



## Department for Levelling Up, Housing & Communities

**Felicity Buchan MP**

*Minister for Housing and Homelessness*

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Our reference: MC2023/03656

Harry Catherall  
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14 December 2023

Dear Harry,

Thank you for your letter of 7 November addressed to the Rt Hon Michael Gove MP in which you raise Oldham Council's concerns about rough sleeping, section 21 'no fault' evictions and first time buyers. I am replying as the Minister responsible for this policy area.

The Government remains steadfastly committed to our goal of ending rough sleeping. The steps outlined below show the progress we are making in addressing the concerns you raise. We remain committed to our continued work with local authorities and partners, the voluntary and community sector and the private sector to develop shared solutions to ending rough sleeping and tackling homelessness.

In his Autumn Statement for 2023, the Chancellor announced additional funding of £120 million to help councils across the UK address Ukraine and homelessness pressures in 2024/25, helping councils in England to meet their duties under the Homelessness Reduction Act. This funding will support local authorities to deliver their statutory duties through providing financial support for people to find a new home, working with landlords to prevent evictions, or providing temporary accommodation where needed. The funding amount for councils in England and the delivery mechanism for the funding will be confirmed in due course. This in addition to over £1 billion which is already being provided over three years in England through the Homelessness Prevention Grant to ensure local authorities can meet their duties under the Homelessness Reduction Act.

Following the success of the first two rounds, we are also now launching a £450 million third round of the Local Authority Housing Fund. This will provide capital funding to local authorities to obtain better quality temporary accommodation for those owed a homelessness duty and to provide safe and suitable housing for those on Afghan resettlement schemes. The funding will help ease local homelessness pressures, reduce spending on unsuitable B&B accommodation, and provide safe and sustainable housing for those on Afghan resettlement schemes. In the longer-term, the Local Authority Housing Fund will provide a new, permanent supply of accommodation for local communities.

This is additional to the funding committed over three years to tackle homelessness and rough sleeping as part of our Ending Rough Sleeping for Good strategy, including over £306,110 of Rough Sleeping Initiative funding now allocated to Oldham Council and £8,729,932 to the Greater Manchester Combined Authority.

Also announced in the Chancellor's Autumn Statement 2023, we are increasing the Local Housing Allowance to the 30th percentile of market rents. This will mean 1.6 million low-income households will be around £800 a year better off on average in 2024-25. This will take effect from April next year. The Chancellor also confirmed benefits will increase next year by 6.7%, the inflation rate for September. This is a significant step that will help people with their housing costs, and I know this has followed extensive engagement with the sector on this issue.

You raise the issue of ending section 21 evictions. I understand the challenges that tenants can face when they are renting privately. This Government is clear that everybody has a right to a secure and decent home.

On 17 May the Renters (Reform) Bill was introduced to Parliament. The Bill delivers the Government's manifesto commitment to abolish section 21 "no fault" evictions. The Renter's Reform Bill will provide greater security and certainty of quality accommodation for the 4.6 million households living in the private rented sector. The Bill will deliver a fairer, more secure, and higher-quality private rented sector that is fit for the 21st century including by abolishing section 21 'no fault' evictions. It will help ensure tenants, including many families with children, can rent decent, secure homes from which they can put down roots in their communities, take up jobs, and build stable lives.

Following Royal Assent of the Renters (Reform) Bill, we will allow time for a smooth transition to the new system and the abolition of section 21 evictions.

You also raise the issue of support for first time buyers. The Government is committed to supporting homeownership and first-time buyers.

In our 2019 manifesto, we committed to bringing forward discounted homes for first-time buyers, prioritised for local people and key workers, and that is exactly what we are doing. The First Homes scheme supports first-time buyers to purchase homes in their local communities at a discount of at least 30%. Crucially, the discount is passed on to all future purchasers in perpetuity, so these homes will keep helping first-time buyers onto the property ladder for generations to come. Purchasers should have a total household annual income below £80,000 (or £90,000 in London), to ensure these homes are bought by those who need support. Local authorities can also set local connection and/or key worker criteria for First Homes in their area, based on the needs of their local community. They can also set lower household income caps.

We have cut Stamp Duty Land Tax (SDLT), doubling the threshold at which SDLT becomes due from £125,000 to £250,000 and expanding First-Time Buyers Relief raising the threshold at which stamp duty becomes payable from £300,000 to £425,000. The maximum property value on which First Time Buyers Relief can be claimed has been lifted from £500,000 to £625,000. These will apply until 31 March 2025 to support the property market.

We also have a range of programmes to help people into home ownership. Since spring 2010, over 860,000 households have been helped to purchase a home through Government-backed schemes including Help to Buy and Right to Buy. The Government schemes include the Mortgage Guarantee Scheme, Shared Ownership schemes and the Lifetime ISA (LISA).

Details on all the schemes which support home ownership are available on the Government's website, [www.ownyourhome.gov.uk](http://www.ownyourhome.gov.uk). The website also contains details of eligibility requirements so that people can identify the scheme most appropriate to their needs.

I am very grateful for the on-going work that Oldham Council are undertaking to help reach our shared aim of ending rough sleeping.

I trust this information is helpful and I thank you for writing on this important matter.

Yours ever,

A handwritten signature in cursive script that reads "Felicity Buchan". The ink is dark and the handwriting is fluid and legible.

**FELICITY BUCHAN MP**  
Minister for Housing and Homelessness