



## DEBATE PACK

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# Opposition Day debate: Housing Policy

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## Summary

An Opposition Day debate on the Government's housing policy is scheduled to take place on Tuesday 15 December 2015.

There is a separate Library Briefing Paper on the [Housing and Planning Bill 2015-16](#) (prepared for the debate on Second Reading). The Bill completed its Committee Stage in the Commons on 10 December 2015.

On publication of the Bill the Government said it would kick-start a "national crusade to get 1 million homes built by 2020" and transform "generation rent into generation buy." The supply-side measures in the Bill are primarily focused on speeding up the planning system with the aim of delivering more housing. There is also a clear focus on home ownership, with measures to facilitate the building of Starter Homes; self/custom build housing; and the extension of the Right to Buy to housing association tenants following a [voluntary agreement](#) with the National Housing Federation (NHF). This focus on home ownership was further underscored by announcements as part of the Autumn Statement and Spending Review 2015.

The relevant Library specialists are:

Wendy Wilson – Housing policy

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# 1. Context

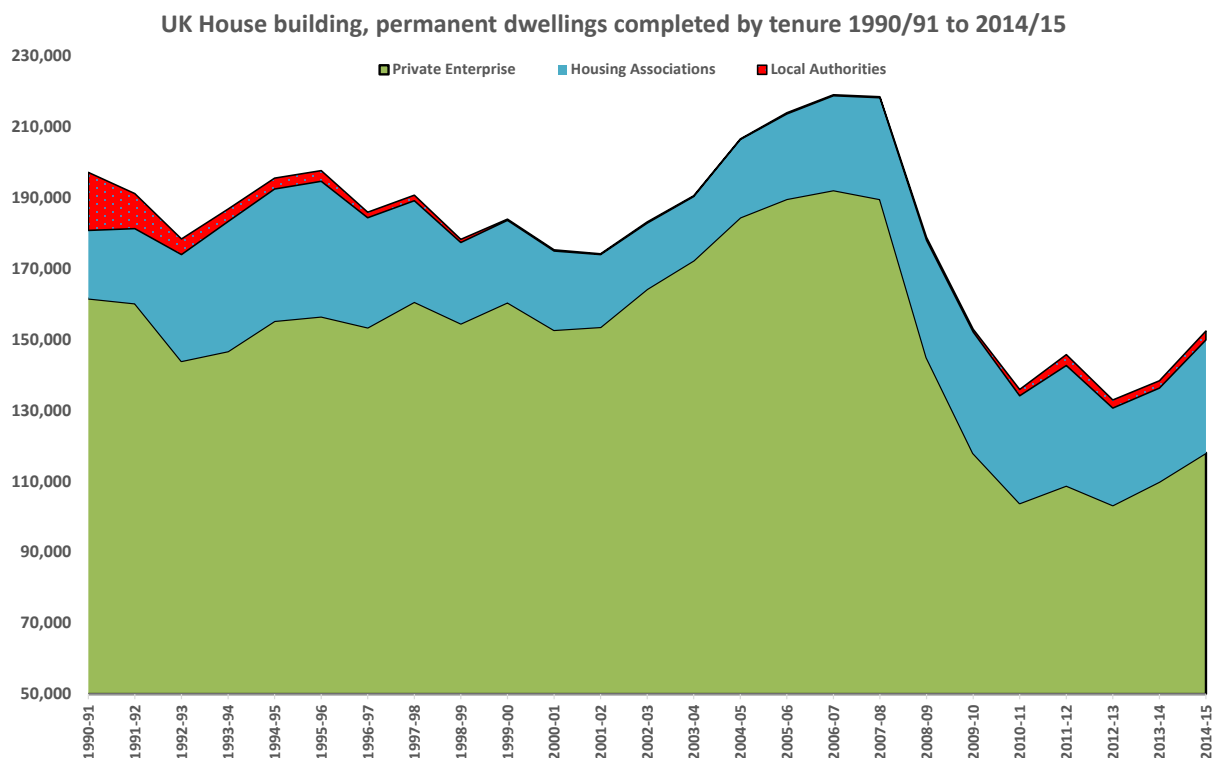
## 1.1 Housing need

It is widely accepted that the UK is in the midst of a crisis in housing supply. This crisis has not developed suddenly, but has resulted from decades during which successive Governments have failed to ensure that sufficient housing is built to keep pace with household formation. Numerous research studies estimate a need to develop between 220,000 and 300,000 new homes annually. For example, the [UK Housing Review 2015 Briefing Paper](#) (June 2015) states:

To keep pace with household growth, over the decade 2012-2022 England needs to add some 220,000 dwellings per year to its housing stock. This is the headline from the new household projections for England published in February. It means a very significant rise in housebuilding beyond levels currently being achieved. (p8)

## 1.2 Housing supply

The chart below shows the number of new dwellings completed each financial year between 1990/91 and 2014/15:



Between 1990/91 and 2006/07 the number of completed dwellings averaged around 190,000 per annum. Dwelling completions peaked in 2007/08 (220,500) and in 2014/15 there were a total of 152,000

dwellings completed. The table below shows that of these around 80% were completed by the private sector:

### UK House building, permanent dwellings completed by tenure as a percentage of all dwellings<sup>1</sup>

	Private Enterprise	Housing Associations	Local Authorities	All Dwellings
1990-91	82%	10%	8.3%	197,210
1991-92	84%	11%	5.2%	191,250
1992-93	81%	17%	2.5%	178,420
1993-94	79%	20%	1.9%	186,850
1994-95	79%	19%	1.6%	195,580
1995-96	79%	19%	1.5%	197,710
1996-97	83%	17%	0.8%	185,940
1997-98	84%	15%	0.8%	190,760
1998-99	87%	13%	0.5%	178,290
1999-00	87%	13%	0.2%	184,010
2000-01	87%	13%	0.2%	175,370
2001-02	88%	12%	0.1%	174,200
2002-03	90%	10%	0.2%	183,210
2003-04	90%	9%	0.1%	190,590
2004-05	89%	11%	0.1%	206,620
2005-06 <sup>2</sup>	89%	11%	0.1%	214,010
2006-07 <sup>2</sup>	88%	12%	0.1%	219,080
2007-08	87%	13%	0.1%	218,530
2008-09	81%	18%	0.5%	178,850
2009-10	77%	22%	0.5%	152,940
2010-11	76%	22%	1.3%	135,910
2011-12	75%	23%	2.1%	145,740
2012-13	78%	21%	1.8%	133,010
2013-14	79%	19%	1.5%	138,380
2014-15	77%	21%	1.6%	152,450

1. For detailed definitions of all tenures see definitions of housing terms on Housing Statistics home page

2. Figures from October 2005 to March 2007 in England are missing a small number of starts and completions that were inspected by independent approved inspectors. These data are included from June 2007  
Totals may not equal the sum of component parts due to rounding to the nearest 10

Source: Based on DCLG, Live tables on house building, Table 209, accessed 11 Dec 2015

The latest statistics on additional affordable homes for 2014/15 were released at the beginning of December 2015 by the DCLG. The following table and chart have been extracted from the Department's latest data release and shows the number of additional affordable homes in England for each financial year since 2009/10.

**Additional affordable homes provided by type of scheme, England<sup>1,10</sup>**

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Social Rent, of which:</b>	<b>33,180</b>	<b>38,950</b>	<b>37,680</b>	<b>17,620</b>	<b>10,920</b>	<b>9,590</b>
HCA or GLA (new build)	27,270	30,830	29,390	12,690	5,610	4,090
HCA or GLA (acquisitions)	2,650	3,210	1,600	360	310	220
Affordable Housing Guarantees	..	..	..	..	70	300
HCA or GLA Schemes <sup>2</sup>	130	250	450	20	40	0
Local authorities	350	2,540	2,450	550	590	1,210
of which HCA grant funded (new build) <sup>3</sup>	..	1,820	2,020	230	200	360
Section 106 (nil grant) new build: total <sup>4</sup>	2,140	1,900	2,600	3,080	3,330	3,020
of which, reported on IMS/PCS	820	510	560	1,090	1,540	1,140
Private Finance Initiative <sup>5</sup>	630	180	190	170	200	120
Permanent Affordable Traveller Pitches <sup>6</sup>	.	50	180	40	40	230
Other <sup>7</sup>	.	.	820	710	730	410
<b>Affordable Rent, of which:</b>	<b>..</b>	<b>..</b>	<b>930</b>	<b>6,980</b>	<b>19,740</b>	<b>40,710</b>
HCA or GLA (new build)	..	..	730	4,370	11,170	25,320
HCA or GLA (acquisitions)	..	..	160	890	3,460	3,910
Affordable Housing Guarantees	..	..	..	..	250	2,330
Section 106 (nil grant) new build: total <sup>4</sup>	..	..	40	1,520	3,700	5,180
of which, reported on IMS/PCS	..	..	40	1,460	3,700	5,090
Permanent Affordable Traveller Pitches <sup>6</sup>	..	..	..	-	50	420
Local authorities	..	..	-	160	760	3,000
Other <sup>7</sup>	..	..	-	30	360	550
<b>Intermediate Affordable Housing<sup>8</sup></b>	<b>24,800</b>	<b>21,530</b>	<b>19,500</b>	<b>18,320</b>	<b>12,210</b>	<b>16,340</b>
<b>Intermediate Rent, of which:</b>	<b>2,560</b>	<b>4,520</b>	<b>1,920</b>	<b>1,070</b>	<b>790</b>	<b>270</b>
HCA or GLA (new build)	1,910	2,390	1,570	700	550	30
HCA or GLA (acquisitions)	650	2,140	70	10	10	20
Other <sup>7</sup>	.	.	270	350	240	220
<b>Affordable Home Ownership, of which:</b>	<b>22,240</b>	<b>17,010</b>	<b>17,590</b>	<b>17,260</b>	<b>11,410</b>	<b>16,080</b>
HCA or GLA (new build)	14,170	13,980	13,140	12,480	4,830	7,520
of which FirstBuy	..	..	2,990	7,640	970	0
HCA or GLA (acquisitions)	5,640	450	1,510	1,120	1,030	870
Affordable Housing Guarantees	..	..	..	..	250	560
Other HCA or GLA Schemes <sup>2</sup>	-	-	20	-	0	0
Local authorities	.	.	10	10	30	120
Section 106 (nil grant) new build: total	1,590	1,590	1,940	3,030	4,540	6,170
of which, reported on IMS/PCS	740	560	510	1,200	2,600	3,340
Assisted Purchase Schemes <sup>9</sup>	850	980	500	280	370	570
Other <sup>7</sup>	.	.	480	340	370	270
<b>All affordable</b>	<b>57,980</b>	<b>60,480</b>	<b>58,110</b>	<b>42,920</b>	<b>42,870</b>	<b>66,640</b>

