



Introducing flexibility to the benefit cap to prevent and end homelessness

During the current public health crisis, we've seen an extraordinary effort by individuals, organisations, and governments to get thousands of people experiencing homelessness into safe accommodation. Now the UK Government must ensure that the welfare system supports people to keep a roof over their heads when they lose work due to the end of the furlough scheme, local lockdowns or because businesses shut down altogether. This can be done at the Spending Review by ensuring the benefit cap isn't pushing people to the brink of homelessness.

The economic storm brought on by the pandemic has swept millions of people out of work or struggling to get by on vastly reduced hours, all the while trying to cover high rents. While the UK Government announced extra help for people in these difficult times to pay their rent by investing in housing benefit, many families and individuals aren't receiving this extra support because they are hit by the benefit cap. And restricting the financial support that someone needs to stay safe in their home is pushing people to the brink of homelessness.

How is the benefit cap affecting families and individuals?

Two and a half million people made a new claim for Universal Credit between mid-March and August 2020. Yet 150,000 families and individuals were hit by the benefit cap as of May 2020 – which means that they received limited financial support from the welfare system to cover their basic living costs. Since lockdown there has been a 500% increase in the number of families and individuals that have been hit by the benefit cap for the first time. On average, these families and individuals missed out on £246 per month in financial support,¹ leaving people in impossible situations where they cannot pay their rent or put food on the table.

¹ DWP (28 August 2020) Benefit Cap: Number of households capped to May 2020 <https://www.gov.uk/government/publications/benefit-cap-number-of-households-capped-to-may-2020/benefit-cap-number-of-households-capped-to-may-2020>

A fair welfare system gives people time to get back on their feet in hard times

Some people receive a nine-month grace period which protects them from being hit by the cap after losing their job, allowing them to receive the support they need to get back on their feet. But this vital breathing space isn't available to everyone. In fact, people in the most precarious positions such as freelancers, those on seasonal or zero hours contracts, or those who've had time off or hours reduced due to illness, disability or caring responsibilities, don't qualify for this protection period, and so are likely to be hit by the benefit cap and locked out of the support that others receive if they have lost their jobs in the pandemic. This is pushing people to the brink of homelessness.

What's more, of the people who have been helped off the streets and into emergency accommodation throughout lockdown, we know that some are unable to move into a secure home because the benefit cap means they can't afford to pay rent. This is forcing people to stay stuck in limbo, unable to take steps to leave homelessness behind for good.

The UK Government can prevent and end homelessness with benefit cap protections

Crisis is calling on the UK Government to use the upcoming Spending Review to give people a lifeline by ensuring that anyone who is at risk of losing their home is given a 12-month protection period from the benefit cap. This will mean that people can access the financial support they need to pull them back from the brink.

We also need to see people experiencing the worst forms of homelessness, such as people sleeping rough and those stuck in emergency accommodation, exempted from the benefit cap altogether to give them the best chance of being able to rebuild and move on with their lives.

Many decisions about housing and homelessness are made by national governments but welfare policies are made in Westminster for the whole of the UK, so we need the UK Government to make these commitments to help prevent homelessness across Great Britain.

The UK Government should:

- 1 Extend the benefit cap grace period to 12 months and ensure it covers people who are at risk of homelessness. This gives people a little more time to recover during this economic downturn, and helps people to get back on their feet when stability is needed most.
- 2 Permanently exempt people who are sleeping rough or have spent three months in a homeless hostel or other forms of emergency accommodation from the benefit cap, so that they can move towards leaving homelessness behind for good.

If we fail to act, we could see thousands of people pushed into homelessness as the full economic impact of the pandemic takes hold, and others stuck in limbo in emergency accommodation, or forced to sleep rough with the virus still a risk.

How can I help to prevent and end homelessness?

Together, we can ensure the welfare system works for everyone by giving financial support to people when they need it most. Let's ensure that no one is needlessly pushed into homelessness, or stuck in emergency accommodation, because of the benefit cap.

- 1 Post to your network on social media to raise awareness of how the benefit cap pushes people into homelessness. You can use this example post below.

A fair welfare system gives people time to get back on their feet in hard times. At the Spending Review this Autumn the Government can introduce flexibility to the **#benefitcap** in order to prevent and **#endhomelessness**. **@RishiSunak**

- 2 Tell us if you've been affected by the benefit cap. This helps us to build a fuller picture of the impact of the benefit cap and campaign for a future without homelessness. You can use this [link](#) or email us on stories@crisis.org.uk

To find out more about how you can be part of the movement to end homelessness visit www.crisis.org.uk/get-involved/home-for-all/ or email campaigns@crisis.org.uk

