

# Movements of housing benefit claimants in London

A research paper for London's Poverty Profile  
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## Summary

There is widespread concern that poor families are being displaced from London. Recent welfare reforms were predicted to make parts of the capital unaffordable to people on low incomes. In addition, there are anecdotal examples of low income families being housed outside of London by their local boroughs.

What is not clear is the extent to which this is happening. Are tens of thousands of poor families being displaced from the capital each year?

This report explores what housing benefit data can tell us about the mobility of low-income households. It shows the extent to which housing benefit claimants are moving, and how this differs between areas and over time. The data in the report looks at claimants who have moved address in between 2010 and 2014 and maintained their claim or claimed again within 3 months of moving.

The analysis offers insight into the movements of low-income households, though it cannot unpick the motives behind the moves. Families move for a wide range of reasons. Some moves might be seen as advantageous; people moving to housing that better suits their needs. In other instances, people may be moving reluctantly, for example, because they can no longer afford to pay the rent.

## Key points

- There were on average 835,000 housing benefit claimants in London in 2014 and 88,900 claimant moves (just over 10%).
- The majority of claimant moves in 2014 (over 60%) were within the same borough.
- Less than 10% of claimant moves originating in London were to outside of London in 2014.
- There was a slight fall in the number of claimant moves originating in London between 2010 and 2014 (down 1,500 from 90,400).
- There was a small increase in claimant moves from within to outside of London between 2010 and 2014 (from 7,200 to 7,500).
- There was also an increase in moves out of the origin sub-region but within London between 2010 and 2014 (from 13,300 to 14,700).
- The increase in the number of longer distance moves has been countered by a fall in the number of shorter distance moves. These changes have been quite small.

- The number of moves originating in the Inner West fell by 16% between 2010 and 2014, more than the fall in other London sub-regions. This was mostly due to a fall in the number of within-borough moves in the Inner West.
- The number of claimants moving from London to the rest of the country exceeds the number moving in the other direction. This difference grew slightly between 2010 and 2014 due to an increase in moves from Outer London to the rest of the country and a fall in moves from the rest of the country to Inner London.

## Implications

These findings are a description of moves in London between 2010 and 2014 – the period immediately before and after major reforms to housing benefit took place. It is not a reflection of what is happening now or a prediction of what will happen in the future.

The figures suggest that, despite cuts to welfare that decreased incomes, the majority of families claiming housing benefit remained in London. The fall in moves has been much more pronounced and consistent in the Inner West, where housing cost were highest and cuts to housing benefit greatest. Here, those affected are likely to have to look much further afield to find housing within the limits of housing benefit, potentially sacrificing local connections and links to the community.

A possible reason why there has not been a large increase in the flow of HB claimants is that discretionary housing payments (DHP) ameliorated some of the worst problems. DHP is administered on an ad-hoc basis by local authorities to low income families to help them manage their housing costs. Central government funding for DHP was boosted when the bedroom tax and overall benefit cap were introduced (from £60bn in 2012/13 to £180bn in 2013/14). The extra availability of DHP may have helped low income families affected by welfare reforms to remain in London. But the discretionary nature of the payment means that this can only be a temporary solution.

London has the highest rate of poverty of any region in England. It would be a mistake to think that London has been ‘socially cleansed’, and that no one living there is poor any more. Rather than moving low income families out of London, in many cases, housing benefit changes will have simply made them worse off.

## Methodology

This analysis looks at housing benefit (HB) claims. HB is an income-based benefit which helps tenants with the rental cost of their home. It can be claimed by private and social renters, working-age adults and pensioners and working and workless individuals. The data used comes from the Department for Work and Pensions.

The data covers HB claimants across Britain in the period 2010 to 2014. The data for 2010 to the first three quarters of 2013 was released by the DWP as an ad hoc piece of analysis. The final quarter of 2013 and the four quarters of 2014 were supplied to us by DWP following a freedom of information request. Only the three final quarters of data were available for 2010, so in the analysis we have uprated the figure by 30% to give an annual number, acknowledging the fact that the average number of moves in the first quarter is usually less than one quarter of the total.

