

## Housing Benefit and Council Tax Benefit Claimants in London

### Background

On the 11<sup>th</sup> of November 2009 the Department for Work and Pensions (DWP) published the first release of Housing Benefit (HB) and Council Tax Benefit (CTB) national statistics since August 2007. From February 2007 there has been a gradual transition to improve the method of data collection and a move from clerical data to a monthly electronic scan of claimant level data direct from local authority systems. This new data source - the Single Housing Benefit Extract (SHBE) - is now the only source for all HB and CTB data. All figures within this *Update* are taken from the SHBE and should not be compared with previous caseload data, generated using the clerical method, from the period February 2002 to August 2007. The newly released data covers the period November 2008 to August 2009

### Housing Benefit

Housing Benefit was introduced on the 1<sup>st</sup> of April 1983 and is an income-related benefit designed to help people on low incomes, whether in or out of work, pay for rented accommodation. In August 2009 there were 758,000 claimants<sup>1</sup> of Housing Benefit in London, equivalent to 24 per cent of all households. This was the highest of any region and six percentage points higher than the average for Great Britain (see Chart 1). The North East had the next highest rate at 22 per cent, compared with the South East at 14 per cent, the lowest of any region.

**Chart 1: Housing Benefit Claimants as a percentage of total households, August 2009.**

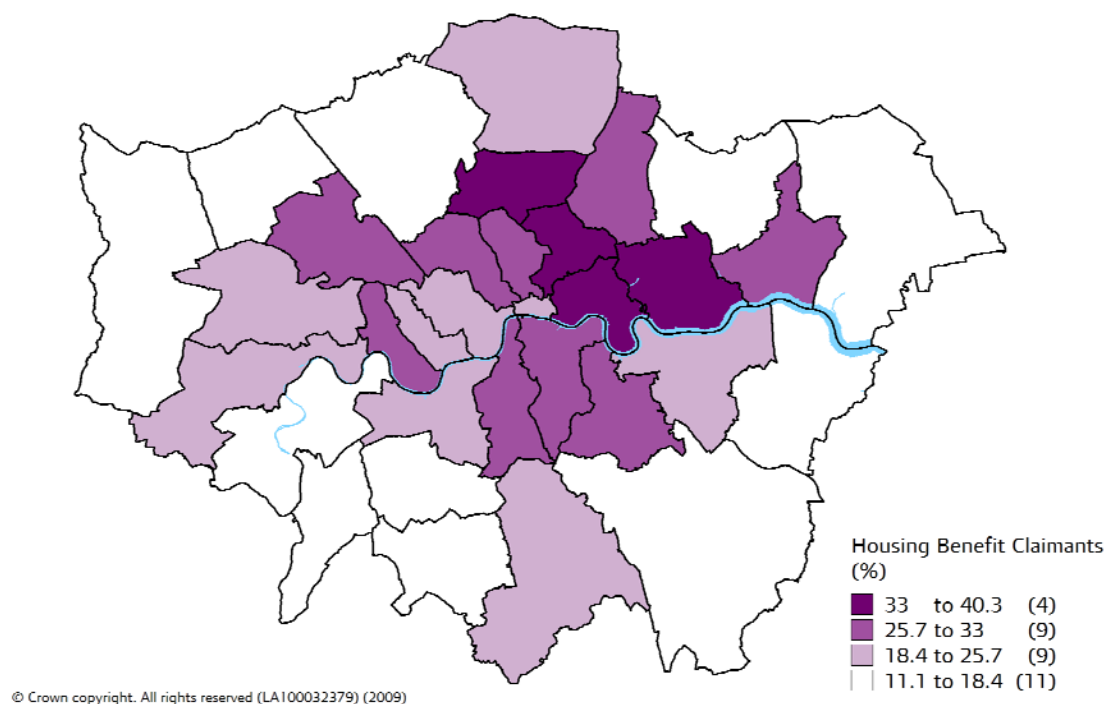


Source: Single Housing Benefit Extract, Department for Work and Pensions, August 2009

<sup>1</sup> Consistent with the definition used in other benefit statistics, the caseload statistics are a measure of individuals claiming, rather than all claims. It is estimated that less than 0.2 per cent of people claiming HB or CTB have more than one claim.

