants had bank accounts with the capacity to make direct debits. Some of the case study landlords also explained that they were reluctant to promote payments on credit cards as they did not want to encourage their tenants to take on expensive debts.

Landlords taking part in the survey were asked which payment methods they allowed, which they encouraged, and which were popular with tenants (Table 2.3).

**Table 2.3 Which of the following payment methods have you encouraged for your tenants to pay their rental shortfalls arising from the RSRS?**

Payment method	We allow tenants to pay by this method		We encourage this payment method		This method is popular with tenants	
	Number	Proportion	Number	Proportion	Number	Proportion
Cheque	219	89%	13	5%	17	7%
Debit card by phone	206	84%	104	42%	98	40%
Standing order	204	83%	79	32%	69	28%
Cash	194	79%	28	11%	76	31%
Debit card online	192	78%	96	39%	46	19%
Payment cards	188	76%	96	39%	145	59%
Credit card by phone	186	76%	19	8%	20	8%
Credit card online	178	72%	22	9%	12	5%
Direct debits	171	70%	206	84%	118	48%
Other	43	17%	18	7%	10	4%

Base: All Landlords (n=246). Fieldwork Dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

As can be seen from Table 3.8, the majority of landlords offered a range of payment methods, though they encouraged tenants to pay by direct debit where possible. There is quite a contrast, however, between the types of payment favoured by landlords and those which they report as popular with tenants. Tenants were reported to most often favour paying by payment card. Cash, direct debits and debit card by phone were also popular.

Several landlords explained that they had improved the flexibility of their direct debit facilities in order to allow any frequency of payment or payment date, so that tenants could choose the arrangement that best matched their own payday, or the day that their benefits arrived in their bank account.

Landlords varied in their approach to cash payments – some were reluctant to accept cash as it was more onerous to process, whilst others felt that this was meeting demand from tenants who were more able to be in control of their own finances using cash. No correlation could be found in the landlord survey between landlords offering any particular payment type and levels of arrears.

Other payment systems in use included phone Apps such as Pingit, text (SMS), online bank transfers, doorstep rent collection, salary transfer or payment via a post office or credit union. Overall, landlords felt that offering as many payment options as possible was generally the best way to improve rent collection rates and the RSRS and the imminent roll-out of Universal Credit had both prompted them to improve the range of methods available. They recognised that tenants varied in the way they managed their finances and that what suited one household might not suit another.

The 2013 claimant survey supports this – it found a high degree of variation in how long households usually plan their budget for (38 per cent of the affected cohort said they budget weekly, 29 per cent fortnightly, 17 per cent monthly, while others said they either don't budget or vary their approach). The claimant survey also found variation in methods used for paying household bills: claimants used a range of methods including pre-payment cards or keys (54 per cent), cash (39 per cent) and/or direct debit (37 per cent), among other payment methods.

### 2.3.2 Communication between claimants, landlords and local authorities

Social landlords usually took the lead in ensuring that people taking on new tenancies were aware of what size of property HB would cover.

Existing tenants whose circumstances changed so that they started to be affected by the RSRS, were generally made aware of this by the LA HB departments. Case study LAs reported that tenants would usually be made aware by letter, or sometimes by phone call or text.

Some landlords and LAs reported difficulties in communicating with tenants because of confusion over the terminology used:

*‘People don’t understand the terminology “spare room subsidy” ... they refer to it as the “bedroom tax”.’*

*‘We write to tenants – but we don’t like to use the terms “bedroom tax” or “removal of the spare room subsidy” – they’re both too political. So we say “because you are deemed to have too many bedrooms”. Broadly people understand this.’*

(Interview with LA HB departments)

The autumn 2013 claimant survey found that most claimants were aware of the RSRS policy before being interviewed. Of the affected cohort of claimants, almost half (49 per cent) said at the time they knew either a great deal or fair amount about the changes to HB, while one per cent said they had not heard of them. There were few differences between those still affected and those no longer affected, though the former (48 per cent) were a little less likely than the latter (53 per cent) to have said they knew a great deal or fair amount when asked.

Close to nine in ten (88 per cent) of the affected cohort said, in autumn 2013, that they had received notification from their landlord or LA that they would be affected by the policy. Among those who recalled being notified, most said this had been by letter (88 per cent), though some also said they received a personal visit (15 per cent) or a phone call (10 per cent).

In contrast, just over half (53 per cent) of landlords report in 2013 that they had visited at least 90 per cent of affected tenants and 70 per cent had telephone contact with over 90 per cent.

Claimants were more aware of Discretionary Housing Payments (DHPs) by the 2014 survey (see Chapter 3.4)

Landlords with stock concentrated in just one area were more likely to report in 2013 that the large majority of affected tenants had been visited face-to-face, as were landlords with fewer properties. LA staff in all case study areas told us that additional support was available on request (by phone or visit), although one landlord reported a four-week wait for appointments for its tenancy support, because of high demand.

Some case study LAs had undertaken ‘roadshow’ type events, although there were mixed views as to how effective these were either for those affected or those who feared they might be. They were often not well attended, which staff speculated may be because of the stigmatised nature of receiving benefits, or possibly because they were held too early, before tenants were ready to grasp the implications of the reforms.

Joint working arrangements between landlords and LAs in most areas were well established by the summer of 2013. Good practice identified included developing joint letters to be sent to tenants throughout the LA which ensured a single and clear message was sent out, and including an individual assessment of their likely loss of HB and telephone numbers to contact for further advice.

The timing of communication with affected tenants was considered crucial. Some landlords who had been able to identify tenants likely to be affected as early as summer 2012 had tried to forewarn tenants. Most, however, reported limited success in engaging tenants this far in advance and reported a more positive response only once the reforms were imminent or actually in operation. They believed the lack of earlier success was due to tenants being unwilling to engage until it came into effect.

LAs and social landlords had also taken some efforts to disseminate information about the RSRS more widely and to reassure unaffected tenants that they would not be affected. Most landlords did this by means of articles in tenants' magazines or newsletters. Most LAs and landlords reported having to devote some time initially to fielding calls from unaffected tenants, mainly pensioners, who were concerned about having to pay the 'bedroom tax' that they had heard about in the press.

The qualitative research with claimants in autumn 2013 found that claimants had heard about the policy, but were not sure how it would affect them exactly until they had to make their first additional rent payments. In autumn 2014, claimants' understanding of the policy did not appear to have increased. Claimants reported that they had not had further contact with their landlord since the first contact in early 2013 and most had not received any support on paying the extra rent.

## 2.4 Administering Discretionary Housing Payments

### Key findings

- LAs were becoming better at managing DHP and predicting levels of demand (landlord survey and case study work).
- LAs (where DHP was not available for all claimants) were increasingly setting conditions on the receipt of DHP, such as job seeking or registering and/or bidding for downsizing. Setting conditions on the receipt of DHP was something that most LAs had developed over the course of the first year of the RSRS (landlord survey and case studies).
- Some authorities reported difficulties with over-reliance on housing associations to complete DHP applications or monitor whether people were meeting set conditions, given the need for landlords to ensure that rent is paid (case studies).
- LAs were not excluding disability benefits (Disability Living Allowance – DLA, or Personal Independence Payment – PIP) but considered both income and expenditure relating to disabilities when they means test to assess eligibility for DHP. There was some confusion amongst landlords about this (landlord survey and case studies).

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Discretionary Housing Payments (DHP) are made by LAs when a LA considers that a claimant requires further financial assistance towards housing costs. Previously these were intended mainly to help them deal with short-term problems, where an end to the problem could be envisaged. The Government made substantial increases to the funding allocated to local authorities for DHP to enable them to help some of those affected by the RSRS and the Benefit Cap, as well as the previous client group which was mainly private rented sector tenants whose rent was not fully covered by their Local Housing Allowance.

LAs may top up their DHP allocation to a maximum of two and a half times the Government's contribution, from their own funds. In addition the Scottish Government announced in September 2013 that it would top up the resources available to Scottish LAs by a total of £20 million, trebling the amount available to Scottish authorities for 2013–14, with further support in 2014–15. Further funding was also made available in rural areas. The Welsh Government also topped up the funding for DHP for Welsh authorities.

### 2.4.1 Discretionary Housing Payments in Scotland and Wales

The 2014 landlord survey found that the large majority of landlords in Scotland (34 out of 43) reported that the DHP funding available to their tenants meant that all their tenants received DHP to cover their entire RSRS shortfalls in 2013–14. This was the case only for a minority of landlords in Wales (Table 2.4).

**Table 2.4 Has the total DHP funding (including any top up from the Scottish or Welsh Government) been sufficient to allow DHP to cover the shortfalls in full of all RSRS-affected tenants as long as they apply for it?**

	Landlord with stock located mainly in:	
	Scotland	Wales
Yes	34	4
No	3	10
In some areas but not others	3	3
Not known	3	0
<b>Total</b>	<b>43</b>	<b>17</b>

Base: All Landlords whose stock was located mainly in Scotland or Wales (n=60). Fieldwork Dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

Both the Scottish case study LAs indicated that their DHP allocation, including top ups from the Scottish Government and in one case a further top up given to rural areas had meant that they were eventually able to award DHP for every RSRS-affected applicant:

*‘Our local authority has been awarded a far higher DHP budget than they required so there have been no issues at all – everyone has had DHP to cover bedroom tax in full. The LA have made the system very easy so that all we need to do is get the tenants’ signature on a piece of paper. For a small number of people tracking them down and getting them to put pen to paper has been a challenge, but not majorly so. We know our tenants and how to track them down. We achieved 100 per cent.’*

(Interviews with case study Social landlord)

One of the areas had also backdated all claims to the start of April 2013. This was believed to have substantially mitigated the impact of the RSRS:

*‘Having budgeted for an increase in rent arrears, we actually saw a decrease. Tenants perceive that there is no issue with bedroom tax anymore, so the demand for downsizing moves has tailed off. People are accusing us of scaremongering ... We are continuing to stress to people that it’s not a permanent arrangement, but there’s a perception in Scotland that the Housing Benefit budget will be devolved, and the political parties have all said they’ll do away with the bedroom tax.’*

(Interviews with case study Social landlord)

The main focus in the two Scottish case studies had been on promoting the availability of DHP and encouraging tenants to apply. One area reported all but one of their RSRS-affected tenants to have applied by the end of the March 2014.

### 2.4.2 Awarding Discretionary Housing Payments

In England and most of Wales DHP funding was not sufficient to offset the impact of the RSRS for most tenants affected by the RSRS and LAs need to prioritise who to allocate funding to. Landlords were asked about the system that was most often used for assessing their tenants’ eligibility to receive DHP (Table 1.1 Table 2.5):

**Table 2.5 Which of the following best describes the system used most often for assessing eligibility for DHP for your tenants?**

	Number	Proportion <sup>1</sup>
Tenants need to be in a priority group	13	7%
Tenants need to be found to be unable to afford the shortfall	85	49%
Tenants need to be in a priority group, and ALSO to be found to be unable to afford the shortfall	39	22%
Some other system (please explain)	24	14%
Not known	13	7%
<b>Total</b>	<b>174</b>	<b>100%</b>

Base: All landlords based in England, or who indicated that their tenants were **not** all in receipt of DHP to cover their shortfall in full n=174. Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

<sup>1</sup> The proportions given do not always sum to 100 per cent due to rounding errors.

It was clear from the case studies that a range of factors were considered by different LAs in deciding whether to award DHP, meaning that the LA’s practice around DHP had an impact on the way in which the RSRS affected claimants. Most operated a means test generally excluding those with income above the basic benefit level. This could sometimes exclude parents in receipt of child support payments. Others focused more on the tenants who were in the most precarious positions with their rental payments and at risk of eviction.

LAs were aware of suggestions that they should discount (or ‘ringfence’) Disability Living Allowance (DLA) or Personal Independence Payment (PIP) when assessing eligibility for DHP. All of the case study authorities, however, reported that such an approach would be unworkable because they would need also to exclude the disability-related expenditure.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

In practice it was better to include DLA/PIP as income, but to also include any additional expenditure such as paying for a gardener or taxis that were related to the disability. Disabled applicants were therefore required to show how they spent their DLA/PIP in order to be eligible for DHP. Housing associations were not always clear on how DLA/PIP was being treated in the LAs in which they operated. Some gave answers that were inconsistent with the information provided by their LA.

### 2.4.3 The role of landlords in supporting tenants to apply for Discretionary Housing Payments

Landlords were asked in 2013 how familiar they were with the DHP policies of the LAs in which they worked. This question was asked again in 2014, but this time just to those whose tenants were not all in receipt of DHP. The results from both years are shown in Table 2.6<sup>19</sup>:

**Table 2.6 In how many of the local authorities in which you work are you familiar enough with the policy on DHP to advise tenants affected by the RSRS as to whether they might be eligible?**

	2013		2014	
	Number	Proportion	Number	Proportion
All	203	76%	143	81%
Most	45	17%	26	15%
Around half	5	2%	4	2%
A minority	12	4%	3	2%
None	3	1%	0	0%
<b>Total</b>	<b>268</b>	<b>100%</b>	<b>176</b>	<b>100%</b>

Base: 2013: All landlords (n=268). 2014: All landlords based in England, or who indicated that their tenants were not all in receipt of DHP to cover their shortfall in full n=176. Fieldwork dates: 16 October to 8 November 2013 and 13 October to 7 November 2014. Source: CCHPR/DWP.<sup>20</sup>

As can be seen from Table 2.11, there was some improvement between 2013 and 2014 in the extent to which social landlords report that they were familiar with the DHP policies in operation in the areas in which they worked.

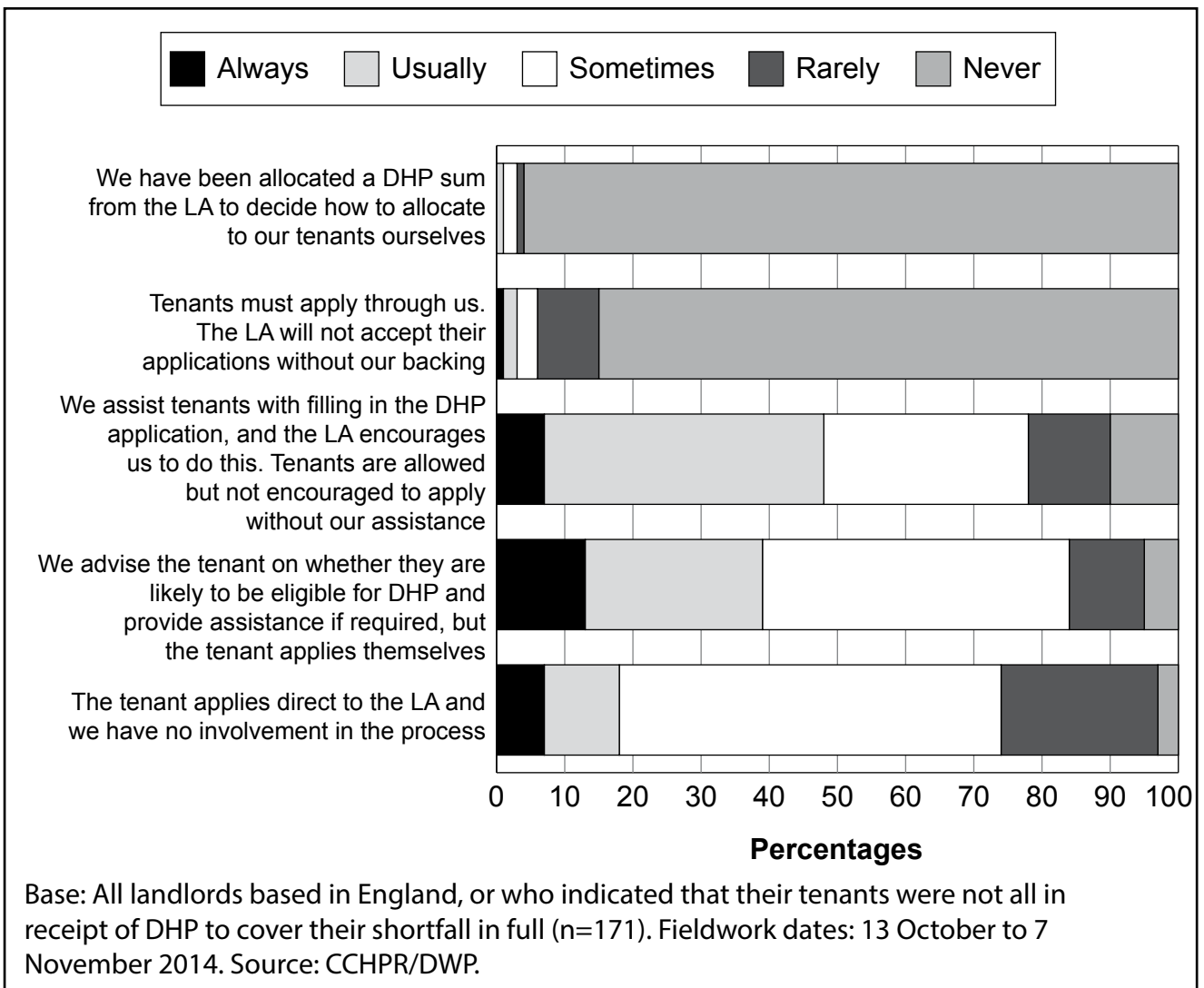
The landlord survey asked about the extent of landlords' involvement in the application process for DHP (Figure 2.3).

<sup>19</sup> The top ups offered by the Scottish and Welsh Government had not been sufficient to cover all tenants by the time of the 2013 survey, so this question was asked to all landlords.

<sup>20</sup> The question was not asked in 2014 to landlords who had already indicated that all of their tenants were in receipt of DHP, as it was assumed these landlords would be able to advise all their tenants that they would be eligible.



**Figure 2.3 Which of the following processes of applying for DHP apply to your tenants?**



The initial fieldwork in spring and summer 2013 had found substantial variation between LAs in the speed at which they had started to process DHP applications. The 2014 fieldwork, however, found that most were by then processing applications in what the case study landlords considered to be a reasonable timescale. Landlords were asked in the survey if they had any comments on DHP. They raised a variety of issues with the system, including some comments on the impact as well as the implementation, as shown in Table 2.7.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

**Table 2.7 Do you have any other comments about DHP?**

	Response	Number of landlords raising issue
<b>Positive comments about DHP</b>	All RSRS-affected tenants are getting DHP now	12
	DHP has prevented arrears, evictions and stress	12
	LAs are becoming more consistent	5
	Good working relationship with the LA in administering DHP	5
	DHP allocation is consistent/fair within the LA	4
<b>Concerns and problems with DHP</b>	Filling a long term need, but provision is short term and insecure	26
	Inconsistency between LAs	21
	DHP funds are insufficient or hard to get	17
	DHP is being made conditional on tenant taking actions	12
	Lots of work for the landlord to help tenants apply	11
	Inconsistency within an LA	10
	Lack of clarity over whether to include DLA/PIP in assessing income	4
	Lack of information from LA about DHP	3
	DHP deters tenants from finding longer term solutions	2
	Some eligible tenants do not apply for DHP	2
	Delays in paying DHP	2

Base: All landlords (n=256). Fieldwork dates: 13 October to 7 November 2014.

Source: CCHPR/DWP.

A range of issues were raised about DHP. Many landlords felt that LAs were now finding their feet with managing DHP in relation to the RSRS and appreciated the assistance it has provided for those at risk of arrears and evictions.

The main concerns related to the short-term nature both of individual awards and the funding stream overall. They were concerned that most tenants had a long-term need for DHP, but had been given short-term individual awards and that the longer term future of the funding stream was uncertain, which could leave some tenants vulnerable.

### 2.4.4 Renewal and conditionality of Discretionary Housing Payments

It was clear from the case study work and landlord surveys that setting conditions for the receipt of DHP was something that most LAs had developed over the course of the first year of the RSRS. Landlords frequently reported that early DHP awards had simply been made for a number of months (most often three or six months) and then reconsidered, but by the summer of 2014 many LAs were less willing to repeatedly award DHP:

*‘For those who have been receiving DHP since the start of the scheme – their entitlement has recently been withdrawn by the local authority. These residents had effectively been receiving DHP for 72 weeks. Being on it such a long time would indicate that the resident hadn’t taken action to change their circumstances. It is there to help people in a transitional phase, for instance whilst they are changing energy supplier, seeking job opportunities or being introduced to the [local] employment initiative.’*

## Evaluation of Removal of the Spare Room Subsidy – Final Report

*'At the start, the city council offered year-long awards. At the end of the first year those who were granted it for exceptional circumstances (i.e. those who were deemed able to move), had it extended for three months, and then expected them to give a reason for reapplying, or else find another solution.'*

(Interviews with case study social landlords)

Setting conditions on the receipt of DHP means that LAs need to find ways of checking whether or not the tenant was complying with the requirements. In some cases housing associations were being used to assist with this process, though this gave rise to new challenges:

*'We were writing on the DHP forms "doing all they can to move", but the council have now asked us to prove this and we've realised that most of them hadn't registered [to downsize]. Now they have to register if they want to get DHP.'*

*'We're collecting numbers [who engage with the back to work scheme] but don't tell the council whether or not people actually engage with us. We publish our stats but our services are confidential and we don't identify how many of the people we work with have been referred by [the council]. We don't want to be part of the process in policing them.'*

(Interviews with case study social landlords)

One of the case study authorities reported that they were now seeking to take more ownership of policing the conditions themselves:

*'The landlords have also been ... inflating expenditure, adding things in such as care costs that weren't actually spent ... Letting landlords have too much control has not been successful – they have too much of a vested interest. Now we are taking a different approach – we are working with the customers ourselves, we are saying "Where are you going?". We are making it clear sometimes that it's short term and won't be repeated, making sure they register [for downsizing].'*

(Interview with local authority HB department)

Some LAs and local agencies who worked with people affected by the RSRS reported concerns about the effects of imposing conditions on vulnerable groups who may struggle to meet them:

*'There have been some difficulties with disabled people saying they're not happy with conditionality. We need to be careful to make sure that the conditions are suitable for the individual. It gets really tricky with lifestyle issues – giving up smoking, Sky TV, etc – we might instead time limit the award, and then not renew and leave it for them as a choice.'*

(Interview with local authority HB department)

*'I'm very concerned about [the use of DHP] in relation to women who've suffered domestic violence, or those still living with a violent partner who may not engage with work services. The whole [Housing Benefit] system is moving away from entitlement towards discretion. And with this comes subjective judgment about who is behaving properly ... Who makes the decision about what's appropriate engagement?'*

(Interview with local advice agency)

Overall, the research suggested that LAs in England and Wales were aware that DHP was not intended as a long-term solution for most claimants affected by the RSRS and were trying to find ways of using the fund to incentivise behaviour likely to solve the claimant's problems in the longer term. Beyond simply ensuring they registered to downsize, LAs had not yet developed many means of monitoring the activities of claimants and were therefore limited in their ability to place conditions on the receipt of DHP.

## 2.5 The costs of implementation

### Key findings

- The DWP provided additional funding to LAs to help them administer DHP and oversee the changes. LAs also bore costs relating to visiting tenants.
- It is not possible to quantify costs to landlords across the sector as there is no common format for estimating costs. Costs relate to:
  - rent collection from tenants previously covered in full by HB and IT upgrades to monitor payments more closely;
  - chasing arrears, court fees and supporting tenants to pay;
  - increased turnover: rent loss from voids and repairs needed to re-let; and
  - increased levels of arrears and bad debts (case studies).

### 2.5.1 The costs of implementation for local authorities

Case study LAs did not generally have any figures for the costs that related specifically to the RSRS. The main costs that were reported related to making initial visits to those likely to be affected by the RSRS and administering DHP.

The initial tenant visits were generally carried out in early 2013 and were not repeated on the same scale once the RSRS had become established. Instead, newly affected tenants were contacted by letter and as part of the normal process of processing benefit claims. Some authorities had also invested in improved IT systems in order to accurately identify those affected by the RSRS.

The costs of administering DHP, dealing with appeals and in some cases topping up DHP funding from the LA's own resources were longer term costs. In 2013/14 the DWP provided LAs with additional funding of £7.5m to meet the estimated additional costs associated with RSRS (as part of total funding to LAs for all the main HB reforms of £23.6m). In 2014/15 a further 10.5m was provided (as part of an 18.4m total), and further funding of 8.3m (as part of a 14.2m total) will be allocated in 2015/16. These additional resources were appreciated by the case study authorities, though some reported that they had to invest significant amounts of their own resources in addition.

### 2.5.2 Costs for social landlords

The landlord survey did not gather information on the costs to landlords of implementing the RSRS because landlords did not collate this information in a comparable fashion. The case studies, however, provided some illustrative examples of the ways in which costs were incurred and the scale of these costs. Costs related both to the actual implementation of

## Evaluation of Removal of the Spare Room Subsidy – Final Report

the policy, and also to the consequences of claimants' responses, such as moving house or incurring rent arrears.

The main way in which costs were incurred included:

- the costs of rent collection from tenants who were previously receiving HB to cover their entire rent;
- the costs of chasing arrears and taking tenants to court. One landlord reported that their local court had recently increased the costs from £100 to £250 for issuing a possession order;
- the costs of training staff in the workings of the RSRS, DHP and in the skills needed to support affected tenants;
- the costs of supporting tenants to budget, find work or look for smaller housing;
- the increased cost of voids arising from increased mobility and downsizing. The average property is empty for around a month between lets, and landlords also reported that there were often found to be maintenance issues which came to light when properties were vacant;
- the costs of increased levels of arrears held by tenants affected by the RSRS; and
- the costs of updating and improving rent collection and IT systems for identifying affected tenants.

A few of the case study landlords had collated figures and made estimate of the overall costs relating to the RSRS, as shown in Table 2.8 below:

**Table 2.8 Case study landlords' estimates of costs**

Estimate of costs of RSRS in first year (2013–14)	Approximate number of RSRS-affected tenancies	Approximate cost per RSRS-affected tenancy	Approximate total stock size	Approximate cost per tenancy (total stock)
£2,500,000	3,300	£758	50,000	£50
£420,000	380	£1,105	10,000	£42
£15,000	370	£41	1,800	£8
£500,000	5,400	£93	60,000	£8
£365,000	1,500	£243	25,000	£15
£94,000	400	£235	4,000	£23
£41,000	730	£56	4,200	£10

Source: Information supplied by case study landlords, summer 2014.

The table shows how varied the costs are between different landlords demonstrating that there could be multiple factors influencing cost levels. Some of these costs would be ongoing, whilst others were reported to be likely to reduce after the first year or two once systems for rent collection were set up and tenants more accustomed to paying.

Landlords had a range of concerns about the impact of the RSRS on their business in response to the open question asking for comments on the RSRS. Landlords also commented on the significant staff resources that they had to deploy to support tenants, collect rent and recover arrears. Smaller numbers noted that the impact had not been as bad as they had feared, and that DHP had helped to reduce the impact thus far.

## **Evaluation of Removal of the Spare Room Subsidy – Final Report**

A few raised concerns about how they would be able to tell who was affected by the RSRS once their tenants were on Universal Credit, as they were unsure how the information would be communicated in practice.

## 3 The response of claimants

This chapter explores the response to the Removal of the Spare Room Subsidy (RSRS) of claimants whose Housing Benefit (HB) was reduced. It explores the impact on finding work, increasing incomes, moving to the Private Rented Sector (PRS), paying the shortfall, applying for Discretionary Housing Payment (DHP), managing on a lower budget and taking in lodgers and family members.

Downsizing within the social rented sector in response to the RSRS is discussed separately in Chapter 4.

### 3.1 Overall responses

#### Key findings

- 17 per cent of claimants affected in autumn 2013 had ceased to be so by summer 2014 (claimant survey).
- The most common reasons for ceasing to be affected were finding work/increasing earnings, a friend or relative moving in or a change in age of children meaning they were no longer considered to have a spare bedroom (claimant survey).

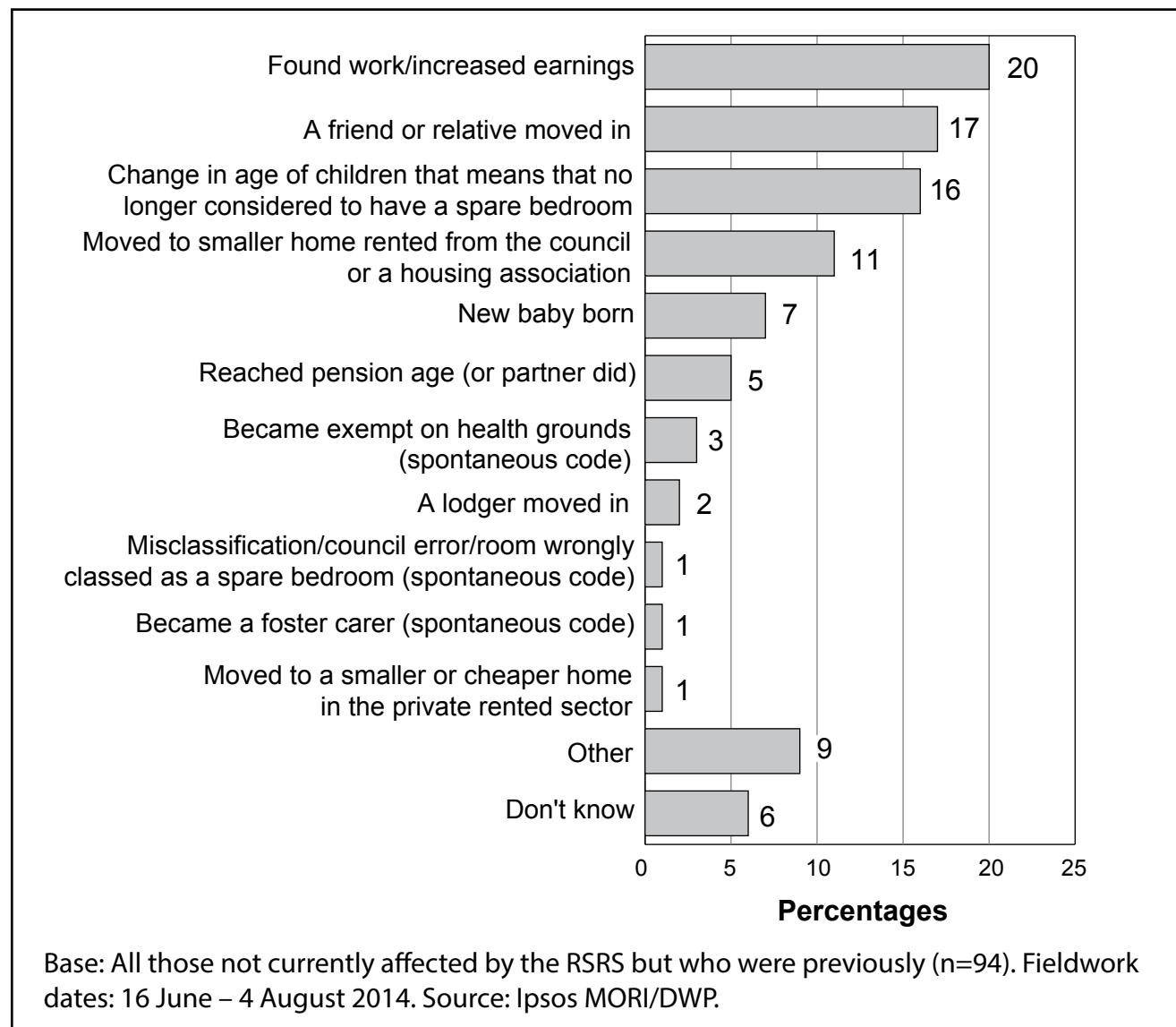
#### 3.1.1 Responses of claimants who were no longer affected

The claimant survey found that 17 per cent of claimants from the affected cohort of respondents in autumn 2013 were no longer affected by summer 2014. These claimants were asked why this was the case (choosing from a list of possible reasons provided on a prompted list). The reasons selected by this group of 94 claimants were varied, as Figure 3.1 shows.

The most common reason given from this list of responses was that the respondent or someone in their household had found work or increased their earnings (20 per cent). A combined 46 per cent said that a change in household composition or the household's circumstances accounted for the change in status (meaning the bedroom that was previously deemed unoccupied was now occupied)<sup>21</sup>.

<sup>21</sup> This combined code includes respondents who said a friend or relative had moved in, the age(s) of their children had changed, a new baby had been born or they or their partner had reached pension age.

**Figure 3.1 You told us that you are NOT CURRENTLY affected by the changes to Housing Benefit but were PREVIOUSLY affected/are no longer receiving Housing Benefit. From what you know or understand, why are you not currently affected?**



A combined 12 per cent said they had moved to smaller accommodation. This proportion could possibly be an underestimate, as when interviewers attempted to 'trace' respondents interviewed in 2013 to new addresses at in 2014 where details were made available, in many cases this was not possible. Analysis of interview outcomes suggests that 37 respondents who could not be contacted to take part in summer 2014 had moved to a new address<sup>22</sup>. While there is no way of knowing the degree to which the RSRS played a role in this, it should nonetheless be kept in mind. More comprehensive data on downsizing numbers, from secondary sources and the landlord survey, is given in Chapter 4.

<sup>22</sup> For more information about this, see Appendix A.



### 3.1.2 Responses of those who were still affected

As in autumn 2013, claimants were asked in summer 2014 what actions, if any, they had taken in response to the RSRS (if still affected) or what things they had done (if not affected/ no longer affected) from a list shown to them.

Among those who were **still affected**, there appeared by summer 2014 to have been little change in the actions which claimants said they had taken **since** autumn 2013 to deal with being affected by the changes, compared with the actions they said they took immediately **after** becoming affected (up to autumn 2013). This is shown in Table 3.1:

**Table 3.1 Overall responses to the RSRS among those still affected in autumn 2013 and summer 2014**

	Autumn 2013 (still affected) %	Summer 2014 (still affected) %	(+/-)
Spent less on household essentials* (as defined by the respondent)	62	57	-5
Spent less on non-essentials** (as defined by the respondent)	37	49	+12
Applied for DHP – Discretionary Housing Payments	24	29	+5
Borrowed money from friends/family (money which you intend to pay back)	19	25	+5
Looked at moving to another property in the social rented sector	12	16	+4
Looked for a job	14	15	+1
Used savings	10	14	+4
Received money from friends/family (money which you are not expected to pay back)	11	13	+2
Borrowed money from another lender (such as a pay day loan)***	6	7	+1
Borrowed money via a credit card	3	5	+2
Looked for a better paid job	3	4	+2
Looked at moving to another property in the private rented sector	3	4	+1
Looked for an additional (i.e. second or third) job	2	3	+1
Asked for an increase in the number of hours worked at current job****	2	2	+1
Partner/someone else moved in	1	1	+1
Taken in a lodger	2	1	-1
Other (specify)	2	1	-1
None of these	14	13	-1

Source: Ipsos MORI.

\* In autumn 2013 included '(e.g. food, heating)'.

\*\* In autumn 2013 included '(e.g. going out, holidays)'.

\*\*\* A combination of two separate codes in autumn 2013: 'Borrowed money from another lender' and 'Borrowed money through a payday loan'.

\*\*\*\* Autumn 2013: 'Increased the number of hours worked at current job'.

### 3.1.3 Comparing the responses of different groups

There are, however, a number of differences between the prevalence of actions taken by those who were still affected and those no longer affected in summer 2014, as well as actions taken by those in the comparison group, as Table 3.2 shows.

**Table 3.2 Overall responses to the RSRS/actions taken by analysis groups since autumn 2013**

	Still affected (=469) %	No longer affected (n=94) %	Affected cohort (n=563) %	Comparison group (never affected) (n=204) %
Spent less on household essentials (as defined by the respondent)	57	28	52	16
Spent less on non-essentials (as defined by the respondent)	49	27	45	11
Applied for DHP – Discretionary Housing Payments*	29			
Borrowed money from friends/family (money which you intend to pay back)	25	16	23	12
Looked at moving to another property in the social rented sector	16	9	15	9
Looked for a job	15	22	16	15
Used savings	14	9	13	3
Received money from friends/family (money which you are not expected to pay back)	13	11	13	4
Borrowed money from another lender (such as a pay day loan)	7	6	7	4
Borrowed money via a credit card	5	2	5	1
Looked for a better paid job	4	5	5	4
Looked at moving to another property in the private rented sector	4	2	3	1
Looked for an additional (i.e. second or third) job	3	1	3	-
Asked for an increase in the number of hours worked at current job	2	7	3	2
Partner/someone else moved in	1	11	3	1
Taken in a lodger	1	1	1	1
None of these	13	30	16	52
Other (specify)	1	3	1	1
Don't know	-	-	-	-

Base: All respondents in the affected cohort (n=563) and comparison group (n=204). Fieldwork dates: 1 October – 24 November 2013 (autumn 2013) and 16 June – 4 August 2014 (summer 2014). Source: Ipsos MORI/DWP. \*Only included as an option for those still affected by the RSRS.