The data tells us if a HB claimant has moved home and made a new claim at a different address. If the claimant moved very locally (within their 'lower super output area', a statistical division which splits London into almost 5,000 small areas each containing up to 1,200 households) this move would not be recorded. Any other move, even within the same borough, is recorded. The move is recorded if a new claim is made within three months of the previous claim ending, so it does allow for a temporary lapse in the claim. The numbers do not include people who move to an area and start claiming several months after; those would be counted as new claims, not analysed here. Nor does it look at claimants that start or end a housing benefit claim (the on-flow or off-flow of claims).

## The overall number of moves

The total number of recorded moves of housing benefit claimants originating in London remained broadly flat between 2010 and 2014, at around 89,000. Over the same period, the total number of claimants in London rose from 796,000 to 835,000, a rise of 4.9%. So as a proportion of the housing benefit caseload, the number of moves fell slightly from 11.4% to 10.6%.

The year with the highest number of moves was 2012 when over 90,000 claimants moved. This represents a peak in the time series – the figure fell in the two previous years and has fallen again since. The level of moves varies within London’s sub-regions, as the table below shows.

### Total moves originating in London in 2014 by sub-region, and change since 2010

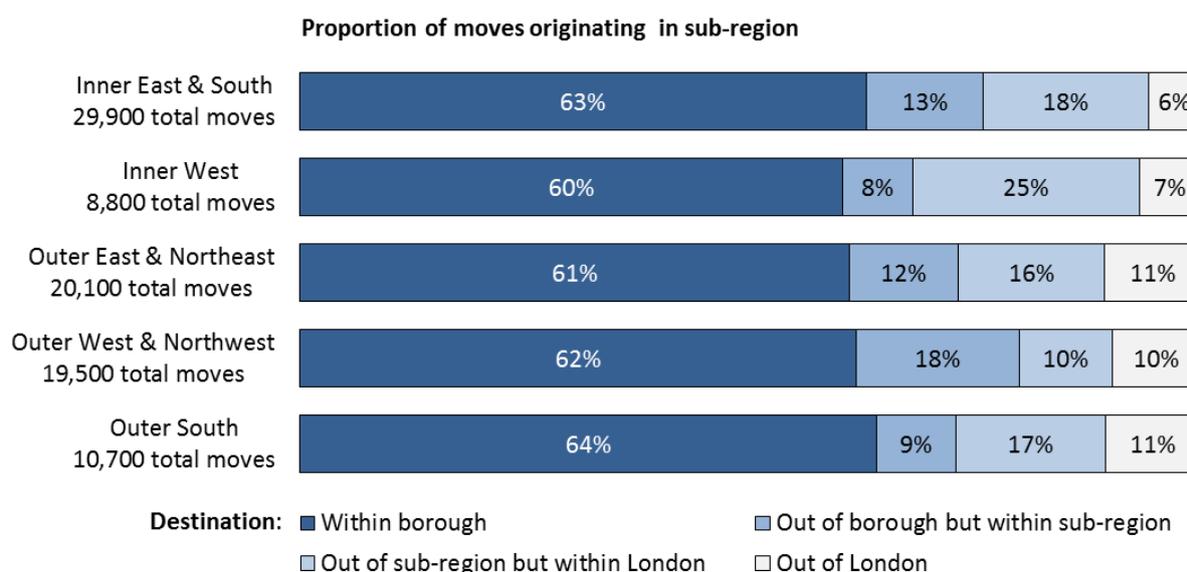
	Moves in 2014	Proportion of caseload	Change since 2010
<b>Inner East &amp; South</b> (Hackney, Haringey, Islington, Lambeth, Lewisham, Newham, Southwark and Tower Hamlets)	29,900	10%	-200
<b>Inner West</b> (Camden, Hammersmith & Fulham, Kensington & Chelsea, Wandsworth and Westminster)	8,800	8%	-1,700
<b>Outer East &amp; Northeast</b> (Barking & Dagenham, Bexley, Enfield, Greenwich, Havering, Redbridge and Waltham Forest)	20,100	12%	800
<b>Outer West &amp; Northwest</b> (Barnet, Brent, Ealing, Harrow, Hillingdon, Hounslow and Richmond)	19,500	11%	200
<b>Outer South</b> (Bromley, Croydon, Kingston, Merton and Sutton)	10,700	12%	-600

The Inner West stands out here. It has a low total number of moves because it is the smallest sub-region in terms of population. But it also has the lowest proportion of claimants moving, and saw the largest fall in moves between 2010 and 2014 (a fall of 16%). It is also notable that the overall proportion of claimants moving is higher in the three Outer London sub-regions than the two Inner London sub-regions. Moreover, while both Inner East & South and Inner West saw a fall in moves, two of the three Outer sub-regions saw a rise.

