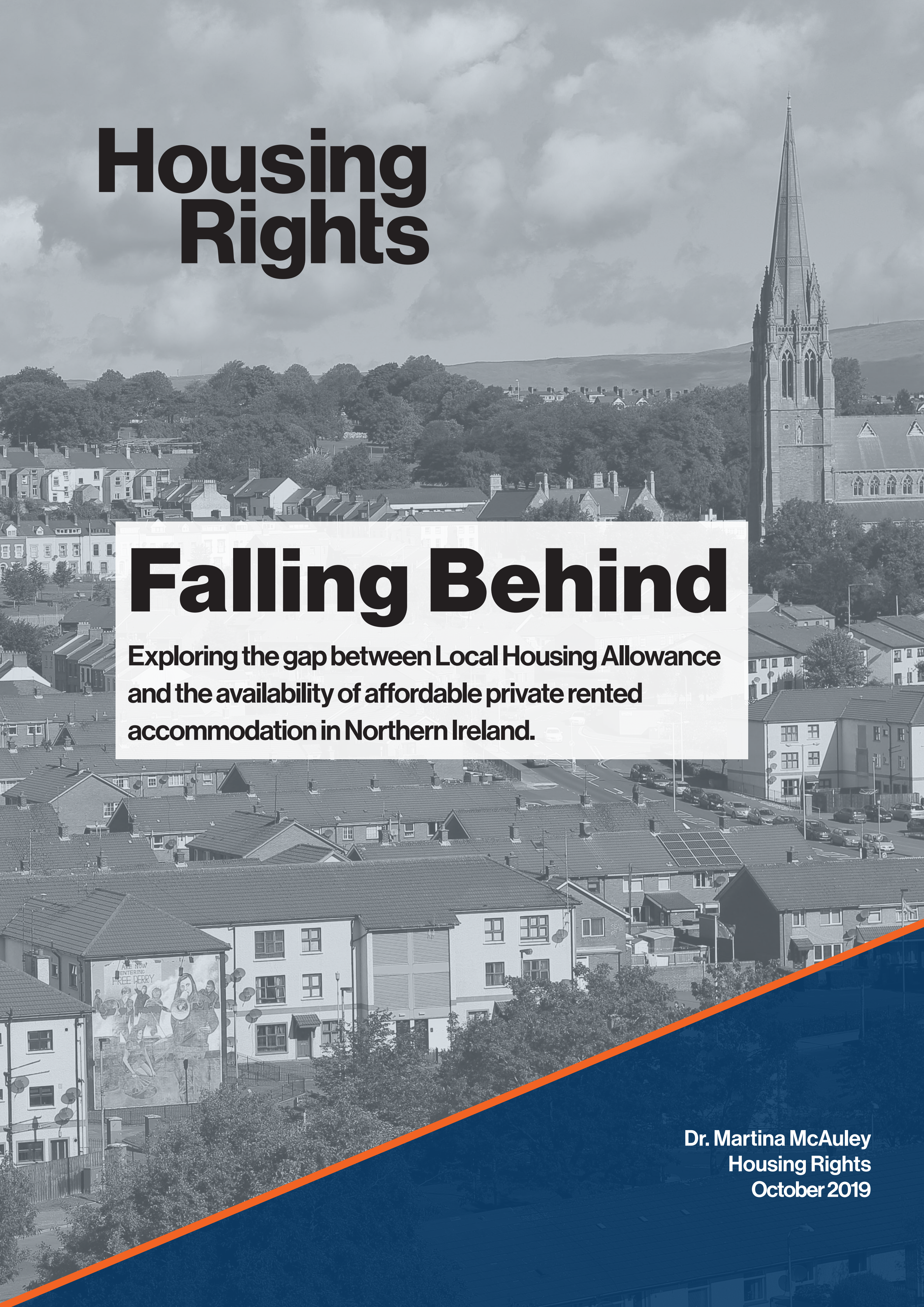

Housing Rights

Falling Behind

Exploring the gap between Local Housing Allowance and the availability of affordable private rented accommodation in Northern Ireland.

Dr. Martina McAuley
Housing Rights
October 2019

Housing Rights is Northern Ireland's leading provider of independent specialist housing advice. For over 50 years we have been working to prevent homelessness.

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An Executive Summary of this research is available from Housing Rights. The policy implications arising from this research are also given full consideration in a separate policy paper produced by Housing Rights. Both are available from HousingRights.org.uk

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Introduction

Low income households in the private rented sector can access housing benefit, but this is paid at the 'Local Housing Allowance' rate. This research sets out to explore what the implications of this are for households living in the private rented sector in Northern Ireland. The research makes use of data supplied by the Northern Ireland Housing Executive on new lets throughout NI for the last 10 years, as well as exploring case studies from Housing Rights' case recording system. Through this analysis the following research questions are addressed:

- What is the nature of the gap between LHA rates and market rents for households having to rent in the private rental market in NI, upon which there is no obligation to provide affordable housing? And how has that gap changed over the last 10 years?
- What are the lived experiences of people who are dealing with affordability issues because of this gap?

The research finds that although on average, private rents in Northern Ireland have increased roughly in line with inflation, these are experienced as increasingly difficult for private rented sector tenants in receipt of housing benefit, given the context of the introduction of local housing allowance and the subsequent decline in the level of this allowance relative to market rents, particularly since 2011. Set in the context of rising rents, this has meant that LHA rates have increasingly fallen behind the 30th percentile and this research finds that the LHA rates in Northern Ireland in 2018 are no longer aligned with the 30th percentile.

Policy context for this research

The proportion of households living in the private rented sector (PRS) in Northern Ireland more than doubled between 1983 and 2016. It is estimated that 38% of those living in the PRS in NI are in poverty[1] (JRF, 2018). Over half of PRS tenants rely on housing benefit support to meet their rent (Equality Commission, 2016). According to recent research by NIHE (2019), 89% of these tenants experience a shortfall between their housing benefit and market rents.

In 2017, Northern Ireland's regional housing authority, the Northern Ireland Housing Executive (NIHE) published a five year strategy to address homelessness in Northern Ireland following a public consultation. The strategy, *Ending Homelessness Together* (NIHE, 2017), lists as the first objective to prioritise homelessness prevention and positions as central to this work, the rollout of a housing options model, referred to by the NIHE as a Housing Solutions and Support (HSS) model. HSS aims to assist people who are close to or are experiencing homelessness

[1] Defined as households with income after housing costs (and adjusted for household size and type) which are below 60% of the median income.

by tailoring the services offered to them to ensure the housing solution is sustainable. In appropriate cases, highly trained staff will try to sustain private tenancies or work to place people in the private rented sector if this option is sustainable for them. However, NIHE noted that loss of rented accommodation continues to be one of the top reasons for homeless presentations (NIHE, 2018) and recent welfare reforms, such as the introduction of Universal Credit and the freeze on benefits put further attention on benefit support to low income households.

Concern regarding the potential for increasing homelessness as a result of loss of privately rented accommodation due to affordability issues, is amplified when one considers recent policy proposals by the Department for Communities (DfC) in relation to the allocation of social homes. In 2017, the DfC published a consultation on a *Fundamental Review of Social Housing allocations*.[2] Amongst the policy suggestions listed was a proposal that the NIHE should make more use of the PRS in meeting their duty to homeless applicants, provided that the accommodation meets certain conditions (proposal 4). Whilst this proposal will require a Minister to progress, it is an important indication of the policy direction being taken with regards to both addressing homelessness and the role of the private rented sector – despite the recognised affordability issues which exist for low income tenants.

Recognising the increased government reliance on the private rented sector, the final proposals which resulted from the Department for Communities review of the private rented sector in NI, noted that the Department view the sector as *'instrumental in meeting housing need in Northern Ireland"* (DFC, 2017, p.4). The Department's stated vision for the sector is *"one which is professional, well managed, affordable, sustainable and which provides a viable housing option with security for both tenants and landlords*'.

A joint publication by Housing Rights, Law Centre NI and Advice NI in November 2018, which highlighted that mitigation arrangements, such as the introduction of the supplementary payment to protect social tenants from the 'bedroom tax' *"brings into sharp focus the absence of any such arrangements for other low income households who have also been impacted by reduced government support with their housing costs"*[3] (Housing Rights et al, 2018, p.8).

[2] https://www.communities-ni.gov.uk/sites/default/files/consultations/communities/AW-041017%200641%20Housing%20Consultation%20Review%20of%20Social%20Housing%20Allocation.pdf

[3] https://www.housingrights.org.uk/sites/default/files/policydocs/Welfare%20Reform%20Mitigations%20on%20a%20Cliff%20Edge.pdf

Timeline of policy changes relating to LHA rates in Northern Ireland:

2008 LHA rates introduced, initially set to cover rental costs in the lowest 50% of the market (in terms of rental prices) and based on the number of bedrooms required (up to 7 bedrooms) and the rent levels in the local Broad Rental Market Area (BRMA).

2011 LHA rate reduced from median to 30th percentile (bottom 30% of the market) for 5 property types (up to 4 bedrooms).

2012 Shared accommodation rate applicable to single adult claimants under 35 (previously this rate applied to those under 25).

2013 LHA rates no longer up-rated quarterly, with up-rating taking place annually. LHA rate capped at previous year's figures plus CPI inflation or 30th percentile of local rent (whichever is lower)

2015 LHA rate frozen at 2015 level for most BRMA area / property types – subsequent up-rating for some (not all) BRMA areas / property types of up to 3% p.a.

The effects of these changes to LHA rates are explored in detail in the research.

Methodology

The first part of the report focuses on a brief review of the literature on housing benefit and the local housing allowance (LHA) as well as providing some background and context for the research. The research then explores data from the Northern Ireland Housing Executive (NIHE) on private sector rents in Northern Ireland (NI) from 2008-2018 as well as data from Housing Rights housing helpline from 2010 onwards. The NIHE data is used to set the LHA rates for NI, based on the 'Broad Rental Market Areas' (BRMA) and for 2017/18 for example, provides information on 10,347 rentals over the period. This data is from information gathered by NIHE from estate agents representing all the rentals advertised[4] over this period, which is supplemented by local advertising and local knowledge[5]. Rental data from the previous 10 years will also show changes over time and provide information on the suitability of the LHA rates for these particular areas. Comparing the LHA rates in operation in a particular year to the availability of rental properties in that time period, the research examines the implications of the LHA rates in these areas against actual availability of housing in the PRS. Four years were chosen for the analysis: 2009 (after the introduction of LHA rate at the median rent); 2011 (the point at which LHA rate was based on rents at the 30th percentile); 2015 (the point at which LHA rate was frozen); and 2018, the most recent year for which there is rental data.

[4] It should be noted that the advertised rate is not necessarily in all case the actual rent paid and the research necessarily focuses on advertised rents as a proxy for rents in general.
[5] This results in a slightly lower estimate of rents at the cheaper end of the market, since the data from local advertisements and local knowledge included in the NIHE dataset tend to reflect properties which would attract a lower monthly rental. This has the effect of potentially skewing the rate at which the LHA is set towards a lower amount than would be the case if the rate was set using only nationally advertised rents.

Since it would be impractical to provide an analysis of all eight BRMA areas in NI and all 80 postcodes, the following areas were chosen for analysis:

- For the historical analysis of LHA rates, four BRMA areas were chosen (2, 4, 6 and 8) in order to represent a good geographical spread throughout NI. BRMA 2 is in the North of NI, and includes Ballymoney, Ballycastle, Portrush, Portstewart and Coleraine. BRMA 4 is in the North West of NI and includes Derry/Londonderry, Strabane and the surrounding areas. BRMA 6 is in the South East of NI and includes Bangor and the Ards Peninsula as well as Holywood and the rural areas of Castlewellan, Portaferry and Donaghadee but also includes the Colin area of West Belfast (Twinbrook and Poleglass). BRMA 8 includes the remainder of the greater Belfast areas (BT1-BT16).
- For a detailed analysis of 2018 data, and in order to explore the availability of LHA rates and their impact in different areas more closely, it is necessary to present the rental data for a selection of the postcode areas contained within the BRMA areas. The areas chosen were BT4 (in East Belfast – BRMA 8), BT12 (in West Belfast, also BRMA 8), BT23 (Newtownards area – BRMA 6), BT35 (Newry area – BRMA 1), BT42 (Antrim area – BRMA 7), BT47 (Derry / Londonderry – BRMA 4), BT62 (Portadown area – BRMA 3), and BT92-94 (3 postcode areas combined to represent Rural Fermanagh – BRMA 5).

The following analysis was carried out on all areas:

- LHA rate / 30th percentile (difference between)
- Number of properties of each of the four types available at or below the LHA rate
- Percentage of properties of each type available at or below the LHA rate
- Percentage of properties of each type which would incur a £10 per week shortfall between actual rent and LHA rate for the area[6]

In addition, data was collected from Housing Rights' advice database, which will provide quantitative data (in the form of the quantity of enquiries regarding shortfalls between housing benefit and rent by PRS tenants over the period of analysis) as well as qualitative data (case studies from the data collected) which will be used to provide the lived experience for tenants in the PRS who are in receipt of housing benefit. Cases were selected from 2012 to 2018 on a random basis[7]. Cases were included in the analysis on the basis of the quality of information recorded in the case notes (e.g. a case was excluded from the analysis if the enquiry related to a single call to the helpline requesting information on LHA rates or applications for DHPs etc. rather than providing information regarding the client's circumstances). In all, 42 cases were

[6] As per CIH research 'Missing the Target', 2018.
[7] Six cases were selected from each year, two cases from the beginning of the year, two from the middle and two from the end.

included in the analysis. MaxQDA[8] was used to assist with a thematic analysis of the cases. Themes were chosen based on their recurrence in the data as well as their relevance to the quantitative research.

Background to the Research and Literature Review

The concept of providing help with housing costs existed before the introduction of Housing Benefit in its modern form and was consistent with other post-war welfare efforts and largely came in the form of rent rebates and allowances provided centrally, rather than through local authorities. Housing Benefit in its modern form was first introduced in the UK in 1982/83 (with the Social Security and Housing Benefits Act, 1982) which replaced existing forms of mean-tested assistance with housing costs (Malpass, 2005). The introduction of housing benefit in Northern Ireland in 1983 replaced the dual system of rent rebates and housing allowances and its introduction in NI was a smoother process than its introduction in the rest of the UK (Brett, 1986). A means-tested rent allowance scheme for private tenants had first been introduced in the UK with the controversial Housing Finance Act (1972). From the mid-1970s onwards, housing was the chief target for cuts in public expenditure and from 1979 on it was the 'leading edge' of the incoming Conservative government's remodelling of the welfare state (Malpass, 2005, p.104). In Northern Ireland, Housing Benefit was administered by the Northern Ireland Housing Executive, rather than by local authorities, as was the case in Great Britain. Until the introduction of the Local Housing Allowance rates for private renting tenants in 2008, Housing Benefit was paid on the amount of rent charged, albeit that it was means-tested based on income. Housing benefit for social tenants is not capped and how much tenants receive depends on income and circumstances (CIH, 2017). However, the lack of availability of social housing from the late 1980s onwards, meant that there was a greater demand for private tenancies which would need to be supported by claims on Housing Benefit (Malpass, 2005). The outcome of this was that the housing benefit bill in the UK increased by a factor of four, from £2.5 billion to over £10 billion between 1989/90 and 1994/95 (Wilcox, 1999).

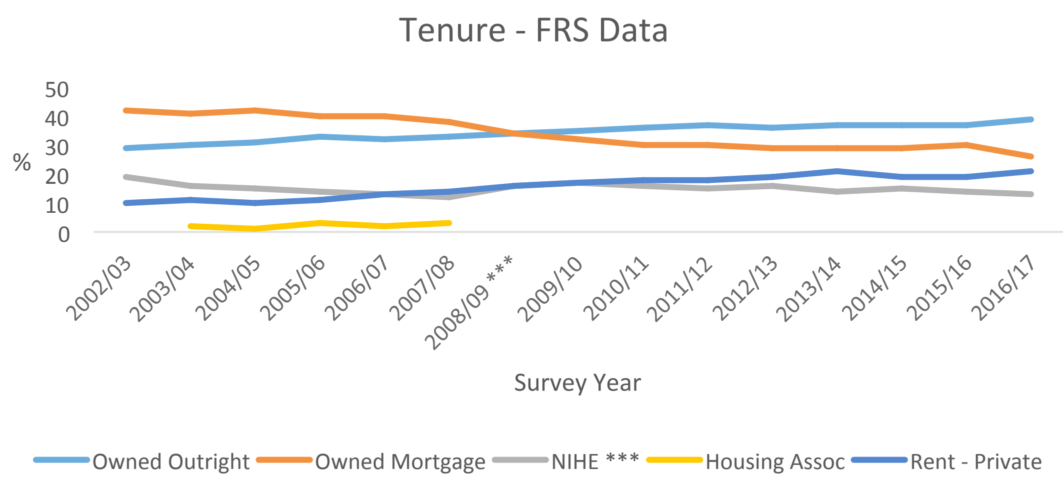
The Rise and Rise of Private Renting

Although private renting was the most extensive tenure in the early part of the last century, it had seen a steady decline since the advent of social housing in the mid twentieth century (Malpass, 2005). Private renting made something of a comeback in the last decade of the century though and has continued to rise, overtaking social renting as the most dominant form of renting in recent years. The overall proportion of the population in Great Britain living in

[8] MaxQDA is a computer software package used to assist with analysis of qualitative data.

rented accommodation has risen to 35%, up from 29% in the mid-1990s (Joyce et al., 2017). For NI the figures are 38% in 1991 to 30% in 2016 (according to the NI Continuous Household Survey, although the Family Resources Survey records 34% for the same year). The decline in the overall figure for renting in NI masks the growth in the PRS, which overtook social renting in terms of the proportion of the population living in this tenure, around 2010 (see Figs. 1 and 2). **The proportion of households in the PRS in NI has increased from 8% in 1983 to between 17% and 19% in 2015/16** (CHS and FRS respectively)[9]. In GB, the growth in renting has been entirely in the private rented sector[10], with a decline in social tenancies (mitigated in part by the growth of housing associations) and an initial increase in home ownership until the financial crash of 2007, after which, home ownership rates declined. This pattern appears to be repeated for NI as Fig. 1 shows the sharp increase in houses 'owned with a mortgage' between 1983 and 2005 compared to the decline of social renting over the same period (FRS data does not extend back as far as CHS data for NI), suggesting an important shift in the tenure profile of households in NI as a result of the 'Right to Buy' scheme.

