



HOUSE OF COMMONS

LONDON SW1A 0AA

October 2019

Dear Constituent,

Thank you for contacting me about the impact of the Local Housing Allowance (LHA) freeze.

While I appreciate your concerns on this issue, reforms to Housing Benefit are a central part of the Government's plan to create a welfare system that supports the most vulnerable and is fair to taxpayers.

Around £24 billion a year is spent on Housing Benefit to support people with their housing costs, with over £1 billion in Discretionary Housing Payments having been provided to local authorities to help support vulnerable claimants.

In addition, I am assured that around 30 per cent of potential savings from the LHA freeze are being used to create further Targeted Affordability Funding, to help tenants in those areas where local housing allowance rates differ the most from local rents. I welcome that this has been used to increase 361 LHA rates by 3 per cent in areas with high rental costs in 2019-20. This year £210 million has been invested in Targeted Affordability Funding. It is estimated that over 500,000 households will benefit from these increases in LHA rates, seeing a real increase of around £250 a year.

Ultimately, however, I believe the key to improving affordability in the private rented sector across England is to build more homes. That is why I am glad that the Housing White Paper outlined an ambitious plan to fix the broken housing market and build the homes Britain needs. This includes getting the right homes built in the right places, speeding up house building, and diversifying the market. I was encouraged that further proposals in the recent Budget mean the Government is on track to increase the housing supply by 300,000 a year.

Thank you again for taking the time to contact me.

Yours faithfully,

A handwritten signature in blue ink that reads "Chris".

CHRIS HEATON-HARRIS MP
MEMBER OF PARLIAMENT FOR DAVENTRY