As Table 3.3 shows, those who were no longer affected were less likely to report have (had to) cut back on essentials (as defined by themselves), more likely to have looked for a job, had a partner move in, or indeed to have done nothing (which may be a result of their newly-unaffected status).

## 3.2 Finding work or increasing incomes

### Key findings

- 20 per cent of affected claimants say they have looked to earn more through employment-related income as a result of the RSRS, rising to 63 per cent of those who said they were unemployed and seeking work.
- Those still affected were no more likely to be looking for work in 2014 (15 per cent) than they had been in 2013 (14 per cent) (claimant survey).
- Overall, five per cent of respondents (or another adult in their household) in the initially affected cohort found work between 2013 and 2014 – three per cent were still affected, while for two per cent this meant becoming unaffected (claimant survey).
- Barriers to finding work or additional hours cited by participants included lack of employment opportunities in the local area and employers being unable to offer additional hours (claimant qualitative interviews).
- Most landlords had schemes running to help tenants to find work or training, though very few have any real data on outcomes for this work and most schemes were not just targeted at RSRS-affected tenants. A few considered that it was not their core responsibility (case studies).

The claimant survey looked at the effects of the RSRS on employment-related activity in two main ways: respondents' actual work status (and the work status of adults in their households) in 2013 and 2014, and respondents' ambitions with regard to finding work in response to the policy.

On the first measure, 15 per cent of households in the initially **affected** cohort had someone in work in autumn 2013, rising to 17 per cent of households among this group in summer 2014. Of those who had ceased to be affected between the two surveys 29 per cent had someone in work. Claimants who had been looking for work at the time of the 2013 survey were no more likely than those who had not looked for work to be unaffected by the RSRS by 2014, and most of those who had become unaffected had become so for reasons other than finding work.

Overall, five per cent of respondents in the **affected cohort** (or another adult in their household) found work between autumn 2013 and summer 2014, of which just over half (three per cent) were **still affected** by the RSRS, and two per cent had become unaffected – possibly as a result of finding work and no longer needing to claim Housing Benefit. In the same period, three per cent of RSRS-affected households who had someone in work in autumn 2013 were workless by summer 2014.

Respondents were also asked a general question about what actions they (or their partner) had taken in response to being affected by the RSRS from a prompted list. Of those who remained affected over the two surveys, 14 per cent said in autumn 2013 that they had looked for work since becoming affected. By summer 2014, this figure was 15 per cent.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

The 2013 survey included a question which asked respondents to choose what things, if any, they **planned** to do to in the next 12 months from a list<sup>23</sup>. Findings from the 2014 survey suggested that most of those claimants who had planned to look for work had not been successful, with one in five (20 per cent) of those who said they (or their partner) planned to look for a job in autumn 2013 had someone in employment in summer 2014, rising to 63 per cent of those who said they were unemployed and looking for work.

The qualitative interviews found the claimants who wanted to return to work were doing so primarily for reasons other than the RSRS. For example, some claimants had taken time out for having a child and intended to return to work after once their child was older, or they wanted to find work for their own self-esteem, or for financial reasons unrelated to the RSRS.

Participants who had returned to work in the qualitative interviews tended to feel that doing so had not had a positive effect on their finances – returning to work resulted in the loss of HB and CTB which claimants often reported placed them in a worse position financially<sup>24</sup>.

*‘I was finding as well it wasn’t really worth my while working full time because I was on minimum wage, and by the time I was taxed I was left with under £40 a week.’*

(Affected claimant)

### 3.2.1 Support for finding work

The case study LAs were all operating schemes of some sorts to help people into work or training. Most of these were not aimed specifically at those affected by the RSRS, but efforts had been made to inform RSRS-affected tenants about them so that they might take part if appropriate. Many of the case study landlords also ran schemes of their own, though again these were usually open to all tenants, rather than targeted at those affected by the RSRS.

One landlord had piloted a scheme specifically focused on a large block of flats where very high numbers of tenants were affected by the RSRS – this was due to a historic policy of not placing families in the high rise flats, even though most of them had two or three bedrooms. The LA had made receipt of DHP conditional on participation in the programme and reported that the scheme had helped some into work, though had not yet formally evaluated its effectiveness in reducing the numbers affected by the RSRS.

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<sup>23</sup> This was presented as ‘to deal with being affected by the RSRS’ for those who expected to be affected 12 months after the survey date, and presented hypothetically to those who said they did not expect to be affected.

<sup>24</sup> Entitlement to HB does not end as soon as the claimant’s income exceeds their applicable amount. The operation of a taper in HB ensures that, if a person’s income is below or equal to the applicable amount, they will normally receive the maximum available help with their rent. However, if their income is above the applicable amount, benefit is reduced by a fixed taper of 65 pence for every £1 that their income exceeds that level. This ensures that claimants experience an immediate financial gain from starting work or increasing their hours of employment. The tapers in the HB scheme ensures that, although any increase in net income normally reduces the amount of benefit payable, the claimant should always see some increase in their overall financial position.

Landlords and LAs running schemes to help people who had been out of work for some time back to work, emphasised that it could take quite a while to build skills, address health issues and work up to paid employment. Apprenticeships, voluntary work and gaining qualifications were all part of their work, but unlikely to result in a quick reduction in the numbers affected by the RSRS. Addressing debt issues and budgeting were considered to be more important in the first instance, whilst finding work was more likely to be a longer term solution.

There were some reports of people having moved into self-employment but no figures were available from any landlord or LA.

A smaller number of landlords felt that helping tenants into work was not essentially their business, or that there were other agencies around who were better placed to offer such support.

### 3.3 Moving to the private rented sector

#### Key findings

- Around 12,000 RSRS-affected claimants nationally were estimated to have moved to the PRS; a small proportion of those affected, less than 2.2 per cent of affected tenants<sup>25</sup> (landlord survey).
- Claimants expressed little interest in moving to the PRS (claimant survey).

Moving out of social housing and into the PRS is one possible way of coping with the RSRS<sup>26</sup>. Data on these moves is not as good as within the social rented sector because landlords were not always aware when tenants have moved out of social housing to the PRS. However, those surveyed who could provide this information in the survey identified a total of 2,117 affected tenants who had moved to the PRS. The landlords answering this question had a total of 96,468 tenants initially affected by the RSRS, suggesting that only a small proportion had moved to the PRS. If these numbers were reflected nationally this would suggest that around 12,000 tenants affected by the RSRS had moved to the PRS, less than 2.2 per cent of affected tenants.

Case study LAs and local agencies highlighted the differences in the profile of the PRS in different parts of the country. Some said that it was particularly difficult for single people aged under 35 to move to the PRS as there were very few room-only lets available locally which would have been affordable to them on HB.

Claimants expressed little interest in moving to the PRS. Relatively few – four per cent of those **still affected** according to the survey – mentioned looking at moving to another property in the private rented sector as a response to the RSRS. They were reluctant to consider the PRS because of the perceived higher expense (as evidenced by the claimant qualitative interviews).

*‘Private renting is out of the question because it is too expensive.’*

(Affected claimant, Wales)

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<sup>25</sup> Precise percentage unknown due to ‘churn’ within the caseload.

<sup>26</sup> Note that downsizing within social housing is covered in Chapter 4.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Claimants expected higher rents and they also did not think that they would be able to save enough money to pay the deposit required by private landlords. Further, some were concerned about the security of tenure, quality of homes in the PRS, the quality of housing stock and the level of support around repairs.

*‘You’re never secure with private, that’s the problem.’*

(Affected claimant)

*‘You’re not going to get a repair the next day or in a couple of days like with the council ... the actual maintenance is much better if you’re with some kind of organisation.’*

(Affected claimant)

One case from the qualitative research illustrates the barriers claimants perceived in moving to the PRS. The sole claimant in the qualitative interviews who reported moving to the PRS did so only because she had calculated that due to the RSRS and the cost of heating related to their faulty boiler in their housing association home, her household would be better off moving into a house that she had seen as available in the PRS. The claimant knew the landlord personally and felt comfortable with the process, meaning she was more confident about what her new circumstances would be. This was an exceptional case; claimants typically did not believe that the PRS would be a financially viable option or a form of tenure they would feel comfortable with. Moving within the social sector was a more popular option, which is covered in Chapter 4.

### 3.4 Claiming Discretionary Housing Payments

#### Key findings

- Among those still affected by the RSRS in 2014, 29 per cent said they applied for DHP when asked what actions they had taken to deal with being affected (claimant survey).
- Comparatively few still affected claimants were successful with their application (36 per cent of those applying, 23 per cent of all still affected) (claimant survey).
- Awareness of DHPs increased. Those who did not apply were asked if they had heard of DHP – 52 per cent said they had, meaning 66 per cent in total of the still affected claimants were aware of DHP by 2014, an increase from 49 per cent nine months previously (claimant survey).

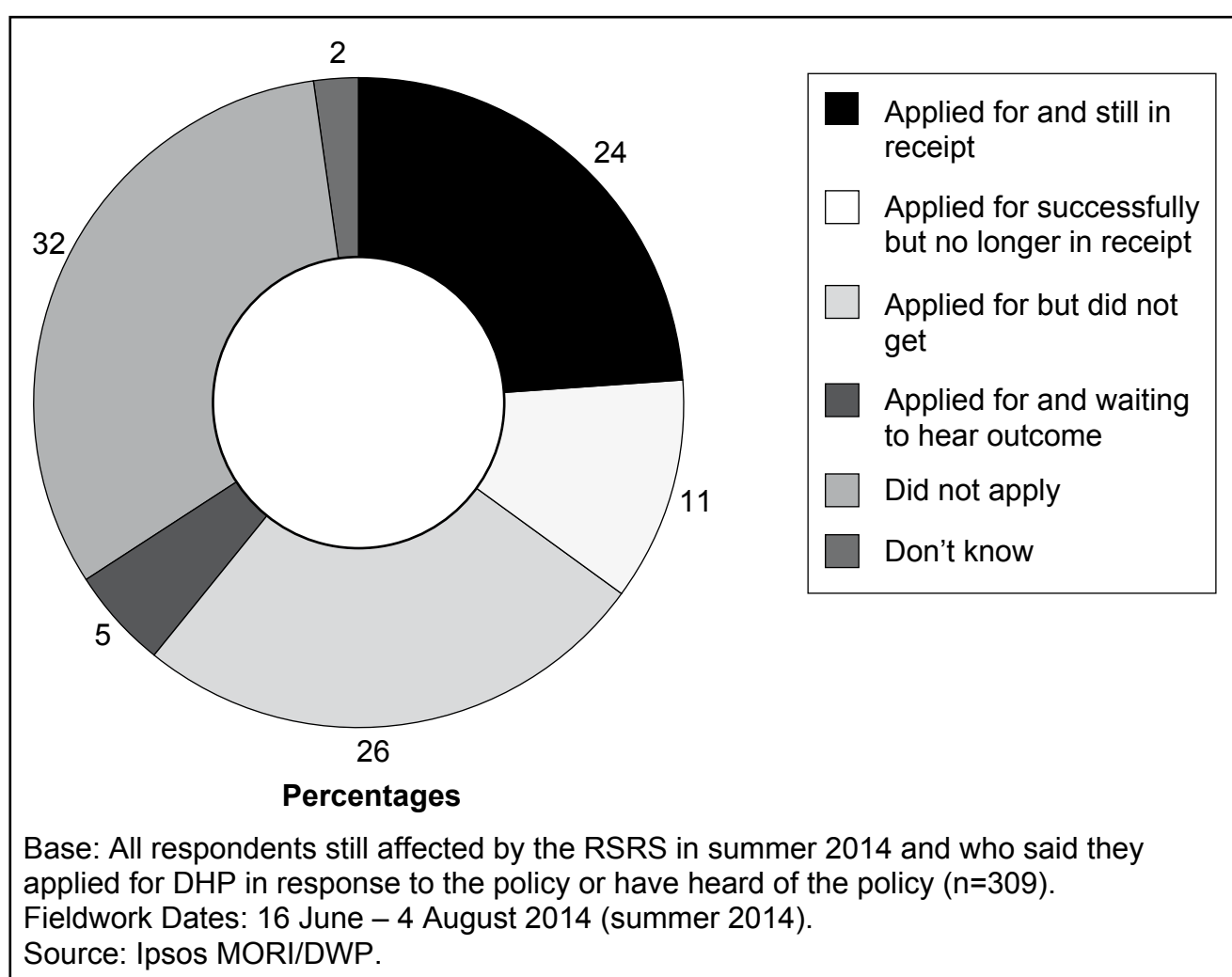
The claimant survey explored the level of claimants’ knowledge of DHP. By summer 2014, most claimants still affected by the RSRS were aware of DHP. Almost three in ten (29 per cent) of those still affected by the RSRS said they had applied for a DHP since their first interview in autumn 2013 (they selected ‘applied for DHP’ from a list of possible responses to the RSRS shown to respondents). Those who did not choose applying for DHP as a response from this prompted list were subsequently asked if they had heard of DHP and, a majority, 52 per cent of **still affected** claimants said they had.

This contributes to a combined total of 66 per cent of **still affected** claimants who either said they applied for DHP in response to the policy or had heard of them, 17 points higher than the 49 per cent of the same group who had either applied for, or heard of, DHP in

autumn 2013. This suggests that awareness of DHP increased over this period, reflecting the ongoing efforts of landlords, local authorities and other agencies to ensure tenants were aware of this option.

Those who applied for or had heard of DHP were asked about their current status in relation to it (with all others were assumed not to be in receipt). More than a third of those **still affected** (36 per cent) had at some stage since becoming affected been successful with their application (with 24 per cent still in receipt in summer 2014), as shown in Figure 3.2:

**Figure 3.2 Thinking about the period since 1 April 2013, which of the following statements best describes your situation in relation to Discretionary Housing Payments (DHPs)?**



Analysis of the claimant survey suggests that, **still affected claimants** who were in receipt of DHP at some point were more active in trying to become unaffected by the RSRS than those who had not heard of DHP. For example, they were more likely to say they were looking to move than those who had never heard of DHP (28 per cent compared with 16 per cent). Similarly, those in receipt (or previously in receipt) of DHP were more likely say they looked for work in response to the policy since autumn 2013 than those who had never heard of DHP (23 per cent compared with 11 per cent).

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Amongst participants in the qualitative research, LA activities had a strong influence on participants' awareness of DHP. Claimants who were aware of it had heard about it from the local authority or by word of mouth from a friend or family member. Those who had not heard about it in autumn 2013 had typically still not had any further information on it by autumn 2014 and remained unsure what it was and if they could access it.

Among those who were aware of DHP there was little understanding of the eligibility criteria. A perception that only those in the most desperate situations could apply for it was typical and this tended to underpin reluctance to apply for support. This was, in some cases, reinforced by information from LAs:

*'I started paying it [the RSRS] and a while after that I know we were offered to claim [DHP], but they turned round and they went: "well the funds are limited and the only people who will be accepted are like people who are really badly off" kind of thing.'*

(Affected claimant)

Those who had applied and been refused DHP tended to feel that this confirmed that the payments were for people in worse situations than they were. This typically deterred claimants from reapplying:

*'If we go back and hassle [them] again and get turned down again it just feels like a waste of my time'*

(Affected claimant)

There was some understanding that eligibility for DHP was related to certain conditions such as registering to move. Those aiming to access DHP reported they had taken steps to ensure that they were meeting these conditions, although they did not always expect that the LA or housing association would be able to find them a suitable property to downsize to. Some claimants reported feeling that the process was intrusive as they were required to fully justify all their expenditure:

*'They asked your financial situation ... first time "do you smoke" and [I say] "rollups" ... and [they say] "if you didn't buy that tobacco that's your bedroom tax".'*

(Affected claimant)

Those interviewed who were in receipt of DHP were concerned about what they would do if it was stopped. They had struggled to pay the extra towards the rent before they had received DHP and they reported that they felt they would be unable to cope financially if they did not receive DHP.

Of the claimants who had received DHP, there were some who had been able to use the payment for essential outgoings other than their rent. There were instances where claimants had been told by the housing association that DHP was on their rent account and that the money could be transferred to their personal account. In these situations some claimants kept the money on their rent account to help them pay their rent, whilst some asked for some of the money to be transferred to them so they could use it for other things such as paying back other debts and bills.



### 3.5 Taking in lodgers and family members

#### Key findings

- 17 per cent of no longer affected claimants reported the reason as being a friend or relative moved in while two per cent said that a lodger had moved in (claimants survey).
- Most landlords required permission for tenants to take lodgers, but only 0.3 per cent of affected tenants had asked for permission to take a lodger (where permission is required) (landlord survey).
- Some landlords actively promoted lodgers or family members as an option, but others were reluctant to do so, citing fears of management difficulties and risks to vulnerable tenants (case study work). Few claimants (6 per cent) recalled their landlord contacting them about the possibility of taking in a lodger (claimant survey).
- There was little interest among still affected claimants in taking in lodgers, only one per cent said they had done this, with a further one per cent saying they had a partner or family member move in (claimant survey). Claimants were uncomfortable with the idea of a lodger, especially if vulnerable or if they had young children. This included grandparents who had young children staying frequently as well as parents (claimant qualitative interviews).

Landlords were asked in the survey whether they had any figures for the number of tenants who had applied to take a lodger. Most did not have figures. Those that did reported a total of 142 lodgers out of 48,111 tenancies – around 0.3 per cent of tenancies. Landlords were also asked whether they tenants required permission to take a lodger. Eighty five per cent of respondents replied that tenants did require permission, 13 per cent that they did not, and two per cent did not know.

The landlords survey and case study work reviewed a range of views from landlords on lodgers or family members. Some said that they had actively promoted the option and spoken about it to their tenants affected by the RSRS. However, others were reluctant to do so, citing fears of management difficulties and risks to vulnerable tenants. One authority reported political pressure from local politicians not to promote lodgers for fear of “encouraging people to take in strangers”. Regardless of the attitude of the authority or landlord, all landlords reported very little, if any, interest in taking in lodgers.

The claimant survey similarly suggested that there was very little interest in taking lodgers. Just one per cent of claimants still affected mentioned this as a response to the RSRS in summer 2014 (chosen from a list of possible responses to the survey), and a further one per cent reported taking in a partner or someone else, in line with findings from autumn 2013. One respondent who was no longer affected said they had done so too. Respondents were asked directly about whether they had considered taking in a lodger in response to RSRS since being interviewed in autumn 2013. Again, just one per cent of the **affected cohort** said they had done so.

As seen in section 3.1, 17 per cent of no longer affected claimants reported the reason as being a friend or relative moved in while two per cent said that a lodger had moved in.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

The claimant survey supports the finding from the landlord survey that many local authorities and housing associations have not proactively promoted taking in a lodger as a response to the RSRS. Among still **affected claimants**, six per cent said they had been contacted by their landlord about this possibility.

The claimant qualitative research demonstrated the reasons for claimants' aversion to taking a lodger. Claimants did not typically perceive themselves as having room for a lodger, reporting that their extra bedroom was in regular use. For example, those who used the room to have grandchildren or adult children to stay, or they wanted their children to have a room each did not want to lose this space. In addition to this, claimants were typically uncomfortable with the idea of having a lodger. This was especially the case for parents of young children and grandparents who regularly cared for a grandchild. The idea of accommodating a stranger was not something that claimants welcomed and they saw this as an option they would only pursue as a last resort.

*'We wouldn't want a stranger in our home, no matter how much easier it'd be paying the bills.'*

(Affected claimant, South East)

There was evidence that claimants were more willing to consider taking in family members as lodgers than strangers, but that the circumstances needed to be right. For example, one participant with an extra bedroom did not consider that the room was 'spare' until her partner, who had a terminal illness, died. Some months later she rented the room at reduced rate to her brother, who had split up with his partner. Another participant reported that she would have been happy to rent her spare room to her niece, but felt that her niece would have been unable to afford it. Participants preferred family members with whom they felt comfortable living, rather than lodgers they did not know, but many also felt it was important that they felt the spare room was available for use.

### 3.6 Paying the shortfall

#### Key findings

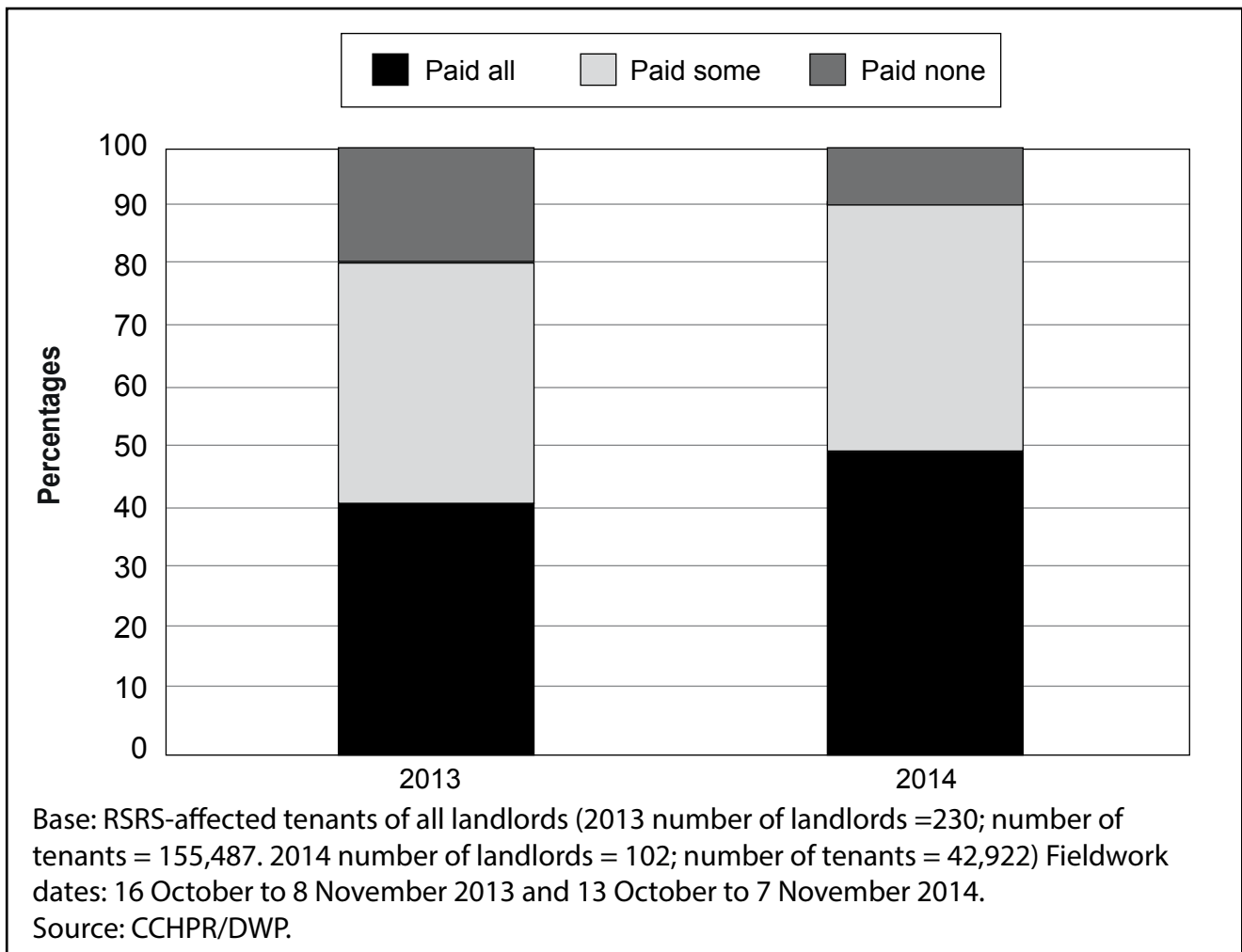
- The proportion of affected claimants who had paid all their rental shortfall rose from 41 per cent in 2013 to 50 per cent in 2014, whilst the proportion who had paid none of their shortfall fell from 20 per cent to 10 per cent (landlord survey).
- Overall 55 per cent of tenants affected by the RSRS were in arrears in autumn 2014, though 43 per cent had been in arrears in March 2013 (prior to the introduction of the RSRS) (landlord survey).
- Most landlords were offering a wide range of payment methods, with payment cards reported to be particularly popular with tenants (landlord survey).

#### 3.6.1 How many were paying?

Around a third (31 per cent) of landlords responding to the survey were able to identify the number of tenants affected by the RSRS who had paid their shortfall with a further 31 per cent able to at least estimate it (31 per cent).

The 136 landlords who could at least estimate the source of arrears were asked for further information about whether tenants were paying their shortfall, from which the overall proportion paying the shortfall can be estimated. This information was provided by 102 of them, which can be compared to the figures collected in 2013's landlord survey (Figure 3.3).

**Figure 3.3 Proportion of tenants affected by the RSRS who have paid their rental shortfall<sup>27</sup>**



<sup>27</sup> Tenants who had received a DHP to cover their entire rental shortfall were excluded from the 2014 analysis. Figures for those in receipt of full DHP were not asked in 2013 because DHP systems were in their early phases at the time and many landlords did not yet know who was to receive it. Landlords were instead directed to include any on full DHP within the paid all group. Claimants for whom the landlord did not know whether they had paid were excluded from the analysis in both years.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

As can be seen from Figure 3.2, there was an increase of nine percentage points (from 41 to 50 per cent) in the proportion of tenants reported to have paid all their shortfall, whilst the number reported to have paid none has halved between 2013 and 2014. Please note that the proportions relate to the tenants affected by the RSRS at the time of each survey. It is not possible to tell from this data alone whether some tenants started paying, or started paying more reliably between the two surveys, or whether some of those who were not paying have left the sector or otherwise ceased to be affected by the RSRS. The role of DHP had also developed between the two surveys – those whose shortfalls were covered entirely by DHP have been excluded from the 2014 figures, and it is possible that some of these tenants were the ones who had previously been failing to pay in full. Nevertheless, the data points to a reduction in the proportion of tenants affected by the RSRS who were in arrears between October 2013 and October 2014.

Landlords were also asked what proportion of their tenants who were currently affected by the RSRS were in arrears, and for comparison, what proportion of these tenants were in arrears on 31 March 2013 (Table 3.3):

**Table 3.3 What proportion of your tenants currently affected by the RSRS are currently in arrears/were in arrears on 31 March 2013?**

Tenants	Proportion
Tenants currently affected by RSRS and in arrears	55%
Tenants currently affected by the RSRS who were in arrears on 31 March 2013	43%

Base: RSRS-affected tenants of all landlords (number of landlords = 157; number of tenants = 130,934) Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

Landlords were also asked the average amount owed by tenants in arrears. The average for all landlords who were able to answer this question was £418 per tenant in arrears<sup>28</sup>. This would be around four weeks' net rent arrears, or could arise from not having paid around ten to 15 weeks' worth of the shortfall arising from the RSRS.

In the qualitative interviews claimants typically reported prioritising paying their rent in full. They were anxious not to fall behind on rent payments and jeopardise their home: typically this was their first priority and cuts to the household budgets or essential bills were deferred if required once rent was paid.

Claimants who had been unable to pay their rent in full and had built up arrears reported that an unexpected expense or income reduction was typically responsible for the arrears. For example, one claimant fell into rent arrears when overcharged in bank charges which she had to prioritise over paying the rent, and another fell into arrears when unable to work due to ill health, reducing her income. There was also evidence that claimants who believed they would receive DHP but were refused them built up arrears in the time that they were waiting to hear.

<sup>28</sup> Base = RSRS-affected tenants in arrears. Number of landlords = 157; number of tenants = 91,551.

## 3.7 Managing on a lower budget

### Key findings

- Landlords were very concerned that some tenants were in severe poverty and unable to pay the shortfall (landlord survey and case studies).
- Claimants who were still affected by the RSRS in 2014 were more likely than those no longer affected to say they run out of money by the end of the week or month very/fairly often (78 per cent compared with 69 per cent) (claimant survey).
- Among those still affected, claimants had paid the rent by: using up savings; borrowing from family or friends or accruing debt (claimant qualitative interviews).
- Cut backs were made by those in the affected cohort on energy (46 per cent of those who had cut back on spending), travel (33 per cent), food (76 per cent) and leisure costs (42 per cent) (claimant survey and qualitative interviews).

The 2013 claimant survey found that many in the **affected cohort** were cutting back on household essentials and non-essentials in response to the RSRS. The 2014 survey found that those **still affected** were still cutting back on essentials and non-essentials (as defined by respondents themselves). Looking just at the group who remained affected by the RSRS throughout, the majority (62 per cent) were cutting back on household essentials in 2013, and 57 per cent said they were doing this in 2014.

However, those no longer affected were much less likely in summer 2014 to have said they had cut back on essentials (28 per cent), perhaps reflecting their increased disposable income from either earnings or increased HB. An even smaller proportion of those in the **never affected** comparison group said they had cut back on essentials (16 per cent) or non-essentials (11 per cent) in the same period.

Those who mentioned cutting back on essentials and/or non-essentials were asked what things they were cutting back on. Food, clothing and energy/utility bills were most mentioned both by those **still affected** and also those **no longer** affected. Those who had never been affected by RSRS were less likely to have cut back on most things relative to those who are were still affected or had been previously, though large proportions in all analysis groups were economising in these ways, as Table 3.4 shows:

## Evaluation of Removal of the Spare Room Subsidy – Final Report

**Table 3.4 On which, if any, of the following things have you spent less since we last spoke in October or November of last year because of the changes to Housing Benefit?**

	Still affected (=293) %	No longer affected (n=30*) %	Affected cohort (n=323) %	Comparison group (never affected) (n=39*) %
Food	77	67	76	56
Clothing and footwear	75	73	75	62
Energy/fuel bills e.g. gas, electricity, water	47	43	46	28
Leisure, recreation and social activities including hobbies	43	40	42	33
Eating out	38	47	39	28
Holidays	34	47	35	23
Travel costs e.g. running a car, train fares, public transport	33	33	33	28
Communication i.e. phone/broadband/ television bills	32	20	31	21
Cigarettes	26	20	26	26
Alcoholic drinks	21	33	22	23
Household insurances	17	13	16	8
Paying off amounts owed on credit card(s) or loans	12	7	11	5
Pets	10	13	11	8
Council Tax	4	3	4	-
Mortgage/rent payments	3	3	3	-
Education	1	-	1	-
Childcare	1	3	1	3
None of these	1%	3%	1%	13%

Base: All respondents in the affected cohort who said they have cut back on spending since autumn 2013 (n=323) Fieldwork dates: 16 June – 4 August 2014. Source: Ipsos MORI/DWP. \*Caution – low base sizes for these groups.

It should be noted that the affected cohort includes tenants currently in receipt of full DHP at the time of the interview, and that some households affected/non-affected status will have changed during the period on which they are reporting.

Landlords replying to the survey expressed many concerns about the ability of their tenants to manage on lower incomes.

Respondents were asked about how frequently they ran out of money before the end of the week or month at various points before and since becoming affected. As Table 3.5 shows, those in the **affected cohort** said they were less likely to run out of money very/fairly often before becoming affected by the policy than they were after 1 April 2013.

**Table 3.5 Frequency with which claimants reported running out of money before the end of the week or month at various stage before and since becoming affected by the RSRS**

	Before RSRS/1 April 2013 (asked summer 2014) %	Since RSRS/After 1 April 2013 (up to autumn 13) (asked autumn 2013) %	Since RSRS/After 1 April 2013 (up to summer 2014) (asked summer 2014) %
Very/fairly often	37	80	77
Hardly ever/never	63	20	23
(Never)	(27)	(10)	(12)

Base: All respondents in the affected cohort (n=563) Fieldwork dates: 1 October – 24 November 2013 (autumn 2013) and 16 June – 4 August 2014 (summer 2014). Source: Ipsos MORI/DWP.

Those who had been affected in 2013, but who were **no longer affected** by 2014 were less likely then to say they had run out of money very or fairly often in the past nine months, relative to those **still affected** by the RSRS (69 per cent compared with 78 per cent). It is noteworthy that the majority of HB claimants who had **never been affected** by the RSRS also reported that they ran out of money very or fairly often in the same period, albeit a smaller proportion by comparison (54 per cent).

Among those still affected, more than four in five (83 per cent) with a shortfall of £15 or more per week said they run out of money before the end of the week very or fairly often, compared with 74 per cent of those paying between £10 and £15 per week.

The qualitative interviews demonstrated that claimants typically cut back on energy, food and travel costs in order to accommodate the RSRS in their budgets. Claimants who did not have access additional sources of support – such as friends and family to borrow from – reported that they had to budget very carefully on food, heating and fuel once the RSRS was introduced and were concerned that the changes would cause hardship.

*‘That £60 a month I have to pay (RSRS) would cover food for two weeks or it would mean I could keep the house warm. It just feels like I’ve had two weeks of money taken off of me.’*

(Affected claimant)

Other strategies to reduce essential household spending included spending less on food by trying to go to cheaper shops and buying cheaper products. Claimants also reported they were cutting back on spending on travel by using public transport more often or trying to use their car less and walk more. As in the claimant survey, the qualitative interviews found that a key area claimants were cutting back on was socialising, including spending time with family. Claimants said that they had cut back on activities like going to the pub or going out for meals or meeting up with friends.

*“I make a lot of excuses [now].”*

(Affected claimant)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Regarding the social impact of the RSRS, some claimants who were grandparents reported that the RSRS meant that they had been unable to look after their grandchildren as regularly as before the RSRS came in because they could not afford to heat the house or provide food for them. Some parents were cutting back on activities with their children, which they found upsetting.

The effects of cutting back had an impact on some claimants' health and emotional wellbeing, with the most vulnerable reporting experiences of stress and worry.

*'I panic about struggling to pay for things. We never go on holiday. [We] don't spend [any money] at Christmas.'*

(Affected claimant)

During the first year of the introduction of the RSRS the qualitative research found that claimants were typically paying the excess by using their savings and by borrowing from friends and family members. However by the time of the second wave of qualitative research in autumn 2014, claimants who had been using their savings for the first year had depleted these and so were having to make greater cutbacks in their household budgets in the second year of the RSRS compared to the first. They also reported that they were concerned at the reduction in their financial resilience – as a result of using savings to pay the RSRS they no longer had finances to draw on if facing any unexpected costs in the household. Other claimants had not been able to successfully manage the additional rent and had built up debts in this time, which were a source of concern.



## 4 Changes to the social housing stock

This chapter explores the impact of the Removal of the Spare Room Subsidy (RSRS) for the social housing stock. This includes changes altering or reclassifying stock, allocations and lettings, downsizing within the social sector, overcrowding, changes to demand for social housing and how social landlords were responding to these changes. It also looks at the impact on new development, including the availability of financing for new development.

### 4.1 Altering or reclassifying stock

#### Key findings

- Only very small numbers of properties had been reclassified (in terms of their number of bedrooms) – around one in 1,000.
- Fewer still had been physically altered to reduce the number of bedrooms (landlord survey).

There had been some initial concerns expressed in the media that some landlords responded to the RSRS by physically remodelling their stock (for example, knocking down walls) or reclassifying the number of bedrooms in their properties which could prevent some tenants being affected by the RSRS.

#### 4.1.1 Altering stock

The 2013 landlord survey found that the physical alteration of stock was only happening on a very small scale and the 2014 survey confirmed this still to be the case, with only 12 out of 256 landlords having done so. One further landlord said that they were planning to do so within the next 12 months, and one other did not know.

The 13 landlords who had altered stock or planned to do so reported a total of 115 properties which had been altered to change the number of bedrooms, with a further 70 properties planned to be altered during the next 12 months. Ten of the 12 landlords provided an average figure for the costs of alterations, ranging from £120 to £30,000 per property, and averaging at approximately £3,800. Eight of the landlords who were making alterations were removing internal walls to reduce the number of bedrooms, two were relocating a very small kitchen or bathroom into a spare bedroom and redesignating its previous location as a store room or study and three were converting larger houses into flats.

Eleven of the landlords gave reasons why they had altered properties. Six said that they had done this in response to low demand, or to help meet increased demand for smaller properties. Two said that they were reversing previous adaptations that had subdivided larger bedrooms and three said that the bedrooms had been too small.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Overall, the survey found the scale of such activities is very small, representing only 0.006 per cent of the housing stock managed to date – fewer than one per 100,000 properties.

### 4.1.2 Reclassifying the number of bedrooms in properties

As in 2013, reclassifying the number of bedrooms without making physical alterations to the stock was somewhat more common than physical alterations. In total, 44 landlords (17 per cent) reported that they had reclassified the number of bedrooms in any stock in response to the RSRS and a further two (one per cent) that they had not yet but intended to do so within the next 12 months. Just three respondents (one per cent) did not know whether they had reclassified stock.

