Receipt of full and partial Housing Benefit in Great Britain

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Introduction

This statistical release presents estimates of the proportion of social and private rented households in Great Britain that are in receipt of full and partial awards of Housing Benefit. The estimates are derived from the 2009/10 Family Resources Survey.

Queries about the content of this document

Please direct any queries to:

Lewis Smith

Department for Work and Pensions

1st Floor Caxton House

Tothill Street

London

SW1H 9NA

Phone 0207 449 7069

Email lewis.smith@dwp.gsi.gov.uk

Background

Housing Benefit

- Housing Benefit (HB) was introduced on 1st April 1983 and is an income-related benefit designed to help people on low incomes pay for rented accommodation whether in or out of work.
- Further information on Housing Benefit is available at: <u>http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On_a_low_income/index.htm</u>
- 3. Further statistics on Housing Benefit, derived from administrative data are available at http://research.dwp.gov.uk/asd/index.php?page=hbctb.

The Family Resources Survey

- 4. The Family Resources Survey collects information on the incomes and circumstances of private households. For the 2009/10 survey around 25,000 households were interviewed between April 2009 and March 2010. The survey covers the United Kingdom, but this analysis is restricted to Great Britain.
- 5. Further background information and statistics derived from the survey can be found at http://research.dwp.gov.uk/asd/frs/.

Methodology

- 6. The figures from the Family Resources Survey are based on a sample of households which have been adjusted for non-response using multi-purpose grossing factors which align the Family Resources Survey to Government Office Region population by age and sex. Estimates are subject to both sampling error and remaining non-response error.
- 7. Figures have been rounded to the nearest percentage point, or to the nearest 0.1 million. Rows and columns in tables may not sum to totals due to this rounding.
- 8. The definition of a household used in the Family Resources Survey is a single person or group of people living at the same address who either share one meal a day or share the living accommodation. A household may include more than one benefit unit, defined as a single adult or a married or cohabiting couple plus any dependent children.
- 9. A household is recorded as having full Housing Benefit if it has reported receipt of Housing Benefit equal to the full household rent liability. Housing Benefit may be less than the full rent for three main reasons; tapering of the award to reflect claimants' income, deductions for non-dependents (e.g. adult children), or

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- restrictions on the amount of rent that can be covered (e.g. where rent exceeds the applicable rate of Local Housing Allowance).
- 10. The Family Resources Survey is known to under-report receipt of Housing Benefit. See chapter seven of the publication at http://research.dwp.gov.uk/asd/frs/2009 10/frs 2009 10 report.pdf for more details.
- 11. The Family Resources Survey excludes non-private households, e.g. communal establishments such as hostels and boarding houses.
- 12. Pensioner households are those where the household reference person is over state pension age.
- 13. In the Family Resources Survey tenure type is recorded at household level. Social renters include all households where the local authority is the landlord, and all housing associations, except where accommodation is part of job. Private renters include small numbers of households who live in a property rent free.
- 14. Some people do claim Housing Benefit while renting accommodation within an owner-occupied household. They are excluded from this analysis.

Results

15. Table 1 below gives a headline breakdown of renting households in Great Britain by tenure type.

Table 1: Households renting in Great Britain, 2009/10

| Households, in millions | Working age | Pensioner | All |
|-------------------------|-------------|-----------|-----|
| Social renters | 2.9 | 1.4 | 4.3 |
| Private renters | 3.5 | 0.3 | 3.8 |
| All renters | 6.3 | 1.8 | 8.1 |

- 16. This shows a total of 8.1 million rented households in Great Britain. The social sector is slightly larger than the private rented sector. Working age households are more likely to be renting in the private sector, but this is relatively rare for pensioners.
- 17. Tables 2, 3 and 4 provide details of HB receipt by the age of the household reference person for social renters, private renters and all rented households respectively. The figures in each cell give the relevant group as a percentage of all social rented households. For example, Table 2 shows that of all social rented households an estimated 28% are working age and have their full rent covered by Housing Benefit.

Table 2: Estimated breakdown of social renters, 2009/10

| | No HB | Partial HB | Full HB | All |
|-------------|-------|------------|---------|------|
| Working age | 27% | 11% | 28% | 67% |
| Pensioner | 9% | 8% | 16% | 33% |
| All ages | 37% | 19% | 44% | 100% |

Table 3: Estimated breakdown of private renters, 2009/10

| | No HB | Partial HB | Full HB | All |
|-------------|-------|------------|---------|------|
| Working age | 70% | 13% | 8% | 91% |
| Pensioner | 6% | 2% | 1% | 9% |
| All ages | 75% | 15% | 10% | 100% |

Table 4: Estimated breakdown for all rented households, 2009/10

| | No HB | Partial HB | Full HB | All |
|-------------|-------|------------|---------|------|
| Working age | 47% | 12% | 19% | 78% |
| Pensioner | 8% | 5% | 9% | 22% |
| All ages | 55% | 17% | 28% | 100% |

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Department for Work and Pensions

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