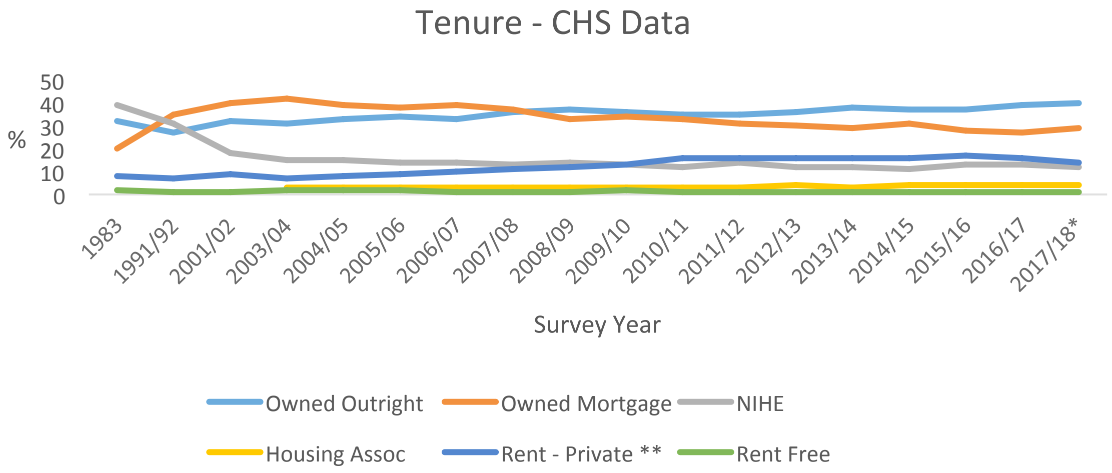
Figure 1: Family Resources Survey Data – Tenure in NI



Source: author's own analysis of FRS data
n.b. from 2008 onwards Housing Association tenants were recorded as 'NIHE' in this survey

[9] The private rented sector reached a peak around 2015/16 (17%) according to the CHS but fell subsequently to 14%. The most recent NIHE House Conditions Survey (NIHCS 2016), which has been recognised as official statistical data by the ONS, has the proportion of households living in the PRS in NI in 2016 at 18%.
[10] Proportion of households in the PRS in GB has risen from 8% in the mid-1990s to 19% in 2016 (Joyce et al., 2017)

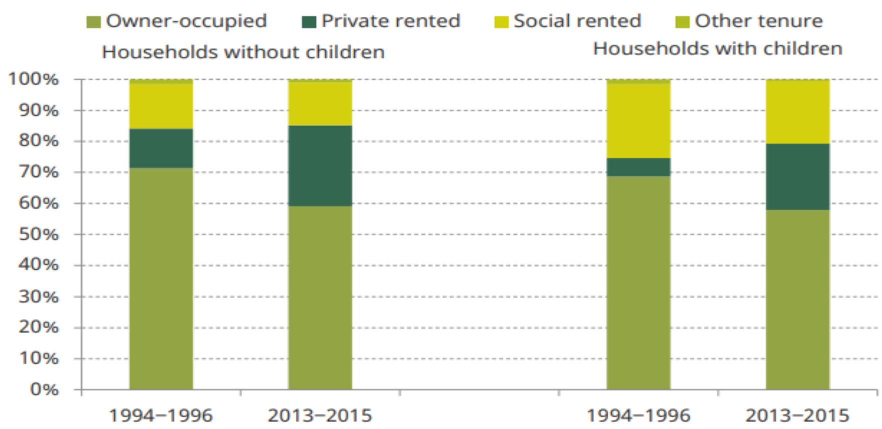
Figure 2: Continuous Household Survey Data – Tenure in NI



Source: author's own analysis of CHS data

Research by the Institute for Fiscal Studies (Joyce et al., 2017) showed that for GB, the growth in the PRS was heavily concentrated among the young, with 37% of 25-34 year olds renting privately in 2016, compared to just 12% in the mid-1990s. There are also more households with children in the PRS than there has been in the previous few decades, with 21% of households with children now living in the PRS compared to only 6% in the mid-1990s (see Fig. 3).

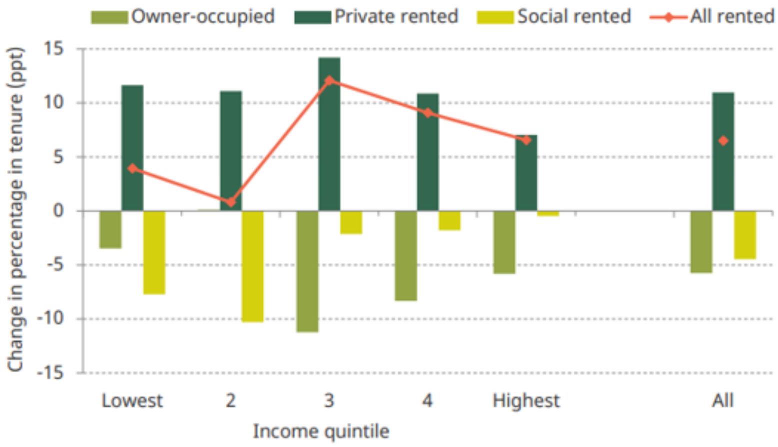
Figure 3: Tenure of households with children – Great Britain



Source: Joyce et al., 2017 - Institute for Fiscal Studies

Interestingly, the shift to private renting is fairly evenly distributed among the income distribution, but for different reasons. Households in the middle of the income distribution have been increasingly excluded from property ownership by the high entrance costs associated with higher deposits required, driving many into privately rented accommodation. For those in the lower end of the income distribution, falls in access to social rented accommodation, driven largely by the sell-off of social housing and the lack of building in the sector[11], as well as the considerable mismatch between available stock and that required by applicants as outlined by Greene and Porter (2018), have led to the necessity of renting in the PRS which can be seen in Fig. 4.

Figure 4: Change in Tenure by Income Quintile – GB (between 1994 and 2015)

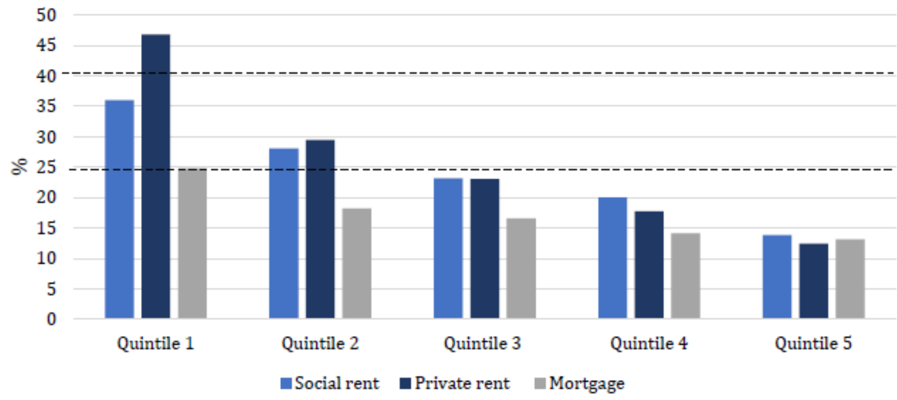


Source: Joyce et al., 2017 – Institute for Fiscal Studies

The financial impact of this reliance on renting in the PRS is not experienced evenly however, with those at the lower end of the income distribution having to spend a higher proportion of their income on housing costs relative to those at the higher end of the income distribution (as demonstrated by Joyce et al., 2017 for GB households) and this was recently confirmed for NI households in research by the Nevin Economic Research Institute (Flynn and Wilson, 2018), which showed that the proportion of all households in the PRS spending more than 40% of their net household income on housing costs was 13.8% in 2015/16, compared to 5.4% in owner-occupied and 10.5% in social housing. However, when income quintile is taken into account, only those households in the lowest income quintile in the PRS spent more than 40% of their net household income on housing costs, with those in social housing spending just over 35% on housing costs. This is compared to households in the top income quintile, which spent less than 15% of their income on housing costs for all tenures (see Fig. 5).

Figure 5: Household income spent on housing costs across the income distribution by tenure, 2015-16

[11] NIHE have not built new houses in past two decades (Meen, 2018) and all new building in the social sector has arisen as a result of housing associations, which account for only 3-4% of all housing in NI



Source: Flynn and Wilson, 2018 (NERI) using FRS data

Research by the Institute for Fiscal Studies, supported by the Joseph Rowntree Foundation (Joyce et al., 2017) showed that low income renters spend a higher proportion of their income on rent than do high income renters, even after accounting for the help they get through housing benefit, with the median rent-to-income ratio 35% among private renters in the bottom income quintile, 24% in the middle income quintile and 19% in the top quintile. Research by Flynn and Wilson (2018) found that this held true for NI renters also. Furthermore, the JRF research showed that the differential between income groups has risen over time, with the median rent-to-income among private renters in the top two income quintiles staying about the same over the past two decades, but that this ratio is higher for the bottom half of the income distribution. This research also showed that the proportion of low-income renters who do not have all of their rent covered by housing benefit has risen. Joyce et al (2017) showed that for GB, 74% of low income households (defined as those in the bottom 40% of the income distribution) experienced a shortfall between housing benefit received and rent paid in the mid-1990s and this had risen to 90% by the mid-2010s. Furthermore, their analysis showed that around 40% of low income households in the PRS faced a shortfall equivalent to at least one third of their non-housing benefit income and one in five low income households faced a shortfall equivalent to half their non-housing benefit income. Once consequence of this reliance on the PRS for low income households could possibly be seen in homelessness presentations, as loss of rented accommodation remains the third largest recorded cause of homelessness presentations in NI (DfC, 2017).

Background to Local Housing Allowance

Until the introduction of Universal Credit (UC), tenants on low incomes could apply for housing benefit for help with the cost of their housing. According to Joyce et al (2017) there were 1.4 million households in the PRS in GB in receipt of housing benefit in 2015 (29% of PRS households). In NI in 2016 there were an estimated 70,000 PRS households getting help with their housing costs in the form of Housing Benefit (NIHE, 2016) representing 57% of PRS households[12] (NISRA, 2016). Since the roll out of Universal Credit (UC) in Northern Ireland, housing benefit is one of six benefits included in UC and therefore ceased to exist for new claimants in NI from the end of 2018. The most recent estimate for Housing Benefit claimants from within the PRS is 52,300 (NIHE, 2019) although there is no figure for the number of PRS claimants receiving help with their housing costs under UC.

Since 2008 both housing benefit and more recently the 'help with housing costs' element of UC make use of local rental information in calculating the rate at which this support for housing costs for PRS tenants is set, known as the Local Housing Allowance rate (LHA). LHA is a rent assessment scheme which sets the amount of housing benefit that tenants in the PRS are entitled to and is calculated by taking into account local private market rents, local facilities and services and the number of bedrooms which households are deemed to need (CIH, 2017; NIFHA, 2016). If the amount of rent charged is greater than the LHA, the tenant has to fund the shortfall from a source other than housing benefit. As Fig. 5 above demonstrates, low income renters, both in the social and private sector face increasing pressures when it comes to housing costs, but tenants in the PRS are further impacted by the necessity of relying on trying to access accommodation which can be paid for with support based on the LHA rates, which has become increasingly difficult as will be shown in this research.

LHA relates only to housing benefit or UC paid to PRS tenants and not to social tenants. The rationale behind this change was to ensure that all tenants in similar circumstances in the same area were receiving the same amount of financial support (Beatty et al., 2014). The calculations made use of 'Broad Rental Market Areas' (BRMA), a system used throughout the UK[13]. For the purpose of calculating the LHA rate in NI, eight BRMAs were devised which were intended to reflect the areas in NI in which people live and access services. Originally LHA rates were set for these 8 BRMA areas for properties ranging from a shared room to a seven-bedroom property using information gathered from rental data from several sources (collected and collated by NIHE who administered housing benefit[14] in NI until the introduction of Universal Credit and its subsequent full roll-out in 2018).

Initially, LHA rates were set quarterly, but this changed in 2012 when LHA rates began to be up-rated annually. It was a legislative requirement from 2011 onwards that 12 months' data from the preceding period up to 30th September was used in calculating the LHA rates for the

[12] Author's calculation based on 725,100 households in NI (NISRA, 2016) and 17% of households in PRS (NIHE, 2016) and estimated 70,000 PRS households in receipt of housing benefit (NIHE, 2016). ECNI also estimated this at 57% of households 2016.

[13] A BRMA is defined as 'an area within which a person could reasonably be expected to live having regard to facilities and services for the purposes of health, education, recreation, personal banking and shopping, taking account of distance of travel, by public and private transport, to and from those facilities and services' [The Housing Benefit (Executive Determinations) (Amendment) Regulations (Northern Ireland) 2008].

[14] NIHE still have responsibility for administering HB to claimants who have not yet transitioned to the new Universal Credit under managed migration, which is due to commence in 2020, or for those who have not yet naturally migrated to Universal Credit. They also continue to set the LHA rates which are used in housing benefit and UC.

coming period. This means that by the time the new rates are used, the rental data on which the rates were based can be out of date by up to 18 months (at the beginning of the LHA rate period) and up to 24 months (at the end of the LHA rate period), since some of the data used to set the LHA rate will have been collected at the beginning of the data collection period.

From its inception in 2008 until 2011, LHA rates were based on this advertised rental data, supplemented by local knowledge and LHA rates were set at the median level for each property type in each BRMA. For example, if there were 20 one bedroom properties ranging from £30 per week to £100 per week, with the median level at £70 per week, all properties costing £70 per week or less would be accessible by households in receipt of full entitlement to housing benefit which would cover the cost of the rent in full. This meant that those tenants claiming housing benefit could access 50% of the properties in the local market without having to pay anything over and above the LHA and was intended to discourage PRS tenants in receipt of housing benefit from renting excessively expensive accommodation. Rates in NI were set for properties with up to seven bedrooms (unlike in the rest of the UK, where the maximum property size was five bedrooms [Beatty et al 2014]). By 2012 this had been standardised throughout the UK with the maximum rate set for a four bedroom property, regardless of household size and composition.

The rationale for the introduction of the LHA rate was to encourage housing benefit claimants to approach renting in the PRS in a more 'cost conscious' way (Beatty et al., 2014). Employing the LHA rates would encourage PRS tenants in receipt of housing benefit to move to lower cost accommodation if they could not afford to continue to meet the gap between LHA rates and the rent charged by their landlord. It was also envisaged that tenants would negotiate with their landlords to help keep rents at an affordable level. As Beatty et al (2014) point out, the underlying theory was that *'tenants would therefore become more discerning about the offer from landlords, and landlords might have to reduce rents in some properties and in some neighbourhoods to retain or attract new tenants'* (p.5). However, as Brewer (2014) noted, cuts to housing benefit had little discernible impact on reducing rents.

It is unlikely that the intention of the cuts was for landlords to turn away from letting to housing benefit claimants, but this has been the case throughout the UK, leading to a parliamentary inquiry into lending practices in the 'Buy to Let' (BTL) market[15] after a survey conducted by the Residential Landlords Association found that 66% of lenders, covering 90% of the BTL market have a prohibition on lending to landlords who let their property to benefit claimants (RLA, 2017). The subsequent reluctance (or inability) of landlords to let to housing benefit claimants was such as to evoke a reaction by the then Housing Secretary (James Brokenshire), who in early 2019 made a written statement in Parliament attacking landlords for refusing to let to

[15] https://www.parliament.uk/business/committees/committees-a-z/commons-select/work-and-pensions-committee/news-parliament-2017/natwest-buy-let-chairs-comment-17-19/

housing benefit claimants (Inside Housing, March 2019). However, when seen in the context of the increasing shortfalls between housing benefit and local rents, such action by landlords is understandable, since they are either having to accept that the shortfall will not be paid by their tenant (if they simply cannot afford to do so) and so they are obliged to forego the increased rent which they could receive if they were to rent to alternative tenants, or they have to accept the arrears which are likely to accrue and the potential for having to evict their tenants (O'Leary et al., 2018). Anecdotal evidence in NI would support the findings by O'Leary et al. (2018) in that many landlords are not pursuing their housing benefit tenants for the shortfalls and therefore not realising the full market rent which they could be getting.

The impact of rising 'shortfalls' between housing benefit paid at the LHA rates and rents due throughout the UK can be seen in that 'rent shortfall' (rare among social tenants) is increasingly becoming one of the main reasons for households experiencing financial difficulties (CIH, 2016). NI has been no exception in regard to the level of 'shortfalls' experienced by PRS tenants (NIHE, 2015) which is evident in an increasing focus of enquiries to Housing Rights public helpline from PRS tenants. According to the CIH report 'Missing the Target' (2018), LHA rates throughout the UK have now become '*so seriously out of line with local rents that private renting has become unaffordable for most low income tenants and this increases their risk of homelessness'* (2018, p.2). Their research showed that particularly for tenants on the shared accommodation rate, even a small nominal cash gap could be serious because their non-housing cost income (e.g. JSA) is so low as to be unable to support a shortfall of any kind without causing substantial financial hardship.

PRS tenants in NI facing a shortfall between housing benefit and rent due can apply for a Discretionary Housing Payment (DHP)[16], which may cover some (rarely all) of the shortfall. This is similar to the support provided under the Targeted Affordability Funding in GB[17]. Discretionary Support Payments such as DHPs came into effect in NI in 2016 with the introduction of the Welfare Reform (NI) Order 2015. In 2017/18 just over 15,000 households in NI benefited from DHPs totalling £3.6 million (Housing Rights, 2018). Recent research by the Department for Communities (DfC, 2019) showed that the majority of benefit claimants were not aware of DHPs.

Although the LHA rates were introduced in the UK by New Labour, with the Coalition Government in the UK coming to power in 2010, a radical overhaul of the housing benefit system soon followed, with the then Chancellor, George Osborne declaring that spending on

[16] DHP are extra payments to help towards the difference between rent and housing benefit for PRS tenants. DHPs are discretionary and may be awarded for a period up to 6 months. When the award ends the claimant may apply for a further DHP. DHPs are awarded from a budget provided by the Dept. for Communities and the budget is limited, meaning that once the budget is used up, further requests from claimants within that budget year will be turned down, irrespective of need. These were only ever designed to provide temporary support (NIFHA, 2016).

