



Benefits system leaves renters footing the bill for coronavirus

Summary

Across the UK, 910,000 private renter families, including 1.82 million children, now rely on benefits to cover the rent.

Coronavirus has seen many more private renters relying on benefits to pay their rent.

The number of privately rented households relying on Universal Credit has gone up by a third, or 507,000 since February 2020.

This means there are now 1.9 million private rented households claiming benefits (Universal Credit or legacy benefits) in England.

Across the UK, 910,000 private renter families, including 1.82m children, now rely on benefits to cover the rent.

But the benefits system is failing to cover the cost of rent for many of these people. One in eight private renters – 538,000 households – do not receive enough in benefits to cover their rent in full.

A private rented household on Universal Credit renting a two-bedroom house at the average (median) local rent can expect a £155 gap between the benefits they receive and the rent they owe.

Together, these half a million households are losing an estimated £636m over the course of a year.

New research by Generation Rent

New analysis by Generation Rent highlights the increase in Universal Credit use across England, by region and by constituency.

The Government must act now to prevent hundreds of thousands of households from falling into rent debt and becoming vulnerable to eviction and homelessness.

Key findings

- Between February and August 2020, the number of households renting from a private landlord claiming benefits to help them pay the rent increased by 507,000, or a third (36%).
- Half of all families with dependent children renting from a private landlord now rely on benefits to pay the rent - 910,000 households. An estimated 538,000 households have a gap between the LHA they receive and the rent they owe.
- In England, a rented household claiming Universal Credit living in an average two-bedroom property is likely to face a **£155** shortfall between their benefit payment and their monthly rent, putting them at high risk of falling into debt.
- Private renters with a benefit gap are losing an estimated £636m over the course of a year.

The Government must:

- increase Local Housing Allowance to ensure that tenants are able to pay the rent,
- Make grant funding available for those who have built up unmanageable debt due to the first wave of the pandemic,
- Scrap the household benefit cap and restrictions on eligibility for Universal Credit.

1. Introduction

The amount of money a private renter receives is dictated by area, as Local Housing Allowance – the housing element of Universal Credit – is currently set to cover the lowest 30% of market rents in the area.

Coronavirus has affected the nation's finances, with incomes dropping by 4.5% between March and May.¹ Evidence suggests private renters as a group have been disproportionately affected by the economic impact of coronavirus. The Resolution Foundation found that 9% of private renters reported losing their jobs since February², compared with 6% of those with mortgages.

In November 2020, the Joseph Rowntree Foundation reported that around 2.5 million households are worried about how they will pay their rent over the winter months, and 700,000 households in the private and social rented sector are already in rental arrears.³

Renters who have lost income are able to apply for Universal Credit (UC) to help cover the rent. Between February and August, there was a 36% increase in people claiming UC or housing benefit (legacy benefits) in the private rented sector in England, or 507,406 new households.

The Local Housing Allowance - the housing element of Universal Credit - covers only the lowest 30% of market rents in each area of the country.

Using the latest Department for Work and Pensions figures on the number of LHA claimants renting from a private landlord from February-August 2020, Generation Rent examined which regions have seen the largest increases in claimants.

Comparing this against indices of local deprivation, existing data on average rents and local LHA rates, Generation Rent examined where private renters were most likely to experience a shortfall between their LHA payment and their monthly rent, and most likely to struggle to meet rent payments as a result.

Using the House of Commons index of multiple deprivation, which ranks constituencies on a scale of 1-533 (one being most deprived and 533 least deprived)⁴ we also examined the profile of constituencies most affected by a rise in UC claimants.



1. <https://www.theguardian.com/world/2020/jul/21/uk-households-suffer-biggest-financial-hit-since-1970s-due-to-coronavirus>
2. <https://www.resolutionfoundation.org/publications/housing-outlook-q3-2020/>
3. <https://www.jrf.org.uk/report/struggling-renters-need-lifeline-winter>
4. <https://commonslibrary.parliament.uk/constituency-data-indices-of-deprivation/>

2. National picture

The number of households renting from a private landlord claiming benefits rose to 1.9 million, an increase of 36%, or 507,000 households.

Between February and August 2020, the number of households renting from a private landlord claiming benefits rose to 1.9 million, an increase of 36%, or 507,000 households.

Overall, 42% of private renter households now claim state support. Assuming that the cheapest 30% of private rented homes are occupied by people claiming state support, 12% do not have their full rent covered by LHA, so face a shortfall.

