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Response to the SSAC consultation on the Housing Benefit Amendment regulations 2011



The Council for the Homeless Northern Ireland (CHNI) was founded in 1983 to represent organisations working with homeless people throughout Northern Ireland. We achieve this through providing training, information, research and collective representation. Currently, CHNI membership comprises of organisations from the Community / Voluntary, Statutory and private sectors.

CHNI is pleased to respond to SSAC's request for evidence relating to the DWP's proposals for the Housing Benefit (Amendment) Regulations 2011. The proposals would change the definition of a 'young individual' for housing benefit (HB) purposes, so that it would cover people under the age of 35, rather than 25 as now. The following response is offered on behalf of CHNI and our varied membership.

As Northern Ireland is not referred to in the Department's proposals, it seems fair to assume that that the circumstances in Northern Ireland have not informed these proposals. HB arrangements in Northern Ireland are different from those in the rest of the UK. There is no equivalent to Rent Officers; instead all arrangements are made by the Northern Ireland Housing Executive (NIHE). Local Housing Allowance (LHA) is also administered differently, with the continuation of direct benefit payments to landlords in approximately 25% of cases.¹

CHNI is opposed to the extension of the shared accommodation rate to those aged 25-34. This regulation, currently applied to under 25s has caused considerable hardship for many people within that age range. The Single Room Rent has proved an obstacle to finding settled accommodation suitable for these young people, particularly those affected by homelessness. The extension to include under 35s will simply make the situation even more difficult.

In making our response, we will firstly delineate the broader implications of the proposed changes within the Northern Ireland context, before outlining the potential impact of the proposed changes on a number of social groups.

The economic climate and general implications of the proposed changes.

We are in the midst of the worst economic downturn for decades. Even before the added impact of the current recession, the lack of affordable housing in Northern Ireland was already creating problems. Impending cuts to the NI budget and proposed changes to welfare benefits will only serve to compound

¹ Email statistic from NIHE, derived from Law Centre publication. Copy held on record at Law Centre (NI), Policy Unit.

these problems, with a disproportionate impact upon those who are already vulnerable and disadvantaged².

Given the precarious economic situation in the UK as a whole, there is a clear need to proceed with caution on any changes to HB. During 2009/10 the NIHE paid a total of £518.02m in HB. This was an increase of 12% over the previous year.³ Public provision of housing is shrinking, and the cost of buying a property is prohibitive for many. Although house prices have returned to more sustainable levels⁴, ongoing difficulties in obtaining mortgage finance, labour market uncertainty, and the restrictive impact of the economic downturn on new builds, inevitably place increased pressure on the limited supply of private rented accommodation to meet housing needs. Rents are likely to rise and landlords will be able to select the tenants on this basis. This will increase the pressure upon younger people, particularly those reliant on benefits. Their choice will, in any case, be restricted due to the change in calculation of the SAR to the 30th percentile of rents and the increased numbers of tenants requiring shared accommodation as a result of the extension of the age limit to 35. In uncertain economic times, the Department should not be seeking to weaken HB provision. These issues are outlined in further detail below.

Proposed changes to HB are seen as having the most direct impact on the housing market. When the original regulations were first introduced in 1996, the private sector made up about 5% of the accommodation available in Northern Ireland and its effect was negligible. The private rented sector now accounts for more than 20% of available housing in Northern Ireland and is larger than the social housing sector. In these difficult economic times, the private rented sector is virtually the only option for single people in need of accommodation. This means that the proposed changes will have a much greater impact than was originally the case. As a consequence many are likely to be forced out of their existing accommodation.

