

Under-Occupancy

Key points:

- In the 2011 Census, 89,100 households (39%) of all households were under-occupying a home (had 2 or more bedrooms than required by the occupants).
- Under-occupancy is most prevalent in owner occupied households, and people aged over 50, however research shows that a home-owner may not necessarily consider themselves to be under-occupying.
- In May 2021 2,800 social housing tenants were having their housing benefit or UC payments reduced due to 'bedroom tax'.
- Social Housing tenants wishing to downsize are prioritized as Band A through Homechoice, but finding a suitable home is not always possible due to high demand for social housing.
- In October 2021 there were 300 existing social housing tenants registered as wishing to downsize.

What is Under-Occupation?

Under-Occupation means that a household has more bedrooms than required, based on the broad definition in the Housing Act 1985 (Part X section 325)¹.

For England under-occupancy is measured using the English Housing Survey, and for local authority areas the most accurate resource is the 2011 Census.

For the purposes of calculating benefits, the full definition is set out on the gov.uk website: <https://www.gov.uk/government/collections/local-authorities-removal-of-the-spare-room-subsidy>

Under-Occupancy by tenure

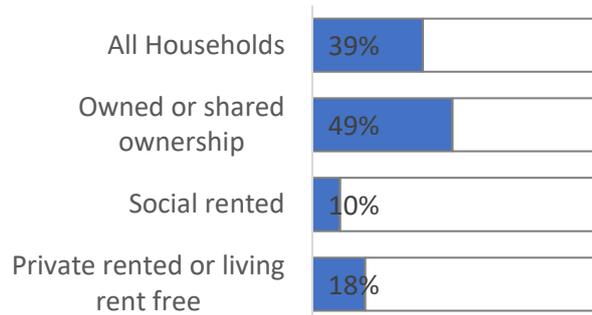
In the 2011 Census, 89,100 households in Cornwall had 2 or more bedrooms than require, 39% of all households². Under-occupancy is most prevalent in owner occupied homes, and people aged over 50 are more likely to under-occupy.

¹ <https://www.legislation.gov.uk/ukpga/1985/68/part/X>

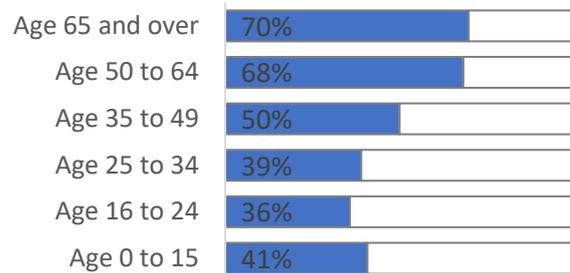
² 2011 Census table LC4108EW - Occupancy rating (bedrooms) by tenure

Housing in Cornwall 2021 Under-occupancy

% households under-occupying
(2 or more bedrooms than required)



All usual residents in households
with 2 or more bedrooms than
required in their home



Under-Occupancy of Social Housing

In the Welfare Reform Act 2012, the Government introduced a reduction in Housing Benefit entitlement or universal credit housing element for Council and social housing tenants of working age if they are classed as having a spare bedroom – this was referred to as the ‘bedroom tax’³. Bedroom tax applies to households that are working age,

The reduction is set at:

- Reduction of 14% for 1 spare bedroom
- 25% for 2 or more spare bedrooms.

For example, if your rent is £100 a week, the maximum benefit you get to help with rent is:

- £86 if you have 1 spare room
- £75 if you have 2 spare rooms⁴

Housing Benefit and UC Housing Entitlement – Households affected by the bedroom tax

	Housing Benefit May 2021	Universal Credit Housing Entitlement (in payment) May 2021	Total households (estimate)
Total in receipt of housing support	25,003	17,949	42,952
Total households affected by spare room subsidy*	1,427	1,405	2,832 (7%)
1 spare bedroom	1,207	1,149	2,356
2 spare bedrooms	215	256	471

Source: DWP Stat-xplore

*Figures do not total due to rounding.

³ Also referred to as ‘removal of the spare room subsidy’ and

⁴ Full definition and exemptions <https://www.entitledto.co.uk/help/under-occupation>

Housing in Cornwall 2021 Under-occupancy

In May 2021 an estimated 2,800 households (7% of all households in receipt of help with their housing costs) are receiving a reduced benefit payment as a result of bedroom tax.

Homechoice Policy and Under-Occupancy

Tackling under-occupancy in social housing is a priority for social landlords as it allows landlords to make best use of their stock. To incentivise existing social tenants to downsize, if a household has more rooms than are required, they are prioritised as Band A, the highest priority band in the choice-based lettings system Homechoice⁵. As a choice-based system, landlords in the Homechoice partnership do not force social housing tenants to move against their will.

Prioritizing existing tenants in this way is intended to release vacancies from social housing so that more 'general needs' (usually households who are homeless or renting) can be housed through social housing. Demand for social housing is high, with 19,000 households on the register (September 2021) and around 100 properties let through Homechoice each month.

On 5th October 2021 there were 302 band A 'transfer' households on Homechoice that had stated their moving reason as 'Transfer to a smaller property'.

The table below indicates the current number of bedrooms against their assessed bed need for transfer applicants wishing to transfer to a smaller property.

Current bedrooms	Bed need			Total
	1	2	3	
1 bed	0	0	0	0
2 beds	120	0	0	120
3 beds	84	73	0	157
4 beds	4	8	13	25
Total	208	81	13	302

Perceptions of under-occupation

Common causes of under-occupation are older households remaining in their home after their spouse or partner dies and children have left home, or as a result of a family breakdown.

Research carried out by the Cambridge Centre for Housing and Planning Research (CCHPR) for the Housing Futures Network (2011) indicated that a substantial number of under-occupying households did not regard themselves as such. Their 'spare' bedrooms are used by children (irrespective of age and gender) who have their own rooms. Several couples sleep in separate bedrooms. Spare bedrooms are used when children visit at weekends as part of a shared parenting arrangement; rooms are also used for storing disability related equipment.

House of Commons Library briefing, November 2019

⁵ [Banding details - Cornwall Housing](#)

Housing in Cornwall 2021 Under-occupancy

Links to further information

- [Social Housing in Cornwall](#) evidence paper.
- Shelter guidance [how to deal with bedroom tax](#)
- House of Commons Library Briefing: [Under-occupying social housing November 2019](#)