



# WHAT YOU NEED TO KNOW ABOUT THE QUEEN'S SPEECH 2015

The Queen's Speech was presented to Parliament on Wednesday 27 May 2015. It gives an overview of legislation and policies that the new Conservative government intends to introduce in the next 12 months. This note gives CIH members an overview of the forthcoming legislative agenda that will be relevant to people with an interest in the housing sector.

Some proposed pieces of legislation relate to devolved areas of policy and will therefore only apply in England (or in some cases England and Wales). However welfare and immigration policy applies across the UK.

## SIGNIFICANT PIECES OF LEGISLATION

The following bills are those most likely to impact on or be of interest to our members:

### Housing Bill

The government will introduce a Housing Bill which will encompass a number of measures:

- extending the right to buy to housing association tenants who have held a tenancy for 3 years or above, offering discounts worth up to £78,000 outside London and £104,000 in London
- requiring local authorities to sell their most valuable homes when they become vacant, the proceeds will be used to compensate housing associations for the discounts on homes they sell under right to buy and to fund the building of more affordable homes in the area
- providing the statutory framework for the delivery of starter homes, new build properties which will be made available exclusively to first time buyers under the age of 40 at 20% below normal market prices
- requiring local authorities to help custom and self builders to identify suitable plots of land
- introducing a statutory register of brownfield land
- simplifying and speeding up the neighbourhood planning system.

### Full Employment and Welfare Benefits Bill

The full employment and welfare benefits bill will introduce the following measures:

- removing 18-21 year olds' automatic entitlement to housing benefit. The Conservative manifesto has previously suggested that housing benefit would be withdrawn from under 21s who also receive job seekers allowance
- freezing working age benefits for a further two years, from 2016/17
- lowering the overall benefit cap from £26,000 per household to £23,000

### Immigration Bill

A new Immigration Bill to be introduced, its main aim is to control immigration and it will include a measure to make it easier to evict illegal immigrants. There is also a commitment to fully roll out a requirement that private sector landlords check prospective tenants' immigration status, which is currently being piloted in the West Midlands. This was a measure originally introduced in the 2014 Immigration Act



## OTHER NOTEWORTHY PIECES OF LEGISLATION

### Scotland Bill

Following last year's referendum the Scotland Bill will:

- deliver in full the Smith agreement on further devolution of powers to Scotland. A [separate CIH briefing](#) is available on this
- make Scottish Parliament responsible for raising about 40% of taxes and deciding on around 60% of public spending

### Cities and Local Government Devolution Bill

A bill to devolve power to cities with elected metro mayors, it will provide the legislative framework to deliver the Greater Manchester deal and similar agreements in other areas.

### Draft Public Service Ombudsman Bill

A bill to combine the roles of the Parliamentary Ombudsman, the Health Ombudsman and the Local Government Ombudsman and potentially the Housing ombudsman. Further details of this measure will be published once the [current consultation](#) is completed in June.

### Consultation on a British Bill of Rights

The government will start consultations on a Bill of Rights to replace the Human Rights Act.

## INITIAL REACTION FROM CIH

### Right to buy for housing associations

Extending right to buy to housing associations is not going to tackle the housing crisis – in fact it could make things worse for people on lower incomes who are already struggling to access a decent home at a price they can afford. It would have a huge impact both on housing associations and on local authorities, as councils would have to sell off their most valuable homes to fund replacements.

Our concern is that in practice it would result in the loss of vital social and affordable homes. The government says each home sold would be replaced on a one-for-one basis – but we know this is not happening under the current scheme for local authorities. The government says that replacements for both housing association and council homes sold under the extended scheme would be built in the same area, but this will be heavily dependent on land availability and will therefore be extremely challenging in some areas of inner London, larger cities and also in rural areas.

### Welfare reforms

Freezing working age benefits for two years fails to reflect the reality of the housing crisis. We are not building enough homes, which means the cost of housing and therefore the housing benefit bill is going up.



Millions of people have no choice but to rely on housing benefit to secure a roof over their head. That includes an increasing number of people in work – the number of people in work who still have to claim housing benefit has more than doubled from around 445,000 to just over a million in the last five years.

Cutting housing benefit for under 21s fails to take into account the reality of many young people's lives. It could have a serious impact on vulnerable young people who have left home, including those who have been rough sleeping and may be forced to return to it.

[Our research on the impact of the benefit cap in Haringey](#) showed that people affected by the cap face serious barriers to finding work, including a lack of job seeking skills and affordable childcare. So we think that lowering the benefit cap would be very dangerous unless ministers commit to increasing support for people looking to get back into work and funding for childcare for those people affected.

Recent and proposed reforms to housing benefit that rely on reducing entitlements are likely to have only a short-term impact on the overall long-term growth in spending. Our September 2014 report [Ticking the box for a welfare system that works](#) sets out our ideas and recommendations for change.

#### Immigration checks

This scheme has been running on a pilot basis since December and it's vital that the government fully assesses the impact before thinking about rolling it out more widely. CIH has published a separate guide to [the practical implications of immigration checks](#).