Potentially the most damaging proposal is the intention to change the LHA calculation from one based on a median (mid-point) rent to one based on the 30th percentile. It is difficult to assess in detail the effect of this in Northern Ireland, but based on the current available figures there are 156,169 HB claimants in Northern Ireland, 56.2% of which are in the private rented sector. It is estimated that there are 5,892 single claimants aged between 25 and 34 currently receiving the one bedroom room rate who could potentially be affected by the proposed changes in the Regulations.⁵

² CHNI recently produced a paper (www.chni.org.uk/UserFiles/File/ACT%20NOW%20reform_impact.pdf) outlining the likely impact of NI Budget and Welfare Reform cuts in light of these economic stressors

³ Available at http://www.nihe.gov.uk/index/about-ushome/media_centre/key_issues/housing_benefit.htm. Correct as of 13.06.11

⁴ NIHE NI Housing Market Review and Perspectives 2011-2014

⁵ Northern Ireland Housing Executive: summary of Proposed Changes to Housing Benefit, April 2011

HB is designed to help people on low incomes pay for rented accommodation whether in or out of work. However, it is clear that it does not perform this function well at points. While there have been a number of recent media reports highlighting that some unemployed HB claimants are able to live in properties beyond the reach of most people with employment⁶, the reality is that for most claimants, HB is insufficient to their needs. In 2009-10 the level of rental arrears in the social housing sector was £2.3m. More than two thirds of tenants (68%) in receipt of HB had to pay a shortfall between the benefit they received and the market rent. Similarly, a survey of 500 tenancies managed by First Housing^{7,11}, found that 62% of tenants were under 35 and most will experience shortfalls. The mean shortfall was £20 per week before absorbing the additional shortfall due to these changes. This is a significant amount for people on a low income and can cause problems such as debt, arrears and homelessness. This change is likely to be a significant factor in any increase in homelessness, including in the worst instances rough sleeping. Apart from the impact on individuals, this is extremely costly to the public purse⁸.

The timing of the proposed change clearly negatively impacts upon 25-34 year olds in an already harsh economic and housing market environment. The proposed changes have the potential to place considerable stress on thousands of people in Northern Ireland. For new claimants from January 2012 a single person who is under the age of 35 in Belfast who could have received a one bedroom room rate of £84.06 will only be entitled to the shared room rate of £43.27.⁹ Various rules will apply for existing HB claimants, but the best case scenario (which will not apply to many claimants) will still see individuals facing a potential 50% reduction in HB within a year. It is important to note that 71.3% of claimants have been claiming HB for more than 2 years. As a consequence of the proposed changes many individuals will be forced to relocate from settled homes. This will place considerable pressure on the already limited pool of shared properties available, which in turn will undoubtedly lead to increases in rent for this type of property. With such pressures comes increased risk of homelessness and repeat homelessness.

Similarly, the potentially unsettled nature of sharers (due to shorter tenancies) has the potential to negatively impact upon homelessness. UK evidence from private rented sector flat sharing schemes for people affected by homelessness demonstrates this issue, which does not appear to have been addressed in the policy. Evaluation of Cyrenians' Flatmates scheme¹⁰ reported that in the first year of the project no

⁶ Hastings, C. et al (2010) 'Somali asylum seeker family given £2m house...after complaining 5-bed London home was "in poor area"', Daily Mail newspaper, 10th July 2010. Available at: <http://www.dailymail.co.uk/news/article-1293730/Somali-asylum-seeker-family-given-2m-house--complaining-5-bed-London-home-poor-area.html>

⁷ First Housing (FHASS) are a charitable organisation offering advice, support and accommodation to people that are homeless and in acute housing need across Northern Ireland: <http://www.first-housing.com>

⁸ e.g. Crisis research (Crisis (2003) How Many, How Much?) has estimated that the annual cost of homelessness per person is between £9,000 and £41,500 per year.

⁹ Figures based on June 2011 LHA rates available at http://www.nihe.gov.uk/index/yh-home/renting_privately/lha/current_lha_rates.htm

¹⁰ http://www.cyrenians.org.uk/wmslib/PDFs/Final_report_Frontline_for_Flatmates_09.pdf

tenancies lasting 12 months, and in the 2nd year less than a quarter (despite relatively high levels of support). Smartmove NI statistics¹¹ indicate that joint tenancies last less than 3 months. Additionally, landlords are very reluctant to rent a property out to more than two tenants, partially to prevent the property becoming a HMO, but also to avoid involvement in tenant dispute over household bills. It is not clear what, if any, notice has been paid to this by DWP in formulating the policy.