[17] LHA rates were frozen in the rest of the UK from 2013, with an increase in 2013 in line with CPI inflation and then in 2014 and 2015 increased by 1% in each year and frozen for most BRMAs in 2016 (with the TAF allowing for increases of up to 3% in a minority of areas where rents were rising fastest (Joyce, 2017).

housing benefit was ‘spiralling completely out of control’ (Leighton et al., 2012) largely due to a dependence on renting in the PRS for households in receipt of housing benefit. The overhaul included changes to the basis for setting LHA rates from the median to the 30th percentile of local market rents, which was introduced from April 2011 and this was rolled out to NI soon after. From 2015 onwards, LHA rates in NI were either frozen at 2015 levels or up-rated by 3% per year. This compares favourably to GB, where up-rating based on CPI has been in place since 2012 and up-rating varies between 1% and 3%. However, even taking this more generous approach to calculating LHA in NI into account, the region ranked second in terms of the percentage of areas in which the LHA rate had fallen below the 30th percentile by 2016. England was the only jurisdiction which fared worse, where more than 80% of LHA rates have fallen below the 30th percentile over the past few years (CIH, 2016). The aim of the CIH research was to show the extent to which the purchasing power of LHA had receded in comparison to rents being charged throughout the UK, which will be explored for NI in this research.

The changes to LHA rates and subsequent increase in shortfalls have not been felt evenly among all households. Research by Beatty et al (2014) based on NI housing benefit claimants, found that lone parent households were more likely to experience a shortfall between their housing benefit and the rent paid (7 in 10 of these households compared to 4 in 10 of all households). Only 14% of households facing a shortfall were in receipt of a DHP (all of these were single person households or lone parent households). Around 40% of all housing benefit claimants found paying their rent difficult, even taking housing benefit into consideration and two thirds of those facing a shortfall found it most difficult. Joyce et al (2017) attempted to map the scale of the impact of housing benefit reforms in the UK, including the introduction of the Local Housing Allowance rates in 2008. Their research estimated that the subsequent reforms to housing benefit have cut the entitlements of 1.9 million privately renting households and 600,000 social renting households (representing two thirds of low income private renters and one sixth of low income social renters). Low income households in the private rented sector are twice as likely to be affected by the decrease in housing benefit than low income households in the social rented sector. Furthermore, since Government policy is set to continue with the continued freeze on LHA rates, this disparity between rents charged and support provided is set to increase in the coming years throughout the UK (Joyce et al., 2017).

The Research

The empirical research on which this report is based has four strands: an analysis of LHA rates and advertised rents by BRMA area for 2018; an analysis of LHA rates and advertised rents for a selection of postcode areas; an analysis of LHA rates and advertised rents over the past 10 years; and an analysis of qualitative data from Housing Rights' client experiences (the 'lived experience').

Analysis of LHA rates by Broad Rental Market Area

Figure 6 below shows the BRMA areas in NI which are used in setting the LHA rates (Appendix 2 shows the breakdown of postcodes for each of these 8 BRMA areas). Five types of accommodation are covered by LHA rates: single room in a shared property (often referred to as the 'shared accommodation rate'); one, two, three and four bedroom properties. Table 1 below shows details of LHA rates for each property type in each BRMA area in NI for 2018, including the average rent for each property type, the total number of properties and proportion of properties available at or below the LHA rate. *It should be noted that in the analysis which follows 'properties' relates to 'new lets' (as advertised in the period under consideration) as per the rental data from NIHE and therefore does not reflect the total number of properties in the PRS at any one time.* It should also be noted that there is no way to tell how many of these properties are in more traditionally working class areas, or how many would be in locations which would be sought after by households in receipt of housing benefit.

Figure 6: BRMA areas

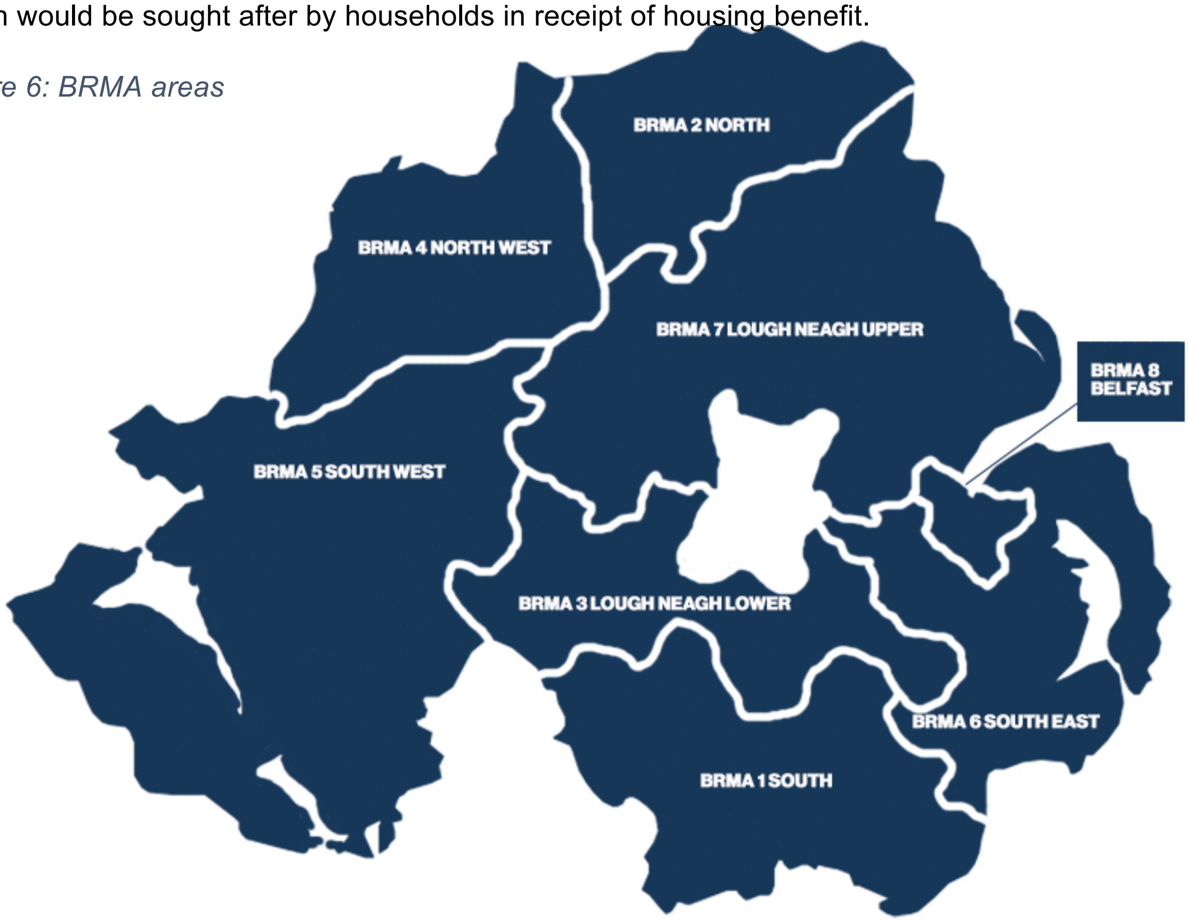


Table 1: BRMA areas – Property types, rental costs and LHA rates

BRMA Area	Type	Total No. of Properties	No. props < LHA rate	Average rental (p.w)	*2015 LHA rate*	*30th Percentile 2018*	Actual 2018 LHA rate	% props at or below LHA rate
1 South	SR	99	8	£64.60	*£45.80*	*£50.99*	£45.80	8
	1b	20	1	£83.24	*£60.68*	*£74.03*	£62.50	5
	2b	115	18	£97.22	*£80.43*	*£87.77*	£82.84	16
	3b	292	19	£108.23	*£88.44*	*£96.44*	£91.09	7
	4b	45	4	£132.21	*£99.58*	*£112.73*	£102.57	9
2 North	SR	365	100	£41.65	*£38.19*	*£38.67*	£38.19	27
	1b	38	4	£79.89	*£69.45*	*£75.00*	£69.45	11
	2b	98	13	£94.83	*£83.32*	*£89.18*	£83.32	13
	3b	232	28	£104.34	*£89.42*	*£96.34*	£92.10	12
	4b	64	13	£115.58	*£97.66*	*£105.13*	£100.59	20
3 Lough Neagh Lower	SR	136	9	£65.54	*£43.63*	*£55.80*	£44.94	7
	1b	35	8	£79.36	*£66.94*	*£72.06*	£66.94	23
	2b	153	15	£96.59	*£77.92*	*£85.54*	£80.26	10
	3b	474	43	£111.61	*£89.43*	*£99.86*	£92.11	9
	4b	75	10	£131.91	*£106.83*	*£117.72*	£110.03	13
4 North West	SR	535	39	£69.17	*£50.52*	*£65.76*	£52.04	7
	1b	99	3	£87.72	*£74.31*	*£83.60*	£76.54	3
	2b	165	1	£104.31	*£89.53*	*£98.48*	£92.22	1
	3b	254	33	£111.17	*£99.60*	*£102.87*	£99.60	13
	4b	66	11	£127.11	*£108.13*	*£110.09*	£108.13	17
5 South West	SR	50	10	£55.88	*£45.70*	*£46.01*	£45.70	20
	1b	45	5	£76.10	*£60.69*	*£61.53*	£60.69	11
	2b	76	8	£94.53	*£76.07*	*£82.15*	£76.07	11
	3b	171	22	£100.09	*£87.10*	*£91.12*	£87.10	13
	4b	30	6	£110.32	*£96.79*	*£97.43*	£96.79	20
6 South East	SR	170	18	£68.86	*£52.09*	*£56.00*	£52.09	11
	1b	109	9	£91.38	*£78.97*	*£81.47*	£78.97	8
	2b	639	83	£112.51	*£93.09*	*£98.96*	£93.09	13
	3b	639	118	£127.79	*£102.92*	*£111.58*	£106.01	18
	4b	160	26	£176.70	*£120.93*	*£136.77*	£124.56	16
7 Lough Neagh Upper	SR	121	16	£63.04	*£48.45*	*£53.19*	£48.45	13
	1b	76	12	£85.01	*£69.85*	*£75.83*	£69.85	16
	2b	556	79	£101.72	*£85.70*	*£91.26*	£85.70	14
	3b	1032	90	£112.15	*£93.27*	*£99.65*	£93.27	9
	4b	177	22	£135.13	*£104.86*	*£109.30*	£104.86	12
8 Belfast	SR	258	9	£62.23	*£42.15*	*£47.92*	£42.15	3
	1b	194	17	£104.67	*£83.65*	*£90.55*	£86.16	9
	2b	1288	184	£116.21	*£92.44*	*£99.51*	£95.21	14
	3b	799	112	£134.31	*£101.90*	*£112.08*	£104.96	14
	4b	232	37	£187.45	*£118.51*	*£140.17*	£122.07	16

Source: Author's analysis of NIHE data. Red highlighting indicates percentage of properties is below 10%. All amounts are per week.

Column 7 of Table 1 shows what the LHA rate for 2018 ***would be if the 30th percentile was used to calculate the rates*** (information available from NIHE web-site), whereas column 8 shows the actual rate in use for the year beginning in March 2018. Column 5 shows average rental costs per week, which are calculated based on rental data gathered by NIHE for the period October 2017 – September 2018[18].

For just over half (21) of the 40 the property type / BRMA combinations (5 property types and 8 BRMA areas), the LHA rate was frozen at the 2015 rate (Column 6), with an increase of 3% on the previous year applied to the remainder. Out of the 40 combinations of property types and BRMA areas, ***none* had 30% of properties available at the LHA rate in 2017/18** as can be seen from Fig. 7 below, which also shows the average percentage of properties available at or below the LHA rate for each BRMA area falling well below the 30th percentile**.** Research by CIH (2016) showed that 80% of LHA rates in NI had fallen below the 30th percentile by 2016. **These figures show that all of the LHA rates in NI have now fallen below the 30th percentile and over a quarter of the LHA rates are now below the 10th percentile.** Thirteen of the 40 property type / BRMA areas had fewer than 1 in 10 properties available at or below LHA rates (highlighted in red in Table 1). **Only five combinations had more than 20% of properties available at or below the LHA rate.**

The effect of the freeze on LHA rates can be seen clearly here. For example, had the LHA rate stayed linked to the 30th percentile of local rents, for BRMA1 (South) the one-bedroom rate would have been £74.03, whereas the actual LHA rate was based on the 2015 rate (up-rated by 3% p.a.) and amounted to £62.50. The effect of this is that only 5% of this property type was available at the LHA rate (rather than 30% of properties). However, even reporting this percentage is misleading since, considering that there were only 20 one-bedroom properties available in total in BRMA1 according to the rental data, only 1 property (5%) was available at the LHA rate for the entire area (instead of 6 properties, had the 30th percentile LHA rate been used). What this means in practice is that out of the 20 properties of this type, 19 households in this BRMA area which were entitled to full housing benefit, could be subject to a shortfall, and further analysis shows that 15 of these would face a shortfall of at least £10 per week. Although this would only apply to new rentals over the period, the frequency of moves through the PRS and the potential for landlords to increase rents at regular intervals, would suggest that this shortfall would apply to many more households than these figures might suggest. **The effect of the potential for shortfalls can be explored by looking at the shortfall between LHA and average monthly rentals for each BRMA area as shown in Figure 7 below, ranging from £45 per month in BRMA2 (North) to £134 per month in BRMA8 (Belfast).**

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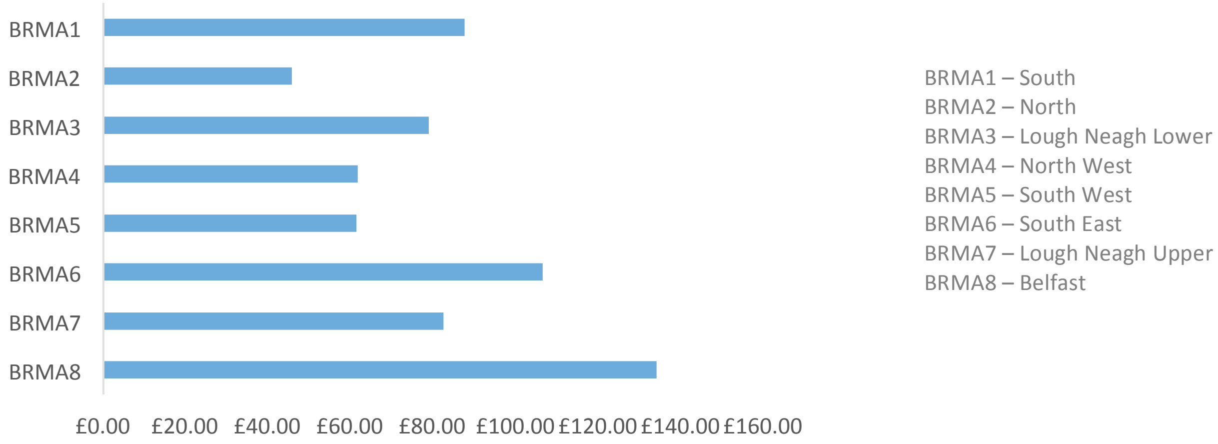
[18] This is not a perfect match, since the LHA rate was in use for six months, from March 2018 to September 2018, whereas the rental data used was from October 2017 to September 2018. This is a function of the data collection however, and although imperfect, gives a good approximation of the LHA rate to actual rent experienced by PRS tenants over the period October 2017 – September 2018. In reality, the LHA rates did not differ by more than 3% over the two financial years which this rental data spans (and in some cases, the rates were exactly the same).

Figure 7: Shortfall between average monthly rents and LHA for all BRMA areas in 2018



Source: Author's own analysis of NIHE data.

As table 1 shows, BRMA1 (South) has the lowest proportions of each property type available at or below the LHA rates, with 8 single room properties out of 99; 1 one bedroom property out of a total of 20 properties of this type; 18 out of 115 two bedroom properties; 19 out of 292 three bedroom properties and 4 out of 45 four bedroom properties. BRMA1 includes parts of Newry and Armagh, Crossmaglen, Banbridge, Markethill, Rostrevor and Kilkeel and surrounding areas.

In contrast, BRMA2 (North) fared considerably better, with none of the property types with fewer than 1 in 10 properties available at LHA rates. This BRMA area also contained one of only two property type / BRMA area combinations with more than 20% of properties available at the LHA rate (27% of single room / shared accommodation properties, or 100 out of 365 of this type of property)[19]. This could be affected by the rental profile for this BRMA area, which includes Coleraine, and Portstewart, areas which have a high proportion of student accommodation. BRMA 2 has the lowest average single room rental rate of all the BRMA areas and the second highest number of single rooms available (the highest was BRMA 4 which includes both Ulster University's Magee campus and Altnagelvin hospital) which could understandably skew the average towards the lower end of the market, although these properties would be in high demand by students and therefore not necessarily available for other tenants. BRMA2 includes Ballymoney, Ballycastle, Portrush, Portstewart and Coleraine, with the majority of the properties (of all types) available in Coleraine and Portstewart (590 out of 809 properties), suggesting again that student lets likely dominate this market. This could

[19] The other being one bedroom properties in BRMA 3 (Lough Neagh Lower) which had 8 properties out of 35 (23%) available at the LHA rate

potentially reduce the number of available properties for households in receipt of housing benefit at the LHA rate.

BRMA5 (South West) which includes Enniskillen and rural Fermanagh had the lowest number of properties available for rent (372 in total), but between 10% and 20% of all property types were available at or below the LHA rates. However, because the number of properties was so low, this meant that for example, there were only 8 out of 76 two bedroom properties available at or below the LHA rate.

In contrast, BRMA8 (Belfast) had the highest number of properties (2,771 properties in total), although with considerably lower proportions of properties available at LHA rates. For example, there were only 9 single room properties available at or below the LHA rate (out of 258 properties of this type). Similarly, fewer than 1 in 10 one bedroom properties were available at the LHA rate (17 out of 194 properties). Understandably, Belfast had the greatest range of property prices with the most expensive properties for most property types. BRMA8 also had the highest number of two bedroom properties available (1,288) and this was also the highest number of any one property type / BRMA area combination, 14% of which were available at the LHA rate (184 properties). The average price for this property type was £116 per week, considerably higher than the LHA rate of £95.21. BRMA8 includes most of the greater Belfast area (BT1 – BT16) but notably does not include the housing estates of Twinbrook and Poleglass, which were initially built as social housing but as a result of Right to Buy and subsequent reselling potentially as buy-to-let properties, now contain a sizeable proportion of the privately rented properties in the BT17 region. These are included in BRMA6, which has the third highest volume of properties (1,717) around 10% of which are in BT17. BRMA6 includes properties in Dunmurry (including Poleglass and Twinbrook) as well as the more affluent areas of Bangor, Newtownards, Hillsborough and Holywood and the rural areas of Castlewellan, Portaferry and Donaghadee. The inclusion of BT17 in this BRMA area seems somewhat incongruous, given that the areas of Poleglass and Twinbrook are more closely related to West Belfast in terms of where the initial inhabitants originated from (having been re-housed from Divis Flats and the Lower Falls as a consequence of re-building and regeneration in those areas in the 1970s and 1980s [Brett 1986]) as well as in terms of public transport connections.

