

HOMES FOR THE FUTURE: MORE AFFORDABLE, MORE SUSTAINABLE

The key proposals in the Green Paper are summarised below under four headings

- Building more homes
- Building better, greener homes
- Building more affordable homes
- Delivery

PROVIDING MORE HOMES

- 2,000,000 **new homes** will be delivered by 2016 and a total of 3,000,000 by 2020. By 2016 the total housebuilding per year will have reached 240,000 and remain at that level until 2020
- Current round of RSS to complete as soon as possible including 150-200,000 new homes. Current planned levels will be supplemented by mini **reviews of existing RSSs** (to be completed by 2011) and 100,000 homes in existing New Growth Points in the southern half of the country
- 50,000 extra homes will be funded in a new round of **Growth Points**, including areas in the north. Local authorities will be invited to bid to become part of this programme during 2008/9. Investment in market renewal will continue alongside this activity, but will be more focused on “deep seated structural problems”.
- Proposals for 5 new **Eco-towns** are invited to meet criteria set out in a newly published prospectus. These are entirely new towns of between 5,000 and 20,000 homes, intended as “exemplar green developments”, complementing other plans for renewal
- A **Single Regional Strategy** is planned “in due course”, combining RES and RSS, prepared by RDAs, signed off by local authorities and informed by Sustainable Communities Strategies. An economic growth objective will be set for each region, with which housing growth must be consistent
- Draft guidance on **Planning Performance Agreements** for large developments will be issued
- Local authorities will need to set out a 5 to 15 year **land supply** using new guidance and, from 2008, a new **Housing and Planning Delivery Grant**, available to high-delivering councils with a 5 year land supply
- Planning consent is likely to be pushed through on appeal where insufficient land is identified. **Guidance on Strategic Housing Land Availability** issued
- English Partnerships will oversee delivery of 200,000 new homes on **surplus public sector land** on which the Government will help fund shared ownership by deferring receipt of land value. A minimum of 50% affordable housing will be required

- Newcastle will be one of fourteen **pilot Housing Companies**: joint ventures with English partnerships and other partners acting as master developers in a designated area, working with contractors and investors. Local authorities will be expected to contribute land and planning consent: English Partnerships will contribute funding and technical help
- **Brownfield sites** will continue as a priority, with English Partnerships helping local authorities develop brownfield strategies. More action will be expected on long-term **empty homes**

BUILDING BETTER, GREENER HOMES

- CSRO7 will establish an **inter-departmental approach to housing growth**. Each department's contribution to **infrastructure** will be reported to Ministers as part of a review programme. This will be supported by a new requirement for local authorities to include infrastructure policy in their LDFs
- Bids for a £300,000,000 **Community Infrastructure Fund** will be invited later in 2007 to complement mainstream transport funding in Growth areas, Growth points and Eco-towns
- Comments are invited on the Government's preferred option for **Planning Gain Supplements**. 70% of income generated will be kept by local authorities, with the balance held for regional infrastructure funding. Nothing will be implemented before 2009
- PPS3 emphasis on **family homes** underlined and the housing needs of children. Comments on how to adopt **Lifetime Homes** standards are sought
- Consultation has started on making mandatory the Code for **Sustainable Homes**. Carbon emissions are to be reduced to 25% in new housing by 2010, 44% by 2013 and to zero by 2016. A planning policy document on climate change will be issued later in the year
- Policy statement on minimum standards for **water efficiency** in new buildings published
- Light touch review of **CABE** in Autumn 2007 to consider how CABE's programmes link with CLG and DCMS

MORE AFFORDABLE HOMES

The Government response to the Cave review of social housing regulation and the Hills review of the future of social housing will be included in legislation in the Autumn. No specific proposals are included here, but a very explicit definition of the role of social housing is given: "social housing is needed to provide affordable homes to rent with security of tenure for families on low incomes, for people with severe disabilities, for frail older people and for other people for whom home ownership is unlikely to be the right option".

- There will be a 50% increase in **new social housing** by 2010/11, producing 30,000 new homes in 07/08, 45,000 in 2010/11 and 50,000 per year by the next CSR

- The Housing Corporation will be looking to increase the contributions made by **Housing Associations** from their own reserves by more competitive bidding, replacing the “big bang” allocation approach with one based more closely on value for money
- **Local authorities** will be able to access Housing Corporation funding for 2* ALMOs subject to pre-qualification, and in this way be able to retain rents and receipts when a property is sold
- Local authorities to **build within the HRA** will have to demonstrate value for money and may be able to keep rent and receipts: views are sought on this issue
- As part of radical **reform proposals for the HRA**, changes to subsidy may allow councils to leave the HRA and keep rents and receipts, subject to a one-off payment and thus become “self financing”
- The rules governing capital **receipts** will be reviewed to make local authorities shared ownership financially worthwhile. No change is proposed in RTB receipts
- The Government will support action to promote **mixed communities** in the most deprived areas, using lessons from demonstration projects. The preparatory work and community involvement identified as necessary may be a reason for delaying implementation of Decent Homes Standard on the most deprived estates
- **Decent Homes** £2 billion confirmed availability for ALMOs before 2010/11
- 25,000 **low cost homes for owning** will be provided each year using a range of proposals:
 - action by local councils in local housing companies
 - homes on public sector land without grant
 - private sector contribution through Section 106
 - further details of the social homebuy scheme to be announced later this year
- Further development of the **Open Market Homebuy Scheme**
 - Brian Pomeroy to advise on private sector shared equity
 - proposals to be brought forward as part of 2008 programme building on housing associations, lenders and developers proposals
- Consultation on a **covered bond regime** to help mortgage firms finance more affordable **longer term fixed rate mortgages**
- Legislation, through a private members bill, to increase the proportion of funds raised in financial markets to allow **building societies more flexibility**
- Proposals to combat **barriers** to lenders wanting to raise funds in financial markets reporting up to budget 2008

DELIVERY

- Action to increase the construction skills and the number of skilled workers required to support housing growth will require increased joint working between Government and other organisations to improve

training, increase apprenticeships and develop new qualifications for young people

- A stronger **local authority housing strategy role** will be expected, with joint working in sub-regional groups “to be the norm”, and supported by a tool kit for community involvement in housing decisions
- A Housing Corporation will invite bids later in the year for **Community Land Trusts**, non-profit-making organisations for owning and controlling land
- Additional incentives to stop developers **land-banking** will be considered