It needs to be recognised that people who choose to share are in a different position from those who have no option. Where people have no option and little or no say over who they share with, there will inevitably be a requirement for additional housing management and support. There are likely to be disputes over household bills as well as the potential for vulnerable people to be at risk. There is no evidence from DWP that they have examined evaluations of successful projects to understand the very high housing support and management costs, the preparation required in advance of sharing and the importance of people knowing that there will be a time when the person will move on to self contained accommodation. These issues remain unaddressed.

Shortfalls

As previously noted, HB is insufficient to most claimants' needs. Shortfalls are not a new feature of the HB system. While many recipients of HB will face less stringent drops in income, the DWP's own impact assessment of some of the changes demonstrates the tangible effects¹². As a result, the HB changes due to come into effect are likely to lead to:

- a significant increase in evictions and homelessness
- increased financial pressure on accommodation services, likely to mean that many will fold
- increased service uptake of other homelessness services

These cuts are also likely to impact on particularly vulnerable groups, as discussed below.

These cuts will worsen the ability of people on low incomes to pay for both public and private rented accommodation. Because of a lack of availability and eligibility in the case of social housing, there has been increasing use of the private rented sector (PRS). However, people on HB trying to find accommodation in the PRS face a lack of affordability - indeed, the reduction of LHA rates to the 30th percentile of local rents and application of LHA caps is likely to price many claimants out of the PRS. A likely result will be that many homeless people remain stuck in more costly supported accommodation for longer than they need to be and prevent access to this support for those most in need. In addition, this is likely to lead to increasing rent

¹¹ Email statistic, received from SmartMove NI

¹² See Department of Work and Pensions (2010) *Impact of changes to Local Housing Allowance from 2011*. Available at: <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/claims-processing/local-housing-allowance/impact-of-changes.shtml>

arrears and tensions between landlords and tenants, probably with the long term effect of further reducing the supply of properties that landlords are willing to rent to housing benefit claimants.

A recent CAB report¹³ repeatedly demonstrated the hardship which claimants face when they have to try and make up shortfalls between their LHA and their rent – often from other benefit income. Tenants place a high premium on paying their rent, and it is likely that the initial effect will be cuts in other parts of their budgets such as food and fuel, along with an increased level of indebtedness as other bills don't get paid. Rent arrears and the threat of homelessness are possible outcomes. Moving home - particularly to smaller accommodation in a less desirable area - is often seen as very much a last resort, because of the cost of moving and the disruption to family life, especially where children are settled in local schools. For larger families, an option may be overcrowding in smaller accommodation, with its inevitable impact on health and family relationships. The difficulty lies where with the unavailability of cheaper, alternative accommodation and the pressure will be added as homelessness figures rise.

It is important to recognise that the cuts under consideration are only part of the wider package of changes to HB. It seems inevitable therefore that there will be increased pressure on the NIHE's homelessness functions, at a time when their budgets will be facing sharp cuts.

The impact of HB changes on specific social groups

CHNI is extremely concerned that the policy could have a very serious impact on some of the most vulnerable households. A number of these concerns are outlined in further detail below.

Rural/remote areas

Whilst CHNI broadly supports the aim that, where possible, work should be people's first choice, we remain concerned that the proposals, if unamended, may undermine that aim in rural or remote areas. Although social exclusion and poverty in rural and urban areas of Northern Ireland have many common features, there are a number of distinct rural characteristics. The average gross weekly earnings of people in rural areas in Northern Ireland is consistently below those living in urban, with the lowest rate of growth occurring in 'less accessible rural' areas where, according to the local government based definition of rural, 32% of the Northern Ireland population live¹⁴. Additionally, of those who earned 50% below the UK Mean Income Before Housing Costs, 46% lived in rural areas⁵. Other factors¹⁵ include limited access to

¹³ CAB (2010). *Housing Benefit (Amendment) Regulations 2010 – submission to SSAC Sept 2010*.

