













The Rt Hon Stephen Crabb MP

Secretary of State for Work and Pensions Department for Work and Pensions Caxton House Tothill Street London, SW1H 9NA

5 April 2016

Dear Secretary of State

We are writing to congratulate you on your appointment as Secretary of State for Work and Pensions.

We would like to use this opportunity to highlight the importance of supported housing, which provides accommodation for people with a range of vulnerabilities and support needs, including people experiencing homelessness, mental ill health and addiction problems, people with a learning disability, offenders, and women at risk of domestic violence. We want to work in partnership with you to develop a new and robust funding system for supported housing which is sustainable, provides adequate protections for the people living in it, and more certainty to those who provide it.

At present the future funding of supported housing is uncertain. As part of the roll out of Universal Credit housing benefit is set to be abolished and a new system is required to help meet housing costs for those living in supported housing. The announcement made at the Spending Review last year that from April 2018 the amount of rent that housing benefit will cover in the social sector will be capped at the Local Housing Allowance has caused great concern among providers.

Should the LHA cap be applied as planned, some 41% of schemes would be at risk of closure, and 80% of schemes due to be built would no longer go ahead, leaving many vulnerable people unable to access the homes and support they need. Although the decision to delay implementation by a year is welcome, it has no effect on reducing uncertainty. It implies that any new funding system should be agreed by 31 March 2017. We will do everything we can to ensure this timetable can be met.

Supported housing is more expensive to provide for a range of reasons. Examples of these additional costs include the provision of 24 hour staffing, provision of CCTV and security services, higher maintenance costs due to the complexity of tenants' needs, adaptations or the particular location of a property. Until now, the Housing Benefit rules have acknowledged these higher costs in the form of the specified accommodation rules.

In working together to create a new funding system we need to deliver something which is rational and sustainable and which will ensure that those who need this type of housing provision will have access to it in the future. A crude LHA cap does not meet this requirement. We look forward to working with you to develop a system that does.

We would welcome a meeting with you to discuss this further and will contact your office to discuss a suitable time and date. Alternatively you can liaise with Mencap's Public Affairs Manager Rob Holland at rob.holland@mencap.org.uk

We look forward to hearing from you.

Yours sincerely,

Jenne Tregers

Jan Tregelles, Chief Executive, Mencap

Rick Henderson, Chief Executive, Homeless Link

David Orr, Chief Executive, National Housing Federation

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Polly Neat, Chief Executive, Women's Aid

Alicia Wood, Chief Executive, Housing and Support Alliance

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