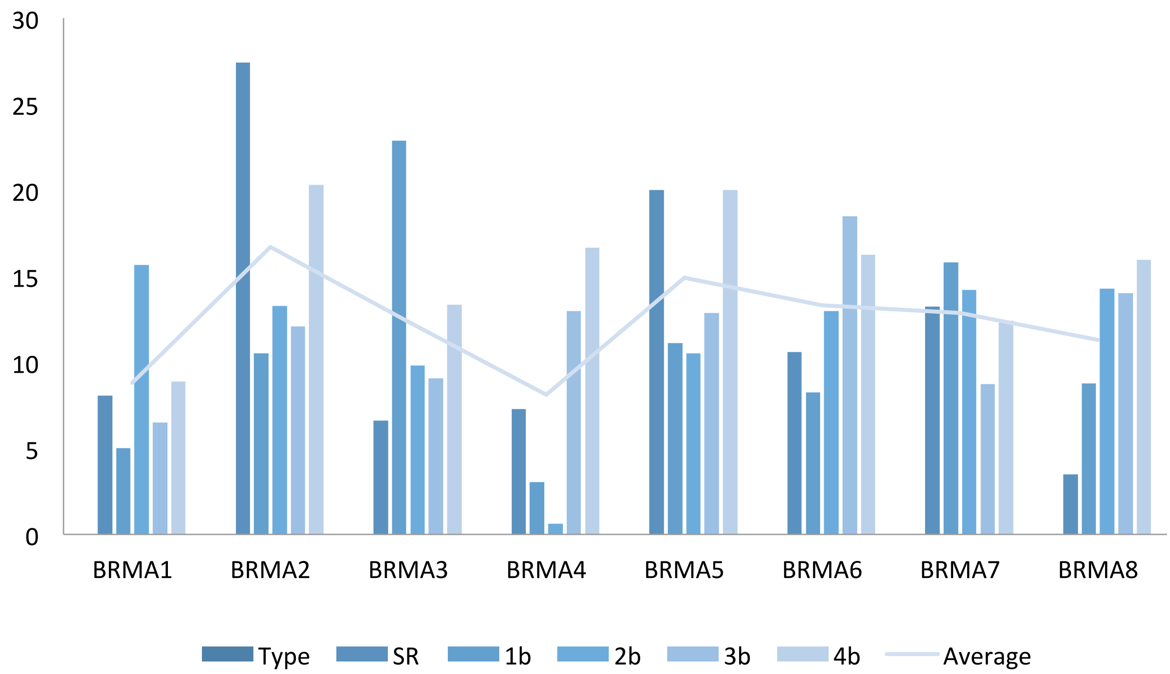
Overall Analysis of BRMA Areas and Property Types

Table 2 below and Fig. 8 show the percentage of all property types available in each BRMA area at or below the LHA rate, along with the averages for each BRMA area and the average for each property type. **As we can see, the overall average was 12%.** The worst affected areas are BRMA1 (South) and BRMA4 (North West) with fewer than 10% of properties (average of all property types) available at or below the LHA rate.

Type	BRMA1 South	BRMA2 North	BRMA3 Lough Neagh Lower	BRMA4 North West	BRMA5 South West	BRMA6 South East	BRMA7 Lough Neagh Upper	BRMA8 Belfast	*Avg % (Property Type)*
S R	8	27	7	7	20	11	13	3	*12*
1bed	5	11	23	3	11	8	16	9	*11*
2bed	16	13	10	1	11	13	14	14	*11*
3bed	7	12	9	13	13	18	9	14	*12*
4bed	9	20	13	17	20	16	12	16	*15*
Avg % (BRMA)	*9*	*17*	*12*	*8*	*15*	*13*	*13*	*11*	***12***

Table 2: Percentage of properties available at or below LHA rate for 2018 by Property type and BRMA area

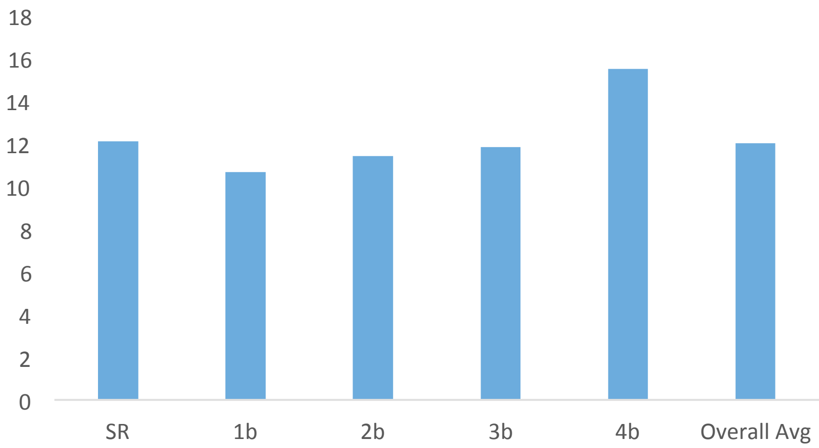
Figure 8: Percentage of properties available at or below LHA rate by property type and BRMA area – 2018



Source: Author's own analysis of NIHE data

As Fig. 8 above shows, the average percentage of properties available at or below the LHA rate for all BRMA areas and all property types was well below the 30th percentile in 2018, with four bedroom properties faring better than most across all of the BRMA areas (although averaging only 15%) and one bedroom properties faring considerably worse (averaging 11%). This can be seen more clearly in Fig. 9 below, which shows the average percentage of properties available at the LHA rate across all the BRMA areas.

Figure 9: Percentage of properties available at or below LHA rate by property type in all BRMA areas – 2018



Source: Author's own analysis of NIHE data

Analysis by Postcode Area

In order to explore the availability of LHA rates and their impact in different areas more closely, it is necessary to present the rental data for a selection of the postcode areas contained within the BRMA areas. This data is contained in Table 3. As outlined in the methodology section of this report, the areas chosen were BT4 (in East Belfast), BT12 (in West Belfast), BT23 (Newtownards area), BT35 (Newry area), BT42 (Antrim area), BT47 (Derry / Londonderry), BT62 (Portadown area), and BT92-94 (3 postcode areas combined to represent Rural Fermanagh). All data relates to advertised rentals in these areas between October 2017 and September 2018 and the LHA rates used are those set for March 2018 (using data from NIHE). These postcode areas also featured heavily in the analysis of Housing Rights case recording data. The average number of calls for each postcode area for the period 2010-2018 was 52 (ranging from 1[20] to 202 in BT12). The postcodes selected for analysis were all above average in terms of the number of enquiries regarding shortfalls (ranging from 18 in BT92-94 to 202 in BT12 with an average of 82). The fewest number of enquiries were from BT2, BT3, BT26, BT57 and BT64. Areas with the highest number of enquiries included BT5, BT11, BT12, BT13, BT14 and BT47. Some of these were included in the analysis which follows, however, in order to provide a good geographic spread, not all of these areas were explored in detail.

An analysis of the NIHE data showed that **none of the postcode areas listed above had more than 20% of available properties (of all types) which were at or below the LHA rate, with Newry (BT35) having only 3% of properties available at this rate and the average being 12% of properties available at or below the LHA rate.** In contrast, between 55% and 88% of all properties in the areas under consideration would incur a shortfall of at least £10 per week, with the average around 72% of all property types in all postcode areas explored. In

[20] For reasons of securing anonymity this BT code for this figure cannot be revealed.

some ways, the high proportion of properties which would incur a shortfall is understandable in that the data includes all properties which were available to let between October 2017 and September 2018 and some of these would be aimed at middle and high income households (including young professionals, students sharing accommodation and property aimed at the higher end of the rental market). It cannot be assumed that all of the properties under consideration would be the type of properties which those households in receipt of housing benefit would expect to be able to rent. However, considering the demand for property in the PRS, these figures do speak to the potential to see the pressure on households which have no alternative but to rent in the PRS but which nonetheless will face financial stress as a result of the necessity of engaging in the housing market, the prices set within which are beyond their control. The prospect of facing a shortfall of at least £10 per week can and does have a negative impact on a household which is otherwise already stretched in their financial outgoings.

Part of the reason for the low rate of properties available at or below the LHA rate in these areas is in considering the geographical spread of BRMA areas which are used to calculate the LHA rate. For example, if we consider BRMA 1 (South), this area includes properties in Newry, Armagh, Warrenpoint, Banbridge and Rostrevor, a fairly wide geographic spread of regions. The difficulty of examining areas as a whole is represented in this wide spread of locations (even though BRMA 1 contains only 6 postcode areas as opposed to BRMA 8 (Belfast) which includes 16 postcode areas). The locations included in BRMA 1 include relatively deprived areas of Newry as well as relatively affluent areas in Warrenpoint and Rostrevor with rents for 3 bedroom properties ranging from £47 per week (for a three bedroom apartment[21]) to £176 per week for a detached house. **There were only 20 one bedroom properties for rent throughout the year in BRMA 1, with rents ranging from £55 per week to £102 per week. Considering that the one bedroom LHA rate for BRMA 1 was £62.50 for this period, there was only one property available throughout the year below the LHA rate which was set for the year using data from the previous year. Fifteen out of the 20 properties would have incurred at least a £10 per week shortfall.** Given that there are more families renting homes in the PRS, the relative abundance of three bedroom family homes is good news. However, of the 292 three bedroom properties available throughout the year, only 18 were at or below the LHA rate. Over two thirds of the three bedroom properties listed (201 properties or 69%) would incur at least a £10 per week shortfall (with 106 of these incurring at least a £20 per week shortfall). When considering that households in receipt of housing benefit are low earning households (or completely relying on State support), it is clear that an additional outlay of £20 per week (assuming that the household is entitled to full housing benefit) would be a considerable financial burden.

[21] This is somewhat of an outlier however, as the next property in the dataset is £77 per week.

Table 3: Analysis of Properties Available by BT code area

BT area	Prop Type	No. Props	Props <LHA	LHA rate	No. Props LHA + £10 (min)	Min Shortfall	Max Shortfall	Average Shortfall
BT4	SR	0	0	£42.15	0	£0.00	£0.00	£0.00
	1b	15	1	£86.16	10	£3.41	£34.80	£15.70
	2b	80	8	£95.21	56	£0.43	£80.40	£39.99
	3b	51	11	£104.96	34	£1.52	£90.49	£44.49
	4b	13	1	£122.07	11	£2.82	£184.36	£90.77
BT12	SR	28	0	£42.15	21	£2.31	£45.70	£21.70
	1b	8	0	£86.16	5	£2.70	£59.56	£28.43
	2b	197	30	£95.21	126	£0.13	£112.48	£56.18
	3b	79	12	£104.96	40	£1.21	£58.22	£28.51
	4b	25	13	£122.07	9	£0.99	£133.57	£66.29
BT23	SR	16	0	£52.09	11	£1.60	£23.91	£11.16
	1b	23	2	£78.97	10	£0.04	£42.18	£21.07
	2b	103	18	£93.09	54	£0.05	£75.19	£37.57
	3b	79	11	£106.01	45	£0.25	£62.80	£31.28
	4b	17	6	£124.56	9	£2.36	£70.76	£34.20
BT35	SR	48	2	£45.80	40	£3.82	£54.20	£25.19
	1b	3	0	£62.50	3	£14.20	£40.29	£13.05
	2b	17	1	£82.84	15	£2.55	£53.73	£25.59
	3b	23	0	£91.09	20	£2.25	£43.18	£20.47
	4b	9	0	£102.57	8	£6.10	£59.16	£26.53
BT41	SR	28	5	£48.45	19	£4.74	£47.05	£21.16
	1b	15	7	£69.85	8	£12.58	£37.98	£12.70
	2b	69	4	£85.70	51	£2.84	£45.22	£21.19
	3b	165	12	£93.27	99	£0.30	£72.46	£36.08
	4b	16	2	£104.86	13	£3.38	£48.40	£22.51
BT47	SR	40	7	£52.04	22	£1.15	£43.66	£21.26
	1b	13	1	£76.54	6	£2.94	£13.90	£5.48
	2b	67	11	£92.22	32	£0.32	£61.72	£30.70
	3b	109	8	£96.90	66	£1.64	£102.20	£50.28
	4b	34	6	£108.13	21	£1.81	£53.84	£26.02
BT62	SR	26	1	£44.94	22	£2.78	£35.86	£16.54
	1b	6	3	£66.94	2	£0.56	£19.50	£9.47
	2b	29	1	£80.26	18	£2.96	£54.87	£25.96
	3b	89	7	£92.11	64	£0.86	£46.93	£23.04
	4b	9	2	£110.03	5	£6.64	£28.04	£10.70
BT92-94	SR	7	2	£45.70	4	£0.10	£47.02	£23.46
	1b	10	1	£60.69	3	£1.74	£32.51	£15.39
	2b	20	2	£76.07	11	£1.47	£58.07	£28.30
	3b	32	8	£87.10	12	£0.89	£39.82	£19.47
	4b	10	3	£96.79	4	£0.41	£20.58	£10.09

Source: Author's own analysis of NIHE data

BT4 (East Belfast)

- As Table 3 shows, of 159 properties of all types in BT4 (East Belfast), only 21 were available at or below the LHA rate.
- **There were no single room properties available at or below the LHA rate and only 1 one-bedroom property and 1 four bedroom property.**
- Of the 15 one bedroom properties available in this area, two thirds (10) would have a shortfall of at least £10 per week.
- There were 80 two bedroom properties but only 10% of these and 20% of three bedroom properties were available at or below the LHA rate.
- The majority of the remainder of the two and three bedroom properties would incur at least a £10 per week shortfall.
- **The average shortfall for properties fell between £16 (for a one bedroom property) and £90 (for a 4 bedroom property[22]).**

BT12 (West Belfast)

- **There were 337 properties available in BT12 (in West Belfast) and again none of the one bedroom or single room properties were available at the LHA rate. In fact, only 55 out of the 337 properties of all types were available at the LHA rate.**
- There were 28 single room lets available, but since none were at the LHA rate, all of these would incur a shortfall, with the minimum being £2.30 per week and the maximum shortfall £45 per week (the average was £22), and at least 21 out of the 28 properties of this type would have a shortfall of at least £10 per week.
- **The minimum shortfall for one bedroom properties was also around £2.70 per week, but the maximum was £59 and the average £28, however, only 8 properties of this type were available, pointing to the lack of these very much sought after property types (particularly important considering the implications of the end of mitigations and the subsequent introduction of the social sector size criteria).**
- Two bedroom properties were much more abundant in BT12, although only 15% of the 197 two bedroom properties were available at the LHA rate, and two thirds of the properties of this type would incur a shortfall of at least £10 per week, with the maximum shortfall in excess of £100 per week and the average shortfall over half this amount. This effectively means that two thirds of all two bedroom properties in the PRS in this area would be out of the reach of households in receipt of housing benefit.
- The average shortfall for three bedroom properties was around £28, with 79 such properties available and only 12 available at or below the LHA rate (15% of all properties of this type).

[22] Although this figure should be treated with caution as the average includes some high-end rentals in the area which it could be assumed would not be likely to be accessed by someone in receipt of Housing Benefit.

Half of the three bedroom properties available in this area would incur a shortfall of at least £10 per week.

- Although there were only 25 four bedroom properties available in BT12, 13 of these were available at or below the LHA rate, although of 12 which were above the LHA rate, 9 would incur a shortfall of at least £10 per week.

BT23 (Newtownards area)

- **BT23 (Newtownards area) had 238 properties available for rent during the period October 2017 to September 2018. Of these, 37 were available at or below the LHA rate.**
- Although there were 16 shared room properties available, there were **none available at or below the LHA rate** and the average shortfall for this type of property was £11.16 per week.
- Of the 23 one bedroom properties available, only 2 were at the LHA rate, with half of the properties incurring a shortfall of at least £10.
- There were significantly more two bedroom properties for rent in Newtownards, but only 18 of the 103 properties of this type were available at or below the LHA rate, with just over half of all properties of this type incurring a shortfall of £10 or more per week, and the average shortfall coming in at £37 per week.
- Only 1 in 8 of the 79 three bedroom properties were available at or below the LHA rate, with over half incurring a shortfall of more than £10 per week and an average shortfall of just over £30 per week.
- There were fewer four bedroom properties available, and only 6 of the 17 properties of this type were available at the LHA rate, with the remainder incurring a shortfall of over £10 per week.

BT35 (Newry)

- Newry area, falling largely into BT35, had 100 properties of all types listed for the period under consideration, however, only three of these properties were available at the LHA rate (2 shared rooms and 1 two bedroom property). This could be due to the selection of BT35 to represent Newry, an area which includes low income, relatively deprived areas as well as very affluent areas. This is reflected in the **percentage of properties incurring at least a £10 per week shortfall, which was over 80% for all property types**. However, considering that this area does include some less affluent areas, the lack of affordable PRS properties was surprising nonetheless.

BT41 (Antrim)

- **Antrim is another broad area which would include more and less affluent areas and overall there were 293 properties for rent, although only 10% of these were available at or below the LHA rate.**
- Only one in five shared room properties were below the LHA rate, with two thirds of this type of property incurring a shortfall of more than £10 per week, and the average shortfall just over £20 per week.
- Half of the one bedroom properties were available at the LHA rate, but the remainder would incur a £10 per week shortfall at least.
- Only 4 out of the 69 two bedroom properties were available at the LHA rate, with 51 out of the 69 properties incurring a shortfall of at least £10 per week and the average shortfall again around £20 per week.
- **The situation was worse for three bedroom properties, with only 12 out of the 165 properties of this type available at the LHA rate and the average shortfall at over £30 per week.**
- Again, four bedroom properties were less numerous but only 2 out of the 16 four bedroom properties were available at the LHA rate, with the remainder incurring a shortfall of at least £10 per week.