## Notes:

1. Affordable housing is the sum of social rent, affordable rent, intermediate rent and affordable home ownership.

2. Other HCA or GLA schemes include the Places of Change programme, Safer Communities, Recycled Capital Grant Funds, Disposal Proceeds Fund, and some remodelled units. The Places of Change Programme figures include some refurbishments as well as new builds. The majority will be units but a small number of bedspaces are included. Recycled Capital Grant Fund figures and Disposal Proceeds Fund figures are not included after 2007-08 as they are included in the HCA/GLA new build and acquisitions line. The remodelled units are for supported housing up to 2007-08, and also include general needs for 2008-09 onwards.

3. Units funded through the HCA and GLA, primarily the Local Authority New Build programme, as announced in the Housing Stimulus Programme in the April 2009 budget.

4. Section 106 (S106) nil grant completions are from the Local Authority Housing Statistics (LAHS) returns and the HCA or GLA Investment Management System (IMS) and Project Control System (PCS). The S106 nil grant completions recorded on IMS and PCS are excluded from the HCA or GLA new build figures elsewhere in the table. The 'of which, reported on IMS/PCS' shows the total number of S106 nil grant units reported on IMS.

5. Private Finance Initiative figures are mostly new build but will include a small number of acquisitions.

6. Permanent Affordable Traveller Pitches are taken from the Traveller Caravan Count and from delivery through the TPF programme reported by the HCA and GLA. The change in the number of permanent affordable traveller pitches over the year to July from Traveller Caravan Count has been included in the affordable housing statistics given here for 2011-12, 2012-13 and 2014-15. Delivery through the TPF programme has been reported for 2012-13, 2013-14 and 2014-15.

7. Other contains units delivered by private registered providers or other unregistered providers without HCA or GLA funding and without developer contributions. In some cases these were solely funded by the provider and in other cases alternative sources of funding, such as grants from the local authority or funding from the local authority's Housing Revenue Account, Right to Buy recycled receipts, the Empty Homes Community Fund or the Department of Health's Extra Care Fund, were used.

8. Intermediate affordable housing is the sum of intermediate rent and affordable home ownership. Mortgage Rescue Scheme was included under intermediate rent acquisitions in 2010-11 and affordable home ownership acquisitions in subsequent years.

9. Assisted Purchase Schemes include instances where a social rent dwelling has been purchased through the Cash Incentive Scheme/Tenants Incentive Scheme, Voluntary Purchase Grant, Right to Acquire and Social HomeBuy scheme. Completions under the First Time Buyers Initiative and London Wide Initiative scheme were moved to the HCA and GLA (new build) line for the 2010-11 release onward.

10. Figures shown represent our best estimate and may be subject to revisions. The figures have been rounded to the nearest 10 and therefore totals may not sum due to rounding.

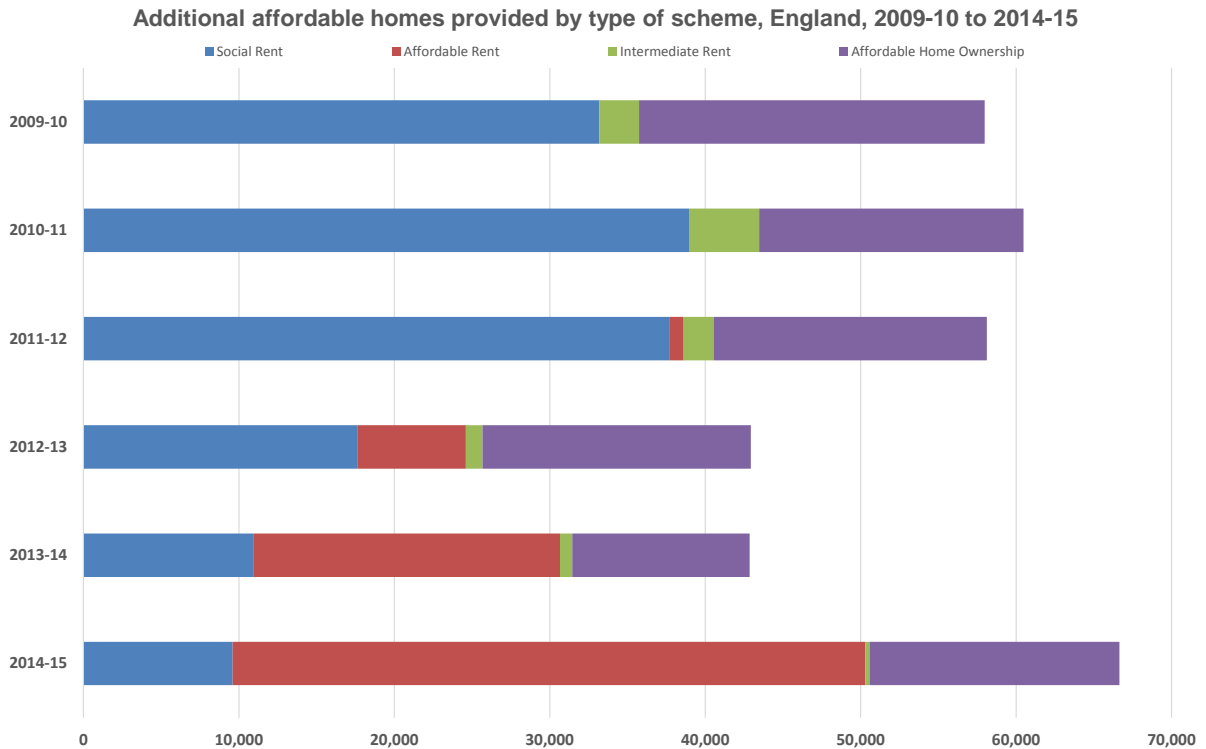
2014-15 data are provisional.

- nil or less than half final digit.

.. not available.

.. not applicable.

Source: Based on DCLG, Live tables on affordable housing supply, Table 1000, accessed via GOV.UK on 11 Dec 2015



The table shows that the Homes and Communities Agency (HCA) and the Greater London Authority (GLA) combined were responsible for the majority of the total additional 66,600 affordable homes in England in 2014/15. The chart shows that the majority of additional affordable homes were for affordable rent<sup>1</sup> (61%) with the remainder for affordable home ownership (25%) and social rent (14%). Since 2012/13 there has been a significant reduction in the development of social rented homes (let at rents around half of the market rate) in favour of affordable rent tenure where rents are set at up to 80% of the market rate. Affordable rents were introduced by the Coalition Government. Local authority housebuilding saw something of a revival under the Coalition Government reflecting, at least in part, the introduction of a self-financing regime in April 2012. This regime was developed under the Labour Government and implemented by the *Localism Act 2011*.

The table below shows the Local Authority areas with the largest and smallest shortfall in social housing (defined by ONS as the number of households on a local authority’s social housing waiting list minus vacant social housing, expressed as a percentage of the overall social housing stock) in 2014:

<sup>1</sup> Rents of up to 80% of a market rent.

