

5 million households need support to pay the rent

Since the start of the pandemic there has been a 21% increase in households receiving housing support.

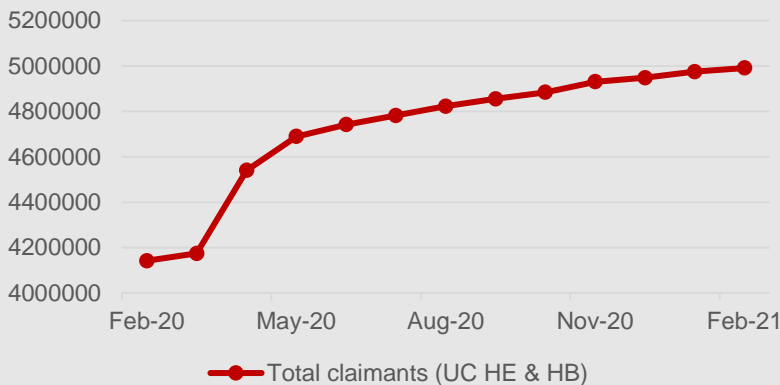
Private renters are hardest hit and in 1 in 3 parts of the country the majority now need help to pay the rent

1

Millions rely on welfare to afford their home

In February 2021 **4,991,666 households** received the housing element of Universal Credit or housing benefit. The number **steadily increased by an average of 20,000 households a month** over the winter as local and national lockdowns hit the economy.

Private renters have been the worst affected. There are now **more than 2 million private renters receiving housing support in England – a 44% increase since the start of the pandemic**. The number of households in social housing receiving support increased 8% to 2.9 million.



21%
more households receive housing support than before the pandemic

2

Welfare support is not enough

In March 2020 the government restored Local Housing Allowance (LHA) to cover the bottom 30% of private rents. This was a welcome move, but with 45% of all private renters now needing support **they cannot all find affordable homes**.

30% market covered by LHA



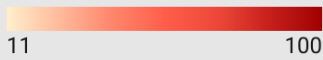
45%

of private renters get support to pay the rent

3 Private renters are struggling across the country

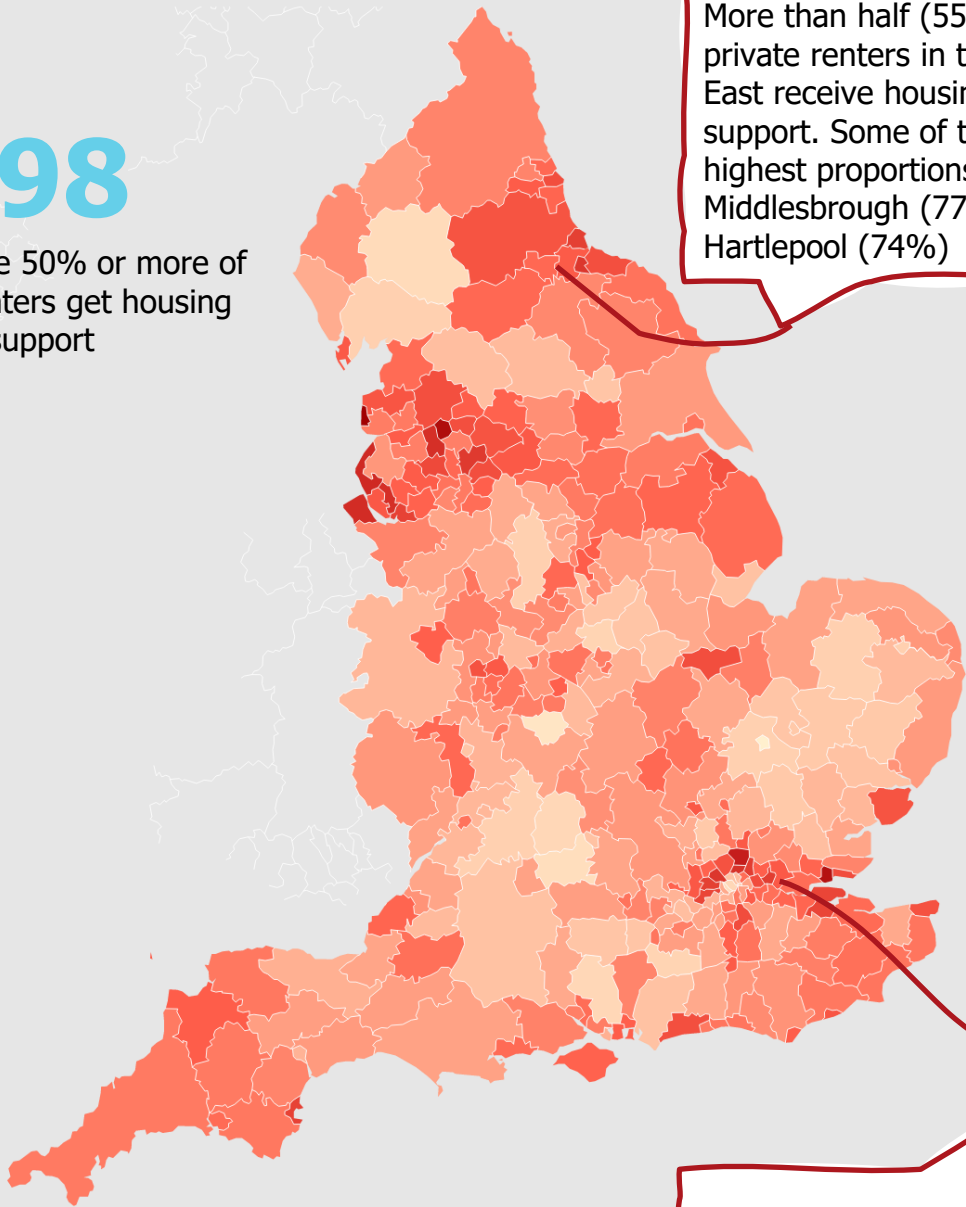
Numbers of private renters claiming housing support spiked all over the country during the early months of lockdown and continued to rise steadily over the summer and autumn. In a third (32%) of areas in February 2021, half or more private renters needed support with their rent.