## Where do claimants move to?

So, of these movements, where do people go? The graph below shows the destination of moves in 2014 by the sub-regions of origin– those who stay within the borough, those who leave the borough but stay within the sub-region, those who leave the sub-region but stay in London and those that leave London altogether.

### Moves of claimants originating in London's sub-regions by destination (2014)



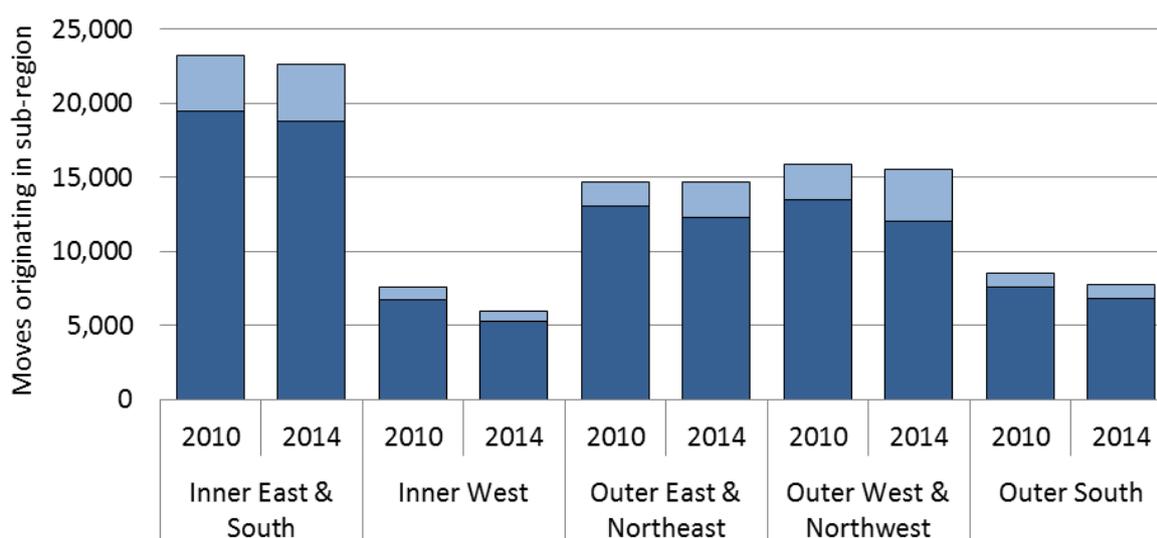
In each sub-region, within-borough moves make up the majority of all moves. The lowest figure is 60% in the Inner West; the highest is 64% in the Outer South. Moves out of London are much less common, unsurprisingly the proportion of moves to outside of London is higher from Outer London sub-regions (about 10%) than Inner London ones (about 6%). The Inner West though stands out for the high proportion of moves out of the sub-region but still within London at 25%. This is in part a reflection of the small size of the sub-region so there are fewer properties to move to, but it could also suggest that a smaller share of those properties are suitable for housing benefit claimants.

## Have these patterns changed?

When looking at how the patterns of moves have changed, we are constrained slightly by the data. Figures relating to the movements of HB claimants have only been recorded since 2010, and in fact only cover three quarters of that year. The missing quarter, December to February, usually sees fewer moves than the other three quarters, making up around 23% of the total on average. This implies that we should uprate the three quarter figure by 30% to get the annual number. In the analysis that follows, we will look at the years 2010 to 2014, with the 2010 figures uprated by 30%. Figures for 2010 should be interpreted with that in mind.

The first thing we will consider is how the number of moves within the local area has changed – those within-borough moves and those outside the borough but still within the sub-region.

