



Department for Levelling Up, Housing & Communities

Rt Hon Michael Gove MP

Secretary of State for Levelling Up, Housing & Communities
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Gavin Smart

Thank you for your letter of 26 January providing the views of members of the housing sector regarding the Guardian article on proposals for 'British Homes for British People'. The article provided speculative reports on a consultation that was published on the 30 January, and I hope you can understand that it would not be appropriate for me to comment on the specific details reported on. I can, however, address your queries on the broader details of the now published consultation.

Social housing is vital for families and communities. I am grateful for the critical role that the Chartered Institute of Housing and those who have signed your letter continue to play in supporting social housing tenants.

On 30 January, the Government launched a consultation seeking views on a range of reforms to how social housing is allocated in England. The full details can be found at: www.gov.uk/government/consultations/consultation-on-reforms-to-social-housing-allocations. The consultation seeks views on proposals to:

- introduce a UK connection test, to ensure that it is those with the closest connection to the UK who are eligible for a social home;
- mandate the following tests: local connection test, income test, false statement test, and tests for anti-social behaviour and terrorism offences;
- introduce a new ground for eviction for those who are convicted of terrorism offences; and
- implementation of a 'three strikes and you're out' policy for anti-social behaviour.

Social housing is a limited resource, and with over one million households on waiting lists we must assess how it is allocated and to whom. As part of this, it is important to ensure that local people who need these homes can get them, and that we do not disproportionately allocate social housing to those newly arrived in the country or local area whilst local families are left on waiting lists.

I recognise that those who follow the legal and proper processes should be able to access social housing when in need, and this is why we have proposed an exemption for those arriving in the UK through certain safe and legal routes. Under our proposals, those who have been granted refugee status or leave to remain with recourse to public funds but who did not come through a safe and legal route will no longer be eligible for social housing unless they have 10 years leave in the UK. They will, however, continue to be entitled to benefits to support them to access private rented sector housing. Those most in need will also remain eligible for homelessness assistance.

I understand you are concerned about the effect of Right to Buy (RtB) on the availability of social rented homes. The Government remains committed to RtB which, since 1980, has helped over two million social housing tenants to become homeowners, allowing people from a broad sector of the community the opportunity to own their home. Councils have a key role to play in increasing social housing supply and we want to support them to do this. That is why we have introduced a package of flexibilities as to how councils can spend their RtB receipts, in addition to the preferential borrowing rate for council housebuilding from the Public Works Loan Board. Councils can retain 100% of their RtB receipts for 2022-23 and 2023-24; this amounts to £366 million in additional funding over the next two years.


Furthermore, you argue for the need for more social housing. The provision of affordable housing is part of the Government's plan to build more homes and provide aspiring homeowners with a step onto the housing ladder. Our £11.5 billion Affordable Homes Programme (AHP) will deliver thousands of affordable homes for both rent and to buy right across the country. The Levelling Up White Paper committed to increasing the supply of social rented homes, and a large number of the new homes delivered through our AHP will be for social rent.

Your letter also expressed concerns around the impact of the proposed reforms on levels of homelessness. We are keen to mitigate increases in homelessness, and invite you to share your views on how we can best achieve that as part of our consultation. I can inform you that the Government is investing over £2 billion over three years to tackle homelessness and rough sleeping. At Autumn Statement, the Government also announced additional funding of £120 million to help councils address Ukraine and homelessness pressures in 2024-25. This funding will support local authorities to deliver their statutory duties through providing financial support for people to find a new home, working with landlords to prevent evictions, or providing temporary accommodation.

Also announced at Autumn Statement, from April the Government will be investing £1.2 billion restoring Local Housing Allowance rates to the 30th percentile of local market rents. This significant investment will ensure 1.6 million private renters in receipt of Housing Benefit or Universal Credit will gain on average, nearly £800 per year in additional help towards their rental costs in 2024-25.

As we work through the consultation on reforms to how social housing is allocated, I would greatly value the insights of both you and your members. Your feedback will help us develop these proposals further and help to ensure they can be implemented in a way which works for social housing tenants. My Department plans to hold engagement sessions with local housing authorities during the consultation period, and officials will be in touch with details of these as soon as possible. For any enquiries about the consultation, you may contact the relevant officials within my Department at: socialhousingallocationsconsultation@levellingup.gov.uk

I appreciate you taking the time to write. Thank you again for your letter.

Yours,


RT HON MICHAEL GOVE MP
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