## Social housing shortfall by local authority district, England, 2014

Rank	Local Authority	% of social housing stock
1	Medway	239.1
2	Solihull	142.8
3	Isle of Wight	122.9
4	Fylde	112.3
5	Telford and Wrekin	108.8
6	Brighton and Hove	104.7
7	North East Lincolnshire	95.0
8	Waltham Forest	94.7
9	East Dorset	94.5
10	Purbeck	91.6
317	Barnet	4.6
318	North West Leicestershire	4.1
319	Portsmouth	4.0
320	Stoke-on-Trent	3.6
321	Kettering	3.6
322	Great Yarmouth	3.5
323	Hammersmith and Fulham	0.3
324	Milton Keynes	-0.7
325	Wyre	-1.5
326	Allerdale	-1.7

Source: Based on ONS, Housing Statistics Portal, Housing Summary Measures article (5 August 2015) Table 15, accessed on 11 Dec 2015

The areas with the largest shortfall in social housing were Medway (239%), Solihull (143%) and the Isle of Wight (123%). The shortfall in social housing in Medway was more than twice the social housing stock in 2014. All areas had a shortfall of social housing except for Allerdale (-1.7%), Wyre (-1.5%) and Milton Keynes (-0.7%) - these Local Authority areas had a surplus of social housing and reported waiting lists of zero households in 2014.<sup>2</sup>

See also: [Housebuilding: Social Indicators page](#)

### 1.3 Home ownership

The rate of home ownership grew from around 55% in the early 1980s to peak at over 70% in 2003. Since then it has fallen to 62% in 2013-14, which is around the same level as it had been in the late 1980s. At the same time, within the overall total of owner occupiers the proportion who own outright has been falling and the proportion with an outstanding mortgage has been rising.

The 2011 Census provides data about the age of the 'household reference person' (i.e., a senior member of the household). This can be used as an indicator of how tenure varies by age. Private rental is more common in younger age groups compared to older ones.

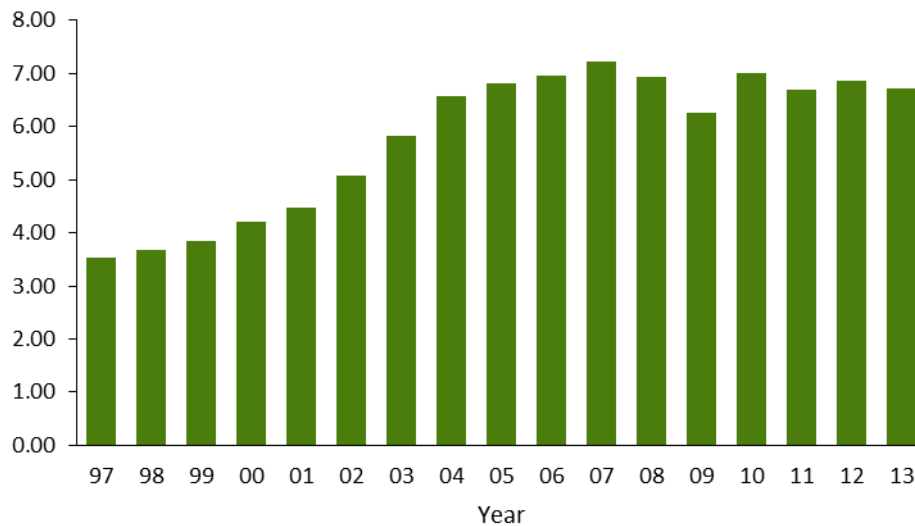
<sup>2</sup> ONS, [Housing Summary Measures Analysis](#), 5 August 2015

Correspondingly, home ownership is more common in older age groups, particularly owning outright rather than with a mortgage.

The number of new mortgages given to first-time buyers per year reached a peak of around 600,000 in 1986 and fell back in the early 1990s to rise again to reach similar levels at the end of the 1990s and early 2000s. The number dropped to around 200,000 per year between 2008 and 2012, but has increased in recent years. In 2014 there were 300,000 first time buyers, around half the number in the peak years.

The median age of a first-time property buyer has increased: in 1974, the median age of those taking out a first-time mortgage was 25, while in 2014 the median age was 30.

DCLG provide data on the ratio of median house prices to median earnings. In England in 2013, the median house price was 6.72 times the median earnings figure. This is part of a relatively stable period following a period of steady increase in the first half of the last decade.



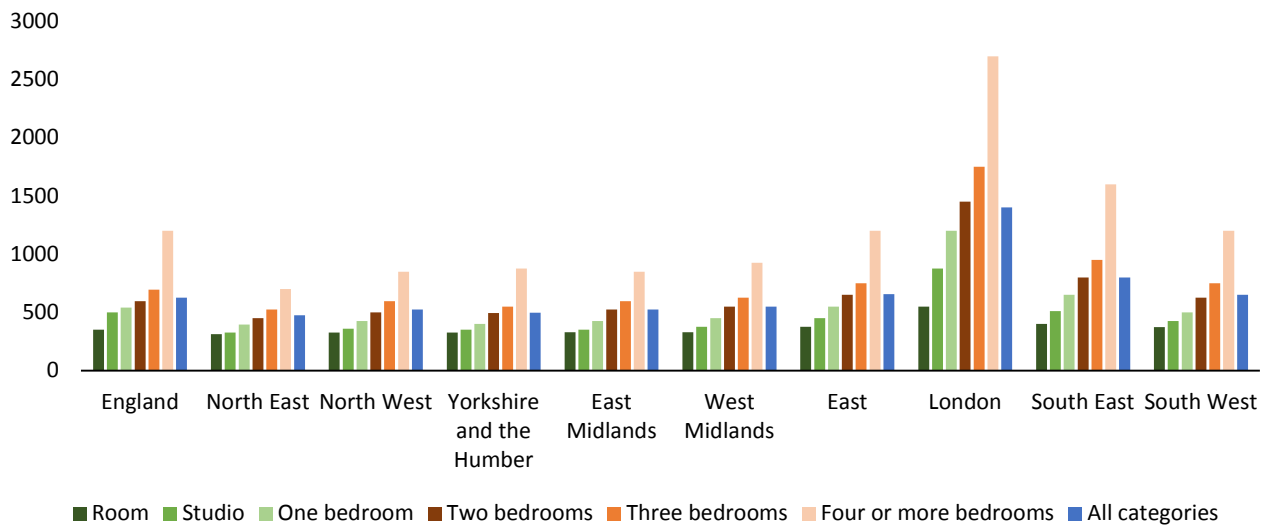
**Figure 1: Ratio of median house price to median earnings in England, 1997 to 2013**

*Source:* [DCLG, Live table 577: ratio of median house price to median earnings by district, from 1997](#)

## 1.4 Private rented sector

The [English Housing Survey](#) for 2012/13 showed that of the estimated 22m households in England, four million (18 per cent) were renting privately, while 3.7m (17 per cent) were in social housing. This marked a significant tenure shift. The growth in the private rented sector is, in part, attributed to difficulties people are facing in accessing home ownership, particularly younger people, together with restricted access to social housing (local authority and housing association sub-market rented homes). Poor housing conditions in the private rented sector, coupled with its high rent levels, attracts a great deal of adverse media attention.

Figure 4 shows the most recent median monthly rents in the private rental market recorded by the Valuation Office Agency (VAOs). Within England, London had the highest overall median rent (£1400 per month, more than double the figure for England as a whole). The North East had the lowest overall median rent at £475 per month. Note that Housing Benefit claimants are not included in the VAO’s sample.



**Figure 2: Median monthly private rents recorded by region for England, 2014-15 (£)**

Source: [Valuation Office Agency, Private rental market summary statistics, England 2014-15](#)

The Office for National Statistics (ONS) produces an index measuring the change in price of renting residential property for private landlords. The index is a recently-developed experimental statistic and has not yet achieved National Statistic status, but can be used as an indication of how prices have changed over the last ten years (see Figure 5).





**Figure 3: Experimental index of private housing rental prices in London and the rest of England, 2005-2015**

Source: [Office for National Statistics, Index of Private Housing Rental Prices, July to September 2015](#)

## 1.5 Government policy

The Spending Review on 25 November 2015 set out plans to double the housing budget from 2018-19 (to around £2 billion) and contains a Five Point Plan to deliver 400,000 affordable housing starts by 2020-21 to include:

- 200,000 Starter Homes<sup>3</sup> with a £2.3 billion fund to support the delivery of up to 60,000 of these homes; the remaining Starter Homes will be delivered through changes to the planning system.
- 135,000 Help to Buy: Shared Ownership homes.
- 10,000 Rent to Buy homes where a tenant can save for a deposit while renting a home.
- 8,000 or more specialist homes for older people and those with disabilities.
- 50,000 additional homes "from existing commitments."<sup>4</sup>

The acceleration in housing supply is to be supported by a range of other measures, including further planning reforms and the release of public sector land with capacity for 160,000 homes.

As with measures in the *Housing and Planning Bill* currently before Parliament, the focus of the Spending Review is on increasing opportunities for home ownership.

<sup>3</sup> Homes sold at a 20% discount compared to the market value to first time buyers under 40 years of age.