### Moves within the borough and sub-region, 2010 and 2014



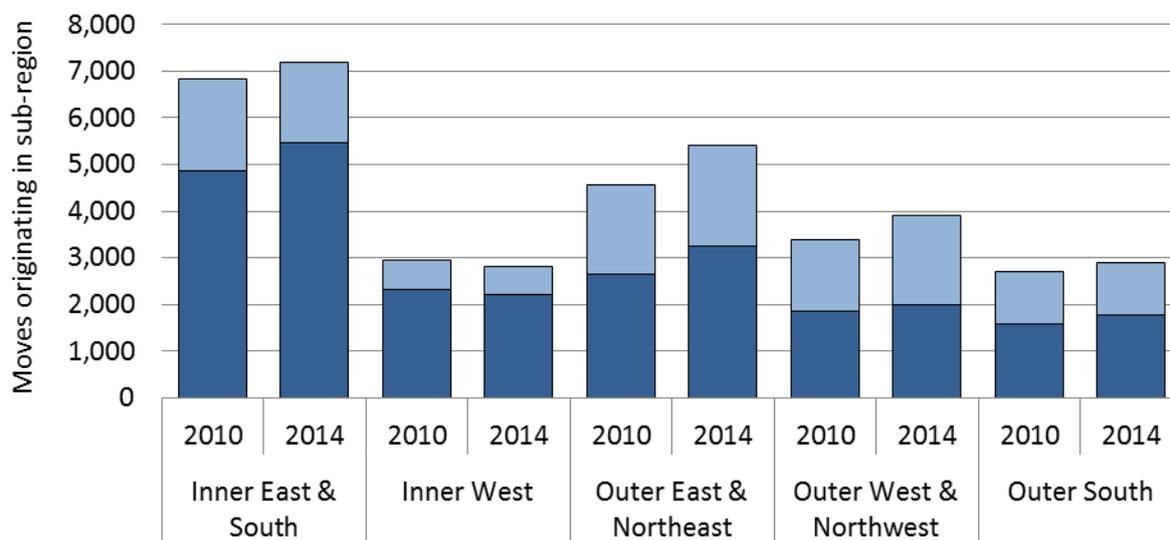
Destination: ■ Out of borough but within sub-region ■ Within borough

The number of within-borough moves fell in all sub-regions between 2010 and 2014. The biggest falls were in the Outer West & Northwest and the Inner West, each falling by 1,500. As a share of all claimants or all moves, the fall in the Inner West figure is more notable.

The picture in terms of moves within the sub-region is less clear. The number of people moving out of borough but within the sub-region fell in the Inner West (albeit by only 170), and rose in the Outer East & Northeast (by 800) and the Outer West & Northwest (by 1,100). In the other two sub-regions there was little change.

The next graph looks at moves out of the sub-region and out of London. Note the scale is different, around one third of the height of the last graph – these types of moves are much less common.

### Moves out of the sub-region and out of London, 2010 and 2014



Destination: ■ Out of London ■ Out of sub-region but within London

The picture here is very mixed. The total number of ‘long distance’ moves – i.e. moves out of the London sub-region or outside of London – rose everywhere except the Inner West. In the Inner East & South the number of moves out of the sub-region but within London rose by 600 whilst the number of moves out of London fell by 200.

In all the Outer sub-regions there was an increase in both sorts of moves. In the Outer South and Outer East & Northeast the biggest rise was in moves within London but out of the sub-region (up 200 and 600 respectively). But in the Outer West & Northwest the biggest increase was in moves outside of London (up 400).

The table below summarises these changes between 2010 and 2014 by grouping all moves into two groups – within the sub-region and outside of it. It is worth noting the following:

- Across London in 2010 and 2014 the vast majority of housing benefit claimants who move remain within their sub-region.
- The total number of moves from the Inner West fell substantially, mostly driven by a fall in the number of moves within the sub-region.
- In the Outer East & Northeast the number of moves increased slightly, this was entirely due to a rise in moves out of the sub-region.

- In the Inner East & South, Outer West & Northwest and Outer South the number of moves outside of the sub-region increased, whilst the number of moves within the sub-region fell.

### Change in moves within and outside of London's sub-regions, 2010 and 2014

	Total moves		Moves within sub-region		Moves outside of sub-region	
	2014	2010-diff	2014	2010-diff	2014	2010-diff
Inner East & South	29,900	-200	22,700	-500	7,200	400
Inner West	8,800	-1,700	6,000	-1,600	2,800	-100
Outer East & Northeast	20,100	800	14,700	0	5,400	800
Outer West & Northwest	19,500	200	15,500	-400	3,900	500
Outer South	10,700	-600	7,800	-800	2,900	200
<b>London</b>	<b>88,900</b>	<b>-1,500</b>	<b>66,700</b>	<b>-3,300</b>	<b>22,200</b>	<b>1,800</b>

Overall the number of moves of housing benefit claimants in London has fallen since 2010 but the number of “longer distance moves” (outside of sub-region) has increased. In 2010 moves out of the sub-region accounted for 23% of moves in London, in 2014 it was 25%.

