



DEBATE PACK

Number CDP-0205, 19 August 2019

Debate on a motion on the British house building industry

By Wendy Wilson
Cassie Barton
Federico Mor
Michael O'Donnell

Summary

There will be a Backbench Business debate on the British housebuilding industry on 5 September 2019. The debate will take place in the main Chamber and will be led by Siobhain McDonagh MP.

The debate is expected to be wide-ranging and will cover issues including:

- Housing supply and the contribution of the largest housebuilders.
- Homelessness and families in temporary accommodation.
- Rough sleeping.
- Housing affordability.

Contents

1. Background	2
1.1 Housing supply	2
1.2 Homelessness	3
1.3 Affordability	4
2. FTSE 350 housebuilding companies	5
2.1 Contribution to housing supply	5
2.2 Land banks	5
2.3 Pay ratios	7
3. News	10
4. Parliamentary Material	11
4.1 Oral PQs	11
4.2 Written PQs	14

The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

1. Background

1.1 Housing supply

Estimates have put the number of new homes needed in England at between 240,000 and 340,000 per year, accounting for new household formation and a backlog of existing need for suitable housing. In 2017/18, the total housing stock in England increased by around 222,000 homes. This was 2% higher than the year before – and the amount of new homes supplied annually has been growing for several years – but is still lower than estimated need.

The 2015 Government set out an ambition to deliver **1 million net additions** to the housing stock by the end of the Parliament, which was expected to be in 2020. Net additions include, for example, conversions and changes of use. Critics said that the figure did not take account of the backlog of housing need. The House of Lords Select Committee on Economic Affairs concluded in [Building More Homes](#) (2016), that the target “was not based on a robust analysis” and went on to recommend that the housing crisis required the development of at least 300,000 new homes annually “for the foreseeable future.”

The current Conservative Government was elected in 2017 with a manifesto pledge to meet the 2015 commitment to deliver 1 million homes by the end of 2020 **and to “deliver half a million more by the end of 2022.”** The manifesto said that, if elected, the Government would deliver on the reforms proposed in the Housing White Paper (February 2017). The Autumn Budget 2017 set out an ambition “to put England on track to deliver 300,000 new homes a year.”

There is consensus around the long-term under-supply housing and the need to address this, but there is less agreement within the industry about *how* best to achieve the necessary step-change in supply.

Commentators agree that there is no ‘silver bullet’ and call for a range of solutions across several policy areas. The [2017 UK Housing Review Briefing Paper](#) (September 2017) argues that **while supply is of critical importance, “so is the rather more neglected issue of affordability, in both the private and social housing sectors.”** The Resolution Foundation has said that a greater proportion of genuinely affordable homes to rent and own will be needed “to make housing less of a living standards burden for families.” In the foreword to the June 2017 IPPR report, [What more can be done to build the homes we need?](#) Sir Michael Lyons said: “We would stress that it is not just the number built but also the balance of tenures and affordability which need to be thought through for an effective housing strategy.” This is echoed in [research](#) commissioned by the National Housing Federation (NHF) and Crisis from Heriot-Watt University, which has identified a

need for 340,000 homes each year to 2031 of which 145,000 “must be affordable homes”.

[Research](#) published in April 2019 by housing consultancy Savills on behalf of the National Housing Federation (NHF), the G15 and Homes for the North, records that completions of new homes in England are set to reach 260,000 a year by 2021. However, Savills warn that longer-term delivery “remains decidedly uncertain”, with a slowing private market and the potential impact of Brexit set to deepen the housing shortfall.

Commenting on the [findings](#), Kate Henderson, chief executive of the NHF, said:

This research shows that relying on private developers to end the housing crisis is fatally flawed.

Without government investment in affordable housing, it just won't be possible to build enough homes to ensure that everyone can have somewhere stable and affordable to live.

More detailed information on housing supply issues, including Government initiatives to increase supply, can be found in these Library papers:

- [Tackling the under-supply of housing in England](#)
- [Stimulating housing supply - Government initiatives \(England\)](#)

Planning reforms are covered in:

- [What next for planning in England? The National Planning Policy Framework](#)

1.2 Homelessness

There were 83,700 homeless households living in temporary accommodation in England at the end of December 2018, a 74% increase compared with December 2010. According to counts and estimates from local authorities, there were 4,677 people sleeping rough in England on a given night in Autumn 2018, 165% higher than in 2010.

There are several Library papers on this topic which provide further background and statistics:

- [Statutory Homelessness in England](#)
- [Households in temporary accommodation \(England\)](#)
- [Rough sleeping \(England\)](#)
- [Local Authority Homelessness Statistics \(England\)](#)

Further statistics on rough sleeping in London are also available from the [CHAIN Annual Report for 2018/19](#), which reports that 8,855 were seen sleeping rough in London at some point during the year.

See also [The Homelessness Monitor: England](#) by Crisis (May 2019). [Research by WPI Economics](#) for St Mungo's and Homeless Link, which was published in April 2019, concluded:

In 2017/18, nearly £1bn less was spent on single homelessness than was spent in 2008/9 – a fall of more than 50%. This was

entirely accounted for by reduced spending for Supporting People activity – which includes a wide range of types of support to help people maintain tenancies and keep their lives on track. Overall, more than £5bn less has been spent on single homelessness between 2008/9 and 2017/18 than would have been spent had funding continued at 2008/9 levels.

1.3 Affordability

As noted above, there is an increased focus on the need for new housing to be affordable, as opposed to simply focusing on overall supply. When giving evidence to the Public Accounts Committee in February 2017, Melanie Dawes, Permanent Secretary at DCLG (now the Ministry of Housing, Communities and Local Government), was questioned on when the gap between net additions to the stock and the demand for new housing, estimated to be 189,000 and 277,000 respectively, would be eliminated. She replied:

It will continue as it has done for decades. I agree, and that will show itself primarily in affordability and in some places in homelessness. I am simply being honest with you. For something on this scale and of this magnitude, we do not have some neat line that tells us when those paths will cross.¹

This Library paper discusses definitions of affordable housing and trends in supply in some detail:

- [What is affordable housing?](#)

The independent Affordable Housing Commission has gathered together [a series of Government announcements and other reports on housing affordability issued between March and June 2019](#).

The Commission has published a literature review which examines why housing affordability has worsened: [Why is housing unaffordable?](#) (2019). There is also a report on how best to define and measure housing affordability: [Defining and measuring housing affordability: an alternative approach](#) (2019).

¹ [HC 958, 22 February 2017, Q132](#)

2. FTSE 350 housebuilding companies

2.1 Contribution to housing supply

Housebuilding companies will usually include information in their annual reports on how many homes the company has completed that year, and the average selling price of homes sold on the private market.