BT47 (Derry/Londonderry)

- There were 40 shared room properties in BT47, 7 of which were available at the LHA rate (18%).
- **BT47 had 13 one bedroom properties available for rent although only one of these was at the LHA rate and the shortfall for the more expensive half of these properties would be in excess of £10 per week**, but the remainder would incur an average shortfall of only £5 per week.
- Around half of the two bedroom properties in BT47 would incur a shortfall of at least £10 per week, and the average shortfall for this type of property was £30.
- **Fewer than 10% of three bedroom properties in this area were available at the LHA rate and over half would incur a shortfall of at least £10 per week, with the average shortfall in excess of £50 per week.**
- The average shortfall for four bedroom properties was just over £23 per week. Overall it would appear that the availability of properties of all types at or below the LHA rate was limited in this area, with considerable barriers potentially faced by low income households in receipt of housing benefit in finding accommodation which would not incur a burdensome shortfall, given the shortage of affordable properties.

BT62 (Portadown)

- Portadown was chosen as an area within BRMA 3 (Lough Neagh Lower) and there were 159 properties for rent overall, although only 10% of these were available at or below the LHA rate.
- **There was only one shared room available for rent at the LHA rate for the year under consideration, although there were 26 properties of this type available, the majority of which (22) would incur a shortfall of at least £10 per week.**
- Only 6 one bedroom properties were available for rent, with half available at the LHA rate.
- Similarly, only one of the 29 two bedroom properties was available at the LHA rate, with two thirds of this type of property incurring a shortfall of at least £10 per week and the average shortfall just over £25 per week.
- **There were 89 three bedroom properties available, but only 7 of these were at the LHA rate, and again, three quarters of these properties would incur at least a £10 per week shortfall.**
- The LHA rate for four bedroom properties was the second highest in all of the regions outside of Belfast which were considered for this research, but still, half of the 9 properties available would incur a £10 per week shortfall.

BT92-94 (Rural Fermanagh)

- **There were 79 properties available in this area, with 20% of these available at the LHA rate. The average shortfalls for all properties types ranged from £10 per week for a four bedroom property to £28 per week for a two bedroom property.**
- Of the 10 one bedroom properties, only 1 was available at the LHA rate, although only the three most expensive properties of this type would incur at least a £10 shortfall per week.
- There was a similar picture for the two bedroom properties, although half of these would incur a £10 shortfall.
- There were 32 three bedroom properties and a quarter of these were available at the LHA rate, with just under a third of them incurring a £10 per week shortfall.

Whilst these figures show the LHA rates and rentals for 2018, the next section explores the LHA rates and rental data going back to the introduction of the LHA in order to highlight the changes in both which have impacted on low income households in the PRS.

LHA Rates and Rentals Over the Past 10 Years

If we look back over 10 years of PRS rental data and LHA rates from NIHE, some interesting patterns emerge which demonstrate the pressure on low income households to meet their housing costs in the context of declining state support for rental costs in the PRS. Table 4 outlines the percentage of properties available at or below the LHA rate for four BRMA areas

(2, 4, 6 and 8) in four years[23]. As can be seen from Table 4, there is a marked decrease in the percentage of properties available at or below the LHA rate in each consecutive year for which the data was explored. The most dramatic decrease in the proportion of properties available at or below the LHA rate was in BRMA 2 (North) for a two bedroom property, which saw a decrease from 68% of properties available at LHA rate in 2009/10 to only 13% in 2017/18 (a reduction of 54 percentage points). The difference between the percentage of properties available at the LHA rate between 2009/10 and 2017/18 is shown in column 7 ('Difference'), and column 8 shows the difference as a percentage reduction. This can also be seen in Fig. 10 below. The most marked reduction in the availability of properties at LHA rate was a two bedroom property in BRMA 4 (North West), which had a reduction of 99% in the proportion of two bedroom properties available at the LHA rate[24]. In 2009/10 there were 137 out of 282 two bedroom properties available at or below the LHA rate, but by 2017/18 this was reduced to only 1 two bedroom property out of a total of 165 rented in this area. **The average reduction in the proportion of properties available at or below the LHA rate was 75% for all areas and all property types.**

Table 4: Percentage of properties at or below LHA by property type and year

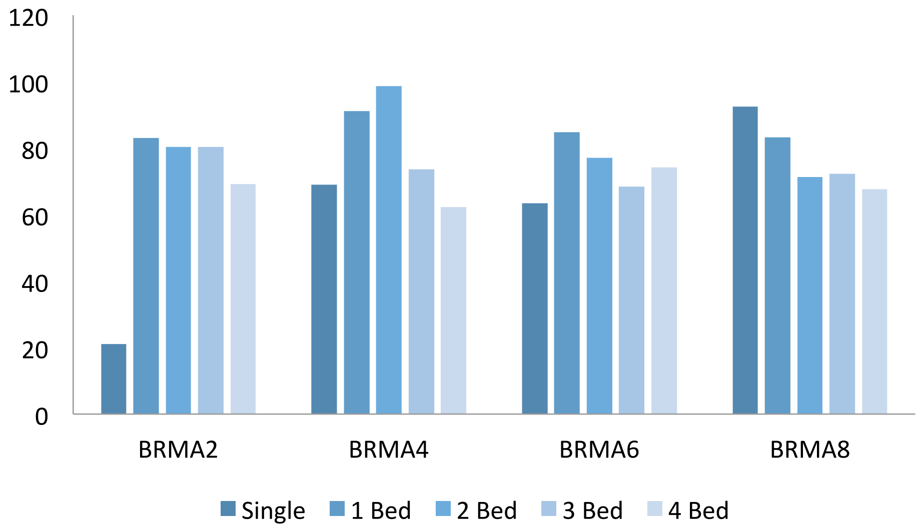
	Type	2009 %	2011 %	2015 %	2018 %	Difference N	Percentage Reduction
BRMA2	SR	35	29	38	27	7	-21
North	1b	62	26	38	11	52	-83
	2b	68	29	29	13	54	-80
	3b	62	21	21	12	50	-80
	4b	66	33	19	20	46	-69
BRMA4	SR	24	33	27	7	16	-69
North	1b	34	29	20	3	31	-91
West	2b	49	21	23	1	48	-99
	3b	49	18	24	13	36	-74
	4b	44	23	24	17	27	-62
BRMA6	SR	29	18	19	11	18	-63
South	1b	54	42	27	8	46	-85
East	2b	57	27	24	13	44	-77
	3b	59	35	26	18	40	-69
	4b	63	33	16	16	47	-74
BRMA8	SR	46	35	20	3	43	-92
Belfast	1b	52	29	17	9	44	-83
	2b	50	29	44	14	36	-71
	3b	51	31	21	14	37	-72
	4b	49	30	10	16	33	-68

Source: Author's own analysis of NIHE data

[23] For each of these years the rental data explored is for April to March (e.g. April 2009 to March 2010) and uses the LHA rate set for that period which means that there may be fewer (or considerably more) properties available at or below the LHA rate set for that year, even when the LHA rate was calculated based on actual rents, because these rents are those *actually experienced* in the LHA rate period, rather than the rents used to *calculate* the LHA rate for the period.

[24] From 49% in 2009 to only 1% in 2018, a reduction of 48 percentage points

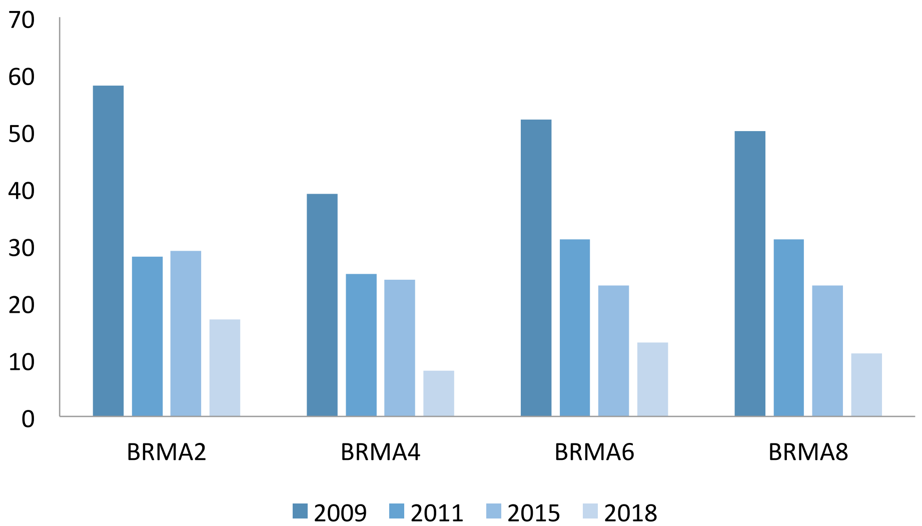
Figure 10: Percentage reduction in properties available at or below LHA rate by BRMA area and property type between 2009 and 2018



Source: Author's own analysis of NIHE data

Figure 11 below shows the reduction in the percentage of properties (average of all types) available at or below the LHA rate from 2009 to 2018, showing a clear downward trend, with none of the BRMA areas under consideration having more than 17% of properties (all types) available at or below the LHA rate by 2018.

Figure 11: Percentage of Properties Available at or Below LHA rate by year

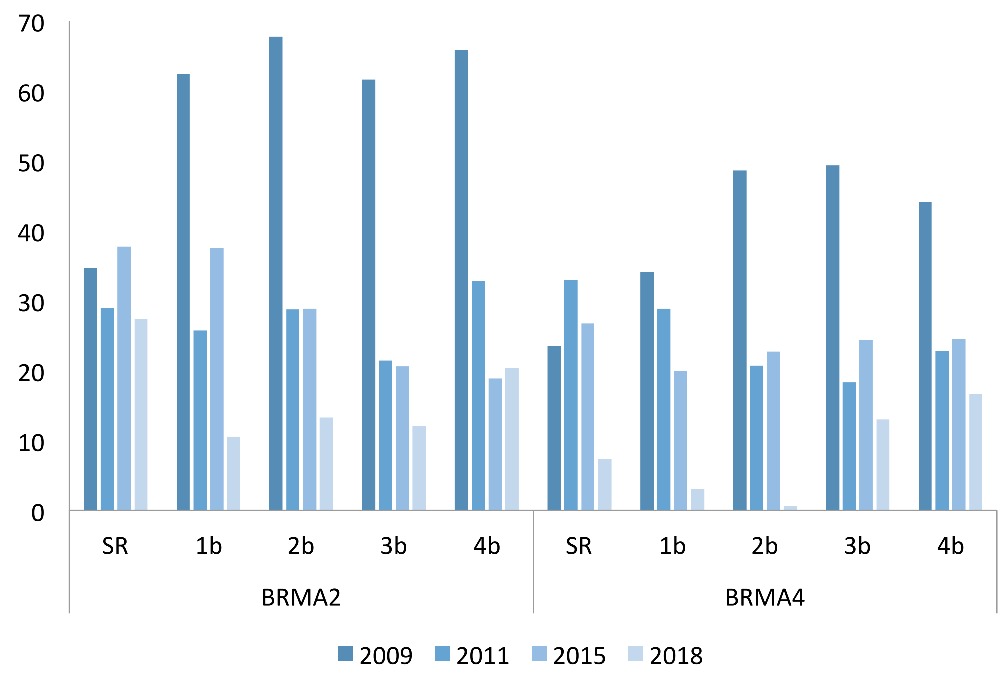


Source: Author's own analysis of NIHE data

If we look at the difference between the average rental costs and the LHA rates for a range of BRMA areas in graphical representations (Appendix 1) it can be seen that there is a greater difference between the average rental cost and the LHA rate for each of the four years under consideration (2009, 2011, 2015 and 2018). It cannot be assumed that all rental housing would be considered by private tenants in receipt of housing benefit and it must be recognised that there is a considerable range in the cost of private rented housing, which is affected by house type, location, whether or not the property is furnished or unfurnished and condition of the property, etc. With this in mind, it is recognised that some caution should be used when exploring the data in this way, particularly since average measures can be affected by outliers, but also because the analysis does not include only those properties which would be accessed by private tenants in receipt of housing benefit, but by the PRS population as a whole (including high-end rentals). Where possible, extreme outliers were removed from the analysis before average rental costs were calculated, but it is possible that the range of rents in a particular BRMA area is affected by more affluent PRS regions within those areas.

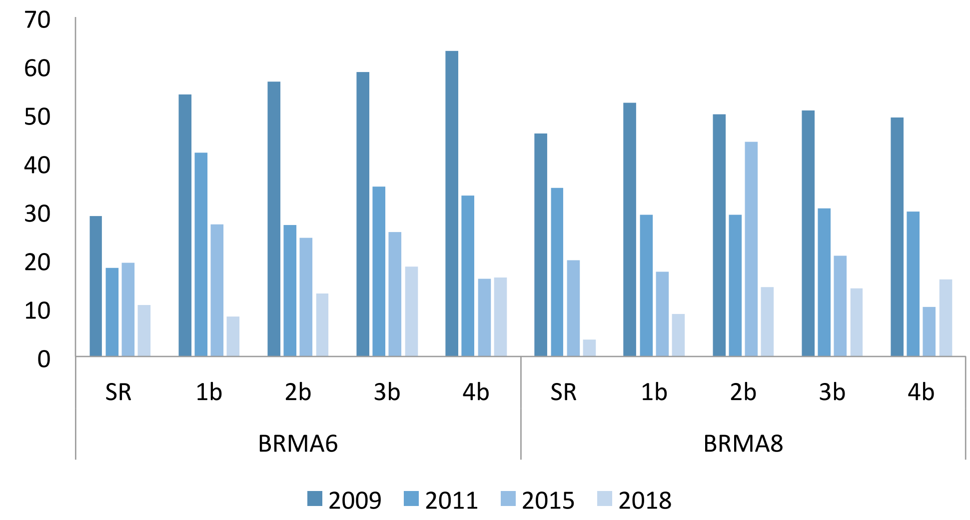
Figs. 12 and 13 below show that the percentage of properties available at or below the LHA rate in each of the BRMA areas under consideration was much higher in 2009 than in 2018 (and the difference is statistically significant).

Figure 12: Percentage of properties available at or below LHA rate by year (BRMA areas 2 and 4)



Source: Author’s own analysis of NIHE data

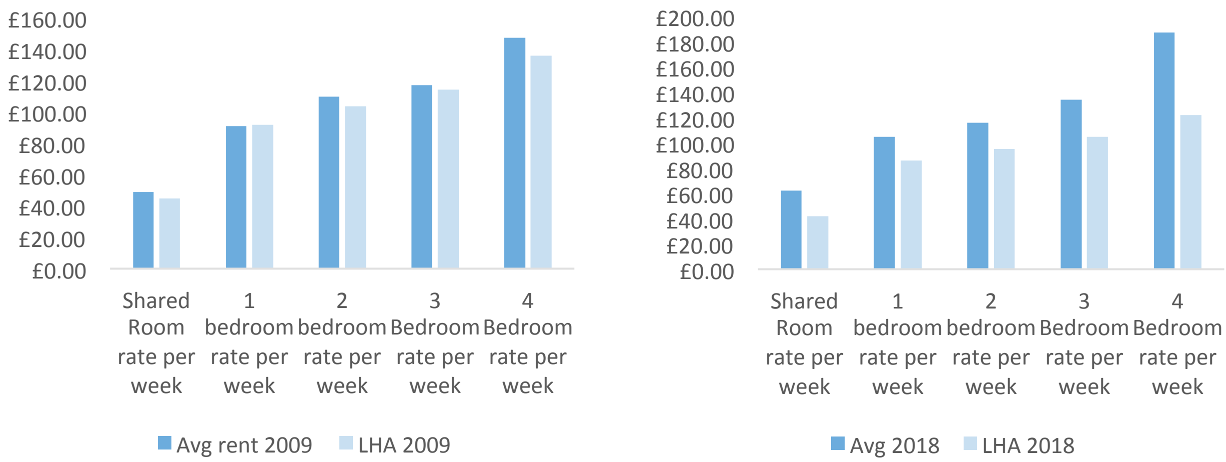
Figure 13: Percentage of properties available at or below LHA rate by year (BRMA areas 6 and 8)



Source: Author's own analysis of NIHE data

As can be seen from Figs. 14 and 15 below (BRMA 8 – Belfast), whilst there was a moderate increase in the average rental costs for the various property types between 2009 and 2018 (around 1-3% increase per year, although for the shared room and four bedroom properties this increase amounted to 28% over the nine year period[25]), the LHA rate *decreased* by 6-10% over the same period as a result of changes to the way LHA rates were calculated.

Figure 14: BRMA 8 Average rental and LHA Rate 2009 and Figure 15: 2018



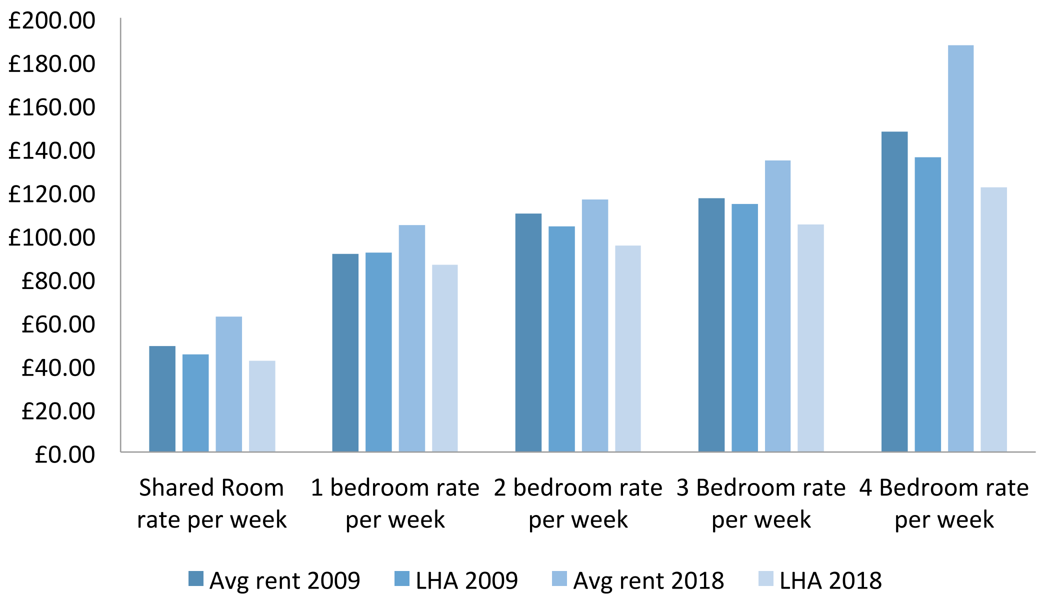
Source: Author's own analysis of NIHE data

The result of this decrease in LHA against the rising cost of rentals can be seen in Fig 16 below which shows a considerable difference between the average rental costs for each of the property types and the LHA rate for each, with the largest difference occurring between the

[25] According to the ONS composite price index, prices in 2018 were 30.68% higher than average prices throughout 2009. The pound experienced an average inflation rate of 3.02% per year over this period, which means that the rise in the average price of rentals was roughly in line with inflation.