Thirty-eight out of 44 landlords provided the number of bedrooms being reclassified in response to the RSRS. A total of 1,989 properties had been reclassified, representing 0.10 per cent of the housing stock managed by these landlords (1.9 million). Table 4.1 shows the net impact of the breakdown by size of the 1,989 properties reclassified:

**Table 4.1 The original size of properties reclassified in response to the RSRS**

Number of bedrooms	Number reclassified to have fewer bedrooms	Net change in number of properties of this size
1	0	1,020
2	1,020	-639
3	381	-161
4	220	-220

Base: All properties reclassified by landlords (number of landlords = 44; number of properties = 1,989). Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

Forty-three landlords (41 landlords reclassified their stock and two landlords who were planning to do so within the next 12 months) gave the reasons for reclassifying the number of bedrooms. The most common answer, cited by 22 landlords, was that the ‘bedroom’ was too small to be classed as a bedroom; nine said they had done so in order to meet demand, or avoid low demand; seven that the ‘bedroom’ was “optional” or downstairs, and so could not really be considered a bedroom; five that it was no longer usable as a bedroom because of adaptations to the property, and one that the ‘bedroom’ was not in use as a bedroom. (Some landlords gave more than one reason).

These landlords were also asked whether they had lowered the rent on properties where they had reclassified the number of bedrooms. Thirty-two landlords said they had done so on all of them; one had on some of them; ten had on none of them and one did not know.

Those who had not done so reported that this was either because the total size of the property was unchanged, or because the rent was still below target rents, or within the permissible five per cent margin of target rents.

Respondents were asked what approach they took to deciding which properties to reclassify (Table 4.2):

**Table 4.2 Which of the following best describes your approach to reclassifying?**

	Number
We reclassified all properties of a similar type, regardless of who is living in them	12
We reclassified only properties occupied by tenants affected by the RSRS	1
We reclassified only on request or on an individual basis	18
A mixture of the above	9
In some other way (please explain)	3
<b>Total</b>	<b>43</b>

Base: All landlords who had reclassified stock (n=43). Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

As can be seen from Table 4.2 most landlords were reclassifying only a small proportion of their stock, often exhibiting quite individual features such as very small bedrooms.

Some of the case study landlords indicated that they had considered reclassifying stock but thought that they would not be allowed to do so:

*‘We got the message we shouldn’t be doing this.’*

*‘We followed some of the debates around it, but were sceptical as to whether people would get away with reclassifying bedrooms.’*

(Interviews with case study social landlords)

Overall the research found that the large majority of landlords have neither physically altered nor reclassified any of their stock in response to the RSRS.

## 4.2 Allocations and lettings

### Key findings

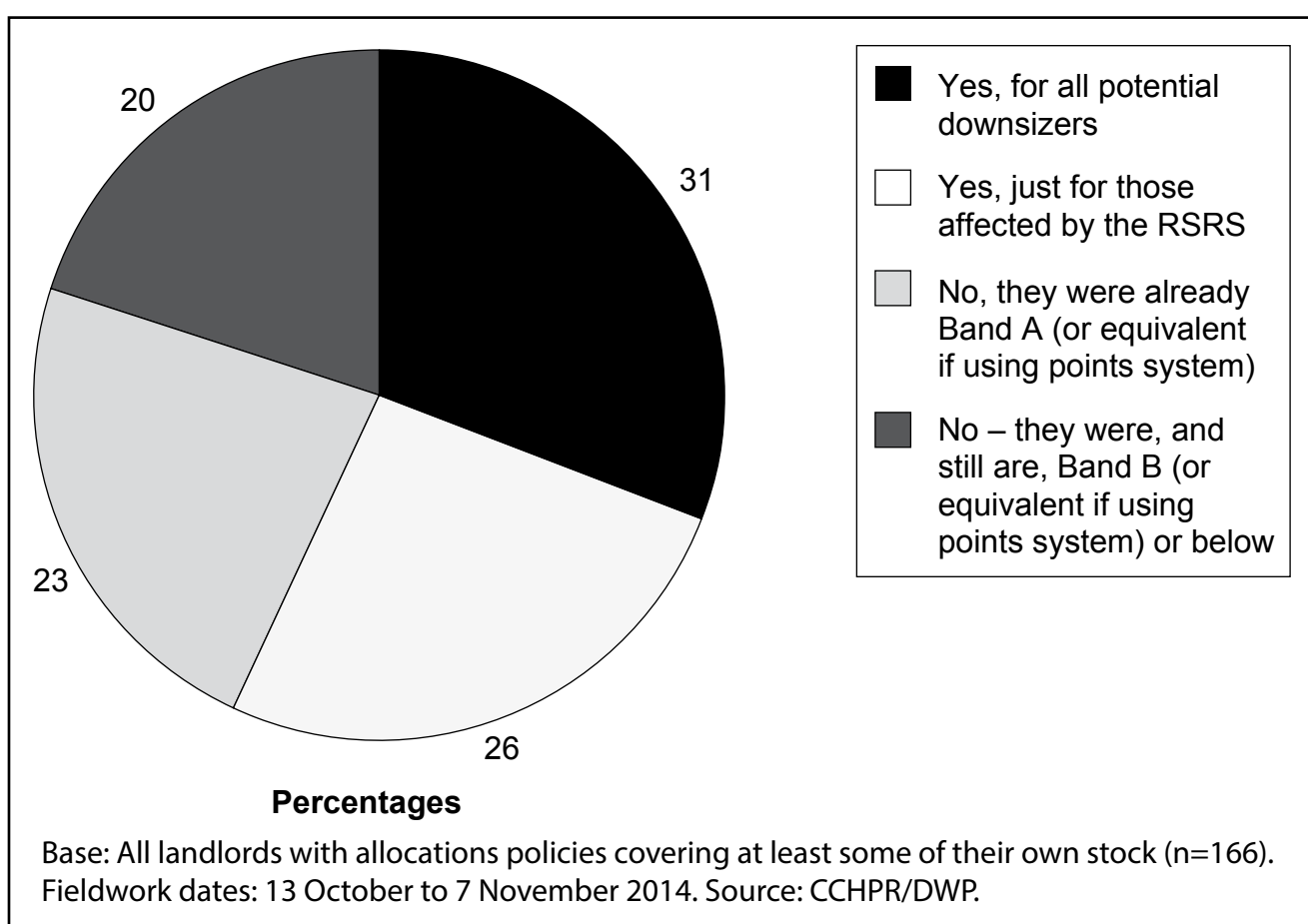
- There is evidence of a declining proportion of lets to those who under occupy their new home in England, and of an increase in proportion of lets to families from 36.3 per cent in 2012–13 to 40.7 per cent in 2013–14 (CORE).
- By autumn 2014, most landlords gave top priority to downsizers, with 57 per cent reporting that they had increased the priority in response to the RSRS, but 20 per cent did not give them top priority (landlord survey),
- 41 per cent of landlords normally allocated in line with the DWP’s size criteria. Of the others:
  - 9 per cent allowed an extra room to tenants not affected by the RSRS;
  - 31 per cent allowed an extra room to RSRS affected tenants if they and the tenant considered it is affordable;
  - 9 per cent allowed an extra room for specific groups (for example, access visits) if affordable; and
  - 11 per cent sometimes only offered larger housing because that is all that was available (landlord survey).
- Most landlords said they now considered the affordability of the rent for the prospective tenant before letting. A few refused to let when not considered affordable, but most referred to money management support, and ensured the tenant signed a disclaimer.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Allocation systems vary across the country. In some of the case study areas, one centralised system was in use throughout the LA (and in one case a sub-regional grouping of LAs), whilst in other areas social landlords retained some autonomy over their own allocation systems.

Overall, 75 per cent of the social landlords surveyed in 2014 reported that they had an allocations policy covering at least some of their stock. Most landlords ranked applicants into bands for determining their priority for social housing, with Band A being used for the most urgent cases. Landlords with an allocation policy were asked whether they had altered their allocations policy within the last year in response to the RSRS (Figure 4.1).

**Figure 4.1 Have you made any changes to your allocations policy during the last 12 months to increase the priority given to potential downsizers?**



Fifty-seven per cent of landlords had altered their allocation scheme during the last year to increase priority for downsizers either for all downsizers or just for those affected by the RSRS, and a further 23 per cent were already giving them the top priority. This represents a considerable change to allocation priorities, brought about partly in response to the RSRS and also in England to the 2012 guidance issued by government to LAs making it explicit that they could prioritise transfer applicants even if they were not in the most severe housing need (CLG, 2012<sup>29</sup>).

<sup>29</sup> CLG (2012) *Allocation of accommodation: guidance for local housing authorities in England*, Communities and Local Government

Still, 20 per cent of landlords in the 2014 survey said they were giving potential downsizers lower than their top priority band, which may mean that it was harder for tenants of these landlords to move by means of an internal transfer.

One case study landlord who placed downsizers with one spare room in Band C, and those with two or more in Band B, said that they were not keen to overly encourage downsizing because they had four-bedroom properties sitting empty that no one could currently afford. Two others indicated that they would deal with requests for downsizing on an individual basis via a management transfer, rather than promoting them via their choice-based lettings scheme.

## 4.2.1 Assessing the size of home required

Changes had also been made to the size of property that landlords deemed appropriate for different sized households. In many areas, particularly (though not exclusively) in those with the lowest housing pressure or a large supply of family-sized housing, allocation schemes had previously often been more generous than the RSRS's size criteria in determining the size of property required. The survey asked which approach landlords took (Table 4.3):

**Table 4.3 Which of the following best describes your approach to deciding/what size of home to let to new tenants?**

Approach	Number	Proportion
New tenants would not normally be allowed to under-occupy (according to DWP's size criteria)	88	41%
New tenants, including those affected by the RSRS, are allowed an extra bedroom if they wish, after we have assessed the affordability and believe they can afford the shortfall	67	31%
New tenants are only allowed to under-occupy if they are in employment (and not on HB) or are pensioners and therefore unaffected by the RSRS	19	9%
New tenants, including those affected by the RSRS may sometimes only be offered housing that includes an extra bedroom (according to the DWP's size criteria) for instance because we don't have sufficient smaller stock for them	24	11%
Certain groups of new tenants (such as parents with access visits from children), including those affected by the RSRS, are allowed an extra bedroom if they wish, after we have assessed affordability and believe they can afford the shortfall	19	9%
<b>Total</b>	<b>217</b>	<b>100%</b>

Base: All landlords (n=217). Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/ DWP.

As can be seen in Table 5.1, only around four in ten landlords normally allocated in all cases according to the Department for Work and Pensions (DWP) criteria, and a further one in ten did so for those likely to be affected by the RSRS.

## **Evaluation of Removal of the Spare Room Subsidy – Final Report**

Most of the case study landlords had explored altering their criteria in order to let all properties in accordance with DWP's criteria, but by summer 2014 many had decided that this was not feasible if they were to let their stock successfully and meet housing need. They therefore continued to let some housing to under occupiers. Cases where under occupation was permitted included allowing a spare room for:

- Couples.
- Tenants with disability needs for a spare room.
- Children to have their own room.
- Opposite sex children to have a room each from a younger age than ten.
- Non-resident children (eg staying two or three nights a week with the parent they didn't normally live with).
- An expected future increase in household size (such as a baby being born or a child turning 10 or 16).

However, some authorities in lower demand areas still allowed all households to choose to bid for properties with one more bedroom than they would be deemed to need according to the RSRS size criteria.

### **4.2.2 Means testing housing applicants**

The case study social landlords were increasingly examining their prospective tenants' finances before making an offer of accommodation, especially in cases where the tenant would be under occupying. In a few cases it was reported that housing associations were refusing to make offers to benefit-dependent households if they were not considered able to afford their rent. More often they were using the opportunity to have a conversation with their prospective tenant about their finances, make the tenant sign a disclaimer stating that they understood they would have a rental shortfall and in some cases, signpost to other services to address difficulties with debts and financial management.

### **4.2.3 Other changes to allocation policies**

A few case study landlords said that they had recently changed the allocation rules for some of their one-bedroom stock previously designated for older people, or were considering reassigning this as general needs stock for all age groups. This was partly in response to historical low demand for older people's housing coupled with the increased demand for one bedroom properties from younger people affected by the RSRS.

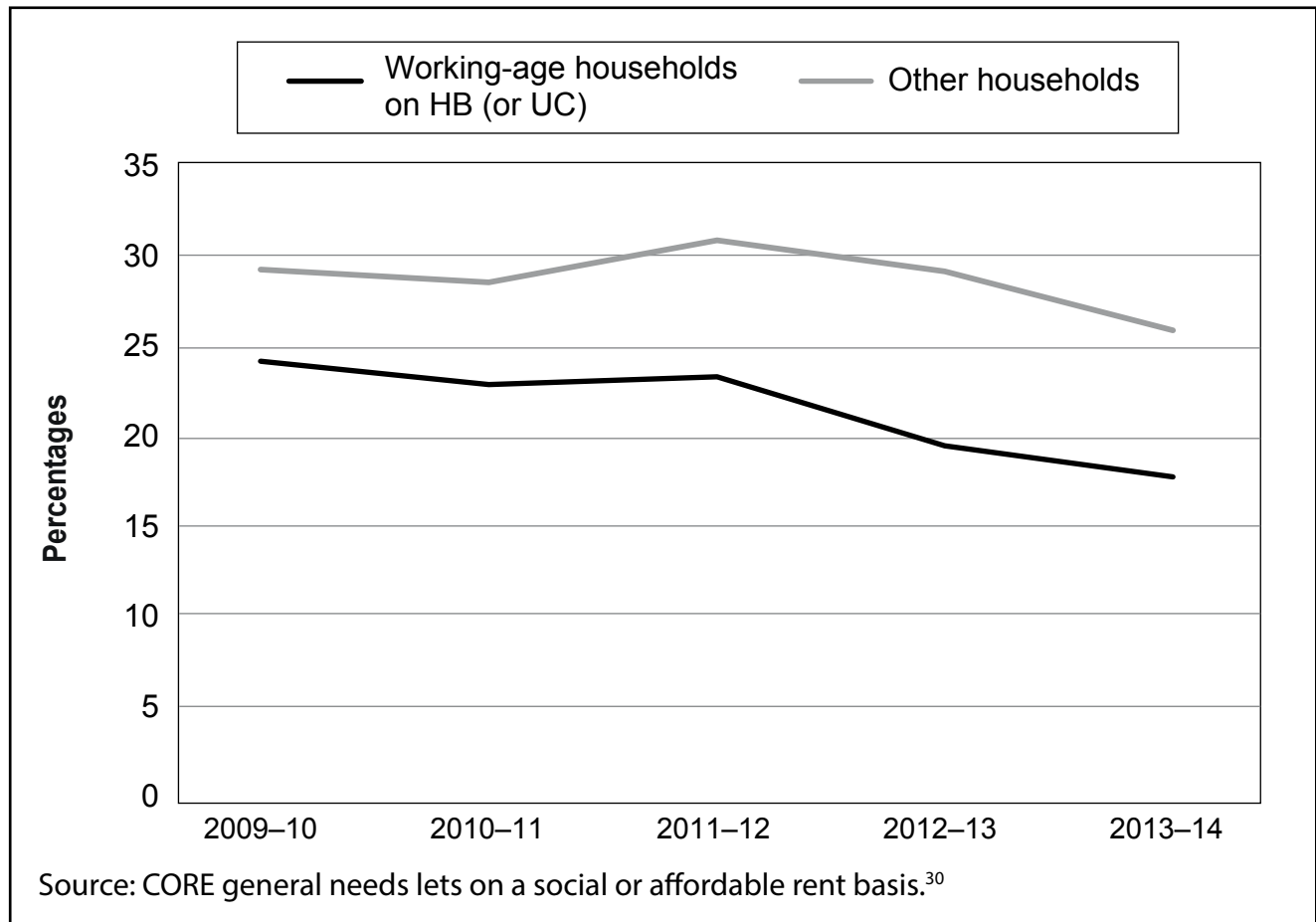
Some other case study landlords reported that they were looking to make changes to their allocation schemes, giving greater priority to people in employment and trying to reduce the number of tenants dependent on Housing Benefit (HB) who were housed.

Other changes to allocation schemes reported included streamlining the waiting list to include only tenants with an extensive local connection; allowing tenants to bid for properties with one fewer bedrooms than they required; limiting the time that households can remain in a priority group; or reducing the numbers of offers made, but these changes did not appear to be primarily in response to the RSRS.

#### 4.2.4 The impact of the changes to allocations on who can access social housing

The changes to allocations could be expected to have altered the likelihood of new tenants being allowed to under occupy their new home. Figure 4.2 shows the proportion of lettings to tenants who would be under-occupying their new home, according to the DWP's size criteria:

**Figure 4.2 Proportion of new tenancies issued to households who are under occupying in England**



The equivalent analysis cannot be carried out for lets in Scotland because Scottish Continuous Recording of Sales and Lettings (SCORE) does not record the number of bedrooms. No data is available for lettings in Wales.

<sup>30</sup> Note that the 2013–14 data uses amended data from the 2013–14 dataset that excludes around 11,000 cases where the age of the tenants is not recorded and the room requirements can therefore not be calculated. ‘Other’ households includes those where the lead tenant or second tenant are aged 65 or over, or where the ages are not known, or where the household is not in receipt of Housing Benefit (or UC) or their benefit status is unknown.

The English data suggest that the proportion of new tenants who were allocated properties in which they would be under occupying fell in 2012–13, and fell further in 2013–14. This fall can be seen both for all households, not just those likely to be affected by the RSRS.

Given that the size profile of the social sector stock changes little from one year to the next, this has resulted in a change in the profile of households accommodated. Continuous Recording of Sales and Lettings (CORE) data shows that the proportion of lets to households with children entering social housing (i.e. excluding transfers within the sector) increased in England from 36.3 per cent in 2012–13 to 40.7 per cent in 2013–14. This is likely to have made it somewhat easier for families to access social housing, but harder for single people and couples without children.

### 4.3 Downsizing

#### Key findings

- The landlord survey suggests that nationally around 45,000 RSRS-affected claimants had downsized within the social rented sector by autumn 2014, as compared with around 24,000 in autumn 2013.
- In England the RSRS has resulted in a substantial increase in demand for downsizing, compared to previous rates. The data shows a substantial increase in working-age tenants moving within social housing via transfer lists because of under occupation from 2,755 per year in 2009–10 to 14,755 in 2013–14 (CORE).
- Landlords reported in autumn 2014 that around 16 per cent of affected tenants were currently registered for downsizing – which would suggest that nationally around 87,000 tenants currently affected by the RSRS were seeking to downsize. This is a slight reduction on the 19 per cent reported to be registered for downsizing at the time of the first survey (autumn 2013) (landlord surveys).
- The 2014 claimant survey found that 20 per cent of those still affected were looking to move, as were 11 per cent of those no longer affected. The proportion of these who were registered for mutual exchange remained largely unchanged (53 per cent in 2014, compared to 51 per cent in 2013), whilst the number who said they were on a transfer list fell slightly (70 per cent to 65 per cent) (claimant survey).
- More than seven in ten of affected claimants had never considered moving (claimant survey). Claimants' reasons for not wanting to downsize were most often related to remaining close to family, liking the area, good neighbourhoods and liking the accommodation. For families with children, schools (48 per cent) were the most important barrier to moving (claimant survey).
- Most local authorities (LAs) and social landlords reported that large numbers of people were unable to move because of a shortage of smaller homes. Some claimants similarly experienced this and some said they had not registered because they were aware of the shortage (case studies and claimant qualitative interviews).
- Other barriers to downsizing included not being allowed to move with rent arrears (10 per cent of landlords did not allow downsizing with arrears), competition with other households on the waiting list and particular difficulties for disabled tenants. These related to finding a property that meets their needs as well as in packing and transporting belongings (case studies and claimant qualitative interviews).



## Evaluation of Removal of the Spare Room Subsidy – Final Report

It is clear that some tenants have responded to the RSRS by moving to smaller homes within the social rented sector. Data from 2013–14 CORE on lettings into the social housing sector in England shows that 15,413 lettings were made to households whose main reason for leaving their previous property was either the RSRS or the Benefit Cap<sup>31</sup>. Of these, 13,353 were moving from a previous social rented home which would suggest that they were most likely moving in response to the RSRS (the case study work suggested that moves within social housing in response to the Benefit Cap were rare). The equivalent data for Scotland from the 2013–14 SCORE data on lettings made by Scottish registered social landlords showed that 1,517 out of 22,454 lettings were made to households whose main reason to leave their previous accommodations was the RSRS or the benefit cap. Of these, 1,398 were moving from a previous social rented home. This would suggest that 14,751 households in England and Scotland moved home within the social rented sector in 2013–14 because of the RSRS.

As might be expected, most of these moves (60 per cent) were into one-bedroom properties, with a further 34 per cent into two-bedroom homes<sup>32</sup>. Overall moves in response to the RSRS constituted 9.5 per cent of all lets of one-bedroom homes in England in 2013–14, including both transfers and lets to new social tenants.

CORE data does not however include moves by means of a mutual exchange and there is no equivalent data for Wales.

The landlord survey therefore sought to collect information on the numbers of tenants who downsized in response to the RSRS, as shown in Table 4.4:

**Table 4.4 Downsizing within the social rented sector**

	Number	As proportion of moves where means is known	Per 1000 tenants initially affected by the RSRS <sup>1</sup>
Via transfer lists	8,702	70.2%	49
Via a mutual exchange	3,696	29.8%	21
By unknown means	2,149	-	12
<b>Total</b>	<b>14,547</b>	<b>-</b>	<b>82</b>

Base: All landlords (Number of landlords=199; number of properties = 177,755. Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

<sup>1</sup> The number downsizing cannot be given as a percentage of those initially affected as it likely that some of those who downsized were not initially affected by the RSRS but started to be so at some later point in time.

The landlords answering this question between them had 177,755 tenants initially affected by the RSRS, 32 per cent of all those initially affected in Britain. If their downsizing rates are representative this would suggest that around 45,000 tenants throughout the country have downsized to a smaller home in response to the RSRS. This figure is larger than the 14,751 from CORE/SCORE though this is to be expected as it includes mutual exchanges, Wales and also moves that took place over an 18 month period, rather than the 12 months reported on in CORE/SCORE.

<sup>31</sup> This includes general needs lettings made by local authorities and Private Registered Providers to both Affordable Rented and Social Rented dwellings.

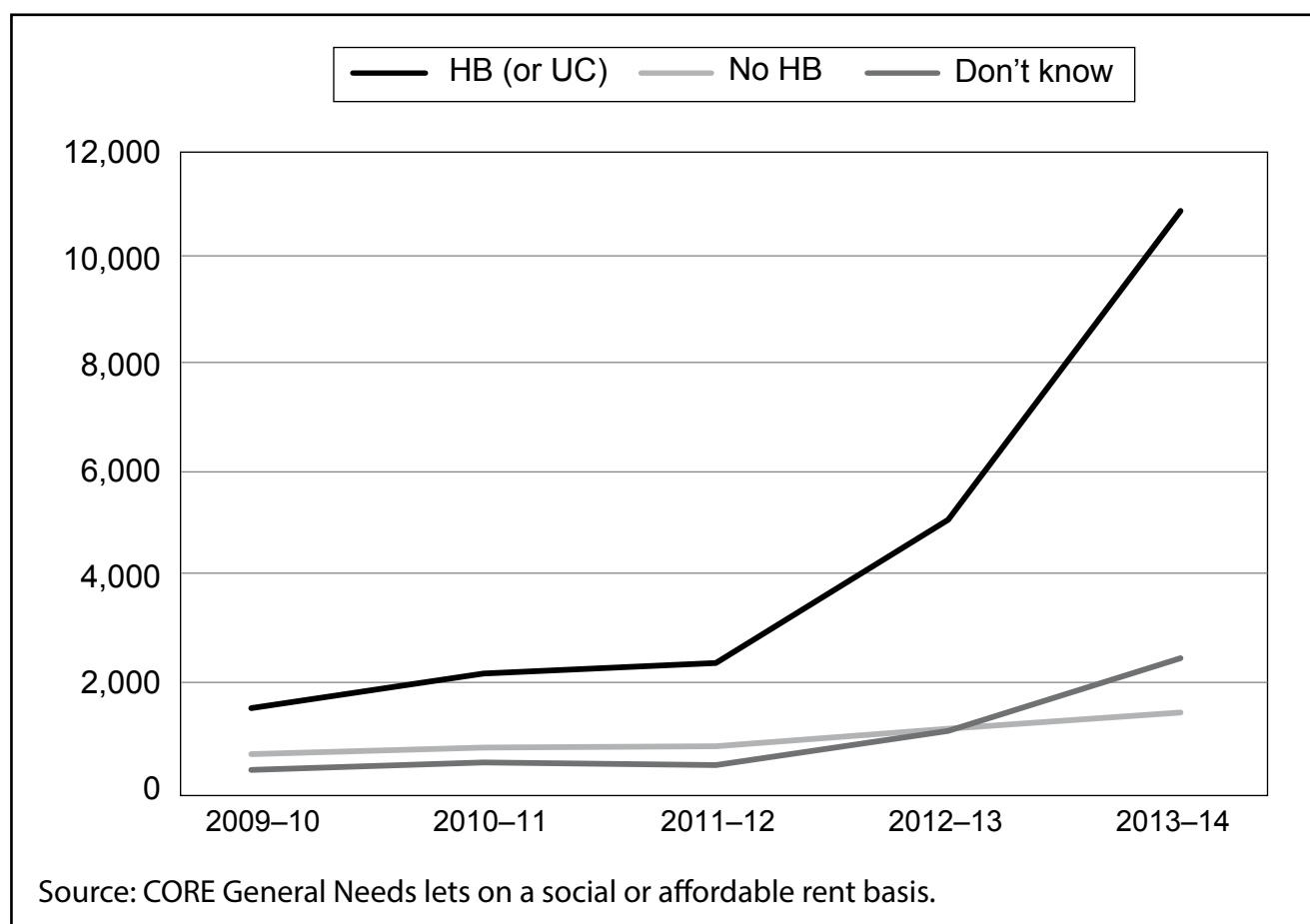
<sup>32</sup> These figures relate just to England. Scottish SCORE data does not record the number of bedrooms.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

It is hard to know from these figures what **proportion** of all tenants who had been affected by the RSRS at any time have downsized, because some of those who did so may have started to be affected after May 2014 and therefore not within the 547,341 known to be affected in May 2013. The figures do, however, suggest that no more than eight per cent of those affected have downsized. This is a small minority of affected tenants, though the previous rate of downsizing recorded in CORE (of all tenants) was only 0.5 per cent downsizing in a year<sup>33</sup>.

Prior to the introduction of the RSRS, downsizing rates within the social sector were very low with only 2,755 moves recorded as being due to downsizing in 2009–10. The research suggests that the RSRS has resulted in a substantial increase in demand for downsizing. Figure 4.3 shows the change in the numbers of new tenancies let to working-age households in England where the reason for moving was under occupation, by whether or not the household was in receipt of HB.

**Figure 4.3 New tenancies issued to working-age households because of under occupation by Housing Benefit status in England<sup>34</sup>**



<sup>33</sup> Derived from the English CORE data for 2012/13 and HCA's data on the size of the sector.

<sup>34</sup> Working-age is defined as where both household head and second adult in the household (if applicable) are aged under 65 for the purposes of this analysis. In 2013–14 households who were in receipt of either HB or UC, but did not know which were recorded as 'don't know'. Prior to 2013–14 UC receipt of UC was rare and was not recorded in CORE.

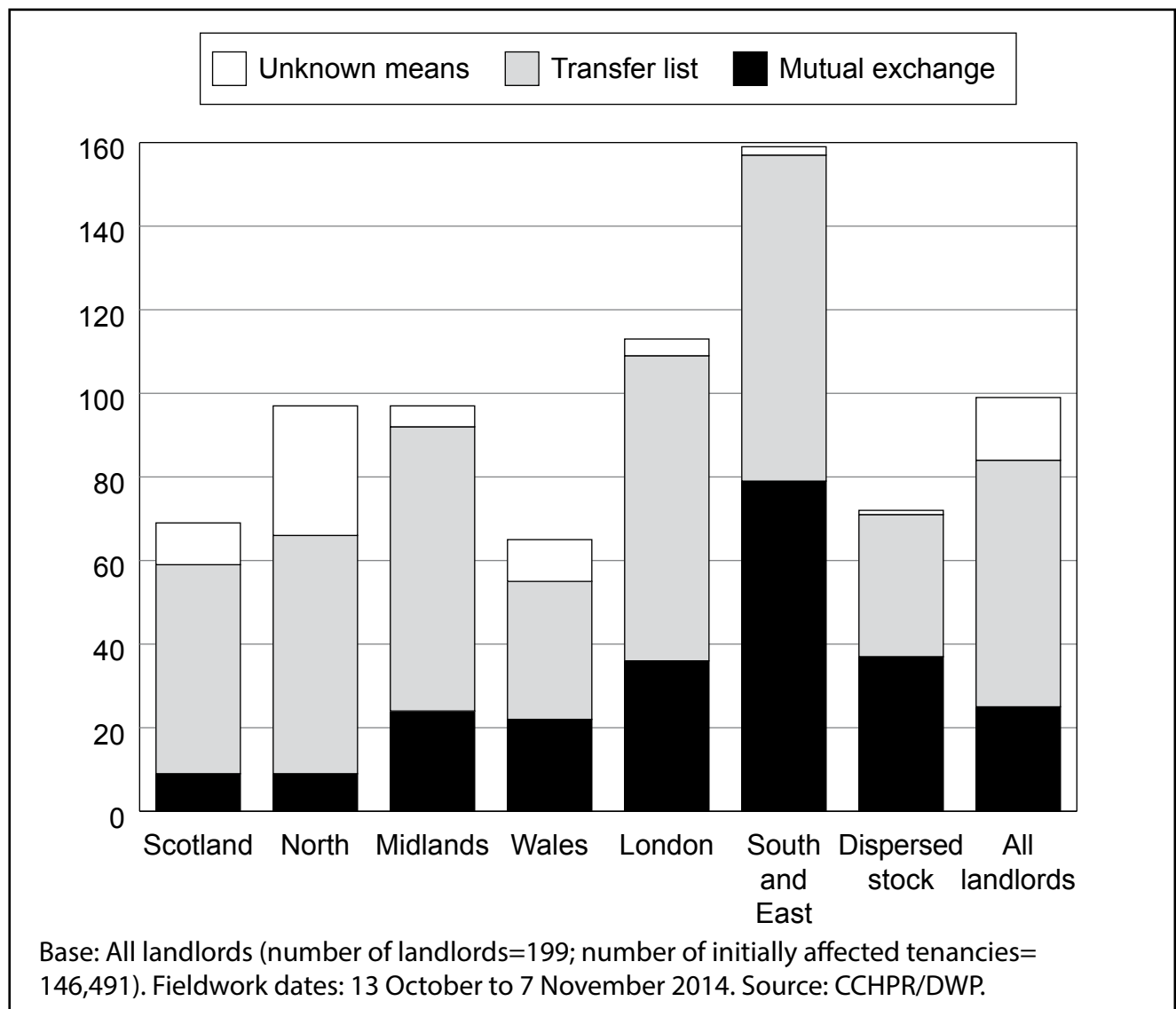
It can be seen that the greatest rise in lettings due to under occupancy have occurred in those in receipt of HB and that there was some increase prior to the introduction of the RSRS in April 2013, but that most moves occurred after this date. The Scottish SCORE data shows a similar rise though of a slightly lower scale from just under 400 lettings a year because of under occupation in 2009–10 and 2010–11 rising to over 1,400 by 2013–14.

As discussed above, these figures do not include tenants who downsized by means of a mutual exchange.

## 4.3.1 Geographical variation in downsizing

Downsizing rates vary by region. Figure 4.4 below shows the numbers known to have downsized, by broad region:

**Figure 4.4 Numbers of downsizers per 1,000 tenancies initially affected, by means of downsizing and broad region where landlords stock is mostly located**



## Evaluation of Removal of the Spare Room Subsidy – Final Report

The landlord survey suggested that affected tenants were more likely to downsize within the social sector if they were living in the south and east of England. This may be because they were, on average, losing a larger proportion of their income because of the RSRS (because their rents were higher) or because their landlords were more willing and able to assist them in moving to a smaller home because overcrowding is more common in the south of England. Downsizing was least common in Wales and Scotland. This may be because of a lack of smaller stock, though the availability of Discretionary Housing Payment (DHP) may also have played a part.

It might have been expected that London claimants would exhibit even higher rates of downsizing (as their rents are higher still, and overcrowding substantially higher in London). However, this does not appear to have happened.

The case studies offered some insight into why this might be. LA staff in both of the London case studies reported that most households affected by the RSRS did not want to move. A family-sized house in London was considered an asset worth holding onto, and some tenants were believed to be able to access financial help from the extended family in order to meet their rental shortfall. One London case study LA reported that they were still offering downsizers £2,000 per room given up, as well as helping them with the bidding process and practicalities of making the move, but had still seen only 30 out of around 2,400 RSRS-affected households downsize by summer 2014. They had, however, seen a much larger fall in the numbers affected (around 600) suggesting that for some at least, other solutions (such as finding work) were more viable solutions to the RSRS than downsizing in London. Though only an indicative finding, the claimant survey found that not a single person still affected by the RSRS living in one of the London case study areas was, by summer 2014, looking to move.

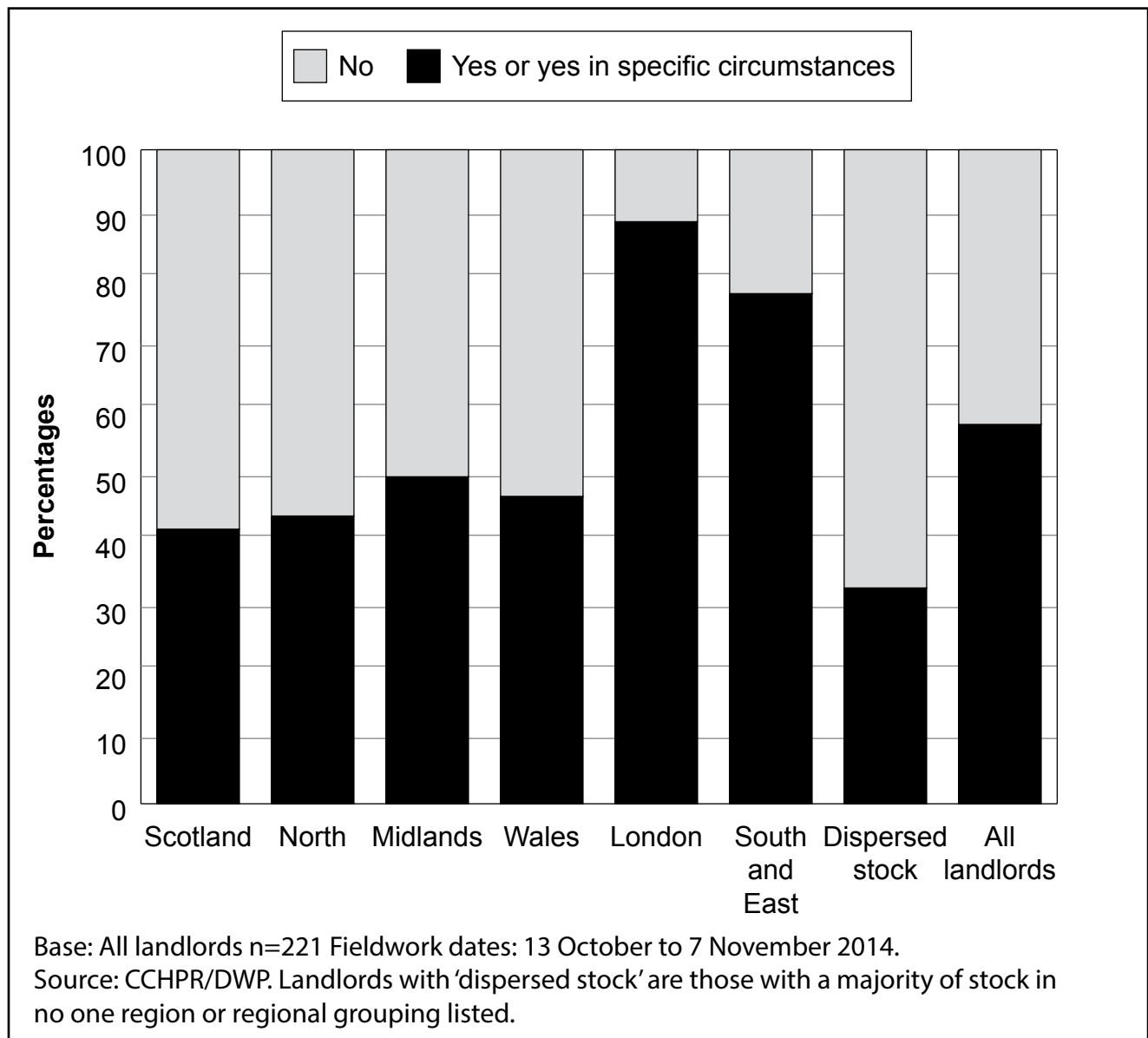
The claimant qualitative interviews in London found that barriers to downsizing were dissimilar to those identified across the rest of the UK (and as described later in detail in section 4.3.4). In London the typical reasons for not wanting to downsize included emotional attachment to the home and wanting continuity in accessing services such as schools. In one case a claimant wanted to downsize, but was prevented by their housing association in doing so because they had arrears.

