



IPSWICH HOUSING STRATEGY
2019 - 2024 **APPENDIX 3**

THE NATIONAL CONTEXT

National Context – Policies and Strategies

The following lists the national policies and strategies that shape and affect housing within Ipswich.

The 'National Context' and accompanying 'Local Context' form part of the evidence base for the Housing Strategy.

This document will be regularly reviewed and updated.

The Localism Act 2011

The Localism Act introduced changes to how Local Government Services are delivered. The major housing and planning reforms include:

- changes to homelessness duties to allow discharge of duty with an offer of suitable private sector accommodation
- Local authorities to be able to offer new flexible tenancies, with a minimum term of five years ending the automatic 'home for life' for new council tenants
- new powers for councils to set their own rules about who qualifies to go on their waiting lists
- 'flexibility' for councils to use their social housing stock to the maximum effect and reduce waiting lists'
- The introduction of 'self-financing ' to give greater power to local authorities
- Local authorities must publish a strategic tenancy strategy

<http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted>

The Welfare Reform Act 2012

The government has introduced a number of changes to welfare benefit, including benefit caps, direct payments (housing benefit), increased non-dependent deductions, the spare room subsidy and Universal Credit.

<http://www.legislation.gov.uk/ukpga/2012/5/contents/enacted>

The Care Act 2014

Under the Care Act local authorities must promote wellbeing when carrying out any of their care and support functions in respect of a person. This is sometimes referred to as the “wellbeing principle”. The wellbeing principle applies in all cases where a local authority is carrying out a care and support function, or making a decision, in relation to a person. “Wellbeing” is a broad concept; however the Act describes the suitability of living accommodation as a particular area to be considered. Therefore local authorities need to explicitly consider the suitability of living accommodation where relevant to do so when assessing an individual.

<http://www.legislation.gov.uk/ukpga/2014/23/contents/enacted/data.htm>

The National Planning Policy Framework

The National Planning Policy Framework (2012) introduced significant change to the existing planning system to boost supply. These changes affect planning and delivery of new developments. Local authorities are required to maintain a 5 year supply of specific deliverable sites for housing and to prepare Strategic Housing Market Assessments (SHMAs). It also introduced provisions for neighbourhood planning and the development of local plans. These changes create opportunities for local communities to plan their own development, including the possibility of the provision of additional affordable housing.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf

UPDATE: 2018

A Revised National Planning Policy Framework was published in July 2018. The Revised National Planning Policy Framework contains 85 reforms. Further updates to national planning guidance are expected in due course.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/740441/National_Planning_Policy_Framework_web_accessible_version.pdf

Private Rented Property Minimum Standard

The Energy Efficiency (Private Rented Property)(England and Wales) Regulations 2015 establish a minimum level of energy efficiency for privately rented property in England and Wales. This means that, from April 2018, landlords of privately rented domestic and non-domestic property in England or Wales must ensure that their properties reach at least an Energy Performance Certificate (EPC) rating of E before granting a new tenancy to new or existing tenants. These requirements will then apply to all private rented properties in England and Wales – even where there has been no change in tenancy arrangements – from 1 April 2020 for domestic properties, and from 1 April 2023 for non-domestic properties.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/713159/Domestic_Private_Rented_Landlord_Guidance_-_June_18.pdf

The Housing and Planning Act 2016

This housing related Act was passed in summer 2016. The Act contained a number of new measures:

1. Extension of Right to Buy to housing associations – Tenants of housing associations now have the right to buy. The government is to publish ‘the home ownership criteria’ and direct the HCA to monitor association compliance to this criteria.
2. Sales of higher value vacant local authority homes – There is a duty on local authority to consider selling higher value council owned stock as it becomes vacant. There is currently no definition of ‘higher value’. The government will estimate how much it expects a local authority to receive from these sales each financial year and authority will then be required to pay this amount to the treasury. There is currently no calculation method. Each higher value home that is sold will have to be replaced with an affordable home
2018 – UPDATE Government confirmed that this element of the Act will not commence
3. Starter Homes – Government plan to build 200,000 starter homes for 1st time buyers aged 23-40 which will be for sale at 20% below the market price. The government to set regulations requiring starter homes to be included on residential sites as a condition of planning permission being granted.
4. Mandatory use of fixed term tenancies – Applies to local authorities only. New LA tenancies will be for fixed term of 2-10 years, unless a household includes a child less than 9 years in which case the tenancy will be granted until the child turns 19 years. Future successions to a secure tenancy, unless a spousal succession, will also be fixed term.
2018 – UPDATE Government confirmed that this element of the Act will not commence

5. Higher income social tenants – Pay to Stay – Applies to local authority only. Tenants whose income exceeds £31000 per year will be required to pay higher rent. Tenants will be expected to declare income and local authorities will be able to share info with HMRC. The rent will increase by 15p for each extra pound earned above threshold. This will not apply to HB claimants.

