

House of Commons
London
SW1A 0AA

February 2023

Dear Chancellor,

I have received correspondence from my constituents about the effect of the freeze in Local Housing Allowance, which is increasing homelessness and prolonging the disruptive impact of homelessness on people's lives.

The Treasury's investment in Local Housing Allowance in 2020 was a valuable one, helping many people to secure tenancies and move on from homelessness. However, with rents rising at record rates, the subsequent freeze in support has pushed many people to the brink of homelessness.

With evictions on the rise, many people struggle to find an alternative home they can afford. Crisis and Zoopla have found that average shortfalls between housing benefit and the cheapest rents cost low-income tenants £950 last year for one bed properties and even more for two and three beds – over £1,500 and £2,300 respectively. This is trapping people in homelessness: in expensive temporary accommodation, sofa surfing, in hostels and refuges with nowhere to move on to and ultimately increasing numbers of people are being forced to sleep rough.

Investment in Local Housing Allowance so that it covers at least the cheapest third of rents in a local area is an immediate way to release some of the pressure that the cost of living crisis is having on families and individuals as homelessness rises.

Many people, including my constituents, would welcome this investment at the Spring Budget, as it is well-targeted support for those on the lowest incomes and facing the highest living costs. As well as protecting people from the damaging effects of homelessness, investment in prevention benefits us all: it reduces pressure on local authority, health and justice services, and helps people into work.

Yours sincerely,