Within the London boroughs, Hackney has the highest claimant rate at 40 per cent, followed by Newham at 35 per cent and Haringey at 34 per cent. Tower Hamlets (also 34 per cent) and Islington (32 per cent) complete the top five boroughs, giving a clear concentration to the North East area of inner London (see Map 1). In total eight of the top ten highest claimant rates were recorded in inner London boroughs. Richmond upon Thames had the lowest rate at 11 per cent, followed by Kingston upon Thames and Merton (13 per cent). All of the ten lowest claimant rates were recorded in outer London boroughs.

**Map 1: Housing Benefit Claimant rates<sup>2</sup> by London borough, August 2009.**



Source: Single Housing Benefit Extract, Department for Work and Pensions, August 2009 and GLA Round Low Population Projections 2008

#### *Housing Benefit by Tenancy Type*

In London 70 per cent of HB claimants were claiming for social rented properties (that is, accommodation rented from a Local Authority, Housing Association or other Registered Social Landlord) compared with 76 per cent in the North East – the highest proportion of all regions in Great Britain. In comparison, just 62 per cent of claimants in the South West claimed for social rented properties. The remainder of claimants were in housing rented privately. Although regional figures are not published, the national figures show that the average weekly amount paid to social renting claimants was £71.74 in August 2009. Private renters, though a much smaller group had a significantly higher weekly average award of £105.22. The average award across all HB claimants was £81.41.

Excluding the City of London, Southwark has the highest proportion of claimants from the social rented sector at 87 per cent followed by Islington and Tower Hamlets, both with 86 per cent. This contrasts markedly with Harrow which has the lowest proportion at 46 per cent, followed by Barnet where half of all claims are for social rented properties (See Table 1).

<sup>2</sup> Rates for London boroughs have been calculated using the GLA 2008 Round Low Household Projections.

### *Passported Housing Benefit Claimants*

Many claimants of Housing Benefit or Council Tax Benefit are in receipt of other income-related benefits and in some cases have been referred to Housing/Council Tax Benefit during the process of applying for another benefit. Claims that have arisen in this manner are termed 'passported' claims. In August 2009, 68 per cent of all claimants in London had been passported. The North West had the highest regional rate at 74 per cent compared with the lowest in the South East and South West of 64 per cent. Within London, three quarters of claimants in Islington had been passported – the highest of any borough, followed by Barking & Dagenham, Westminster and Greenwich (all at 72 per cent). The lowest rate was 60 per cent, recorded in Kingston, followed by Merton, Brent and Richmond at 63 per cent. Notably, Richmond, Kingston and Merton all featured in the lowest five rates for both overall claimant rate and the proportion of those claims which have been passported (See Table 1).

Not surprisingly, the level of awards for passported claims were higher on average (£85.28) nationally than for non-passported claims (£72.45) in August 2009.

### **Council Tax Benefit**

Council Tax Benefit (CTB) was introduced on 1st April 1993 and is an income-related benefit, calculated in a similar way to Housing Benefit, which has been designed to help people on low incomes pay their Council Tax. Council Tax Benefit is also available to owner occupiers. There were almost 770,000 thousand claimants of Council Tax Benefit in London in August 2007, equivalent to 24 per cent of households. The North East (28 per cent), North West and West Midlands (both 25 per cent) all had higher rates of claim than the capital. The South East had the lowest rate at 17 per cent compared with the average for Great Britain of 22 per cent (see Chart 2).

The average weekly CTB award was £15.57 and while passported claims averaged a higher weekly award than standard claims, the highest average was for people claiming Pension Credit (Guaranteed Credit) at £16.82.