LHA rate and the cost of a four bedroom property (£65.38 per week). Even if this property type is excluded, the average difference is £22 per week between the LHA rate and the average rental costs for all property types in the Belfast BRMA area.

Figure 16: All BRMA Areas - showing change in average rent and LHA rate between 2009 and 2018



Source: author's own analysis of NIHE data

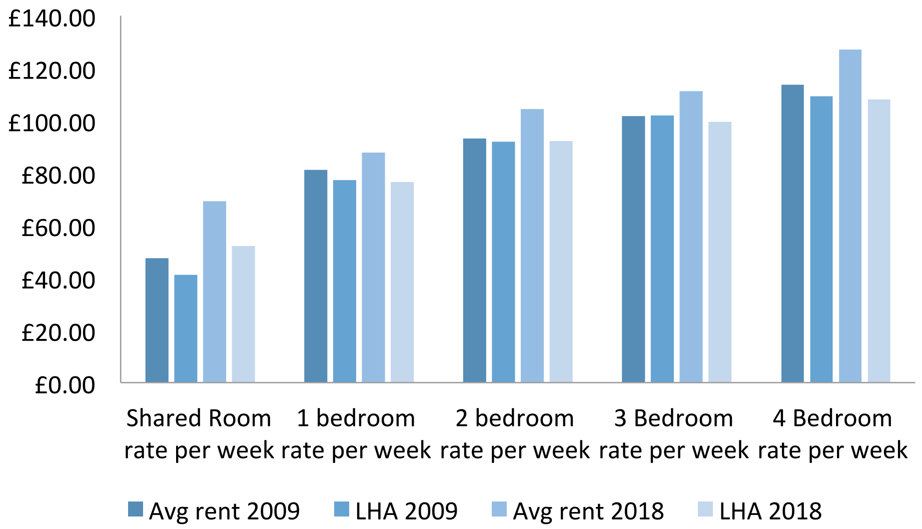
As can be seen from Fig. 16 above, whilst the LHA rate was close to average rent for all property types in 2009 (bearing in mind that it was only intended to cover the bottom 50% of properties at this point in time), by 2018, there was a considerable disparity between the average rental costs and LHA rate. This graph also shows clearly that whilst rental costs increased between 2009 and 2018, LHA rates decreased in nominal terms between the two periods (none of the figures are adjusted for inflation).

This pattern was repeated for other areas in NI (Appendix 1), although BRMA 4 (North West) fared slightly better in terms of the difference in LHA rate over the nine year period as can be seen in Fig. 17 below**. The LHA rate for a single room in BRMA 4 was one of only three property type / BRMA area combinations which saw an increase in the LHA rate in nominal terms[26], showing an increase of 26%. However, this is tempered by the increase in rental costs in this area, which in the case of the shared room rate in BRMA 4, saw an increase of 46% over the nine year period, therefore swamping the seemingly generous increase in the LHA rate for this property type.** This meant that the difference between the LHA rate and average rental costs for a shared room in BRMA 4 (£17.13 per week) was similar to the difference for a four bedroom property in this area (£18.98 per week). The other property

[26] The other two increased by only 2%.

types also saw a reduction in the proportion of average rent which would be covered by LHA (with a shortfall for each of around £12 per week).

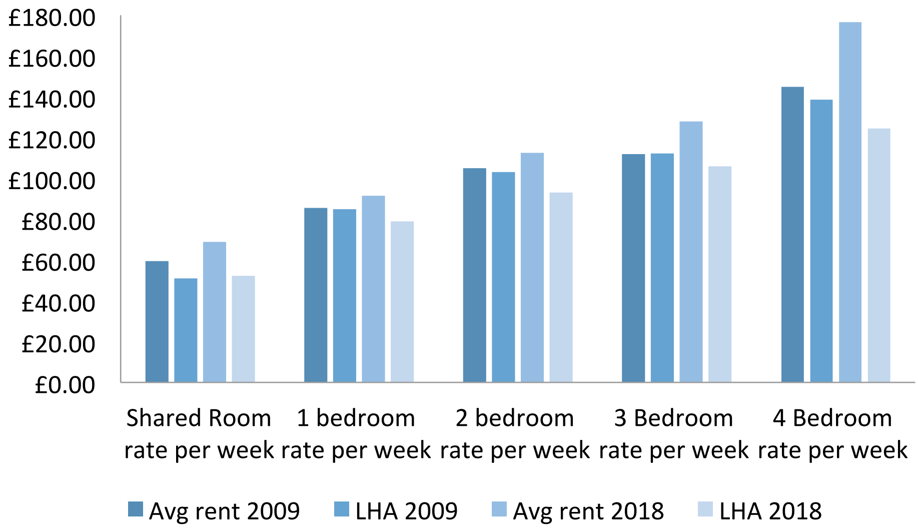
Figure 17: BRMA 4 (North West) - showing change in average rent and LHA rate between 2009 and 2018



Source: author's own analysis of NIHE data

As can be seen in Fig. 18 below, for BRMA 6 (South East) LHA rates were fairly close to average rental costs in 2009 (BRMA 6 had the lowest increase in rental costs, at an average of 11% for all property types over the nine year period). However, Fig 18 also shows that this area did not fare any better when it comes to the difference between the LHA rate and average rental costs in 2018, with the difference between LHA rate and average rental costs ranging from £12.41 for a two bedroom property to £52.14 for a four bedroom property (the average difference was £24.50 for all property types). BRMA 2 (North) (Appendix 1) had no shortfall between LHA rate and average rental costs in 2009 (except for the shared room properties, which had a shortfall between LHA rate and average rental cost of only £1.82 per week), however, by 2018, although the difference between the LHA rate for a shared room and average rentals was only £3.46, for each of the other property types, the shortfall was over £10 per week between 2009 and 2018.

Figure 18: BRMA6 (South East) - showing change in average rent and LHA rate between 2009 and 2018



Source: author's own analysis of NIHE data

As can be seen from Table 5 below, the increase in rental costs were not experienced evenly across the rental market. Whilst the average increase in rental costs overall was 28% between 2009 and 2018, there was a markedly higher increase in rental costs at the lower end of the market (average increase of 13.3%) compared to the top end of the market (average increase of 9%) although the difference was not statistically significant[27].

Table 5: Rental increases at the top and bottom of the market – 2009 and 2018

		Bottom 30% of Rental Market			**Top 30% of Rental Market**		
BRMA	**Property Type**	**2009 Avg**	**2018 Avg**	**% Difference**	**2009 Avg**	**2018 Avg**	**% Difference**
BRMA2	2 bed	£72.69	£81.48	12	£101.67	£107.57	6
North	3 bed	£81.04	£91.28	13	£104.24	£118.52	14
BRMA4	2 bed	£77.46	£91.49	18	£109.72	£117.83	7
N West	3 bed	£86.31	£96.53	12	£116.23	£129.08	11
BRMA6	2 bed	£83.65	£93.44	12	£133.26	£135.93	2
S East	3 bed	£90.40	£103.39	14	£138.71	£159.09	15
BRMA8	2 bed	£85.04	£94.63	11	£142.37	£143.49	1
Belfast	3 bed	£91.58	£104.71	14	£147.25	£170.89	16

Source: author's own analysis of NIHE data

In spite of this, the increases in average rental will be experienced differently by households at the top and bottom end of the income distribution[28]. Whilst such analysis is beyond the scope of

[27] Using a two sample t-test, unequal variances assumed.
[28] See NERI (2018) for an analysis of the impact of housing costs across the income distribution for 2016.

this paper, we can explore this initially using average income changes over the period. Data from the ONS on UK average household income shows that average income after taxes and benefits fell in real terms over the period 2009-2017 (a decrease of 1.7%)[29]. This means that the impact of increases in housing costs above 1.7% has a greater effect than the percentage change in housing costs alone since the income used to pay for housing costs has effectively decreased. Added to this, other non-housing related costs have risen by around 3% per year (based on CPI inflation over the same period). Although housing costs increased by an amount which was less than this (averaging 1-3% per year), since there would have been on average, less money to go around, the impact of increasing housing costs will be felt more acutely. This is made worse by the disparity between increasing costs of various property types over time.

As Table 5 above shows, two property types were explored (two and three bedroom properties) for four BRMA areas. The reason for choosing these is that it can be assumed that these properties will be more often accessed by families (single parent or dual parent households) and previous research has shown that households with children are more often adversely affected by poverty (JRF 2017) and by problem debt (McAuley, 2018). Households with children have also been shown to be accessing PRS housing more often now than in the past (Joyce et al., 2017), and were more likely to be affected by shortfalls between housing costs and housing benefit. As Table 5 shows, the increase in the rental cost for a two bedroom property in BRMA 4 (North West) at the lower end of the market[30] between 2009 and 2018 was 18%, whereas at the top end of the market[31] the increase was only 7%. The difference between the increase in the bottom end of the market and the top end was greater for two bedroom properties than for three bedroom properties. For example, two bedroom properties at the lower end of the market in BRMA 2, 4, 6 and 8 increased by 12%, 18%, 12% and 11% respectively, whereas at the top end of the market, two bedroom properties increased by 6%, 7%, 2% and 1% respectively. **Therefore the increase experienced in the average of the bottom end of the market for two bedroom properties was at least twice that as experienced at the top end of the market for the same property type, the difference being statistically significant. For BRMA 6 (South East) it was 6 times and for BRMA 8 (Belfast) it was 11 times.** Of course, this could mean that two bedroom properties at the top end of the market were over-priced in 2009 and faced a correction in the intervening period. However, for those on low incomes, needing to rent in the PRS for various reasons and accessing the bottom 30% of the market, their experience (on a limited income which was also subject to the same pressures as average real incomes) would have been one of a greater squeeze on resources, leaving less money to spend on other essentials and potentially leading to higher consumption of debt, which is also borne out by research such as that by CAP (2019) since

[29] Adjusted for inflation.
[30] Defined as the bottom 30% of available properties.
[31] Defined as the top 30% of available properties.

households will tend to forego other spending in order to pay rent and avoid eviction, potentially leading to higher consumption of unsecured debt in order to achieve this (McAuley, 2018). For three bedroom properties, the difference between the bottom and the top end of the market in terms of increase in prices was negligible (all three bedroom properties increased by around 14%), however, it could be argued that this increase would be felt more by a low income household than by a high earning one since average household income effectively decreased over the same period[32]. It could be argued that higher earning households which access rented accommodation at the top end of the market would have greater flexibility in terms of savings which could reasonably be made without adversely affecting their spending power to any great degree compared to households in the lower end of the income distribution, which would have considerably less flexibility in terms of savings in other areas which could be made in order to support the higher cost of housing in the face of a decrease in real income. **This analysis serves as a critique of the Government's rationale for the introduction and subsequent reduction in LHA rates, seeking to drive the behaviour of both renters and landlords towards reducing and potentially capping rents at the bottom end of the market. The reverse has been the experience in reality, with rents at the lower end of the market increasing more than those at the top end.**

Analysis of Housing Rights Enquiries Regarding Shortfall

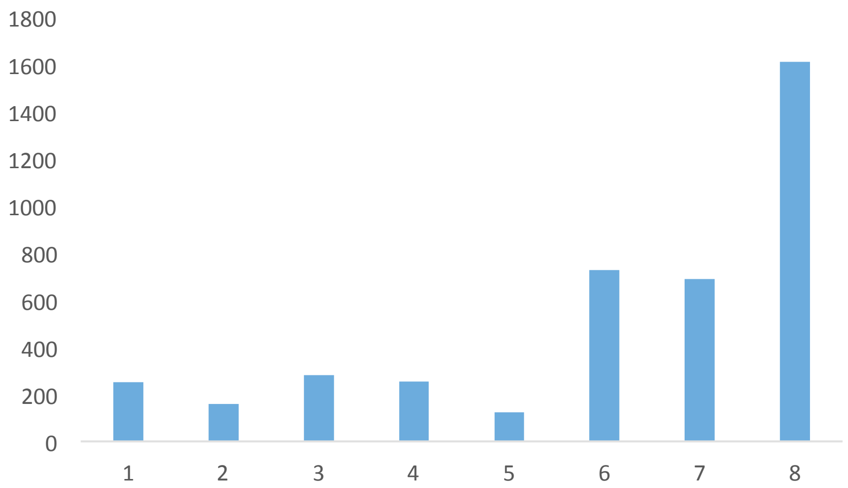
Given the changes outlined above, it is perhaps unsurprising that the impact on Housing Rights' clients is evident from exploring the data from their case recording system. The patterns which emerge from the data which has been explored to this point provide the context for the remainder of the analysis, which is based on the data from PRS clients calling Housing Rights Helpline from 2010 to 2017.

Just over a quarter (27%) of the cases arising from calls from PRS clients which Housing Rights recorded in 2017 included enquiries regarding shortfalls between LHA and rental costs. This has been a growing trend in calls to the Housing Rights Helpline since 2010, reaching a peak of 31% in 2015 as can be seen in Figure 19 below which shows the breakdown by BRMA area of 4,428 enquiries to Housing Rights between 2010 and 2017 from clients in PRS accommodation who were calling regarding an issue with the shortfall between their housing benefit and the rent they were paying. BRMA 8 (Belfast) is a significant outlier in this regard, by virtue of the fact that this is the most populous area of NI (Belfast). However, as can be seen

[32] According to the Annual Survey of Hours and Earnings, pay levels in NI in 2014 were lower than they had been a decade before. Furthermore, the Monitoring Poverty and Social Exclusion project found that there were more working age adults in poverty in NI in 2014 than in 2008 (New Policy Institute, 2014). The report also found that median income in NI fell by almost 10% between 2007 and 2012 (compared to a fall of 7% for the UK as a whole), but the fall at the bottom of the income distribution was much greater in NI than in other regions.

from the graph, BRMA 6 (South East) and 7 also feature heavily in the cases[33]. BRMA 2 (North) and BRMA 5 (South West) have the lowest number of enquiries and this corresponds to the data above in Table 1, where BRMA2 had a better profile of properties available at or below the LHA rate and BRMA5 had the fewest properties of any kind (it is for this reason that BRMA 2 (North) was taken forward for further analysis in representing an area with relatively few issues regarding shortfall). In contrast, BRMA 6 (South East) had the second highest number of enquiries over the period under consideration. For this reason, it was included in the analysis which follows. BRMA 7 (Lough Neagh Upper) had a similar profile in terms of the proportion of properties. Similarly, BRMA 3 (Lough Neagh Lower) and BRMA4 had a similar profile in terms of the average proportion of properties of each type available at or below the LHA rate according to Table 2 and looking at Fig. 19 below, these two areas had a similar volume of enquiries. BRMA4 was chosen for further analysis because there were no property types which had more than 20% of properties available at the LHA rate.

Figure 19: Shortfall Issues between 2010 and 2018 by BRMA Area

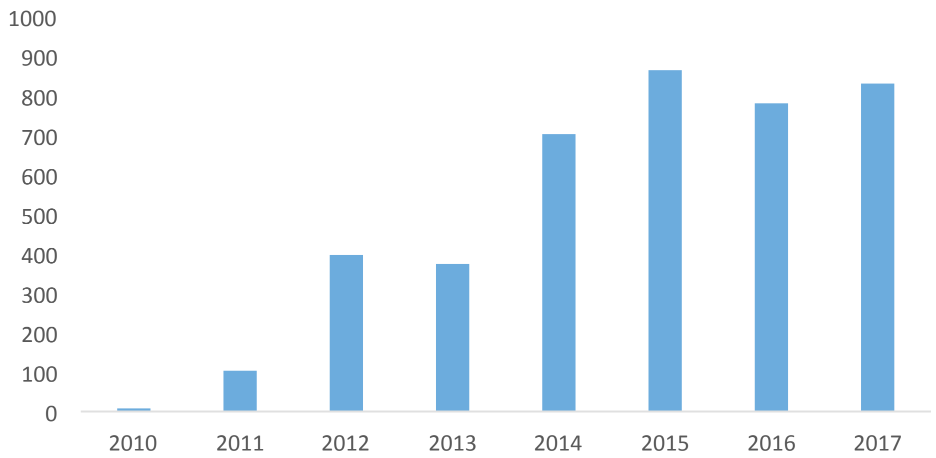


Source: Author's own analysis of Housing Rights case recording system

Figs. 20 and 21 below show the increase over the past ten years in enquiries relating to shortfalls. As Fig. 20 shows, there was an increase in enquiries about shortfalls in rent from fewer than 20 in 2010 to a peak of 865 in 2015. Fig. 21 also shows the proportion of all cases recorded for PRS clients which include enquiries about shortfalls, which shows a similar trend.

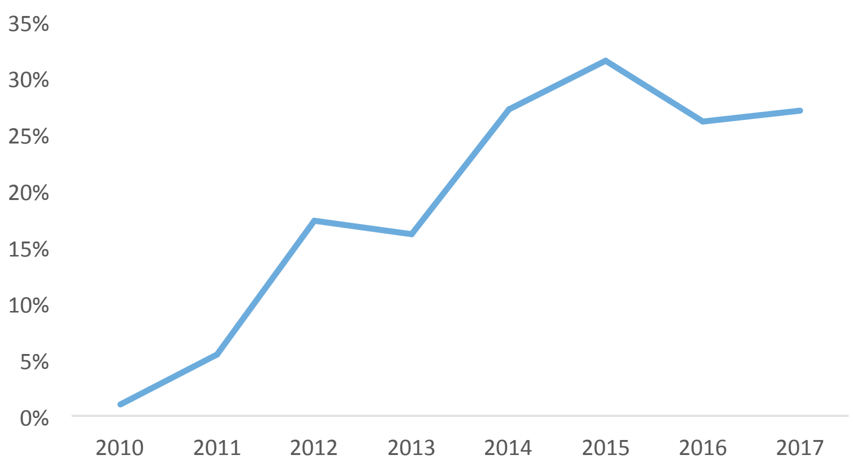
[33] It should be noted that not all cases have a postcode recorded, although this only applied to 112 enquiries over the 10 year period.

Figure 20: PRS Client Enquiries re: shortfall between rent and housing benefit received



Source: Author's own analysis of Housing Rights Case Recording Data

Figure 21: Percentage of all cases recorded from PRS clients which include enquiries relating to a shortfall between 2010 and 2017



Source: Author's own analysis of Housing Rights Case Recording Data

The next section will explore the lived experience of clients who contacted Housing Rights regarding an issue with a shortfall between housing benefit and rent between 2010 and 2018. As will be shown, shortfalls between rental costs and support for housing costs as a result of the changes to LHA rates relative to rents can have a much greater impact on low income households than they perhaps would on households with greater access to resources.

