An extraordinary increase in demand for the housing safety net

We now have clear data on the increase in households claiming housing support (HB or UC housing element) during the lockdown.

The results are quite stunning: As of May 2020, a staggering **39% (or four in ten) private renting households in GB now claim housing benefits** (including as part of UC) to pay their rent. This is up from 3 in 10 in February This means there are now 2,012,534 private renting households receiving housing support in GB, 29% higher than February 2020.[31]

The proportion will be even higher in localities with a high concentration of 'lockdown jobs', or with existing high unemployment or high housing costs. An indicative analysis suggests how places have been affected across the country. In Peterborough approximately 34% of renters claimed housing benefit at the start of the year – by May this was almost half of renters (48%). In Waltham forest, the proportion of renters in receipt of housing benefits soared from 26% to 43%. Areas with continuing local lockdowns are also vulnerable. In Bolton, almost half (49%) of private renters were claiming LHA back in May.[32]

Its not clear whether this is a temporary spike, or a growing trend. But this figure won't include many people who have lost work through recently announced redundancies, or people who have lost their jobs as the JRS winds down. Further economic tightening, the effect of local, or future national lockdowns may increase this proportion further. It illustrates the strain the system has been placed under and may be under for some time.

In lockdown, housing benefit levels haven't met the housing costs of many 'Covid claimants'

For a safety net to function, it must truly bridge the cost of challenging periods in peoples' lives rather than leave them with crippling debts, or worse, homeless. And in a time of significant crisis, housing benefit must cover the cost of households' rents.

[31] This includes 771,931 private renters claiming HB and 1,240,603 private renters claiming UC with the housing element. There were 1,563,381 claimants of housing support in February 2020 (814,773 claiming HB and 748,608 claiming the UC housing element – a 66% increase. Latest statistics show that there are 5,130,196 private rented households in Great Britain.DWP statxplore: https://stat-xplore.dwp.gov.uk/webapi/jsf/dataCatalogueExplorer.xhtml; English private rented households: 4,552,000 Annex Table 1.1: Trends in tenure, 1980 to 2018-19 https://www.gov.uk/government/statistics/english-housing-survey-2018-to-2019-headline-report (2018/19); Scottish private rented households: 370,500 Housing statistics 2019: key trends summary: https://www.gov.scot/publications/housing-statistics-scotland-2019-key-trends-summary/pages/5/ (March 2019); Welsh private rented households: 207,696 Dwelling stock estimates by year and tenure https://statswales.gov.wales/Catalogue/Housing/Dwelling-Stock-Estimates/dwellingstockestimates-by-year-tenure (March 2019)

[32] DWP statxplore: https://stat-xplore.dwp.gov.uk/webapi/jsf/dataCatalogueExplorer.xhtml compared to local population estimates produced using the 2011 census uprated toreflect sector population change measured by the English housing survey.

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