



## **Introducing flexibility to the benefit cap to prevent and end homelessness**

### **Summary**

During the current public health crisis, we have seen an extraordinary effort by national and local government to safely accommodate people experiencing homelessness. In the economic storm brought on by the pandemic, the Government should continue its preventative approach to ensure that people are protected from being swept into homelessness. The welfare system has rightly been strengthened to help people to weather the pandemic, and with some further flexibility, it will continue to be a vital lifeline that supports people to keep a roof over their heads when they lose work due to the pandemic, including local lockdowns or because businesses shut down altogether.

One of the most impactful policy changes from the Westminster Government in response to the pandemic has been to restore Local Housing Allowance (LHA) rates to cover the cheapest third of market rents (30th percentile). Crisis has seen the overwhelming difference this has made with our frontline services being able to secure tenancies and move people out of homelessness. However, in some cases the

benefit cap has unintentionally limited this much-needed additional support, leaving families and individuals struggling to keep up with paying their rent, pushing them to the brink. Existing protections in the benefit cap should be extended for a temporary period of time to ensure that all who need it receive the additional support the Government put in place at the start of the pandemic.

When they lose their jobs, the majority of people are given a nine-month grace period before having their benefits capped and for most that would be enough time to get back on their feet and back into work. However, in the current climate this protection is too brief as the economic impact of the pandemic is still unfolding. This protection also isn't always available to people who have been living on the lowest incomes. This situation risks leaving many with spiralling rent arrears, and the threat of eviction. The DWP already recognises the destabilising impact that homelessness has on people's ability to retain or enter work, and work coaches can apply flexibility in applying conditionality to prevent the risk of homelessness. The DWP should be able to apply a similar flexibility in the application of the benefit cap, to ensure no one is swept into homeless, particularly in the winter months ahead while the virus still poses a risk.

**The DWP should be able to apply the grace period from the benefit cap for 12 months to give people a little more time to recover during this economic downturn, and be able to use it as an easement to support capped households if they are threatened with homelessness, so that they can get back on their feet when stability is most needed.**

Moreover, in some areas the benefit cap makes it difficult for people to move out of emergency accommodation and into secure tenancies, as the cap limits the financial support to cover the cost of rents. The Westminster Government has made incredible progress towards ending rough sleeping through the Everyone In initiative in England, with nearly 15,000 people supported into emergency accommodation.<sup>1</sup> To support people into secure tenancies so they can leave homelessness behind for good, exemptions are needed to the benefit cap to prevent people returning to rough sleeping or left in limbo in emergency accommodation.

**The DWP should permanently exempt people who have slept rough, or spent three months in a homeless hostel or other forms of emergency accommodation from the benefit cap, so that they can secure affordable housing so they can move towards leaving homelessness behind for good. This would bring the benefit cap in line with the Shared Accommodation Rate, where the DWP is already working on delivering flexibility in the welfare system, to prevent homelessness.<sup>2 3</sup>**

Preventing homelessness can be built into our welfare system, and the DWP has already made great strides in this direction, but the lack of flexibility within the benefit cap remains an area that needs to be addressed, particularly in the context of the pandemic. In other areas of the benefits system, the DWP has clearly shown that they understand that homelessness makes it even harder to get a job, and providing emergency housing is much more expensive than supporting people to stay in their home and get back on their feet.

Crisis is calling for the Westminster Government to make these two amendments to the way that the benefit cap is used, to continue the progress made in response to the pandemic to ensure the welfare system is able to better support people who are being pushed to the brink, and help people in emergency accommodation move into secure tenancies to leave homelessness behind for good.

## **COVID-19 makes tackling homelessness more important than ever**

People experiencing homelessness, particularly those who are sleeping rough, have been among those who have been most exposed to the risks of COVID-19. Not only do they not have a safe home to self-isolate in or follow sanitation guidance, but people experiencing homelessness are also three times more likely to experience a chronic

# HOM

1 MHCLG (26 May 2020) Press release: Dame Louise Casey calls on community partners to help with COVID-19 rough sleeping crisis <https://www.gov.uk/government/news/dame-louise-casey-calls-on-community-partners-to-help-with-covid-19-rough-sleeping-crisis>

2 DWP (April 2014) Local Housing Allowance Guidance Manual [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/324708/lha-guidance-manual.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/324708/lha-guidance-manual.pdf)

3 HM Treasury (March 2020) Budget 2020 [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/871802/Budget\\_2020\\_Print.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/871802/Budget_2020_Print.pdf)

health problem including respiratory conditions. It was therefore critical that the Government took action through the Everyone In scheme to ensure that people access a place where they can protect themselves from the risks of COVID-19. The extraordinary action taken during the outbreak undoubtedly saved lives while also demonstrating that ending homelessness is within our grasp.