<sup>4</sup> [Spending Review and Autumn Statement 2015](#), Cm 9162, November 2015, para 1.146

The National Housing Federation (NHF) welcomed the increased investment in housing and the opportunity to build on the housing association sector's "success story" of shared ownership.<sup>5</sup> The Chartered Institute of Housing (CIH) also welcomed the "significant investment in much-needed new homes" but questioned the focus on home ownership as opposed to building homes across a range of tenures "which are truly affordable to people on all incomes, including those that are unable to buy."<sup>6</sup>

The Office for Budgetary Responsibility's (OBR) analysis of the increased spending comments on the move away from funding social rented housing:

...this Spending Review includes an increase in central government grants over the period to 2020-21. Grants are now back-loaded, with cuts in 2016-17 and 2017-18 offset by increases in subsequent years – particularly 2020-21. The composition has also changed, with: fewer grants earmarked for the social rented sector; new grants for what the Government calls 'build-to-rent' (which allows HAs to charge higher rents, with the expectation that dwellings will be sold at a later date beyond our current forecast horizon); and a bigger expansion of grants for dwellings to be sold via shared-ownership, with fewer restrictions than at present.<sup>7</sup>

The OBR expects associations to build 185,000 homes by 2020-21. This is 46,000 more than forecast after the Summer Budget 2015 announcement of a 1% cut in social and affordable rents in each year for four years from April 2016. However, it is still 34,000 lower than the 219,000 new homes associations were forecast to build before the Summer Budget:

By 2020-21 the number of new builds a year rises above our July pre-measures baseline, at which point it is roughly in line with our estimate for the number in 2014-15.<sup>8</sup>

## 1.6 Statutory homelessness

Local authorities in England have a duty to secure accommodation for unintentionally homeless households who fall into a 'priority need' category. There is no duty to secure accommodation for all homeless people. For example, there is no statutory duty to secure housing for homeless single people and couples without children who are not deemed to be vulnerable for some reason. Official statistics on statutory homelessness are published quarterly by the Department for Communities and Local Government (DCLG) in March, June, September and December.

The financial year 2009/10 saw an increase in homelessness acceptances by local authorities of 10%, representing the first financial year increase since 2003/04. In the three years to 2012/13 homelessness acceptances rose by 27% but fell by 3% in 2013/14. The 2014/15 financial year

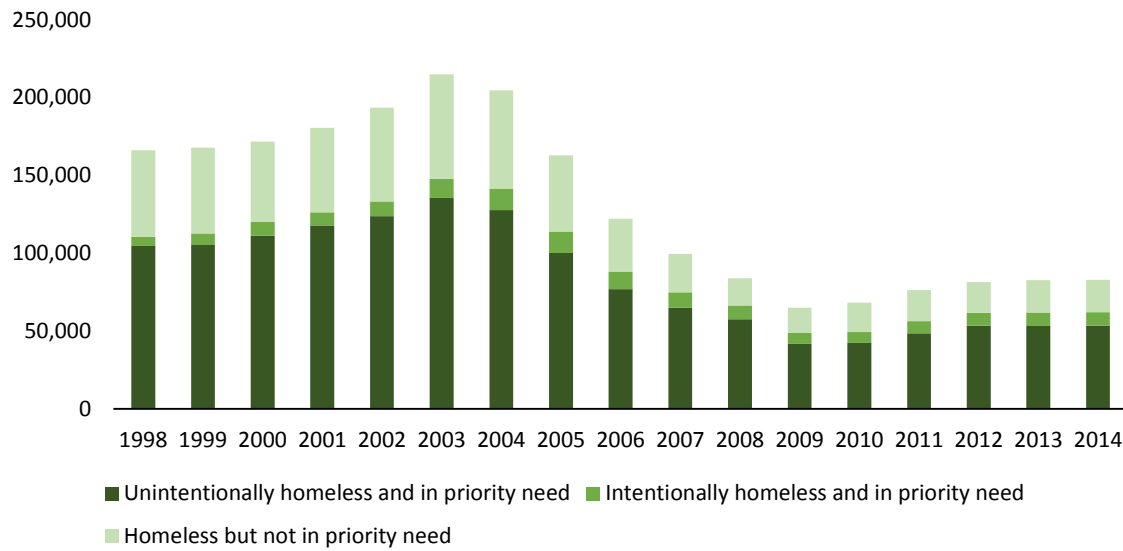
<sup>5</sup> [NHF Response to the Spending Review 2015](#), [accessed on 27 November 2015]

<sup>6</sup> CIH Briefing on the Spending Review and Autumn Statement [CIH members only]

<sup>7</sup> [OBR Economic and Fiscal Outlook](#), November 2015, p224

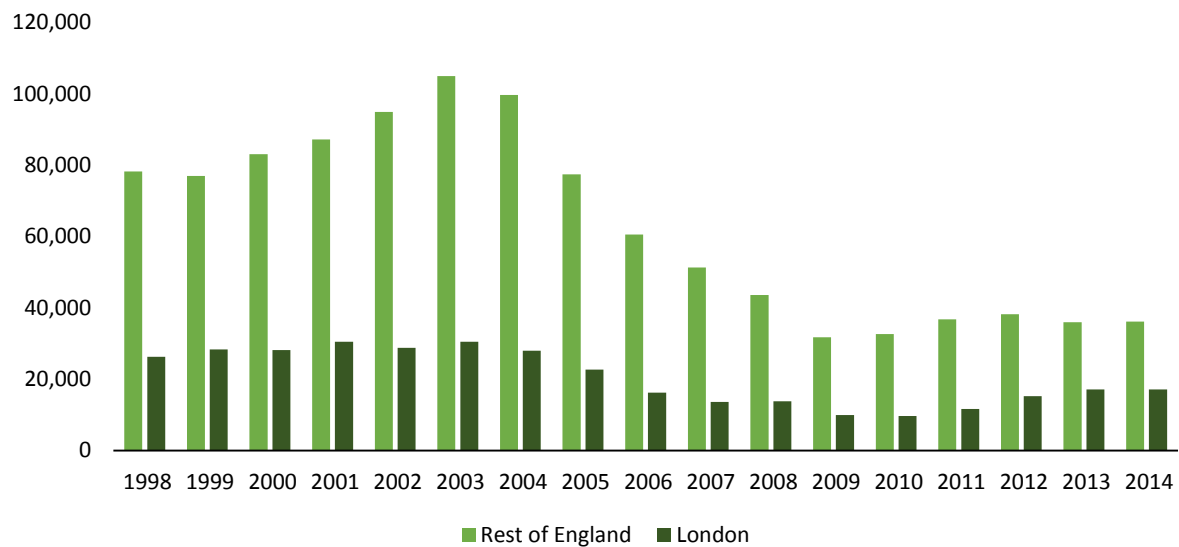
<sup>8</sup> *Ibid.*, p232

recorded a further increase, with acceptances 36% higher than in 2009/10 (but 60% below the peak in 2003/04).



**Figure 4: Number of households accepted as homeless by local authorities in England, 1998-2014**

Source: [DCLG, Statutory homelessness live tables April-June 2015 \(Table 770\)](#)



**Figure 5: Number of households accepted as homeless and in priority need by local authorities in London and the rest of England, 1998-2014**

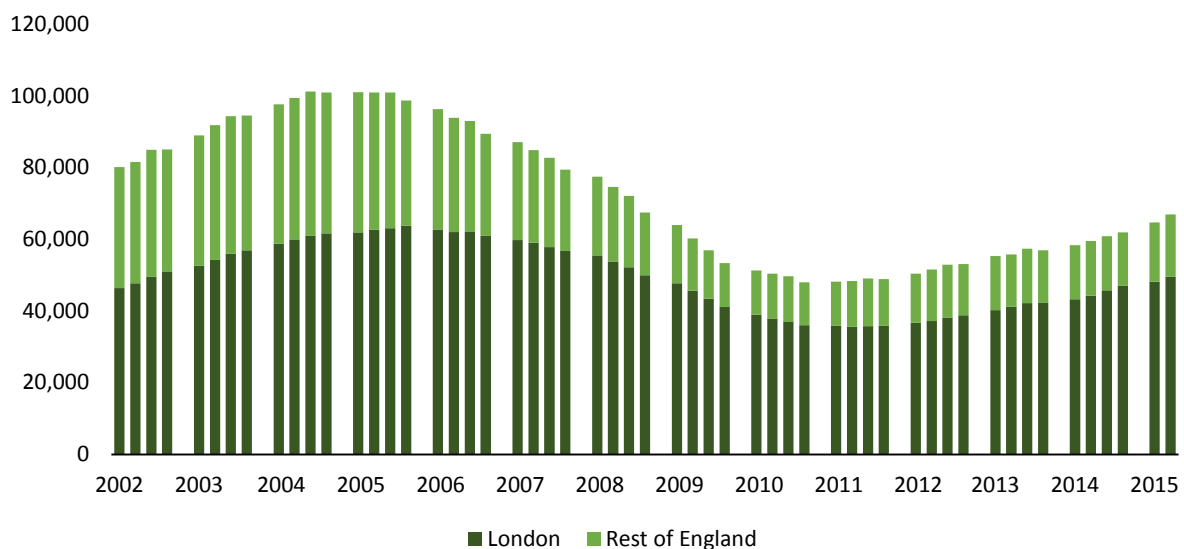
Source: [DCLG, Statutory homelessness live tables April-June 2015 \(Table 774\)](#)

Authorities use a range of types of temporary accommodation for statutorily homeless households, the most controversial of which is bed & breakfast (B&B) accommodation. The number of homeless households placed in bed and breakfast (B&B) accommodation by English local authorities reached 13,550 in September 1991. This figure fell during the early to mid-1990s to under 5,000 by the end of 1993. The

numbers started rising again after 1996, prompting the Labour Government to announce specific initiatives to tackle this issue. In particular, on 13 March 2002 the Government made a commitment to ensure that, by March 2004, no family with children would have to live in a B&B except in an emergency and for no more than six weeks.

Official statistics published in December 2011 marked the end of the long-term downward trend in the number of households in temporary accommodation; seasonally-adjusted figures had fallen in each successive quarter since peaking in 2004. The most [recent quarterly statistics](#) published in September 2015 recorded 66,980 households in temporary accommodation at the end of June 2015. This marks the sixteenth quarterly increase in the seasonally-adjusted number of households in temporary accommodation. The number of families with dependent children placed in B&B style accommodation increased from 630 at the end of March 2010 to 2,660 at the end of June 2015.