**Chart 2: Council Tax Benefit Claimants<sup>3</sup> as a percentage of total Households, August 2009.**

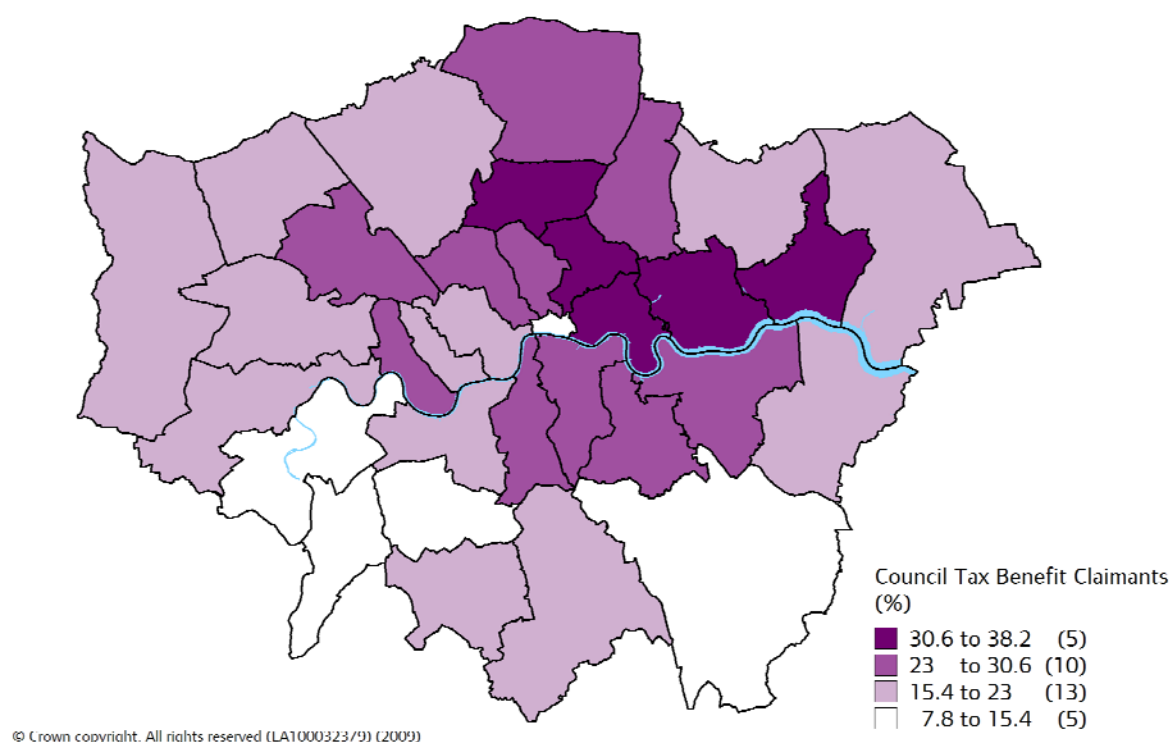


Source: Single Housing Benefit Extract, Department for Work and Pensions, August 2009

<sup>3</sup> Consistent with the definition used in other benefit statistics, the caseload statistics are a measure of individuals claiming, rather than all claims. It is estimated that less than 0.2 per cent of people claiming HB or CTB have more than one claim.

Within London, Hackney again had the highest rate of any borough at 38 per cent, followed by Tower Hamlets and Newham at 35 per cent. The pattern of Council Tax Benefit claimant rates very closely mirrors that for Housing Benefit, with a distinct concentration of higher rates in the North East of inner London (see Map 2). Haringey (33 per cent) and Barking & Dagenham (32 per cent) have the fourth and fifth highest claimant rates respectively. The three boroughs with the lowest CTB claimant rates are Richmond (13 per cent), Kingston (14 per cent) and Merton (15 per cent) – the same three boroughs as for Housing Benefit claimant rates. Wandsworth (17 per cent) and Kensington & Chelsea (18 per cent) are the only Inner London Boroughs to feature in the ten lowest rates of claim.