Crisis has called on the Westminster Government to build on this unparalleled progress and commit to a plan that will enable everyone across Great Britain to have the security of a safe and settled home; including implementing the legal changes and funding needed to continue to protect people experiencing homelessness and prevent homelessness for the duration of the pandemic.

The Westminster Government has already taken extraordinary steps to protect people from homelessness through the welfare system. The restoration of LHA rates and increases in the Universal Credit standard allowance have undoubtedly supported many to stay in their homes during the pandemic.

However, the impact of the pandemic has meant significant numbers of people have unexpectedly lost work and income, placing strain on the welfare system and exposing gaps in existing protections built into the benefit cap.<sup>4</sup> As the economic consequences of the pandemic unfold, there is also a risk that more people will lose work due to the end of the furlough scheme, local lockdowns, or because businesses have to close their doors altogether. This means that families across the country are facing difficult times and are struggling to pay rent, with the most economically vulnerable households hit hardest.

- 63% of private renters have no savings to cushion them from the financial impact of this emergency.<sup>5</sup> Key workers and workers in shut down sectors are less likely to have savings than those who have been able to work from home.<sup>6</sup>

- Two fifths (43%) of renters whose work has been impacted by the COVID-19 outbreak report that they've struggled to pay rent, bills or for other essentials such as food, and there has been a significant increase in the demand for food bank support.<sup>7 8</sup> Thirteen per cent of private renters have already fallen behind on paying their rent, and twelve per cent have had to cut back on essentials such as covering household bills and eating fruit and vegetables.<sup>9</sup>
- Rent arrears are the leading cause of landlord eviction in England and Wales, and as we work together to respond to this crisis, additional support is needed to ensure that people's homes are not put at risk because of this emergency.<sup>10</sup>

Given time, the vast majority of people who have lost their jobs due to coronavirus will quickly get back on their feet, going back to work as lockdowns end, increasing their hours again, or finding new jobs in the future as the economy recovers. The most important thing is to prevent people from losing the roof over their head in the meantime, and to help people who have already lost their homes or were homeless before the public health crisis find a safe and secure home.

### **The benefit cap needs amendment so that vital LHA investment can reach those who most need it**

Earlier this year, in response to the coronavirus outbreak, the Government announced a number of significant measures to protect people from the impact of the virus. The investment in the welfare system has provided a vital lifeline to people in these unprecedented times, most notably restoring Local Housing Allowance (LHA) rates back to the 30th percentile and increasing the Universal Credit standard allowance by £20 per month. This has helped many private renters continue paying their rent during the pandemic, meaning they didn't lose their home when they lost work, and has meant others have been moved out of homelessness and into secure tenancies. However, the unintended

4 DWP (11 August 2020) Universal Credit Statistics: 29 April 2013 to 9 July 2020 <https://www.gov.uk/government/publications/universal-credit-statistics-29-april-2013-to-9-july-2020/universal-credit-statistics-29-april-2013-to-9-july-2020>

5 MHCLG (17 July 2019) English Housing Survey 2017-18: Private Rented Sector Report <https://www.gov.uk/government/statistics/english-housing-survey-2017-to-2018-private-rented-sector>

6 Bangham, G. and Leslie, J. (June 2020) Rainy days: An audit of household wealth and the initial effects of the coronavirus crisis on saving and spending in Great Britain, Resolution Foundation <https://www.resolutionfoundation.org/app/uploads/2020/06/Rainy-Days.pdf>

7 Opinium (2020) Impact of COVID-19 on Renters, Opinium and the Guardian <https://www.opinium.co.uk/wp-content/uploads/2020/04/OP14414-Opinium-and-The-Guardian-COVID-19-and-Renters-Report.pdf>

8 Trussell Trust (2020) Press release: Food banks report record spike in need as coalition of anti-poverty charities call for strong lifeline to be thrown to anyone who needs it <https://www.trusselltrust.org/2020/05/01/coalition-call/>

9 Judge, L. (30 May 2020) Coping with housing costs during the coronavirus crisis: Flash findings from the Resolution Foundation's coronavirus survey, Resolution Foundation <https://www.resolutionfoundation.org/publications/coping-with-housing-costs-during-the-coronavirus-crisis/> 10 MHCLG (31 January 2019) English Private Landlord Survey 2018: main report <https://www.gov.uk/government/publications/english-private-landlord-survey-2018-main-report>

10 MHCLG (31 January 2019) English Private Landlord Survey 2018: main report <https://www.gov.uk/government/publications/english-private-landlord-survey-2018-main-report>

interaction between these additional measures and the benefit cap has meant that for many, this lifeline has been out of reach, and they are at risk of being swept into homelessness.

