



# What you need to know about the housing White Paper 2017

### Introduction

The government has published a White Paper – fixing our broken housing market – setting out their proposals for future housing legislation. It is divided into four chapters and we have summarised the key points in each. There are a number of measures in the White Paper which have been announced previously, for example, more flexibility in the affordable homes programme and tackling rogue landlords. The White Paper is available on the DCLG website.

## Planning for the right homes in the right places

- Ensuring that all parts of the country have an up-to-date plan which the whole community has been able to contribute to.
- Ensuring the plans are based on an accurate assessment of housing need which should include local authorities working with their neighbours to make difficult decisions.
- Local authorities should identify all land available for housing and who owns it.
- Maximising use of brownfield and publicly owned land while continuing to protect the green belt.
- Making better use of land by building to higher densities and reviewing space standards.
- Government will consult on housing need assessment methods to ensure a consistent approach that takes account of the needs of different groups.

# **Building homes faster**

- Introducing a housing delivery test for local authorities to ensure they are delivering the housing needed with monitoring starting from the period April 2014-March 2015 to April 2016-March 2017.
- Addressing the lack of capacity in planning departments by ensuring councils have sufficient funding to recruit properly trained planners.
- Ensuring the right infrastructure is in place and secure timely connections to utilities to allow building to start promptly.
- Addressing skills shortages in the construction workforce

### Diversifying the market

- Encouraging more small and medium builders, custom builders and non-traditional construction methods e.g. offsite construction.
- Encouraging more institutional investors into build to rent schemes, including affordable private rent where homes will be available for rent at a minimum of 20 per cent below market rents. Eligibility will be based on local incomes and house prices.
- Making more 'family friendly' tenancies of three or more years available to those who want them

   this appears to apply to new build homes for market rent.



- Government will set out a rent policy for all social landlords to use from 2020 which will allow them certainty to borrow against future income, there will be further discussions about this with the sector.
- Government will expect all housing associations to make the most efficient use of their resources to deliver the maximum number of new homes.
- Providing more support for local authorities to help them start building by addressing issues that hold them back. All those placed in new affordable homes built by local authorities using models such as local housing companies should have the same rights as existing tenants including the right to buy.
- Working with lenders and surveyors to ensure that mortgages are available for properties built using non-traditional construction methods.

# Helping people now

- The government has announced some changes to the starter homes scheme. It will be restricted to households earning less than £80,000 (£90,000 in London), there will be a 15 year repayment period for the discount meaning that, if the property is sold during this period, some or all of the discount must be repaid and all homes must be purchased with a mortgage.
- The number of starter homes required on site is to be reduced from 20 per cent to 10 per cent and for rural exception sites it is acceptable to require a local connection.
- All new developments must have a minimum of 10 per cent of homes available for affordable homeownership.
- Government has recognised that helping older people downsize keeps the housing cycle moving by freeing up homes for the many families across the UK who need them and they are exploring ways to resolve this.

#### What does CIH think?

The package of measures announced today represents an important shift in housing policy which demonstrates a commitment to tackle our housing crisis.

It's particularly pleasing to see the government recognise the need for a broader range of organisations to build new homes, especially the crucial role of local authorities in delivering the housing we need – something we've consistently called for.

However our concern is that much housing remains out of reach for a significant number of people and we would like to see the government back up the package of measures announced today with additional funding and resource in the budget.

We also think the government should revisit welfare policies we think undermine its commitment to make housing more accessible.

#### Find out more

- <u>CIH responses</u> to consultations on <u>starter</u> <u>homes</u> and <u>rogue landlords</u>
- Why not join our member opinion panel? <u>Sign</u> <u>up here</u>
- Join our webinar at 11am on 14 February 2017 when Gavin Smart, CIH deputy chief executive will talk about the White Paper's main headlines