

Too poor for council or housing association homes

A [report](#) from the housing campaign, Crisis, in collaboration with Heriot-Watt University and the UK Collaborative Centre for Housing Evidence indicates that around a third of housing associations surveyed said pre-tenancy affordability checks determined that the applicant would not be given a tenancy due to “too low an income or insecure finances”.

According to Crisis 24% of housing associations said that households below a certain income threshold are sometimes excluded from the housing register. Nearly three quarters of them said that welfare reform had impacted on allocations and lettings processes in recent years, notably restrictions to housing benefit and the benefit cap.

Around a quarter of associations reported “often refusing nominations from the local authority because the offer was 'unsuitable'.”

What is known as a “Greenlight for Housing” process, introduced by housing associations has been copied by some councils, though we don't know how many. See this [example](#). It is common now for a double means-test. Those applying to get on the waiting list are tested to see if they earn enough to be able to afford a private rental property or 'shared ownership'. If they are judged to be able to afford either of those options then they will not be allowed on the list.

Once on the list, when they apply for a tenancy, they are means-tested to see if they are deemed to be able to afford the rent. If not, they will be refused a tenancy. They will be asked to participate in the Greenlight for Housing process, to examine whether their financial situation can be improved, maybe with benefits they are not claiming, or more work. If they refuse to participate, and are not able to show, after three months, that their financial position has improved then *their application will be closed*.

The Crisis report does not consider the question of the level of rents except insofar as it says

“The welfare system must ensure homes and especially social homes are affordable. The UK Government should review the interaction between social housing rent levels and social security arrangements to ensure that no household entitled to mainstream social security benefits is unable to afford a social home that is of an appropriate size to their needs.”

We know that the rent arrears for English council tenants were £393 million in 2024/25. In March 2024 [arrears for housing associations reached a record level of £800 million](#). Housing associations have a much higher level of stock charging 'affordable rent'; around 380,000, or 13% of their stock. Councils have 43,683. Given the much higher rents then less people are likely to be judged able to afford them. The difference between 'affordable rent' and 'social rent' is £60 a week for council tenants, £90 in London. For housing associations 'affordable rent' is £44 a week higher than 'social rent'. [We have said the government should end its support for the Tories 'affordable rent'](#).¹

If people cannot afford the rent for a council or housing association home, what can they afford? Certainly not more expensive private rent. With the government introducing a policy of ten years of above inflation rent increases for council and housing association

¹ 'Affordable rent' includes service charges, whereas 'social rent' doesn't. However, the difference between them is considerable, and with percentage increases the gap between them grows each year.

tenants (see [No to 10 years of above inflation rent increases](#)), the likelihood is that more people on the waiting list will be told they cannot have a tenancy.

This situation is the product of the acute shortage of social rent homes and rents which have increased to the point that they are becoming more difficult to manage and unaffordable for some. The government's Social & Affordable Homes policy is only offering funding for 18,000 social rent homes a year. It's [a flawed programme which will not solve the housing crisis](#).

Crisis has called on the government to boost funding for building more social rent homes. They are also calling on it to

- remove minimum income requirements for getting on the waiting list and for issuing tenancies to people on low incomes;
- ensure that no household entitled to mainstream social security benefits is unable to afford a social home that is of an appropriate size to their needs.
- Direct the Regulator of Social Housing to prevent exclusions based on low income.