**Map 2: Council Tax Benefit Claimant rates<sup>4</sup> by London borough, August 2009.**



Source: Single Housing Benefit Extract, Department for Work and Pensions, August 2009 and GLA Round Low Population Projections 2008

### *Passported Council Tax Benefit Claimants*

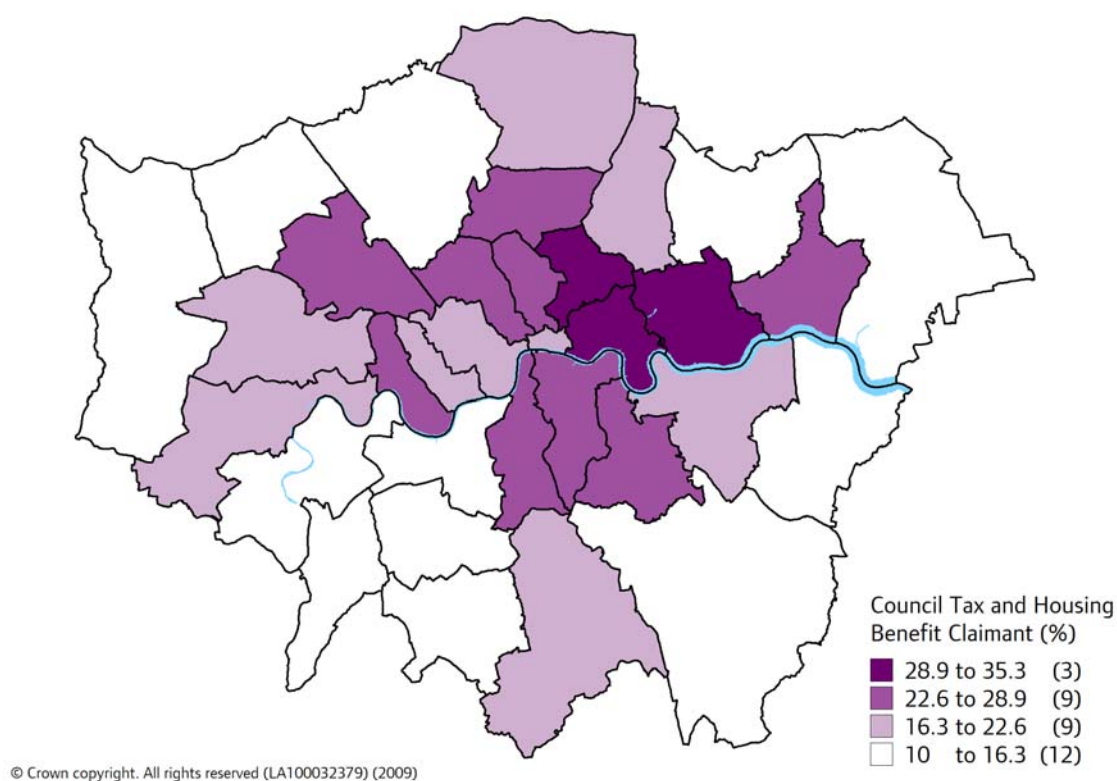
Just over 69 per cent of all Council Tax Benefit claims in Great Britain arose through the passported claim process. In London, 71 per cent were passported, the third highest proportion of any region in Great Britain behind Wales (74 per cent) and the North West at 72 per cent. Westminster (79 per cent), Islington (77 per cent) and Wandsworth (76 per cent) had the highest proportions of total claims arising through the passported method (see Table 2). The lowest rates were in Kingston (62 per cent), Merton (65 per cent) and Richmond (65 per cent).

<sup>4</sup> Rates for London boroughs have been calculated using the GLA 2008 Round Low Household Projections.

## Claimants of both Housing Benefit and Council Tax Benefit

In August 2009, one fifth of households in London held claims for both Housing Benefit and Council Tax Benefit, the joint highest rate of all regions in Great Britain along with the North East. The rate in London was eight percentage points higher than the lowest rate of 12 per cent, recorded in both the South East and South West. Consistent with rankings for each of the two individual benefits, Hackney has the highest rate amongst boroughs at 35 per cent, followed by Tower Hamlets and Newham both at 30 per cent, and Islington and Haringey at 29 and 28 per cent respectively (see Map 3). Again Richmond and Kingston had the lowest rates, both at 10 per cent, followed by Merton at 11 per cent. Barking & Dagenham was the only outer London borough to feature in the top ten highest rates, whilst Wandsworth was the only inner London borough to feature in the lowest ten claimant rates (see Table 3).