Various initiatives have been pursued to try to limit the use of unsuitable B&B type temporary accommodation. For example, local authorities have focused on securing private rented housing through lease agreements with private landlords. Authorities, particularly in areas of high housing demand, argue that their ability to do this has been affected by Housing Benefit reforms meaning that landlords can secure higher returns from letting their properties on the open market to non-Housing Benefit claimants (although not all homeless applicants are in receipt of Housing Benefit). One response has been for authorities to seek temporary accommodation outside of their own areas. A [Supreme Court judgement](#) handed down on 2 April 2015 may have implications for authorities that have gone down this route.



**Figure 6: Number of households in temporary accommodation (quarterly) in London and the rest of England, 2002-2015**

Source: [DCLG, Statutory homelessness live tables April-June 2015 \(Table 775\)](#)

Organisations such as Shelter and Crisis argue that the official statistics do not give a full picture of homelessness in England. The figures

exclude those who are homeless but who do not approach a local authority for assistance and those who do not meet the statutory criteria. Local authorities are increasingly adopting 'informal' responses to tackling homelessness which can result in households falling outside the official quarterly monitoring process. The [UK Housing Review 2015 Briefing Paper](#) (June 2015) concludes that the story of homelessness is more complicated than the official statistics suggest:

Homelessness prevention work by local authorities means that (as Crisis found in a survey of local authority staff) official figures on 'acceptances' are no longer seen as an accurate gauge of homelessness. In fact, the parallel figures on non-statutory preventative work are growing remorselessly: from 165,000 cases in 2009/10 to almost 228,000 in 2013/14 (the last year for which data are available). Over half are found accommodation elsewhere – with 50 per cent of these going into the private rented sector – and slightly under half helped to stay where they are. The latter group is growing, and while some of those helped may have resolved their potential homelessness, it seems likely that for others the factors that provoked it (e.g. intimidation by a landlord) could easily recur.<sup>9</sup>

Figures on on-statutory prevention work for 2014/15 were published on 9 July 2015: [Homelessness prevention and relief: England 2014 to 2015](#). 220,800 cases of homelessness prevention or relief were estimated to have taken place outside the statutory homelessness framework in England over the last year.<sup>10</sup>

Homelessness arising from parents/friends/relatives being no longer willing or able to provide accommodation remains significant, as does homelessness arising from the breakdown of a violent relationship. However, the most frequently cited reason for loss of the last settled home is now the ending of an assured shorthold tenancy in the private rented sector. In the second quarter of 2015 this reason was behind 38% of all statutory homeless acceptances in London [[Statutory Homelessness: April to June Quarter 2015, England](#)].

The increase in statutory homelessness since 2009/10 is attributed to a number of factors of which the most important is identified as the continuing shortfall in levels of new house building relative to levels of household formation.

The Coalition Government declared tackling homelessness to be a key priority. A Ministerial Working Group on Homelessness was established which published [Making every contact count: A joint approach to preventing homelessness](#) (August 2012).

March 2015 saw publication of [Addressing complex needs: improving services for vulnerable homeless people](#) which summarises the work of the group since its inception in 2010. Publication of this report was accompanied by a [Written Statement](#) from then Minister, Kris Hopkins, relevant extracts from which are reproduced below (some of the

<sup>9</sup> Steve Wilcox, John Perry, Peter Williams, [UK Housing Review 2015 Briefing Paper](#), June 2015, p13

<sup>10</sup> DCLG, [Homelessness prevention and relief: England 2014 to 2015](#), July 2015 – see section 4.3 for more information on this DCLG release.

references are to tackling rough sleeping rather than statutory homelessness):

This government's approach to tackling homelessness has been focused on preventing homelessness, wherever possible, and ensuring those experiencing homelessness have the support they need to get back on their feet. We have invested more than £500 million to ensure that local authorities and voluntary sector partners are able to support vulnerable people. This commitment is confirmed today by £1.9 million worth of funding which will ensure that valuable voluntary sector organisations can continue to support homeless young people, rough sleepers and those fleeing domestic violence in 2015 to 2016.

Our investment, backed by one of the strongest legislative safety nets in the world, ensures that no family should ever be without a roof over their heads and that vulnerable people facing a housing crisis receive support. Our policies are designed to increase local authority flexibility, test innovative new approaches and provide strategic support to frontline staff to deliver effective services.

For the first time, we prioritised concerted cross government action to tackle homelessness, bringing together departments across Whitehall through the Ministerial Working Group on Homelessness. Throughout this Parliament, departments have worked together to coordinate action on the issues facing homeless people.

### **Preventing homelessness**

We have maintained investment in local authority homelessness prevention services. Our £400 million has already helped authorities to prevent 730,200 households from becoming homeless since 2010.

Statutory homelessness is lower now than in 26 of the last 30 years, and around half the level it was under the last administration.

We have also helped equip local authorities and others working on the vital homelessness frontline with the skills and tools they need to support vulnerable people. We have:

- invested over £2 million in the [Gold Standard Programme](#) delivered by the National Practitioner Support Service; the programme is supporting authorities to deliver cost effective and efficient homelessness prevention services
- invested £10 million into the National Homelessness Advice Service to ensure that frontline staff are able to offer the best possible help to vulnerable people facing a wide range of housing issues
- funded umbrella organisation [Homeless Link](#) to assist local authorities and the voluntary sector to work together to improve their effectiveness and capacity to rough sleeping and homelessness; our support will ensure that this work continues into 2015 to 2016
- helped 3,000 households remain in their homes with our £221 million Mortgage Rescue Scheme; this has provided free advice to a further 60,000 in mortgage difficulty
- funded St Basil's, a leading youth homelessness charity, to support councils to implement a specialist youth accommodation pathway model designed to help young

people to remain in the family home where it is safe to do so and offer tailored support options for those needing to leave; our funding will allow St Basils to continue this vital work into 2015 to 2016.

As well as investing in homelessness prevention services, this government also delivered almost 217,000 affordable homes in England between April 2010 and September 2014. Management information indicates that we have exceeded our target of delivering 170,000 new affordable homes between 2011 and 2015 – it is estimated that by 20 March 173,800 homes had been delivered, with more expected.

A further £38 billion of public and private investment will help ensure 275,000 new affordable homes are provided between 2015 and 2020. This means over the next Parliament we will build more new affordable homes than during any equivalent period in the last 20 years.

We have also worked to ensure that support is in place to help statutory homeless households move on with their lives, including:

- making legislative changes in the [Localism Act 2011](#) to allow local authorities greater flexibility to move homeless families out of temporary accommodation more quickly into good quality, suitable and settled accommodation in the private rented sector; households now spend on average 7 months less in temporary accommodation than at the start of 2010
- being clear that the long term use of bed and breakfast accommodation for families with children is both unacceptable and unlawful
- building on the commitment set out in last week's Budget, we will also explore options to support long term investment in private rented accommodation for homeless families; this would help secure well managed, affordable accommodation for homeless families; it will also reduce financial pressures on local authorities by helping them to avoid placing families in expensive accommodation such as bed and breakfast
- providing £10 million to 148 areas across the country to stop the closure of domestic violence refuges, improve services in existing refuges and to grow the number of bed spaces; this will help ensure we maintain the resilient national network of refuges that work to keep victims and their children safe
- continuing to fund Women's Aid to run [UKRefugesOnline](#) to help those working with victims of domestic abuse find places of safety as quickly as possible.<sup>11</sup>

The current Government has appointed Marcus Jones to head up the homelessness brief at the DCLG..

Housing policy is a devolved matter and both Wales and Scotland have legislated to adopt quite divergent approaches to homelessness – details (including trends in homelessness) can be found in Library Briefing Paper: [Comparison of homelessness duties in England, Wales, Scotland and Northern Ireland](#). See also: [Homelessness: Social Indicators page](#).

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<sup>11</sup> Kris Hopkins, [Written Statement](#), 26 March 2015

## 1.7 Rough sleeping

Crisis commissioned the Centre for Housing Policy at the University of York to conduct a review of single homelessness in the UK between 2000 and 2010. The study, [A review of single homelessness in the UK](#), was published in January 2011. It provides an overview of the history, causes and policy responses to single homelessness and assesses how successful these policies have been in tackling the issue. The study suggested some policy responses for the next decade.

The latest figures on rough sleeping for autumn 2014, published in February 2015, showed a total of 2,744 people sleeping out across England, representing an increase of 14% on the autumn 2013 figure. This represents a 55% increase on the autumn 2010 figure of 1,768 (the first time the equivalent count took place). The official counts of rough sleepers have recorded increases in consecutive years since 2010. The fifth report in the [Homelessness Monitor](#) series (February 2015) noted that the annual rate of increase in rough sleeping stands at about 5%; 'entrenched' rough sleeping cohorts in London 'are a matter of particular concern.'

