

Rent restrictions for under 35's

If the regulations are amended in July 2011 to extend the single room rent restriction to under 35yr olds from 1st January 2012, then the following people in the **private sector** who are aged between 25 -35 could have their rent restricted unless they fall into a protected group eg getting DLA care at middle or high rate, have 24hr carers or a non dep.

Type of tenancy	Number of tenants	Average weekly reduction in benefit
Local housing allowance	130	£50.00
Other private tenants	26	£45.00

If this restriction gets extended to **social housing** in April 2013 then potentially 150 council tenants and 245 other social landlord tenants could have their rent restricted.

Current indications seem to suggest that social landlord tenants **may not** be included in this restriction, so social housing will have an increased demand from single under 35's from next yr.

Reductions in local housing allowances

Under local housing allowance a customer's rent benefit is reviewed annually normally around the date they took the tenancy or made their claim for benefit.

Since 1st April 2011 when they hit their rent review date, if the new figure is lower we are giving them up to nine months protection at the old rate to give them time to find cheaper accommodation. The first tenants to lose their nine months protection will be in Jan 2012.

The following list is the number of customers in each category who will be more than £5.00 per week worse off when their protection period ends. This will lead to an increase demand for social housing if they can't find cheaper alternative accommodation in the private sector.

Room size	No of tenants
Bed-sit /rooms	157
One bedroom properties	382
Two bedroom properties	328
Three bedroom properties	76
Four/Five bedroom properties	16
Total	959

In addition to the above we also have 900 benefit customers who are currently on other protected private tenant schemes who may also be transferred over to Local Housing Allowance before April 2017. A number of these will also face rent restrictions.

Room restrictions in Social housing

At this stage I am unable to work out the number of social housing tenants (below pension age) who may be affected in April 2013 by these bedroom size restrictions as we do not have details of the scheme, however we will need to find new stock for those affected to move into.

Current indications are it could be a straightforward 15% reduction in rent charged if they have one extra room (£12.00 shortfall over 52 wks) and 25% reduction if two or more rooms (£20.00 shortfall over 52 wks).

Benefit / Housing statistics

Breakdown of our current housing stock by number of bedrooms

Property size	Number of properties	Average rent over 52 weeks
Bed-sit / room	64	£57.73
One bed	1325	£61.50
Two bed	1620	£69.08
Three bed	1452	£78.72
Four bed	124	£85.87
Five bed	8	£97.09
Total	4593	

- ❖ Council tenant rents are about 50 % cheaper than private rents
- ❖ 69% of council tenants get some help from Housing benefit to pay their rent so any increase in rents are covered in full by HB for these tenants.
- ❖ We paid out 10.5 million in HB benefit to council tenants last year (not including Homeless)
- ❖ Restrictions on what council's can charge may possibly end in 2016, but we do have the option to create properties under the affordable rent scheme before then.
- ❖ Any social housing tenancies (new build or revamp) which fall into Affordable rents scheme can charge up to 80% of the market rent for a similar private property.

Number of Benefit customers getting help with their rent.

Figures below do not take into account non dependant deductions	Council	Housing Associations	Private
Over 60 on max benefit	865	277	301
Over 60 on partial benefit	309	129	137
Total of benefit customers over 60	1174	406	438
Under 60 on max benefit	1504	789	1114
Under 60 on partial benefit	488	310	1013
Total of benefit customers under 60	1992	1099	2127