

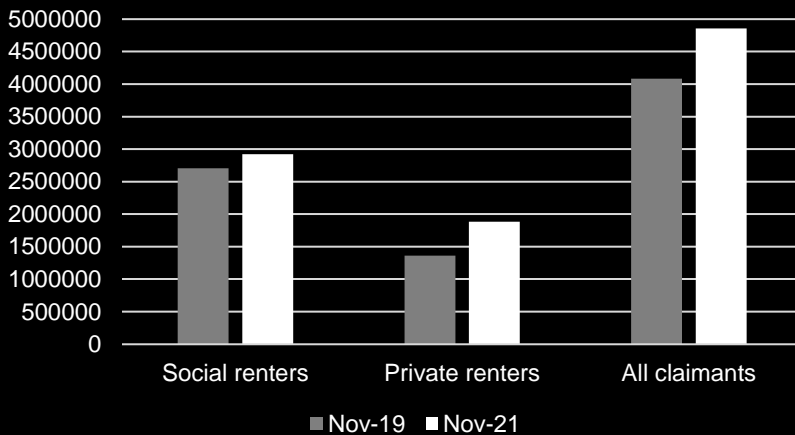
1.9 million private renters face frozen housing benefit and rising rents

More than a third of private renting households claim housing benefit – but in 9 out of 10 areas support lags behind rents

1

4.8 million households relying on housing benefit

4.8 million households claimed housing benefit (Universal Credit housing element or legacy housing benefit) in November 2021. Compared to November 2019, the number of private renters claiming is 39% higher, at 1.88 million and the number of households in social housing is 8% higher (2.9 million). Although pandemic support measures like the £20 uplift to Universal Credit and furlough scheme ended in September, there are still millions of households in need of support to pay their rent.



771,000

more households claiming support in November 2021 than the same month before the pandemic in 2019

Total households claiming housing benefit (UC HE and HB)

2

Housing benefit isn't fit for purpose

34% of all private renters now receive housing benefit according to Shelter analysis. But the amount people can claim (known as the Local Housing Allowance (LHA)) is currently frozen at the bottom 30% of rents in 2020, so covers a shrinking number of homes as rents rise. There are simply more households claiming housing benefit than there are homes available at rents affordable to those receiving support.

Less than 30%

private rents covered by Local Housing Allowance

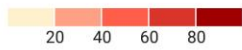


34%

private renters in England receiving housing benefit

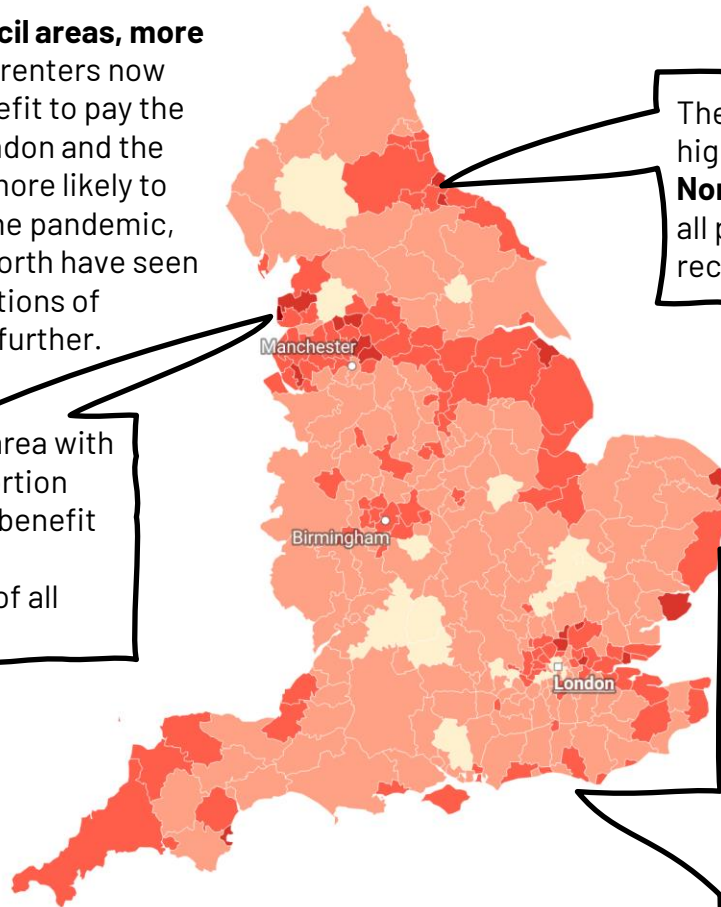
3 Majority of renters claiming support in 1 in 5 areas

