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Lord Best  
House of Lords  
London  
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27 January 2016

*Dear Richard,*

I would like to thank you for discussing the issue surrounding the reductions in social rents and for the helpful discussions we have had regarding supported accommodation. I recognise the important work that providers do in this area to support some of the most vulnerable members of our society.

I am keen to ensure that we use the Supported Housing Review to find workable and sustainable solutions for the supported housing sector, the taxpayer, and Government. Recognising the value of their expertise in making sure we get this right, I will work with supported housing providers as part of the review. We will build on the helpful meetings with such providers over recent months to ensure that the essential services they deliver continue to be provided, within the context of driving appropriate value for money.

In light of this, I will be able to announce today that the Government will put in place a year-long exception for all supported accommodation from the 1% rent reduction in the Social Rented Sector. As examples, this will include refuges for those fleeing domestic abuse, homeless provision, housing for ex-offenders, as well as supported housing for older and disabled people. I can also confirm that the one year exception will extend to housing co-operatives, almshouses and Community Land Trusts.

I believe this will give us time to study the evidence from the Supported Housing Review, which we will start to get findings from in the Spring, and consider the longer term solution for the supported sector.

In particular I would like to welcome the support of Homeless Link, St Mungo's, Riverside, the Amber Foundation and the YMCA with this approach and look forward to working with them on this over the coming months.

I am also grateful to you for our recent discussions on your concerns about bringing housing benefit for social tenants into line with housing benefit for people in private housing which will start to take effect from April 2018. With regard to this, we will put in place the appropriate protections for those in

supported housing. As we work towards implementation, DWP and DCLG will be working closely together, to make sure that the right protections are in place.

I welcome your continued support in understanding the needs of this sector during the Review.

*Yours sincerely,*

*David*

**LORD FREUD  
MINISTER FOR WELFARE REFORM**