**Map 3: Claimant rates for those claiming both Housing Benefit and Council Tax Benefit**



Source: Single Housing Benefit Extract, Department for Work and Pensions, August 2009 and GLA Round Low Population Projections 2008

**Table 1: Housing Benefit Claimants, by Tenure and Passported Status, August 2009.**

| Area                     | All HB recipients | Rates (percentage of households <sup>6</sup> ) | Tenure <sup>5</sup>  |                       | Passported Status <sup>5</sup> |                |
|--------------------------|-------------------|--|----------------------|-----------------------|--------------------------------|----------------|
|                          |                   |  | Social Rented Sector | Private Rented Sector | Passported                     | Non Passported |
| City of London           | 1,150             | 22   | 91                   | 10                    | 69                             | 31             |
| Barking & Dagenham       | 20,260            | 28   | 74                   | 26                    | 72                             | 28             |
| Barnet                   | 24,410            | 18   | 51                   | 49                    | 65                             | 35             |
| Bexley                   | 12,720            | 14   | 70                   | 30                    | 68                             | 32             |
| Brent                    | 31,520            | 29   | 61                   | 38                    | 63                             | 37             |
| Bromley                  | 17,360            | 13   | 73                   | 27                    | 69                             | 31             |
| Camden                   | 27,700            | 29   | 83                   | 17                    | 72                             | 28             |
| Croydon                  | 30,520            | 21   | 55                   | 45                    | 64                             | 36             |
| Ealing                   | 27,420            | 22   | 65                   | 35                    | 68                             | 32             |
| Enfield                  | 28,630            | 25   | 54                   | 46                    | 66                             | 34             |
| Greenwich                | 26,090            | 25   | 83                   | 17                    | 72                             | 28             |
| Hackney                  | 38,110            | 40   | 79                   | 21                    | 69                             | 31             |
| Hammersmith & Fulham     | 21,430            | 27   | 81                   | 19                    | 70                             | 30             |
| Haringey                 | 32,980            | 34   | 68                   | 32                    | 66                             | 34             |
| Harrow                   | 13,970            | 17   | 47                   | 52                    | 64                             | 36             |
| Havering                 | 12,610            | 13   | 71                   | 29                    | 70                             | 30             |
| Hillingdon               | 17,970            | 18   | 66                   | 34                    | 66                             | 34             |
| Hounslow                 | 19,270            | 21   | 69                   | 29                    | 65                             | 35             |
| Islington                | 29,960            | 32   | 86                   | 10                    | 74                             | 25             |
| Kensington & Chelsea     | 16,920            | 21   | 79                   | 21                    | 72                             | 28             |
| Kingston upon Thames     | 8,270             | 13   | 64                   | 36                    | 60                             | 40             |
| Lambeth                  | 38,160            | 30   | 81                   | 19                    | 69                             | 31             |
| Lewisham                 | 32,100            | 28   | 73                   | 27                    | 69                             | 31             |
| Merton                   | 10,960            | 13   | 65                   | 34                    | 63                             | 37             |
| Newham                   | 35,890            | 35   | 65                   | 35                    | 67                             | 33             |
| Redbridge                | 16,780            | 17   | 51                   | 49                    | 68                             | 32             |
| Richmond upon Thames     | 8,930             | 11   | 70                   | 28                    | 63                             | 37             |
| Southwark                | 35,740            | 30   | 87                   | 11                    | 69                             | 31             |
| Sutton                   | 11,220            | 14   | 67                   | 33                    | 64                             | 36             |
| Tower Hamlets            | 33,990            | 34   | 86                   | 12                    | 70                             | 30             |
| Waltham Forest           | 24,810            | 26   | 66                   | 34                    | 66                             | 34             |
| Wandsworth               | 24,780            | 19   | 74                   | 26                    | 65                             | 35             |
| Westminster              | 25,640            | 24   | 67                   | 25                    | 72                             | 28             |
| North East               | 246,380           | 22   | 76                   | 24                    | 73                             | 27             |
| North West               | 569,570           | 19   | 70                   | 30                    | 74                             | 26             |
| Yorkshire and the Humber | 387,160           | 18   | 72                   | 28                    | 72                             | 28             |
| East Midlands            | 286,900           | 16   | 71                   | 28                    | 69                             | 31             |
| West Midlands            | 417,370           | 19   | 73                   | 26                    | 72                             | 28             |
| East                     | 348,160           | 15   | 70                   | 29                    | 66                             | 34             |
| London                   | 758,260           | 24   | 71                   | 28                    | 68                             | 32             |
| South East               | 481,510           | 14   | 64                   | 35                    | 63                             | 36             |
| South West               | 330,030           | 15   | 62                   | 38                    | 63                             | 36             |
| Great Britain            | 4,494,560         | 18   | 71                   | 28                    | 70                             | 30             |