On average, a private rented household on UC renting a two-bedroom house at the average local rent can expect a £155 gap between the benefits they receive and the rent they owe.

We have estimated that the failing benefits system is costing private renters £636m on an annual basis.⁵

With benefits failing to cover the cost of rent, debt builds up for many.

Nearly 1 million private renting families now rely on benefits.

Though eviction can be harmful for all private renters, it can be particularly difficult for families with children. Families experiencing an unwanted move often have to move away from schools and support networks, causing disruption and stress.

910,000 families with dependent children renting from a private landlord are receiving either housing benefit or Universal Credit.

This represents half (51%) of all families in the private rented sector and 1.82m children, an increase of **169,000** households since February, or 23%.

On the assumption that 21% of families are not able to find a property at the lowest 30% of rents, that leaves an estimated **378,000 families, including 750,000 children, facing a rent shortfall.**

The constituencies with the largest gaps between average rents and LHA payments are overwhelmingly concentrated in London.

51%

910,000 FAMILIES

1.82m
CHILDREN

169,000 HOUSEHOLDS

Out of the 533 English parliamentary constituencies:

- Renters living in 88 constituencies would face a gap of £200 or more per month between the benefit they receive and the rent they need to pay
- Renters living in 303 constituencies face a gap of £100 or more per month
- There are only 10 constituencies where the benefit received covers average rents.

Households who fall behind on their rent are at risk of eviction.

5. www.generationrent.org/lhamethodology

Table 1: Constituencies with the largest gap between LHA rates and average local rents in England.

	Claimants Feb-20	Claimants Aug-20	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Kensington	1895	3074	1,179	62%	£1,417	£2,817	£1,400
Cities of London and Westminster	1610	2856	1,246	77%	£1,417	£2,752	£1,335
Westminster North	3410	5121	1,711	50%	£1,417	£2,752	£1,335
Hampstead and Kilburn	4552	6855	2,303	51%	£1,417	£2,310	£893
Holborn and St Pancras	1437	2949	1,512	105%	£1,417	£2,310	£893
Cambridge	899	1889	990	110%	£680	£1,219	£539
Islington North	2118	4082	1,964	93%	£1,417	£1,950	£533
Islington South and Finsbury	887	2024	1,137	128%	£1,417	£1,950	£533
Mitcham and Morden	4562	6655	2,093	46%	£1,017	£1,500	£483
Wimbledon	2041	3397	1,356	66%	£1,017	£1,500	£483

Renters living in the constituencies with the large increases in claimants are also more likely to face a bigger than average gap between their housing benefit payment and the rent they owe.

The average gap between the LHA on a two-bedroom property and average local rent in the constituencies that saw the biggest increases in claimants was £277, nearly twice as high as the national average of £155.

The areas with the biggest increase in claimants are more deprived than the national average, with an average deprivation score of 181.

This trend is repeated when examining the figures at a regional level – in every region in the country, the ten constituencies with the highest number of new benefits claimants are significantly more deprived than their region as a whole.

At present, the benefits system is creating the most hardship in the places where people most need it.

Table 2: Constituencies with the largest increases in PRS households claiming benefits in England

	Feb-20	Aug-20	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Tottenham	9398	15036	5,638	60%	£1,162	£1,550	£388
West Ham	6698	11587	4,889	73%	£1,076	£1,425	£349
Brent Central	10635	14900	4,265	40%	£1,417	£1,400	-£17
East Ham	8189	11656	3,467	42%	£1,076	£1,425	£349
Hornsey and Wood Green	4525	7780	3,255	72%	£1,162	£1,550	£388
Bethnal Green and Bow	2328	5564	3,236	139%	£1,417	£1,842	£425
Leyton and Wanstead	3129	6230	3,101	99%	£1,076	£1,325	£249
Poplar and Limehouse	3274	6361	3,087	94%	£1,417	£1,842	£425
Lewisham, Deptford	3293	6365	3,072	93%	£1,244	£1,350	£106
Ealing Central and Acton	5537	8549	3,012	54%	£1,376	£1,495	£119

3. Addressing the rent debt crisis

Our analysis highlights that, in every region of the country, thousands of people are newly reliant on a welfare system that is not able to meet their housing costs. The constituencies worst hit by the pandemic are more deprived than the country as a whole, suggesting the pandemic is further entrenching deprivation and inequality. Without intervention, privately rented households reliant on LHA to pay the rent are at risk of falling into arrears.

