

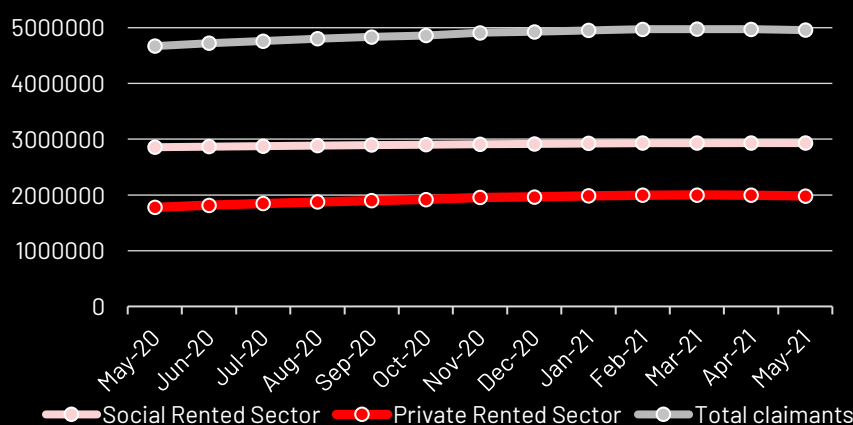
5 million renting households now relying on housing benefit

Even as the last lockdown eased, numbers receiving state support to pay rent remained at record levels

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More private renters than ever claiming

4.96 million households claimed housing benefit (Universal Credit housing element or legacy housing benefit) in May 2021. This includes 2 million private renters, more than at any time since the housing benefit system was introduced in 1988. The pandemic caused rises over the last year with only small drops in April and May as parts of the economy began to reopen. Numbers of private renters claiming in the last year rose 12% while social housing tenants rose 3%.



▲ 12%

more private renting households claiming support than May 2020

Total households claiming housing benefit (UC HE and HB)

2

Housing benefit isn't fit for purpose

36% of all private renters now receive housing benefit according to new Shelter analysis, a figure we have adjusted to include households where multiple people could make housing support claims. But the amount people can claim (known as the Local Housing Allowance (LHA)) is only supposed to cover homes up to the cheapest 30% of the local market. So there are simply more households claiming housing benefit than there are homes available at rents affordable to those receiving welfare.

30% private rents covered by Local Housing Allowance



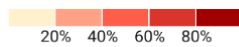
36%

private renters in England receiving housing benefit

3

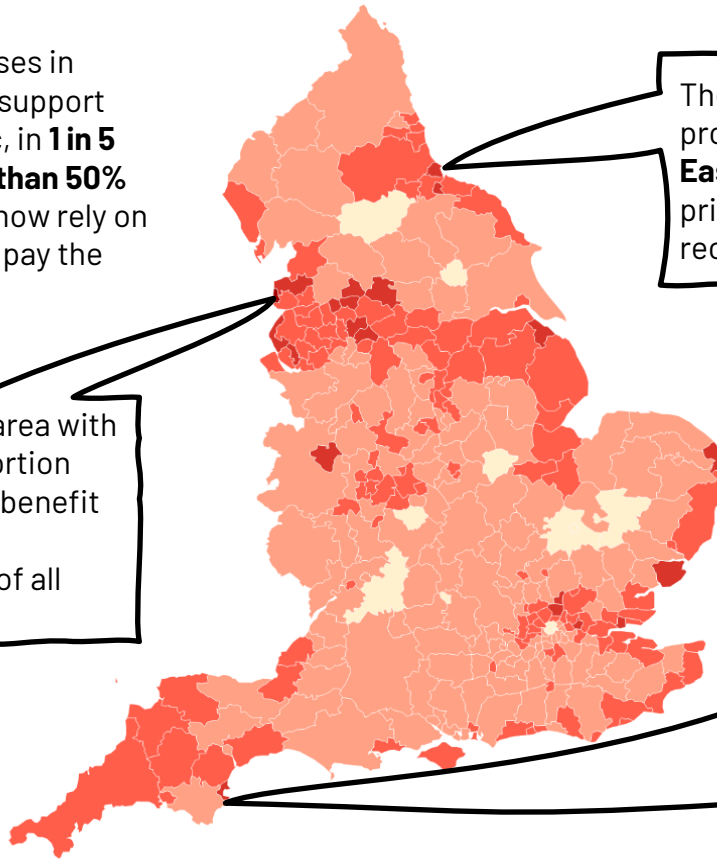
In 1 in 5 areas, majority of renters need support

Percentage of private renting households claiming housing support by local authority, May 2021



After steep increases in numbers claiming support over the pandemic, in **1 in 5 (19%) areas more than 50%** of private renters now rely on housing benefit to pay the rent.

Blackpool is the area with the highest proportion claiming housing benefit in England- an astonishing **89%** of all private renters



The region with the highest proportion is the **North East**, where **44%** of all private renters are in receipt of housing benefit.

There are also hotspots in other coastal areas with high proportions of claimants like **Torbay (62%)**, **Great Yarmouth (74%)** and **Tendring (74%)**. Explore a zoomable version of this map [here](#).

Map: Shelter • Source: DWP Statexplore • Map data: © Crown copyright and database right 2021 • Created with Datawrapper

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Support not keeping up with rising rents

In 2021, the government froze the Local Housing Allowance (LHA) rate that determines the amount of housing benefit people can claim at March 2020 levels. With rents rising, gaps are opening up between rents and housing benefit, and LHA no longer covers the cost of a modest 2 bedroom home in 58% of England.

2 bedroom homes



- ☐ Areas where LHA covers lowest 30% of rents
- ☐ Areas with shortfall between LHA and lowest 30% of rents

3 bedroom homes



Pre-pandemic LHA shortfall taken from Stephanie Kleynhans and Jenny Pennington, [*LHA Impact Assessment: The effects of the reforms since 2011*](#), March 2020.