The table below shows the total housing completions reported by each of the FTSE 350 housebuilding companies in 2018. Where available, information is also shown on the number of these completions that were affordable housing units, and the average selling price of homes on the private market.

Barratt Developments reported the highest number of housing completions in 2018. The highest proportion of affordable housing completions were reported by two companies with lower numbers of total completions – Countryside Properties (35%) and Bovis Homes Group (32%).

Housing completions and supply at FTSE housebuilders				
Housing completions and sales during 2018				
	Total housing completions	Affordable housing completions	% of completions affordable	Average private selling price
Barratt Developments	17,579	3,241	18%	£328,800
Persimmon	16,449	3,333	20%	£238,800
Taylor Wimpey	14,933	3,416	23%	£301,800
Bellway	10,307	£323,400
Galliford Try ^a	6,193	£367,000
Redrow	5,913	1,102	19%	..
Countryside Properties	4,295	1,491	35%	£402,000
Bovis Homes Group	3,759	1,192	32%	£337,400
Berkeley Group Holdings ^b	3,698
Crest Nicholson Holdings	3,020	637	21%	£393,000

Source: Library calculations from data in companies' annual reports and accounts.

Notes:

^a Average private selling price is for homes sold by Linden Homes, the main private housing development business in the group.

^b Data is for financial year 2018/19 rather than calendar year 2018.

.. indicates data is not available

2.2 Land banks

Land banking describes the practice of land owners who retain land while its value grows until it can be built on more profitably, sold on at an increased price, or is simply retained as an asset.

Several studies have considered whether land banking takes place. For example, a [report](#) by Molior for the London Mayor in 2012 found that of the 210,000 existing planning permissions for new homes in London, 55% were in the control of building firms while 45% were in the control of non-building firms such as investment funds, historic land owners, government and 'developers' who do not build. Molior concluded that accusations of land banking directed at builders were 'misplaced.' An update [report](#) in 2014 found a smaller percentage of planning permissions held by non-developers.

It is acknowledged that developers retain stocks of land with planning permission as a strategy for managing pipelines and 'smoothing out peaks and troughs in resource allocation.' There are also holdings of 'strategic land banks' which are sites without planning permission which are generally held 'under option,' i.e. not recorded as in the developer's ownership. Shelter and KPMG conclude that incentives to get strategic land through planning are 'very high' and expect any issues to be:

...more at the strategic and local planning level, with a lack of visibility over land control and intent meaning that it is less each to match planning strategy with land that is controlled by developers and hence more likely to be able to be brought forward quickly for development.²

If land banking is not the main problem, there does appear to be a case for ensuring that the majority of suitable land for development is held by firms who intend to build on it.

Shelter has also published analysis of land banking in two 2016 blog posts: [the first part is available here](#), and [the second part is here](#).

The table overleaf shows the number of plots in land banks reported by FTSE 350 housebuilding companies in their annual reports for 2018. Dividing this figure by the number of homes completed by the company in 2018 allows for an estimate of how many years' supply of housing each land bank holds.³

Comparisons between companies should be made with caution, however, as companies may report on their land banks in different ways. The numbers in the table below are intended to reflect companies' short-term land banks – the pipeline of land that they intend to develop in the relatively near future, which may have planning permission or be close to getting it. Companies also hold 'strategic' land banks, which might not hold planning permission or be likely to be developed soon. For example, Crest Nicolson reports an additional 16,837 plots in its strategic land bank – almost as many as are in its short-term land bank.

² Shelter and KPMG (2015), [Building the homes we need: a programme for the 2015 government](#), p37

³ Companies may also use different methodologies to estimate the years' supply of housing in their land banks in their annual reports, but this method is used here for consistency.

Short-term land banks at FTSE 350 housebuilders		
As reported in 2018		
	Land bank (plots)	Years' supply of housing
Barratt Developments	79,432	4.5
Bellway	41,077	4.0
Berkeley Group Holdings ^a	41,639	11.3
Bovis Homes Group	17,328	4.6
Countryside Properties	43,523	10.1
Crest Nicholson Holdings	19,291	6.4
Galliford Try	14,700	2.4
Persimmon	75,793	4.6
Redrow	27,630	4.7
Taylor Wimpey	76,000	5.1

Source: Library calculations from data in companies' annual reports and accounts.

Notes:

^a Data is for financial year 2018/19 rather than calendar year 2018.

2.3 Pay ratios

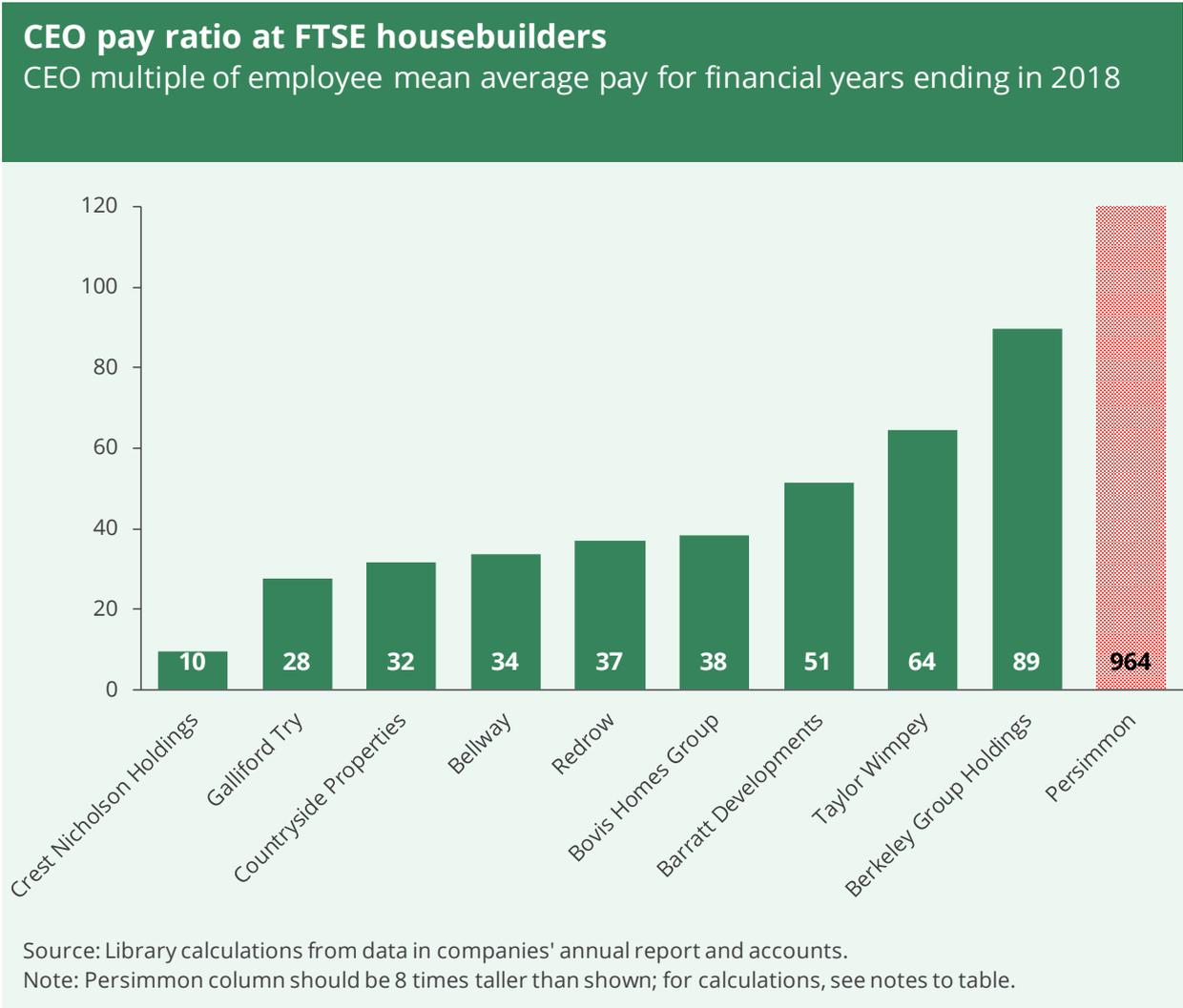
The Government now [requires](#) public companies with more than 250 UK employees and listed on the stock exchange to report annually the ratio of CEO pay to the median pay, 25th-percentile and 75th-percentile pay of their UK workforce, along with a narrative explaining changes to that ratio from year to year.⁴ To illustrate, a median pay ratio of 50 means that the CEO is paid 50 times the median pay in the company.