The benefit cap has been missed among other policies to support people, which has unintentionally hindered the Government's investment. The benefit cap continues to limit overall benefit support to £23,000 in London and £20,000 across the rest of the UK for all families (it is set at £15,410 and £13,410 for single people). This means that many families and individuals don't receive the extra financial support that the Government has made available since March.

For example in London, analysis by Policy in Practice found that 22,300 people receiving UC were already subject to the cap, and on average, they missed out on £219 per month.<sup>11</sup> This becomes even higher for renting families with children, who missed out on £431 per month on average.

### **Peter's\* story**

Peter experienced a relationship breakdown with his wife and had to leave the family home. His children live in East London, so he was keen to find somewhere to live nearby, but this has been made impossible due to the benefit cap.

In March, before lockdown, Crisis supported Peter to move into a studio. The tenancy was with a landlord that we have a long-standing relationship with and he agreed to reduce the rent to a more affordable amount. However, this still meant Peter had to pay a top-up towards his rent from his standard living allowance.

Since the lockdown, the increase in the standard living allowance has meant that the housing payment from Universal Credit was reduced due to the benefit cap. This has meant he does not have additional funds to pay towards the increasing costs of living as a result of the impact of COVID-19 on daily amenities. If the benefit cap were not in place, Peter would benefit from the increased living allowance and could remain living close to his family.

\* Crisis client, not real name

Crisis frontline staff are reporting that in some cases, the unintended interaction between restored LHA rates and the benefit cap is putting some people at risk of losing their tenancies, having been supported into homes and out of homelessness.

Throughout the outbreak, new claims for UC have predominantly come from individuals and families renting privately.<sup>12</sup> For people impacted by the benefit cap, the shortfall is forcing families into impossible situations where they cannot pay their rent, bills and feed their children in these uncertain and worrying times.

- DWP data has shown a 93% increase in capped households, driven mostly by a 500% increase in the number of newly capped households.<sup>13</sup>
- On average, families and individuals are capped by £57 per week, or £246 per month, a substantial deduction from UC payments, which can quickly spiral into unmanageable arrears.<sup>14</sup>

We know that investment in the welfare system has a strong relationship with preventing homelessness, which has been well evidenced in Alma Economics' analysis of LHA and the benefit cap.<sup>15</sup> The Government rightly recognised this when it invested in Local Housing Allowance earlier this year. Relieving people from the impacts of the benefit cap amplifies the welfare gains that accrue to them as a result of the existing LHA uplift, and increases the savings to homelessness services, by reducing need for expensive temporary accommodation and associated assistance, such as through health services.

### **The welfare system can provide better support to all who need it in a pandemic than local authority discretion**

Local authorities have traditionally plugged the gaps in welfare support through Discretionary Housing Payments (DHPs). While DHPs can play a key role in preventing homelessness, only £54m of the DHP allocation for 2020/21 has been earmarked for mitigating the impact of the benefit cap. This is in contrast to an overall shortfall of £190m in 2017/18, a gap that is greater now.<sup>16</sup>

11 11,700 are on legacy benefits, 10,600 are on Universal Credit.

12 Brewer, M. and Handscomb, K. (2020) This time it's different – Universal Credit's first recession, Resolution Foundation <https://www.resolutionfoundation.org/publications/this-time-is-different-universal-credits-first-recession/>

13 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>

14 *ibid.*

15 Alma Economics (2019) Local Housing Allowance: Options for reform, Crisis: London <https://www.crisis.org.uk/media/240978/alma-economics-local-housing-allowance-options-for-reform-002.pdf> The analysis was conducted according to Green Book principles, calculating costs and benefits that are additional to the baseline. Benefits include assessment of any health and social effects (i.e. "welfare gains")

16 Work and Pensions Committee (6th March 2019) The Benefit Cap. House of Commons: London <https://publications.parliament.uk/pa/cm201719/cmselect/cmworpen/1477/1477.pdf>

## Charlie's\* story

Charlie was housed in August 2019 in a private rented studio, in one of six small flats which is part of a converted house. When Charlie moved into the property, the rent was set at £1198.21 (the one-bed LHA rate for his area). Due to being in work part-time, Charlie was not affected by the benefit cap and was able to afford his rent through a combination of his earnings and UC.