The Combined Homelessness and Information Network (CHAIN) database contains information about rough sleepers in London who have been contacted by outreach teams or who have accessed accommodation for rough sleepers in London. The last financial year report, [CHAIN Greater London Report 2014/15](#) recorded 7,581 rough sleepers as having been contacted by outreach workers or building based teams in London over 2014/15 compared to 6,508 contacts in 2013/14 (an increase of 16%). The year on year increases in the previous three periods were 1% (2012/13 to 2013/14); 13% (2011/12 to 2012/13) and 43% (2010/11 to 2011/12). Westminster continues to see the highest number of rough sleepers.

The Coalition Government's Housing Strategy, [Laying the foundations: a housing strategy for England](#) (November 2011) identified rough sleeping as "the most visible and damaging form of homelessness" and said tackling it would be a priority.



## 2. Press Articles

The following is a small selection of recent press and media articles.

*Please note: the Library is not responsible for the views expressed in, nor the accuracy of, external content.*

### **BBC: Government failing to address housing supply says Rics...**

13 August 2015

The government is still failing to address the issue of housing supply, according to the Royal Institution of Chartered Surveyors (Rics).

<http://www.bbc.co.uk/news/business-33892389>

### **Financial Times: New housing supply surges by a quarter**

12 November 2015

The supply of new housing in England has surged by a quarter in the past year as a series of planning liberalisation measures boosted housebuilding.

<http://www.ft.com/cms/s/0/a0d5bef8-8925-11e5-8a12-b0ce506400af.html#axzz3u8pzsMy0>

### **Inside Housing: Policies 'will lead to 34,000 fewer new homes'**

27 November 2015

Conservative government policies will lead to 34,000 fewer homes built by housing associations than previously expected, despite Wednesday's unveiling of increased housing funding.

[http://www.insidehousing.co.uk/business/development/policies-will-lead-to-34000-fewer-new-homes/7012950.article?utm\\_source=Ocean%20Media%20Group&utm\\_medium=email&utm\\_campaign=6487531\\_ih-daily-27.11.15et%20&dm\\_i=1HH2,3V1T7,7UMXMW,DX5IX,1](http://www.insidehousing.co.uk/business/development/policies-will-lead-to-34000-fewer-new-homes/7012950.article?utm_source=Ocean%20Media%20Group&utm_medium=email&utm_campaign=6487531_ih-daily-27.11.15et%20&dm_i=1HH2,3V1T7,7UMXMW,DX5IX,1)

### **Inside Housing: AHP set to deliver Starter Homes**

18 November 2015

The Department for Communities and Local Government is expecting to shift some of the focus of its Affordable Homes Programme towards the delivery of Starter Homes, following next Wednesday's Spending Review.

[http://www.insidehousing.co.uk/business/development/ahp-set-to-deliver-starter-homes/7012825.article?utm\\_source=Ocean%20Media%20Group&utm\\_medium=email&utm\\_campaign=6441852\\_ih-daily-19.11.15et&dm\\_i=1HH2,3U2KC,7UMXMW,DTJ8C,1](http://www.insidehousing.co.uk/business/development/ahp-set-to-deliver-starter-homes/7012825.article?utm_source=Ocean%20Media%20Group&utm_medium=email&utm_campaign=6441852_ih-daily-19.11.15et&dm_i=1HH2,3U2KC,7UMXMW,DTJ8C,1)

### **Inside Housing Affordable Homes Programme renegotiated as rent cuts bite**

6 August 2015

Government-funded plans to build cheap rented homes are being renegotiated in light of the Budget – with many landlords projecting a shift to more for-sale housing.

[http://www.insidehousing.co.uk/business/development/land-and-construction/affordable-homes-programme-renegotiated-as-rent-cuts-bite/7011161.article?utm\\_source=Ocean+Media+Group+Limited&utm\\_medium=email&utm\\_campaign=6018557\\_ih-daily-6.8.15et&dm\\_i=1HH2,3KZY5,7UMXMW,CV3L6,1](http://www.insidehousing.co.uk/business/development/land-and-construction/affordable-homes-programme-renegotiated-as-rent-cuts-bite/7011161.article?utm_source=Ocean+Media+Group+Limited&utm_medium=email&utm_campaign=6018557_ih-daily-6.8.15et&dm_i=1HH2,3KZY5,7UMXMW,CV3L6,1)

### **Inside Housing: Standard planning clause could add millions to capacity**

27 August 2015

A new standardised approach to drafting affordable housing planning requirements could overcome technical restrictions on valuations and add millions to housing associations' borrowing power.

[http://www.insidehousing.co.uk/business/finance/funding/standard-planning-clause-could-add-millions-to-capacity/7011459.article?utm\\_source=Ocean+Media+Group+Limited&utm\\_medium=email&utm\\_campaign=6097173\\_ih-developmentandfinance-27.8.15et&dm\\_i=1HH2,3MOLX,7UMXMW,D1RLV,1](http://www.insidehousing.co.uk/business/finance/funding/standard-planning-clause-could-add-millions-to-capacity/7011459.article?utm_source=Ocean+Media+Group+Limited&utm_medium=email&utm_campaign=6097173_ih-developmentandfinance-27.8.15et&dm_i=1HH2,3MOLX,7UMXMW,D1RLV,1)

### **BBC: Homelessness figures: Nearly 100,000 children in England 'homeless'**

24 September 2015

Nearly 100,000 children in England are living in temporary accommodation after being made homeless, new figures show.

<http://www.bbc.co.uk/news/uk-34346908>

### **Crisis: 'Urgent action' needed on homelessness statistics**

10 December 2015

The Department for Communities Local Government must take 'urgent action' to improve 'potentially misleading' homelessness statistics, the UK Statistics Authority has said.

<http://www.crisis.org.uk/news.php/1039/urgent-action-needed-on-homelessness-statistics>

### 3. Press releases

#### [Stemming the tide of homelessness](#)

##### **Department for Communities and Local Government (DCLG)**

7 December 2015

Over the last Parliament, we have made great strides in ensuring that homeless people have the right support that they need to get back on their feet. Through the central investment that government has made to support local areas to tackle and prevent homelessness, we have delivered a lot together.

Our £8 million [Help for Single Homeless Fund](#) has allowed 168 local authorities to partner up together to help some of the hardest to reach individuals. These projects are offering support to help people turn their lives around and find a long term solution that supports their needs.

Our [Access to the Private Rented Sector programme](#), which we have funded Crisis to run, has helped over 9,000 people access and sustain privately rented accommodation. This isn't just about putting a roof over someone's head, but ensuring that they get the support they need to rebuild their lives.

The pioneering [StreetLink](#) service, which we have funded, has led to nearly 15,500 rough sleepers being found and connected with local services. The service is making it easier for the public to help someone that's sleeping rough. Not with a cash handout, but with the valuable alternative of practical support.

We have pioneered 2 of the world's first Social Impact Bonds in homelessness – the [Fair Chance Fund](#) for young people, and the Social Impact Bond for the entrenched rough sleepers in London.

And I have seen first hand the work of the [No Second Night Out](#) hubs in London, which have successfully helped over 4,000 people exit rough sleeping. More widely, the [Homelessness Transition Fund](#) has helped people find stable homes and jobs to get their lives back on track.

However, I am not complacent and I recognise that there are some significant challenges that remain.

When I last stood in front of you in July, I announced that I wanted to draw on your experience and expertise to improve the impact of homelessness services. So I have started a series of conversations with you and local commissioners on how we continue to deliver the best for this vulnerable group of people in a tougher financial climate.

The messages that I have heard so far about the challenges that you face have been loud and clear.

You have said that you find the funding environment challenging.

You have reinforced that homelessness isn't just a housing issue, and that other local partners such as health, probation and Job Centres need

to play their part in helping people access the services that they need to get back on their feet.

You have expressed concern about vulnerable individuals with complex needs falling through the safety net because opportunities to prevent treatable problems are missed.

I cannot solve these overnight, but what I can say is that I – and the government – are listening to what you say and are ready to rise to the challenge.

Two weeks ago, the Chancellor presented the outcome of the [Spending Review](#) to Parliament. His speech set out a long-term economic plan to rebuild Britain, whilst reforming public services and devolving more power than ever before. He was also clear that there had been difficult decisions to take to live within our means and bring down our debt. Yet, we have recognised and listened to the pressures that you are telling us that you are facing.

In the last Parliament, we made £109 million available to local areas on top of Homelessness Prevention Grant. This investment meant that we could roll out No Second Night Out nationally through the Homelessness Transition Fund. It also allowed us to invest in StreetLink; the Fair Chance Fund; Help for Single Homeless; and the Access to the Private Rented Sector Scheme.

So in this Spending Review, we have chosen to reaffirm our commitment to protecting the most vulnerable in society.

Whilst my department has reduced its overall resource budget by nearly 30%, we have taken the decision to increase the dedicated central funding that we provide to local areas to tackle homelessness.

Over the next 4 years, we will increase central funding by making £139 million available for innovative programmes to prevent and reduce homelessness. In addition:

- we make additional Discretionary Housing Payment funding available to local authorities; this will allow them to help some of the most vulnerable people, including those in supported accommodation
- we are putting local government in control of their own finances, allowing them to respond efficiently and flexibly to local need; by the end of this Parliament, local government will be spending the same in cash terms as it does today
- we have devolved additional responsibilities, meaning that the temporary accommodation management fee will no longer be paid through the benefits system; instead, councils will receive this money upfront; we are maintaining at current levels and providing an additional £10 million a year, so that they can give more freedom and flexibilities to local authorities
- and whilst I cannot say any more on Homelessness Prevention Grant until we publish the Provisional Local Government Finance Settlement later this month, I want to assure you that I have listened very carefully to the representations that have been made by you on its importance

But we have to make every penny count and be more ambitious. Underpinning this investment will be a new approach, which I want to work with you to shape. As a sector, you will want to think about how you can best respond.