However, the requirement applies to financial years starting on or after 1 January 2019. Therefore, pay ratios will only be mandatory for annual reports published from 2020 onwards. In the meantime, it is possible to use available data to calculate mean average pay (instead of median pay, which is not available) and compute pay ratios on that basis. These calculations include all types of remuneration (e.g. bonuses, pension contributions, benefits in kind, share incentive schemes, etc), not just wages and salaries.

A note of caution is that **ratios can fluctuate a lot from year to year**. These fluctuations are due to the high volatility of CEO pay, while pay in the wider workforce is more stable.

The chart below shows pay ratios at FTSE 350 housebuilders. In 2018, the highest ratio was as high as 964 at Persimmon and as low as 10 at Crest Nicholson.

⁴ [The Companies \(Miscellaneous Reporting\) Regulations 2018](#)



The data on CEO pay and mean employee pay for 2017 and 2018 is shown in the table below. As remarked earlier, ratios can fluctuate wildly from year to year. Berkeley's is a good example, going from 292 in 2017 to 89 in 2018. The change is explained by the CEO's remuneration going from £29 million in 2017 to £8 million in 2018, whereas mean employee pay did not change much between these two years.

CEO pay ratio at FTSE housebuilders						
CEO multiple of employee mean average pay for financial years ending in 2017 and 2018						
Company	CEO pay £000s		Mean employee pay £000s		Ratio	
	2018	2017	2018	2017	2018	2017
Barratt Developments	2,811	3,602	55	53	51	68
Bellway	1,815	3,468	54	52	34	66
Berkeley Group Holdings	8,256	29,192	92	100	89	292
Bovis Homes Group	2,180	1,376	57	48	38	29
Countryside Properties	2,265	1,418	72	70	32	20
Crest Nicholson Holdings	595	2,150	61	63	10	34
Galliford Try	1,448	1,043	53	48	28	22
Persimmon	38,967	45,740	40	41	964	1,124
Redrow	1,961	2,463	53	49	37	50
Taylor Wimpey	3,152	3,697	49	49	64	76

Source: Library calculations from data in companies' annual report and accounts.

Notes:

1. CEO pay is the total single figure in the remuneration report, which includes all forms of pay such as bonus, long-term incentive plan, pension, etc.
2. Mean employee pay is total employee costs (which also include bonuses, pensions, etc) minus social security contributions and minus the pay of executive directors, divided by the number of employees.
3. The companies have different year ends, ranging from 30 April to 31 December.

It is also worth noting that the use of mean averages results in lower ratios than if the median had been used. That is because means are sensitive to outliers, so that a small number of highly-paid staff pushes up the mean average, whereas medians are unaffected by the size of the pay gap between the top and the rest. Data for Taylor Wimpey illustrate this difference. Taylor Wimpey voluntarily published their 2018 median pay ratio, ahead of the disclosure becoming mandatory. The table below, taken from their 2018 annual report⁵, shows that the median pay ratio was 77, whereas the mean-based figure in the table above is 64. The pay figures used for the CEO are the same, but the median employee pay figure is lower than the mean, at £41k vs £49k.

CEO Pay Ratios (unaudited)

Year	Method	CEO single figure	All UK employees	Lower quartile	Median	Upper quartile
			Ratio	103:1	77:1	41:1
2018	Option B	£3,151,748	Total pay	£30,745	£41,135	£76,575
			Salary	£26,412	£26,873	£52,458

For more information about pay ratios and wider corporate governance issues, see our briefing, [Corporate Governance Reform](#) (CBP 8134).

⁵ Table in: Taylor Wimpey plc, [Annual Report and Accounts 2018](#), p113

3. News

[Sutton completes first council housing in 30 years](#), LocalGov, 15 August 2019

[British public tells new government: don't stop talking about the housing crisis](#), Chartered Institute of Housing, 12 August 2019

[Housebuilder Barratt expects record profits despite Brexit blues](#), City A.M., 10 July 2019

[House price growth cools in May, Nationwide finds](#), Telegraph, 31 May 2019

[Japanese developer enters UK housing market](#), Financial Times, 14 May 2019

[Housebuilding in England flat – despite Theresa May's 'mission'](#), Guardian, 28 March 2019

[Ministers urged to halt right-to-buy scheme](#), Guardian, 19 January 2019

[Ministers urged to back huge UK housebuilding programme](#), Financial Times, 8 January 2019

[This has been the worst decade for house-building since World War Two, and it's all our fault](#), Telegraph, 1 January 2019

[Public housing projects boost profits at Countryside Properties](#), Financial Times, 21 November 2018

[Housebuilding report criticised over high price of farmland](#), Financial Times, 5 November 2018

[Theresa May lifts borrowing cap on local councils to help 'solve housing crisis'](#), Independent, 3 October 2018

[Housebuilder Barratt reports record profits](#), Financial Times, 5 September 2018

[Britain's housing market is broken. Here's how Labour will fix it](#), Guardian, 19 April 2018

4. Parliamentary Material

4.1 Oral PQs

[Help to Buy: Housebuilders' Profits](#), HL, 796 cc232-4, 27 February 2019

Asked by: Lord Shipley | **Party:** Liberal Democrats

To ask Her Majesty's Government what steps they will take to restrict the profits being made by housebuilders through the Help to Buy scheme.