### 4.3.1 Landlords' role in facilitating downsizing

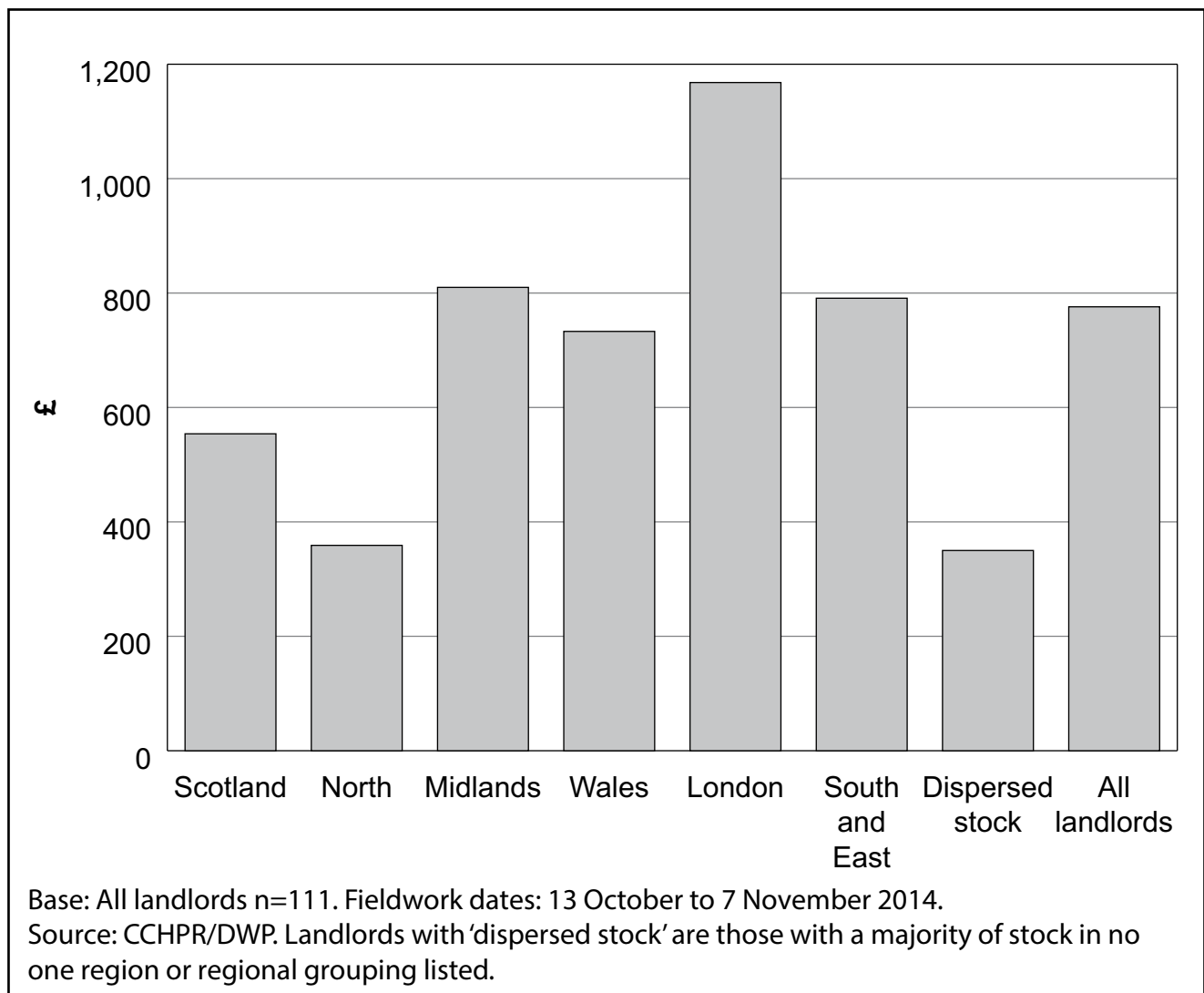
The case studies and landlord survey found that many landlords were putting increased efforts into promoting downsizing as a potential solution for some of those affected by the RSRS. Many landlords said they offer financial incentives to downsizers, which can be used to assist with the costs of moving or to clear rent arrears if necessary. These have been in place for some time in order to incentivise downsizing and free up larger homes for families.

The landlord survey found that 34 per cent of landlords offered financial incentives to downsizers affected by the RSRS and a further 24 per cent said they did in specific circumstances. Often this entailed tying the financial support to the specific costs of the move. Analysis by region showed that there was a strong variation between different parts of the country in the use and the scale of financial incentives (Figure 4.5 and Figure 4.6).

**Figure 4.5 Is there a financial incentive available to your tenants who wish to downsize?**



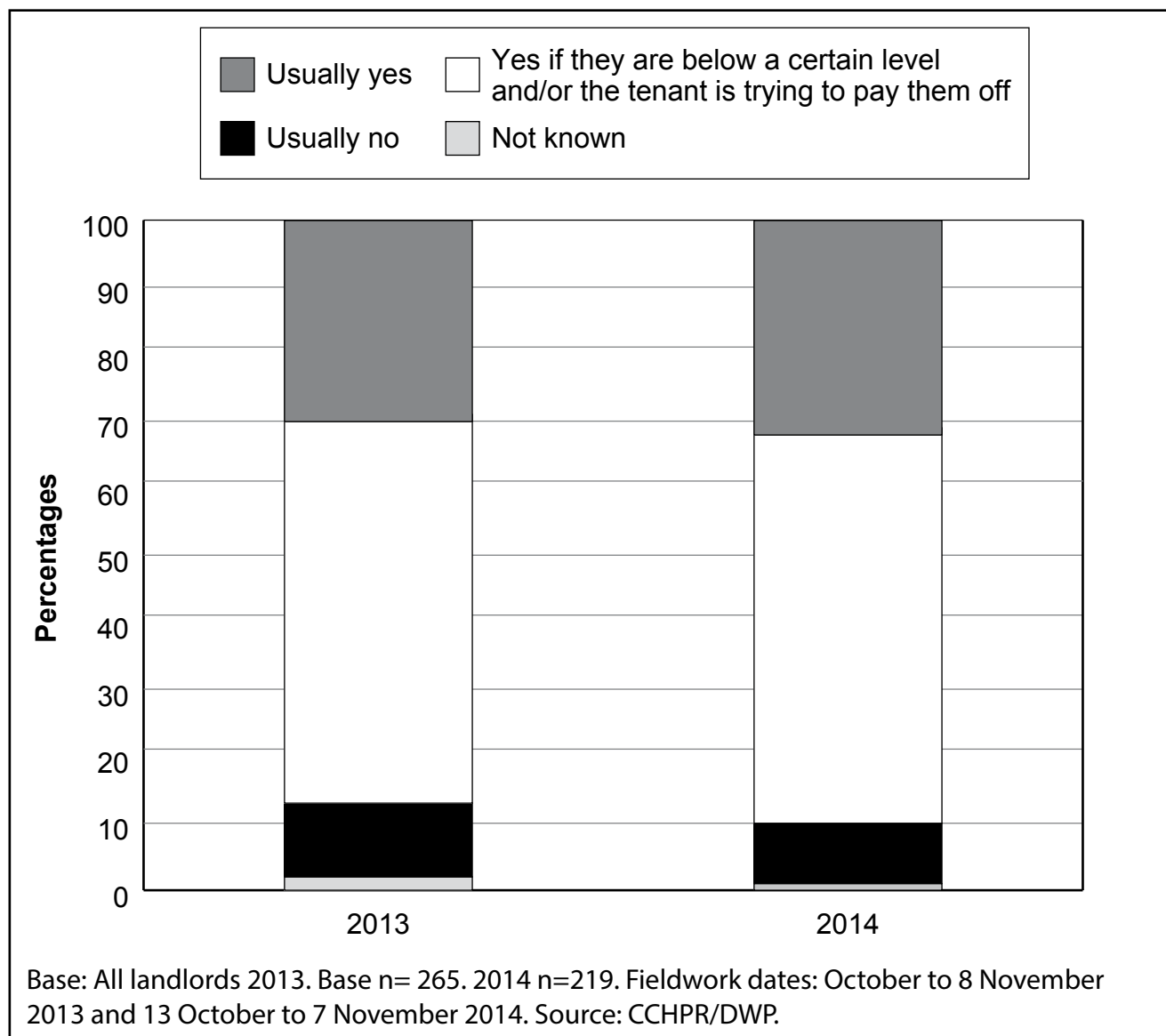
**Figure 4.6 Average size of landlords' typical amount offered to downsizers**



### 4.3.2 Allowing downsizing with rent arrears

Fieldwork in 2013 found that landlords had previously been adverse to tenants moving when they had rent arrears mainly because it is more difficult, legally, to recover the arrears on a previous tenancy. Most were aware that this would create a 'catch 22' situation for those affected by the RSRS whereby they could not afford to repay their arrears whilst they continued to under occupy, but would be prevented from downsizing by their arrears. Many case study landlords had therefore reviewed their policies on downsizing with arrears and allowing it in specific circumstances. The 2014 landlord survey found that there had been little **further** change in the approach of landlords over the last 12 months (Figure 4.7).

**Figure 4.7 Do you allow tenants affected by the RSRS and with arrears to downsize?**



The claimant qualitative interviews included cases where claimants who wanted to move and had arrears were unable to move as their landlord would not allow it. These claimants reported frustrations that they were struggling to pay the rent, but were unable to downsize to something more affordable. They also could not foresee a time when they would have extra money that would allow them to pay back their arrears so that they could move. For example, one claimant was working full time, doing extra shifts when possible and studying part time: she therefore was unable to increase her income so that she could clear her arrears.

### 4.3.3 Demand for downsizing

The landlord survey also asked about the number of tenants who had registered for downsizing. The landlords who were able to provide this data, reported that 17,078 out of their 108,006 currently affected tenants were currently registered for downsizing on their transfer lists – 15.8 per cent. Fewer landlords had figures on the numbers registered for mutual exchanges, but those that did suggested that most tenants seeking mutual exchanges were also registered on transfer lists.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Overall, these figures imply that around 87,000 tenants currently affected by the RSRS in the UK were currently seeking to downsize, a minority of those currently affected, though their number was still larger than the numbers who had successfully downsized by October 2014.

The proportion of tenants registered for downsizing is slightly lower than that found in the 2013 landlord survey. This suggests that whilst some of those who registered have since moved (and were therefore no longer registered, or affected by the RSRS), there was only a modest number of new registrations in the 12 months to October 2014; most of those who were interested in moving had registered early on.

At the overall level and across the **affected cohort** of respondents from the claimant survey there was little change in the proportion looking to move: 17 per cent were looking to move in autumn 2013, rising slightly to 18 per cent in summer 2014.

However, there is a greater degree of variation depending on current status: Of the “still affected” cohort, 16 per cent were looking to move in autumn 2013, rising to 20 per cent in summer 2014. Conversely, a greater proportion of those who were no longer affected were looking to move in autumn 2013 (20 per cent) than summer 2014 (11 per cent). Those in the **comparison group** of claimants who have never been affected were even more likely to be looking to move – an increase from 17 per cent to 25 per cent.

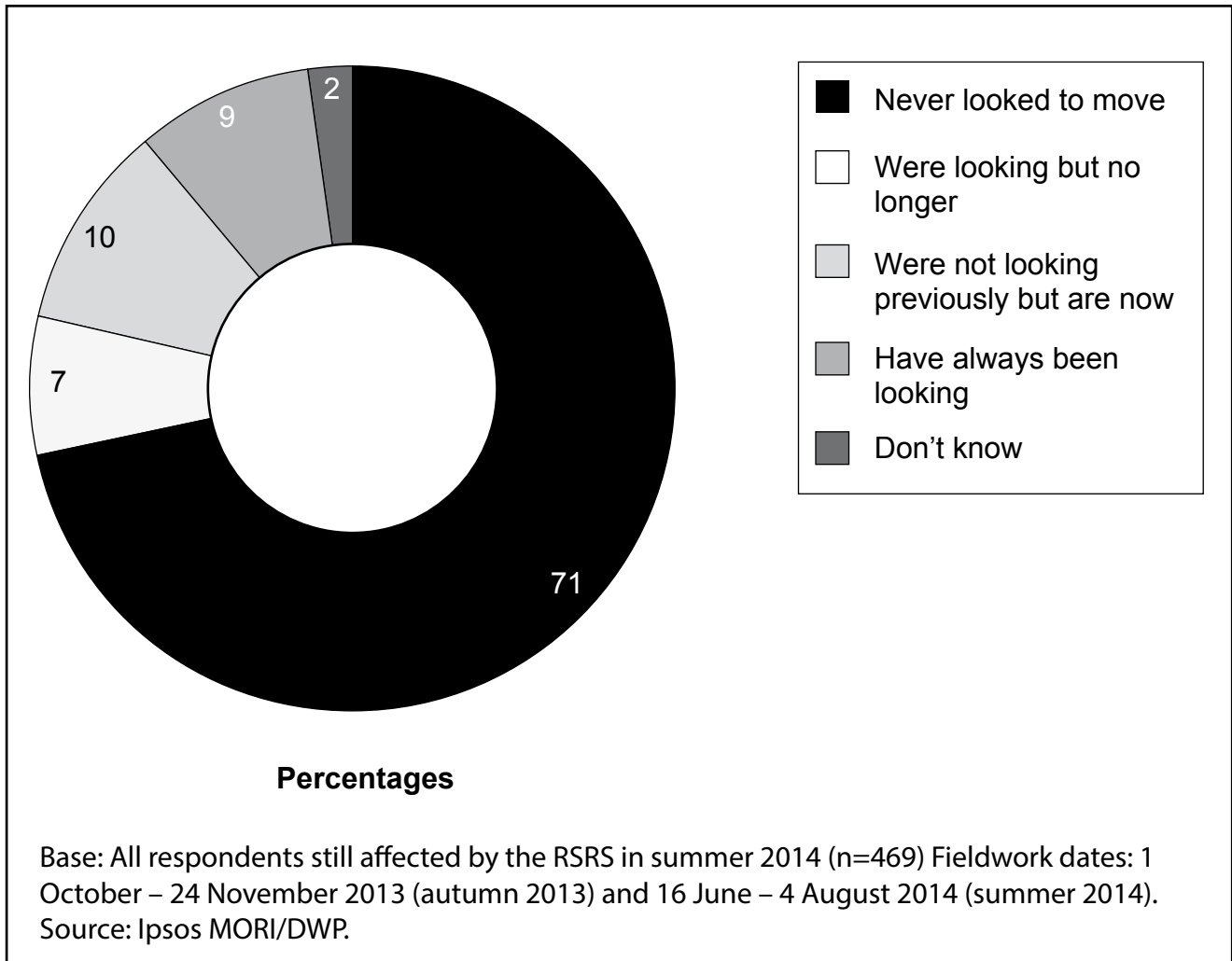
This means that among those **still affected** by the RSRS, more than seven in ten had never considered moving in the period between the two waves of research, as Figure 4.8 shows.

Among those **still affected** who were looking to move, the majority said this was at least partly because of the changes to HB (26 per cent partly and 49 per cent exclusively so), which is broadly in line with findings in autumn 2013.

Those who said they were looking to move were more likely to be looking at properties in the local area than further afield. Among those still affected, 60 per cent said they were looking exclusively in the local area, 17 per cent outside the local area and 20 per cent both inside and outside.



**Figure 4.8 Combined responses in both autumn 2013 and summer 2014 in response to the question: Are you currently looking to move from this accommodation, or not?**



On this evidence, a greater proportion of those looking to move were prepared to consider a move outside their local area. Of this same group, back in autumn 2013, relatively few (eight per cent, or three of the 39 respondents asked this question) said they would consider properties **outside** the local area when asked if they thought they would consider properties inside or outside the local area.

Again looking at those **still affected** (and looking to move), the proportion who said they were registered for mutual exchange was largely unchanged between the two waves of the survey (53 per cent in summer 2014 compared with 51 per cent in autumn 2013). However, the proportion who said they were on a transfer list fell slightly from 70 per cent to 65 per cent between the two waves.

### 4.3.4 Barriers to downsizing

#### A lack of smaller properties

Landlords replying to the survey, case study landlords and LAs said that many claimants affected by the RSRS were unable to move because of a shortage of smaller homes:

*‘There is not much hope of finding a smaller property. They do look, but there is not much there. This week there is one one-bedroom flat available on the CBL [Choice Based Lettings] system, and there are 120 bids on it.’*

*‘The council say to people – “have you tried to downsize?” But people are constantly saying to us that they have no choice, that there are no one-bedroom properties in [this area].’*

(Local advice agencies)

*‘People can’t downsize – generally they want to stay in the same areas, and they bid but don’t get anything. In some areas we just don’t have any two-bedroom homes. And we have very few one-bedroom flats.’*

(Interviews with case study social landlords)

Landlords and LAs emphasised that the difficulties in moving tenants to a smaller home were not as simple as an overall shortage relative to the number of potential downsizers in all areas. In some areas they said they did have smaller homes available to let, but these were not popular with downsizers because they were on unpopular estates or were flats with no gardens. For people with disabilities, the availability of suitable smaller homes was reported to be further limited:

*‘Competition for one-bedroom homes is far too tight. I think they don’t allow people to be rehoused into places that aren’t suitable, which further limits their options – may need adaptations, to be on ground floor, can’t climb stairs.’*

(Interview with local advice agency)

From the LA’s point of view, prioritising downsizers was reported not always to be possible, given the other demands on their housing stock:

*‘There’s a shortage of properties. We have huge demand for ones and twos and they are in competition with homeless people and those moving out from supported housing – they get equal priority with these people. It goes to who’s been waiting longest. We can’t have people wallowing in B&Bs.’*

(Interview with LA housing department)

This was especially the case for downsizers moving from another social landlord –the LA would not necessarily have nomination rights to the vacancy that would be created, or may not have the right sized family available to fill it.

#### Other barriers to downsizing

As well as a shortage of smaller homes, other barriers to downsizing identified by the research included rent arrears and practical difficulties associated with making the move. Landlords were asked in the survey whether they would allow tenants who were in arrears

to downsize. Sixty-nine (32 per cent) reported that they usually would; 59 per cent that they would if they were below a certain level and/or the tenant was trying to pay them off; and 20 (nine per cent) that they usually would not. One respondent did not know.

Some local agency interviewees also emphasised the difficulties for disabled tenants in packing and transporting belongings. They were aware of cases where disabled tenants did not appear to have been given any financial or practical support with this task, and hence were struggling to actually make the move to a smaller home that they had been offered.

Some claimants who were receptive to the idea of downsizing were concerned about the practicalities of it; primarily the financial costs. Claimants were worried about how they would pay for the cost of the move. In some cases they referred to the costs of hiring a removal van, for others this simply meant the costs of paying a friend some money to help them move their belongings.

As found in 2013, claimants were concerned in 2014 about the costs of refitting a new home. This was because claimants believed that they would need to pay for new carpets and other furnishings in a new home. This is due to a common practice in social housing whereby all furnishings are removed at the end of each tenancy. For claimants who had often personally done a large amount of the decorating in their current home this was a worrying cost to think about. There was also concern about how long it would take to get a new home to the condition they would be happy with.

*'The money we have spent to get this home the way it is, no way [would we move]. It's just not going to happen.'*

(Affected claimant, Wales)

Despite figures from the landlord survey suggesting that around half of landlords said there were financial incentives available to at least some RSRS-affected tenants to assist with a move (see above), qualitative research with claimants in 2014 found them unaware of any funding which could help them cover the costs of a move.

Claimants with a disability were concerned that the LA would struggle to provide them with a property that had been suitably adapted to their needs. For example, a claimant with epilepsy was unable to use stairs and doubted a suitable property would be available to her:

*'There's not many bungalows going about ... the only other way of having a house would be if it had a stair lift in it.'*

(Affected claimant)

Further, claimants with disabilities were concerned that if they were moved then they would have to wait a long time before the LA installed the adaptations that they needed.

### 4.3.5 Claimants' reasons for not wanting to downsize

The claimant survey asked all respondents, regardless of whether or not they were looking to move at the time, to choose the most important reason(s) they had for staying in their current accommodation (from a prompted list). Remaining close to family (42 per cent) and liking the local area (32 per cent) were the two reasons mentioned most by the **affected cohort**, as Table 4.5 shows.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

**Table 4.5 Which two or three, if any, of these are the most important reasons you have for staying here instead of moving elsewhere?**

	Affected cohort (n=563)	Still affected (=469)	No longer affected (n=94)	Comparison group (never affected) (n=204)
	%	%	%	%
Want to remain close to family	42	42	45	36
Prefer local area/like living here	32	32	33	30
Always lived here	25	25	24	16
Is a good/friendly neighbourhood	25	24	31	26
Accommodation suits me/wouldn't be able to find same accommodation elsewhere	23	24	18	19
Cost of moving/too expensive to move	19	21	11	8
Want to remain close to services – GP, hospital etc	19	19	17	15
Want to remain close to friends	17	17	16	13
Want to remain close to schools/ good schools	15	14	16	26
Pets are happy here/cannot move due to my pets	6	6	5	3
Worse quality property in other areas	4	4	2	2
Would be too far away from current job/place of work	4	4	6	5
More expensive/higher cost of living in other areas	2	3	1	1
Would consider looking at other non-local areas	1	1	-	1
Worse job opportunities in other areas	*	*	1	1
None of these	6	6	3	8
Other	5	5	6	4
Don't know	-	-	-	-

Base: All respondents in the affected cohort (n=563) and comparison group (n=204). Fieldwork dates: 1 October – 24 November 2013 (autumn 2013) and 16 June – 4 August 2014 (summer 2014). Source: Ipsos MORI/DWP.

Focusing on those still affected, barriers to moving often differed between demographic groups. Those who had lived in their homes for ten years or more were more likely to cite having always lived in their local area as a barrier to moving (38 per cent compared with 25 per cent overall).

Older people aged 55 to 64 were more likely to cite the unavailability of suitable accommodation elsewhere (30 per cent compared with 24 per cent overall), and more likely than younger people aged 25 to 34 to want to remain close to their GP/hospital (23 per cent compared with 10 per cent).

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Families with children aged under 16 living in the household were less likely to mention preferring the local area than adult-only households (23 per cent compared with 35 per cent), but almost half said remaining close to schools/good schools was important (48 per cent), the most important barrier to moving cited by this group.

Typical reasons for not wanting to move identified by the claimant qualitative interviews were emotional attachment to homes, attachment to neighbourhoods and communities, and wanting to remain living nearby to friends and family. Claimants who had lived in their home for many years, there was particular reluctance to consider moving. Nonetheless, some did countenance moving, or were looking to move, for financial reasons:

*'If there's a spare bedroom and I don't need it, I'll move ... I don't want to spent £12 a week just to collect junk in there.'*

(Affected claimant)

A further important reason for not wanting to move was the feeling that the extra room was needed: claimants in this situation did not feel they were 'over occupying'. Their reasons for needing the room included wanting their children to have a room each, needing a spare room to sleep separately from an invalid partner, and wanting a room for adult children or grandchildren to stay in:

*'I can see what they mean by not in use every day but in our house it is ... they don't seem to take into account whether the room's actually in use.'*

(Affected claimant)

Claimants who had two or more children with a substantial age gap between them did not feel it was appropriate for their children to share a room. Others reported concerns about the suitability of room sizes – i.e. that there would be enough room for two beds in a bedroom for children to share. In these cases the parents typically reported they would downsize only if the bedrooms offered were larger so that they could fit two children in one room.

Those who had a family member staying regularly tended to be supporting or caring for adult children or grandchildren. For example, some claimants reported having adult children in unstable relationships who would stay for long periods. The parents in these cases wanted to be able to support their children when needed.

Ill-health or disability of a family member was a further common reason for claimants feeling that the extra bedroom was required. For example, some reported having family members with health problems staying with them regularly so that they could care for them.

It was also the case that not all claimants affected by the RSRS saw a need to downsize. Local advice agencies working in both the Scottish case study areas reported in autumn 2014 that demand for downsizing had now reduced because tenants were feeling relatively secure with their DHP awards and questioned the way in which political changes in Scotland and the UK as a whole might affect the future of the policy.

## 4.4 The impact on overcrowding

### Key findings

- There is no data available on actual rates of overcrowding. This is not collected routinely by any national agency and the English Housing Survey is yet to report 2013–14 data.
- None of the case study areas had any local data on overcrowding. Three had data on the numbers registered for rehousing because of overcrowding. Of these, two had seen an increase in numbers registered, and one had seen a decrease (case studies).
- There was a modest increase in number of lets in social housing because of overcrowding in England, though not in Scotland (CORE/SCORE) between 2012–13 and 2013–14.
- Most LAs and housing associations said that they did not expect to see any benefits of the RSRS in terms of reducing overcrowding and some said that they did not have a problem with overcrowding.

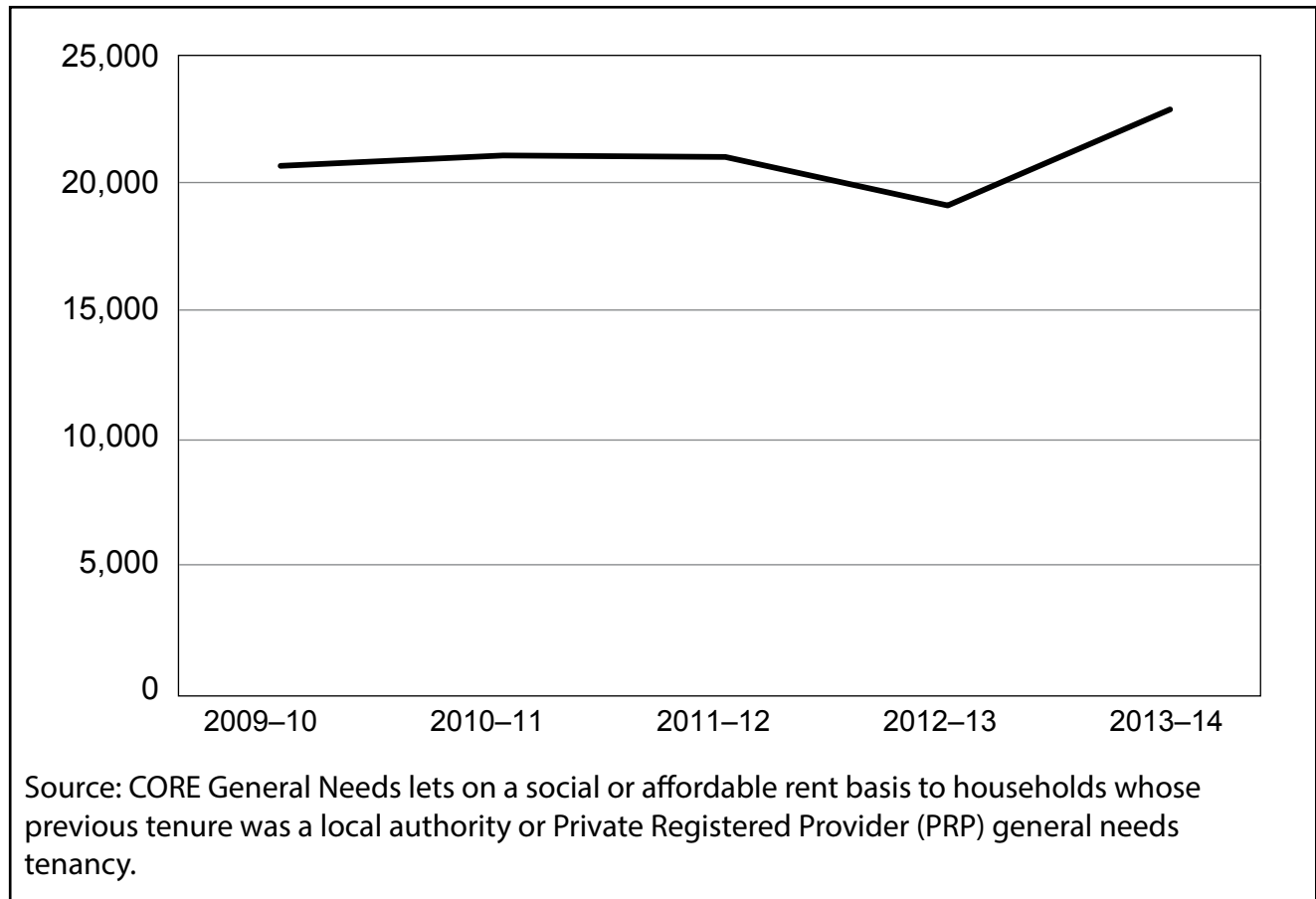
One of the stated aims of the RSRS was to reduce overcrowding and make better use of the social housing stock. This section explores what is known about whether it is meeting these objectives.

Data from Continuous Recording of Sales and Lettings (CORE) suggests that there was a modest increase in 2013–14 in England in the number of moves within social housing where the tenant had left the previous property because of overcrowding. Around 2,000 more households moved because of overcrowding in 2013–14 than had done so in recent years previously (Figure 4.9).

The increase seen in England however was not discernible in the Scottish Continuous Recording of Sales and Lettings (SCORE) data, suggesting it may not have occurred in all areas.

Despite the modest increase in lets to overcrowded households in England, the case study work found that both LAs and housing associations were mostly unaware of any impact that the RSRS might be having on overcrowding. None of the case study landlords or local authorities were able to produce any figures on the number of its tenants who were overcrowded, and most housing associations were not aware how many of their tenants were on the housing register for rehousing because of overcrowding. Respondents were mostly of the view that they did not expect the RSRS to have much impact on overcrowding. Some said that there was very little overcrowding in their stock or that the causes of overcrowding were complex.

**Figure 4.9 Moves within the social sector because of overcrowding in England**



Others said that it simply was not something that was a priority for them or had been given much thought.

Four of the case study authorities had figures on the numbers of overcrowded households who were registered for a move because they were overcrowded for both the current point in time (summer 2014) and before the RSRS came into effect (i.e. spring 2013). Of these, one had changed the way in which they considered whether households were overcrowded during this time period, so the figures could not be compared. Of the other three, two had seen an increase in overcrowded households on the register and one had seen a decrease.

One of the authorities detecting an increase in overcrowding attributed this to most of its overcrowded households being families in one-bedroom flats who were facing increased competition with downsizers (affected by the RSRS) for two-bedroom homes. A second authority thought it was underlying pressure on their housing stock and unrelated to the RSRS while the case study authority who reported a decrease in overcrowding attributed this, in part, to the RSRS.

## 4.5 Changes to demand for social housing

### Key findings

- Data supplied by landlords does not provide evidence of any statistically significant increase in voids (landlord survey).
- There is some evidence of increased turnover since the introduction of the RSRS in England. The increase is most notable for larger property sizes (CORE).
- Case study evidence also found that some landlords have seen increased turnover and resultant costs associated with reletting (case study work).
- 42 per cent of landlords reported difficulties in letting some properties because of the RSRS. There was a strong correlation between the proportion of tenants affected by the RSRS and reporting difficulties in letting homes as a result. Fifty-four per cent of landlords with the highest proportion of tenants affected reported difficulties letting, compared with 13 per cent of those with the lowest proportions. Two-bedroom flats were reported to be most difficult to let (landlord survey).
- Shared housing (two or more unrelated adults sharing a property) has the potential to reduce demand for one-bedroom homes and find occupants for larger homes no longer affordable to families on HB. Only 45 out of 222 landlords (20 per cent) indicated that they already offered this type of housing in 2014. A further 36 (16 per cent) said that they were considering it (landlord survey).
- Landlords cited a range of reasons for not offering shared housing most often relating to anticipated management difficulties or costs, a perceived lack of demand, legal difficulties or a lack of tradition or experience in offering this product (landlord survey).

### 4.5.1 Managing turnover and voids

The case study work found that some landlords were concerned that they had seen an increase in the number of empty properties as a result of the RSRS, though figures on voids suggest no measurable increase.

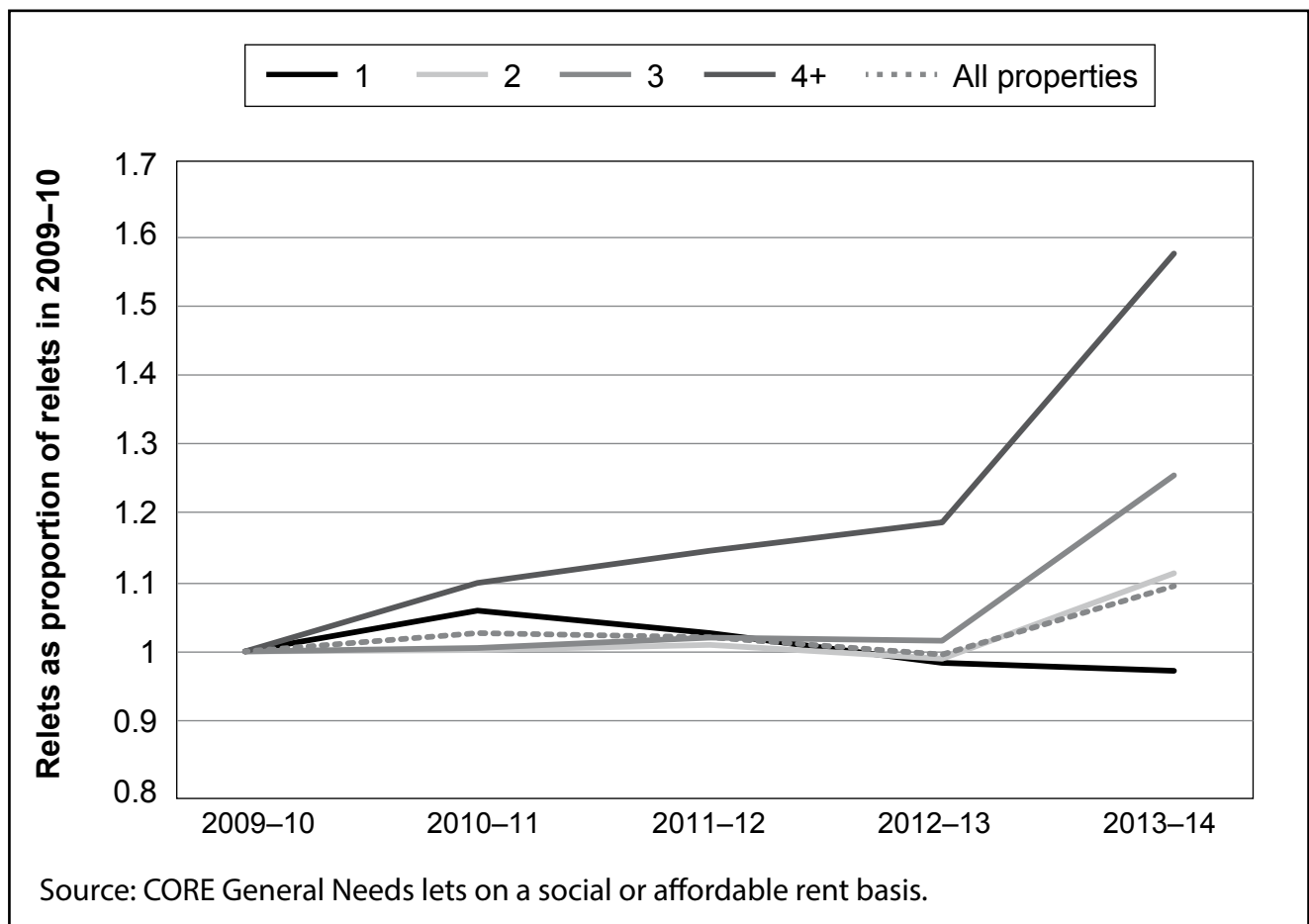
There are two possible ways in which the RSRS might affect the number of properties empty at any one time. The first, an increase in mobility within the sector, and in and out of social housing, is likely to result in an increase in empty properties as landlords take time to relet a property. Tenants moving by mutual exchange avoid this issue.

The other issue relates to possible difficulties in letting housing that is no longer affordable to people on the housing register. As discussed above, landlords have responded to the RSRS by allocating with a tighter 'fit' between the size of households and the number of bedrooms in the homes they are allocated leaving a shortage of potential tenants for larger homes in some lower demand areas.

Looking first at turnover rates, analysis of CORE data suggests that there was an increase in relets in 2013–14, especially for larger property sizes (Figure 4.10). There was an increase of nearly 60 per cent in the number of relets of four-bedroom properties between 2009–10 and 2013–14. We cannot be certain of the reasons for this, but it is possible that the increased priority given to downsizers (see Section 4.2), and increased incentive for people to downsize (to avoid the RSRS) could have contributed to the increased turnover of larger homes.



