

## What does housing benefit cost and where does the money go?

- · Housing benefit costs £21bn per year
- Most of that goes straight into the pockets of private landlords
- 93% of new housing benefit claims in the last two years have been made by households in which at least one person works
- So the welfare state is propping up wealthy buy-to-let landlords charging excessive rents and low-paying employers

## Why is this happening?

- The private rented market has doubled in the past two decades, and rent levels have risen more than double the rate of wage rises
- · Wages and benefits are being cut or frozen, while housing costs are rising
- People can't afford to buy: the average UK house price is £226,000
- There is simply not enough affordable housing: 4.5 million people are on housing waiting lists

## What's the solution?

- Cap rents by establishing fair rent tribunals to regulate landlords' rents
- Build council housing to reduce rents and ensure that any housing benefit goes back to councils, not private landlords
- Force employers to pay a living wage housing benefit is subsidising low pay
- Building council housing would also create jobs, reduce unemployment and raise tax revenues



"There is a chronic housing crisis in this country - a crisis of insecure and temporary accommodation and a crisis of public money being diverted to landlords' greed instead of invested in housing need." - John McDonnell MP, LRC chair

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