



Ministry of Housing, Communities & Local Government

Rushanara Ali MP

*Parliamentary Under-Secretary of State for
Homelessness and Democracy*
2 Marsham Street
London
SW1P 4DF

Florence Eshalomi MP
Chair, Housing, Communities and
Local Government Committee
House of Commons
London
SW1A 0AA

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Dear Florence,

Government Response to the Rough Sleeping Inquiry: Findings and Recommendations

Thank you for your letter of 8 May 2025, following up on our previous correspondence regarding the Rough Sleeping Inquiry.

We value the Committee's continued engagement and commitment to driving progress on this important issue. Your support plays an important role in our shared effort to reduce homelessness.

Please find below the Government's response to the Committee's follow-up questions and recommendations.

Yours sincerely,

RUSHANARA ALI MP
Parliamentary Under-Secretary of State for Homelessness and Democracy

1. Helping people to sustain tenancies

In response to our recommendation that the Government take measures to help individuals facing homelessness sustain tenancies, you told us that the Home Office “continues to improve” the Right to Rent policy and that it is working with “landlord representatives to modernise and improve the scheme.” However, there is no mention of working with tenant representatives in the same way.

- *We recommend that the Home Office involve tenants affected by Right to Rent checks – and not just landlords – in its ongoing improvement work around the policy, so that the voice of those affected by such policies is heard in decision-making.*

Government response:

The Government recognises the importance of engaging a broad range of stakeholders to ensure that the voices of those they represent are reflected in the development of the Right to Rent scheme.

The Home Office currently meets quarterly with the Landlord Consultancy Panel (LCP), which brings together landlords, letting agents, and their representatives. To help ensure the scheme also reflects the experiences of tenants — particularly those facing challenges in the private rented sector — the Home Office has invited organisations that work with individuals experiencing homelessness or difficulties securing private rental accommodation.

The Home Office remains committed to ensuring tenant perspectives are heard and will continue to work towards a more inclusive approach in the ongoing development of the scheme.

2. Reviewing welfare assistance to those on low incomes

In response to our recommendation that the Government review the 5-week waiting period for Universal Credit, you told us that you are “considering how we can further support” claimants who need support prior to their first UC award. However, there is no detail on what this consideration entails, nor any timeframes mentioned.

- *We would ask that you write to us to clarify a) in what sense the Government is considering further support to claimants, e.g. whether this will be a formal review or consultation and whether ourselves or the Work and Pensions Committee will be able to scrutinise any proposed changes; and b) what timescales the Government is working to in considering any changes.*

Government response:

The Government is fulfilling its manifesto commitment to review Universal Credit (UC) through various workstreams. These include the child poverty taskforce, health and disability reforms, and the *Get Britain Working* White Paper.

In addition, the review will take stock of the core structures and policies of Universal Credit. This includes examining the support available to claimants during the Initial Assessment Period, commonly referred to as the ‘5-week wait’ before the first payment.

We are engaging with a wide range of stakeholders to help identify concerns and opportunities for improvement within the UC system. The review will continue throughout 2025, with updates provided to Parliament as it progresses over the course of the year.

3. Consolidation of funding streams

In response to our recommendation that funding streams to tackle rough sleeping should be reviewed with a view to ensuring they are long-term and streamlined, you provided detail on steps being taken to consolidate existing grants for 2025-26. However, it is unclear whether any consideration would be given to extending the lengths of these allocations beyond a year.

- *We would re-iterate our recommendation that, as part of the Government's consolidation of these funding streams, it consider putting these on a longer-term footing, rather than allocating them on a year-by-year basis.*

Government response:

From 2026–27, the government has committed to simplifying the wider local funding landscape, reducing the number of individual grants and consolidating them into the Local Government Finance Settlement where possible. This will provide local authorities with more flexibility to meet the needs of local people, and to decide how best to deliver on our national priorities.

As part of these reforms, we will explore options for aligning HPG funding with rough sleeping funding and consider whether and how to consolidate homelessness grant funding into the Local Government Finance Settlement. We recently consulted on the future formula for the Homelessness Prevention Grant, and intend that the new funding formula will apply across the multi-year Spending Review settlement, providing longer-term certainty for local authorities.

4. Target for social housing

You did not respond to our recommendation that you consider including a specific sub-target for affordable and social housing within the 1.5 million new homes target, which we also recommended in our report into Children in Temporary Accommodation.

- *We expect the Government to respond in full to the Committee's recommendations. With this in mind, we ask again for your views on adopting a specific target for social and affordable housing, and if the Government chooses not to adopt this, an explanation of how it has reached this decision.*

Government response:

The Government has committed to delivering the biggest increase in social and affordable housebuilding in a generation and to remaining net positive on Social Rent. A forthcoming housing strategy will set out our long-term vision for a housing market that works for communities.

We have asked Homes England and the Greater London Authority to prioritise Social Rent, and are undertaking reforms to Right to Buy to ensure a fairer, more sustainable system. We are also consulting on a five-year social housing rent settlement to give providers greater certainty to invest in new homes.

The government has not set an affordable housing target to date, but we are committed to delivery through investment, reform, and support to partners — ensuring that social and affordable housing continues to form a key part of our national supply strategy.