Renters who are unable to pay the rent have four options: dip into savings (if possible), cut back on essentials, take out a loan, or fall behind with payments.

With courts now open to process evictions, tenants in arrears will be at risk of losing their home and becoming homeless if they are unable to find another. Evidence suggests this is already happening, with rent arrears doubling since the onset of the pandemic.

To avert an increase in debt and homelessness as a result of the pandemic, the Government should take the following steps.

1. Increase Local Housing Allowance to cover average rents.

Our data indicates that renters in more than half of English constituencies are likely to face a significant shortfall, of £100 or more, between their benefit payments and their monthly rent. The Government should consider raising the LHA in line with the median local rent. Analysis conducted in 2019 by Shelter suggests there is limited evidence that raising LHA levels has an inflationary effect on rents.⁶ However, to reduce the risk that raising LHA would artificially keep rents at their pre-pandemic levels, the Government could also implement a temporary freeze on rent increases within tenancies, to prevent unscrupulous landlords from taking advantage of a new higher LHA rate. Regional options are also available, for example as a first step the Government could further explore the possibility of raising LHA in areas where upwards of 30% of private renter households are claiming, and by definition cannot all access the cheapest 30% of properties.

2. Scrap the Benefit Cap and widen eligibility.

The Government caps the total value of benefits a household can claim at £23,000 a year in London and £20,000 a year outside London. This cap prevents many in the private rented sector from claiming for the full amount of LHA to which they would otherwise be entitled. The number of families affected by the benefit cap, which limits how much any one household can receive in benefits, rose by 93% between February and May. Many new Universal Credit claimants have been exempt from the benefit cap, but this grace period only lasts for nine months, and people who applied for Universal Credit in March will be nearing the end of it around Christmas. The benefit cap disproportionately affects women and single parents - Research by the Women's Housing Forum found that single mothers make up 85% of those affected by the benefit cap.⁷ Scrapping the cap would ensure that families and larger households would be able to receive what they would otherwise be entitled to and cover their essential costs.

3. Introduce grant funding for renters already in arrears they cannot afford to pay back as a result of the first wave of the pandemic.

Reforming the benefits system is essential for preventing further arrears from building up, but one-off funding is needed to address debts already accrued. Generation Rent's proposed Coronavirus Home Retention Scheme would clear rent arrears for the tenant and compensate landlords for up to 80% of the total rent.

6. https://england.shelter.org.uk/_data/assets/pdf_file/0006/1827024/LHA_rate_rent_rise_briefing.pdf

7. <https://www.womenshousingforum.org/news/2020/9/29/blog-the-housing-affordability-gap-and-why-we-need-to-invest-in-social-housing-for-women>

4. Breakdown of LHA claimants, average rents, and rent gaps in each English region

Below is a breakdown of the constituencies with the largest increases in UC claimants in the private rented sector, the shortfall that average households in those constituencies are likely to face, and the relative deprivation score.

4.1 East Midlands

In total, the number of households claiming benefits living in the PRS increased by 36,916, or 37%.

38% of private renters are now relying on benefits to pay their rent, implying that 8% are facing a gap.

As a whole, the region is around average in terms of deprivation, with an average constituency deprivation index score of 288.

The constituencies with the highest numbers of new claimants are included in table 3, below.

Renters living in the median two-bedroom home in these constituencies would face a rent shortfall of around £120 a month. The constituencies with the largest increases in new benefit claimants are more deprived than the region as a whole, scoring, on average, 133, on the deprivation index.

A household in a two-bedroom property at the median rent for the region would face a gap of £102 between their monthly LHA payment and rent they owe.

Table 3: East Midlands constituencies with biggest increase in benefit claimants in PRS

	Claimants Feb 2020	Claimants Aug 2020	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Derby South	3775	5538	1,763	47%	£458	£570	£112
Nottingham East	4385	6060	1,675	38%	£478	£625	£147
Northampton South	2338	3990	1,652	71%	£592	£725	£133
Leicester West	3185	4602	1,417	44%	£483	£630	£147
Boston and Skegness	4173	5538	1,365	33%	£504	£595	£91
Leicester South	3664	4913	1,249	34%	£483	£630	£147
Lincoln	2607	3810	1,203	46%	£443	£595	£152
Corby	2493	3653	1,160	47%	£592	£650	£58
Mansfield	2861	4021	1,160	41%	£411	£485	£74
Wellingborough	1786	2893	1,107	62%	£497	£650	£153

4.2 East of England

In total, the number of households claiming benefits living in the PRS increased by 47,434 or 40%.