Answered by: The Parliamentary Under-Secretary of State, Ministry of Housing, Communities and Local Government and Wales Office (Lord Bourne of Aberystwyth) (Con) | **Party:** Conservative Party

Schemes such as Help to Buy equity loan have helped to deliver 222,000 new homes in 2017-18, the highest level since 2007-08. However, we expect builders to act responsibly. We expect all housing developers to deliver good quality housing, to deliver it on time, and to treat purchasers of new-build homes fairly.

[Help to Buy: Housebuilders' Profits](#), HL, 796 c234, 27 February 2019

Asked by: Baroness Thornhill (LD) | **Party:** Liberal Democrats

My Lords, it is important to state for the public record that the figures provided by my noble friend Lord Shipley are from research done by the Times. Is the Minister aware that in 2018, the largest housebuilders declared dividends amounting to £2 billion? On hearing this, does he have any sympathy for the many council planning officers who regularly do battle with those developers who are still exploiting the Government's viability loophole to avoid paying the community infrastructure levy and Section 106 money rightly owed to councils, thus depriving communities all over the country of millions of pounds that should be spent on roads, schools and much-needed social housing? When will the loophole finally be closed for good?

Answered by: Lord Bourne of Aberystwyth | **Party:** Conservative Party

My Lords, the figures are right, to the extent that they stack up mathematically. I accept that the figures set out by the noble Lord, Lord Shipley, featured in the press, but they are simply an exercise in looking at the profit and then dividing it by the number of houses built, without any attempt to isolate those in the Help to Buy scheme. It is very much a back-of-a-fag-packet exercise and does not bear mathematical analysis.

I hope the noble Baroness will accept that her more detailed questions have slightly blindsided me because they are not on this specific point. However, I will write to her and ensure that a copy of the letter is placed in the Library.

[Help to Buy: Housebuilders' Profits](#), HL, 796 c233, 27 February 2019

Asked by: Lord Best (CB) | **Party:** Crossbench

My Lords, the Minister is suggesting that the oligopoly of major-volume housebuilders has let us down on quantity, affordability,

design, workmanship and quality of product. Could he update us on the arrival of a new homes ombudsman, who can deal with a good number of the complaints that, justifiably, people are making about the appalling quality they experience when they buy some of these properties?

Answered by: Lord Bourne of Aberystwyth | **Party:** Conservative Party

My Lords, most of the suppliers of homes under the Help to Buy scheme are small and medium-sized enterprises, although I accept that the larger players are delivering the volume. I agree with the noble Lord about the need for a new homes ombudsman and he will know that, when legislative time allows, we will introduce that. In the meantime, with the Home Builders Federation we are looking at the possibility of a voluntary homes ombudsman, to make sure we have the qualities he and I are keen on and that they are enforced.

[Help to Buy: Housebuilders' Profits](#), HL, 796 c233, 27 February 2019

Asked by: Lord Bassam of Brighton (Lab) | **Party:** Labour Party

Will the Minister return to the point made by the noble Lord, Lord Shipley: that the vast profits Persimmon is making would be far better invested in bricks and mortar and new council houses?

Answered by: Lord Bourne of Aberystwyth | **Party:** Conservative Party

My Lords, I leave it to the Labour Party to have an assault on profits; there is nothing wrong with profit itself. It is inappropriate when the money is not being invested properly and providers are not taking proper account of their duties; that is unacceptable. The noble Lord will know that the lifting of the cap on local authorities will help with an issue on which he and I agree: the need for more social houses.

[Help to Buy: Housebuilders' Profits](#), HL, 796 c233, 27 February 2019

Asked by: Lord Kennedy of Southwark (Lab Co-op) | **Party:** Labour Party

My Lords, does the Minister accept that the Government should set a framework for space standards, quality of design and energy efficiency so that, no matter if the home is for sale or rent, it will provide a quality dwelling for many years to come? It is disappointing that many of the homes benefiting from the Government's scheme fail in these respects.

Answered by: Lord Bourne of Aberystwyth | **Party:** Conservative Party

My Lords, I do accept that standards are important. The noble Lord will be aware that the National Planning Policy Framework tightens up some of these quality and design requirements, and there are also rules relating to safety. These will be at the forefront of the Government's mind when we have the new Help to Buy scheme. We will look at all of the providers, not just Persimmon, to make sure that they are delivering value for money for the consumer and the taxpayer.

[Help to Buy: Housebuilders' Profits](#), HL, 796 c232, 27 February 2019**Asked by:** Lord Shipley (LD) | **Party:** Liberal Democrats

I thank the Minister for his reply. He will be aware that yesterday, the housebuilder Persimmon declared annual profits of over £1 billion, having built 16,449 homes. That is £66,000 per house built, with half the sales funded through Help to Buy. That represents almost a trebling in profit per house since Help to Buy was introduced in 2013. Does the Minister accept research concluding that Help to Buy has led to house prices being 15% higher than they would be compared to similar properties that were not eligible—in turn, fuelling profits? What plans do the Government have to clamp down on huge bonuses arising from the increased profits, made from the public purse under Help to Buy?

Answered by: Lord Bourne of Aberystwyth | **Party:** Conservative Party

My Lords, I should point out to the noble Lord that the Help to Buy scheme was initiated under the coalition Government. Some of the figures he has quoted were made by his leader, the right honourable Member for Twickenham, Vince Cable, who is in a much better position than I am to know how successful the scheme has been in delivering houses. It has delivered over 190,000, and he was a Cabinet Minister when it started. Ensuring we get value for money is of course important, and we are focused on that. Regarding directors' salaries, there are provisions in the Companies Act 2006 relating to directors' duties. Section 173 includes a complex corporate code that governs listed companies. Persimmon, which he has referenced, realised how unacceptable the situation was and the chairman, the chairman of the remuneration committee and the chief executive resigned. That is an indication of the realisation, which I share, that it was inappropriate.