The Lived Experience

As outlined in the methodology, a random selection of cases from Housing Rights case recording system was explored in order to provide some context in terms of showing what the lived experience has been with regard to Housing Rights clients facing a shortfall between housing benefit at the LHA rate and actual rents paid. ***N.B. All names have been changed to protect client identities*.**

A thematic analysis of cases found several recurring themes among PRS clients who contacted Housing Rights regarding a shortfall between their housing benefit and the rent they had to pay. DHPs were a major sub-theme within all of the themes which emerged from the data. Although some of the clients were already in receipt of a Discretionary Housing Payment (DHP), a quarter of the 42 cases explored recorded a low DHP compared to the shortfall which they were experiencing. For those cases which recorded the amounts for housing benefit and DHP as well as the rent due, the ratio of DHP to shortfall averaged 22% (ranging from covering 10% of the shortfall to 40% of the shortfall). This left these clients facing a shortfall payment of between £60 and £250 per month (with the average being £160 per month). Bearing in mind that in order to qualify for housing benefit and for a DHP these clients would have to be on a low income (from earnings or from benefits), this would suggest that they were left with very little to live on (and several reported their 'disposable income' to be less than £20 per month). Of the cases selected for analysis which recorded the source of income, one third received income from benefits only. It cannot be assumed that the remaining two thirds were income from earnings or a mixture of earnings and benefits, because this was not specified, but it must be born in mind that the income threshold for qualifying for full housing benefit is low and all of the cases which were explored were therefore low income households by definition because they were in receipt of housing benefit (full or partial).

It should be noted that some of the cases which were not included in the analysis involved clients who had not been able to apply for housing benefit because their landlord was not paying tax on the rental income and therefore they were threatened with eviction if they sought support from housing benefit and they were contacting Housing Rights to enquire as to what rate they might expect to receive if they were to move to another property. Other clients did not find out that their landlord of many years was not 'legit' until they had to make a claim for housing benefit. Clients, such as Annie, were unable to apply for housing benefit because of a restriction on their landlord's mortgage. Annie's daughter was ill and her husband had left work to care for her, but their application for housing benefit was halted when the landlord was unable to support it due to the restriction.

Work-Related Issues

Almost a quarter of the cases explored involved clients who had been made redundant, such as Sam who faced a £68 per week shortfall after losing his job and Robert who had been living off savings since being made redundant six months previous to calling Housing Rights. Robert found out that even if full housing benefit was awarded, it would not be enough to cover his rent and he was likely to have to leave his home as arrears were already starting to accrue.

Other clients were experiencing reduced pay and/or reduced hours at work, with three cases reporting issues relating to difficulties paying rent which had arisen due to working on zero hours contracts. This can be particularly challenging for private tenants who are reliant on housing benefit (or the new Universal Credit) as they do not know how much the shortfall will be between their pay and their housing benefit in advance and therefore may find it difficult to budget to meet the shortfall in any particular week or month. This was the case for Julie, who contacted Housing Rights in 2017 and who was struggling to meet the shortfall on her privately rented property during her maternity leave. Julie was particularly worried because her landlord was selling the property and had issued a notice to quit (NTQ) as he was selling the property, leaving Julie needing to find alternative accommodation with a new baby in tow. She was struggling to find anything in her local area which she could afford and although she was managing to pay the shortfall between her housing benefit and her current rent using her income from work, she would not be able to do so on any of the properties she had seen since getting the NTQ. This was causing her undue stress at a time when she should have been able to concentrate on being a new mother, but her experience highlights the precarity for those living in the PRS particularly those in periodic tenancies[34]. For others, like Patrick, finding work did not seem like much of a solution to paying for his housing, since he was only able to find insecure, zero hour contracts and was finding it difficult to budget and pay the shortfall with an unstable income. Patrick had tried in vain to find cheaper accommodation close to transport which would help him in his search for work.

Although Housing Rights does extensive work with prisoners and those leaving custody, only one of the cases selected related to an ex-prisoner, Brian, who found making up the shortfall of £200 per month very difficult when he was finding it so hard to get employment. Although he had managed to secure a DHP, this only amounted to £40 per month and the remainder of the shortfall was having to come out of the other benefits he received, leaving him with virtually no disposable income which he felt was unsustainable.

[34] A periodic tenancy is one where the tenancy agreement has expired and the tenant is on a month to month contract with no new tenancy agreement made. This is very common for tenants who had taken a one or two year tenancy but where still living in the property after this period, with no new tenancy agreement in place. In most cases, a NTQ period of 28 days is all that is required by either the landlord or the tenant in order to end the tenancy (depending on the length of time the tenant has been in the property).

Market Forces

Rent increases were common across the cases explored. One client who contacted Housing Rights in 2018 complained that her rent had increased from £525 to £575 per month, but with housing benefit of only £300 per month and a DHP of only £20 per month, meeting an *additional* shortfall of £50 per month was not realistic. Calls like this to the helpline were common over the past 9 years, and although advisers can help clients to access DHPs and to maximise their income or advise them to look for cheaper accommodation, it has been something of an uphill struggle to be able to provide help to clients who are at the mercy of the private rental market.

All markets operate on a supply and demand basis and when it comes to property, a lack of supply in a particular area can hit those in the lowest income brackets hardest as rents become increasingly out of reach, given their limited access to resources, which in the case of support for housing costs includes housing benefit at the LHA rate. Almost a quarter of the cases explored had reported that they were unable to afford rising rents and half of these cases had reported prioritising rents over other expenses because of the fear of losing their tenancy. Clients like Michael who faced a rent increase of £20 per week and was sure that he would be evicted as he had no way to make up the shortfall as the DHP he received was not enough to cover the increase in rent.

Arrears and Debt

Whilst according to the cases which were explored, some landlords were understanding and were even happy to ignore the shortfalls at times, others aggressively pursued tenants for shortfalls and arrears. The fear of losing a tenancy because of rent arrears cut across many of Housing Rights clients' experiences and it would be true to say that housing costs were prioritised over other expenses (including heat and electricity) for the majority of the cases explored. Clients reported using unsecured borrowing (including from family and friends) in order to pay the shortfall between their housing benefit and rent so as to avoid building up arrears and risking their tenancies.

Finding Alternative Accommodation

In a quarter of the cases explored clients reported trying to find alternative accommodation, but being unable to find anything cheaper than their current property. These experiences should be set against the arguments for increased 'choice' for people renting in the PRS. Whilst there may appear to be more of a choice for PRS tenants, in reality their choices are constrained for various reasons. For some clients, finding alternative property outside of their local area was not practical due to having children at local schools. This was particularly an issue for the single parents in the sample (of which there were nine, which is a high proportion of the sample, given that it was a random selection of cases). Single parents reported having little choice but to remain in their PRS home (or others of similar rental cost) because of the need to be close to schools and support from their families. Clients like Sarah, a single mother who was on the waiting list for social housing and having to pay a shortfall of £120 per month in her PRS property, which she could not afford. Finding work was not always an answer as Sharon, also a single mother, discovered when she started work and had to wait for her housing benefit to be recalculated. Sharon struggled to pay the full rent in the meantime but fell into arrears and had to rely on help from a local charity in the run up to Christmas.

The difficulty of finding suitable and affordable properties was a common theme across all the cases explored, with clients worried about complaining about issues with their current property because of the fear of receiving a ‘notice to quit’ from their landlord in retaliation and being forced to look for alternative accommodation. This was the experience for Madeleine, whose landlord had initially been ‘very kind’ (in her words) in not pursuing the shortfall between her rent and the housing benefit she received because he was aware that there were repair issues with the house. However once the repairs had been carried out he pursued her for the shortfall and threatened to issue a notice to quit for the arrears which had accrued. Another client, Steven, who had reported his landlord to his local Environmental Health Officer for non-repairs and who was struggling to make the £40 per week shortfall (once his DHP of £10 per week had been taken into account), found that he was served with a notice to quit once the EHO had contacted the landlord about the repairs. Steven had been trying to find alternative accommodation without success since receiving this NTQ and was experiencing a lot of stress when he contacted Housing Rights.

Younger Clients – Shared Accommodation

All of the younger clients (of which there were 5 in the sample) had found difficulties accessing shared accommodation – and this only became an issue after the introduction of the shared accommodation rate in 2012. One client had faced a sharp reduction in his housing benefit after the introduction of the shared accommodation rate and was unable to find accommodation which he could afford on the new rate. This had resulted in arrears accruing and he feared that he would be served with a NTQ. Karla had faced this problem when she contacted Housing Rights in 2017. Karla was unable to find a room in a shared property and had rented a one-bedroom flat but was paying £525 per month and only receiving housing benefit of £160 per month and so had fallen into arrears.

Kevin had rented close to his parents and relied on neighbours and family for support with his complex physical and mental health issues. Moving to a less expensive area was not a realistic option and although he had applied for social housing, he was unlikely to be able to get something close to his support network. Kevin had lived in his house for over ten years and was fortunate that his landlord was not pursuing him for a shortfall of around £25 per week since the introduction of the LHA rate had resulted in a shortfall between his housing benefit and rent.

One young client found that she was only entitled to the shared accommodation rate after the breakdown of her relationship meant that her household income was greatly reduced and that in terms of housing benefit, she was 'under-occupying' her one bedroom flat. She was managing to pay the shortfall from other benefit income, but had no disposable income at all, and could not find any accommodation that she could afford. Experiences like this speak to the implications of reduced eligibility for housing benefit which is enough to realistically pay for accommodation which is available, and which could trap individuals in unhealthy or even violent relationships.

Relationship Breakdown

Relationship breakdown was not as common a theme as might have been expected, although the high number of single parents in the sample did tend to suggest a higher number of issues regarding relationship breakdown. However only 4 of the selected cases specified relationship breakdown as a factor in their current housing problems. All of these were female clients and one had previously owned the property with her husband which she was now renting as a single parent and struggling to pay the regularly increasing rent. Several clients had experienced relationship breakdowns and had had to apply for housing benefit for the first time, finding that they could no longer afford what had been their family home. In 2014 Barbara had been living in a three bedroom house with her partner and children, but when he left after the relationship had broken down she had to apply for housing benefit and was faced with a shortfall because she was only eligible for a two bedroom property, given the age of her children. Barbara had already looked for alternative accommodation in her area, but found that there were no two bedroom properties available and there wasn't anything cheaper than she was currently paying and she was anxious about the thought of having to move out of the area and move her children away from their schools.

Health Issues

One in seven of the clients were dealing with mental health issues including depression (some of whom were in receipt of benefits specifically because of their mental health problems). Again, this is a high proportion, given the random selection of cases and given that one in four people in the general population may be suffering from mental health issues at any point in time. However, whilst others did not specify if they had mental health issues (and it would not be incumbent upon them to disclose this in a helpline call), almost half of the cases selected included clients who said that dealing with the shortfall between their rent and housing benefit was causing them stress or anxiety. Clients such as Paul, who was suffering from severe depression and was facing a shortfall of £80 per month after the DHP which he had been getting was coming to an end. Paul reckoned that he had less than £10 per month of disposable income and was worried that he would lose his home if he fell into arrears.

One in seven clients were also struggling with poor physical health. There was understandably some overlap between clients with physical and mental health issues, such as depression. Many of those who contact Housing Rights have complex issues which impact on their ability to pay their rent and sustain their tenancies. Six of the cases related to families with either a parent or child with a disability. Other cases involved a complex mixture of issues. Clients like Anna who, in 2013 was a recovering alcoholic, finding it difficult to make the shortfall payment since the LHA rate had been reduced. Anna was engaged with services to help her, but she was now falling behind with her rent which was causing her increased stress, a potential trigger for her drinking. There were also clients with poor physical health who were unable to access social housing which would have helped address their needs. Clients like Mary who had been diagnosed with cancer and had trouble with the stairs in her PRS home ever since her diagnosis. Mary was on the waiting list for social housing but was still living in her PRS home and facing a shortfall between her rent and the housing benefit she received since having to come out of work. Mary found that she was only entitled to LHA at the one bedroom rate, but was living in a three bedroom house which she had previously been able to afford. As a result, she was borrowing from family in order to sustain her tenancy until she could return to work but felt that she would have to return to work much earlier than her doctor was advising as she did not want to have to leave her home.

Older Clients – 'Under-Occupying'

Only three of the cases selected referred to elderly clients, but all had been in their accommodation for a very long time and had raised their family there but had seen their LHA reduced because of the number of bedrooms in the property. One elderly client, Kathleen, was distressed at the thought that she would have to move out of what had been her family home for two decades because her children had all moved out and she was no longer entitled to housing benefit for a three bedroom property and she was unable to find a one bedroom property at the LHA rate which she would have been able to pay for. Kathleen had been living in her PRS home for over 20 years, a woman in her 60s, she had been struggling to pay the shortfall when she contacted Housing Rights. Her landlord had been very understanding, but was not able to reduce the rent because it would no longer cover the cost of the mortgage on the property. Kathleen told Housing Rights that she was on the waiting list for social housing and had been told that she would be able to get a two bedroom property if no suitable one-bedroom properties were available, but yet was not able to get the LHA rate for a two bedroom PRS property, which would have made paying the shortfall on her current home affordable. Kathleen was relying on unsecured debts to pay for everyday expenses and had turned off the heating, which may have contributed to a bout of pneumonia which she had suffered in the past year. Kathleen's experience may be indicative of other PRS tenants in terms of the increase in affordability issues and consequent loss of PRS tenancy as a reason for homelessness presentations such as outlined by NIHE (2018).

The reduction of the LHA rates had also impacted on long standing PRS clients like Iris, who was in her 70s and had lived in her PRS home for many years. Iris was in receipt of housing benefit and had never had arrears until 2012, when her housing benefit had been reduced and she was finding it difficult to make the shortfall using her pension, with the result that arrears were now accruing for the first time in her life. Other clients had their housing benefit recalculated when children moved out, like Patricia, who had lived in her 3 bedroom home for many years, but since her daughter moved out, found that she was only eligible for the 2 bedroom rate, resulting in a significant shortfall (around £100 per month) between her rent and the support she received. This supports the assertion that PRS tenants have been effectively dealing with the 'bedroom tax' since the introduction of LHA (Housing Rights, 2018).

This 'under-occupying' did not just apply to older clients in the sample however, as one in four clients reported either being unable to find accommodation which they would have been eligible for (such as those younger clients unable to access shared accommodation which they could afford) or having more bedrooms than they were entitled to because of children moving out. Over a quarter of all cases explored showed that clients had been looking for alternative accommodation, but were unable to find anything more affordable than that which they were currently occupying.

The Impact of the Financial Boom and Bust

There were also clients who had had owned their own home and had fallen onto hard times, having their home repossessed after the financial crash and finding themselves in privately rented accommodation for the first time in their lives. Barry had defaulted on his mortgage and had lost his home. He managed to find a rented property but was struggling to pay the rent, even with the housing benefit that he had been awarded. Barry had other unsecured debts which he was struggling to pay off as a result of building up credit when he was in his mortgaged property (when he was using credit to pay for everyday things in order to make his mortgage payments).

Lorna contacted Housing Rights in 2018. She had previously sold her family home after her husband had left, but continued to live there with their children, paying rent to a property company which had bought the house. She still felt that the property was her home and had been living there for 9 years, coping with regular rent increases (although if she had been able to sustain a mortgage on the house, it would have decreased over the same time, given the reduction in interest rates in the intervening period). However, her landlord had increased the rent to a level which she felt she could no longer afford and although she was in receipt of housing benefit, she felt that she had no alternative but to leave the home where she had brought up her children. Anecdotal evidence would suggest that many landlords are content to have a 'good tenant' in their property and would rather not have to look for new tenants, but perhaps the bigger property companies (such as the one which bought this house) are not so concerned with maintaining a personal relationship with their tenants. This is concerning, given that a recent House of Commons briefing paper points out that many commentators are suggesting that one response to the need for more PRS housing is to have more institutional investors involved in the market in NI (Bate, 2017).

Conclusions

The findings from this research have potentially broad and far reaching implications, not least of which is for the calculation of LHA, providing a much needed critique of the basis of the calculation and challenging the assumptions underpinning it. The findings could feed into future research on the lived experience of low income households in the PRS, in terms of their approach to filling the gap between social security entitlement (in the form of Local Housing Allowance) and housing costs (in the form of market rents), which may take the form of increased borrowing or reduced spending on other essentials in order to face the pressure of maintaining an adequate standard of living. Furthermore, even when PRS tenants have been able to access support such as DHPs, these are temporary and often not enough to cover the full shortfall between LHA and rent. Whilst welfare mitigations are working well in the social rented sector, this cannot be said for the PRS. This means that low income households in the PRS are at a considerable disadvantage compared to low income households in the social rented sector. The calculation of LHA is based on the needs of a household in terms of the number of bedrooms based on the age of the children in the household. Whilst the 'Social Sector Size Criteria' (or bedroom tax) is currently being mitigated for most affected households in the social rented sector (although this is due to expire in 2020), this has clearly not been the case for households in the PRS.

The impact of changes in household composition has been shown to have an artificial and often temporary effect on housing need. As many of the cases explored showed, families change, growing and reducing as children get older and eventually leave the family home. The calculation of LHA is based on the needs of a household in terms of the number of bedrooms based on the age of the children in the household. This can lead to a situation where a family is only entitled to the two bedroom rate but in the next year, would be entitled to the three bedroom rate as their children pass the threshold for having separate rooms. At the other end of the family journey, cases explored showed how older clients feared losing the home in which they had brought up their families but could no longer afford to live in because their entitlement to housing benefit had reduced. Furthermore, given the increasing role which the PRS is playing in housing low income families (DfC, 2017), the impact of differing LHA rates on the financial burdens and housing choices for low income families living in the PRS in the context of changing family composition (as children are born, grow up and leave the family home) is an area of concern.

This research also makes an important contribution to the debate around the provision of social housing in Northern Ireland, with an over-reliance on the PRS to address housing need among low income households and highlights the lack of affordable housing in the PRS, a sector which is focused on profit and has no obligation to house low income tenants. In the context of the increasing shortfalls between rents paid and support available (via LHA) this has the potential to impact homelessness, as ‘unaffordability’ becomes an ever greater threat and loss of tenancy (due to arrears and affordability issues) continues to be a factor in homelessness presentations. The research outlines the lived experiences of tenants who have not been able to access social housing and had no choice other than to rent in the PRS, with the consequent constraints in terms of locations with affordable accommodation as a result of the LHA rates, which would not have applied had they been able to access social housing.

