



What you need to know about the autumn statement 2016

Today the chancellor has presented his [Autumn Statement](#) for 2016. [Our submission](#) to HM Treasury called on government to:

- Increase overall rates of housebuilding by supporting the development of more homes to rent, as well as to buy, by:
 - Reshaping the affordable homes programme to offer more flexibility around the types of properties that are developed,
 - Restarting the affordable homes guarantees programme
 - Exploring opportunities to increase councils' contribution to overall housing supply
 - Restoring affordable housing contributions made via the planning system
- Encourage more housing led regeneration
- Use a combination of accreditation and tax incentives to improve standards in the private rented sector
- Set up a fund to prevent homelessness by supporting more private tenants to sustain their tenancies.

HEADLINES FROM THE AUTUMN STATEMENT AFFECTING HOUSING ARE:

Affordable homes

A new National Productivity Investment Fund (NPIF) will provide £1.4 billion to deliver an additional 40,000 affordable homes. The government will also relax restrictions on what providers can deliver with both new and existing grant funding, allowing for a better mix of affordable rent and low cost home ownership.

The government has also confirmed the Greater London Authority's (GLA) affordable housing

settlement, under which the GLA will receive £3.15 billion to deliver over 90,000 housing starts by 2020-21.

The chancellor also confirmed that a housing white paper, focused on further increasing supply, will be published in due course.

£2.3bn housing infrastructure fund

A new housing infrastructure fund, funded by the NPIF, will be established. It will be allocated to local government on a competitive basis and is intended to provide infrastructure to encourage the building of 100,000 new homes built by private enterprise.

Large scale regional right to buy pilot

Government will fund a large scale regional pilot of the right to buy for housing association tenants, allowing up over 3,000 tenants to buy their own homes. A total of £250 million has been set aside to compensate associations for the discounts on these properties.

Letting agent fees banned

The government will ban letting agent fees for tenants in the private rented sector to improve competition in the rental market and to give prospective renters clarity over what they will pay. DCLG will consult on this before bringing forward legislation.

Welfare

The government have said there will be no further cuts to welfare benefits over the lifetime of this parliament, other than those that they have already announced. In addition government announced that the taper rate on universal credit claims (the rate which universal credit is withdrawn as a household's other income increases) will be reduced from 65 per cent to 63



per cent. This means that for every extra £1 earned, a household receiving universal credit will now see their claim reduced by 63p.

The chancellor also confirmed that, for general needs housing, the extension of local housing allowance (LHA) rates to the social sector will be delayed for a year. It will now apply from April 2019, but will apply to all tenants on universal credit (regardless of when their tenancies started) and to tenants receiving housing benefit whose tenancies began or were renewed since April 2016.

Pay to stay

The chancellor confirmed, as previously announced, that plans to require councils to charge higher earning tenants higher rents will not now proceed.

INITIAL CIH RESPONSE

Overall response

Given the scale of our housing crisis the central focus on housing in the government's Autumn Statement today is a significant step in the right direction.

The measures announced today demonstrate this is a government which recognises housing is a key part of our infrastructure and that it brings economic benefits. It also shows this is a government which is serious about its commitment to help the many thousands of people struggling to get access to a decent, affordable home.

The extra investment to support the building of 40,000 new affordable homes and the greater flexibility in funding for housing providers to build homes of all tenures, both of which we had asked for, are particularly welcome. It is also pleasing to see largescale investment in infrastructure to support new house building.

We would, however, have liked to see more to support people who need housing the most, with more funding diverted specifically to support social rents

and a strategic rethink on welfare measures we believe make housing inaccessible to a significant number of individuals and families

The banning of letting agent fees

We know that current letting agent fees are simply too high for many people. Removing that barrier will make it easier for them to get access to a home.

Changes to universal credit

The scaling back of plans to cut Universal Credit is a positive step. We have argued previously that the government's proposal would remove the work incentives that are an integral part of this policy. We are however urging the government to look at all of its welfare policies to make sure they don't undermine its ambition to create a country which works for everyone.

Why not Join our member opinion panel and have your say on the latest policy changes with our short online surveys <http://dotmailer-surveys.com/d6yrx0e-cbqon28>