2017 – UPDATE Government confirmed that this element of the Act will not commence

Other measures contained within the Act include:

- *Increased government powers where a local authority does not have an up to date local plan.
- *Measures to tackle rogue landlord in private sector including a database and use of banning orders.
- *It will be easier for landlord to gain possession of property if property has been abandoned.
- *The government has powers to grant automatic planning consent on any land allocated in a development plan

<http://www.legislation.gov.uk/ukpga/2016/22/contents/enacted>

'Fixing our broken housing market' 2017 – government White Paper setting out it's housing strategy

The new government housing strategy was published on 7th Feb 2017. The strategy contains four priorities: 'Planning the right homes in the right places', 'Building homes faster', 'Diversifying the market' and 'Helping people now'. There is a strong emphasis on amending the National Planning Policy Framework to allow for a faster planning system and there is a move away from home ownership, with new models of affordable housing being promoted such as Affordable Rent.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

Homelessness Reduction Act 2017

A new Act to standardise the Housing Options and homelessness approach across England. The new Act introduces new statutory duties upon councils when dealing with people who are threatened with homelessness:

1. The period in which an applicant is 'threatened with homelessness' has been extended from 28 days to 56 days.

2. A duty to provide advisory services to any person in the LA's district on preventing and relieving homelessness.
3. A duty to assess all eligible applicant's cases and agree a plan
4. A homelessness prevention duty requiring LA's to take reasonable steps to help prevent any eligible person who is at risk of homelessness from becoming homeless, by helping them to either stay in current accommodation or helping them to find a new place to live.
5. A relief duty to help resolve homelessness if homelessness prevention work has not been successful or when an applicant approached the LA already homeless.
6. The LA to 'help to secure' accommodation by providing advice and support to households who would then be responsible for securing their own accommodation.
7. New 'Non-Cooperation' duty that a LA can use if an applicant deliberately and unreasonably refuses to take steps set out in their personalised plan.
8. An extension of existing review legislation so that applicants can challenge decisions relating to the new prevention and relief duties
9. Duty of public authority to refer cases to local housing authority
10. A new measure defining local connection for care leavers

The new Act commenced on 3rd April 2018

<http://www.legislation.gov.uk/ukpga/2017/13/contents/enacted/data.htm>

Neighbourhood Planning Act 2017

The Neighbourhood Planning Act 2017 received Royal Assent on 27th April 2017. The Act introduces numerous changes to neighbourhood planning, local development documents, compulsory purchase and planning conditions.

<http://www.legislation.gov.uk/ukpga/2017/20/contents/enacted>

The Rough Sleeping Strategy

The government published their first Rough Sleeping Strategy in August 2018. The Strategy sets out the government's plans as to how they will halve rough sleeping by 2022 and eradicate rough sleeping by 2027.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733421/Rough-Sleeping-Strategy_WEB.pdf

'A new deal for social housing' Government Green Paper

This government green paper was published in August 2018 and contained a number of consultations relating to general content, regulation and Right to Buy reform that closed in November 2018 (currently awaiting consultation outcomes to be published).

The Green Paper sets out 5 key principles: 1. Ensuring homes are safe and decent 2. The need for swift and effective resolution of disputes 3. Empowering residents and making sure their voices are heard 4. The need to address the stigma that residents on social housing face 5. Boost the supply of social housing and supporting home ownership

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733605/A_new_deal_for_social_housing_web_accessible.pdf

Homes (Fitness for Human Habitation) Act 2018

The Act came into force on 20 March 2019. It is designed to ensure that all rented accommodation is fit for human habitation and to strengthen tenants' means of redress against the minority of landlords who do not fulfil their legal obligations to keep their properties safe. There are no new obligations for landlords under this Act; the legislation requires landlords to ensure that they are meeting their existing responsibilities with regards to property standards and safety. Under the Act, the Landlord and Tenant Act 1985 is amended to require all landlords (private and social) to ensure that their properties, including any common parts of the building, are fit for human habitation at the beginning of the tenancy and throughout.

<http://www.legislation.gov.uk/ukpga/2018/34/enacted>

Continuing Private Rented Sector Reform

A number of new measures have been introduced aimed at providing private rented tenants with enhanced security of tenure. These include capping of landlord fees, new measures aimed at tackling 'rogue' landlords and retaliatory evictions and extending the licencing of Houses of Multiple Occupation. Very recent government consultations have focused upon tenancy deposit reform and abolishing S21 evictions.