38% of private renters are now relying on benefits to pay their rent, implying that 8% are facing a gap.

As a whole, the region is around average in terms of deprivation, with an average constituency deprivation index score of 355.

The constituencies with the highest numbers of new claimants are included in table 4, below.

Those constituencies with larger increases are facing an average gap of £144 per month, around average. These constituencies are more deprived than the region as a whole, scoring 209 on the deprivation index on average.

For the region as a whole, a household in a two-bedroom property at average local rent would face a gap of £161 between their monthly LHA payment and rent they owe.

Table 4: East of England constituencies with biggest increase in benefit claimants in PRS

	Claimants Feb 2020	Claimants Aug 2020	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Luton South	5,058	7,330	2,272	45%	£688	£825	£137
Peterborough	3,963	6,047	2,084	53%	£524	£675	£151
Watford	2,834	4,299	1,465	52%	£923	£1,150	£227
Ipswich	3,550	4,905	1,355	38%	£524	£650	£126
Colchester	3,130	4,468	1,338	43%	£602	£750	£148
Bedford	2,900	4,209	1,309	45%	£625	£750	£125
Rochford and Southend East	5,949	7,232	1,283	22%	£710	£825	£115
Thurrock	3,079	4,282	1,203	39%	£756	£925	£169
North West Cambridgeshire	2,372	3,557	1,185	50%	£524	£675	£151
Norwich South	1,536	2,601	1,065	69%	£530	£695	£165
North East Cambridgeshire	2,930	3,947	1,017	35%	£524	£600	£76



4.3 London

In total, the number of households claiming benefits living in the PRS increased by 153,000 households, or 57%, between February and August 2020.

44% of private renters are now relying on benefits to pay their rent, implying that 14% are facing a shortfall.

The constituencies with the highest numbers of new claimants are included in table 5, below. Renters in these worst hit constituencies renting a two-bedroom property at average local rent can expect to face a shortfall of £275 every month between their LHA payment and the rent – almost double the national average of £155.

London is average in the country in terms of multiple deprivation, constituencies scoring an average of 258 of 533. However, the constituencies with the highest number of new claimants are more deprived than the London average, scoring just 146.

On average in London a rented household in a two-bedroom property at average local rent would face a gap of £336 between their monthly LHA payment and rent they owe.

Table 5: London constituencies with biggest increase in benefit claimants in PRS

	Claimants Feb 2020	Claimants Aug 2020	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Tottenham	9,398	15,036	5,638	60%	£1,162	£1,550	£388
West Ham	6,698	11,587	4,889	73%	£1,076	£1,425	£349
Brent Central	10,635	14,900	4,265	40%	£1,417	£1,400	-£17
East Ham	8,189	11,656	3,467	42%	£1,076	£1,425	£349
Hornsey and Wood Green	4,525	7,780	3,255	72%	£1,162	£1,550	£388
Bethnal Green and Bow	2,328	5,564	3,236	139%	£1,417	£1,842	£425
Leyton and Wanstead	3,129	6,230	3,101	99%	£1,076	£1,325	£249
Poplar and Limehouse	3,274	6,361	3,087	94%	£1,417	£1,842	£425
Lewisham, Deptford	3,293	6,365	3,072	93%	£1,244	£1,350	£106
Ealing Central and Acton	5,537	8,549	3,012	54%	£1,376	£1,495	£119





4.4 North East

In total, the number of households claiming benefits living in the PRS increased by 16,356, an increase of 19%. This is the lowest increase of any region.

However, 50% of private renters are now relying on benefits to pay their rent, implying that 20% are facing a shortfall.

The region is more deprived than England as a whole, with an average constituency deprivation index score of 148.

The constituencies with the highest numbers of new claimants are included in table 6.

The gap between LHA and average local rents in the constituencies which have seen the biggest increase in claimants is on average just £69, significantly less than the national average

On average across the North East a rented household in a two-bedroom property at average local rent would face a gap of £50 between their monthly LHA payment and rent they owe.