[New Housebuilding](#), HC, 653 c471, 28 January 2019**Asked by:** Helen Hayes (Dulwich and West Norwood) (Lab) | **Party:** Labour Party

The Government's expansion of permitted development rights has caused multiple problems across the country. Such developments make no section 106 contributions towards new social housing. There are reports of homes of appalling quality, with children forced to play in car parks on industrial estates, and of homes in some areas being used only for short-term holiday lets, while developments in other areas are causing the loss of valuable employment space. Last week, the permanent secretary confirmed to the Housing, Communities and Local Government Committee that the Government had undertaken no evaluation of this policy. Will the Secretary of State call time on the policy, so that a full evaluation of the impacts can be undertaken?

Answered by: Kit Malthouse | **Party:** Conservative Party | **Department:** Housing, Communities and Local Government

We will not call time on a policy that has produced tens of thousands of homes for people who need them. We are aware that there have been some difficulties with properties converted under permitted development rights, but we are not entirely sure that local authorities are using the tools at their disposal to make

sure that standards are maintained. However, as I said earlier, we keep all our policies under constant review and I would be more than happy to look at specific situations if the hon. Lady wishes to raise them.

4.2 Written PQs

[Prefabricated Housing](#), HC, PQ 276545, 18 July 2019

Asked by: Fletcher, Colleen | **Party:** Labour Party

To ask the Secretary of State for Housing, Communities and Local Government, what assessment he has made of the (a) cost, (b) environmental and (c) build-time benefits of modular housing build.

Answering member: Kit Malthouse | **Party:** Conservative Party |
Department: Ministry of Housing, Communities and Local Government

My Department has not carried out a comprehensive assessment on these issues.

Research into particular topics may include consideration of modern methods of construction if relevant to the subject of the research.

It is however well recognised that new technology and innovation has improved productivity, quality and choice across a range of sectors and we are keen to see the same happen in housing. The Government is aware of numerous industry reports which indicate that the use of Modern Methods Of Construction (MMC) in housebuilding, including modular construction for, has the potential to deliver a range of benefits.

There is an opportunity for housebuilders to embrace MMC and take advantage of new technologies to deliver good quality new-build homes more quickly, with the potential to deliver more energy efficient homes to buyers, improve site efficiencies and reduce waste.

That is why the Housing White Paper specifically talks about specific measures to stimulate the growth of modern methods of construction, including modular construction and smart techniques. For instance, on top of providing financial support to builders, we are creating a pipeline of opportunities in the sector and have set up a MMC working group to look at addressing barriers to assurance, insurance and finance for MMC homes.

The group has been exploring a range of opportunities to increase confidence in homes manufactured using these methods to support the uptake of off-site manufacturing technologies across the housing market.

[Buildings: Construction](#), HC, PQ 275741, 16 July 2019

Asked by: Smith, Henry | **Party:** Conservative Party

To ask the Secretary of State for Housing, Communities and Local Government, what steps he is taking to (a) increase (a) building and (b) build quality throughout the country.

Answering member: Kit Malthouse | **Party:** Conservative Party |
Department: Ministry of Housing, Communities and Local Government

The Government has set out an ambitious package of long-term reform to make the housing market work. We are taking end-to-end action across the housing system with measures to: release more land for homes where people want to live, build the homes we need faster, get more people building homes, and support people who need help now. We have committed more than £44 billion of financial support over five years to 2022/2023 to boost the delivery of housing and unblock barriers to more housebuilding.

We are also committed to ensuring that new homes are of good quality. In 2018, we announced a dedicated ombudsman for buyers of new homes and we intend to introduce legislation to require developers of new build homes to belong to a New Homes Ombudsman. The revised National Planning Policy Framework places a strong emphasis on design and makes clear that developments should be visually attractive and add to the overall quality of the area.

Our interventions are making a difference. Last year 222,190 homes were delivered, the highest in all but one of the last thirty years. This year numbers are expected to rise again, representing the 7th consecutive year of growth.

[Housing](#), HL16925, 15 July 2019

Asked by: Lord Taylor of Warwick | **Party:** Non-affiliated

To ask Her Majesty's Government what steps they are taking to increase growth in the UK housing market after Brexit.

Answering member: Lord Bourne of Aberystwyth | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

We are committed to delivering safe, secure and affordable housing to people across the country, and Brexit will not change this. After we leave the EU, as now, we will work closely with industry and all levels of government and take end-to-end action across the housing market to deliver the right homes in the right places and achieve our ambition of delivering 300,000 homes a year by the mid 2020s.

We set out our plan for long-term reform to make the housing market work better in our Housing White Paper, and have since built on this with further measures, including planning reforms, lifting Housing Revenue Account borrowing caps, and progressively increasing the Government's 2016-21 Affordable Homes Programme in England to more than £9 billion, as well as more than doubling the Housing Infrastructure Fund to £5.5 billion to unlock up to 650,000 homes. We've committed over £22 billion Help to Buy Equity Loan funding to 2021, and announced at last year's Autumn Budget a new scheme with £7.2 billion funding to 2023. The measures we have announced will boost the delivery of housing and use funds flexibly to unblock the barriers to more housebuilding.

[Housing: Construction](#), HC, PQ 275671, 15 July 2019

Asked by: Cunningham, Mr Jim | **Party:** Labour Party

To ask the Secretary of State for Housing, Communities and Local Government, what steps he is taking to ensure that housebuilders take account of (a) heatwaves, (b) flash flooding and (c) other effects of climate change in building new homes.

Answering member: Kit Malthouse | **Party:** Conservative Party |
Department: Ministry of Housing, Communities and Local Government

We have built into the planning system, through the NPPF and its accompanying guidance, clear expectations on adaptation and resilience to climate change impacts. All plans should take account of a changing climate, including implications for flood risk, coastal change, water supply, biodiversity, landscapes and rising temperatures.

When considering new development in areas which are vulnerable (e.g. to increased flood risk), care should be taken to ensure that risks can be managed through suitable adaptation measures, including through the provision of green infrastructure such as multi-functional sustainable drainage systems

In the Government's response to the Environmental Audit Committee's enquiry into heatwaves we set out our intention to consult on a method for reducing overheating risk in new homes. This will be done alongside the Government's review into the energy efficiency standards of the Building Regulations.

[Community Housing Fund](#), HC, PQ 271343, 8 July 2019

Asked by: Drew, Dr David | **Party:** Labour Party - Cooperative Party

To ask the Secretary of State for Housing, Communities and Local Government, what plans the Government has to extend funding for the Community Housing Fund beyond 2020.