Proportion of private renters in receipt of housing support by local authority (UC HE and HB) February 2021



98

Areas where 50% or more of private renters get housing support



More than half (55%) of private renters in the North East receive housing support. Some of the highest proportions are in Middlesbrough (77%) and Hartlepool (74%)

In London half (50%) of private renters need support to pay the rent

4

Rents rising as support is frozen

LHA is meant to cover the cheapest 30% of local rented homes, but the government has frozen it at March 2020 levels. Private rents have risen over the past year so that in many areas renters now face a shortfall between housing benefit and local rents. **Housing support now fails to cover the cost of a modest 2 bedroom home in 58% of local areas in England.**

At the same time, every single local area in England has seen a rise in the number of private renters needing support. **125 of these areas have seen an increase of 50% or more** in the year to February 2021.

2 bedroom homes

3 bedroom homes



Sources

Numbers of households claiming housing benefit and the housing element of Universal Credit are from DWP, statexplore, accessed 18th May 2021. From December 2020-February 2021 there were an average of 20,193 additional households receiving housing support each month.

Population estimate for England is from: English Housing Survey, English private rented households: Annex Table 1.1 Trends in tenure, 1980 to 2019-20

<https://www.gov.uk/government/collections/english-housing-survey#2019-to-2020> (2019-20).

The proportion of private renters claiming housing benefit is an estimate derived from combining administrative data from the DWP with population estimates published by MHCLG (the English Housing Survey), and by the Office for National Statistics (ONS). Numbers are an estimate due to survey limitations, and as there may be a small number of households where more than one person claims housing benefit. However, this number is likely to be small.

Population estimates for local authorities and regions are from ONS, Subnational dwelling stock by tenure estimates, England, Table 1a Counts of dwelling stock by tenure by Country/Region, England, 2012 to 2018 and Table 2a Counts of dwelling stock by tenure by local authority district, England, 2012 to 2018 and

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/subnationaldwellingstockbytenureestimates> (2018). Population estimates are given with confidence intervals and examples quoted in figure 3 all fall within those considered 'reasonably precise' by the ONS (interval of <10%).

Local Housing Allowance and 30% percentile rents are taken from Valuation Office Agency, 'Local Housing Allowance (LHA) rates applicable from April 2021 to March 2022',

<https://www.gov.uk/government/publications/local-housing-allowance-lha-rates-applicable-from-april-2021-to-march-2022>.