We know that we need to catalyse larger scale reform in how services for single homeless people are delivered to make them more effective and efficient.

And we know that the system is match-fit for the challenges that lie ahead, and is able to ensure that you have the right capabilities in place to do your job to the best of your ability.

I want to see greater innovation, greater partnership working and greater service integration at a local level. And services commissioned on robust evidence and smarter use of data.

This needs to include earlier and more effective interventions at a local level, which will prevent people from becoming homeless in the first place. The very question that you are all asking in this room today.

So I want to set the bar high. This investment won't be about maintaining the status quo. It will be about delivering better outcomes for vulnerable people who really need our help.

I am already starting to hear about some fantastic examples out there, that I want to see more of.

For example, our Help for Single Homeless Fund has funded Tower Hamlets, Hackney and the City of London to partner up to deliver an ambitious 'No First Night Out' pilot. The scheme is providing a rapid intervention service and intensive mediation to those at risk of sleeping rough. It's at early stages, but it should significantly reduce the number of new rough sleepers in the 3 boroughs.

And a number of areas are testing out the Housing First approach, which has been a real success internationally. Brighton, Camden and Newcastle are just 3 local authorities who I know are innovating by organising services around the needs of individuals.

And we will innovate too. The Spending Review announced that we will expand support for Social Impact Bonds, investing over £100 million over the Parliament – on top of the £139 million – to help deal with issues that include homelessness, poor mental health and youth employment.

So we will look to build on London's approach of using social investment to improve outcomes for rough sleepers by setting up a brand new Social Impact Bond. Targeted at geographical hotspots with the most complex and entrenched homeless individuals, the programme will launch by 2017.

I have signed up to play my part and show strong, cross-government leadership on this issue.

I have already started by re-convening the Ministerial Working Group on Homelessness. The Group will bring government departments together

to ensure that all of Whitehall plays its part in breaking the cycle of homelessness.

And over the next few months I, and my team, will continue our conversations with you on how we can best meet the needs of vulnerable homeless people.

I chaired my first roundtable with Chief Executives from the sector in September, and the Group will meet again in January.

Meanwhile, my team are getting out and about to see the services that you deliver in action, and hear about what interventions are working well.

These conversations will not only help shape where we target our central investment, but help us understand where there are blockages in the system that we need to tackle.

And here's where you come in. As you go about your discussions at today's conference, I want to set you a challenge.

What role can each of you play to make this happen, and where could government help?

What great examples of innovation should we be building on to develop our new approach?

How can you share and access data on the effectiveness of interventions to target your resources more smartly?

I am looking to Homeless Link to let me know what you would find most helpful in meeting the challenges ahead.

## **DCLG**

### **[New garden towns to create thousands of new homes](#)**

7 December 2015

Didcot in Oxfordshire and North Essex will be home to new communities that between them are set to provide up to 50,000 new homes, supported by new infrastructure.

The proposals, which have been supported by local leaders, include plans for an additional 15,000 homes by 2031 in Greater Didcot Garden Town and new Garden Communities in North Essex with up to 35,000 new homes.

The money will fund initial work that will enable high quality homes, new transport improvements, good schools, jobs and community amenities to be delivered in a strategic and sustainable way.

Housing Minister, Brandon Lewis said:

I've been really impressed by the level of ambition and vision shown by Didcot and North Essex and their determination to deliver new sustainable communities.

We are determined to support communities that are eager to boost the number of homes in their areas to meet local need and this money will help get work up and running quicker.

The minister heard first-hand how the money will help kick-start work during a visit to Didcot on Monday (7 December 2015).

### **More people helped into home ownership**

The new garden towns announcement comes as the Prime Minister today said that [Shared Ownership will open the door to 175,000 more aspiring homeowners](#).

Radical changes to Shared Ownership rules will remove old fashioned barriers to home ownership.

Those already in a shared ownership property will be able to move to another shared ownership home – putting an end to restrictions that stopped them using the scheme more than once.

The re-invigorated scheme will allow these homeowners to use the capital they have gained to move to a bigger property, as their families grow or circumstances change.

The measures are part of the government's commitment to creating 1 million more homeowners over the next five years.

### **More Right to Buy**

This boost to home ownership comes as a number of Housing Association tenants in Oxfordshire are now able to begin the process for owning their home and making use of the [voluntary Right to Buy](#).

Sovereign Housing Association is one of five associations leading the way by running a pilot that will help tenants in a number of areas around the city to get into ownership.

A voluntary agreement recently reached with the National Housing Federation will ultimately give 1.3million tenants the chance to purchase their home at Right to Buy level discounts once the [Housing and Planning Bill](#) comes into force.

Eligible tenants at Sovereign can begin the registration process that will put them on the path to homeownership once the Bill becomes law.

The Housing Minister met tenants of Sovereign home during his visit to Didcot.

Essex County Council's Cabinet Member for Transport, Planning and Environment, Cllr Roger Hirst said:

We are very pleased to be working in partnership with the three local authorities to find ways to deliver the homes we need and the jobs and infrastructure which must come with them. The advantage of Garden

Community development is that we can ensure the right provision of schools, healthcare and transport infrastructure will be in place from the start, and we welcome the opportunity to explore this fully.

Cllr Matthew Barber, leader of Vale of White Horse District Council, said:

People right across our district will benefit from Didcot becoming a Garden Town. This will encourage jobs, better transport links, improved facilities and infrastructure for everyone.

## **DCLG**

### **[Brandon Lewis announces large-scale custom build pilot](#)**

9 December 2015

The minister said the government is committed to the sector and to working with industry professionals to eradicate the 2 biggest barriers to custom and self build – access to land and finance.

The proposed custom build site at Park Prewett, part of a major new housing development in Basingstoke, will be developed by ZeroC. The developer will provide homes under the custom build model, ranging from self-build to custom fit-out.

Each of the homes can be customised to the buyer's specifications – with various levels of custom build on offer to buyers.

Plans for the site will also include 44 plots which will be allocated for affordable housing, along with a few entirely-self build plots that will be made available.

Housing Minister Brandon Lewis said:

This government is committed to increasing housing supply and helping more people achieve their aspiration of home ownership – whether that's buying on the open market through schemes like [Help to Buy](#), or to build.

We want to see custom and self build grow significantly and believe it can play a role as part of a wider package of measures to help deliver the homes people want.

The Park Prewett pilot is a fantastic example of our commitment to double the number of custom build and self build homes by 2020 – so anyone who wishes to design their dream house can do so.

Kim Slowe, Managing Director of Zero C said:

Park Prewett is an outstanding opportunity for us to pioneer the delivery of custom build in the United Kingdom.

We plan to take the lessons learned and roll out custom build in all our projects within the UK.

Colin Molton, Executive Director of the HCA in the South and South West said:



Custom Build offers a more accessible route onto the housing ladder. By giving people the option to take on some of the build themselves, we can reduce the cost of owning your own home.

We've made land available for custom build on pilot schemes across England, and aim to give many more people the opportunity to design their own homes in the future.

As announced in the [Spending Review](#), the government will increase initiatives to further support the sector, with £350 million additional funding.

A new flexible fund offering £1 billion in loan finance will replace both the Builder's Finance Fund and the Custom Build Service Plots fund.

This is on top of a range of reforms to support small builders, including the measure in the [Housing and Planning Bill](#) which will require authorities to allocate suitable plots to prospective custom and self-builders registered in their area.

Today (9 December 2015) the Housing Minister attended a National Custom and Self Build Association (NaCSBA) summit at Downing Street with council leaders from across the UK to act as self and custom build champions.

The Housing Minister was one of the speakers, also including Richard Bacon MP and presenter of TV's Grand Designs, Kevin McCloud as a new online toolkit was launched offering technical advice on how local authorities can better support communities that want to build their own homes.

## **DCLG**

### **[Highest increase in affordable housebuilding for 22 years](#)**

2 December 2015

The numbers of affordable homes are growing at their fastest rate since 1993, [new figures](#) today (2 December 2015) show.

Communities Secretary Greg Clark said this was further proof of the government's commitment to get more homes built.

The latest figures show 66,640 new affordable homes were delivered in the last year – 55% higher than the previous year.

It meant the numbers of social and affordable rented homes increased by nearly two-thirds, and the number of affordable homes to buy rose by 41% over the same time period.

Communities Secretary Greg Clark said:

Today's figures show how far we've come to get the country building, bringing the industry back from the brink to deliver the highest annual increase in affordable housebuilding for over 2 decades.

But we are far from complacent and the doubling of government investment in housebuilding announced at the recent Spending Review reaffirms our commitment to deliver a million new homes by 2020.

Affordable homes to rent and buy are a key part of that, helping to give young people and families across the country the best possible start in life.

Housing Minister Brandon Lewis said:

Our housebuilding efforts are paying off and can be seen by this considerable increase in the number of affordable homes built in just one year.

This is real progress but there is more to do. That's why we are going further and increasing our investment in these homes to ensure many more hard-working people can benefit.