**Figure 4.10 Relets of social housing in England (i.e. lets excluding new build) 2013–14 by number of bedrooms**



The SCORE data cannot be used to find comparable data for Scotland because it does not record the number of bedrooms in the properties let.

Increasing turnover of social housing stock is an inevitable consequence if the RSRS were to meet one of its aims of making better use of the social housing stock, though it does impact on the resources of social landlords who lose rental income for the void period. Case study landlords also reported additional costs in carrying out repairs that tended to come to light when a tenancy ended.

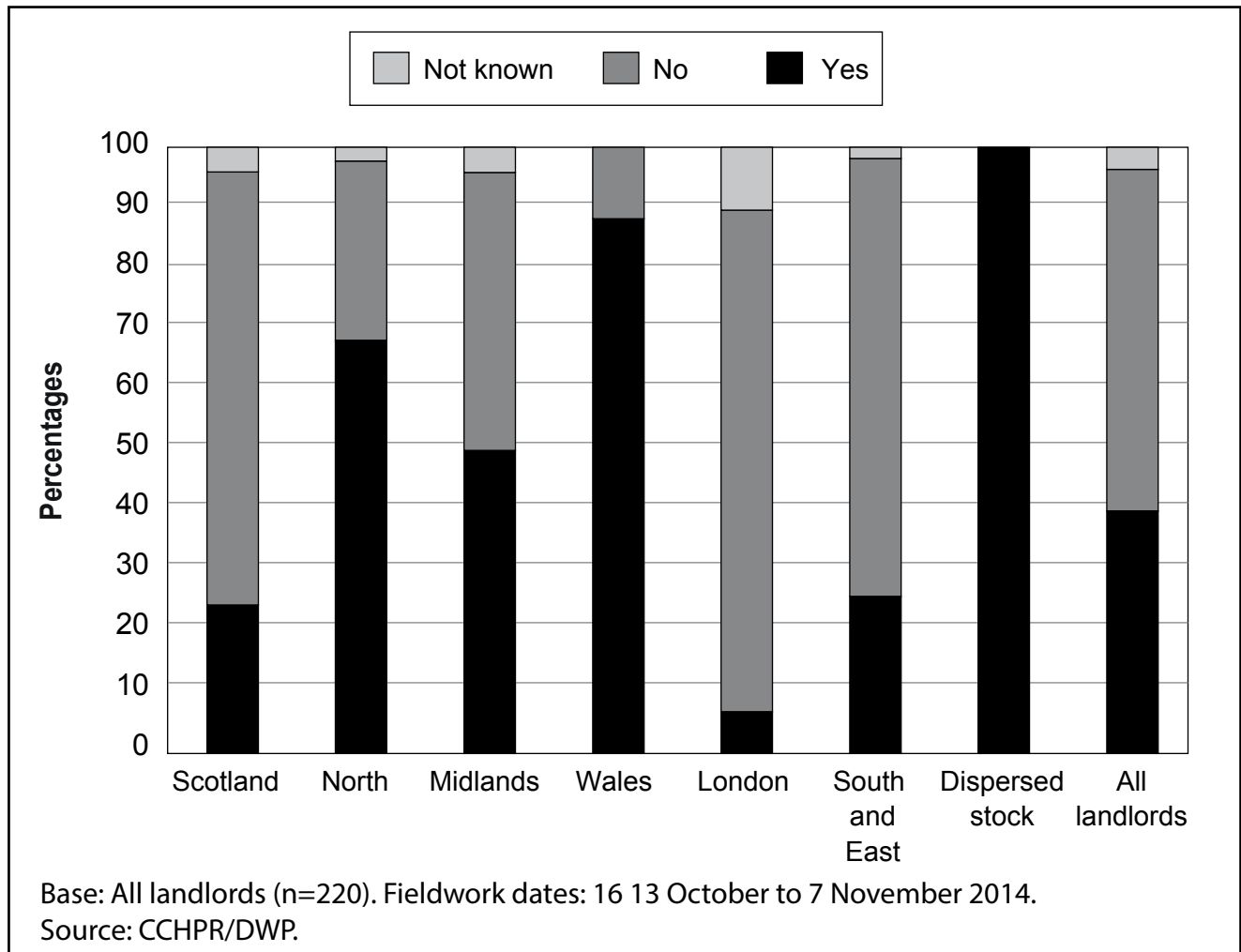
The landlord survey asked whether landlords were experiencing any difficulties in letting properties as a result of the RSRS. A total of 42 per cent of landlords reported that they had experienced difficulties, a very similar rate to that found in the 2013 survey of 41 per cent<sup>35</sup>. This was strongly correlated with the proportion of tenants affected by the RSRS ( $r^2 = -0.248$ ; statistical significance at the 0.01 level): 54 per cent of landlords with the highest proportion of tenants affected reported difficulties in letting properties, as compared with only 13 per cent of those with the lowest proportion affected. There was also a strong regional dimension with only two among 29 landlords whose stock was mostly in London experiencing any difficulties as a result of the RSRS.

<sup>35</sup> The question in the 2013 survey asked about difficulties in letting relating to either the RSRS or the Benefit Cap.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

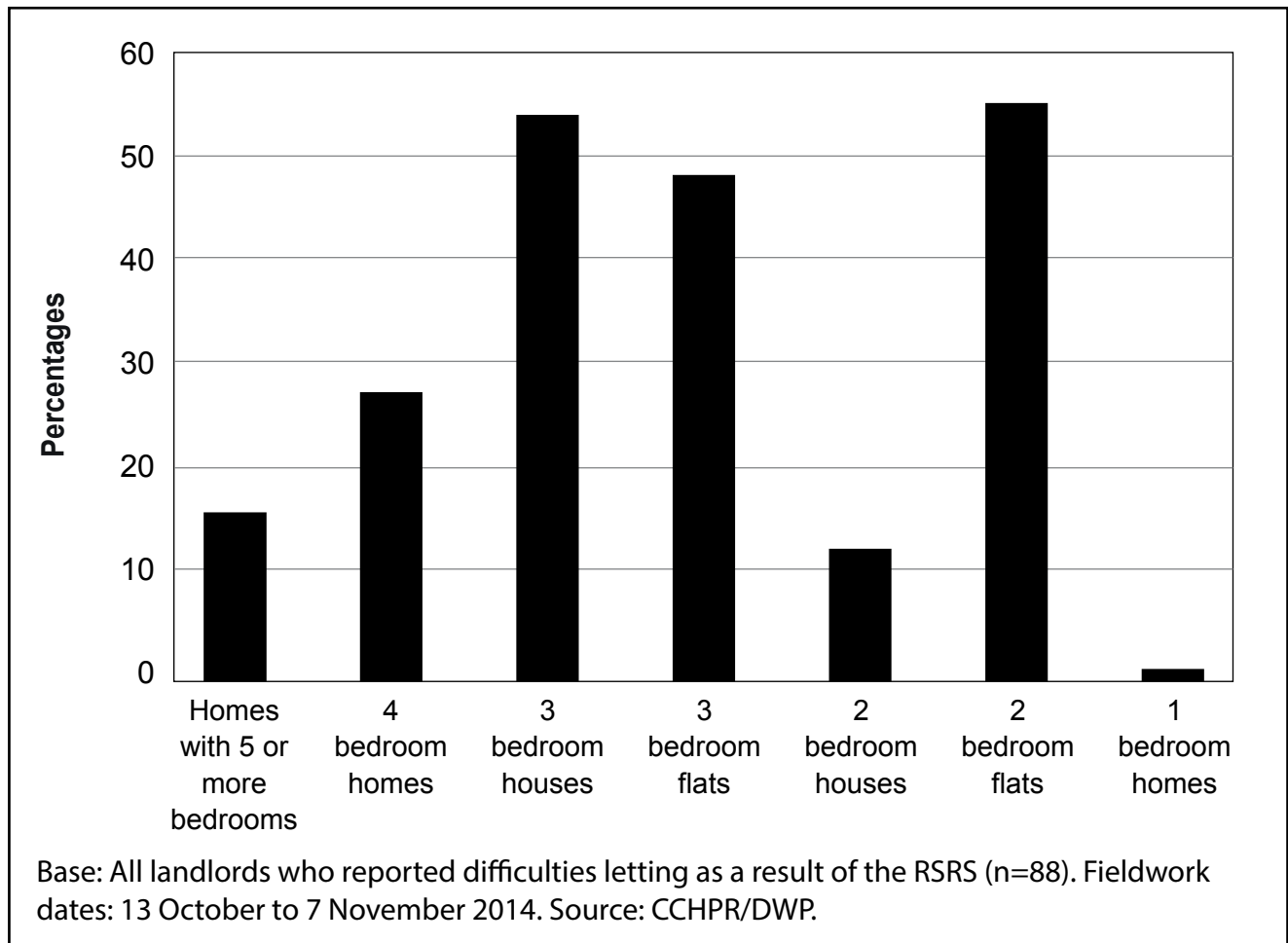
This compared with 30 out of 44 in the north of England, 15 out of 17 in Wales and all three of those with the majority of their stock in no one country/region (Figure 4.11).

**Figure 4.11 Have you experienced any difficulties in letting properties as a result of the RSRS?**



The increased difficulties in these areas could reflect both the higher proportion of tenants affected by the RSRS in these areas, and/or the lower demand for housing in these areas. The 88 landlords who reported difficulties were asked which types and sizes of property the difficulties related to (Figure 4.12).

**Figure 4.12 Proportion of landlords reporting difficulties letting as a result of RSRS or Benefit Cap who were experiencing difficulties with each size and type of property**



Case study landlords explained some of the reasons behind the difficulties: Three-bedroom houses comprised a very large proportion of the housing stock for some landlords. These had traditionally been let to families with one to three children, but now only those with three children or two children over ten and of opposite sexes could fully occupy these houses; the majority of housing applicants had smaller households. Two-bedroom high rise flats were often considered unsuitable for families, especially if they had no lifts or gardens and hence many had traditionally been let to single people or couples without children. Tighter allocation standards brought in to prevent under occupancy, and an inability of tenants on HB to afford larger homes than they technically required were both reported to have resulted in a lack of demand for these property types.

Landlords were asked for their void figures for 31 March 2013 and for 31 March 2014 for comparison. Table 4.6 shows the data provided by landlords who were able to supply both figures.

**Table 4.6** Void figures supplied by landlords

	31 March 2013	31 March 2014
Number of properties void	23,279	23,997
Stock owned by landlords providing figures for both years <sup>1</sup>	1,491,803	
Proportion of stock void	1.56%	1.61%

Base: All landlords (n=191). Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

<sup>1</sup> Landlords were only asked for their current stock size. It is possible that their stock size in 2013 may be slightly different though the size of the social rented sector overall has changes very little in the space of one year.

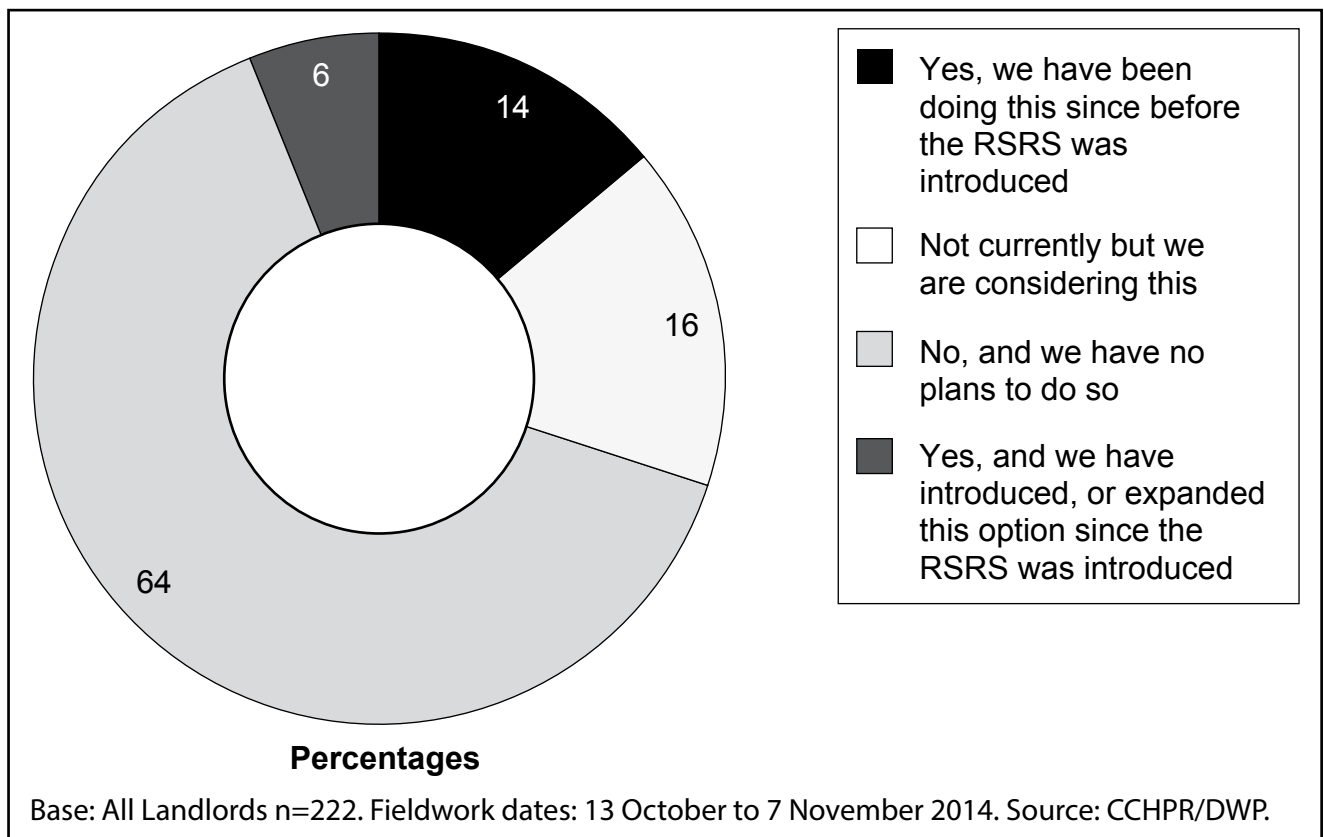
The difference between the two figures is small and not statistically significant. This suggests that although some landlords reported being concerned about increased difficulties in letting stock, there was not overall a demonstrable increase in vacant stock overall.

### 4.5.2 Shared housing

One way of improving the balance between supply and demand of different sizes of property is to let some properties to groups of non-related adults to share. Such practice is common in the private rented sector, but less so in the social sector. It can be achieved either by allowing groups of friends to apply together as a potential household (who would then take on one tenancy as joint tenants), or by offering separate tenancies on the bedrooms of larger homes, where the tenants have shared use of the kitchen and bathroom.

The 2013 fieldwork found that some landlords were already considering this, although others feared it would be harder to manage such stock. The 2014 landlord survey therefore asked all landlords whether they offered shared housing to groups of unrelated adults (Figure 4.13).

**Figure 4.13 Do you offer shared housing (i.e. groups of unrelated adults/sharing a house)?**



As can be seen in Figure 4.6, the majority of social landlords did not offer shared housing and have no plans to do so. Only 45 out of 222 landlords (20 per cent) indicated that they already offered this type of housing, though a further 36 (16 per cent) said that they were considering it. There appeared to be no correlation between landlord type, region, or extent of the impact of the RSRS on whether or not landlords offered shared housing.

The survey asked those landlords that did their reasons for offering shared housing (Table 4.7).

**Table 4.7 Reasons for offering shared housing**

Reason	Number citing each reason
There is newly emerging need/demand for shared housing	14
There has always been demand for shared housing	8
Hard to let larger homes without using shared housing	6
Good use of stock	2
Tenants in shared housing offer mutual support to each other	1

Base: All landlords who do offer shared housing (n=45). Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Landlords who were offering shared housing most often, stated that there was a newly emerging demand and need for shared housing, or that they were struggling to let their larger homes otherwise since the introduction of the RSRS:

*‘There is a shortage of single person’s accommodation especially for younger people. As a former stock transfer, a large percentage of our stock is traditional three-bedroom family houses which are proving more difficult to let due to the RSRS.’*

*‘It is difficult to let properties and a there is a shortage of single person accommodation.’*

(Social landlords replying to survey)

*‘It was also clear that for many this was a new area of activity, and they were proceeding with some caution, wanting to be sure that there would be demand for such housing before rolling anything out on a larger scale.’*

*‘We have started to convert certain larger properties in high demand areas into shared accommodation. This is a new venture so careful monitoring will follow each one before a decision is made as to whether this is something we would roll out further.’*

*‘Historically there has not been a need to offer shared housing. We have started to explore this as a housing option that will be available.’*

(Social landlords replying to survey)

Landlords who were not offering shared housing had a range of reasons for not doing so (Table 4.8).

**Table 4.8 Reasons for not offering shared housing**

Reasons	Number citing each reason
Anticipated management difficulties or costs	32
No demand for shared housing	28
Legal difficulties	12
Not thought about it/no tradition of providing this	11
Need larger properties to house families	10
Stock is unsuitable for conversion to shared housing	8
It is not appropriate as long term housing	6
The LA discourages it	3
We lack skills to manage it	2

Base: All landlords who do not offer shared housing (n=177). Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

Most reasons for not offering shared housing were pragmatic – a lack of demand or increased management costs or difficulties – though very few landlords answering the survey indicated that these concerns were based on actual experience of offering shared housing. A smaller number were also opposed in principle; they considered it to be an outdated model and not what their tenants should be expected to accept as a long-term housing option. Others admitted it was just not something they had ever given much thought to:

*'It's not something we've really given much thought to, but maybe we should. We don't really think much demand but to be fair, we haven't tried.'*

(Social landlords replying to survey)

Several explained that they would issue a joint tenancy if a group of friends applied to them as a potential household, but that they did not want to become involved in managing properties being shared by people who hadn't actively chosen to live together:

*'Our experience of people sharing has not been great. They tend to fall out. We've had a few come though from the looked after children route and social workers have put them together and it's gone wrong.'*

(Social landlord replying to survey)

Others felt that the nature of their stock did not lend itself well to sharing:

*'Unless you've designed something specifically for sharing it doesn't really work very well. If a property has two different sizes of bedroom you've got an immediate tension there ... Our historic design standard has been to build properties with one double and multiple single rooms – on the basis that most children prefer single rooms. That kind of accommodation doesn't lend itself to sharing.'*

(Social landlord replying to survey)

Most case study landlords said that, despite the RSRS, they could still let their larger properties to families and that these were their priority.

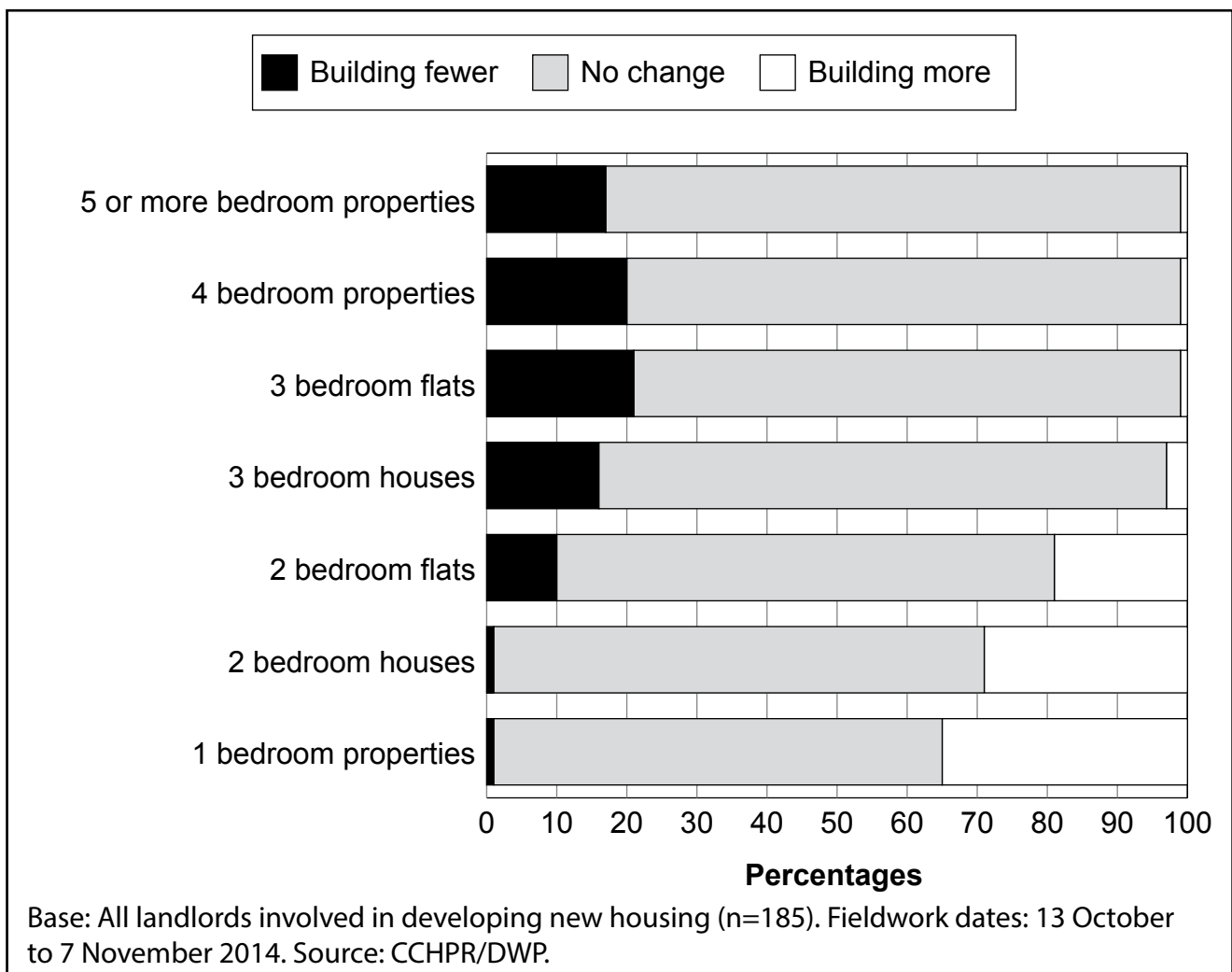
## 4.6 Changes to development plans

### Key findings

- Around half (51 per cent) of developing landlords said they have altered their build plans as result of the RSRS, up from a third in 2013. They were building more one-bedroom homes and fewer larger ones.
- Some were concerned about the future of the policy at the time of the fieldwork and hence were reluctant to alter their stock profile (landlord survey).

There has been a substantial change in the relative demand for different sizes of homes as a result of the RSRS. Eighty-two per cent of landlords surveyed reported that they were involved in developing new housing. Of these, around 51 per cent reported that they had already amended the profile of dwellings that they will build in response to the RSRS, an increase from around one in three in the 2013 survey. The main impact was a reduction in the number of homes with three or more bedrooms and an increase in one-bedroom properties being built (Figure 4.14).

**Figure 4.14 Ways in which landlords report having altered their development plans as a result of the RSRS**



As can be seen, landlords were most likely to report building fewer larger homes, and were instead building more one and two-bedroom homes. Case study landlords who were altering their stock profile to build more smaller homes nevertheless explained that they were still seeking to build a mixture of different sizes on most developments. They felt that building a high density of one-bedroom homes could bring management problems.

Only one case study landlord mentioned that they had been seeking to buy up existing one-bedroom properties on the open market and they had now ceased this activity amidst concerns that they were pricing out first time buyers.

Other case study landlords reported that they had not made any changes to their development programmes. Many felt that there was still a need for larger homes. There was also a feeling in some areas that the longevity of the RSRS was uncertain and that building smaller homes would therefore be short-sighted in terms of meeting longer term requirements.



## 4.7 Financing future development of social housing

### Key findings

- Lenders concerns were more focused on the wider package of welfare reforms and Universal Credit system rather than RSRS specifically.
- Lenders generally felt housing associations had responded well to RSRS and have put resources in place.
- There were no defaults or signs of imminent default reported.
- The RSRS was not thought to have impacted on the pricing of loans made to the housing association sector.
- Lenders had not sought to influence housing associations' practices on rent collection or evictions and did not intend to do so (consultation with lenders).

The research interviewed the major lenders to the housing association sector to establish whether the RSRS had any impact on their lending practices. All the lenders who took part in the research had lent to the housing association sector to fund development, with portfolios ranging from one billion to many billions.

For all respondents, the RSRS clearly featured in their discussions with housing association clients and in the deliberations of their own committees who make decisions over credit. Lenders very much considered the impact of the RSRS as part of the wider package of welfare reforms, including the roll out of UC.

There was a desire to understand the impact of the RSRS on tenants, associations and hence the risk profile of the sector. There was no suggestion yet that the RSRS had impacted unduly negatively on the overall approach to lending to the sector. Lenders were aware that most associations had increased the resources devoted to rent collection in response to the RSRS and had developed stronger relationships with their tenants.

Lenders were asked how well they thought their housing association clients had estimated the likely impact of the RSRS. There were differing views on this. Three of the eight lenders suggested that most associations had over-estimated the negative impact of RSRS, or been over-cautious. The others suggested the estimation was more prudent or well balanced. Either way, lenders were of the view that associations had put in place the right resources and actions to mitigate the impact.

Generally, lenders felt that the RSRS had not affected the bids they assessed for financing new development. Lenders had noted the shift towards building smaller units and there was some concern that too many one-bedroomed homes may be built in some areas.

Lenders reported that none of their borrower landlords had defaulted on their loans and there were no worrying signs of imminent default and lenders were generally of the view this was unlikely in the future. It was felt that welfare reform in general and RSRS, in particular, were unlikely to be the sole drivers of default and lenders had therefore not carried out any major reviews of their plans around this possibility. It was thought that operational costs for associations would rise along with arrears and voids as a result of the RSRS, but that this was unlikely to be on such a scale as to trigger defaults from associations.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Lenders had been in regular discussion with the Homes and Communities Agency and the impact of welfare reforms was one of the items under continuing review.

Most lenders were aware of DHP, saw it as helpful, but noted the huge variations in use and management across areas. DHP was also felt to be masking the underlying pressures and the full implications of the RSRS to date.

The RSRS was not seen to have impacted on loan pricing to date and was considered unlikely to do so in the future, at least not in any way that could be quantified. None of the lenders were aware of any housing associations having sought to renegotiate the loan covenants in response to the RSRS.

Lenders were asked whether any default could be managed through the moratorium arrangements put in place by the regulator (the Homes and Communities Agency) under the Housing and Regeneration Act 2008 for dealing with insolvency. As there had been only one recent case of a near insolvency at the time of the research lenders had limited opportunity to see how these arrangements operated in practice. They did, however, point out that the regulator's capacity to act is one of the factors already taken into account when deciding to lend.

Lenders said that they were not involved in decisions to change practices such as requiring tenants to pay an upfront deposit, increasing the proportion of lets to working households, evicting more swiftly or using mandatory possession grounds more often. Lenders felt that it was for the borrower to determine the actions required to reduce arrears through their boards and senior management.

For the most part, lenders remained comfortable with the current situation and that though they were watching the situation carefully and monitoring borrowers, nothing to date has made them change their appetite to lend. It is clear they feel associations were managing the situation and that so far at least the impacts had been controllable.

Associations were acknowledged for their capacity to manage their way through the challenges posed by welfare reform, despite a view that some may have been overly cautious and modelled initially on worst case scenarios which were never likely to arise. It was also acknowledged that it is still in a sense early days in terms of the impact of the RSRS. Lenders were still commenting on their borrowers' capacity much more than on the tenants' ability to cope with welfare reform, which may have an impact further down the line.

### 4.8 Rent collection and arrears

#### Key findings

- There was no significant change in levels of arrears held by social landlords between 2013 and 2014 (landlord survey).
- 40 per cent of still affected claimants said they were currently in arrears in 2014, a slight fall from 47 per cent in 2013 (claimant survey).

The 2013 fieldwork found that landlords were initially keeping a very close eye on the impact of the RSRS on arrears. By 2014, however, it was becoming more difficult to quantify the scale of the impact because many tenants had moved in and out of being affected by the RSRS. Nevertheless, overall arrears figures were usually available (Table 4.9)

**Table 4.9 Total arrears held by landlords**

Date	Total arrears	As percentage of rent due (median)
31 March 2013	£209,681,691	2.9%
31 March 2014	£215,113,142	3.0%
On the most comparable recent date <sup>1</sup>	£247,022,111	3.1%

Base: Total arrears held by all landlords who were able to supply full figures for all three dates (n=174). Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

<sup>1</sup> Respondents were instructed: 'Please give the figure for as recent a date as possible that can best be compared to 31 March, bearing in mind your rent collection cycle and Housing Benefit payment dates'. They were then asked what date they had used. The median date given was 30 September 2014.

This suggests that there was no statistically significant change in levels of arrears between 31 March 2013 and 31 March 2014.

The landlord survey asked about policies for managing arrears arising from the RSRS. In total, 46 landlords (21 per cent) reported that they offered their usual support and would evict as usual if this failed; 152 (69 per cent) that they offered support that went substantially above the usual level, but would then evict as usual if this failed; 19 (nine per cent) that they would not evict tenants who were working with them; one landlord that they would not evict certain groups of tenants, and one that they would not evict any tenants affected by the RSRS. The answers to this question were very similar to those found in the 2013 survey.

## 4.9 Evictions and homelessness

### Key findings

- The research found no discernible increase in evictions arising from the RSRS at the time of the autumn 2014 fieldwork.
- Landlords reported having applied for possession on five per cent of RSRS-affected tenancies, though less than a tenth of this number have actually been evicted (landlord survey)
- Case study work suggested most evictions by November 2014 had been of tenants with pre-existing arrears and/or who had not engaged with their landlord (case studies).
- Tenants with arrears arising solely as a result of the RSRS were in most cases being supported and encouraged to pay, or helped with the use of DHP (case studies).
- Three-quarters of court cases for RSRS-affected tenants by autumn 2014 had resulted in suspended possession orders being issued (landlord survey).
- The evidence suggests that the RSRS had not, by summer 2014, had a substantial impact on homelessness services (case studies).
- The RSRS was reported to have had some impact on homeless households seeking to move on from temporary accommodation as it was now quicker to move families due to larger properties being freed up by downsizers, but conversely harder for singles who were now competing with more households, including downsizers, for one-bedroom properties.

### 4.9.1 Evictions

Landlords were also asked in the survey about eviction proceedings. Overall, they reported that 34 per cent of tenants affected by the RSRS had been issued with a formal warning letter and 19 per cent had been issued with a notice of intention to seek possession. Smaller numbers had proceeded further than this (Table 4.10):

**Table 4.10 Taking action against arrears. Of tenants affected by the RSRS:**

Stage	Number of tenants	Proportion of all RSRS-affected tenants
For how many tenancies have you applied for possession?	3,891	5.1%
How many tenants have had court cases heard?	3,596	4.8%
How many tenants have been issued with a suspended possession order?	2,047	2.7%
How many tenants have been issued with a possession order (not suspended)?	425	0.6%
How many tenants have been evicted?	356	n/a <sup>1</sup>

Base: RSRS-affected tenants of all landlords who were able to supply data for all parts of this question (number of landlords = 122; number of tenants = 75,621) Fieldwork dates: 13 October to 7 November 2014. Source: CCHPR/DWP.

<sup>1</sup> The number of tenants evicted cannot be given as a proportion of affected tenancies because tenants who have been evicted would usually no longer be affected by the RSRS.

The total number evicted by autumn 2014 (18 months into the RSRS) stood at 356, just 4.7 tenants per 1,000 currently affected tenancies. In contrast, overall rates of eviction from social housing (for all reasons) were around 4.4 tenants per 1,000 tenancies in 2013–14 (SDR, 2013–14). The research therefore found no discernible increase in evictions arising from the RSRS. It should, however, be cautioned that the research found that even 18 months into the RSRS, the policy was still relatively new, and that the timescales for evicting non-payers were long. The number of tenants who had not paid any of their RSRS shortfall was very much higher than the number evicted to date and landlords were clear that they could not let tenants arrears continue to rise indefinitely.

Case study landlords suggested that the majority of tenants affected by the RSRS who had been evicted had been so as a result of both pre-existing arrears and arrears incurred since the introduction of the RSRS. Tenants with arrears arising solely as a result of the RSRS were in most cases being supported and encouraged to pay, or helped with the use of DHP. Landlords reported relatively few tenants with no pre-existing arrears who had failed to engage or to pay and most were still (in summer 2014) working out what to do with such cases.

The larger problem for landlords lay in supporting tenants with who were struggling to maintain payments to clear both pre-existing arrears and also to pay the RSRS shortfall:

*‘The majority are given suspended possession orders. But there is a cycle of debt leading to a breach of court orders and then they still can’t afford the rent so it results in eviction.’*

(Interviews with case study social landlord)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

As mentioned earlier, 37 respondents from the claimant survey could not be contacted to take part in the summer 2014 (wave two) survey because they had moved to a new address. As such, caution should be exercised when interpreting results around arrears and evictions.

Claimants were typically less likely to report being in arrears by summer 2014 than they were in autumn 2013, as Table 4.11 shows:

**Table 4.11 Can I please check, are you currently up to date with the rent you owe, or are you in arrears?**

	In arrears (autumn 2013) %	In arrears (summer 2014) %	Diff (+/-)
Still affected (=469)	47	40	-7
No longer affected (n=94)	49	27	-22
All affected (n=563)	47	38	-9
Comparison group (never affected) (n=204)	21	19	-2

Base: All respondents in the affected cohort and comparison group. Fieldwork dates: 1 October – 24 November 2013 (autumn 2013) and 16 June – 4 August 2014 (summer 2014). Source: Ipsos MORI/DWP.

There is, however, some evidence of a degree of movement between autumn 2013 and summer 2014 with regard to arrears status. As Table 4.12 shows, the status in relation to arrears of around three in ten of those still affected had changed between the 2013 and 2014 waves.

**Table 4.12 Combined responses in both autumn 2013 and summer 2014 in response to the question: Can I please check, are you currently up to date with the rent you owe, or are you in arrears?**

Autumn 2013 status	Summer 2014 status	%
Up to date	Up to date	42
In Arrears	In arrears	30
In Arrears	Up to date	17
Up to date	In Arrears	10

Base: All respondents in the affected cohort (n=563) Fieldwork dates: 1 October – 24 November 2013 (autumn 2013) and 16 June – 4 August 2014 (summer 2014). Source: Ipsos MORI/DWP. Figures rebased to exclude 'don't know' responses.

The claimant survey also established the frequency with which claimants reported being in arrears at various stages before and after the RSRS came into effect on 1 April 2013. Those in the **affected cohort** reported falling into arrears more frequently after becoming affected, but were typically less frequently in arrears by summer 2014 than they were in autumn 2013. As Table 4.13 shows, this is largely because those who were no longer affected were less frequently in arrears after becoming unaffected.

**Table 4.13 Claimants' self-reported frequency of being in arrears at various points before/since becoming affected by the RSRS**

	Before RSRS/ April 1 2013 %	Since 1 April 2013 (up to autumn 2013) %	Between autumn 2013 and summer 2014 %	Still affected only (Between autumn 2013 and summer 2014) (n=469) %	No longer affected only (Between autumn 2013 and summer 2014) (n=94) %
All/most of the time	7	32	25	27	15
Sometimes/occasionally	23	30	30	30	32
Never	70	38	44	43	53

Base: All respondents in the affected cohort (n=563) Fieldwork dates: 1 October – 24 November 2013 (autumn 2013) and 16 June – 4 August 2014 (summer 2014). Source: Ipsos MORI/DWP.

Claimants in the qualitative interviews who had built up arrears typically had landlords who were flexible about payment and allowed them to pay their rent late although they were typically unsure as to how long such an arrangement would be tolerated by their landlord.

## 4.9.2 Homelessness services

The evidence from the case study areas suggested that the RSRS had not, by summer 2014, had a substantial impact on homelessness services. LAs reported that any tenants evicted for failing to pay the RSRS shortfall who were deemed to be unable to afford it would not be considered unintentionally homeless, but in practice these households would usually be eligible for DHP and would be assisted to apply for this, thus preventing their homelessness. Those who had been evicted were reported to be largely households who had pre-existing arrears as well as those arising from the RSRS, and to have failed to engage with the support offered. Consequently, they were considered by LA homelessness departments to be intentionally homeless forfeiting any automatic right to be housed.

Local advice agencies who worked with households who were evicted reported that most looked for accommodation in the private rented sector, though struggled to find anything affordable, or found that private landlords were unwilling to accept tenants with a history of rent arrears. Some registered for social housing, but also faced restrictions relating to their arrears. For instance, one authority would only allow past tenants with arrears to bid for social housing once they had made 13 consecutive payments of their arrears to their past landlord. Anecdotally, some were known to have moved in with other family members.

