

**GENERAL SYNOD****DIOCESAN SYNOD MOTION: SPARE ROOM SUBSIDY****A background note from the Diocese of Leeds**

1. This motion had its genesis at the Airedale Deanery Synod who brought an earlier version to the final Bradford Diocesan Synod in March. It was unanimously agreed. Slight amendments have been made to better focus the action required. A year on from implementation of the Bedroom Tax much research has been done on its impact. As we move to a time when political parties are considering their manifestoes, we bring this motion to you in the hope of directing some of the Church's resources to build a picture of what is actually happening.
2. We want the evidence for and against the Bedroom Tax to be on the table in discussions with policy makers, so the debate can move from the emotional to the factual level, challenging HMG with the findings that their policy is not working even on their own terms and is causing significant hardship without concomitant benefits to anyone.
3. However the process of exposing issues of injustice is not without emotion. As well as being ineffective, we perceive both the principle behind the policy and the consequences of its implementation to be unjust. For that reason in this paper we will refer to the 'removal of the Spare Room Subsidy' as a 'Bedroom Tax'. This paper begins to set out the reasons and evidence for our position and in passing the motion you will be allowing the Church to bring the considerable skill of Mission and Public Affairs to complete the task.
4. Our position is that, in the principle of the tax we see a deep unfairness and almost a cultural disregard for the lives of the poor and a devaluing of commitment to place and community which are so important to the Common Good and have always been a core consideration of the Church of England. In its implementation it is ineffective and unjust and the impact is leading to increased debt with significant negative effects on mental health. Sitting alongside the uncoupling of identified need from level of support, as executed by the Benefit Cap, the chaos of target driven Work Capability Assessments and seemingly target driven punitive sanctions on unemployed claimants (4 weeks of no benefits as a minimum), it also appears to completely undermine the concept of a 'Big Society'.

**Detail**

5. From April 2013, people living in council or housing association homes have had their housing benefit reduced if the Department for Work and Pensions (DWP) rules determine their home is too big for their needs. The amount of housing benefit people can claim for rent has been reduced if they have one or more spare rooms. Claimants have to find the money to cover the difference, or move out. The amount people are entitled to is cut by a fixed percentage of their 'eligible rent' (the rent counted for housing benefit purposes): 14% if they have one extra bedroom, 25% if they have two or more extra bedrooms. (In the City of Bradford, on average, that is £12 or £22 a week

respectively).

6. Households are judged as needing one bedroom for: a) An adult or couple aged 16 or over, b) Two children of the same gender aged 10-15, c) Any two children under 10. Where no appropriate accommodation is available to be moved into, the Tax still must be paid. Pensioners are exempt. There are also exemptions for parents of children in the armed forces who will return home on leave and also for registered foster parents.

### **Injustice in principle**

7. Households where children or adults have disabilities and whose accommodation has been specially modified and where no other suitable property exists, are still not exempt, nor are those who need bedrooms for carers. In cases that are perceived to be particularly problematic, Discretionary Housing Payments may be made by local authorities, but the fund is limited. There is no long term commitment to this fund from national government. Criteria vary across the country and the process of application takes time and causes unnecessary anxiety for those who already have much to bear.
8. Parents who have access rights to their children for only part of the week are not exempt. Lone parents who remain in the family home after separation, commonly women with children, are not exempt.
9. But even for those with less complicated lives the principle of this tax is unjust. The notion of conditionality as part of the provision of benefits of any kind has always been a component of our social security system. Dignified lives are supported in return for efforts to find work where possible. The intrusive nature of the tax breaks that contract, recognising no right to dignity.
10. Married couples who sleep separately have to relinquish that right or pay up. Older couples, who might have considered it their right to have somewhere for grandchildren to visit, must relinquish that right or pay up. And the concept of lives, on-going and evolving from the home is lost also from that contract. Couples with two children of different sexes have to keep uprooting and begin new lives, relationships and networks as their children age, or pay up. The concept of dignified lives lived in and building community is lost also. Older couples, who have invested in their home and their local community are asked to relinquish their position, their grown gardens, their support networks and all the social capital that goes with that, or pay up. With that future ahead of them it is possible that new families will not invest in community and place to the same extent.
11. The Bedroom Tax voices a disregard for the intimate unfolding of the lives of the most vulnerable in a way that would never be done to the more wealthy and for this reason is unjust. It also appears to be either ignorant of or attach no value to the dynamics of community over time.

### **Injustice in implementation**

12. The fact is that even those who would move, more often than not, can't. There simply aren't enough one bedroom properties available. As Shelter pointed out before the policy was implemented '*Because social landlords have tended to build homes to last*

*families for many years, there is a lack of smaller one and two bed flats for households to downsize into. This is true nationally but a particular problem in certain areas where entire estates have been built without one bedroom properties.*<sup>i</sup> The need to pay the tax, even where no other ‘appropriately sized property’ exists is most surely unjust. And people cannot afford to pay.