However, in December 2019, Charlie lost his job and was reliant solely on his UC. He was then affected by the benefit cap which created a monthly rent shortfall of £231.85 per month. This money was taken directly from his UC standard allowance and left him with £0 per month to live off (after additional deductions for advance payments etc. were deducted). Crisis helped Charlie to apply for a DHP which has helped with his living costs up until March 2020.

Charlie has now reached the end of his six-month assured shorthold tenancy and is struggling to find cheaper housing to move to. In Charlie's case, the increase to LHA rates has very little impact on his situation as the benefit cap means it would not increase the support he is receiving from UC. Charlie started having Covid-19 symptoms last week and has an underlying heart condition. While Charlie may be assisted to apply for an additional DHP, this is only a temporary measure and the likelihood of accruing high arrears is arguably higher than it was before. Crisis is continuing to work with Charlie to try and negotiate a rent reduction, apply for additional DHP and access essential food bank vouchers.

\* Crisis client, not real name

Select Committee heard that in one case, an applicant was told by her local authority that she could only receive a DHP if she stopped paying for activities for her children, cut off her internet and gave up the car she needed to get her three children to school.<sup>18</sup>

Although there are examples of local authorities using DHPs effectively, as part of a holistic approach to homelessness, claimants in other areas aren't always made aware of DHPs, and can therefore struggle to even access the form.<sup>19</sup> In order to properly prevent homelessness, protections need to be built into the welfare system and the benefit cap itself, as the Government recognized with the additional protections set out in March.

## Extending protections in the benefit cap will help keep a roof over everyone's head

The government offers a nine-month protection period from the benefit cap for people who need support from the benefits system and who have been in work for a year.<sup>20</sup> This gives people time to get back on their feet if they become sick or lose work. Most people don't need long to move back into work, with pre-COVID statistics showing that a significant minority of unemployed people (44%) have been unemployed for less than three months.<sup>21</sup> Only a quarter are unemployed for longer than a year.

This nine-month grace period rightly recognises that for people to get back on their feet and reenter work, a period of time is needed where they can continue to pay their rent and keep a

# FOR

17 Park, M. (2019) The Implementation of Discretionary Housing Payments by Local Authorities in England, Institute for Social Policy, Housing, Equalities Research, Heriot Watt University <https://www.i-sphere.hw.ac.uk/wp-content/uploads/sites/23/2019/10/DHP-Final-report-June-2019.pdf>

18 Work and Pensions Committee (6th March 2019) The Benefit Cap. London: House of Commons <https://publications.parliament.uk/pa/cm201719/cmselect/cmworpen/1477/1477.pdf>

19 Park, M. (2019) The Implementation of Discretionary Housing Payments by Local Authorities in England, Institute for Social Policy, Housing, Equalities Research, Heriot Watt University

20 The "grace period" applies if all of the following are true: an applicant is claiming Universal Credit because they stopped working or their earnings went down, they are now earning less than £604 a month and in each of the twelve months before their earnings went down/they stopped working, they earned the same as or more than the earnings threshold. <https://www.gov.uk/benefit-cap/how-earnings-affect-when-benefit-cap-starts>

21 Annual Population Survey bulletin (16 October 2019) Length of time spent in unemployment <https://www.ethnicity-facts-figures.service.gov.uk/work-pay-and-benefits/unemployment-and-economic-inactivity/length-of-time-spent-in-unemployment/latest>

roof over their head. By keeping their tenancies secure and minimizing the risk of rent arrears, DWP supports people to focus on their job search.

However, this grace period isn't available to everyone who may need it. It does not apply to anyone whose income has dipped below £604 per month in the last year. This impacts workers in different situations, including, but not limited to:

- People who are not salaried, because they work freelance or as "gig" workers, where they have had gaps in work.
- People who have had a break in work after a seasonal contract, for example in agriculture and tourism over the summer, or retail over Christmas.
- People on zero-hours contracts, where they have not been given enough hours per week at some point in the last twelve months.
- People working in sectors with low job security, such as in social care or hospitality.
- People who have had to take time off or significantly reduce their hours in the last twelve months due to illness, disability or a caring responsibility, including due to COVID-19.