The RSRS was reported to have had some impact on homeless households seeking to move on from temporary accommodation. It was reported that it was now quicker to move families on from temporary accommodation, because there were larger properties being freed up by downsizers. However, it was harder for single people, or couples without children, to move on because they faced increased competition for one-bedroom properties. In some areas these problems were reported to be compounded by a shortage of shared accommodation suitable for people aged under 35 in the private sector, causing an increase in homelessness in this age group and further difficulties in finding permanent housing for single homeless people.

## **Evaluation of Removal of the Spare Room Subsidy – Final Report**

There were also problems reported in some lower demand areas of homeless households being placed in social rented temporary accommodation that was too large for them and therefore left them affected by the RSRS. The rent on temporary accommodation is often high (even in the social sector), meaning that there could be a considerable shortfall.

## 5 The impact on voluntary organisations, advice and support services

This chapter explores the impact of the Removal of the Spare Room Subsidy (RSRS) on local advice and support services. A total of 47 local agencies were interviewed across the ten case study areas including Social Services (Children's Services), the Citizens Advice Bureau (CAB), Job Centres and local voluntary organisations during 2013. The 20 most key agencies were interviewed again in summer 2014.

### Key findings

- Most agencies reported an increase in demand for their services from 2013, but the RSRS was one of several reasons for this and it was not possible to clarify what specific impact it had, that might not be attributable to other welfare reforms and other economic changes (case studies).
- Some CABs had seen an initial influx of RSRS concerns in 2013 but reported that by summer 2014 this had reduced. Cases with more complex financial difficulties had remained a part of their caseload, with arrears resulting from the RSRS often part of a bigger picture of debts (case studies).
- Most people struggling with RSRS and seeking help from agencies were reported to have other debts and difficulties too, such as mental health issues. Agencies were concerned about the cumulative impact of welfare reform, especially the RSRS and Council Tax liability (case studies).
- Jobcentre Plus staff reported that they usually referred people to the local authority (LA) for housing issues. They generally offered their usual support and assistance to those affected by the RSRS, dependent on the work-seeking requirements for their other benefits. None reported having seen any increase in clients' job-seeking efforts as result of the RSRS, though some thought that this may increase when Discretionary Housing Payment (DHP) awards ended (case studies).

### 5.1 Overall impact

Many agencies reported an increase in demand for their services since April 2013. However, they did not always think it was just because of the RSRS, as other welfare reforms had also affected demand. Many agencies also highlighted that a lot of the people they saw who were in financial difficulties or facing eviction often had a complex set of problems of which the RSRS was only one part and it was therefore hard to attribute the extent of the RSRS in contributing to their workload:

*'The bedroom tax is a massive issue, but it's not an isolated problem. It's very rare that a client will come with just that issue ... It's all financial. The great majority of our clients are being hit by the welfare reforms ... Some people are getting depressed as a secondary effect of the stress and anxiety of debt and having to choose between paying rent, or eating or heating your house. People are overwhelmed with all the debts that they have.'*



## Evaluation of Removal of the Spare Room Subsidy – Final Report

*'Almost all face multiple problems but debt issue is usually the immediate reason for coming forward.'*

*'The changes to council tax support has had a massive effect in [this area], particularly young single people. It's the cumulative impact of the changes – and the amount that people are expected to pay has gone up. Fourteen per cent of your rent [because of the RSRS] and some council tax is a lot of money to be finding on a weekly basis.'*

*'Mental health runs through almost everything and is clearly worsened by stresses related to welfare payments.'*

(Interviews with local advice agencies)

By 2014, most agencies reported that they were coping with the demands of the RSRS as part of their wider workload. In most areas CABs were the agency that dealt often with people affected by the RSRS. Some reported that they had seen an initial influx of people affected by the RSRS seeking help in understanding how they would be affected or how they might respond. More lately the numbers coming for this reason alone had dropped off:

*'When we last spoke [autumn 2013] there had been a spike but now we see people affected by the bedroom tax less often. It is a lot to do with people understanding the situation and trying to fix it themselves. They are no longer hiding their heads in the sand.'*

*'It is less of a shock to people now. They know they need to find this money. Those people have come to understand what it's about, so there's not so many people coming to us needing DHP applications. Now it has decreased.'*

*'The bedroom tax was quite hectic when it first came out but it seems to have calmed down a bit, people have got used to it and to budgeting to pay the extra.'*

(Interviews with local advice agencies)

However, the CABs continued to see large numbers of clients who were struggling with debts and coping on very low incomes and said that the RSRS was a part of this picture. The CABs also continued to assist many households with DHP applications and reapplications throughout the time.

Some CABs were now working more closely with social landlord money advice teams and with LA Housing Benefit (HB) teams especially relating to DHP applications. Some felt that the RSRS had added considerably to their workload, though they were not able to put figures on the extent of this increase. Others (in Scotland and Wales) said that after the initial difficulties most of their clients were now being assisted with DHP and the demands on their services from RSRS-affected claimants had now decreased.

A few local agencies (one Jobcentre Plus, one CAB and one local charity) reported that they had received additional funding from the Department for Work and Pensions (DWP) or from their LA specifically to undertake new projects with those affected by the RSRS.

Jobcentre Plus staff in general felt that they did not have the expertise to assist with housing issues. They would generally refer those affected by the RSRS to the LA housing department if they were seeking to downsize. Otherwise they would offer the usual support and assistance with job seeking, depending on the type of benefit the client was receiving.

## 5.2 Increasing work incentives

Jobcentre Plus staff did not report a significant increase in demands for their services and felt that the impact of the RSRS had not been as high as they might have expected. Jobcentre Plus staff interviewed were not aware that the RSRS appeared to have increased the incentives on their clients to find work. They did however offer “better off in work” calculations, which would factor in the impact of the RSRS:

*‘The RSRS hasn’t been such a big issue as expected, probably because of DHP.’*

*‘[The impact] is less than originally thought. People want to stay in their own home, understandably, and many were only affected by a small amount – £5 a week – so they managed to pay. Rents are quite low here ... Last year people were in denial – now everyone knows about it and knows where to go for help.’*

(Interviews with local Jobcentre Plus staff)

However, several of the Jobcentre Plus interviewees said that they expected this to change once DHP awards ran out and claimants needed to find a longer term solution.

## 6 Conclusions

This evaluation has explored the impact of the first 20 months of operation of the Removal of the Spare Room Subsidy (RSRS) from April 2013 until November 2014. It examined the preparation, delivery and implementation of the policy changes by local authorities (LAs) and social landlords. It has also explored the extent of increased mobility within the social housing sector leading to more effective use of the housing stock, and the extent to which, as a result of the RSRS, more people are in work, working increased hours or earning increased incomes.

### 6.1 Implementation

The preparatory work needed to identify tenants who would be affected was effective and the reduction in Housing Benefit (HB) was successfully brought into effect. By autumn 2014, systems for identifying which tenants were affected were well-developed with most LAs and landlords working well together to identify and support affected tenants.

Landlords were trying to support affected claimants to pay and to balance the roles of rent collector and support-worker. They were concerned about the costs to them as landlords in supporting tenants, collecting rent and covering costs related to voids.

Many landlords were concerned that a loss in rental income could reduce their ability to develop new housing in the future, however, there was no significant change in levels of arrears held by landlords and the RSRS does not appear to have affected their relationship with their lenders, who did not believe that default on loans is likely.

Concerns around large scale reclassification of properties, or landlords knocking down walls to avoid the effects of the measure appear to have been largely unfounded; such activities have been very small scale.

Discretionary Housing Payments (DHP) have undoubtedly helped to alleviate the difficulties of some of the most vulnerable groups affected by RSRS, though this funding is by its nature short term and offers tenants little certainty over their future. LAs initially found it hard to predict the demands on this fund and were therefore cautious in allocating it at first. By 2014 they were better able to manage the demands on the fund, though they were concerned about the long-term prospects for tenants in receipt of DHP, most of whom had been unable to find a solution to their difficulties by the time of this research.

Some efforts had been made to introduce conditions on the receipt of DHP but mechanisms for policing and ensuring compliance were not well developed, in relation to renewal of awards. Claimants' knowledge of DHP increased a little by 2014 but some tenants were not aware of DHPs, or reported little understanding of eligibility criteria. There is wide variation in practice between areas, as might be expected from the discretionary nature of the funding but was a source of frustration and some confusion to landlords who were trying to support affected tenants in their applications to a variety of LAs.

## 6.2 The response of claimants

Claimants' responses to the reduction in their HB have been mixed. Twenty per cent of affected claimants said they have looked to earn more through employment-related income as a result of the RSRS, rising to 63 per cent of those who said they were unemployed and seeking work. However, their success has been limited. Five per cent of claimants who were affected by the RSRS in 2013 said they had found work by the following year, and three per cent had lost a job. Around half of those who did find work ceased to be affected by the RSRS, with the others remaining affected because their earnings were insufficient to remove them from claiming HB. This suggests that effects related to the use of the housing stock were more significant than employment-related effects.

Social landlords and LAs reported a variety of schemes seeking to help people into work, though had little data on the success of such schemes on tenants affected by the RSRS. The Jobcentre Plus staff interviewed had not seen any increased work-seeking behaviours by affected claimants, though thought this might increase when DHP awards ended.

Six months into the policy landlords reported that around a fifth had paid none of their rental shortfall, but by autumn 2014 this had fallen to one in ten. Around half had, by autumn 2014, paid in full. Those who were still affected and paying some of their shortfall were not doing so without difficulty, 78 per cent reported that they often ran out of money by the end of the week or month (compared to 69 per cent of those no longer affected by the RSRS).

Among those still affected, claimants had paid the rent by: using up savings; borrowing from family or friends or accruing debt (claimant qualitative interviews), although we do not know whether they have a history of borrowing for other purposes. Eighteen months into the RSRS, only very small numbers of RSRS-affected claimants had been evicted<sup>36</sup>. The most common way that still affected claimants had responded to the RSRS was by cutting expenditure and paying the shortfall. Arrears were lower than some landlords had feared<sup>37</sup>, though the impact on household finances was not easy for many claimants to absorb, with some using less sustainable strategies in order to pay their rent.

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<sup>36</sup> It should be cautioned here that the timescales of building up arrears resulting from the RSRS and then proceeding through the court system are slow and that at the time this research took place landlords were well aware that the much larger number of claimants who were not paying their shortfall could not be allowed to remain indefinitely and that the long-term outcome for them was still uncertain at the time of the research.

<sup>37</sup> Overall 55 per cent of tenants affected by the RSRS were in arrears in autumn 2014, though 43 per cent had been in arrears in March 2013 (prior to the introduction of the RSRS) (landlord survey).

## 6.3 Mobility and changing use of the housing stock

One of the aims of the RSRS was to increase mobility within the social housing sector leading to more effective use of the housing stock with households in more suitable sized accommodation, reducing waiting lists for social housing. Overall, the research estimated that around 24,000 RSRS-affected households had downsized within social housing by autumn 2013, rising to approximately 45,000 by autumn 2014 (with 471,887 households still being affected by the RSRS). Larger numbers were registered for moves than had managed to move by autumn 2014. Most claimants affected by the RSRS initially had said that they did not want to move and this remained the case in 2014. Reasons included proximity to family, schools, work and support services.

This number of moves has nevertheless – in housing management terms – produced a considerable increase in downsizing within social housing, albeit from a very low base of fewer than 0.5 per cent of tenants downsizing each year. The available evidence also suggests that there was some increase in overall mobility within social housing (at least in England) with increased number of relets of larger homes and a small increase in the number of overcrowded tenants rehoused. There are, however, no data available on overcrowding rates across the entire social rented sector.

A small minority of affected claimants were actively looking to move. In 2013, around one in five affected claimants were trying to move, and the proportion in 2014 was similar. Claimants and landlords both reported widely that there was an insufficient supply of smaller properties for downsizers to move to, especially those requiring just one bedroom.

Moves into the private rented sector have remained low in number and tenants were largely reluctant to move to the private rented sector because of affordability concerns and the difficulty in finding a deposit.

Landlords were concerned about difficulties in letting homes, especially larger homes and two-bedroom flats, which were now unaffordable for many tenants on HB. Some were letting to lower need groups, or advertising more widely. However, overall void levels in the social rented sector appear steady.

The RSRS has encouraged many landlords and LAs to realign their allocation policies to ensure where possible that tenants do not under occupy their properties. However the imbalance of supply and demand for different sizes of properties means that most are unable to ensure a precise match between the number of bedrooms required and what is available and many new lets are still made to people who under occupy, despite an increase in the proportion of lets to families.

In many areas major restructuring of the housing stock – such as selling off or remodelling larger homes, or letting homes as shared houses – would be needed to address this imbalance in supply and demand. This research found little evidence of these kinds of activities. Although around half of landlords have altered the profile of new stock being built most remain very cautious about offering shared housing, citing concerns about management difficulties or costs, or a lack of skills and tradition in providing such housing. Without such activities the imbalance between the size of the stock and the size of households seeking it is likely to remain.

# Appendix A

## Claimant survey methods

### Claimants' survey – technical note

#### **Technical information: Survey of Housing Benefit claimants both affected and not affected by the Removal of the Spare Room Subsidy**

The following section outlines the approach taken in each of the two waves of the claimant survey (wave 1 in autumn 2013 and wave 2 in summer 2014). The claimant survey was a longitudinal study, with interviewers returning to the same respondents to examine how things had changed (according to what they think has changed and by comparing their responses at the two waves). This differs from a cross-sectional study in which two matched but separate samples are built and compared to detect changes, and weighting is applied (if necessary) to be sure that any differences are 'real' and not simply the product of variation in the samples.

Consequently, the first wave involved interviewing a sample of Housing Benefit claimants in 15 case study areas, using the May 2013 Single Housing Benefit Extract (SHBE) as a sampling frame. The sampling frame for the second wave was derived from wave 1 respondents who agreed to be re-contacted, and the analysis and approach for each wave differed accordingly, outlined in the below.

### Sampling

#### **Wave 1: summer 2013 survey**

The sampling frame used for the Stage 1 survey of claimants was the May 2013 SHBE August extract. The Primary Sampling Unit (PSU) was postal sector.

In accordance with the data security conventions and protocols established for this particular project (and more generally for projects delivered by Ipsos MORI on behalf of the Department for Work and Pensions (DWP)), the Department sent Ipsos MORI an encrypted data file containing anonymised data for SHBE claimants across the 15 case study areas. This included a unique ID, local authority name, full postcode and 11 sampling variables. The file also contained a flag for those known to be affected by the RSRS at the point of extract, and those known not to be affected at that time.

There were five subsequent steps to sample selection:

**Stage 1 involved** generating PSU-level data, selecting sample points and then selecting specific claimants for the opt-out stage. Specifically:

- PSU-level data files were produced allowing generation of penetration levels for key variables including 'affected'/'not affected'.
- Six PSUs (or combinations of postal sectors) were selected for each case study area. The six were selected to provide a sufficient number of cases to draw a sample from allowing for DWP exclusions, the likely extent of opt-out and taking into account the interview

length, assumptions about response rates etc. **Selection was designed to generate viable blocks of addresses for interviewers** and took account of the following (in order of importance): the overall number of claimants, the number of affected and non-affected claimants, the geographical spread and other variables including property type, household size and age.

- All cases (claimants) within each PSU were included.

Stage two involved sending a list of unique IDs for all the selected cases to DWP. DWP then provided secure sample files containing unique IDs, name and address, and local authority name for each case. In accordance with data security requirements, Ipsos MORI deleted initial Stage one sample variables except the affected/non-affected claimant flag.

Stage three involved adding in other sampling variables and selecting claimant cases. Specifically:

- Frequency tables for each case study area were produced showing: the ID for each PSU, the postal sector(s), the total number of Housing Benefit (HB) claimants in each PSU, the total number (and percentage of the whole) of 'affected' and 'non-affected' claimants in each PSU.
- Six PSUs were selected per case study area; five primary and one reserve units. Selection was based on same criteria as at Stage 1.
- Where possible 165 cases were randomly selected within each PSU in proportion to the overall 70/30 target of 'affected' and 'non-affected' claimants. This meant selecting 115 'affected' and 50 'non-affected' claimants per PSU using a fixed interval 'one in n'<sup>38</sup> approach where there were more than 115 or 50 or selecting all of them if there were fewer than 115 or 50 available.

Stage four involved creating a list of selected claimant names and addresses then mail-merging this with the agreed opt-out letter (supplied in the Appendices which follow). A Welsh language version letter was used where necessary. The letter informed recipients of the survey and provided them with the option of opting-out via telephone, email or letter.

Stage five involved removing all opt-outs from the selected sample. Once the sample was finalised, address lists were then generated and issued to interviewers in advance of the telephone briefings run by Ipsos MORI researchers and the start of fieldwork.

### Wave 2: summer 2014 survey

In wave 2, the sample frame was the 1,391 respondents who completed the wave 1 survey and who gave their consent to be re-contacted for a follow-up survey in 2014.

### Panel maintenance

As interviews with wave two respondents took place between eight and ten months after wave one, a 'keeping in touch' exercise was conducted in order to maintain contact with the panel of wave two respondents and retain their interest in the survey. The keeping in touch exercise was designed to:

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<sup>38</sup> This is done by listing claimant records randomly in each PSU and selecting the nth record proportionately across the full list to select 115 'affected' and 50 'non-affected' records respectively.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- thank claimants for their involvement in the research project to date;
- remind claimants that we would be trying to contact them again between June and July 2014 as discussed (and agreed) at the first interview; and
- ensure that the contact details (address and telephone numbers) held for claimants remained valid so that interviewers could make contact with them in wave two.

In April 2014, respondents who had consented to taking part in subsequent research were sent a letter to this effect, and were invited to let Ipsos MORI know if any of their contact details had changed (or were likely to change in the period before wave two fieldwork began).

### Fieldwork

A total of 15 areas were selected for the purposes of undertaking primary survey research among HB claimants in the social rented sector. These covered England (13 areas), Scotland and Wales (one area each). These areas were chosen to ensure a range of housing market circumstances, region, tenure mix, type, and size of local authority throughout Britain. A mixture of stock-owning and non-stock owning, rural and urban, and unitary and two tier authorities were included. In order to encourage frank and open discussion, the case study authorities have not been identified in this report.

A breakdown of the areas chosen and interviews completed in each area (per wave) is as follows:

**Table A.1 Target and actual interviews by case study area**

Case study area	Wave 1 Target	Wave 1			Wave 2		
		Total	Affected	Non-affected	Total	Affected	Non-affected
East	100	100	64	36	63	41	22
East Midlands	100	98	77	21	73	55	18
London 1	100	100	67	33	65	47	18
London 2	100	100	74	26	50	40	10
North East	100	100	72	28	84	61	23
North West 1	100	101	74	27	59	49	10
North West 2	100	100	71	29	74	53	21
North West 3	100	100	69	31	57	39	18
Scotland	100	101	74	27	67	51	16
South East 1	100	100	72	28	68	52	16
South East 2	100	100	73	27	60	44	16
South West	100	101	70	31	66	48	18
Wales	100	100	74	26	68	48	20
West Midlands	100	101	69	32	84	61	23
Yorkshire and the Humber	100	100	71	29	55	40	15
Total	1,500	1,502	1,071	431	972	716	256

Note: 'Affected' and 'Non-affected' flags are based on the SHBE sample flag.



A small-scale pilot was undertaken in September 2013. It involved two interviewers working in two regions (London and South East) and was designed to test the sampling, opt-out and contact procedures, as well as to provide feedback on the questionnaire. The pilot generated 20 interviews, which are not included in final data.

In both waves, interviewers were provided address lists, doorstep introduction, hard copy and CAPI (Computer Assisted Personal Interviewing) versions of the questionnaire and showcards. In wave one they were given copies of the opt-out letter, and in wave two they were given a contact sheet per respondent to record interview outcomes.

Ipsos MORI interviewers were briefed by a combination of written instructions and telephone conference-call briefings. A key point was that only the named claimant at each address was eligible. In wave one, interviewers were not required to make a set minimum number of calls to each address, but were encouraged to reattempt contacts at initially non-productive addresses. In wave two, interviewers were given a contact sheet for each named respondent and were asked to make a minimum of four calls to each address.

Survey fieldwork ran between 1 October and 24 November 2013 in wave 1 (autumn 2013), and between 16 June and 4 August 2014 in wave 2 (summer 2014). All fieldwork was undertaken by Ipsos MORI interviewers in accordance with ISO 20252 and ISO 27001 systems and standards (further detail can be provided on request).

Ipsos MORI interviewed approximately 100 claimants face-to-face in their homes in each area in wave one. Sampling and quotas were structured to achieve interviews with affected claimants in a 2:1 ratio relative to non-affected. In total, 1,071 affected HB claimants were interviewed, and a non-affected sample of 431 HB claimants of working-age. In wave two, no quotas were set, and interviewers were instead asked to attempt to complete interviews with as many eligible respondents as possible.

## Questionnaire

The questionnaires for both waves of the survey are included below. Consent for data matching was sought in both waves (Q47 in both waves). A total of 85 per cent and 92 per cent gave their consent for data matching in the two waves respectively.

In wave one, Q48 sought permission for Ipsos MORI to re-contact respondents in the second survey (and possible participation in the qualitative phase). Consent was given by 93 per cent of respondents.

## Analysis and approach

In autumn 2013 (wave one), the analysis was focused on the 871 claimants flagged in the May 2013 SHBE extract as affected by the changes and who said they were currently affected by the changes and HB has been reduced (**'affected'**), and on the 381 claimants flagged as not affected in the May 2013 SHBE extract and who said they were *not currently affected by the changes* (**'non-affected'**).

Fieldwork was conducted five months after receipt of the May SHBE extract, meaning that there was a possibility of circumstances changing for some respondents in this period. Consequently, the original affected/non-affected SHBE flag had limitations but, at the same time, it was not possible to validate respondents' self-reported status (with some indications of potential confusion on the issue among some respondents).

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Consequently, the analysis was based on those flagged in the original SHBE sample as being affected and non-affected and whose self-reported responses in the survey matched these labels. This allowed for analysis of early impacts of the policy among a group known to be both affected and aware of the fact, but more importantly, this made it possible to measure the change over time through the longitudinal element of the evaluation.

In summer 2014 (wave two), and with the sample derived from wave one respondents agreeing to be recontacted, the focus of analysis moved from the two affected and non-affected groups to certain types of claimant based on their longitudinal status at wave one and wave two:

- 1 Those in the autumn 2013 survey recontacted in summer 2014 who were flagged as affected by the changes in the May 2013 SHBE extract and who said they were 'currently affected by the changes and HB has been reduced' (called the '**affected cohort**'). Of these
- 2 those who were still affected in summer 2014 ('I am currently affected by these changes and my Housing Benefit has been reduced'), including those receiving Discretionary Housing Payments (DHP) to cover the shortfall (referred to as '**still affected**'); and
- 3 those who say they were no longer affected by summer 2014 ('I am not currently affected by these changes, but I have been previously') ('**no longer affected**'); and
- 4 those who were unaffected in autumn 2013 and remain unaffected in summer 2014 ('I am not currently affected by these changes and never have been') ('**never affected**', or the '**comparison group**')

Focusing on these groups allows for comparison of the behaviours/responses to RSRS among those who remained affected and those who were no longer affected (did they take certain actions which others didn't?) and those who have never been affected at all (were all claimants taking these actions?)

## Data processing, weighting and interpretation

Data in both waves was captured using CAPI (Computer Assisted Personal Interviewing). This allowed for accurate routing of questions and the questionnaire script included a number of logic checks. CAPI also reduced the need for manual data entry of returned questionnaires and, thus, improved accuracy.

At the analysis stage in wave one, data was weighted by age, tenure (housing association or local authority), number of children and number of bedrooms, and was reflective of the overall sample drawn from the May 2013 SHBE extract for the survey. Weighting was undertaken separately for those affected and those not affected. While representative at the aggregate level, samples were not representative at area level. In addition, because of the purposive, case study approach, the samples cannot be considered as nationally representative of affected and unaffected HB claimants across Britain.

A sample, and not the entire population of claimants across the 15 areas, was interviewed. As a result, all results are subject to sampling tolerances (referred to as confidence levels or 'margins of error'). The variation between the sample results and the 'true' values can be predicted from knowledge of the sample sizes on which the results are based and the number of times that a particular answer is given. The confidence with which we can make this prediction is usually chosen to be 95 per cent, that is, the chances are 95 in 100 that the 'true' values will fall within a specified range.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Sampling tolerances also mean that not all differences between sub-samples in autumn 2013 – for example between claimants in different case study areas – are statistically significant.

The variation between the sample results and the ‘true’ values (the findings which would have been obtained if every HB claimant in each case study area had taken part in the study) can be predicted from knowledge of the sample sizes on which the results are based and the number of times that a particular answer is given. The confidence with which we can make this prediction is usually chosen to be 95 per cent, that is, the chances are 95 in 100 that the ‘true’ values will fall within a specified range.

The table below illustrates the predicted ranges for different percentage results at the ‘95 per cent confidence interval’: assuming a normal distribution of residents.

**Table A.2 Sampling tolerances for wave 1 (autumn 2013)**

Approximate sampling tolerances <sup>1</sup> to percentages at or near these levels			
	10% or 90%	30% or 70%	50%
	±	±	±
871 ‘affected claimant’ interviews	2.0	3.0	3.3
381 ‘non-affected claimant’ interviews	3.0	4.6	5.0
871 interviews (affected claimants) vs. 381 interviews (non-affected claimants)	3.6	5.5	6.0

<sup>1</sup> The calculation of these figures assumes a pure random sample. As the sampling approach employed on the survey was not purely random, these figures are indicative only.

In summer 2014, the focus of analysis moved to the four sub-groups of HB claimants and how **they** have changed by looking at their responses in autumn 2013 and summer 2014 (and what, by summer 2014, they say has changed). These groups therefore constitute the survey population itself, with conclusions drawn on this group rather than about a wider group.

Thus, while it made sense to weight the data at wave 1 to match the known population profile (and meet the objective of providing insights into the initial impacts of RSRS), it makes less sense at wave 2 where the focus is longitudinal. Weighting is normally applied to correct for design and non-response bias, but as the wave 2 analysis does not claim to extrapolate beyond the groups of interest, weighting is not required.

It is important, though, to consider the profile of the two samples. This basic summary shows that the unweighted profiles of those in the affected cohort in waves one ( $n=871$ ) and two ( $n=563$ ) are very similar:

## Evaluation of Removal of the Spare Room Subsidy – Final Report

**Table A.3 The profile of the affected cohort, waves 1 and 2**

	Wave 1 (%)	Wave 2 (%)	Difference
<b>Age</b>			
18–34	16	16	-
35–54	54	50	-4
55–64	30	34	+4
<b>Number of children</b>			
None	70	69	-1
One	11	14	+3
2+	18	17	-1
<b>Tenure</b>			
Housing association	62	61	-1
Local authority	38	39	1
<b>Number of bedrooms</b>			
0–2	38	37	-1
3+	62	63	+1

As context for the decision not to weight the data, it can be useful to understand what difference weighting would have made. An experimental weighting of the affected cohort of claimants at wave 2 was conducted in order to compare against the profile of that of the same (but bigger) group at wave 1. As expected, given the similarities between the wave 1 and wave 2 samples, weighting makes little difference:

***Q. Are you currently looking to move from this accommodation, or not?***

	Unweighted (%)	Weighted (%)
Yes	18	19
No	81	80
Don't know	1	1

***Q. Taking your answer from this card, how often, SINCE 1 April last year, have you or your household run out of money before the end of the week or month? Please include any times when you have run out of money and had to use your credit card, an overdraft, or borrow to get by.***

	Unweighted (%)	Weighted (%)
Very often	47	46
Fairly often	29	29
Hardly ever	11	11
Never	12	13
Refused/prefer not to say	*	*
Don't know	*	*

## **Evaluation of Removal of the Spare Room Subsidy – Final Report**

Finally, throughout this report and in the tables provided, where percentages do not sum to 100 this may be due to computer rounding, the exclusion of 'don't know' categories, or multiple answers. An asterisk (\*) denotes any value less than half a per cent but greater than zero.

It is also worth remembering that this survey, like all surveys, deals with perceptions, recalled behaviour and anticipated behaviours at the time the survey was conducted and these may, or may not, necessarily reflect reality.

# Appendix B

## Claimant survey – questionnaire

Ipsos MORI for DWP

RSRS Follow-up (Wave 2) Claimants Survey

12-083963-01

Good morning/afternoon/evening, my name is ... . I'm from Ipsos MORI, the independent research organisation. May I speak with [NAMED CONTACT]?

You may remember that you kindly took part in a research project about changes to housing benefit (the removal of the spare room subsidy) in October or November of last year. We are contacting you as you agreed to be contacted again in relation to this research project.

We are conducting a follow-up survey about the Housing Benefit system and specifically the removal of the spare room subsidy as part of a research project for Government.

You should have received a letter like this introducing the follow-up survey ...

The survey should take no more than 15 minutes.

I would like to reassure you that all the answers you give will be treated in the strictest confidence and it will not be possible for DWP or your landlord to identify any individual from the information you provide. Helping with this study will never affect any benefit you receive or any contact you have with a government department or agency, now or in the future.

### INTERVIEWER:

- SEEK TO SPEAK TO NAMED CLAIMANT(S) ONLY OR ARRANGE TIME TO CALL BACK
- SHOW KIT LETTER AND RE-USE IF NECESSARY

### Current status

**QHB.** ASK ALL//SC

Do you currently receive Housing Benefit, or not?

1. Yes, receive Housing Benefit
2. No, do not receive Housing Benefit
3. Don't know

## Evaluation of Removal of the Spare Room Subsidy – Final Report

### Q1. ASK ALL//SC//SHOWCARD A

As you may know, the Government has reduced the amount of housing benefit that those renting from a council or housing association receive if they have more bedrooms than it is thought they need. For example, a couple with no children would have their housing benefit cut if they have more than one bedroom. These changes have been called the Removal of the Spare Room Subsidy, the Size Criteria or the 'bedroom tax' and came into effect last year on 1 April 2013.

Which of the following statements best describes your current status in relation to these changes? Please just read out the letter that applies.

SOFT LOGIC TEST FOR CODES 1 OR 2 AT Q1 WHO SAID NO (CODE 2) AT QHB: "You said you are no longer receiving housing benefit but you are affected by these changes. Is that correct?"

- A. I am currently affected by these changes and my Housing Benefit has been reduced
- B. I am currently affected by these changes and my Housing Benefit has been reduced, but I am receiving Discretionary Housing Payment or another form of support to cover the shortfall
- C. I am not currently affected by these changes, but I have been previously
- D. I am not currently affected by these changes and never have been
- Don't know

ASK IF CURRENTLY AFFECTED (CODES A–B OR E AT Q1)

**Q2.** In which month and year did you or your household first become affected, that is your Housing Benefit was reduced?

**INTERVIEWER:** IF RESPONDENT SAYS 'FROM THE START/BEGINNING', PLEASE CODE AS APRIL 2013

SOFT CHECK FOR ANY DATE BEFORE APRIL 2013

**RECORD MONTH**

**RECORD YEAR**

ASK IF CURRENTLY AFFECTED (CODES A–B OR E AT Q1)//SHOWCARD B (codes 1–2)

**Q3.** And which of these statements best describes how long you/anyone in your household have/has been affected for?

**READ OUT**

## Evaluation of Removal of the Spare Room Subsidy – Final Report

SOFT CHECK IF RESPONDENT GIVES CODE 1 BUT A DATE LATER THAN APRIL 2013 AT Q2

1. I/we became affected on 1 April 2013 and have been ever since then
2. I/we have been affected some of the time since 1 April 2013, but not at other times
3. Don't know (**DO NOT PROMPT**)

IF CURRENTLY AFFECTED (CODES A–B OR E AT Q1)

**Q4.** By how much has your Housing Benefit been reduced per week? Please do not include any money you receive in Discretionary Housing Payment (DHP) or any other support you might receive to assist you in paying the shortfall.

LOGIC TEST FOR £0: "WE WANT TO KNOW THE AMOUNT BY WHICH YOUR HOUSING BENEFIT HAS BEEN REDUCED."

**RECORD EXACT AMOUNT**

£

1. Don't know
2. Refused

ASK IF NOT CURRENTLY AFFECTED BUT HAVE BEEN PREVIOUSLY (CODE C AT Q1)// MC//SHOWCARD C (codes 1–2)

**Q5.** And which of these statements best applies to you/your household?

READ OUT

1. I/we became affected on 1 April 2013 but are no longer affected
2. I/we have been affected some of the time since 1 April 2013, but not at other times, and are not currently affected
3. Don't know (**DO NOT PROMPT**)

ASK IF NOT CURRENTLY AFFECTED BUT HAVE BEEN PREVIOUSLY (CODE C AT Q1) AND STILL RECEIVING HB (CODE 1 AT QHB)//MC//SHOWCARD D (codes 1–11)

**Q6a.** You told us that you are NOT CURRENTLY affected by the changes to Housing Benefit but were PREVIOUSLY affected. From what you know or understand, why are you not currently affected?

1. Moved to smaller home rented from the council or a housing association
2. Moved to a smaller or cheaper home in the private rented sector



## Evaluation of Removal of the Spare Room Subsidy – Final Report

3. Moved in with another household (e.g. back to parents)
4. A friend or relative moved in
5. A lodger moved in
6. New baby born
7. Change in age of children that means that no longer considered to have a spare bedroom
8. Reached pension age (or partner did)
9. Found work/increased earnings
10. Started to receive DHPs
11. Other (please specify)
12. Don't know

ASK IF NOT CURRENTLY AFFECTED BUT HAVE BEEN PREVIOUSLY (CODE C AT Q1) AND NO LONGER RECEIVING HB (CODE 2 AT QHB)//MC//SHOWCARD D (codes 1–11)

**Q6b.** You told us that you are NOT CURRENTLY affected by the changes to Housing Benefit and are no longer receiving Housing Benefit. From what you know or understand, why are you not currently affected – that is, why are you no longer receiving Housing Benefit?

1. Moved to smaller home rented from the council or a housing association
2. Moved to a smaller or cheaper home in the private rented sector
3. Moved in with another household (eg back to parents)
4. A friend or relative moved in
5. A lodger moved in
6. New baby born
7. Change in age of children that means that no longer considered to have a spare bedroom
8. Reached pension age (or partner did)
9. Found work/increased earnings and therefore no longer claiming Housing Benefit
10. Started to receive DHPs
11. Other (please specify)
12. Don't know

### Responses

**Q7.** ASK ALL CURRENTLY AFFECTED (CODES A–B OR E AT Q1)//MC//SHOWCARD E

Which of these, if any, have you (or your partner) done in response to the reduction in your Housing Benefit in the period since we last spoke with you in October or November of last

## Evaluation of Removal of the Spare Room Subsidy – Final Report

year? Please read out the letters on this card, mention as many or as few as apply and please say 'none' if you have not done anything.

- A. Looked for a job
  - B. Looked for a better paid job
  - C. Looked for an additional (i.e. second or third) job
  - D. Asked for an increase in the number of hours worked at current job
  - E. Looked at moving to another property in the social rented sector
  - F. Looked at moving to another property in the private rented sector
  - G. Applied for DHP – Discretionary Housing Payments
  - H. Used savings
  - I. Borrowed money from friends/family (money which you intend to pay back)
  - J. Received money from friends/family (money which you are not expected to pay back)
  - K. Borrowed money from another lender (such as a pay day loan)
  - L. Borrowed money via a credit card
  - M. Spent less on household essentials
  - N. Spent less on non-essentials
  - O. Partner/someone else moved in
  - P. Taken in a lodger
  - Q. Sought advice or help of someone else such as a local charity, church or group
  - R. Other (SPECIFY)
  - S. None of these
- Don't know

### **Q7a.** ASK ALL NOT CURRENTLY AFFECTED (CODE C OR D AT Q1)//MC//SHOWCARD F

Which of these, if any, have you (or your partner) done since we last spoke with you in October or November of last year? Please read out the letters on this card, mention as many or as few as apply and please say 'none' if you have not done anything.

- A. Looked for a job
- B. Looked for a better paid job
- C. Looked for an additional (i.e. second or third) job
- D. Asked for an increase in the number of hours worked at current job
- E. Looked at moving to another property in the social rented sector
- F. Looked at moving to another property in the private rented sector
- G. Used savings

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- H. Borrowed money from friends/family (money which you intend to pay back)
  - I. Received money from friends/family (money which you are not expected to pay back)
  - J. Borrowed money from another lender such as a pay day loan
  - K. Borrowed money via a credit card
  - L. Spent less on household essentials
  - M. Spent less on non-essentials
  - N. Partner/someone else moved in
  - O. Taken in a lodger
  - P. Sought advice or help of someone else such as a local charity, church or group
  - Q. Other (SPECIFY)
  - R. None of these
- Don't know

**Q7b.** ASK IF CUT BACK ON ESSENTIALS OR NON-ESSENTIALS (CODES M OR N AT Q7 OR CODES L OR M AT Q7a)//MC//SHOWCARD G

On which, if any, of the following things have you spent less since we last spoke in October or November of last year because of the changes to Housing benefit?