13. Of grave concern is the rise in indebtedness reported as a consequence of the Bedroom Tax. Incommunities (the largest housing association in Bradford) reports a £1.4m loss of income to their residents. In Bradford on average those affected lose £15.31 per week. They gave us a typical case study of an individual getting £71.70 each week and paying £12.74 Bedroom Tax, £3.60 Council Tax + £2.50 arrears, £15 gas/electricity, £6 TV Licence & Water Rates, which leaves £4.55 per day or £31.85 per week for food, clothes and anything else. It is not surprising but deeply troubling that 50% of Incommunities’ affected customers are now in debt where no debt existed previously.
14. The National Housing Federation in their survey ‘One year on’ also reports similar statistics and says ‘Analysis of the specific actions taken by affected tenants indicate that the most commonly mentioned responses to being affected by the size criteria are to spend less money on food (32%) and heating/energy (26%).’<sup>ii</sup> To ask people who have so little to make such sacrifices is unjust.
15. Both Christians Against Poverty and Citizens Advice Bureau report dealing increasingly with negative budgets – where the figures for households simply don’t add up. This is having an adverse impact on health, relationships, ability to deal with necessary tasks (such as compliance with Job Centre demands) and is a major cause of the rise in child poverty.<sup>iii</sup> Where budgets do not add up, even the most supported of Credit Unions can not lend.

## **Ineffective**

16. The policy has been described by the DWP as ‘*a fair and necessary reform. It will give families in overcrowded accommodation hope of finding an appropriately sized property and help bring the housing benefit bill under control.*’<sup>iv</sup> But this has not been the case. The intended savings have not been made and appropriate properties have not been freed up.
17. Because pensioners aren’t affected, about two-thirds of people under-occupying in the social sector are unaffected by this measure. Affected people have resisted moving because of their commitment to their lives in that place<sup>v</sup> - a commitment the Church should value. Where people have moved it has been largely to the more expensive private sector, taking money away from not-for-profit housing associations who would have invested it in community regeneration. Incommunities say that approximately a third of the 2611 households affected by the tax have moved.
18. The vacated homes have not been easy to fill and they have 500 more homes empty this year than previously because of people moving into the private sector. This has cost them £1.1m in rent loss and home repair costs. In addition, Joseph Rowntree Foundation in their recent report concludes that ‘*Such moves into the typically more expensive private sector would increase costs for DWP. Meanwhile, net of DHP costs, DWP might make direct savings of around £330 million in 2013/14. This is approximately £115 million less than originally anticipated. Those savings will decline*

*over time, but they have been achieved at considerable costs for tenants and landlords.*<sup>vi</sup>

19. We have quoted a number of recent reports that are monitoring the impact of welfare reform and the Bedroom Tax in particular. There are many more that are at the disposal of Mission and Public Affairs. It seems to us that the evidence of injustice is clear. We ask Synod to support this motion so that further analysis can be undertaken and constructive pressure be brought to bear on policy makers and HMG before the next election.

Debbie Child – 6 June 2014  
Diocese of Leeds

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<sup>i</sup> What's wrong with the Bedroom Tax? Shelter Briefing April 2013  
[http://england.shelter.org.uk/\\_data/assets/pdf\\_file/0020/650630/Bedroom\\_tax\\_-\\_Shelter\\_briefing\\_March\\_2013.pdf](http://england.shelter.org.uk/_data/assets/pdf_file/0020/650630/Bedroom_tax_-_Shelter_briefing_March_2013.pdf)

<sup>ii</sup> Page 42' May 2014, One year on: The impact of welfare reforms on housing association tenants. National Housing Federation

<sup>iii</sup> Advice Leeds, 2014 Social Security, the impact of Welfare Reform on Leeds  
<http://www.adviceleeds.org.uk/formsanddocs/Advice%20Leeds%20%20The%20Impact%20of%20Welfare%20Reform%20in%20Leeds.pdf>

<sup>iv</sup> <http://www.walesonline.co.uk/news/wales-news/bedroom-tax-paul-susan-rytherford-7193702>

<sup>v</sup> Of those affected by the size criteria, one in five (20%) say they are currently looking to move while the majority (79%) say they are not looking to move.

The National housing Federation Survey revealed that ' Among those affected tenants that say they are not currently looking to move accommodation, the main reasons for not wanting to move include being settled (46%) and being happy (43%) where they live. These are also the most commonly mentioned reasons why non-affected tenants are not currently looking to move.' May 2014, One year on: The impact of welfare reforms on housing association tenants. National Housing Federation

Joseph Rowntree foundation HOUSING BENEFIT SIZE CRITERIA: IMPACTS FOR SOCIAL SECTOR TENANTS AND OPTIONS FOR REFORM