### **Building more affordable homes**

Housebuilding is a key part of the government's long-term economic plan.

Today's figures mean that over 270,000 new affordable homes have been delivered since 2010.

At the [Spending Review](#) last week, the government announced plans to double investment in housebuilding to £8 billion, to help towards delivering one million homes by 2020 – and to deliver the largest affordable housebuilding programme since the 1970s.

This includes:

- delivering 135,000 new homes to buy through a new Help to Buy: Shared Ownership scheme
- a new London Help to Buy, to help aspiring homeowners in the capital to buy with a fraction of the deposit they would normally require
- plans to deliver 200,000 new Starter Homes, which will be available at a 20% discount to young first time buyers

This is on top of measures included in the Housing and Planning Bill currently going through Parliament, including:

- ensuring new Starter Homes are included on all reasonably sized development sites
- giving communities the power to grant permission in principle on sites identified in local plans and on brownfield registers, to speed up the planning system while at the same time protecting the green belt
- planning reforms to support small builders, with a requirement for councils to offer shovel-ready sites for custom-build homes

**DCLG****[Help to Buy: helping 130,000 own their own home](#)**

9 December 2015

Since the launch of the Help to Buy: Equity Loan and Mortgage Guarantee schemes:

- 80% of scheme completions have been made by first-time buyers, with more expected following the launch of the government's Help to Buy: ISA scheme on 1 December
- average house price was £186,000, significantly below the national average
- over [130,000 housing completions](#) through the Help to Buy scheme
- 94% of Help to Buy completions took place outside of London
- almost half of Help to Buy completions have been for new-build homes

Help to Buy was created in 2013 to ensure that working people who were doing the right thing and saving for a deposit could achieve their aspiration of buying their own home through government support. Home ownership is a key part of the government's long term plan to provide economic security for working people across the UK.

The scheme continues to benefit first-time buyers overwhelmingly, with the vast majority of sales outside of London and at prices well below the national average.

[Help to Buy](#) is also ensuring the long-term health of the housing market by increasing housing supply and stimulating home building. Almost half of the homes bought through Help to Buy are new-build properties, helping to contribute to the 38% rise in private house building since the launch of Help to Buy.

**First-time buyers**

As today's statistics show, Help to Buy is helping people who need it most, with 100,000 households having bought their first home thanks to the scheme.

This is 80% of overall Help to Buy buyers, demonstrating that the scheme is successfully targeting those who need help getting on the housing ladder.

First-time buyers will have a further boost from the [Help to Buy: ISA](#), which banks and building societies across the UK are offering as of last week. Under this scheme, first-time buyers can save up to £200 a month towards their first home and the government will boost their savings by 25%, or £50 for every £200, up to a £3,000 bonus.

14 banks and building societies have already signed up to offer Help to Buy: ISAs. These lenders are: Aldermore, Bank of Scotland, Barclays, Clydesdale Bank, Halifax, HSBC, Lloyds Bank, Nationwide, NatWest, Newcastle Building Society, Santander, Ulster Bank, Virgin Money and Yorkshire Bank.

### **Helping people across the UK**

Help to Buy is helping people throughout the UK achieve their dream of owning a new or bigger home.

With almost all completions outside London, the highest number of homes through the mortgage guarantee scheme have been in the North West region. The equity loan – a scheme for new build properties – is particularly prevalent in the South East region.

[Figures](#) for the mortgage guarantee scheme also show completions have been least concentrated in regions where house price growth is highest. In London the scheme makes up just 1% of all mortgage lending compared to an average of 3% across the country.

### **Getting Britain building**

Help to Buy is also supporting the country's economy by getting Britain building again. Almost half of homes bought under the scheme were new-build properties, contributing to the sharpest rise in house building orders since 2003.

This has supported new housing construction output, which has been growing for 30 consecutive months. Both annual housing starts and planning approvals are at a seven-year high, with 660,000 new homes being built since 2010.

### **Responsible lending**

Help to Buy was designed to support responsible lending.

This is demonstrated by today's figures: the average house price for both parts of the scheme, at £185,972 (£155,573 for the mortgage guarantee and £217,999 for the equity loan scheme), remains significantly below the national average house price of £286,000.

The average house price to income multiple under the mortgage guarantee scheme is capped at a 4.5x ratio to ensure responsible lending.

Chancellor of the Exchequer, George Osborne said:

This government is committed to helping people achieve the aspiration of buying their own home, and our Help to Buy schemes have now helped 130,000 across the UK do just that.

The stronger economy and financial system means we expect banks to start to exit our Help to Buy Mortgage Guarantee scheme, which was introduced in times of financial distress and is due to come to an end.

Now our [Help to Buy: ISA](#), which launched this month, is set to help hundreds of thousands of more people saving for their first home, by providing a bonus of up to £3,000 for their deposit.

Supporting people who want to work hard, save and buy their own home is a key part of our long-term plan to provide economic security for working people at every stage of their life, across the UK. Help to Buy is also boosting the nation's economic security by driving an increase in house building in Britain, ensuring long-term housing supply and creating jobs.

Communities Secretary Greg Clark said:

Anyone who works hard and aspires to own their own home should have that opportunity and these figures show how the government's Help to Buy scheme is turning those dreams into reality.

We've got the country building again and seen the number of new homes increase by 25 per cent in the last year alone with thousands of people across the country helped to own a home with Help to Buy.

House builders have also welcomed the role Help to Buy has played in boosting supply. Home Builders Federation Executive Chairman Stewart Baseley said:

The Help to Buy: Equity Loan scheme continues to drive demand for new build homes. It is no coincidence that since Help to Buy has unlocked demand for new homes and allowed buyers to buy the supply of new homes has increased by almost 40%. The industry is now providing more desperately needed high quality homes and creating tens of thousands of jobs across the country.

## 4. PQs

### [Housing: Construction: Written question - HL2037](#)

Asked by [Lord Ouseley](#)

To ask Her Majesty's Government what are the constraints preventing the achievement of the 200,000 annual housebuilding target.

Answered by: [Baroness Williams of Trafford](#)

Answered on: 15 September 2015

The Government has no annual housing target but is taking action through a wide range of programmes to boost housing supply and to increase home ownership.

### [Housing: Construction:Written question - 6003](#)

Asked by [Karen Lumley](#)

Asked on: 07 July 2015

To ask the Secretary of State for Communities and Local Government, what steps he has taken to increase house building by 2030.

Answered by: [Brandon Lewis](#)

Answered on: 13 July 2015

This Government is committed to increasing housing supply and home ownership. We have already made progress - housing completions in the quarter to March 2015 are up 21% on the same quarter in the previous year; starts on new homes in the year to March 2015 totalled 140,500, the highest annual total since 2007; and planning permissions were granted for 261,000 homes in the year to March 2015 – but there is more to be done.

This year we will introduce a Housing Bill to unlock brownfield land to build new homes; provide the framework to deliver starter homes and extend Right to Buy to housing association tenants.

We will help builders to build: Public sector land has already been released to deliver over 109,000 new homes and over 100,000 homes have been supported through the £1.3 billion Large Sites programme. Over this Parliament we have ambitions to release public sector land for 150,000 homes; kick-start development in 20 Housing Zones outside London, which with 8 other shortlisted sites has the potential to deliver up to 45,000 new homes; create a £1 billion Brownfield Fund; and provide capacity funding to support the development of new garden settlements. We will support small and medium sized enterprises through the Builders' Finance Fund (2015-17) and the £100 million Housing Growth Partnership with Lloyds Bank. We want to double the number of custom and self-built homes through 'Right to Build' and a £150 million fund for serviced plots.

Nearly 2 million households have been helped to realise aspirations to

own their homes through Government-backed schemes. This Government will build 200,000 Starter Homes exclusively for first-time buyers under 40 years old, at a minimum of 20 per cent below open market value; extend Help to Buy Mortgages to 2020; and introduce a Help to Buy ISA to help people save for a deposit. Finally, we will give more people the chance to own their home by extending Right to Buy discounts to tenants of housing associations.

**[Affordable Housing: Written question - 16243](#)**

Asked by [Alex Cunningham](#)

Asked on: 13 November 2015

To ask the Secretary of State for Communities and Local Government, what assessment he has made of the effect of the extension of Right to Buy on affordable housing supply.

Answered by: [Brandon Lewis](#)

Answered on: 23 November 2015

Under the 2012 reinvigorated Right to Buy, every additional home sold, as well as those homes sold to tenants through the voluntary agreement with the National Housing Federation and housing associations, will result in an additional home being provided. This will lead to an increase in overall housing supply.

The Government exceeded its affordable homes target over the last 4 years by 16,000 homes, delivering 186,000 new affordable homes.

**[Homelessness: Written question - 17572](#)**

Asked by [Teresa Pearce](#)

Asked on: 25 November 2015

To ask the Secretary of State for Communities and Local Government, when the ministerial working group on preventing and tackling homelessness will next meet; and what the membership of that group is.

Answered by: [Mr Marcus Jones](#)

Answered on: 01 December 2015

The Ministerial Working Group on Homelessness will meet in the New Year. The group consists of Ministers from ten Departments – Ministry of Justice, Department for Education, Department of Health, Department for Work and Pensions, Cabinet Office, Ministry of Defence, Home Office, Department for Business, Innovation and Skills, Government Equalities Office, and Department for Communities and Local Government.

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