

Rt Hon. Angela Rayner MP
Deputy Prime Minister and Secretary of State for Housing,
Communities and Local Government

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Date: 11th July 2024

Dear Angela,

Meeting request – social housing financing and capacity

Congratulations on your appointment as Deputy Prime Minister and Secretary of State for Housing, Communities and Local Government.

We look forward to working with a Secretary of State with a longstanding and personal commitment to social housing. In opposition, you spoke about the transformative effect of growing up in affordable, safe housing. We share your passion for social housing and determination to end the housing crisis.

As councils, housing associations and social housing professionals we stand ready to work in close partnership with you to deliver the biggest boost to social housing in a generation. Given the scale of financial pressures impacting the sector, delivering this will not be possible without urgent government intervention. It was therefore welcome to see this acknowledged in Labour's manifesto commitment to support councils and housing associations to rebuild their capacity.

We are writing today as an unprecedented coalition of social housing providers and practitioners, to outline practical next steps to rebuild the capacity and confidence of the social housing sector. Given the scale and impact of this crisis, we would welcome the opportunity to discuss this further in an urgent roundtable meeting.

Capped income, crippling cuts, unfunded new requirements and soaring costs have decimated housing association and council's housing budgets. Rental income is 15% lower in real terms than in 2015, at the same time as we need to invest up to £50k on average in every social home over the next three decades to ensure they are safe, high quality and decarbonised. Without action, councils will face a £2.2bn black hole in their housing budgets by 2028. And reflecting these financial pressures housing association starts on site of new homes were 30% down last year compared to the year before, with further falls expected this year.

After years of policy uncertainty and underfunding, we want to establish a long-term and collaborative relationship with our new government, working together to bring all our existing homes up to a modern, decent and green standard, and ensure we're on track to build desperately needed new homes.

The largest local authority landlords in England have just published their [five solutions to secure the future of council housing](#), the National Housing Federation has set out its social housing renewal plan, the Chartered Institute of Housing has released its [10 point housing plan](#) and the Local Government Association's [Local Government White Paper](#) includes its plan for social housing. We are all united on the need for urgent action, which must include long-term income certainty, an immediate boost to existing grant programmes, and fairer access to building safety funding.

At the next spending review, we need a long-term plan for new and existing social homes, underpinned by a fair and sustainable financial model developed alongside councils and housing associations.

Without this, we will not be able deliver our shared ambition to build 1.5 million new homes this parliament. New build projects are already being delayed and cancelled across the country due to significant financial pressures and uncertainty.

We look forward to discussing our shared challenges and recommendations with you and working together on an ambitious long-term plan to rebuild our capacity, boost growth and solve the housing crisis.

Yours sincerely,



Cllr Kieron Williams
Leader of Southwark Council

Cllr Claire Holland
Chair of the LGA Local Infrastructure & Net
Zero Board, Leader of Lambeth Council

Kate Henderson
Chief Executive, National Housing Federation

Gavin Smart
Chartered Institute of Housing

Mike Ainsley
Chair, National Federation of ALMOs

Paul Price
CEO, The Association of Retained Council
Housing (ARCH)

Cllr John Cotton
Leader of Birmingham City Council

Cllr Tony Dyer
Leader of Bristol City Council

Cllr Sagal Abdi-Wali
Cabinet Member for Better Homes, Camden
Council

Cllr Patrick Harley
Leader of Dudley Metropolitan Brough Council

Cllr Anthony Okereke
Leader of the Royal Borough of Greenwich

Caroline Woodley
Mayor of Hackney

Cllr Mike Ross
Leader of Hull City Council

Cllr Kaya Comer-Schwartz
Leader of Islington Council

Cllr Cathy Scott
Leader of Kirklees Metropolitan Borough
Council

Cllr Jessica Lennox
Executive Board Member for Housing, Leeds
City Council

Cllr Ely Cutkelvin
Deputy City Mayor for the Economy, Housing
and Neighbourhoods, Leicester City Council

Brenda Dacres
Mayor of Lewisham

Cllr Nick Kemp
Leader of Newcastle City Council

Cllr Neghat Khan
Leader of Nottingham City Council

Cllr Chris Read
Leader of Rotherham Metropolitan Borough
Council

Cllr Stephen Simkins
Leader of City of Wolverhampton Council

Cllr Kerrie Carmichael
Leader of Sandwell Council

Cllr Tom Hunt
Leader of Sheffield City Council