

Council – 8 July 2013

Notice of motion – “Bedroom tax”

I set out below a notice of motion to Council on 8th July 2013 from Councillor Smith:

“Given that this Council at a recent Council meeting on 8 April 2013, unanimously expressed its opposition to the so called “bedroom tax” and resolved to call on the Government to scrap the “bedroom tax”, this Council now calls upon the Walsall Housing Group (whg) and other social landlords of properties in the Borough of Walsall to give assurances that they will take no eviction action against any of their tenants, solely as a result of arrears resulting from the imposition and impact of the “bedroom tax.”

Background

The Welfare Reform Act 2012 announced that the current rules for the size of accommodation Housing Benefit will cover in the private rented sector will be applied to working age tenants renting in the social sector.

From April 2013 all current and future working age tenants renting from a local authority, housing association or other registered social landlord will receive Housing Benefit based on the need of their household.

This means those tenants whose accommodation is larger than they need may lose part of their Housing Benefit. Those with one spare bedroom will lose 14 per cent of their eligible rent and those with two or more spare bedrooms will lose 25 per cent.

The Department for Work and Pensions impact assessment (June 2012) stated that research suggested that around 35% of claimants would be quite or very likely to fall into arrears if their Housing Benefit were to be reduced.

If the tenant does not pay this shortfall, rent arrears will build up and landlords will be entitled to commence recovery procedures including appropriate legal action.

Affected householders are faced with a choice of:-

- continuing to live in accommodation which is assessed as larger than their household needs, and make up any shortfall from their other income, or from savings, from moving into work, increasing working hours,
- letting out a spare room to a lodger, a boarder, or a family member;
- Move to accommodation which better reflects the size and composition of their household.
- Apply for a discretionary housing payment

Officers from the benefits service are working jointly with social landlords, money advice agencies and other authority services, to help the affected householders consider all the options available.

Contact Officer:

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