Answering member: Kit Malthouse | **Party:** Conservative Party |
Department: Ministry of Housing, Communities and Local Government

The Community Housing Fund is currently scheduled to close in March 2020. Decisions on funding for 2020-21 onwards are a matter for the Spending Review, which will take place this year.

The Government recognises that the community-led housing sector offers significant potential for helping to meet housing need across England. In addition to helping increase the rate of delivery of new housing, it will help deliver a range of benefits including diversifying the housebuilding sector, improving design and construction quality, developing modern methods of construction, and sustaining local communities and local economies. The support and close involvement of the local community enables the community-led approach to secure planning permission and deliver housing that could not be brought forward through speculative development.

[Derelict Land](#), HL15485, 15 May 2019

Asked by: Lord Shipley | **Party:** Liberal Democrats

To ask Her Majesty's Government what assessment they have made, through data collected from brownfield land registers, of the number of homes that could be built on brownfield sites.

Answering member: Lord Bourne of Aberystwyth | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

All local planning authorities have now published a local register of brownfield land suitable for housing, bringing many more sites to the attention of house-builders, self-builders and investors.

The information published by local planning authorities suggests that across England as a whole there are over 18,000 sites and over 26,000 hectares of land suitable for development, with capacity for one million homes.

15 May 2019 | Written questions | Answered | House of Lords |

Date tabled: 01 May 2019 | **Date for answer:** 16 May 2019 |

Date answered: 15 May 2019

[Community Land Trusts](#), HC, PQ 249886, 13 May 2019

Asked by: Wiggin, Bill | **Party:** Conservative Party

To ask the Secretary of State for Housing, Communities and Local Government, what plans he has to support Community Land Trusts in making homes more affordable.

Answering member: Kit Malthouse | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

The Government supports the community-led housebuilding sector – of which community land trusts are an important part – through the annual £60 million Community Housing Fund. The Fund is delivered outside London by Homes England and within London by the Greater London Authority. Capital and revenue grants are available to community-based groups wishing to take forward schemes to build locally affordable housing. Through the Fund, the Government is also supporting a consortium of the major stakeholder groups (including the National Community Land Trust Network) to develop a network of technical advisors to support community-based groups through the process of developing their housebuilding schemes.

The Community Housing Fund is currently scheduled to close in March 2020. Decisions on funding for 2020-21 onwards are a matter for the Spending Review, which will take place this year.

[Housing: Construction](#), HC, PQ 247002, 1 May 2019

Asked by: Morris, Grahame | **Party:** Labour Party

To ask the Secretary of State for Housing, Communities and Local Government, if he will make an assessment of the quantity of land suitable for housing being left undeveloped due to land banking by private developers.

Answering member: Kit Malthouse | **Party:** Conservative Party |
Department: Ministry of Housing, Communities and Local Government

The Review of Build Out Rates chaired by the Rt Hon Sir Oliver Letwin MP reported on 29 October 2018. It found no evidence that speculative land banking is part of the business model for major house-builders, or that it explains slow build-out rates. The review concluded that greater differentiation in types and tenures of new homes would increase market absorption and stimulate an increase in build-out rates. This Government has put in place extensive incentives and assistance to encourage house-building, especially on brownfield land, to support the housing policies in our revised National Planning Policy Framework.

[Housing: Construction](#), HL14876, 4 April 2019

Asked by: The Lord Bishop of St Albans | **Party:** Bishop

To ask Her Majesty's Government, further to their commitment to "maintaining existing strong protections for the Green Belt, and clarifying that Green Belt boundaries should be amended only in exceptional circumstances" in Fixing our broken housing market (CM 9352), published in February 2017, what assessment they have made of the Campaign to Protect Rural England's report State of Brownfield 2019, published in March; and what plans they have to incentivise building on brownfield sites.

Answering member: Lord Bourne of Aberystwyth | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

We provide strong encouragement for re-use of brownfield land. The National Planning Policy Framework expects local authorities to give substantial weight to the value of using suitable brownfield land within settlements for new homes and other uses. We ask them to prioritise brownfield wherever practicable, and have provided support in the form of increased loan funding for site preparation, infrastructure and land assembly; new permitted development rights to put existing buildings to good use; and a reduction in the constraints on brownfield sites in Green Belt to allow more affordable homes. Local brownfield registers are bringing thousands of hectares of developable land to the attention of house-builders. Local authorities are also beginning to receive proposals regarding Permission in Principle for housing-led developments on land in brownfield registers.

Brownfield sufficient for hundreds of thousands of new homes exists, but it is for local authorities to use their plans to steer much-needed housing-led development and investment to brownfield sites available in viable and sustainable locations.

[Derelict Land](#), HC, PQ 236291, 28 March 2019

Asked by: Cunningham, Mr Jim | **Party:** Labour Party

To ask the Secretary of State for Housing, Communities and Local Government, what assessment his Department has made of the feasibility of the use of brownfield sites as potential locations to build new homes.

Answering member: Kit Malthouse | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

The National Planning Policy Framework expects local authorities to give substantial weight to the value of using suitable brownfield land within settlements for new homes and other uses. We ask them to prioritise brownfield wherever practicable, and have provided support in the form of loan funding for site preparation, infrastructure and land assembly; new permitted development rights to put existing buildings to good use as dwellings; and the redevelopment of brownfield sites in Green Belt to allow more affordable homes. Every local authority has published a register of brownfield land suitable for new homes, bringing thousands of hectares of developable land to the attention of house-builders and self-builders.

Local authorities are also beginning to receive proposals regarding Permission in Principle for housing-led developments on land in brownfield registers. Brownfield sufficient for many hundreds of thousands of new homes is likely to be identified by local authorities, and it is they who must plan how and when to use available, viable and sustainable sites for the housing we so badly need.

[Community Housing Fund](#), HC, 229623, 14 March 2019

Asked by: Healey, John | **Party:** Labour Party

To ask the Secretary of State for Housing, Communities and Local Government, what steps he is taking to ensure the full allocation of the Community Housing Fund is allocated.

Answering member: James Brokenshire | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

In July last year, a new Homes England programme was launched to deliver the Community Housing Fund outside London. My Department has also funded a similar programme in London, which was launched in January and will be delivered by the Greater London Authority. Community groups and local authorities in all parts of England are now able to apply for capital and revenue funding to bring community-led housing schemes forward.

My Department has also made available £6 million to a consortium of the leading stakeholder groups within the community-led housing sector to expand and develop a network of professional technical advisors who will help guide community-based organisations through the process of instigating and developing local housebuilding projects. An initiative was therefore launched in February under the brand name Community Led Homes. I expect this initiative to be an important factor in helping realise the potential of the community-led housing sector and supporting the delivery of the Community Housing Fund.