During the pandemic, many people in these situations have been trying to weather the worst of the economic storm. They are more likely to have lost work, or are at greater risk of the coronavirus, meaning that losing their income is a very real and present threat.<sup>22</sup>

These are the workers who are most likely to have been under the long-term pressure of low incomes, so that losing a job or a bout of illness is significantly more likely to result in arrears, than for those who have been in receipt of steady incomes over a period of time. When people in these circumstances lose work, by not qualifying for the grace period and being hit by the benefit cap, they are at higher risk of being unable to cover their rent and essentials like food and building up unsustainable arrears. Without flexibility built into the benefit cap, the DWP cannot adjust it when these arrears result in the risk of homelessness.

## Ensuring the grace period protects everyone from homelessness

**Crisis recommends extending the grace period to twelve months, and for work coaches to be able to apply it as an easement to support capped households if they are at risk of homelessness, giving them time to get back on their feet.**

Currently, work coaches apply a temporary easement for any UC claimant who is homeless or at risk of homelessness. This adapts their conditionality requirements so that they can resolve their accommodation issues before focusing fully on work search obligations once more. This welcome flexibility recognises the additional barriers faced when someone doesn't have a stable roof over their heads. Homelessness, or the threat of it, makes looking for or sustaining work much more difficult. DWP is better able to fulfil its objectives of getting people back into work more effectively when claimants do not face the destabilising effects of homelessness. The Government has already done significant work over the last few years to extend this easement and ensure that work coaches are supported to apply it. This has been a very positive development, and this approach should be taken one step further, to allow the grace period from the benefit cap to be added to the tools a work coach can use to prevent homelessness.

This would operate as a targeted measure for those facing the biggest housing risk, by applying the grace period to any household already affected by the cap who is homeless or threatened homeless as defined by section 175 of the Housing Act 1996, as amended under the Homelessness Reduction Act 2017.<sup>23</sup> Due to the ongoing variations in eviction notice periods, and the variation between

ALL

22 Gardiner, L. and Slaughter, H. (16 May 2020) The effects of the coronavirus crisis on workers: Flash findings from the Resolution Foundation's coronavirus survey, Resolution Foundation <https://www.resolutionfoundation.org/app/uploads/2020/05/The-effect-of-the-coronavirus-crisis-on-workers.pdf>; Cominetti, N., Gardiner, L. and Kelly, G. (19 April 2020) What happens after the clapping finishes? The pay, terms and conditions we choose for our care workers <https://www.resolutionfoundation.org/app/uploads/2020/04/Care-workers-spotlight.pdf>  
23 <https://www.legislation.gov.uk/ukpga/1996/52/section/175> 24 <https://www.legislation.gov.uk/ukpga/1987/26/section/24> 25 Crisis Press Release (20 August 2020) Number of renters facing homelessness due to eviction at beginning of 2020 rises by 24% - Crisis response <https://www.crisis.org.uk/about-us/media-centre/number-of-renters-facing-homelessness-due-to-eviction-at-beginning-of-2020-rises-by-24-crisis-response/>

England and Wales, it would also be useful include anyone served with a section 21 notice, whether it will come into force within 56 days or later. In Scotland, homeless or threatened with homelessness as defined under Part II of Housing (Scotland) Act 1987 (as amended).<sup>24</sup>

The grace period as it is currently used prevents the build-up of significant arrears for people who have homes but have lost income. By extending its use to be applied as an easement, work coaches would be able to better support families and individuals who are being evicted and need to secure a new tenancy. Decision-making could be done on the same basis and following the same process that the DWP currently uses to implement the homelessness easement with significant success. This would not require any IT build to result in automated decision-making, meaning that the only necessary amendment would be to allow for the manual implementation of the grace period.

At a time when a rising number of renters are struggling to cover their rental costs, this breathing space would support people to keep a roof over their head.<sup>25</sup> Twelve months' grace period when facing a housing crisis could be the difference between someone being pushed into homelessness, or being able to get back on their feet and back into work.

Further extending the grace period by three months will give people additional time to find work or pay back arrears, and would support those people whose tenancies are ending to be able to access a new tenancy. Giving twelve full months of protection from the benefit cap would make a significant difference to people's housing security. It would be long enough to ensure that someone can afford a full year's tenancy in one of the cheapest 30% of private rented homes in their area, if LHA rates are maintained at the 30% percentile.

