



WHAT YOU NEED TO KNOW ABOUT HOUSING AND THE GENERAL ELECTION 2015

CIH is gearing up for the 2015 general election and to help our members keep up with the main political parties' plans for housing we have put together a short guide to what we know so far. At this stage information is still emerging and we will provide further updates as each of the parties publish their manifestos.

Conservatives

Having made economic recovery a central pillar of the 2010-15 programme for government, the Conservatives are continuing to frame their messages around the economy and their competence to reduce the deficit and deliver economic growth.

They have announced a number of policies on housing and welfare, including:

- a commitment to increase to 200,000 the number of 'starter homes' that are built for first time buyers under 40. Starter homes were first announced as a coalition government policy last September, with a target of building 100,000 of them by 2020. They will be offered for purchase at 20% below market prices, with these savings being achieved by exempting the developments from most section 106 contributions and the community infrastructure levy
- a new rent to buy fund to enable to the development of 10,000 new homes. These will mainly be one or two bedroom flats and will offered at below market rents for a period of seven years, after which the tenant will be given first refusal to buy the property
- further reductions to welfare spending, including:
 - an end to housing benefit being paid to those aged under 21, except those who are leaving care or who have children
 - a lowering of the overall benefit cap from £26,000 to £23,000
 - a two year freeze on working age benefits, including housing benefit.

Labour

Labour's key messages are about their preparedness to intervene where markets are not delivering the desired outcomes, especially where they relate to the cost of living, and about the importance of securing economic recovery for everyone, not just a select few.

Labour have made four major policy announcements relating to housing and welfare. These are:

- a commitment to increase house building to 200,000 units a year within five years. A plan to achieve this is set out in the Lyons Review and we have published a separate [briefing for CIH members summarising its key recommendations](#)
- a package of measures to improve the private rented sector, comprised of:
 - new three-year tenancy agreements, starting with a six-month probationary period. Tenants would still be able to terminate the tenancy after the first six months with





one month's notice, while landlords would only be able to terminate them in certain circumstances

- a new formula, developed by RICS, to prevent excessive rental increases
- a ban on letting agents charging tenants fees just to sign a tenancy agreement.
- a commitment to introduce an annual charge (or 'mansion tax') on properties worth over £2m, with the revenue raised being ring fenced for the NHS
- a commitment to repeal the bedroom tax.

Liberal Democrats

The Liberal Democrats are positioning themselves as being a natural and necessary partner for either Labour or the Conservatives if neither is able to win an outright majority. They describe themselves as offering a balance of economic competence and a social conscience.

The party published a [pre-manifesto](#) ahead of their 2014 conference. The main housing and welfare positions included in that document, and subsequently discussed at the conference itself, include:

- setting a target of building 300,000 new homes a year and, within the first year of the next Parliament, publishing a long term plan setting out how this goal will be achieved. That plan would include:
 - increased investment in social housing
 - bringing forward plans for at least ten new Garden Cities
 - setting up a new housing investment bank
- introducing an annual charge (or 'mansion tax') on residential properties worth over £2 million. The charge would be introduced via the council tax system as an additional levy placed on the highest value homes
- giving Councils the power to suspend the right to buy
- reform of the bedroom tax. Under the proposals, it would not apply to existing tenants until they have received a reasonable offer of alternative social rented accommodation with the correct number of bedrooms, and would not apply at all to tenants who need an extra bedroom for medical reasons or whose homes have been substantially adapted.

UK Independence Party (UKIP)

UKIP presents itself as an alternative to the traditional political parties. They describe themselves as promoting independence from the European Union and personal freedom from political interference.

On housing and welfare UKIP's previously stated policy positions include:

- protecting the green belt and instead building 1m homes on brownfield land by 2025. Brownfield development would be encouraged through new brownfield bonds and through stamp duty and VAT exemptions
- prioritising people whose parents or grand parents have been born locally for social housing and barring foreign nationals from exercising the right to buy
- prohibiting migrants from receiving benefits until they have been resident in the UK for at least five years



- abolishing the bedroom tax.

Greens

The Greens also present themselves as an alternative to the traditional political parties. Their key messages relate to a desire to build a fairer economy where wealth is more evenly distributed and to end the current 'austerity' programme, in favour of continued government spending on public services.

The Greens' key positions in relation to housing and welfare include:

- building 500,000 new homes for social rent by 2020. This would be funded by an increase in capital investment, lifting local authority borrowing caps and ending some subsidies for private landlords, such as mortgage interest relief
- abolishing the right to buy
- introducing five year tenancies and annual limits on rent increases in the private rented sector.

What CIH is doing

Our policy work in the run up to the election aims to influence the debate and ultimately the policies of the next government. We are focusing our on three broad areas of policy – supply, affordability and welfare and 'more than bricks and mortar' and are challenging all political parties to put addressing the housing crisis at the centre of their manifestos. More information about our positions is set out [on our website](#).

We are also one of the organisers of the Homes for Britain campaign. Homes for Britain is an industry-wide campaign aimed at getting all major political parties to commit to ending the housing crisis within a generation. For more information, see the [Homes for Britain website](#).