Work is underway within Homes England and Greater London Authority to understand the potential demand for the Community Housing Fund over the next few years.

[Housing: Construction](#), HC, PQ 228143, 11 March 2019

Asked by: Hollinrake, Kevin | **Party:** Conservative Party

To ask the Secretary of State for Housing, Communities and Local Government, what assessment he has made of the adequacy of current lending conditions to (a) large, (b) medium, (c) small and (d) micro house builders in England.

Answering member: Kit Malthouse | **Party:** Conservative Party |
Department: Ministry of Housing, Communities and Local Government

The Government fully recognises the important role small and medium sized house builders (SME) play in delivering much needed housing in this country. We have already put in place a number of initiatives to help SME builders overcome barriers, specifically access to finance through the provision of the £4.5 billion Home Building Fund. £2.5 billion of which provides short term loans to SME housebuilders, custom builders and innovators. £110 million of that funding has been used to set up The Housing Growth Partnership.

Launched in 2015, this is a £220 million partnership between Lloyds Bank and Homes England and is supporting the growth of SME house builders and expansion in the UK housing stock. It will deliver 3,400 homes. In addition, the Home Building Fund has also provided £125 million for the the Housing Delivery Fund launched by Barclays Bank and Homes England, in September 2018. The £1 billion development finance Fund will help build thousands of new homes across England. Of the £1 billion fund, Barclays is providing £875 million.

A key priority of The Housing Delivery Fund is to support small and medium sized businesses to develop homes for rent or sale including social housing, retirement living and the private rented sector, whilst also supporting innovation in the model of delivery such as brownfield land and urban regeneration projects.

The Chancellor announced at Budget 2018 that the British Business Bank will deliver a new scheme providing guarantees to support up to £1 billion of lending to SME house builders. My Department and Homes England are currently working with the British Business Bank to implement this scheme.

[Community Housing Fund](#), HC, PQ 226645, 7 March 2019

Asked by: Lucas, Caroline | **Party:** Green Party

To ask the Secretary of State for Housing, Communities and Local Government, what assessment he has made of the effect on the number of communities (a) bringing forward and (b) completing projects of the length of the period for which the Community Housing Fund is open to them; and if he will make a statement.

Answering member: Kit Malthouse | **Party:** Conservative Party |
Department: Ministry of Housing, Communities and Local Government

The Government recognises that the community-led housing sector offers significant potential for helping to meet housing need across England. In addition to helping increase the rate of delivery of new housing, it will help deliver a range of benefits including diversifying the housebuilding sector, improving design and construction quality, developing modern methods of

construction, and sustaining local communities and local economies. The support and close involvement of the local community enables the community-led approach to secure planning permission and deliver housing that could not be brought forward through speculative development.

The Community Housing Fund aims to support an increase in housing supply in England by increasing the number of additional homes delivered by the community-led housing sector; to provide housing that is affordable at local income levels and remains so in perpetuity; and to deliver a lasting legacy for the community-led housing sector in the form of an effective and financially self-sustaining body of expertise within the house building industry in England. Through this fund, housing will be delivered where the mainstream market is unable to deliver and will be tailored to meet specific local needs. It will help sustain local communities and local economies and help raise the bar in design and construction standards.

The Community Housing Fund is currently scheduled to close in March 2020. While the programme was launched relatively recently, there is still time for many community-led housebuilding schemes to access funding and deliver housing, although we appreciate that this will be more difficult for very new schemes.

All proposals to extend the Fund beyond March 2020 will be given due consideration but decisions on funding for 2020-21 onwards are a matter for the Spending Review, which will take place this year. Factors that are likely to be taken into account include the value for money being achieved by the Fund and how successful it has been in increasing the number of community-led housing schemes either completed or in progress.

[Housing: Construction](#), HL13673, 26 February 2019

Asked by: Baroness Thomas of Winchester | **Party:** Liberal Democrats

To ask Her Majesty's Government what steps they are taking to support local authorities to meet housebuilding targets; and what guidance they provide to assist local authorities in their negotiations with developers.

Answering member: Lord Bourne of Aberystwyth | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

Government has already dedicated over £44 billion of investment to help local authorities to deliver the homes communities need. On 14 February, the Government announced nearly £250 million of housing deals which will deliver almost 25,000 more homes. As part of this, the government will be investing £157 million in infrastructure such as building roads and putting natural green space alongside developments.

Last year Government introduced a new approach to viability assessment through the revised National Planning Policy Framework and accompanying guidance. The new approach ensures that developers will have greater certainty about what they are expected to contribute, and that these costs can be reflected in the price paid for land. Local authorities will be better able to hold developers to account and will need to set out more clearly for communities what infrastructure and affordable housing has been delivered through developer contributions.

[Right to Buy Scheme](#), HC, PQ 213230, 7 February 2019

Asked by: Healey, John | **Party:** Labour Party

To ask the Secretary of State for Housing, Communities and Local Government, whether he is meeting the Government's commitment to replace homes sold through the council right to buy scheme.

Answering member: James Brokenshire | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

The latest figures for the replacement of council homes sold under the Right to Buy can be found in the statistical release *Right to Buy Sales in England: July to September 2018*, and show a shortfall of 2,501 replacements against additional sales. This is despite an increase in council housebuilding, and an overall net increase in social housing of 79,000 units since 2010.

We have taken steps to help councils build more homes, by removing the Housing Revenue Account borrowing cap; providing long-term rent stability for social landlords; committing to repeal the legislation in the Housing and Planning Act which, if implemented, would have led to local authorities' selling off vacant, high value council homes; and, most recently, consulting local authorities on options to afford them greater flexibility in how they can use their Right to Buy receipts to help them build faster.

[Housing: Construction](#), HC, PQ 196102, 3 December 2018

Asked by: Healey, John | **Party:** Labour Party

To ask the Secretary of State for Housing, Communities and Local Government, what contingency plans his Department has made to support the housebuilding industry in the event that the UK leaves the EU without a deal.

Answering member: James Brokenshire | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

My Department is working with other Government Departments on the implications that leaving the EU may have for delivering our housing objectives, including in relation to skills, labour, materials and methods of construction. We will continue to work closely with the housebuilding sector in the coming weeks and months to support our housing ambitions and to ensure that we are ready for every eventuality.

[Housing: Construction](#), HC, PQ 150717, 15 June 2018

Asked by: Chalk, Alex | **Party:** Conservative Party

To ask the Secretary of State for Housing, Communities and Local Government, what steps the Government is taking to (a) support and (b) incentivise local authorities to go further than their duty to hold a self-build register and actively bring forward sites for self-build properties.