Source: Single Housing Benefit Extract, Department for Work and Pensions, August 2009 and GLA Round Low Population Projections 2008

<sup>5</sup> Percentages may not sum to 100 due to independent rounding and non-inclusion of unknown passported status.

<sup>6</sup> Rates for London boroughs have been calculated using GLA 2008 Round Low Population Projections.

**Table 2: Council Tax Benefit Claimants, by Passported Status, August 2009.**

| Area                     | All CTB Recipients | Rate (percentage of households) <sup>7</sup> | Passported Status |                |
|--------------------------|--------------------|--|-------------------|----------------|
|                          |                    |  | Passported        | Non-passported |
| City                     | 410                | 8  | 76                | 24             |
| Barking & Dagenham       | 22,610             | 32   | 75                | 25             |
| Barnet                   | 26,960             | 20   | 70                | 30             |
| Bexley                   | 16,440             | 18   | 68                | 32             |
| Brent                    | 31,250             | 29   | 67                | 32             |
| Bromley                  | 19,950             | 15   | 72                | 28             |
| Camden                   | 25,590             | 27   | 74                | 26             |
| Croydon                  | 31,870             | 22   | 66                | 34             |
| Ealing                   | 28,070             | 23   | 72                | 28             |
| Enfield                  | 32,800             | 28   | 70                | 30             |
| Greenwich                | 26,390             | 25   | 75                | 25             |
| Hackney                  | 36,150             | 38   | 72                | 28             |
| Hammersmith & Fulham     | 19,520             | 24   | 73                | 27             |
| Haringey                 | 31,510             | 32   | 69                | 31             |
| Harrow                   | 15,330             | 18   | 69                | 31             |
| Havering                 | 18,420             | 19   | 68                | 32             |
| Hillingdon               | 19,840             | 20   | 68                | 31             |
| Hounslow                 | 20,530             | 23   | 68                | 31             |
| Islington                | 28,600             | 31   | 77                | 23             |
| Kensington & Chelsea     | 15,050             | 18   | 75                | 25             |
| Kingston upon Thames     | 8,980              | 14   | 62                | 37             |
| Lambeth                  | 34,070             | 27   | 73                | 27             |
| Lewisham                 | 30,800             | 27   | 72                | 28             |
| Merton                   | 12,590             | 15   | 65                | 35             |
| Newham                   | 35,880             | 35   | 71                | 29             |
| Redbridge                | 21,120             | 22   | 72                | 28             |
| Richmond upon Thames     | 10,020             | 13   | 65                | 35             |
| Southwark                | 33,500             | 28   | 73                | 27             |
| Sutton                   | 13,010             | 16   | 66                | 34             |
| Tower Hamlets            | 32,930             | 33   | 74                | 26             |
| Waltham Forest           | 26,580             | 28   | 70                | 30             |
| Wandsworth               | 21,470             | 17   | 76                | 24             |
| Westminster              | 21,510             | 20   | 79                | 21             |
|                          |                    |  |                   |                |
| North East               | 315,180            | 27   | 69                | 30             |
| North West               | 733,460            | 24   | 72                | 28             |
| Yorkshire and the Humber | 499,830            | 22   | 69                | 30             |
| East Midlands            | 381,480            | 20   | 68                | 32             |
| West Midlands            | 553,890            | 24   | 70                | 29             |
| East                     | 438,400            | 18   | 67                | 33             |
| London                   | 769,750            | 24   | 71                | 29             |
| South East               | 567,940            | 16   | 65                | 34             |
| South West               | 411,700            | 18   | 64                | 35             |
|                          |                    |  |                   |                |
| Wales                    | 308,230            | 24   | 74                | 26             |
| Scotland                 | 547,380            | 24   | 69                | 31             |
|                          |                    |  |                   |                |
| Great Britain            | 5,527,250          | 22   | 69                | 31             |