The potential impact on homelessness is also explored in this research, particularly in light of the Department for Community’s proposal to discharge the statutory duty on a tenure neutral basis. This proposal would bring the PRS into use in the provision of accommodation for people who are homeless. As many of the cases which were explored showed, clients were often trying to pay their rent as best they could, with limited resources and aiming to avoid eviction. Sustaining their tenancies (as unsuitable or unaffordable as they may have been) was a major focus for all of the clients whose cases were explored and in some cases, landlords had tried their best to help their tenants to do so. Focusing on headline figures such as loss of tenancies due to *eviction* not only misses an opportunity to explore factors such as arrears, which lie behind many evictions, but also ignores the efforts which tenants and landlords in the PRS are making in order to try to sustain tenancies in the face of decreasing state support for PRS tenants. This quantitative approach leads to an over-emphasis on the impact on tenancies, rather than on tenants, potentially over-looking the human impact of policies which affect affordability for low income households renting in the PRS.

Following on from this, the impact of affordability issues on the ability of low income tenants to sustain their tenancies is evident from the analysis of LHA rates set against rental costs. Whilst the actual amount of LHA might have risen (in a few cases), the reduction in terms of the generosity of LHA rates as they relate to rental costs (from the 50^{th} percentile of advertised rental costs to the 30^{th} percentile initially and then the subsequent freeze on rates set against the context of rising rental costs) between 2009 and 2018 which have been demonstrated in this research suggest that those clients who have contacted Housing Rights regarding a shortfall represent only the tip of the iceberg as LHA rates are increasingly falling behind rental costs. Not all clients facing a shortfall will call Housing Rights and many tenants in the PRS may expect that there is nothing much that can be done about the shortfall which they are facing and so there would be no point calling. However, as evidenced by many of the Housing Rights cases selected for analysis, even if support (in the form of DHPs) has been forthcoming, there is still a considerable shortfall which the tenant has to make up out of other income. Whilst welfare mitigations are working well in the social rented sector, this cannot be said for the PRS. This means that low income households in the PRS are at a considerable disadvantage compared to low income households in the social rented sector. Furthermore, the impact in terms of greater propensity of these households to become indebted in order to pay for their housing is an issue worthy of further exploration.

Any analysis of support for housing costs must be set in the context of changes in rental costs. The disproportionate increase in rents at the bottom end of the market compared to those at the top end of the market as outlined in this research, suggests that low income households which are not in the social sector are having to pay disproportionately more for their housing as a result of having to rely on support in the form of LHA. This analysis serves as a critique of the Government's rationale for the introduction and subsequent reduction in LHA rates, seeking to drive the behaviour of both renters and landlords towards reducing and potentially capping rents at the bottom end of the market. The reverse has been the experience in reality, with rents at the lower end of the market increasing more than those at the top end.

The growing gap between advertised rents and LHA rates demonstrated in this research, would suggest that low income households in receipt of housing benefit in the PRS are experiencing a 'double movement' – squeezed between rising rents and reducing LHA rates, they are increasingly falling behind with rent payments and finding themselves in a position where sustaining their tenancies is becoming increasingly difficult and this is further demonstrated by the cases from Housing Rights advice which were chosen for analysis. What this research shows is that rents which should otherwise have been sustainable, given that rent increases have roughly kept in line with inflation, have become unsustainable in the face of stagnating incomes and reducing entitlement to housing benefit. This has exacerbated the housing crisis, with many households unable to access affordable accommodation in the PRS and finding it difficult to access social housing, with 22% of the PRS tenants surveys by NIHE in 2016 stating that they were renting in the PRS because they were unable to access social housing or able to afford to buy a home (NIHE 2016). Some of the PRS tenants contacting Housing Rights either did not have enough points to be able to get social housing or, even if they had enough points, were unable to access social housing in their area of choice (i.e. an area which would enable them to sustain their current level of family and community support). This is impacted by the considerable mismatch between available stock and that required by applicants, as outlined by Greene and Porter (2018). These households are therefore having to rely on renting in the PRS and potentially facing a shortfall between their rent and the LHA rate which they receive. As has been demonstrated in this research, some of the areas explored had no advertised properties available at or below the LHA rate, meaning that any households needing to find rented accommodation in those areas would be subject to shortfalls.

The illusion of choice which underpins the reliance on the PRS to house low income families in NI, is not necessarily the choice of where to live and what type of accommodation to live in, but rather more of a Hobson's choice, one of 'take it or leave it', which is in effect no choice at all, since everyone needs to have somewhere to live. Many of those low income families who are currently

renting in the PRS and are in receipt of housing benefit and subject to LHA rates, would perhaps choose to live in social housing if they could. In the absence of this choice however, it is imperative that they are at least supported to pay their rent in the PRS more adequately.

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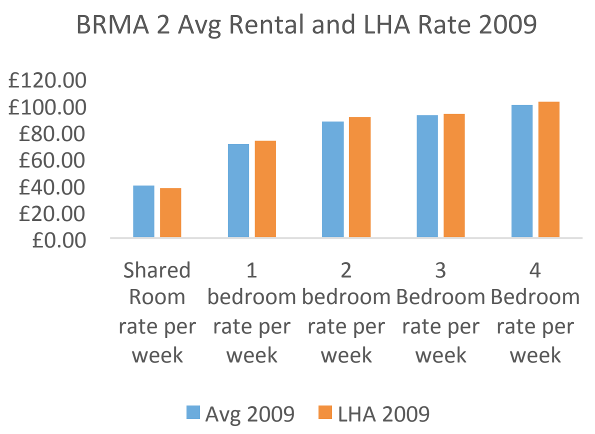
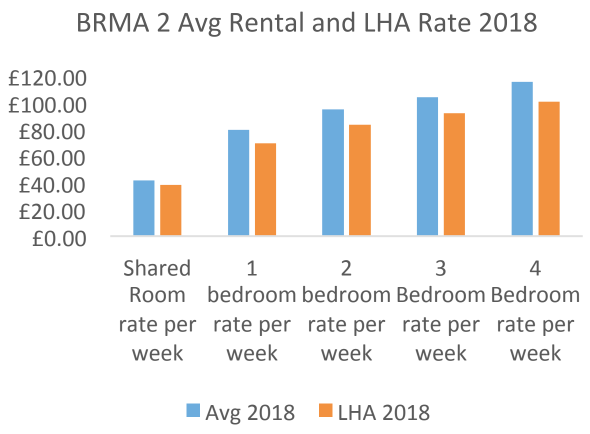
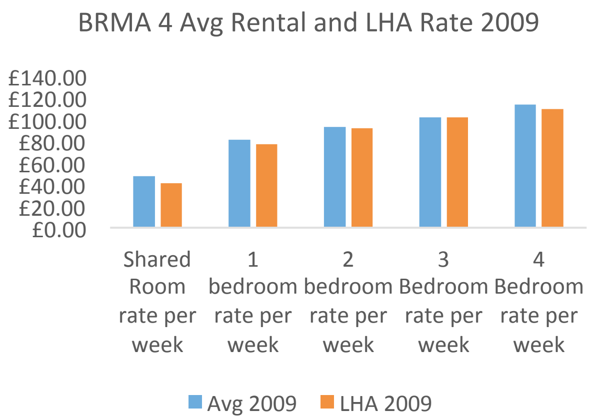
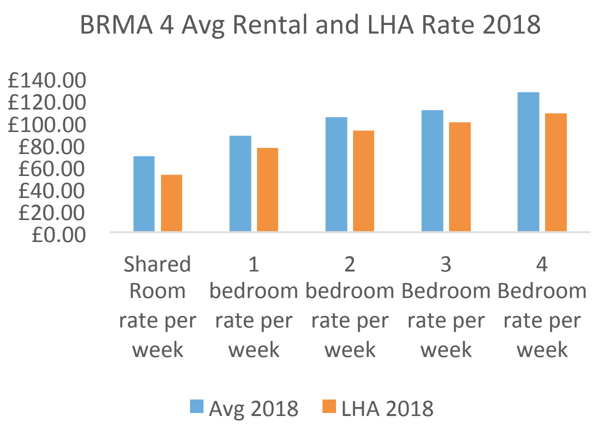
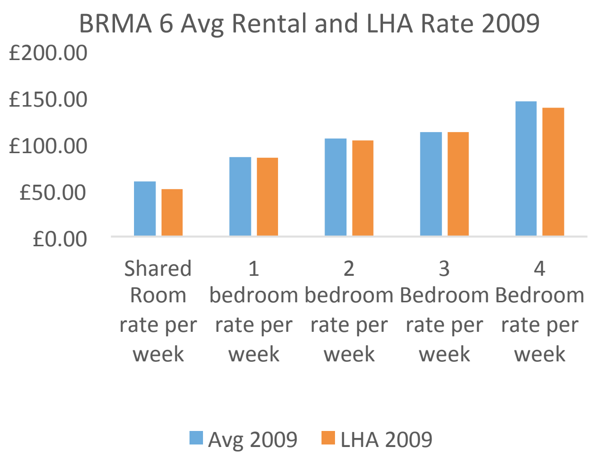
Appendix 1: BRMA areas – change of LHA and average rent between 2009 and 2018

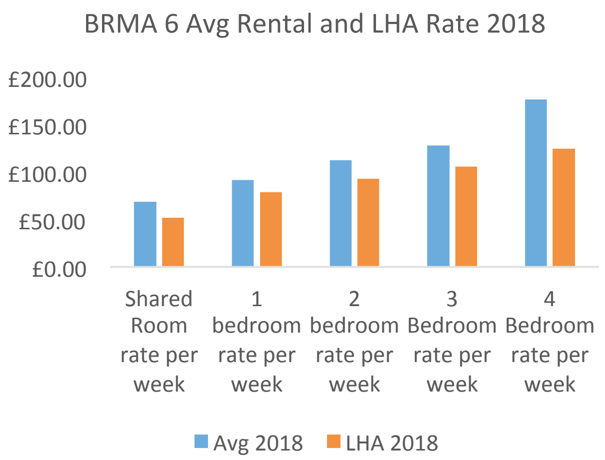




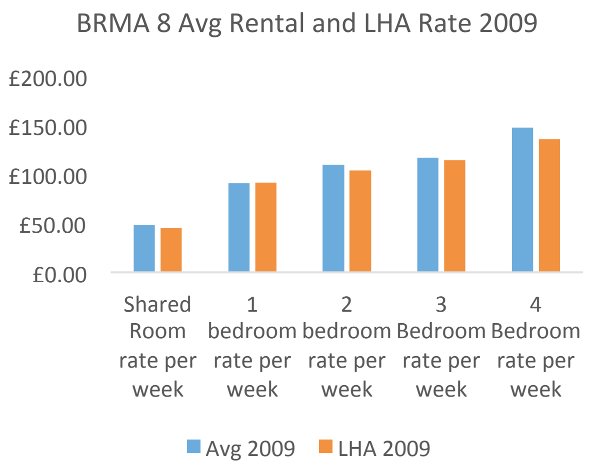


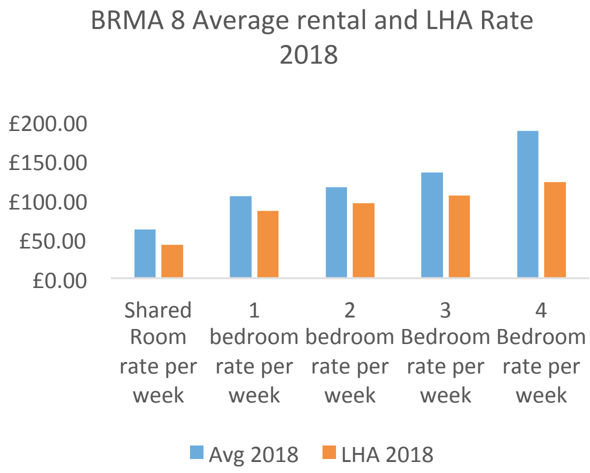






Source: All graphs author's own analysis of NIHE data


BRMA 8 Avg Rental and LHA Rate 2009
£200.00
£150.00
£100.00
£50.00
£0.00
Shared Room rate per week
1 bedroom rate per week
2 bedroom rate per week
3 Bedroom rate per week
4 Bedroom rate per week
Avg 2009
LHA 2009


BRMA 8 Average rental and LHA Rate 2018
£200.00
£150.00
£100.00
£50.00
£0.00
Shared Room rate per week
1 bedroom rate per week
2 bedroom rate per week
3 Bedroom rate per week
4 Bedroom rate per week
Avg 2018
LHA 2018

Appendix 2: BRMA Areas – postcodes

Broad Rental Market Area	**Belfast**	**Lough Neagh Upper**	**Lough Neagh Lower**	**North**	**North West**	**South**	**South East**	**South West**
BRMA	**8**	**7**	**3**	**2**	**4**	**1**	**6**	**5**
Postcode	BT1	BT29	BT25	BT51	BT47	BT32	BT17	BT74
	BT2	BT36	BT62	BT52	BT48	BT34	BT18	BT75
	BT3	BT37	BT63	BT53	BT49	BT35	BT19	BT76
	BT4	BT38	BT64	BT54	BT82	BT60	BT20	BT77
	BT5	BT39	BT65	BT55		BT61	BT21	BT78
	BT6	BT40	BT66	BT56		BT68	BT22	BT79
	BT7	BT41	BT67	BT57			BT23	BT81
	BT8	BT42	BT69				BT24	BT92
	BT9	BT43	BT70				BT26	BT93
	BT10	BT44	BT71				BT27	BT94
	BT11	BT45					BT28	
	BT12	BT46					BT30	
	BT13	BT80					BT31	
	BT14						BT33	
	BT15							
	BT16							

Housing Rights

Key findings from the research

12% of advertised rental properties across NI are fully covered by LHA

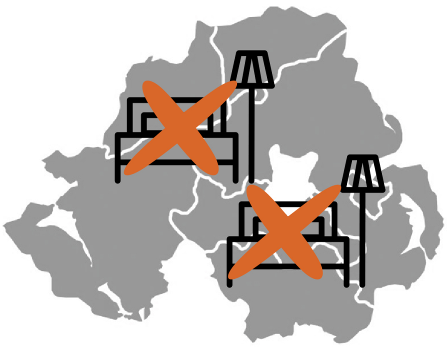
13/40 property/area combinations had less than 10% of properties available within LHA rate

5/40 property/area combinations had more than 20% of properties available within LHA rate

All LHA rates in NI fell below the 30th percentile

£ 2018 ££££

1/4 of LHA rates were below the 10th percentile

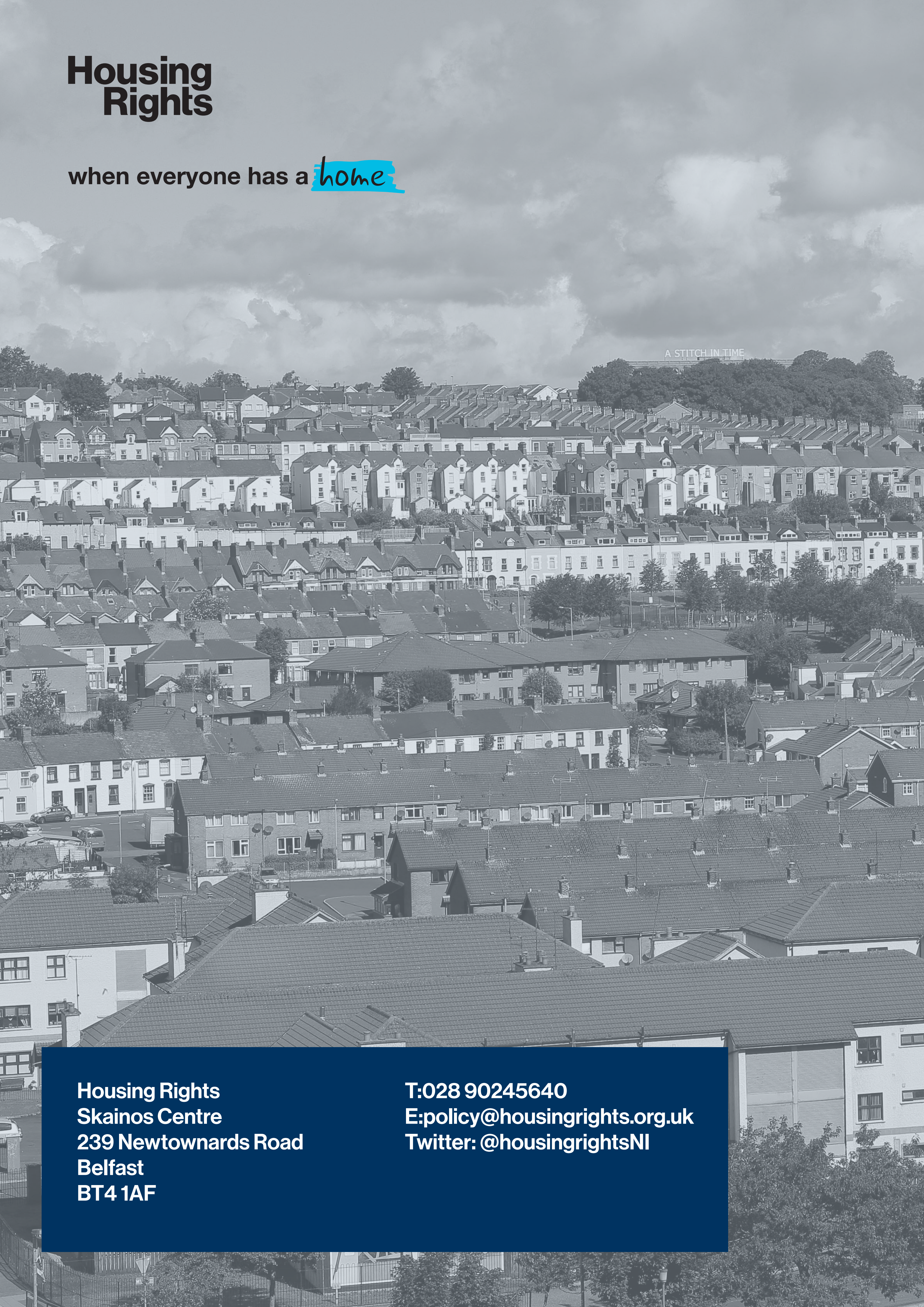


A lack of 1 & 2 bed properties across NI at or below the LHA rate

75% reduction in the amount of properties at or below the LHA rate between 2009 and 2018

Housing Rights

when everyone has a home



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