¹⁴ Rural Community Network (2011). *Draft Rural White Paper Action Plan. Response to the Consultation by Rural Community Network*

¹⁵ New Policy Institute (2009) *Monitoring poverty and social exclusion in Northern Ireland 2009*

employment opportunities and childcare facilities; higher rates of fuel poverty; a higher rate of unfit housing; and greater isolation and invisibility of vulnerable groups.

In many areas of Northern Ireland, the type of shared accommodation the government expects people to live in simply doesn't exist. Northern Ireland does not have a history of dependency on shared living arrangements, and the stock of HMO is mainly used by students. As such, it is concentrated in Belfast and Derry. Where it is available, it is often the case that it is either too expensive or not suitable for sharing by unrelated adults. This raises the prospect of people who are reliant on benefit being effectively excluded from significant geographical areas. Whole towns – and by consequence social and community networks – may be unavailable to them. The impact will be compounded where these areas are also those where employment is available, or where friends or family could offer support. Poor transport infrastructure in rural areas only serve to complicate this further. Evidently, the impact of these changes will be considerable on many within our rural communities.

Whilst it is recognised that there is some leeway available in the granting of Discretionary Housing Payment in individual cases, the housing stock profile in many rural and remote areas means that the caseload would be likely to be unsustainable. It is our understanding that DHP should normally be used as a 'stop gap' in exceptional cases, rather than as a means to address general deficiencies in a policy.

CHNI recommends that the policy be refined to acknowledge the factors specific to rural or remote areas and that, for example, where no such accommodation is available within reasonable distance, the SAR should be relaxed to the reference rent for self contained accommodation.

Single adults with nonresident children

The proposals also raise considerable concerns in respect of single men and women who have nonresident children. Relationship and familial breakdown remains the primary reason for homelessness throughout Northern Ireland (almost 25%¹⁶). Many single people who are homeless aged 25-34 will be parents, and need regular, safe access to their children. Based on Smartmove NI data¹⁷, of 250 tenants aged 25-34, 71% would have access to children. With the proposed changes, many would have access drastically reduced or stopped, and would need to access additional services to ensure safe, appropriate spaces to maintain relationships with their children.

¹⁶ CHNI analysis of NIHE homelessness statistics 2009-2010, primary data source.

¹⁷ Email statistic, received from SmartMove NI

Additionally, being forced to live in shared accommodation could potentially impact on the ability of a father or mother to gain access to their children in the first place. Further, if a parent wishes to have a child stay on an ad hoc basis there will be child protection concerns about access being allowed in shared accommodation. We envisage this particularly affecting men who are more likely to move out of the family home after a relationship breakdown.

CHNI suggests, as a consequence, this might contravene the right to maintain personal relations and direct contact with both parents, and would recommend that prior to enacting the regulations the matter be tested to determine whether it might contravene article 9 Section 3 the UN Convention on the Rights of the Child. We are also aware of the private members' Children (Access to Parents) Bill which is currently proceeding through the Westminster Parliament. This would make it a criminal offence for a public body not to respect the presumption that (amongst other matters) a child should have access to and contact with both parents, unless it is not in the child's best interests. It would appear that this policy might be one of the first to contravene that legislation if it is enacted, as currently drafted. **CHNI recommend that flexibility be built into the system to enable children to maintain contact with their parents.**

Impact on homelessness and those who are homeless

Whilst all of the above concerns are pertinent to those who are homeless, there are a number of specific issues worth noting. We recognise the necessity of housing benefit reform, including initiatives to promote savings, and eliminate inefficiency, error and fraud from the system. We support moves to improve how housing benefit, other benefits and tax support the journey into work and prevent homelessness. However, the proposed changes to HB pose serious risks to the wellbeing of people who are homeless, or at risk of homelessness.