Historical/Background

Reinvigorated Right to Buy

Reinvigoration of the Right to Buy was launched in 2012, as part of the governments focus on home ownership. The maximum discount cap was increased to £75000 and Local Authorities are allowed to retain additional receipts locally to be used in the provision of new build social housing as part of the new 'One for One' replacement element that formed part of the policy.

Help to Buy Scheme

This scheme started on the 1st April 2013. First time buyers and home movers only need a 5% deposit to purchase new build houses worth up to £600,000. The government then provides a loan for up to 20% of the purchase price, and there are not any loan fees/ interest for the first five years of owning the home.

<https://www.helptobuy.gov.uk/>

Tenure Reform

The Localism Act 2011 places a new duty on local housing authorities to prepare and publish a Tenancy Strategy. These strategies must set out the matters to which registered social housing providers are to have regard in formulating their policies on tenancies. The Localism Act also introduces a radical reform of social housing tenure. Social landlords will no longer be required to let general needs homes on 'the most secure form of tenure' possible, they can now offer tenancies for shorter terms. The Localism Act introduces a new form of local authority Secure Tenancy: the Flexible Tenancy. This form of tenancy can be used from 1 April 2012 for new tenants, provided the local housing authority has adopted a Tenancy Strategy or interim policies that allow for it. However, local housing authorities can decide whether to use them or not.

New Homes Bonus

This was introduced by government in the financial year 2010/11. For every additional new home and empty property brought back into use, local authorities will receive the equivalent of the average annual council tax raised, together with an additional £350 for affordable units, for a period of 6 years. The scheme is part of the government's overall strategy to substantially increase the level of house building and is intended to incentivise local authorities and local communities to accept and encourage residential development.

<https://www.gov.uk/government/publications/new-homes-bonus-grant-determination-2016-to-2017>

<https://www.gov.uk/government/publications/new-homes-bonus-final-scheme-design--2>

Laying the Foundations: Government Housing Strategy 2011

The key aims of the national strategy are to address concerns across the housing market and identify a package of reforms that will get the housing market moving again and lay the foundations for a more responsive, effective and stable housing market in the future. The strategy aims to increase supply, to make better use of social housing, to support the growth of the private rented sector, to tackle empty homes, to prevent homelessness and improve quality of homes. This will be achieved through 'Get Britain Building Investment Fund', investment to support infrastructure, New Homes Bonus and a zero carbon homes standard from 2016.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7532/2033676.pdf

Reduced Funding for the development of affordable housing

In the 2010 Spending Review the level of capital funding from government to build new affordable homes over 2011-15 was cut by 60% (compared to the previous programme of 2008-11). Further cuts, such as the reduction in social housing rents by 1% per year for the next 4 years which came into effect in

April 2016, and further loss of income through policies such as raising the Right to Buy discount caps has had an impact on local authorities income. Since 2012, self-financing has given councils freedom but council borrowing in the HRA is limited due to caps. Some councils have partnered with private developers and some have formed wholly owned companies which mean that Right to Buy does not apply. The Government have stated they do not support this action. The 'Shared Ownership and Affordable Homes Programme 2016-2021' states that the government will provide £4.1 billion to build 135000 shared ownership homes, 10000 homes for Rent to Buy and 8000 homes for supported and older people rental accommodation. The Government want to encourage the commercial housing sector in this delivery so have removed restrictions as to who can bid for these funds indicating there will be increased competition for this funding compared to previous funding programmes.

<https://www.gov.uk/government/publications/spending-review-2010>

<https://www.gov.uk/government/collections/shared-ownership-and-affordable-homes-programme-2016-to-2021-guidance>

Changes to the HRA system

The HRA subsidy system was abolished in April 2012 and replaced with a new system of self-financing, based on one-off adjustments to our finances. Previously all stock retaining council's rents were pooled nationally and allowances to spend money were allocated to councils on the basis of need.

Health and Social Care commissioning reform

Good quality housing plays an essential role in maintaining health and wellbeing. There has been major reform of the way in which National Health Services (NHS) are commissioned. This is now done via Clinical Commissioning groups (CCGs), which include GP groups in their geographical area.

<http://www.ipswichandeastsuffolkccg.nhs.uk/>

Empty Homes Fund

In October 2010, the Government announced a £100m fund aimed at bringing 3,300 long-term empty properties back into use as part of the Affordable Homes Programme.

This fund has now closed. Funding to bring empty homes back into use is now available through the 2015-2018 Affordable Homes Programme.