Table 6: North East constituencies with biggest increase in benefit claimants in PRS

	Claimants Feb 2020	Claimants Aug 2020	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Middlesbrough	5,819	7,040	1,221	21%	£432	£475	£43
Newcastle upon Tyne Central	3,767	4,786	1,019	27%	£458	£625	£167
Newcastle upon Tyne East	2,026	2,810	784	39%	£458	£625	£167
Gateshead	3,056	3,788	732	24%	£458	£475	£17
Darlington	3,924	4,634	710	18%	£400	£433	£33
Sunderland Central	4,628	5,298	670	14%	£432	£495	£63
North Tyneside	2,701	3,332	631	23%	£458	£500	£42
Stockton South	2,907	3,530	623	21%	£432	£500	£68
Stockton North	3,777	4,358	581	15%	£432	£500	£68
Bishop Auckland	3,697	4,247	550	15%	£400	£425	£25

4.5 North West

In total, the number of households claiming benefits living in the PRS increased by 56,000, an increase of 26%.

48% of private renters are now relying on benefits to pay their rent, implying that 18% are facing a shortfall.

The North West, on average, is one of the most deprived regions in the country. Constituencies on average have a deprivation index of 179.

The constituencies with the highest numbers of new claimants are included in table 7.

In the constituencies with the highest numbers of new claimants, renters in an average two-bedroom property could expect a gap of £84. These constituencies are among the most deprived in the country. On average, the constituencies have a deprivation index figure of just 38, putting them in the most deprived 10% of the country.

On average in the North West a rented household in a two-bedroom property at average local rent would face a gap of £87 between their monthly LHA payment and rent they owe.

Table 7: North West constituencies with biggest increase in benefit claimants in PRS

	Claimants Feb 2020	Claimants Aug 2020	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Manchester Central	4,240	6,741	2,501	59%	£546	£850	£304
Manchester, Gorton	5,888	7,859	1,971	33%	£546	£850	£304
Salford and Eccles	3,015	4,986	1,971	65%	£546	£695	£149
Liverpool, Riverside	3,368	5,278	1,910	57%	£464	£550	£86
Blackley and Broughton	6,151	7,796	1,645	27%	£546	£850	£304
Blackpool South	9,537	10,902	1,365	14%	£498	£520	£22
Liverpool, Wavertree	4,666	5,996	1,330	29%	£464	£550	£86
Manchester, Withington	1,797	3,122	1,325	74%	£546	£850	£304
Liverpool, Walton	6,107	7,244	1,137	19%	£464	£550	£86
Preston	3,767	4,856	1,089	29%	£483	£525	£42



4.6 South East

In total, the number of households claiming benefits living in the PRS increased by 73,288, an increase of 39%.

37% of private renters are now relying on benefits to pay their rent, implying that 7% are facing a shortfall.

The region is affluent relative to England as a whole, with an average constituency deprivation index score of 373.

The constituencies with the highest numbers of new claimants are included in table 8.

In the constituencies with the highest numbers of new claimants, renters in an average two-bedroom property could expect a gap of £160 a month between their LHA payment and rent, slightly above the national average.

On average across the region a rented household in a two-bedroom property at average local rent would face a gap of £160 between their monthly LHA payment and rent they owe.

Table 7: North West constituencies with biggest increase in benefit claimants in PRS

	Claimants Feb 2020	Claimants Aug 2020	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Slough	4,995	7,233	2,238	45%	£909	£1,000	£91
Brighton, Pavilion	3,839	5,922	2,083	54%	£902	£1,195	£293
Hove	4,678	6,572	1,894	40%	£902	£1,195	£293
Southampton, Test	3,882	5,637	1,755	45%	£712	£815	£103
Portsmouth South	4,178	5,884	1,706	41%	£657	£775	£118
Crawley	2,541	4,236	1,695	67%	£871	£1,025	£154
Milton Keynes North	2,825	4,365	1,540	55%	£710	£895	£185
Eastbourne	5,406	6,794	1,388	26%	£690	£825	£135
Southampton, Itchen	2,973	4,274	1,301	44%	£712	£815	£103
Isle of Wight	5,351	6,627	1,276	24%	£539	£625	£86





4.7 South West

In total, the number of households claiming benefits living in the PRS increased by 47,509, an increase of 34%.

39% of private renters are now relying on benefits to pay their rent, implying that 9% are facing a shortfall.

The region is affluent relative to England as a whole, with an average constituency deprivation index score of average deprivation index of 322.

The constituencies with the highest numbers of new claimants are included in table 9.

In the constituencies with the highest numbers of new claimants, renters in an average two-bedroom property could expect a gap of £155 between their LHA payment and their rent. These constituencies have an average deprivation index of 195, and are significantly more deprived than the region as a whole.

Across the South West a rented household in a two-bedroom property at average local rent would face a gap of £115 between their monthly LHA payment and rent they owe.