The vast majority of those affected by the proposed changes will potentially face the loss of their current accommodation, as it is incredibly unlikely that landlords will accept such significant reductions in rent or that someone on a limited income would be able to make up the shortfall. Many people currently in self-contained flats will, therefore, be forced to seek out shared accommodation. As previously outlined, there is simply not enough of this accommodation available in Northern Ireland.

For vulnerable people who have been homeless, are leaving supported accommodation, care or prison, sharing is particularly inappropriate and can be extremely detrimental to their well being¹⁸. Currently the only exemptions from the SAR are young care leavers aged under 22 and those who receive the middle or higher rate care component of Disability Living Allowance for people who are severely disabled and need a carer. Other people with serious disabilities or illnesses, mental or behavioural problems or who are vulnerable in other ways will not be exempt and will be expected to share accommodation, a situation which in many instances will clearly be very inappropriate. The Government accepts that 18% of those who will be affected by the extension of the SAR have disability elements in their claim¹⁹.

Research across the UK clearly demonstrates that people who are homeless want to work, now and in the future^{20,21,22}. However many, particularly those with a history of complex needs, require an appropriately staged approach, including skills development and employment support, designed in the knowledge of what works with this group of people. For homeless people there are often many interlinked barriers which have to be overcome if they are to secure and sustain a home and a job^{23,PSI}. Given these conditions, reducing HB is likely to penalise many individuals without work or a home of their own, rather than encourage faster move into work. People who have poor health or disabilities who have been moved onto JSA often take longer to find work²⁴. This proposal will leave people facing real hardship, or needing ongoing support, and could penalise people at the point when they are trying to find work.

This change will place significant barriers in the way of this group breaking out of homelessness and will undo the progress that has been made by formerly homeless people who have now secured private accommodation. Many homeless people experience problems securing suitable temporary accommodation. Over recent years, it is become more common to place homeless individuals and families into temporary private rented accommodation (known as 'single lets'). With the pressures on the private rented sector, as set out above, this is likely to impact on the availability of single lets. In addition, long waiting lists for social housing leads to problems with hostel accommodation 'silting up'.

18 A recent Crisis publication (Crisis (2011) Shared Accommodation Rate Survey of Housing Advisors) indicated that 74% of housing advisers reported that the current SAR led to difficulties placing clients for whom sharing was not appropriate

19 DWP (2011) Equality Impact Assessment: Increasing the Shared Accommodation Rate age threshold to 35

20 Glasgow Homelessness Network (2006). *Employability & Homelessness in Glasgow: Evidence & Aspirations. SUMMARY REPORT*

21 Business In The Community (2010). *MAKING WORK, WORK Recommendations for supporting homeless people to gain and sustain employment*

22 Off the streets and into work (OSW) (2005) *No Home, no Job: Moving on from transitional spaces*. Currently unavailable online, contact Crisis for copy (www.crisis.org.uk).

23 Homeless Link (2010) *Spending Review 2010: Submission from Homeless Link*, p.22. Available at:

http://www.homeless.org.uk/sites/default/files/SR_HomelessLinkSubmission_Aug2010_1.pdf

24 British and Social Housing Foundation (2010) *Housing Benefit and the Emergency Budget of June 2010*, p.13. Available at:

<http://www.bshf.org/news-events/news-detail.cfm?lang=00&theNewsItemID=9245E777-15C5-F4C0-99C4D6A6E0898191>

Overall, it is expected that there will be increased demand for accommodation on this sector at a time when HB is due to be reduced. Organisations working with young homeless people are often unable to move them into appropriate accommodation because of the SAR and this problem will increase as more people are restricted to the lower rate. There are consequences for hostels too, as costly beds become blocked with people unable to move on, with perhaps a return to the use of B&Bs. At worst, it could lead to more people sleeping rough or living in unsafe and/or overcrowded conditions.