Percentage of private renting households claiming housing benefit by local authority, November 2021



In **1 in 5 (20%) council areas**, more than half of private renters now rely on housing benefit to pay the rent. Renters in London and the South East are far more likely to claim than before the pandemic, while parts of the North have seen already high proportions of claimants increase further.

Blackpool is the area with the highest proportion claiming housing benefit in England- an astonishing **85%** of all private renters



The English region with the highest proportion is the **North East**, where **42%** of all private renters are in receipt of housing benefit.

Towns across the country with a majority of renters claiming housing benefit, include **Great Yarmouth (74%)** and **Burnley (66%)**. Explore a zoomable version of this map [here](#).

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

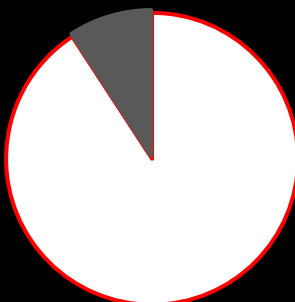
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Support not keeping up with rising rents

In 2021, the government froze the Local Housing Allowance (LHA) rate that determines the amount of housing benefit private renters can claim at March 2020 levels. In the last year private rents have risen by 2% in England, so that on average the gap between LHA and rent for a modest 2 bedroom home is £10.53 a week – over £45 a month that a family would have to make up to avoid falling into rent arrears, eviction and possible homelessness. LHA no longer covers the cost of a modest 2 or 3 bedroom home in 91% of England.

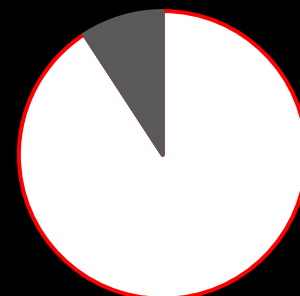
2 bedroom homes

3 bedroom homes



■ Areas where LHA covers lowest 30% of rents

■ Areas with shortfall between LHA and lowest 30% of rents



5

Restore housing benefit and prevent homelessness

As people across the country struggle with rising rents and the rapidly rising cost of living, housing benefit ought to be a safety net to prevent homelessness. But with private renters facing growing gaps between LHA rates and rents, they will face impossible choices over what other spending they can cut to stay out of rent arrears. We know the government wants to prevent families from becoming homeless this year, so the answer is simple: they must **urgently re-link and restore** housing benefits to the real cost of renting in 2022. Given the cost of the living crisis, this is now an essential stopgap, until there's enough investment in a new generation of permanent and decent social homes that ordinary families can afford without having to claim housing benefits.

Sources

Numbers of households claiming legacy housing benefit and the housing element of Universal Credit are from DWP, Statexplore, accessed February 2022. Comparisons to before the pandemic compare statistics from November 2021 with figures from November 2019.

The proportion of private renters claiming housing benefit is an estimate derived from combining administrative data from the DWP with population estimates published by DLUHC (the English Housing Survey), and by the Office for National Statistics (ONS). We have adjusted the total number of private rented households in England and each region to account for the number of adults living in households (such as multiple single adults or multiple families sharing a home) where more than one welfare claim could be made. This number is calculated using English Housing Survey data. We introduced this method in September 2021 so these estimates should not be compared to Shelter publications from before that date.

Population estimates for local authorities are derived from ONS, [Subnational households by tenure estimates](#), Table 1a Count of households by tenure by local authority district, England, 2012- 2020, published January 2022. We have adjusted the total number of households in each local authority area using the regional proportion of households where multiple welfare claims could potentially be made and the regional average number of adults living in such households using data from the English Housing Survey 2016-18.

Local Housing Allowance and 30% percentile rents are taken from Valuation Office Agency, [Local Housing Allowance \(LHA\) rates applicable from April 2022 to March 2023](#), published January 2022.

Private rents in England rose by 2% over the year to December 2021. ONS, [Index of Private Housing Rental Prices, UK](#), published January 2022.