5. Supported housing

In response to our recommendation that the Government set out a plan for rejuvenating supported housing, you told us that the Affordable Homes Programme (AHP) “is delivering up to 2000 homes and accompanying support services for people with long or cyclical histories of sleeping rough.” However, we note that the current iteration of the AHP reaches its end in 2026.

- *We would ask you to clarify whether Government plans for future iterations of the AHP (or alternative funding arrangements, if the programme is discontinued) will include funding for supported housing, and what this level of funding would be.*

Government response:

We note that the Committee’s letter refers to the Affordable Homes Programme (AHP) as delivering 2,000 homes with accompanying support services. This figure relates to the Single Homelessness Accommodation Programme (SHAP), which is separate from but complementary to the AHP. SHAP is delivering up to 2,000 homes and support services for people with long or cyclical histories of rough sleeping.

The Affordable Homes Programme (AHP) for 2021–26 includes delivery of specialist housing. At the Spending Review, the Government will set out the full details of a new grant programme to succeed the AHP for 2021–26.

Alongside wider investment across this Parliament, this new programme will help deliver the biggest increase in social and affordable housebuilding in a generation. The Government has already allocated an additional £800 million in new in-year funding for the 2021–26 AHP. At the Spring Statement on 26 March, we announced a downpayment of £2 billion for 2026–27 to deliver up to 18,000 new social and affordable homes and contribute to our Plan for Change milestone of building 1.5 million safe and decent homes in this Parliament.

6. Local authority gatekeeping

In response to our recommendation that the Government review the appropriateness of guidance around statutory housing support duties for councils, you told us of steps the Government has taken to disapply intentional homelessness and local connection tests for certain groups, and said that the Government will “consider the issues the committee has raised” when reviewing guidance, but did not include any reference to priority needs assessments specifically.

- *We welcome the Government’s agreement to consider issues raised by the Committee regarding this guidance, but would stress that priority needs assessments must also be included as part of any review of the guidance.*

Government response:

The Homelessness Code of Guidance — including sections relating to priority need — is kept under regular review, and we will update the guidance as appropriate following publication of the upcoming homelessness strategy.

7. Move-on period for asylum seekers

In response to our recommendation that the Home office evaluate the impact of the extension of the move-on period for asylum seekers, with a view to making it permanent if it has been effective in reducing homelessness, you told us that it is “important that we take time” to evaluate its impact.

- *We understand the need to take time to properly evaluate the success of policy changes and as such would ask you to outline the Home Office’s timeframe for its evaluation of the move-on period extension.*
- *We would also ask that you confirm to us that, if the policy has been found to reduce homelessness, the change will be made permanent. Failing this, the Home Office should outline its criteria for assessing whether or not it will make the change permanent.*

Government response:

The evaluation, which covers the 56-day pilot and other move-on initiatives, will run until summer 2025. It will assess a range of outcomes, including reductions in homelessness and rough sleeping for refugees, as well as value for money for the Home Office and wider government.

Following the conclusion of the evaluation, the Government will decide whether any of these initiatives should be made permanent.

8. Housing First

In response to our recommendation that the Government investigate the impacts of expanding Housing First schemes beyond its initial pilot schemes, you told us that funding for the three pilot areas will continue in 2025-26, but did not indicate whether any funding for Housing First – in either the pilot areas or elsewhere – would be extended beyond this.

You also failed to respond to our recommendation to ensure that councils implementing Housing First take forward learnings from the pilot schemes, e.g. through the distribution of evidence-based guidance.

- *We would ask you to clarify what funding, if any, will be available for councils looking to set up Housing First programmes from 2026 onward, and what guidance and other support will be available to councils for ensuring these programmes can replicate the successes identified in the evaluation of the pilot schemes.*

Government response:

From April 2025, any local authority (including the three pilot areas) can choose to continue or establish a Housing First scheme in their area if it is deemed appropriate based on local need, using the flexible funding provided through the Rough Sleeping Prevention and Recovery Grant (RSPARG).

With regard to guidance and support, the Government has published evaluations of the Housing First pilots on GOV.UK, which local authorities can use to inform their approach. Expert support is also available through MHCLG's Rough Sleeping Advisor Team who work directly with local areas. In collaboration with Homeless Link, our advisors developed the Housing First fidelity framework to help councils and commissioners uphold the programme's seven principles.

9. Inter-Ministerial Group (IMG) on homelessness and rough sleeping

In response to our recommendation that the Government make minutes from the IMG on homelessness and rough sleeping public, or update the Committee on its objectives, terms of reference, discussions and plans, you told us that these minutes are “not normally disclosed”. However, you did not respond to our alternative suggestion of keeping the Committee updated on the IMG’s discussions and plans. Updates on the IMG’s work is also something we asked for in our report into Children in Temporary Accommodation, including updates after each of its meetings.

- *We would stress that we consider it vital to be able to scrutinise the work of the Inter-Ministerial Group. With this in mind, we would ask that you continue to write to update us on the progress the group is making to achieve its objectives.*

Government response:

The Government welcomes the Committee’s interest in the work of the Inter-Ministerial Group (IMG) on Homelessness and Rough Sleeping and shares its commitment to driving progress in this area.

As the Committee will be aware, it is standard practice that minutes of IMG meetings are not published, and written updates are not routinely shared, due to the nature of inter-ministerial discussions.

However, the Government is happy to continue sharing information with the Committee on the concrete actions being taken to deliver on its ambition to tackle homelessness, where appropriate.