This change would be most effective if introduced retroactively to give immediate relief, so that people who are currently in the grace period can benefit, which would extend this breathing space to until Spring 2021, instead of in December. Forty-two per cent of renters who have made a UC claim since the coronavirus outbreak are unable to cover

housing costs in full or in part, and extending the grace period will offer extra relief to those families and individuals who will struggle to recover their incomes by Christmas.<sup>26</sup>

## **Introducing a new exemption to help people to leave the worst forms of homeless behind**

**The Government should permanently exempt people who have are sleeping rough, or have spent three months in a homeless hostel from the benefit cap, so that they can move towards leaving homelessness behind for good.**

Recent investment in LHA rates has provided vital support to people who have struggled to get into the private rented sector for a long time. In Edinburgh, our analysis shows that under the previous LHA rate, just 20 – 30 private lettings were advertised within LHA rates prior to March 2021. This has now increased to around 400 lettings under the new rates, demonstrating the significance of this increase, for those who are able to receive the full allowance. Crisis frontline staff have already been able to support clients to escape homelessness as a result of this Government investment.

We know that for a lot of people, helping them to access mainstream, self contained accommodation as quickly as possible helps them to avoid the destabilising and marginalising effects of prolonged homelessness.<sup>27</sup> However, emerging findings from Crisis' COVID-19 research with local authorities is finding that in some areas, the benefit cap represents an ongoing barrier to moving people on from emergency COVID-19 accommodation such as hotels and other temporary accommodation.

Almost all of the people who have been homeless and stuck in this situation would be eligible for some breathing space under the above recommendation for a homelessness grace period. For many, this flexibility would be the right measure from the welfare system to get them back on their feet. For people who have experienced the worst kinds of homelessness, their support needs can often be more intensive and longer-lasting. People who have had to sleep rough, especially for a long period of time are significantly more likely to have

24 <https://www.legislation.gov.uk/ukpga/1987/26/section/24>

25 Crisis Press Release (20 August 2020) Number of renters facing homelessness due to eviction at beginning of 2020 rises by 24% - Crisis response <https://www.crisis.org.uk/about-us/media-centre/number-of-renters-facing-homelessness-due-to-eviction-at-beginning-of-2020-rises-by-24-crisis-response/>

26 Judge, L. (30 May 2020) Coping with housing costs during the coronavirus crisis: Flash findings from the Resolution Foundation's coronavirus survey, Resolution Foundation <https://www.resolutionfoundation.org/publications/coping-with-housing-costs-during-the-coronavirus-crisis/> 27 Downie, M., Gousy, H., Basran, J., Jacob, R., Rowe, S., Hancock, C., Albanese, F., Pritchard, R., Nightingale, K. and Davies, T. (2018) *Everybody In: How to end homelessness in Great Britain*. London: Crisis.

27 Downie, M., Gousy, H., Basran, J., Jacob, R., Rowe, S., Hancock, C., Albanese, F., Pritchard, R., Nightingale, K. and Davies, T. (2018) *Everybody In: How to end homelessness in Great Britain*. London: Crisis.

ongoing health and support needs and their ability to quickly find work might be limited.

The welfare system already recognises the impact that homelessness has on someone's housing needs, by exempting anyone who has lived in a homeless hostel for three months from the Shared Accommodation Rate, including exempting people who have been in emergency accommodation during the pandemic through the Everyone In scheme. The same metric should be used to permanently exempt someone from the benefit cap, to allow them to afford a secure and stable home close to where they receive support without sleeping in B&Bs, hostels, on sofas, or the street. This does not require additional data collection, since this information is already collected by the DWP. This could be implemented through either a systematic removal of the benefit cap, or through a manual suspension, whichever is the easiest to implement.

DWP should also include a permanent exemption for people sleeping rough, so that they can quickly access secure accommodation, and are not forced to go through the homelessness system into hostels or emergency accommodation, which can result in additional support needs as it takes longer to resolve homelessness. This would bring the benefit cap into line with existing plans for Shared Accommodation Rate, as announced at Budget in March to further the Government's objectives of ending rough sleeping in this parliament.

For those who currently find that a proper tenancy is out of reach, this would be a lifeline. From the safety of a home, people will be able to get more out of support services and access work so that they can leave homelessness behind for good.

HOME  
FOR ALL