Table 9: South West Constituencies with biggest increase in benefit claimants in PRS

	Claimants Feb 2020	Claimants Aug 2020	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Bristol West	3182	5894	2,712	85%	£710	£1,000	£290
Bournemouth East	6787	8748	1,961	29%	£697	£825	£129
Bournemouth West	4640	6543	1,903	41%	£697	£825	£129
Plymouth, Sutton & Devonport	6554	8269	1,715	26%	£541	£625	£84
Bristol East	3007	4449	1,442	48%	£710	£1,000	£290
Torbay	7361	8719	1,358	18%	£566	£625	£59
Bristol South	2207	3542	1,335	60%	£710	£1,000	£290
Gloucester	3547	4879	1,332	38%	£557	£640	£83
South Swindon	2254	3521	1,267	56%	£598	£725	£127
St Austell and Newquay	4529	5701	1,172	26%	£585	£650	£65
Exeter	2254	3385	1,131	50%	£624	£795	£171

4.8 Yorkshire and the Humber

In total, the number of households claiming benefits living in the PRS increased by 41,798, or 29%.

43% of private renters are now relying on benefits to pay their rent, implying that 13% are facing a shortfall.

The region is more average in terms of deprivation relative to England as a whole, with an average constituency deprivation index score of 208.

The constituencies with the highest numbers of new claimants are included in table 10.

In the constituencies with the highest numbers of new claimants, renters in an average two-bedroom property could expect a gap of £144 between their LHA payment and their rent. These constituencies are significantly more deprived than the region as a whole, with an average deprivation index of 76.

On average a rented household in a two-bedroom property at average local rent would face a gap of £90 between their monthly LHA payment and rent they owe.

Table 10: Yorkshire and the Humber constituencies with biggest increase in benefit claimants in PRS

	Claimants Feb 2020	Claimants Aug 2020	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Leeds Central	5,651	7,684	2,033	36%	£541	£695	£154
Bradford West	5,313	6,771	1,458	27%	£432	£525	£93
Doncaster Central	3,983	5,371	1,388	35%	£412	£490	£78
Sheffield Central	1,898	3,205	1,307	69%	£473	£595	£122
Leeds West	2,823	4,090	1,267	45%	£541	£695	£154
Bradford East	5,281	6,540	1,259	24%	£432	£525	£93
Kingston upon Hull West and Hessle	4,146	5,384	1,238	30%	£381	£425	£44
Kingston upon Hull North	2,903	4,042	1,139	39%	£381	£425	£44
Leeds East	3,733	4,781	1,048	28%	£541	£695	£154



4.9 West Midlands

In total, the number of households claiming benefits living in the PRS increased by 43,671, an increase of 34%.

43% of private renters are now relying on benefits to pay their rent, implying that 13% are facing a shortfall.

The region is average in terms of deprivation relative to England as a whole, with an average constituency deprivation index score of 219.

The constituencies with the highest numbers of new claimants are included in table 11.

In the constituencies with the highest numbers of new claimants, renters in an average two-bedroom property could expect a gap of £121 between their LHA payment and the rent, around the national average. These constituencies are significantly more deprived than the region as a whole, with an average deprivation index of 73.

On average a rented household in a two-bedroom property at average local rent in the West Midlands would face a gap of £107 between their monthly LHA payment and rent they owe.

Table 11: West Midlands constituencies with biggest increase in benefit claimants in PRS

	Claimants Feb 2020	Claimants Aug 2020	Increase	% increase	LHA Rate (two bed)	Median Rent	Gap
Birmingham, Ladywood	3,988	5,778	1,790	45%	£564	£725	£161
Coventry North East	4,359	5,734	1,375	32%	£507	£650	£143
Birmingham, Erdington	3,739	4,929	1,190	32%	£564	£725	£161
Warley	2,887	4,066	1,179	41%	£564	£575	£11
Coventry North West	3,021	4,178	1,157	38%	£507	£650	£143
Telford	4,520	5,672	1,152	25%	£483	£575	£92
Birmingham, Perry Barr	4,144	5,279	1,135	27%	£564	£725	£161
Birmingham, Hall Green	4,350	5,484	1,134	26%	£564	£725	£161
Burton	2,340	3,417	1,077	46%	£458	£550	£92
Wolverhampton South West	2,995	4,021	1,026	34%	£464	£550	£86



Generation Rent is the national voice of private renters. We campaign to ensure that private rented housing is safe, secure and affordable

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