



**Housing, Communities
and Local Government
Committee**

Rt Hon. Angela Rayner MP
Secretary of State for Housing, Communities and Local Government
Ministry of Housing, Communities and Local Government
2 Marsham Street
London, SW1P 4DF

21 July 2025

Dear Angela,

**Evidence to the Committee on the Spending Review 2025 settlement of the Ministry
of Housing, Communities and Local Government, 8 July 2025**

Thank you for attending our committee session on 8 July to answer questions about the Spending Review settlement, and the Ministry's housing investment plans. The Committee found the session very helpful and informative.

There were several areas and issues touched on during the session which we would appreciate further detail on, which are set out below.

Housing

During the session, we raised questions about the Department's approach to tackling the housing crisis and about the successor to the Affordable Homes Programme 2021-26 (AHP). We raised several questions on the local housing allowance freeze, to which you informed us that "decisions on the local housing allowance will be made in the round" at the next Budget (Q4-Q7).

You also confirmed that 60% of the new homes under the new Social and Affordable Homes Programme (SAHP) would be for social rent (Q2). However, given that the 60% social rent target is intended to contribute towards the overall 1.5 million homes by the end of the Parliament (Q3), we remain concerned that central funding for the SAHP allocated over the lifetime of the current Parliament will be insufficient to meet the Government's ambitious housebuilding targets.

We would therefore be grateful if you would provide further information on the following points:

- Whether there are criteria under which the Government would consider revisiting or increasing Local Housing Allowance rates prior to the next Budget;
- Given that the funding for the £39 billion commitment is largely backloaded to the period after 2029-30, whether you remain confident that the Ministry will be able to build social housing at the rate required to deliver "the biggest increase in social and affordable housebuilding in a generation" within this Parliament;
- Whether you will provide a breakdown of funding for the SAHP falling within the lifetime of this Parliament by year;



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- Whether you will provide the date on which the Department will publish its long-term housing strategy, and the date on which the Department will publish the “separate” detail on affordable housing tenures that was referenced in the answers to Questions 20-21.

The Permanent Secretary also undertook to write to the Committee to specify planning permissions granted over the last 12 months, including a breakdown between the types of homes that planning permission has been granted to (Q10-11). You also said that you would see whether data could be provided on the delivery models used internally to make sure that key government targets are not missed (Q72-73).

National Housing Bank

During the session, we raised several questions about the proposed National Housing Bank (“the Bank”), including effective oversight and scrutiny, and the importance of ensuring that the Bank itself is led by people with appropriate skills and experience. We would be grateful if you would provide further information on the following points:

- How the Department will ensure sufficient increased staffing capacity for Homes England and the Bank;
- What mechanisms the Department will put in place to ensure that the Department has effective oversight of decisions made by Homes England and the Bank;
- A breakdown of the overall funding pot that Homes England/the Bank will be expected to administer, with reference to the detail outlined in the Spending Review and subsequent announcements.

Temporary accommodation

On 8 July, we noted that the Ministry is still engaged in “live policy development” with the Home Office and HM Treasury (as per a Treasury Select Committee session on 25 June 2025). These discussions are in respect of recommendations made by the Office for Value for Money (OVFM) in its study on the procurement of temporary accommodation (Q51). The Permanent Secretary said that the Ministry would “look at that in the round to see how to take it forward, but it is quite a complex system, so it might take a little time before we can say precisely how.”

I would therefore be grateful if you could provide further information on the following:

- What steps the Ministry will take to prevent different government departments from competing for the same housing stock;
- Whether more than a [single page summarising recommendations made by the OVFM](#) will be published, and whether this will include detail on how the OVFM arrived at its conclusion;
- When the final strategy on Ending Homelessness will be published, and whether this will be published alongside the Long-Term Housing Strategy.



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Draft Leasehold and Commonhold Reform Bill

During the session, the Committee questioned whether the Government was on track to deliver its manifesto commitments in respect of ending the “feudal leasehold system” and tackling “unaffordable ground rent charges” (Q24-Q26). You outlined that the Department would be producing the draft legislation by the end of this year, to tackle some of the leasehold challenges by the end of the Parliament (Q24).

We are pleased that the Ministry has committed to producing the draft legislation by the end of the year but re-iterate our concern that any delay will impact on leaseholders who are already facing significant challenges. We would welcome further clarification on the Ministry’s expected timeline for the draft Leasehold and Commonhold Reform Bill, so that we can plan time to conduct any pre-legislative scrutiny. We would particularly welcome the date by which the Ministry expects to publish the draft bill.

New Towns

We also discussed the work of the New Towns Taskforce, led by Sir Michael Lyons. The original Terms of Reference for the Taskforce stated that its final report would be submitted in July 2025, and you confirmed that you were expecting the report “imminently”. We would be grateful if you could confirm that you will publish the report as soon as practicable after you receive it, and if you could set out the timeline by which the Ministry will be taking the taskforce’s recommendations forward.

I would be grateful if you could respond to this letter by 25 August.

Yours sincerely,

Florence Eshalomi MP
Chair, Housing, Communities and Local Government Committee