- A. Mortgage/rent payments
- B. Paying off amounts owed on credit card(s) or loans
- C. Council Tax
- D. Energy/fuel bills e.g. gas, electricity, water
- E. Clothing and footwear
- F. Food
- G. Eating out
- H. Alcoholic drinks
- I. Cigarettes
- J. Communication i.e. phone/broadband/television bills
- K. Travel costs e.g. running a car, train fares, public transport
- L. Leisure, recreation and social activities including hobbies
- M. Childcare
- N. Education
- O. Household insurances
- P. Holidays
- Q. Pets
- R. Other (SPECIFY)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

None of these

Don't know

### Employment

ASK IF LOOKED FOR WORK/INCREASED HOURS (CODES A–D AT Q7 OR Q7A)//MC

**Q8a.** Since we last spoke in October or November of last year, have you been able to find a job, a better paid job or additional hours or employment, or not?

1. Yes, I found a job
2. Yes, I found a better paid job
3. Yes, I found an additional (i.e. second or third) job
4. Yes, I increased the number of hours worked in my current job
5. No, I have not found work/additional work
6. Don't know

ASK IF LOOKED FOR WORK/INCREASED HOURS (CODES A–D AT Q7 OR Q7A)//MC

**Q8b.** Since we last spoke in October or November of last year, has your partner or anyone else in your household been able to find a job, a better paid job or additional hours or employment, or not? Please say if this does not apply to your household.

1. Yes, my partner/someone else has found a job
2. Yes, my partner/someone else has found a better paid job
3. Yes, my partner/someone else has found an additional (i.e. second or third) job
4. Yes, my partner/someone else increased the number of hours worked in their current job
5. No, my partner/someone else has not found work/additional work
6. Don't know
7. Does not apply to my household

### Accommodation

**INTERVIEWER READ OUT:** I would now like to ask you some questions about your current accommodation.

**Q9.** ASK ALL CURRENTLY AFFECTED (CODES A–B OR E AT Q1)//SC//SHOWCARD H (codes 1–5)

Thinking about the rent you are charged, how much does your Housing Benefit cover AFTER any reductions in Housing Benefit due to the removal of the spare room subsidy?

1. All of the rent

## Evaluation of Removal of the Spare Room Subsidy – Final Report

2. Three-quarters of the rent or more but not all of the rent
3. Half of the rent or more but less than three-quarters of the rent
4. A quarter of the rent or more but less than half of the rent
5. Less than a quarter of the rent
6. Don't know

**Q10.** ASK ALL NOT CURRENTLY AFFECTED (CODES C OR D AT Q1) AND RECEIVING HOUSING BENEFIT (CODE 1 AT QHB)//SC//SHOWCARD H (codes 1–5)

Thinking about the rent you are charged, how much does your Housing Benefit cover?

1. All of the rent
2. Three-quarters of the rent or more but not all of the rent
3. Half of the rent or more but less than three-quarters of the rent
4. A quarter of the rent or more but less than half of the rent
5. Less than a quarter of the rent
6. Don't know

**Q11.** ASK ALL EXCEPT CODE 4 AT Q1//MC//SHOWCARD I (codes A–D)

Which, if any, of the following things have happened or have you done in response to the changes to Housing Benefit since we last spoke with you in October or November of last year?

- A. My partner has moved into my current accommodation
  - B. A friend or other relative has moved into my current accommodation
  - C. I have taken in a lodger
  - D. None of these
- Don't know

**Q11b.** ASK ALL EXCEPT CODE 4 AT Q1//MC//SHOWCARD J (codes A–D)

And which, if any, of the following actions has your landlord contacted you about in order to help deal with the changes to Housing Benefit? Please just read out the letters that apply.

- A. Contacted about my partner moving into my current accommodation
  - B. Contacted about a friend or other relative moving into my current accommodation
  - C. Contacted about taking in a lodger
  - D. None of these
- Don't know

## Evaluation of Removal of the Spare Room Subsidy – Final Report

### **Q12.** ASK ALL//MC//SHOWCARD K (codes 1–5)

Since we last spoke in October or November of last year, have you moved to another property? If yes, which one of these applies?

INTERVIEWER: IF RESPONDENT HAS MOVED MULTIPLE TIMES PLEASE SELECT RESPONSE IN RELATION TO CURRENT PROPERTY

1. No
2. Yes – renting from a housing association
3. Yes – renting from a council or local authority
4. Yes – renting from a private landlord
5. Yes – moved in with parents/relatives/friends
6. Yes – other (DO NOT PROMPT)
7. Don't know

### **Q13.** ASK IF HAVE MOVED RECENTLY (CODES 2–6 AT Q12)//SC//SHOWCARD L (codes 1–3)

Can I just check, which of these was your reason(s) for moving to new accommodation?

Because of the changes to Housing Benefit and nothing else

1. Because of the changes to Housing Benefit and other reason(s)
2. For some other reason(s)
3. Don't know

### **Q14.** ASK ALL WHO MOVED RECENTLY FOR REASON OTHER THAN CHANGES TO HB (CODES 2–3 AT Q13)//MC//SHOWCARD M

What is that reason(s)? Please just read out the letters that apply.

- A. Wanted to down-size/move to a smaller property/have too many bedrooms
- B. Wanted to up-size/move to a larger property/have too few bedrooms
- C. Family is getting bigger
- D. Family is getting smaller (children leaving home)
- E. Divorce or separation
- F. Because I couldn't afford the rent for previous accommodation
- G. Didn't like the area/neighbours
- H. School catchment area

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- I. Health reasons – previous home was unsuitable
- J. For work reasons
- K. Wanted to move in with someone else
- L. Other (SPECIFY)  
Don't know

### **Q15. ASK IF HAVE MOVED RECENTLY (CODES 2–6 AT Q12)//SC**

How long have you lived here in this accommodation?

- 1. Less than a month
- 2. A month or longer but less than 2 months
- 3. 2 months or longer but less than 3 months
- 4. 3 months or longer but less than 4 months
- 5. 4 months or longer but less than 5 months
- 6. 5 months or longer but less than 6 months
- 7. 6 months or longer but less than 7 months
- 8. Other
- 9. Don't know (DO NOT PROMPT)

### **Q16. ASK IF HAVE MOVED RECENTLY INTO SOCIAL HOUSING (CODES 2–3 AT Q12)//SC**

Can I just check, did you move via a transfer list or via a mutual exchange?

- 1. Moved via a transfer list
- 2. Moved via mutual exchange
- 3. Neither of these
- 4. Don't know

### **Q17. ASK IF HAVE MOVED RECENTLY (CODES 2–6 AT Q12)//SC//SHOWCARD N**

For which of these periods are you charged rent at this accommodation?

- 1. Weekly
- 2. Fortnightly
- 3. 4 weekly
- 4. Monthly
- 5. Other (SPECIFY)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

6. Don't know

### **Q18. ASK IF HAVE MOVED RECENTLY (CODES 2–6 AT Q12)**

How much in total does your landlord currently charge your household in rent? That is, the total amount of rent INCLUDING any that is paid by Housing Benefit?

### **RECORD EXACT AMOUNT**

£

1. Don't know
2. Refused

INCLUDE LOGIC TESTS FOR ANY AMOUNT ABOVE £500 PER WEEK/£2,000 PER MONTH

ASK ALL//SC

### **Q19. Are you currently looking to move from this accommodation, or not?**

1. Yes
2. No
3. Don't know

### **Q20. ASK ALL CURRENTLY LOOKING TO MOVE (CODE 1 AT Q19)//SC//SHOWCARD O (codes 1–3)**

Can I just check, which of these is your reason(s) for wanting to move from here?

1. Because of the changes to Housing Benefit and nothing else
2. Because of the changes to Housing Benefit and other reason(s)
3. For some other reason(s)
4. Don't know

### **Q21. ASK ALL CURRENTLY LOOKING TO MOVE FOR REASON OTHER THAN CHANGES TO HOUSING BENEFIT (CODE 2–3 AT Q20)//MC//SHOWCARD P**

What is that reason(s)? Please just read out the letters that apply.

- A. Want to down-size/move to a smaller property/have too many bedrooms
- B. Want to up-size/move to a larger property/have too few bedrooms



## Evaluation of Removal of the Spare Room Subsidy – Final Report

- C. Family is getting bigger
- D. Family is getting smaller (children leaving home)
- E. Divorce or separation
- F. Too expensive/I can't afford the rent for my current accommodation
- G. I don't like the area/neighbours
- H. School catchment area
- I. Health reasons – current home is unsuitable
- J. For work reasons
- K. Want to move in with someone else
- L. Other (SPECIFY)  
Don't know

### **Q22. ASK ALL CURRENTLY LOOKING TO MOVE (CODE 1 AT Q19)//SC**

Have you been looking at properties in the local area, outside the local area or both?

- 1. In the local area
- 2. Outside the local area
- 3. Both
- 4. Don't know (DO NOT PROMPT)

### **Q23. ASK ALL CURRENTLY LOOKING TO MOVE (CODE 1 AT Q19)//SC//SHOWCARD Q (codes 1–4)**

Which, if any, of these types of accommodation have you been looking at moving to? Please mention as many as apply.

- 1. In the social rented sector (housing association or local council)
- 2. In the private rented sector
- 3. Parents'/relatives'/friends' accommodation
- 4. Other (SPECIFY)
- 5. None of these
- 6. Don't know (DO NOT PROMPT)

### **Q24. ASK ALL CURRENTLY LOOKING TO MOVE (CODE 1 AT Q19)//SC//SHOWCARD R (codes 1–5)**

Have you registered for mutual exchange, such as a home swap scheme, or not?

- 1. Yes, have registered and been allocated new accommodation

## Evaluation of Removal of the Spare Room Subsidy – Final Report

2. Yes, have registered and am actively looking for new accommodation
3. Yes, have registered but am not actively looking for new accommodation
4. No, have not registered but plan to
5. No, have not registered and do not plan to
6. Don't know

### **Q25. ASK ALL CURRENTLY LOOKING TO MOVE (CODE 1 AT Q19)//SC//SHOWCARD S** (codes 1–5)

Taking your answer from this card, have you registered an interest with a landlord or local authority in moving from this accommodation through a transfer list or housing register?

1. Yes, have registered and been allocated new accommodation
2. Yes, have registered and am actively looking for new accommodation
3. Yes, have registered but am not actively looking for new accommodation
4. No, have not registered but plan to
5. No, have not registered and do not plan to
6. Don't know

### **Q26. ASK ALL//MC UP TO THREE//SHOWCARD T**

Which two or three, if any, of these are the most important reasons you have for staying here instead of moving elsewhere? PROBE FULLY: Any other reasons?

- A. Cost of moving/too expensive to move
- B. Accommodation suits me/wouldn't be able to find same accommodation elsewhere
- C. Prefer local area/like living here
- D. Always lived here
- E. Is a good/friendly neighbourhood
- F. Want to remain close to family
- G. Want to remain close to friends
- H. Want to remain close to schools/good schools
- I. Want to remain close to services – GP, hospital etc.
- J. More expensive/higher cost of living in other areas
- K. Worse quality property in other areas
- L. Would be too far away from current job/place of work
- M. Worse job opportunities in other areas
- N. Pets are happy here/cannot move due to my pets
- O. Other (PLEASE SPECIFY)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- P. Would consider looking at other non-local areas
- Q. None of these
- Don't know

### DHPs

#### Q27. ASK ALL NOT CODE G AT Q7//SC

Now for a question about Discretionary Housing Payments, or DHPs, which are short-term payments from local councils to help some Housing Benefit claimants afford their housing costs. Before this interview, had you heard of them or not?

- 1. Heard of them
- 2. Not heard of them
- 3. Don't know

#### Q28. ASK ALL CODE G AT Q7 OR WHO HAVE HEARD OF DHP (CODE 1 AT Q27)//SC// SHOWCARD U (codes 1–5)

Thinking about the period since 1 April 2013, which of the following statements best describes your situation in relation to Discretionary Housing Payments, or DHPs?

- 1. I applied for and got DHPs, and am still receiving them
- 2. I applied for and was in receipt of DHPs, but my situation changed and I am no longer receiving these
- 3. I applied for but did not get DHPs
- 4. I have applied for DHPs but am still waiting to hear
- 5. I have not applied for DHPs
- 6. Don't know (DO NOT PROMPT)

### Financial

#### Q29. ASK ALL//SC//SHOWCARD V (codes 1–4)

Taking your answer from this card, how often, SINCE 1 April last year, have you or your household run out of money before the end of the week or month? Please include any times when you have run out of money and had to use your credit card, an overdraft, or borrow to get by.

- 1. Very often
- 2. Fairly often
- 3. Hardly ever
- 4. Never

## Evaluation of Removal of the Spare Room Subsidy – Final Report

5. Don't know
6. Refused/prefer not to say

### **Q29a.** ASK ALL//SC//SHOWCARD V (codes 1–4)

And looking further back to the period BEFORE 1 April last year, how often, if at all, would you say you or your household ran out of money before the end of the week or month?

**INTERVIEWER IF NECESSARY:** That is, how often did you run out of money and have to use your credit card, an overdraft, or borrow to get by?

1. Very often
2. Fairly often
3. Hardly ever
4. Never
5. Don't know
6. Refused/prefer not to say

### **Q30.** ASK ALL//SC//SHOWCARD W (codes 1–5)

How often, if at all, have you been in arrears SINCE we last spoke with you in October or November of last year, that is how often have you owed money to your landlord because you've not been able to pay the rent in full?

1. Never
2. Occasionally
3. Sometimes
4. Most of the time
5. All of the time
6. Don't know
7. Refused

### **Q31.** ASK ALL//SC//SHOWCARD W (codes 1–5)

And looking further back to the period BEFORE 1 April last year, how often, if at all, would you say you were in arrears?

**INTERVIEWER IF NECESSARY:** That is, how often did you owe money to your landlord because you were not able to pay the rent in full?

## Evaluation of Removal of the Spare Room Subsidy – Final Report

1. Never
2. Occasionally
3. Sometimes
4. Most of the time
5. All of the time
6. Don't know
7. Refused

### **Q32. ASK ALL//SC**

Can I please check, are you currently up to date with the rent you owe, or are you in arrears?

1. Up to date
2. In arrears
3. Don't know
4. Refused

**Q33. ASK IF Q32 = 2//RECORD EXACT AMOUNT £//LOGIC TEST FOR ANY AMOUNT ABOVE £1,000. IF RESPONDENT DOES NOT KNOW THE EXACT AMOUNT, RECORD THEIR ESTIMATED AMOUNT £**

By how much are you currently in arrears on this accommodation?

£

1. Don't know
2. Refused

INTERVIEWER: ASK AND RECORD IF THIS IS AN ESTIMATE OR NOT.

1. Accurate
2. Estimate

### **Q34. ASK ALL//MC (EXCEPT 1/6/7)//SHOWCARD X (codes A-E)**

Still thinking about the period since 1 April 2013, has your landlord given you notice that you are to be evicted or warned you about the possibility of you being evicted because of arrears or unpaid rent, or neither of these? Please just read out the letter(s) that apply.

- A. No – not been given notice of eviction or warned
- B. Yes – given notice of eviction because of arrears or unpaid rent
- C. Yes – given notice of eviction for some other reason(s)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- D. Yes – warned about possibility of being evicted because of arrears or unpaid rent
- E. Yes – warned about possibility of being evicted for some other reason(s)
- Don't know
- Refused

### Q35 has been removed from the final questionnaire

### Household characteristics

#### Q36. ASK ALL//MC//SHOWCARD Y

Thinking back to when we last spoke to you in October or November of last year, have there been any of the following changes in your personal or household circumstances?

#### **INTERVIEWER PROMPT IF NECESSARY:** “FOR EXAMPLE, ADDITIONS OR LOSSES TO YOUR HOUSEHOLD”

- A. Partner (or spouse) left the home
- B. Partner (or spouse) moved into the home
- C. Birth or adoption of a child
- D. Children or stepchildren moved into the home
- E. Children or stepchildren left the home
- F. Adults (other than your partner or spouse) left the home
- G. Adults (other than your partner or spouse) moved into the home
- H. Death of a household member (dependent)
- I. Death of a household member (partner or spouse)
- J. Death of a household member (other household member)
- K. Other (specify)
- L. No significant household changes
- Refused (DO NOT PROMPT)
- Don't know (DO NOT PROMPT)

**INTERVIEWER READ OUT:** Now I'd like to ask you about each of the people in your household. By household I mean the people living here who share a living/sitting room or share at least one meal a day. Please exclude any non-resident children or adults who don't live here but sometimes come to stay – I will ask about them later.

## **Evaluation of Removal of the Spare Room Subsidy – Final Report**

As with the rest of the questionnaire, I would like to assure you that your answers are completely confidential.

Starting with yourself ...

## Evaluation of Removal of the Spare Room Subsidy – Final Report

**INTERVIEWER:** FOR EACH HOUSEHOLD MEMBER RECORD JUST THE FIRST NAME OR ANY UNIQUE IDENTIFIER.

	Name	Gender	Age (if exact age not known then banded)	Relationship to respondent
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

**Q37.** ASK ALL//SINGLE CODE (SC) FOR RESPONDENT + EACH PERSON

Is **(NAME)** male or female?

1. Male
2. Female

**Q38.** ASK ALL//SC FOR EACH PERSON//RECORD EXACT AGE AND CODE BY BAND. IF EXACT AGE NOT KNOWN, RECORD AGE BAND ONLY//SHOWCARD Z

What was your/**(NAME)**'s age last birthday?

1. 9–4
2. 5–9
3. 10–15
4. 16–24
5. 25–34
6. 35–44
7. 45–54
8. 55–59
9. 60–64
10. 65+
11. Don't know
12. Refused



## Evaluation of Removal of the Spare Room Subsidy – Final Report

**Q39. ASK ALL//SC FOR EACH PERSON THEIR RELATIONSHIP TO RESPONDENT**

ADD VALIDATION CHECKS – E.G IF AGE IS <16, ANSWER CANNOT BE SPOUSE/CIVIL PARTNER ETC

**I would now like to ask how the people in your household are related to you.**

1. Spouse or civil partner
2. Cohabitee
3. Son/daughter (incl. adopted)
4. Step-son/daughter
5. Foster child
6. Son-in-law/daughter-in-law
7. Parent/guardian
8. Step-parent
9. Foster parent
10. Parent-in-law
11. Brother/sister (incl. adopted)
12. Step-brother/sister
13. Foster brother/sister
14. Brother/sister-in-law
15. Grand-child
16. Grand-parent
17. Other relative
18. Other non-relative

**Q40. ASK ALL//SC FOR EACH PERSON//SHOWCARD AA (codes A-K)**

**Which statement on this card applies best to each person aged 16 or over in the household?**

INTERVIEWER: FOR AGENCY WORKERS OR THOSE WITH FLEXIBLE HOURS USE THEIR AVERAGE HOURS WORKED IN THE LAST FOUR WEEKS/MONTH

INTERVIEWER IF CODE H: CONFIRM WITH RESPONDENT THAT THIS IS IN AN UNPAID CAPACITY (E.G. NOT AS A PAID NURSE).

- A. Working full-time (30 hours a week or more)
- B. Working part-time (16–29 hours a week)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- C. Working part-time (Less than 16 hours a week)
- D. On a government training scheme/apprenticeship
- E. Unemployed and seeking work
- F. At home/not seeking work
- G. Long term sick or disabled
- H. Full-time carer
- I. Full-time education
- J. Fully retired
- K. Other
- Refused
- Don't know

**Q41** has been removed from the final questionnaire

### **Q42.** ASK ALL//SC FOR EACH PERSON//SHOWCARD BB (codes A-E)

Which statement on this card applies best to each person aged 16 or over in the household since leaving school or education?

- A. I/they have always been in paid employment
- B. I/they have mostly been in paid employment
- C. I/they have sometimes been in paid employment
- D. I/they have rarely been in paid employment
- E. I/they have never been in paid employment

Refused

Don't know

### **Q43.** ASK ALL//SC FOR EACH PERSON//SHOWCARD CC (NOT REVERSED) (codes A-P)

Still thinking about each person aged 16 or over who is not in full-time education, can I just check are you/they receiving any of these state benefits or allowances? Your answers are completely confidential. Please just read out the letters that apply.

- A. Income support
- B. Job Seekers Allowance (formerly unemployment benefit or Income Support for unemployed people)
- C. State Retirement Pension

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- D. Incapacity Benefit or Severe Disablement Allowance
  - E. Employment and Support Allowance
  - F. Some other benefit for people with disabilities (e.g. Industrial Injuries Benefit)
  - G. Working Tax Credit
  - H. Child Tax Credit
  - I. Council Tax Benefit
  - J. Pension Credit (previously Minimum Income Guarantee)
  - K. Carer's allowance (formerly Invalid Care Allowance)
  - L. Disability living allowance
  - M. Personal Independence Payment (PIP)
  - N. Attendance allowance
  - O. Some other state benefit (SPECIFY)
  - P. No, none of these
- Refused
- Don't know

### **Q44. ASK ALL//SC**

In addition to the people you have mentioned, do any non-resident children regularly come to stay overnight with you here at this accommodation – by regularly I mean 52 nights a year (about once a week) or more often?

- 1. Yes
- 2. No
- 3. Don't know

### **Q45. ASK ALL//SC**

Do you or does anyone in your household have any long-term illness, health problems or disability which limits your/their daily activities or the work you/they can do, including any problems which are due to old age?

- 1. Yes
- 2. No
- 3. Don't know

### **Q46. ASK IF Q45 = 1//MC (Codes A–D)//SHOWCARD DD (codes A-E)**

Do you/they receive any of these types of care?

## **Evaluation of Removal of the Spare Room Subsidy – Final Report**

- A. Care from a member of the household who lives here
  - B. Care from a visitor who comes during the day and does not stay overnight
  - C. Care from a visitor who stays overnight regularly
  - D. Care from a visitor who stays overnight occasionally
  - E. None of these
- Don't know

### **Re-contact questions and final comments**

#### **Q47. ASK ALL//SC**

To help improve public services we would like to be able to match information from your housing benefit claim to this survey. As before, all information will be used for research and statistical purposes only. Your personal details will be kept completely confidential and any benefits you may receive will not be affected in any way.

Are you happy for Ipsos MORI, on behalf of DWP, to add information about your Housing Benefit claim to your responses to this survey?

- 1. Yes
- 2. No

#### **Q48. ASK ALL//SC**

This project will be running until the end of this year and Ipsos MORI may want to contact you again. Can we please take your details to contact you again about this study in the future?

- 1. Yes IF YES – contact details to be recorded: name, address, telephone number, mobile number; and email address (to be entered twice to validate)
- 2. No

#### **Q49. ASK ALL//SC**

Are there any comments you would like to make about the topics we have discussed during this interview?

**THANK AND CLOSE**

# Appendix C

## Qualitative claimant interviews – technical note

<p>12-083963 DWP RSRS Welfare Reform Research Claimant Qualitative Research Discussion Guide – Wave 2</p>
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### 1. Research scope and objectives

The Department for Work and Pensions (DWP) is conducting research to understand the impacts of the RSRS (Removal of the Spare Room Subsidy) for the Social Rented Sector (SRS). The aim of the research is to clarify how wider policy objectives (like reducing overcrowding; increasing incentives to work; and better use of stock) have been met, and what the impact has been on landlords, claimants and others. As part of this overall research project, Ipsos MORI are undertaking qualitative research with 30 claimants affected by the RSRS to understand the impacts on affected households.

The research is longitudinal, this means that where possible we will visit participants who took part in the first wave of qualitative research to understand the impact on them over the medium term, and to understand any changes in responses that they may have made including downsizing to a smaller home or finding work. The first wave of the qualitative interviews took place during October and November 2013. This wave of the research is the second wave of the qualitative research and will take place in September and October 2014.

The **key objectives** of the qualitative research with claimants are:

- To see how the process and implementation of the RSRS is working and whether there are any areas where implementation could be improved.
- To build a detailed picture of impact on claimants of the RSRS reforms in the SRS, establishing any changes in both attitudes and behaviours/responses to the reform (e.g. moving to a new property, household budgeting, changes in employment, relationships with landlords and local communities);
- To obtain insight into claimants' motivations for actions (or inaction) and how they might adapt their future behaviour; and
- And to explore the impacts on different groups of Housing Benefit (HB) claimants.

The specific **research questions** for the follow-up stage of this study are therefore as follows:

- How is the RSRS working in practice? What are the impacts on claimants?
- What are their attitudes to and experiences of moving house in response to the RSRS?
- What is the financial impact of the RSRS, and how are claimants responding to the changes financially?
- How are claimants responding to the changes with regard to employment?
- What are their future plans for dealing with the changes?

## 2. Structure of the discussion

Notes	Guide Sections	Guide Timings
1. Introductions and background	Orientates participant and prepares them to take part in the depth interview. This section will confirm the key details from the first interview with participants who have been interviewed before, or will ask introductory questions of those not interviewed at Wave 1.	5 mins
2. Knowledge and awareness of the RSRS	Here we review the participant's knowledge and awareness of the RSRS, in order to explore if they have sought or been given further information or advice on the RSRS.	10 mins
3. Impact of RSRS on household finances	Here we investigate if and how the RSRS has impacted on the participant's financial situation, exploring the relevance of financial capability and any implications for financial resilience. Where we are returning to participants, we will ask if and how things have changed since our last visit.	20 mins
4. Impact of RSRS on attitudes and behaviours around moving home	This section explores any underlying enablers and barriers to moving, looks at any actions participants may have taken around moving in response to the RSRS and discusses any experiences of moving.	15 mins
5. Impact of RSRS on attitudes and behaviours around employment	This section is focused on the participant's attitudes to finding work since the last visit/introduction of the RSRS and explores any actions they may have taken to find work/ additional work since the reform was introduced.	15 mins
6. Wider impacts of the RSRS	This section allows participants to discuss other impacts or perceived impacts, for example, with regard to children in the household.	10 mins
7. Future plans	Here we explore participants' views on how their situation might change in the near future, and how their response to the RSRS might change over time.	10 mins
8. Conclusion and final thoughts	Allows time for the participant to offer some concluding thoughts and the interviewer to close the interview	5 mins
Total		90 mins

We use several conventions to explain to you how this guide will be used, described below.

Questions	(Timing in minutes) Notes and Prompts
<p><b>Bold</b> = Question or read out statement: Questions that will be asked to the participant if relevant. Not all questions are asked during fieldwork based on the moderator's view of progress.</p> <p><b>Bullet</b> = prompt: Prompts are not questions – they are there to provide guidance to the moderator if required.</p> <p><b>CAPITALISED INSTRUCTIONS ARE TO THE MODERATOR IN MANAGING THE GROUP</b></p>	This area is used to summarise what we are discussing, provides informative notes, and some key prompts for the moderator
Typically, the researcher will ask questions and use the prompts to guide where necessary. Not all questions or prompts will necessarily be used in an interview	

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<b>1. Introduction and background</b>	5 mins
<ul style="list-style-type: none"> <li>• Thank participant for taking part</li> <li>• Introduce self, Ipsos MORI – independent research organisation commissioned by DWP</li> <li>• Explain aims of project – to understand how the RSRS is working, how it is affecting people and what they are doing about the changes.</li> <li>• Explain confidentiality and Market Research Society guidelines. Reassure that all responses are anonymous and that information about individuals will not be passed on to anyone, including back to DWP or any other Government Department</li> <li>• Reassure that any current or future benefits claims will not be affected in any way</li> <li>• Get permission to digitally record – transcribe for quotes, no detailed attribution and not passed on to DWP</li> </ul> <p>IF THE PARTICIPANT HAS PREVIOUSLY TAKEN PART IN THE QUALITATIVE RESEARCH</p> <p><i>Outline the participant's situation in the last visit: in terms of where they were living, if they working/looking for work and how long they had been affected by the RSRS. Check that this summary is correct.</i></p> <p><b>CHECK ELIGIBILITY FOR RESEARCH: CONFIRM PARTICIPANT IS STILL AFFECTED BY RSRS AND THE AMOUNT THEY HAVE TO PAY</b></p> <p><b>I'd just like to check – are you still affected by the removal of the spare bedroom subsidy? Can you tell me/remind me how much you need to pay?</b></p> <p><b>Has anything changed since my last visit?</b></p> <ul style="list-style-type: none"> <li>• Have you moved house?</li> <li>• Have you found work/changed jobs/taken on more work?</li> <li>• Is the RSRS continuing to affect your household?</li> <li>• IF NO LONGER AFFECTED BY RSRS: Why not? PROBE fully (see notes to right).</li> </ul> <p><b>IF THE PARTICIPANT HAS NOT PREVIOUSLY TAKEN PART IN THE QUALITATIVE RESEARCH</b></p> <p><b>I'd like to start by learning a little bit about you.</b></p> <p><b>Can you tell me a bit about you and your household?</b></p> <ul style="list-style-type: none"> <li>• PROBE: Who do you live with? How long have you lived here? How many are adults/children? How old are your children?</li> </ul> <p><b>Are you working at the moment? What kind of work do you do? NB. include self-employment.</b></p>	<p>Orientates participants, gets them prepared to take part in the depth interview (including information we are required to tell them about under MRS and Data Protection Act guidelines).</p> <p>This section is to confirm details from the last visit and check to see if there have been any major changes for the participant since then. Any changes will then be explored later in the guide.</p> <p>Participants may no longer be affected for several reasons including: ceasing to claim HB, finding work, taking in a lodger, household changes – such as child now being eligible for an individual room, or a participant reaching pension age.</p> <p>For any participants that were not interviewed at Wave 1, we will need to gain an understanding of the participant's background.</p>

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<p>IF NOT WORKING, PROBE FOR THEIR WORK STATUS e.g. unemployed, looking after the home or their children, long-term sick/disabled, a carer, retired)</p> <p><b>IF NOT WORKING: When were you last in work? Can you tell me about what happened?</b></p> <p><b>IF WORKING: Can you tell me a little more about your work? What kind of hours do you work?</b></p> <p><b>How long have you been doing this work?</b></p> <p>IF PARTICIPANT HAS A PARTNER: What about your partner – what kind of work do they do? Do they work full time/part time? Number of hours?</p> <p><b>Could you tell me about your home? How long have you lived here?</b></p> <p>How many bedrooms does the house have? Who lives in each room? Does anyone share a bedroom?</p>	
<b>2. Knowledge and awareness of the RSRS</b>	10 mins
<p>(AS APPROPRIATE) What have you heard about RSRS since the last visit/ since it was introduced?</p> <ul style="list-style-type: none"> <li>• Where did you hear this from?</li> <li>• Did you do anything as a result? PROBE IN FULL, including when they took action</li> </ul> <p>Has your Housing Association or landlord made contact about the RSRS since the last visit/since it was introduced?</p> <p><b>IF YES:</b></p> <ul style="list-style-type: none"> <li>• What did they say?</li> <li>• Were you offered any advice/support to deal with the changes?</li> <li>• What did you think about the support offered?</li> <li>• Did you take up any offer of advice/support?</li> </ul> <p><b>IF NO:</b></p> <ul style="list-style-type: none"> <li>• Would you have liked to receive advice/support?</li> <li>• What kind of advice/support would have been useful to you?</li> </ul>	<p>To briefly check participants' knowledge and awareness of the RSRS, and to see if since our last visit they have had further information or advice on the reform.</p> <p>Please note down the name of any advice agencies that they gained help from for follow up work.</p> <p>Here we explore experiences of DHP in depths. This will be followed up in the consequent section on finances.</p>



## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<p><b>Have you had any other support or advice about the changes?</b></p> <ul style="list-style-type: none"> <li>• What did you receive and from whom?</li> <li>• What did you learn from it? How helpful or otherwise was it?</li> <li>• To what extent did this affect your decisions or thinking – and how?</li> <li>• Did you seek this support or advice or was it offered to you?</li> </ul> <p><b>Were you offered any support that you didn't take up?</b></p> <ul style="list-style-type: none"> <li>• What were you offered?</li> <li>• Why did you not take up the offer?</li> </ul> <p><b>Have you heard anything about Discretionary Housing Payments (DHPs) since the last visit/since the RSRS began?</b>  EXPLAIN IF REQUIRED: <i>DHP is an extra payment (not Housing Benefit) which the Local Authority may grant you if they think you need further financial assistance with your housing costs.</i>  <b>IF YES: How did you hear about it?</b></p> <p><b>Have you applied for it?</b></p> <ul style="list-style-type: none"> <li>• What was your reason for applying for DHPs?</li> <li>• Can you talk me through the application process? PROBE: which parts of the process were easy? Which parts were difficult?</li> <li>• (For disabled people claiming DLA or PIP) Did they ask about disability benefits during the process? Can you tell me about this?</li> </ul> <p><b>Are you still receiving it? PROBE FULLY ON EXPERIENCES</b></p> <ul style="list-style-type: none"> <li>• When did the payments start?</li> <li>• How much do you receive? How does this compare with your shortfall?</li> <li>• Were there any conditions attached e.g. having to seek new accommodation?</li> <li>• Are you considering asking for your DHP to be renewed?</li> </ul> <p><b>IF NO TO ABOVE: Can you talk me through what happened?</b></p>	<p>Some participants will have been awarded DHPs but no longer be receiving them, so make sure to clarify this and ask about current and prior awards of DHPs.</p>

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<b>3. Impact of RSRS on household finances</b>	<b>20 mins</b>
<p><b>Can you talk me through (or ‘just to confirm’ for those who have already taken part) the different types of income coming into your household?</b></p> <p><b>Are you receiving any other benefits (not just housing benefits)?</b></p> <p><b>And are you receiving any Tax Credits including Child Tax Credits or Working Tax Credits?</b></p> <ul style="list-style-type: none"> <li>• Can you tell me which ones?</li> <li>• Have there been any recent changes to any of the other benefits you are claiming? PROBE IN DETAIL IF RELEVANT, CHECK ANY CHANGES TO DHP</li> </ul> <p><b>Has anything changed in your income in the last year or so? PROBE IN DETAIL</b></p> <ul style="list-style-type: none"> <li>• How has this varied over the year? Can you explain why?</li> </ul> <p><b>I’d like to talk about your finances more generally. At the moment, how easy or difficult do you find it to manage your incomings and outgoings? Can you talk me through how you manage money?</b></p> <ul style="list-style-type: none"> <li>• Do you know how much money you have at different times of the month?</li> <li>• Do you make a budget each week or month?</li> </ul> <p><b>Are there any things that you find difficult to pay for at the moment?</b></p> <ul style="list-style-type: none"> <li>• IF YES: How do you manage this? PROBE IN FULL</li> <li>• Was this similar or different before RSRS came in? IF DIFFERENT – How were things different?</li> </ul> <p><b>Have you changed the way you manage money recently?</b></p> <ul style="list-style-type: none"> <li>• IF YES: How have you changed how you manage money? Why have you changed this?</li> <li>• Have you changed the kinds of things that you spend money on? Are there areas that you spend more/less on? Why is this?</li> <li>• Was this as a result of the RSRS?</li> </ul> <p><b>Do you have any savings?</b></p> <ul style="list-style-type: none"> <li>• Do you save money regularly? If so, how often?</li> <li>• What do you use the money you save for?</li> </ul> <p><b>Have you needed to borrow any money in the last year or so?</b></p> <ul style="list-style-type: none"> <li>• IF YES: Who/where did you borrow the money from? PROBE ON FRIENDS AND FAMILY, CREDIT CARDS, PAYDAY LENDERS, HOME CREDIT, CATALOGUES</li> <li>• What did you need the money for?</li> <li>• Have you paid this back – or are you able to?</li> <li>• Have you ever borrowed money in the past or have you started to borrow within the last year?</li> </ul>	<p>Here we investigate if and how the RSRS has impacted on the participant’s financial situation, exploring financial capability and any implications for financial resilience. Where we are returning to participants, we will ask if and how things have changed since our last visit.</p> <p>These and consequent questions address financial capability, to explore its relevance in coping strategies regarding the RSRS.</p> <p>Possible strategies for coping may include: cutting back, borrowing, accruing arrears, increasing debts, increasing income through increasing hours at work, or through finding a lodger.</p> <p>In these questions we explore issues around arrears.</p>

