

The Government has recently published its long-awaited [Housing White Paper](#), setting out measures to ‘fix the broken housing market’. But do they go far enough to address the current housing crisis? While not providing a ‘magic bullet’, the paper is a step in the right direction. We certainly welcome the shift in government rhetoric, away from the long-standing focus on homeownership, and the realisation that we need to build homes across the tenure spectrum. We are also encouraged by the recognition of housing associations (HAs) as key delivery partners, something the sector has worked incredibly hard to establish over the past few years.

This briefing provides a summary of the main headlines and we will be carrying out more work over the coming weeks to assess the implications, as well as the resulting opportunities for the housing sector.

Government is consulting on a number of specific measures set out in the White Paper.

Planning

- Central government will ensure local [development] plans are in place across the country, with a requirement for a minimum five-year review cycle. Currently 34 local planning authorities are yet to publish a local plan. Government will intervene where authorities fail to produce such a document.
- Combined authorities/elected mayors will be enabled to produce spatial development strategies for the allocation of strategic sites.
- Government will consult on a standardised approach to assessing housing requirements to inform preparation of local plans. It is proposed that by April 2018 the new methodology will form the baseline for five-year housing supply and delivery.
- There will be an improvement in the availability of information about wider interest in land to support transparency.



- The use of brownfield sites will be encouraged, with a presumption that these are suitable for residential development.
- There will be further support for local authorities (LAs) to utilise surplus public sector land through a new £45m Land Release Fund.
- The Government will consult on the flexibility to dispose of land at less than best consideration.
- National policy will be amended to encourage planning authorities to consider the social and economic benefits of estate regeneration.
- Presumption in favour of small, under-developed sites for residential development.
- New legislation will allow for the establishment of locally accountable New Town Development Corporations.
- No change to the protected status of the green belt, other than in exceptional circumstances as is currently the case.
- Strengthening of the neighbourhood planning process.
- Government will look at increased energy performance if evidence suggests that this won't affect affordability of home buyers.
- A more efficient use of land will be encouraged, including building to a higher density.
- Various measures to be implemented to increase capacity of local planning authorities, including an increase of nationally set planning fees by 20% from July 2017; £25m of funding to help local authorities in areas of high housing need to plan for new homes; and deterring unnecessary appeal by consulting on the introduction of a fee for making a planning appeal.
- £2.3bn Housing Infrastructure Fund to be targeted at the areas of greatest housing need.
- Proposals of the independent review of the relationship between the Community Infrastructure Levy and Section 106 Planning Obligations will be considered, ensuring that contributions have direct benefits for communities.
- Introduction of a new statutory duty to produce guidance for planning authorities on how development documents meet the housing needs of older and disabled people.



- Various new powers to speed up housing developments, including compulsory purchase powers to support build-out of stalled sites will be introduced.
- Introduction of a new housing delivery test to hold LAs accountable for ensuring housing delivery in their areas.

Housebuilding Industry

- Government will ensure that the market is made up of a diverse set of players in order to drive innovation and productivity, including small and medium-size builders, custom builders, and HAs.
- Recognition of HAs vital contribution to supply. Investment in affordable housing is a tried and tested way of delivering new homes, since it is usually more resilient to market volatility.
- Announcement of post-2020 rent policy following consultation with the sector in due course. The current 1% rent reduction will remain in place until 2020.
- HAs are encouraged to 'explore every avenue for building more homes', with the expectation that all HAs make best use of any development capacity they may have, including the use of efficiency savings.
- Support for LAs wanting to increase supply stops short of lifting Housing Revenue Account cap.
- Following the recent review, the Homes and Communities Agency (HCA) will be re-launched as Homes England and its regulatory function will be separated into a new stand-alone body.
- A greater use of modern methods of construction through a variety of means will be encouraged, including the use of the Accelerated Construction Programme and Home Builders Fund, easier access to finance, and examining how the planning system is working for the industry.

Help for (First Time) Buyers

- Building on the Help to Buy ISA, the introduction of a Lifetime ISA from April 2017 will act as a flexible saving vehicle for young adults, with an annual bonus of 25% on amounts of up to £4,000.
- Consideration will be made as to the future of the Help to Buy scheme beyond 2021 to provide certainty.



- Concessions towards the controversial Starter Homes initiative will be made. While the policy will still go ahead, gone are compulsory requirements for sites with a certain number of units. Instead, there is an expectation to deliver a minimum of 10% of affordable homeownership options. This means that the original target of delivering 200,000 Starter Homes over the Parliament now includes all (low cost) homeownership options.
- The repayment period (the timeframe within which some proportion or the entire discount has to be paid back at the time of selling) is now set at 15 years.
- Household income eligibility criteria of Starter Homes will fall in line with shared ownership, i.e. £90,000 in London and £80,000 in the rest of the country.
- The Government reaffirmed their commitment to extending the Right to Buy to HA tenants, but no further details are given on the planned regional pilot announced in the Autumn Statement.
- Support for institutional investment in shared ownership and growing the sector further was reaffirmed.

Private Rented Sector

- Support given to grow the nascent Build to Rent sector.
- The availability of family-friendly tenancies for a minimum of three years in Build to Rent developments.
- It will be made easier for Build to Rent developers to offer affordable private rental homes instead of other types of affordable housing.
- An emphasis will be placed on driving up safety and standards in the private rented sector, implementing measures contained in the Housing and Planning Act 2016.
- Legislation will be introduced to ban letting agent fees.

Other

- Government will consider existing and new evidence to encourage downsizing to free up family homes. They will instigate a wider conversation about the supply of accommodation for older people, including new and innovative solutions.
- A Green Paper on implementing the new proposed funding model for supported housing, and an approach to short-term accommodation will be published in Spring this year.





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