<https://www.gov.uk/government/collections/empty-homes-programme-guidance-and-allocations>

<https://www.gov.uk/government/collections/affordable-homes-programme-2015-to-2018-guidance-and-allocations>

Introduction of Affordable Rent model

The spending review in October 2010 introduced the new affordable rent model for the delivery of affordable housing for 2011-2015. The aim of the affordable rent model is to maximise the delivery of new social housing by making the best possible use of constrained public subsidy and the existing housing stock. The new model enables providers to set rents at 80% of market rents and offer fixed term tenancies with a minimum term of two years. The model is only available to those who commit to re-invest the extra revenue into new affordable supply.

<http://researchbriefings.files.parliament.uk/documents/SN05933/SN05933.pdf>

Funding cuts to Local Government

There has been a raft of funding cuts to local government in recent years. The National Audit Office reports that government funding has fallen 37% from 2010-15. The NAO further report that local authorities have managed this by reducing spending with staffing costs falling more sharply than service costs.

The effects of The Localism Act and the HRA reform to being self-financing has given local authorities greater freedom but council borrowing with the HRA is limited due to caps imposed by government. Some local authorities have formed wholly owned companies so that RTB does not apply; this approach is not supported by government.

In the 2010 Spending Review the level of capital funding from government to build new affordable homes over 2011-2015 was cut by 60% (compared to the previous programme which covered 2008-11).

The increased RTB discounts have also affected local authorities as the increased discounts mean that more council stock is lost, leading to a reduction in assets and a loss of income through the rent.

Social housing rents have been cut by 1% a year for the next four years (from April 16), which will reduce income.

Ending of Government funded private sector grants

From April 2011, there has been no specific funding to support improvement in private sector housing, therefore, new forms of investment to provide grants and loans to enable private property owners to improve the quality of their homes or bring empty properties back into use are required.

Local Enterprise Partnerships

Local Enterprise Partnerships (LEP's) are locally owned partnerships between Local Authorities and businesses. Their primary role is to determine local economic priorities and to drive economic growth creating local jobs.

<http://www.newanglia.co.uk/>

Homes England (formerly Homes and Communities Agency)

The HCA was rebranded to Homes England in January 2018.

Homes England brings together land, money, expertise, and planning & compulsory purchase powers, with a clear remit to facilitate delivery of sufficient new homes, where they are most needed, to deliver a sustained improvement in affordability.

Homes England is an executive non-departmental public body, sponsored by the Ministry of Housing, Communities and Local Government.

<https://www.gov.uk/government/organisations/homes-england>

The Energy Act 2011

This Act introduced the now defunct 'Green Deal' initiative whereby homeowners could receive a government loan to make certain energy saving improvements to their home with the repayments being made through the financial savings generated by the installation of the improvement. Other parts of the Act related to the private rented sector and made a tenancy within this sector lawful only if an Energy Saving Certificate (EPC) declared the property to be at a level E or above. The ACT also encourages the roll out of smart meters and made energy companies be more transparent with the pricings of tariffs. Currently, many energy companies are offering free or subsidised improvements such as insulation and boiler replacements dependent upon the financial circumstances of the customer.

<http://www.legislation.gov.uk/ukpga/2011/16/contents/enacted?section-108-5-b>

Upcoming Developments (to monitor)

1. Effects of Brexit
2. Government focus has also been concerned with the private rented sector, with new legislation expected to help private rented sector renters
3. The recent announcement concerning the removal of the Housing Revenue Account cap

Key Departments / Organisations

MHCLG – Ministry for Housing, Communities and Local Government (formerly **DCLG**)

DCLG – Department for Communities & Local Government <https://www.gov.uk/government/organisations/department-for-communities-and-local-government> . Renamed in January 2018 as **Ministry for Housing, Communities and Local Government**.

HCA – Homes & Communities Agency <https://www.gov.uk/government/organisations/homes-and-communities-agency>. Renamed **Homes England** in January 2018.

DWP – Department for Work and Pensions <https://www.gov.uk/government/organisations/department-for-work-pensions>

HO – Home Office <https://www.gov.uk/government/organisations/home-office>

Department for Exiting European Union (newly formed) <https://www.gov.uk/government/organisations/department-for-exiting-the-european-union>

CIH – Chartered Institute for Housing <http://www.cih.org/>

ARCH – Association of Retained Council Housing <http://www.arch-housing.org.uk/>

NHF – National Housing Federation <http://www.housing.org.uk/>
LGIU – Local Government Information Unit <http://www.lgiu.org.uk/>
HQN – Housing Quality Network <http://hqnetwork.co.uk/>
LGA – Local Government Association <http://www.local.gov.uk/>
LIN – Housing Learning and Improvement Network <http://www.housinglin.org.uk/>
Parliament - <https://www.parliament.uk/>