

Rt Hon Mel Stride MP
Secretary of State for Work and Pensions
Caxton House
Tothill Street, London
SW1H 9NA
By email: secretaryofstate@dwp.gov.uk

22 February 2024

Dear Mr Stride,

I am writing in advance of the budget to urge you to implement a permanent solution to the affordability problems faced by private renters on low incomes, and link local housing allowance rates to rents.

The damage done by the UK Government's three year freeze to LHA rates since 2020 has been considerable: an estimated £819 million cut to the allowance across Great Britain, coupled with real terms cuts of £260 million to Scotland's capital budget, has hampered efforts to increase available housing.

The freeze has had a significant effect on households in Scotland. In August 2023, LHA rates did not cover the rents of over 40,000 households in Scotland. Of these, the average shortfall for those on Universal Credit was nearly £1,500 per year. While LHA rates are being raised in 2024, and you have committed to review LHA rates annually, this is only a temporary fix. We call for immediate action to link rents to rates in future.

Many low-income households are left in an uncertain position, not knowing if they are going to receive sufficient support with their rent in future years. This instability makes it difficult for households to plan ahead. I call on you to end that uncertainty and commit to ensuring that LHA rates will permanently meet at least the 30th percentile of local rents in future years.

I urge you make the right decision to prevent many people having to make difficult choices between paying their rent, feeding their family, or heating their home.

I would welcome a discussion on these matters with you and look forward to a reply.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Paul McLennan', with a long horizontal flourish underneath.

Paul McLennan
Minister for Housing

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