Young people

Again, whilst many of the concerns outlined thus far are pertinent to those young people, there are a number of specific issues worth noting.

At a time of significant youth unemployment, the proposed changes risk penalising young people further. Under 25 year olds already face a lower rate of JSA and so are likely to struggle to make up even small shortfalls between benefit and rent.

Homeless young people often have little experience of independent living and are therefore less likely to have landlord references, compared to older age groups. Due to the crises they have faced, some may have also accrued rent arrears. These vulnerabilities mean that they are less attractive tenants to landlords than some brought into the market by the proposed changes. This increased competition would create homeless young people, likely to be left at the bottom of the pile.

The SAR has now been in existence for well over a decade, and in that time there has been no evidence that it has improved work incentives for young people or even that it has encouraged young people into shared accommodation. On the other hand, there is extensive evidence that it undermines wider Government objectives by increasing the risk that young people will face poverty, debt and homelessness, so making it more difficult to find and sustain employment. The resulting social exclusion can be very difficult to overcome, creating a legacy which may remain with them for years.

Vulnerable groups generally

There are serious concerns that the policy may result in exploitative or abusive relationships between sharers (for example where one is extremely vulnerable and the other violent or abusive). There will be other cases where there are people who simply should not be or who are unsuited to sharing. For people

with mental or physical health issues or behavioural problems sharing can cause particular problems as they may have particular needs in terms of the type of accommodation they can occupy or may find it very difficult to get on with other people. For example, many individuals diagnosed with autism spectrum disorder will find sharing virtually impossible. People with dependency problems may have a negative effect on others in a shared property and their progress towards recovery could be seriously undermined if they have to share with others who are drug or alcohol dependent. There are also exploitative or abusive individuals who should not share with those they could exploit.

Whilst we understand the rationale of simplifying the regulations, there is a need for flexibility in their structure and application to protect those who are vulnerable, which cannot be addressed simply by the 'catch all' of the Discretionary Housing Payment. **At its most basic, welfare provision is there to protect the most vulnerable. The proposals as they stand may put the most vulnerable at greater risk.** It is recognised that there is no legal definition of complex needs currently agreed or in use across government departments. **CHNI suggest that this is an appropriate opportunity for one to be formulated and for those with complex needs to be exempt from the provisions.** This is important, since not all those with complex needs are eligible for High Level Disability Living Allowance.

Exemption criteria

We note that there have been proposals to exempt categories of household, such as former rough sleepers, ex-offenders etc. We are also particularly concerned about those with complex or multiple needs. We disagree with the DWP response that individual cases can be met through the Discretionary Housing Payment. The DHP is cash limited and discretionary and its application is therefore likely to be inconsistent and patchy. DHP is currently expected to deal with a broad range of issues. If it is to be used instead of a policy response, it is important that there is guidance and training to ensure that potential recipients are aware of the possibility of claiming a DHP, and for its implementation not to be subject to a postcode lottery, or for receipt to be determined by the date applied for during the financial year. Nor do we believe it should be used cover up large cracks in general policy. If there are specific groups whose needs should be addressed the policy should take account of them from the outset.

There have been formulations in relation to other regulations in the past which take account of the valid point made by DWP that the categories for exemption which have been proposed are too broad (e.g. that not all those with a mental health problem should be exempt). However exemptions along the lines of: former rough sleepers where they are undertaking a planned programme of resettlement, or those who

have been homeless and have been rehoused under relevant legislative provisions, or ex – offenders where the accommodation forms part of an agreed resettlement programme would all be in line with previous regulations agreed by DWP and its predecessors and allow for the limited flexibility in the policy which would protect some of the most vulnerable.