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<p><b>And do you have any debts that need to be paid back at the moment?</b></p> <ul style="list-style-type: none"> <li>• IF YES: How do they fit into your budgeting?</li> <li>• How long are these payments for?</li> <li>• When did you begin these repayments?</li> <li>• Were you ever been in debt before April 2013?</li> </ul> <p><b>Have you ever been behind on your rent?</b></p> <ul style="list-style-type: none"> <li>• IF YES: Can you tell me when this was and what happened?</li> </ul> <p>Have you managed to pay your rent in full and on time in the last year?</p> <ul style="list-style-type: none"> <li>• IF NO: Can you talk me through what happened and when it happened?</li> <li>• Is this something which happened more than once?</li> <li>• Has this been resolved? If so, how?</li> <li>• Can you tell me how your Housing Association or Landlord dealt with the issue?</li> </ul> <p><b>How have you found paying the extra amount of rent that you needed to pay after the removal of the spare room subsidy?</b></p> <p><b>Did you have any points at which you decided not to pay the extra? What were your reasons for this?</b></p> <p><b>Do you have rent arrears at the moment?</b></p> <p>IF IN ARREARS</p> <ul style="list-style-type: none"> <li>• Are your arrears increasing or decreasing at the moment?</li> <li>• Have you managed to pay any of your arrears back? How did you do this?</li> <li>• Have you applied for any other state benefits to help you? Which ones? Or any help from the Council?</li> <li>• Have you spoken to your landlord about the arrears? What happened?</li> <li>• Do you think this situation will be temporary, or go on for a while? Can you explain why?</li> <li>• What do you think will happen next?</li> <li>• Were you in arrears before the RSRS was introduced? Has the RSRS changed the situation with your arrears?</li> <li>• Are you planning to take any steps to change your circumstances and address your rent arrears? Can you tell me about them?</li> </ul> <p>TO ALL</p> <p><b>Have you had any help from friends or family in paying the rent?</b></p> <ul style="list-style-type: none"> <li>• IF YES: What kind of help?</li> <li>• How often has this happened?</li> <li>• Do you think that they will help you in the future if you need help again?</li> <li>• If you weren't able to get help from them in the future, where else would you get support?</li> </ul>	

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<p><b>What would happen if you don't pay your rent on time?</b></p> <ul style="list-style-type: none"> <li>Has anyone told you what might happen? What have they said?</li> </ul> <p><b>How has the RSRS changed your finances and the way you manage them? And what changes has it had on your household?</b></p> <ul style="list-style-type: none"> <li>Have you made any plans to deal with the changes?</li> <li>IF YES: What plans have you made? Why?</li> <li>What are you doing differently as a result? Why?</li> <li>IF NO: Is there a reason you haven't made plans? PROBE FULLY WHERE POSSIBLE ON WHAT THEY INTEND TO DO</li> </ul> <p><b>Have you made any other changes because of the RSRS?</b></p> <p><b>Have you started claiming benefits that you were entitled to but were not claiming before?</b></p> <p><b>Have you taken a lodger or has another family member or friend come to live with you since the RSRS came in?</b></p> <ul style="list-style-type: none"> <li>IF YES: Why did you decide to do this?</li> <li>IF NO: Why not?</li> </ul> <p><b>Would you consider taking a lodger or family member to help you with the rent?</b></p> <ul style="list-style-type: none"> <li>IF YES: How do you feel about this?</li> <li>IF NOT: Why not? What would make you more comfortable when thinking about taking in a lodger? PROBE ON WHEN CHILDREN ARE OLDER/ MOVE AWAY FROM HOME/IF THEY THINK THEY HAVE SPACE TO HAVE A LODGER.</li> </ul> <p><b>Are you planning to remain in your current home? If so, how will you manage with paying the RSRS?</b></p> <ul style="list-style-type: none"> <li>IF YES: How confident are you that you will be able to manage this financially? Why? How long do you think you will be able to manage this?</li> <li>IF NO: What are you planning to do instead? Why?</li> </ul> <p><b>Looking forward, how do you expect your finances will change in the future?</b></p> <ul style="list-style-type: none"> <li>What are you planning to do about this?</li> </ul>	
<b>4. Impact of RSRS on attitudes and behaviours around moving home</b>	<b>15 mins</b>

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<p><b>Have you moved since we last spoke? And if not are you planning to move?</b> IF MOVED:</p> <p><b>Can you talk me through the process of finding your home?</b></p> <ul style="list-style-type: none"> <li>• Did you use a housing swap or exchange (mutual exchange/transfer) – or any other mechanism? PROBE: letting agents, word of mouth</li> <li>• Who is your new landlord? <ul style="list-style-type: none"> <li>– Did you deliberately choose to rent from a Housing Association/Local Authority/private landlord? If so, why?</li> </ul> </li> <li>• How long did it take you to find somewhere? How easy or difficult was it to find it?</li> </ul> <p><b>PROBE FULLY AROUND PROCESS</b></p> <p><b>IF HAVE USED TRANSFER PROCESS/MUTUAL EXCHANGE/LETTING AGENTS:</b></p> <p>Can you talk me through how this went?</p> <ul style="list-style-type: none"> <li>• What went well? What didn't go as well?</li> <li>• Did you get any help or support in doing this? What kind?</li> <li>• How happy or otherwise are you with the outcome?</li> </ul> <p>TO ALL:</p> <p><b>Can you talk me through what happened when you moved house?</b></p> <ul style="list-style-type: none"> <li>• What went well? What didn't go as well?</li> <li>• Did you receive any help or support – financial or otherwise – when you moved? How did they help you? PROBE ON SUPPORT FROM LANDLORD, FRIENDS, FAMILY</li> <li>• What costs were there, if any? How did you manage these?</li> </ul> <p><b>Why did you decide to move?</b></p> <ul style="list-style-type: none"> <li>• PROBE financial reasons/reasons related to work and family e.g. was it a good time because their children were due to move from primary to secondary schools.</li> <li>• Was your move connected with the RSRS? PROBE IN FULL</li> </ul> <p><b>IF LOOKING TO MOVE:</b> <b>What are your plans for moving? Are you actively looking to move?</b></p> <p><b>When are you hoping to move by?</b></p>	<p>This section explores any underlying enablers and barriers to moving, looks at any actions participants' may have taken around moving in response to the RSRS and discusses any experiences of moving.</p>

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<p><b>What kind of home would you like to move to? PROBE IN FULL</b></p> <ul style="list-style-type: none"> <li>• Where would it be? IF LOCAL: Would you consider moving further away?</li> <li>• What kind of home it would be?</li> <li>• Who would you like the landlord to be? PROBE housing association, local authority or private landlord.</li> </ul> <p><b>Would you consider moving to a property owned by a private landlord? Why/why not?</b></p> <ul style="list-style-type: none"> <li>• IF YES: What kind of property would you be looking for in the private rented sector?</li> <li>• Have you been looking in this sector – can you talk me through your experiences of this?</li> </ul> <p><b>What help you might need to move? PROBE IN FULL ON PRACTICAL AND FINANCIAL HELP REQUIRED</b></p> <p><b>What, if anything, is stopping you moving at the moment?</b></p> <p><b>Have you seen any information about help and support to look for a new home?</b></p> <ul style="list-style-type: none"> <li>• IF YES: To what extent was this helpful and why?</li> </ul> <p><b>How you would go about finding somewhere suitable to live?</b></p> <ul style="list-style-type: none"> <li>• Do you know where you would look for information about somewhere to move to?</li> <li>• Have you looked for a new home? What happened?</li> </ul> <p><b>Do you know about how to apply for a housing transfer or swap?</b></p> <ul style="list-style-type: none"> <li>• Where did you hear about this?</li> <li>• How easy or difficult do you think you would find this? Why?</li> </ul> <p><b>Have you tried using the housing transfer or swap process?</b></p> <ul style="list-style-type: none"> <li>• IF YES: Can you talk me through your experience of it?</li> </ul> <p><b>IF NOT CONSIDERING MOVING:</b></p> <p><b>Have you had any thoughts about moving at all? Have you had any thoughts in the last year or so?</b></p> <ul style="list-style-type: none"> <li>• Can you tell me a bit more about this?</li> <li>• Why did you decide not to move?</li> </ul> <p><b>Why are you not looking to move at the moment?</b></p>	

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<p><b>What would it take for you to consider moving?</b></p> <ul style="list-style-type: none"> <li>• If you did move, where would you move to? PROMPT: Locally or further afield, what kind of area.</li> <li>• What kind of home would you want?</li> <li>• What help would you want with the move? <ul style="list-style-type: none"> <li>– Information</li> <li>– Support</li> <li>– Financial incentive</li> </ul> </li> </ul> <p><b>Might you change your mind about moving in the future (say, in a year)?</b></p> <ul style="list-style-type: none"> <li>• Why/why not?</li> <li>• In the future, might anything change to make moving easier or more difficult?</li> </ul>	
<p><b>5. Impact of RSRS on attitudes and behaviours around employment</b></p>	<p><b>15 mins</b></p>
<p><b>I'd now like to find out a bit more about your thoughts on work.</b></p> <p><b>IF CURRENTLY WORKING</b></p> <p><b>IF RELEVANT: Did you find the work that you do since RSRS came in?</b></p> <p><b>Can you tell me about your job?</b></p> <ul style="list-style-type: none"> <li>• What kind of work is it? (PROBE on formal/informal work)</li> <li>• How many hours do you work?</li> <li>• How did you find the job?</li> </ul> <p><b>Have there been any recent changes to your job?</b> PROBE on hours, number of shifts, pay increase/decrease, employment conditions?</p> <p>Have you thought about ...</p> <ul style="list-style-type: none"> <li>• Increasing hours?</li> <li>• Finding a different job</li> <li>• Taking an additional job?</li> </ul> <p><b>IF YES: Why did you decide to consider these changes?</b></p> <ul style="list-style-type: none"> <li>• To what extent were the RSRS important in your decision?</li> <li>• Can you talk me through any steps you have taken around these changes?</li> <li>• How easy or difficult have you found this?</li> </ul> <p><b>IF ALSO IN A COUPLE HOUSEHOLD OR HAVE AN ADULT CHILD LIVING IN THE HOUSEHOLD</b></p> <p><b>What about your partner/(adult) child?</b> Are they considering making any changes to respond to the reform? What kinds of things?</p> <p>PROBE as above on hours/alternative or additional work, and to explore if these changes are in response to the reform.</p>	<p>This section is focused on the participant's attitudes to finding work since the last visit/introduction of the RSRS and explores any actions they may have taken to find work/ additional work since the reform was introduced.</p>

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<p><b>Are they considering changing their work for any other reasons?</b></p> <p><b>IF FOUND WORK SINCE LAST VISIT/SINCE THE RSRS CAME IN</b></p> <p><b>How did you go about looking for a job?</b> PROBE FULLY: What did they do, what was easy/difficult</p> <ul style="list-style-type: none"> <li>• Did you receive any help or advice? From whom? PROBE: How helpful was this, how could it be improved.</li> <li>• How did the RSRS affect your decision to look for work?</li> </ul> <p><b>IF LOOKING FOR WORK</b></p> <p><b>How has your job hunt been going since last time we visited/the RSRS came in?</b></p> <ul style="list-style-type: none"> <li>• Have you seen any jobs that you could apply for?</li> <li>• Did you apply?</li> <li>• Why?/Why not?</li> </ul> <p><b>How are you going about looking for work?</b></p> <ul style="list-style-type: none"> <li>• Have you received any help or advice with it? From whom?</li> </ul> <p><b>How easy or difficult do you think you will find it to find a job?</b> Why? PROBE FULLY ON AVAILABILITY OF WORK, PARTICIPANT'S LEVEL OF EXPERIENCE AND SKILLS, SUPPORT REQUIRED IN FINDING WORK</p> <p><b>What would be the difference for you/your family if you found work?</b></p> <ul style="list-style-type: none"> <li>• Do you think you will be able to pay the shortfall in your rent from the wages you would receive?</li> <li>• Do you think you would be better off financially in work at the moment?</li> <li>• Have you done any calculations or consulted anyone (for example a Job Centre Plus adviser) to see if this is the case?</li> </ul> <p>To what extent were the RSRS important in your decision to look for work?</p> <p><b>IF YES:</b> Can you explain how?</p> <ul style="list-style-type: none"> <li>• Why was it important?</li> </ul> <p><b>IF NOT LOOKING FOR WORK OR PARTNER/ADULT CHILD IS NOT LOOKING FOR WORK</b></p> <p><b>Can you explain to me why you're/they're not looking for work at the moment?</b></p> <ul style="list-style-type: none"> <li>• Have you/they looked for work in the past 2 years?</li> <li>• Do you think you/they would be better off financially in work at the moment?</li> <li>• Have you done any calculations to see if this is the case?</li> <li>• Have you/they looked for any advice to see if they would be better off financially in work?</li> </ul> <p><b>What are your plans around looking for a job in the future?</b></p>	



## Evaluation of Removal of the Spare Room Subsidy – Final Report

Questions	(Timing in minutes) Notes and Prompts
<b>6. Wider impacts of RSRS</b>	<b>10 mins</b>
<p>I'd now like to ask you a little bit about any effects that the RSRS may have had on you and your family.</p> <p><b>Generally speaking, what do you think has changed for you since the RSRS was introduced?</b></p> <ul style="list-style-type: none"> <li>• Have there been any positive impacts?</li> <li>• Have there been any negative impacts?</li> </ul> <p><b>Do you think there have been any effects on members of your family?</b></p> <ul style="list-style-type: none"> <li>• IF IN A COUPLE: What about your partner?</li> <li>• IF PARTICIPANT HAS CHILDREN: What about your children?</li> </ul> <p><b>Have the RSRS changes affected you in any other way?</b></p>	<p>This section allows participants to discuss other impacts or perceived impacts, for example, with regard to children in the household.</p>
<b>7. Future plans</b>	<b>5 mins</b>
<p><b>We've talked about the immediate impact that the RSRS has had on you/your household.</b></p> <p><b>How would you describe the future, given the changes?</b></p> <ul style="list-style-type: none"> <li>• What are your plans with regard to housing and work in the next year or so?</li> </ul> <p><b>Will be seeking any further advice or information about the RSRS?</b></p> <ul style="list-style-type: none"> <li>• What will you be seeking advice/information about?</li> <li>• Where do you think you will go to get this advice/information?</li> </ul>	<p>In this section, we will explore participants' views on how their situation might change in the near future, and how their response to the reform might change over time.</p>
<b>8. Conclusions and final thoughts</b>	<b>5 mins</b>
<p><b>Is there anything else we haven't covered?</b></p> <p>Thank participant for taking part, and give them their incentive.</p>	<p>Allows time for the participant to offer some concluding thoughts and the interviewer to close the interview.</p>

# Appendix D

## Landlord survey methods

The survey of social landlords ran between 10 October and 10 November 2014. A total of 750 landlords were invited to take part in the survey, comprising all social landlords and PRPs with over 1000 properties, as well as a sample of smaller landlords throughout Britain. The mailing list was the same as the one used previously in 2013, with alternative contacts within each organisation used on request. The initial contacts were supplied from:

- The Department for Communities and Local Government (English stock-owning local authorities)
- The Homes and Communities Agency (English Registered Providers)
- The Scottish Government (Scottish stock-owning local authorities)
- The Scottish Social Housing Regulator<sup>39</sup> (Scottish Registered Social Landlords)
- The Welsh Government (Welsh stock-owning local authorities and Registered Providers)

A total of 256 responded to the survey completing most or all of the questions. A small number of responses from those completing only a small part of the survey, or which appeared to be duplications of existing (fuller) responses were excluded from analysis. The survey asked for substantial numerical and financial data, as well as more qualitative elements. Many landlords therefore did not complete every single question. Analysis and percentages given throughout this report relate to those who did respond to the specific question and do not always sum to 256 landlords for this reason.

Table D.1 shows the size profile of landlords responding to the survey

**Table D.1 The size of landlords responding to the survey**

		Landlords %	
Number of general needs social rented properties managed	1,000 or fewer	42	16%
	1,001–10,000	152	59%
	10,001–50,000	58	23%
	50,001 or more	3	1%
	Not known	1	*
Number of LAs where manage social rented general needs properties	1	131	51%
	2–10	76	30%
	11 or more	47	18%
	Not known	1	*
Total		256	100%

<sup>39</sup> [www.esystems.scottishhousingregulator.gov.uk/register/reg\\_pub\\_dsp.home](http://www.esystems.scottishhousingregulator.gov.uk/register/reg_pub_dsp.home)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

Table D.2 shows the type of landlord and region/country where most of their stock is located.

**Table D.2 Profile of social landlords responding to survey**

		Number	%
Type of landlord	Stock owning local authority	47	18%
	Arms Length Management Organisation	10	4%
	Registered Provider/Registered Social Landlord/Private Registered Provider	199	78%
Location of the majority of social rented (general needs) housing	England		
	North East	4%	4%
	North West	11%	12%
	Yorkshire and Humber	4%	5%
	East Midlands	4%	4%
	West Midlands	6%	8%
	South East	11%	7%
	South West	5%	8%
	East of England	5%	8%
	London	12%	11%
	England (total)	159	62%
	Scotland	63	25%
	Wales	25	10%
	Majority of stock not in any one region/country	9	4%
Total		256	100%

The landlords who replied were representative of those polled in terms of their spread between England, Scotland and Wales. They also had a total of 10.4 per cent of their stock occupied by tenants affected by the RSRS, which is very close to the national average of 10.0% as of October 2014<sup>40</sup>. It was therefore unnecessary to weight the data for analysis.

It should be noted here that the classification of landlords stock into regions is based on the region where the majority of stock is located and as such is only an approximation to the actual location of the stock held<sup>41</sup>.

To increase robustness, some English regions have been combined with neighbouring regions for analysis. Table A3.3 gives the stock size by broader geographical regions, and shows comparable figures for all social housing in Britain. Six of the nine landlords with the majority of stock in no one region/country could nevertheless be included within one of the broader regional groupings (one in the Midlands, two in the north, and three in the south and east of England).

<sup>40</sup> The number affected nationally in October 2014 was 470,000 (DWP) and the size of the social housing sector is estimated at 4,713,437 (2011 Census), which gives the proportion of all social tenancies affected as 10.0%.

<sup>41</sup> Four large housing associations with their stock mainly in London also indicated that they had some stock in the south and east, which may explain the apparent under-representation of landlords in these regions.

## Evaluation of Removal of the Spare Room Subsidy – Final Report

**Table D.3 Social rented dwellings managed by location of landlord, and location of social rented stock in Britain**

Country	Broad region	Regions included	Owned by landlords responding to survey		Owned by all social landlords	
England	'North'	North East, North West, Yorkshire and Humber	627,556	28.0%	1,466,747	31.1%
	'Midlands'	East Midlands, West Midlands	296,615	13.2%	809,987	17.2%
	'South and East'	South East, South West, East of England	418,005	18.6%	1,224,163	26.0%
	London	London	368,376	16.4%	402,653	8.5%
England (total)			1,710,552	76.3%	3,903,550	82.8%
Scotland			216,296	9.6%	594,976	12.6%
Wales			102,176	4.6%	214,911	4.6%
Majority not in any one region/country or not known			213,942	9.5%	-	-
Total			2,242,966	100%	4,713,437	100%

Sources: Landlord survey, October- November 2013 and 2011 Census.

# Appendix E

## Landlord survey

Welcome to the second, final, survey on the Removal of the Spare Room Subsidy ('the RSRS'). The survey is being undertaken by the Cambridge Centre for Housing and Planning Research and is part of the evaluation commissioned by the Department for Work and Pensions about the Housing Benefit reforms affecting under-occupiers. We carried out a similar survey a year ago, to which many of you replied, covering around half the social housing stock in the UK. The findings helped inform the Interim Report which you can find here: [www.gov.uk/government/publications/removal-of-the-spare-room-subsidy-interim-evaluation-report](http://www.gov.uk/government/publications/removal-of-the-spare-room-subsidy-interim-evaluation-report)

This survey is to update the evaluation and will enable the DWP to understand better how the RSRS is working in practice and what impact it is having on you and your tenants. You can stop the survey part-way though if you wish, and re-enter it at a later time to finish it off. Your answers will be saved. You may also share the survey with colleagues who, by using the link sent in the email you received, will be able to edit the same version of the survey. However, if you also require a PDF of the survey to share with colleagues before completing it online, it can be downloaded from: [link]. Where numeric answers are requested, please draw on any data you hold wherever possible, but give us your best estimate if not. Please leave blank any questions where you do not know the answer, and cannot provide a good estimate either. We realise that not all landlords will be able to answer all the questions. All questions relate to the stock that you manage, regardless of whether you own it or manage it on behalf of another landlord. If you are a local authority, please answer the questions just in relation to tenants in the stock that you manage, not those who live in your area in housing managed by other Registered Providers. Any information you provide will be held in the strictest of confidence and will be handled securely throughout the study in line with the requirements of the Data Protection Act (1998). The information you provide will be used only for research purposes and the research findings will not identify you or your organisation. Please note that as the survey is anonymous, we will not be able to send you a copy of your answers on request, and suggest you store them elsewhere if you want to keep a record of them for any reason.

### **This first section is about you and where you work**

1. Please indicate what type of landlord you are:
  - ☐ Stock owning local authority
  - ☐ Arms Length Management Organisation managing council-owned stock
  - ☐ Registered Provider/Registered Social Landlord
  - ☐ Private Registered Provider
2. In which of these regions/countries do you manage general needs stock? (Please include social rented, and Affordable Rented stock, but not shared ownership, supported or sheltered housing)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

	All of our stock	Most of our stock (over 50%)	Some of our stock (under 50% but more than 1%)	None/very little of our stock (under 1%)
Scotland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wales	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
NW England	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
NE England	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yorkshire and the Humber	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
West Midlands	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
East Midlands	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
East of England	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
South East England	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
South West England	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
London	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. In how many local authorities in Britain do you manage social housing stock? (Please include social rented and Affordable Rented stock, but not shared ownership, supported or sheltered housing)
4. And how many general needs properties do you manage in Britain? (Please include social rented and Affordable Rented stock, but not shared ownership, supported or sheltered housing)

### This section is about identifying tenants who are affected by the Removal of the Spare Room Subsidy (RSRS)

5. To the best of your knowledge, how many of your tenants are currently affected by the RSRS? (Please include all affected tenants, even if you are aware that they are currently in receipt of DHP to cover their full shortfall)
6. And how many were affected when the RSRS first came into effect in April 2013?
7. Thinking about tenants whose circumstances change so that they start to be affected by the RSRS or cease to be, which of the following best describes how you become aware when tenants start or cease to be affected?
  - ☐ We have access to the local authority HB database so we can see for ourselves
  - ☐ The local authority informs us on a case by case basis when people start or cease to be affected
  - ☐ The local authority informs us on a regular basis (at least monthly)
  - ☐ The local authority informs us but less often than monthly
  - ☐ We do not get informed by the LA reliably so rely on the tenant telling us directly
  - ☐ A mixture of the above
  - ☐ Other (please explain) \_\_\_\_\_

**This section is about making alterations to your stock or reclassifying the size of properties, in response to the RSRS**

8. Have you physically altered any of your stock to change the number of bedrooms in direct response to the RSRS (eg knocked down walls)
- ☐ Yes
- ☐ No
- ☐ Not yet but are planning to do so within the next 12 months
- ☐ Not known
- 8a. How many have you altered so far?
- 8b. How much was the average cost, per property altered?
- 8c. Please briefly explain what these alterations involve(d)?
- 8d. How many are you planning to alter within the next 12 months?
- 8e. Why did you decide to do this?
9. Have you reclassified the number of bedrooms in any stock in response to the RSRS? (Please do NOT include cases where you did this solely because you discovered that your records were incorrect, for instance because of adaptations that had taken place previously which reduced the actual number of rooms)
- ☐ Yes
- ☐ No
- ☐ Not yet, but are planning to do so within the next 12 months
- ☐ Not known
- 9a. How many properties have you reclassified in response to the RSRS?
- 9b. And of these, how many:

	Number
Were originally classed as having 2 bedrooms	
Were originally classed as having 3 bedrooms	
Were originally classed as having 4 or more bedrooms	

- 9c. Please briefly explain why you decided reclassify these homes?
- 9d. Have you lowered the rent on those properties that were reclassified as a result of reclassifying them?
- ☐ Yes, on all of them
- ☐ On some of them
- ☐ No, none of them
- ☐ Not known

## Evaluation of Removal of the Spare Room Subsidy – Final Report

9e. Why/why not?

9f. Which of the following best describes your approach to reclassifying?

- ☐ We reclassified all properties of a similar type, regardless of who is living in them
- ☐ We reclassified only properties occupied by tenants affected by the RSRS
- ☐ We reclassified only on request or on an individual basis
- ☐ A mixture of the above
- ☐ In some other way (please explain) \_\_\_\_\_

### This section asks about the response of tenants affected by the RSRS

10. Which of the following payment methods have you offered and encouraged for your tenants to pay their rental shortfalls arising from the RSRS?

	We allow tenants to pay by this method	We encourage this payment method	This method is popular with tenants
Direct debits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Standing orders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cheque	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Credit card by phone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Debit card by phone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Credit card online	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Debit card online	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payment cards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11. How many of your RSRS-affected tenants are currently registered for downsizing (but haven't yet moved)? (Please leave blank if not known)

Via Mutual exchange
Via the transfer list (either yours or one held by your LA)
Not registered for either

12. How many of your tenants who were affected by the RSRS have downsized within the social sector to date?

12a. How many of these did so by means of a mutual exchange?

12b. And how many did so via your transfer list (or that of another social landlord)?

13. How many of your tenants who were affected by the RSRS have moved to the private rented sector to date (Please provide an estimate if possible, or leave blank if the number is not known)



## Evaluation of Removal of the Spare Room Subsidy – Final Report

- 13a. Is this figure (for moves to the private rented sector) based on an estimate or figures that you have available?
- ☐ Estimate
- ☐ Figures
14. In total, how many households who were affected by the RSRS have moved, vacating their under-occupied home?
- ☐ Number \_\_\_\_\_
- ☐ Not known
15. Do your tenants need to ask your permission to take a lodger?
- ☐ Usually yes
- ☐ Usually no
- ☐ Not known
- 15a. Do you have figures for the number who have applied for permission to take a lodger since 1st January 2013?
- ☐ Yes. How many? \_\_\_\_\_
- ☐ No, these figures are not available

### This section is about arrears

16. What was the total amount of arrears outstanding (from all your tenants, whether affected by any of the welfare reforms or not):

	Total arrears (in £)	As a % of rent due during previous year
On 31st March 2013?		
On 31st March 2014?		
On the most comparable recent date? (Please give the figure for as recent a date as possible that can be best compared to 31st March, bearing in mind your rent collection cycle and Housing Benefit payment dates.)		

- 16a. What date is this latest figure for? (dd/mm/yyyy)
17. What proportion of tenants currently affected by the RSRS are currently in arrears?
- 17a. And what is the average amount (per tenant) that these tenants in arrears owe?
18. And for comparison, what proportion of your tenants currently affected by the RSRS were in arrears on 31st March 2013?
19. Are you able to identify the number of your tenants currently affected by the RSRS who have paid all, some or none of their shortfall? (The shortfall, in this context, refers to the rental shortfall after HB and DHP have both been paid)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- ☐ Yes
- ☐ Not precisely but can estimate
- ☐ No, we cannot attribute the source of rental shortfalls

19a. At the current time, what proportion of your tenants who are currently affected by the RSRS:

- \_\_\_\_\_ have received DHP in full for the entire time, so have never had an actual shortfall to pay
- \_\_\_\_\_ have paid all their shortfall
- \_\_\_\_\_ have paid some but not all of their shortfall
- \_\_\_\_\_ have paid none of their shortfall
- \_\_\_\_\_ have paid an unknown amount of their shortfall

20. Have you initiated any possession proceedings against any tenants in arrears affected by the RSRS?

- ☐ Yes
- ☐ No
- ☐ Not known

21. Of tenants affected by the RSRS:(Please leave blank if not known)

	Number of RSRS-affected tenants
How many tenants have been issued with a formal warning letter?	
How many tenants have been issued with an intention to seek possession (NOSP)?	
For how many tenancies have you applied for possession?	
How many tenants have had court cases heard?	
How many tenants have been issued with a suspended possession order?	
How many tenants have been issued with a possession order (not suspended)?	
How many tenants have been evicted?	

22. Which of the following best describes your policy towards possession proceedings on tenants who fall into arrears?

## Evaluation of Removal of the Spare Room Subsidy – Final Report

	We offer our usual support, but follow our usual possession proceedings if this fails to resolve the situation	We offer support that goes substantially above the level we'd usually offer, but will then follow our usual possession proceedings if this fails to resolve the situation	We will not evict tenants who are working with us, even if this has failed to solve their problems and their arrears are still growing	We will not evict certain groups of tenants (eg vulnerable, or with children) even if they repeatedly fail to pay	We will not evict any tenants even if they repeatedly fail to pay
RSRS-related arrears	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Arrears for other reasons	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### **This section is about your tenants' experiences of applying for Discretionary Housing Payments (DHP)**

23. Has your total DHP funding (including any top up from the Scottish or Welsh Government) been sufficient to allow you to offer DHP to cover the shortfalls in full of all RSRS-affected tenants, as long as they apply for it?
- ☐ Yes
- ☐ No
- ☐ In some areas but not others
- ☐ Not known
- 23a. In how many of the local authorities in which you work are you familiar enough with the policy on DHP to advise tenants affected by the RSRS as to whether they might be eligible?
- ☐ All
- ☐ Most
- ☐ Around half
- ☐ A minority
- ☐ None

## Evaluation of Removal of the Spare Room Subsidy – Final Report

23b. Which of the following processes of applying for DHP apply for your tenants:

	Always	Usually	Sometimes	Rarely	Never
The tenant applies direct to the LA and we have no involvement in the process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We advise the tenant on whether they are likely to be eligible for DHP and provide assistance if required, but the tenant applies themselves	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We assist tenants with filling in the DHP application, and the LA encourages us to do this. Tenants are allowed but not encouraged to apply without our assistance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tenants must apply through us. The LA will not accept their applications without our backing.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have been allocated a DHP sum from the LA to decide how to allocate to our tenants ourselves	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

23c. Which of the following best describes the system used most often for assessing eligibility for DHP for your tenants?

- ☐ Tenants need to be in a priority group
- ☐ Tenants need to be found to be unable to afford the shortfall
- ☐ Tenants need to be in a priority group, and ALSO to be found to be unable to afford the shortfall
- ☐ Some other system (please explain) \_\_\_\_\_
- ☐ Not known

24. Do you have any other comments about DHP?

### This section is about allocations

25. Do you have your own allocations policy covering at least some of your stock?

- ☐ Yes
- ☐ No – all allocations are made via LA-wide policy/policies/via a common housing register and we do not design the allocations policy

25a. Have you made any changes to your allocation policy DURING THE LAST 12 MONTHS to increase the priority given to downsizers in response to the RSRS?

- ☐ Yes, for all potential downsizers
- ☐ Yes, just for those affected by the RSRS
- ☐ No – they were already Band A (or equivalent if using points system)

## Evaluation of Removal of the Spare Room Subsidy – Final Report

- ☐ No – they were, and still are, Band B (or equivalent if using points system) or below

26. Which of the following best describes your approach to deciding what size of home to let to new tenants?

- ☐ New tenants would not normally be allowed to under-occupy (according to DWP's size criteria)
- ☐ New tenants are only allowed to under-occupy if they are in employment (and not on HB) or are pensioners and therefore unaffected by the RSRS
- ☐ New tenants, including those affected by the RSRS, are allowed an extra bedroom if they wish, after we have assessed the affordability and believe they can afford the shortfall
- ☐ Certain groups of new tenants (such as parents with access visits from children), including those affected by the RSRS, are allowed an extra bedroom if they wish, after we have assessed affordability and believe they can afford the shortfall
- ☐ New tenants, including those affected by the RSRS may sometimes only be offered housing that includes an extra bedroom (according to the DWP's size criteria) for instance because we don't have sufficient smaller stock for them

27. Do you offer shared housing (i.e. groups of unrelated adults sharing a house)?

- ☐ Yes, we have been doing this since before the RSRS was introduced
- ☐ Yes, and we have introduced, or expanded this option since the RSRS was introduced
- ☐ Not currently but we are considering this
- ☐ No, and we have no plans to do so

28. Can you tell us more about why you do or don't offer shared housing?

29. Do you allow tenants affected by the RSRS and with arrears to downsize?

- ☐ Usually yes
- ☐ Yes if they are below a certain level and/or the tenant is trying to pay them off
- ☐ Usually no
- ☐ Not known

30. Is there a financial incentive available to your tenants who wish to downsize?

- ☐ Yes
- ☐ Yes in specific circumstances (please explain) \_\_\_\_\_
- ☐ No
- ☐ Not known

30a. How much would downsizers typically be offered?

## Evaluation of Removal of the Spare Room Subsidy – Final Report

### This section is about difficulties letting properties

31. Have you experienced any difficulties in letting properties as a result of the RSRS?

- ☐ Yes
- ☐ No
- ☐ Not known

31a. Which types of properties have proved harder to let?

- ☐ Homes with 5 or more bedrooms
- ☐ 4 bedroom homes
- ☐ 3 bedroom houses
- ☐ 3 bedroom flats
- ☐ 2 bedroom houses
- ☐ 2 bedroom flats
- ☐ 1 bedroom homes

32. How many properties in total were void on 31st March 2013?

32a. And how many were void on 31st March 2014?

### This last section is about development plans

33. As a landlord, are you involved in developing new housing?

- ☐ Yes
- ☐ No/Not currently

33a. Have you altered your development plans in response to the RSRS and its consequences in order to build:

	Building fewer	No change	Building more
1 bedroom properties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 bedroom houses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 bedroom flats	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 bedroom houses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 bedroom flats	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 bedroom properties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 or more bedroom properties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

34. Do you have any other comments on the impact of the RSRS on your organisation or your tenants?

# Appendix F

## Topic guides for case study work and lender interviews

### Topic guide for local authority case study interviews

- 1) **Implementation**
  - a. Ongoing staff training
  - b. Identifying who is affected by the RSRS
- 2) **Tenant responses**
  - a. Changes in numbers affected and perceptions of reasons for the change
  - b. Downsizing – numbers, tenure, where moved, and means of move
    - i. Promotion of downsizing
    - ii. Demand for downsizing – numbers registered and barriers to moving
  - c. Finding work and increasing earnings
  - d. Taking lodgers or family members
- 3) **Discretionary Housing Payments**
  - a. Guidance on administering DHP
  - b. Promotion of DHP to claimants
  - c. Managing demand for DHP
  - d. Treatment of disability benefits when assessing eligibility for DHP
  - e. Conditions placed on the receipt of DHP
- 4) **The policy framework**
  - a. Allocation policies – any changes in response to the RSRS
  - b. Impact of the RSRS on overcrowding
  - c. Impact of the RSRS on homelessness functions
  - d. Impact of the RSRS on joint working

### Topic guide for social landlord case study interviews

- 1) **Implementation**
  - a. Staff training
  - b. Costs of implementation
  - c. Physically altering or reclassifying stock
  - d. Identifying who is affected by the RSRS
  - e. Supporting tenants affected by the RSRS
- 2) **Tenant responses**
  - a. Changes in numbers affected and perceptions of reasons for the change
  - b. Downsizing – numbers, tenure, where moved, and means of move
    - i. Promotion of downsizing
    - ii. Demand for downsizing – numbers registered and barriers to moving
    - iii. Impact of downsizing on freeing up larger homes
  - c. Finding work and increasing earnings
  - d. Taking lodgers or family members
  - e. Any other reasons for tenants ceasing to be affected
- 3) **The policy framework**
  - a. Allocation policies – any changes in response to the RSRS
  - b. Downsizing with rent arrears
  - c. Responding to changes in demand
    - i. Shared housing
    - ii. Development programme – changes to what is built
  - d. Impact of the RSRS on overcrowding
- 4) **Rent collection and arrears management**
  - a. Payment methods
  - b. Arrears levels and changes to
  - c. Arrears policy
  - d. Arrears, possession and evictions of tenants affected by the RSRS
- 5) **Discretionary Housing Payments**
  - a. Who is getting DHP
  - b. Treatment of disability benefits in assessing DHP
  - c. Conditions placed on tenants' receipt of DHP
- 6) **Joint working with local authority and other landlords**



### **Topic guide for case study voluntary organisations, advice and support services**

1. Role of organisation in working with people affected by the RSRS
2. Changes in demand for services resulting from the RSRS
3. Joint working with landlords or local authorities to support households
4. Awareness and involvement in Discretionary Housing Payments
  - a. Impact of DHP on helping clients
5. Involvement in supporting people with rent arrears or under threat of eviction, including court processes

### **Topic guide for lender interviews**

1. Role in lending to the housing association sector
2. Impact of RSRS in discussions with borrowers
3. Confidence in borrowers' own estimates of impact of the RSRS
4. Defaults or risk of defaults
5. Impact of RSRS on borrowers' finances
6. Involvement of lender in housing association's practices regarding rent collection and eviction proceedings
7. Any renegotiation of loan agreements
8. Awareness of Discretionary Housing Payments and role in mitigating impact of RSRS
9. Impact of RSRS in assessing bids for financing new development