Source: Single Housing Benefit Extract, Department for Work and Pensions, August 2009 and GLA Round Low Population Projections 2008

<sup>7</sup> Rates for London boroughs have been calculated using GLA 2008 Round Low Population Projections.

**Table 3: Claimants for both Housing Benefit and Council Tax Benefit, August 2009**

| <b>Area</b>              | <b>Claimants of both Rate (percentage<br/>HB and CTB<sup>8</sup> of households)<sup>910</sup></b> |    |
|--------------------------|---|----|
| City                     | 910   | 17 |
| Barking & Dagenham       | 17,970  | 25 |
| Barnet                   | 21,080  | 16 |
| Bexley                   | 11,470  | 13 |
| Brent                    | 25,230  | 23 |
| Bromley                  | 15,130  | 12 |
| Camden                   | 24,300  | 25 |
| Croydon                  | 24,990  | 17 |
| Ealing                   | 22,410  | 18 |
| Enfield                  | 24,540  | 21 |
| Greenwich                | 23,180  | 22 |
| Hackney                  | 33,430  | 35 |
| Hammersmith & Fulham     | 18,390  | 23 |
| Haringey                 | 26,600  | 27 |
| Harrow                   | 11,320  | 14 |
| Havering                 | 11,510  | 12 |
| Hillingdon               | 15,300  | 15 |
| Hounslow                 | 16,460  | 18 |
| Islington                | 26,590  | 28 |
| Kensington & Chelsea     | 14,570  | 18 |
| Kingston upon Thames     | 6,750   | 10 |
| Lambeth                  | 31,470  | 25 |
| Lewisham                 | 26,810  | 24 |
| Merton                   | 9,160   | 11 |
| Newham                   | 30,790  | 30 |
| Redbridge                | 14,180  | 14 |
| Richmond upon Thames     | 8,030   | 10 |
| Southwark                | 30,810  | 26 |
| Sutton                   | 9,640   | 12 |
| Tower Hamlets            | 30,000  | 30 |
| Waltham Forest           | 20,660  | 22 |
| Wandsworth               | 18,910  | 15 |
| Westminster              | 20,770  | 19 |
| North East               | 231,020   | 20 |
| North West               | 516,750   | 17 |
| Yorkshire And The Humber | 350,100   | 15 |
| East Midlands            | 259,620   | 13 |
| West Midlands            | 376,280   | 16 |
| East                     | 308,270   | 12 |
| London                   | 643,350   | 20 |
| South East               | 411,780   | 12 |
| South West               | 282,380   | 12 |
| Wales                    | 203,070   | 16 |
| Scotland                 | 403,980   | 18 |
| Great Britain            | 3,986,590   | 16 |

*Source: Single Housing Benefit Extract, Department for Work and Pensions, August 2009 and GLA Round Low Population Projections 2008*

<sup>8</sup> If an individual is claiming HB within one LA and CTB within a neighbouring LA, they are recorded in this column in the LA where they claim HB. Therefore components may not sum to total HB or CTB columns.

<sup>9</sup> Rates for London boroughs have been calculated using GLA 2008 Round Low Population Projections.

<sup>10</sup> Rates for the regions and Great Britain have been calculated using CLG Household estimates for 2006, last updated in November 2009.



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