Answering member: Dominic Raab | **Party:** Conservative Party |
Department: Ministry of Housing, Communities and Local Government

The Department has published comprehensive planning guidance to support authorities in taking forward their duties under the Self-build and Custom Housebuilding legislation. MHCLG is also providing a total of £95,850 new burdens funding to each relevant authority over 3 years to set up the register and deliver permissions suitable for self and custom build housing.

The Department is supporting the National Custom and Self Build Association's Right to Build Task Force which aims to help local authorities, community groups and other organisations across the UK deliver large, affordable custom and self-build housing projects. Officials have also delivered a programme of regional workshops for local authorities to assist them in discharging their duties and we will continue to assess what more the Department can do in this area.

[Housing: Construction](#), HC, PQ 130476, 9 March 2018

Asked by: Twigg, Derek | **Party:** Labour Party

To ask the Secretary of State for Housing, Communities and Local Government, pursuant to oral contribution of the Minister for Housing on 6 February 2018, Official Report, column 1461, whether a local authority with (a) no brownfield land to build on and (b) heavily contaminated land is classified as exceptional circumstances for enabling housebuilding on greenbelt land.

Answering member: Dominic Raab | **Party:** Conservative Party |
Department: Ministry of Housing, Communities and Local Government

I refer the Hon Member to chapters 11 and 13 of the draft National Planning Policy Framework published for consultation on 5 March.

<https://www.gov.uk/government/collections/national-planning-policy-framework-and-developer-contribution-consultations>

[Planning: EU Law](#), HL5634, 6 March 2018

Asked by: Lord Kinnock | **Party:** Labour Party

To ask Her Majesty's Government, further to the speech by the Foreign Secretary on 14 February, which current EU regulations or directives complicate planning and inhibit housebuilding in the UK.

Answering member: Lord Bourne of Aberystwyth | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

This Government is clear that building more of the right homes, in the right places, is central to our vision. My department is working hard with the house-building sector to understand the opportunities that leaving the EU has for our housing objectives.

[Housing: Cooperatives](#), HC, PQ 124756, 5 February 2018

Asked by: Thomas, Gareth | **Party:** Labour Party · Cooperative Party

To ask the Secretary of State for Housing, Communities and Local Government, how many homes that are in housing cooperatives were completed in each of the last 10 years; and if he will make a statement.

Answering member: Dominic Raab | **Party:** Conservative Party | **Department:** Ministry of Housing, Communities and Local Government

Co-operative housing is an important element of the community-led housing sector. The community-led sector offers significant potential for helping to meet housing need across England. In addition to helping increase the rate of delivery of new housing, it will help deliver a range of benefits including diversifying the housebuilding sector, improving design and construction quality, developing modern methods of construction and sustaining local communities and local economies. The support and close involvement of the local community enables the community-led approach to secure planning permission and deliver housing that could not be brought forward through speculative development.

In December 2016, the Government launched the Community Housing Fund to put local groups who know their area's needs best in the driving seat and help them deliver housing that is affordable to the local community. For the 2016/17 financial year, grants were awarded to 148 local authorities which were particularly affected by local affordability issues or high rates of second home ownership. That funding has been used to build capacity within local authorities and other organisations to support the development of community-led housing projects. It has also been used to directly contribute to the cost of schemes through capital subsidy.

We recently announced that a new programme to deliver the Community Housing Fund will be launched shortly and delivered by Homes England. We will be inviting any appropriate organisation – including community groups, registered providers and local authorities – to apply for capital and revenue funding. The new programme will run until at least 2019/20. The announcement can be found here:

<https://www.gov.uk/government/speeches/community-led-housing>

The department does not hold data on the number of homes delivered by housing cooperatives. We will be collecting data on the number of homes supported by the new fund.

[Help to Buy Scheme: Taxation](#), HL3845, 18 December 2017

Asked by: Lord Myners | **Party:** Crossbench

To ask Her Majesty's Government whether they intend to consider introducing a windfall tax on profits resulting from their Help to Buy Scheme.

Answering member: Lord Bates | **Party:** Conservative Party | **Department:** HM Treasury

The government has announced that the Help to Buy equity loan scheme will continue until March 2021 with an additional £10 billion of funding available. Help to Buy equity loan is intended to

help people who otherwise would not be able to afford a deposit to buy a home. It is restricted to new-build properties to ensure that it also helps to drive up the number of homes being built. The programme has played an important role in supporting the housing market since 2013 and the number of homes being built has reached its highest level since 2008.

All UK housebuilders will be liable to tax on their profits in the same way as other firms.

[Housing: Construction](#), HC, PQ 116728, 11 December 2017

Asked by: Healey, John | **Party:** Labour Party

To ask the Secretary of State for Communities and Local Government, for what reasons publication of the house-building statistics House building; new build dwellings, England: September Quarter 2017 has been delayed.

Answering member: Alok Sharma | **Party:** Conservative Party |
Department: Department for Communities and Local Government

As published in the National Statistics announcement, this release was delayed due to extra time being required for data production. This followed a switch to a new data collection system. The release is now scheduled for 19 December.

The new data collection system is delivering benefits including unified and efficient handling of the Department's data collections. This system is already working successfully with local government financial information which transferred earlier this year.

The National Statistics announcement can be found at the following link:

<https://www.gov.uk/government/statistics/announcements/house-building-new-build-dwellings-england-september-quarter-2017?cachebust=1511441945>

About the Library

The House of Commons Library research service provides MPs and their staff with the impartial briefing and evidence base they need to do their work in scrutinising Government, proposing legislation, and supporting constituents.

As well as providing MPs with a confidential service we publish open briefing papers, which are available on the Parliament website.

Every effort is made to ensure that the information contained in these publicly available research briefings is correct at the time of publication. Readers should be aware however that briefings are not necessarily updated or otherwise amended to reflect subsequent changes.

If you have any comments on our briefings please email papers@parliament.uk. Authors are available to discuss the content of this briefing only with Members and their staff.

If you have any general questions about the work of the House of Commons you can email hcinfo@parliament.uk.

Disclaimer

This information is provided to Members of Parliament in support of their parliamentary duties. It is a general briefing only and should not be relied on as a substitute for specific advice. The House of Commons or the author(s) shall not be liable for any errors or omissions, or for any loss or damage of any kind arising from its use, and may remove, vary or amend any information at any time without prior notice.

The House of Commons accepts no responsibility for any references or links to, or the content of, information maintained by third parties. This information is provided subject to the [conditions of the Open Parliament Licence](#).