As previously noted, gaining and sustaining employment are significant elements in the routes out of homelessness and repeat homelessness. A recent BITC study²⁵ reported that a common thread running throughout the research was a fear of debt and its consequences and, in particular, the fear of becoming homeless again. Bad experiences of employment and/or experiences of debt due to problems with benefits and other issues drive behaviour. This is particularly important for those clients who lose accommodation due to rent arrears as they can be described as ‘intentionally homeless’ and may have considerable difficulty in being re-housed. When this finding is considered in the context of loss aversion theory, the importance of getting support right first time for people is clear. Falling back into debt or homelessness will make an individual less willing to give up benefits again for work if experience has shown them that making ends meet while working is extremely stressful and difficult. Given the pivotal importance of employment and sustaining such, CHNI strongly recommend that exemptions be put in place to protect those who have been in continuous employment, say, for 24 months. Furthermore, we argue that the focus of any HB change should be primarily on the basis of these factors, and not on the inflexibility of age.

Additional remarks and conclusion

It is unusual for the DWP to introduce such a major change without first conducting a pilot to evaluate the full intended and unexpected consequences across all devolved administrations, and to adjust the policy to accordingly prior to roll-out. It is especially important in this case where the Department states in the covering documents that there are a number of significant areas where it is uncertain of the impact.

For example, there is no clarity about the impact on numbers of children with an absent parent. The DWP states: ‘It is not possible to make an objective assessment of the potential impact, if any, of this measure on the wellbeing of children as the DWP has no evidence on which to assess this.’ There is no analysis of the impact on rural or remote areas of Northern Ireland (which would account for a greater proportion of the country than in England). In general terms the DWP states: ‘DWP has limited evidence to assess the impact of this measure on those living in rural locations.’

²⁵ *Business In The Community (2010). MAKING WORK, WORK Recommendations for supporting homeless people to gain and sustain employment*

The DWP also has little evidence about the impact on vulnerable households and has stated that this will be analysed through independent research after the policy has been implemented. The potential damage to vulnerable households cannot be overstated. CHNI believes it is both irresponsible and reckless to proceed with full implementation of the policy without an empirical evidence base or piloting to ensure those most at risk remain protected by this welfare provision.

The policy appears to be informed solely by housing policy in England, rather than taking full account of the differences of approach in the different devolved administrations. For example, Northern Ireland policy on both housing and homelessness has foreseen greater use of the private rented sector to house people affected by homelessness, and is moving in that direction, both in terms of legislation and practice.

CHNI strongly recommends collecting reliable, empirical evidence to inform and justify the implementation of these changes. Particularly, we recommend that the measure be piloted in a range of different authorities / areas across all devolved administrations in order to assess its impact prior to being rolled out nationwide.

The consequence of this proposal is effectively counter-intuitive to other government policies designed to promote both parents keeping in touch with children after family breakdown; to support people with mental health problems within local communities and to reintegrate ex-offenders back into society. Moreover, we envisage the impact on vulnerable groups will have displacement financial costs elsewhere, effectively undermining the savings made by these proposals to a substantial degree.

CHNI has a range of serious concerns about the practical impact of the proposed policy change, as outlined. We note that DWP has not been able to model the impact on some of the most vulnerable individuals who will be affected if it is implemented. There is no evidence that the position of the different devolved administrations has been taken into account.

CHNI recommend that the impact on related policy areas (such as homelessness) be assessed taking account of the differences between policies in each of the devolved administrations. We strongly recommend basing changes on sound empirical findings, particularly a full pilot in the different devolved administrations before these are rolled out. This would go some way to ensuring that the most vulnerable, which our welfare system is designed to protect, remain properly protected. CHNI also believe that, in order for the HB system to be flexible and credible in practice, serious consideration needs be given to basing legislation on exemptions, as opposed to age or employment status.

In uncertain economic times, the Department should not be seeking to weaken HB provision. **CHNI would strongly recommend an immediate analysis of the combined impact of these factors on the practicality of implementing the policy in the short to medium term.**

CHNI trusts that the Advisory Committee will find our comments of value in its deliberations, and should they require any further information or clarification, we will be happy to provide such.

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