



Department
for Work &
Pensions

Minister for Welfare Reform
4th Floor
Caxton House
Tothill Street
LONDON
SW1H 9DA

0207 340 4000

www.dwp.gov.uk

ministers@dwp.gsi.gov.uk

Paul Anderson
Policy Manager
Homeless Link

27 January 2016

paul.anderson@homelesslink.org.uk

Dear Paul,

I am writing in relation to the issue surrounding the reductions in social rents and supported accommodation. I recognise the important work that providers do in this area to support some of the most vulnerable members of our society and am determined to make sure providers who are delivering these vital services are able to continue to do so.

As you know we are currently conducting a Supported Housing Review on Supported Accommodation which we will start to get findings from in the Spring. We want to make sure we get the review right and are keen to ensure that we use it to find workable and sustainable solutions for the supported housing sector and Government. Recognising the value of their expertise in making sure we get this right, it is vital that providers of supported accommodation are involved in that process.

In light of this, I will be able to announce today that the Government will put in place a year-long exception for all supported accommodation from the 1% rent reduction in the Social Rented Sector. As examples, this will include refuges for those fleeing domestic abuse, homeless provision, housing for ex-offenders, as well as supported housing for older and disabled people. I can also confirm that the one year exception will extend to housing co-operatives, almshouses and Community Land Trusts.

I believe this will give us time to study the evidence from the review. I will work with providers and across government to consider the options for the remainder of the rent reduction policy and the longer term solution for the supported sector.

I would like to build on the helpful meetings I have already had with some providers over recent months to ensure that the essential services they deliver continue to be provided after this year long exception, while also making efficiency savings to ensure value for money.

In particular I would like to welcome the support of Homeless Link, St Mungo's, Riverside, the Amber Foundation and the YMCA with this approach and look forward to working with them and other providers on this over the coming months.

I am also grateful to all providers who have raised their concerns about bringing housing benefit for social tenants into line with housing benefit for people in private housing which will start to take effect from April 2018. We will put in place the appropriate protections for those in supported housing. As we work towards implementation, DWP and DCLG will be working closely together with the sector, to make sure that the right protections are in place.

I welcome your continued support in understanding the needs of this sector during the Review.

Yours sincerely

David

Lord Freud

Minister of State for Welfare Reform