

Our address

Caxton House
Tothill Street
London, SW1H 9NA

Website

www.dwp.gov.uk

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Dear Sir or Madam

We have become increasingly concerned about the number of cases where people who have sold their home and rented it back have been refused Housing Benefit (HB). In the Office of Fair Trading's recent market study of the sale and rent back industry they recommended that DWP should provide greater clarity on the eligibility of sale and rent back tenants for Housing Benefit.

In response, we have produced more detailed advice aimed at financial advisers and advice for those thinking about entering into a sale and rent back to advise them of the potential pitfalls they might face if they are thinking of relying on HB to help with their rent. As you can see we would strongly recommend that those thinking of entering into a sale and rent back arrangement should first ask their local authority for advice or speak to independent money advisers, such as the Citizen's Advice Bureau.

I would be grateful if you could make the attached advice available to advisers and public alike so that the public are better informed of the potential risks of entering into a sale and rent back arrangement. We are happy that the advice is forwarded to other organisations with an interest in this area.