This shift is important but it's worth putting these numbers into context. The 22,200 housing benefit claimants who moved out of their sub-region in 2014 compares to:

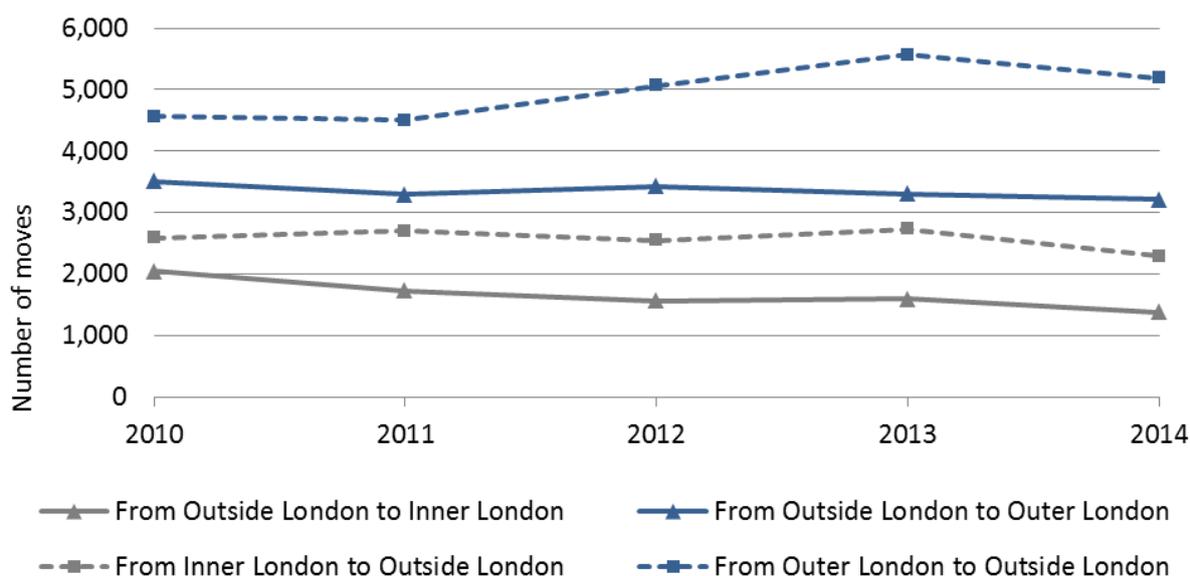
- 20,400 people who moved out of their sub-region in 2010
- 835,000 housing benefit claimants in total in London in 2014
- 66,700 moves in 2014 within the sub-region

So whilst the number of longer distance moves has risen since 2010, it's only increased by 9% over 3 years (hardly a sudden sharp increase). In 2014 most housing benefit claimants (90%) did not move, and among those who did the vast majority (75%) remained within their sub-region.

## Moves to and from London overall

So far we have only looked at moves originating in London. But when we look at people moving out of London altogether, it is worth looking at people moving in to London from outside as well. The next graph does this, looking at moves from Inner and Outer London to other parts of the country and vice versa.

### Moves to and from Inner and Outer London and the rest of the country



This graph shows quite clearly how trends in Inner and Outer London have differed. The number of moves from Outer London to the rest of the country has risen over the last few years, from 4,600 to 5,200, reaching a peak of 5,600 in 2013. The number of moves from Inner London to the rest of the country has not risen at all, and was lower in 2014 at 2,300 than it was in 2010 (2,600). That number did peak in 2013, though, like the figure for Outer London.

The trends in moves to London from the rest of the country are also different. There was a small fall between 2010 and 2011 in the number of claimants moving to Outer London from the rest of the country, from 3,500 to 3,300, but little change since. The numbers moving to Inner London have fallen more steadily, and now stand around one third lower than in 2010, at 1,300.

Moves of housing benefit claimants out of London consistently exceed the number of moves to London – London was and is a net-exporter of housing benefit claimants. But this gap has risen. In 2010 the number of claimants moving from London to the rest of the country was 1,600 more than the other way around, in 2014 it was 2,900 more. There are two reasons for this change: the increase in the number of claimants moving from Outer London to outside of London and the decrease in the number of claimants moving to Inner London from the rest of the country.