

06 September 2022



Sent via Email

Rt Hon Liz Truss MP

Dear Prime Minister,

Congratulations on your appointment. We are writing to you as the sector bodies for the not for profit social housing sector in the UK, housing over 5 million (often vulnerable) people on low incomes. We wish to express our rapidly escalating concern about the impact that rising living costs are having on both residents and housing providers, and to urge Government to provide urgent support.

Following Ofgem's announcement that the energy price cap will rise to £3,549 per year from October (and with indications it could rise to £4,266 in January) thousands of households are now facing poverty. [Citizens Advice](#) has warned that 1 in 4 people will not be able to afford their energy bills in October, increasing to 1 in 3 in January. People were already facing the impossible decision of whether to eat or to heat their homes; the rise removes this choice for some, living in increasingly desperate situations in cold and damp properties (with resulting health issues) or, in extreme cases, becoming homeless. This is a key, and increasing, concern for our members and for social landlords across the country who are taking a range of actions to support residents under financial strain where they can, including by:

- Providing financial advice and income maximisation support
- Referring residents on to external sources of support, such as local Citizens Advice and foodbanks
- Advising residents on practical measures to reduce energy consumption (and in some cases subsidising bills)
- Providing fuel vouchers and other discretionary support payments

In an effort to prevent evictions, providers, to the best of their ability, will work with tenants who fall into arrears. However, there is a limit to what the housing sector can do. The pressures are so great that many households now have negative budgets, even after all avenues of support have been exhausted. Many social housing providers are themselves challenged by above inflation cost increases and limits on their income.

We welcome the commitment you have given to provide the help and reassurance needed. This means, as a minimum, acknowledging that May's welcome support package is no longer sufficient to meet its intended purpose. Urgent support is needed, targeted to help people on the lowest incomes and substantial enough to meet the scale of the challenge.

We call on the government to:

- Bring forward the planned uprating of benefits from next April to this October. One-off payments cannot be a substitute for adequate basic benefits rates and proper indexing. (Before the recent spike in inflation basic benefits were worth 11% less than a decade ago - equivalent to a benefit cut of £1,800 for a family with two children.) The best way to support people on low incomes is through the benefits system.

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- Limit deductions from Universal Credit for prior overpayments / sanctions so that they are only used in exceptional and limited circumstances.
- Remove the benefit cap and two-child limit. These undermine people's ability to sustain their tenancy and manage a limited budget, as well as worsening their employment prospects. They also disproportionately affect women and children.
- Restore local housing allowance (LHA) rates to at least the 30th percentile and return to annual uprating, as well as removing the shared accommodation rate of LHA. Without this we will see increasing numbers of private renters becoming homeless as costs rise.
- Prevent energy companies from forcibly switching customers to prepayment meters during the winter months, thus protecting anyone who falls into arrears.
- Commit to bring forward additional funding for energy efficiency measures in homes.

We stand ready to work with you and would welcome the opportunity to meet with your new housing team, once appointed.

Yours sincerely,

Gavin Smart, CEO of Chartered Institute of Housing (CIH)

Matt Downie MBE, CEO of Crisis

Matthew Walker, Chair of PlaceShapers and CEO of Leeds Federated Housing Association

Kate Henderson, CEO of National Housing Federation (NHF)

Polly Neate CBE, CEO of Shelter

Geeta Nanda OBE, G15 Chair and Chief Executive of Metropolitan Thames Valley Housing (MTVH)

Andrew van Doorn, CEO of Housing Associations' Charitable Trust (HACT)

Paul Price, CEO of Association of Retained Council Housing (ARCH)

Jenny Osbourne, CEO of TPAS (Tenant Engagement)

Rick Henderson, CEO of Homeless Link

Darren Hartley, CEO of TAROE Trust (formerly Tenants & Resident Organisations of England)

Eamon McGoldrick, Managing Director of the National Federation of ALMOs (NFA)

Tracy Harrison, CEO of Northern Housing Consortium (NHC)

Carol Matthews CBE, Group CEO of Riverside Group and member of Homes for the North

James Francis, Chair of Build East and CEO of Saffron Housing Trust

Matthew Bailes, Chair of Consortium for Housing Associations in the South East (CASE) and CEO of Paradigm Housing Group

Stuart Ropke, CEO of Community Housing Cymru

Katie Dalton, Director of Cymorth Cymru

Alicja Zalesinska, CEO of Tai Pawb

Janet Hunter, CEO of Housing Rights

Colm McDaid, CEO of Supporting Communities