

# Press release: Budget to support new housing, high streets and local services

Communities Secretary Rt Hon James Brokenshire MP welcomed [the Budget](#) and said it will boost efforts to build the homes communities need, restore the dream of home ownership, help our high streets and support councils to deliver local services.

Building on the current comprehensive package of reform and targeted investment to deliver the homes the country needs, the measures outlined in the Budget include:

- continuing to help people onto the housing ladder by announcing a new Help to Buy scheme from April 2021 and exploring proposals to deliver a new wave of shared ownership homes
- supporting councils and housing associations by removing borrowing restrictions to enable them to deliver a new generation of council housing and affordable homes
- further planning reforms to make the most of available space for homes and ensuring developers pay their fair share to support new and existing communities

Recognising the pressures faced by councils, almost £1 billion of extra funding will be provided to help deliver the services communities need and support the most vulnerable residents:

- a £650 million boost for adults and children's social care, including £240 million to support vulnerable people over winter months and help manage the impact on the NHS

This is alongside a package to support high-streets meet the new challenges brought about by changing shopping habits, providing short-term relief for struggling retailers and a long-term vision for town centres.

Communities Secretary Rt Hon James Brokenshire MP said:

This Budget provides positive news for those struggling to get on the housing ladder with certainty given on the future of Help to Buy and freeing up councils to deliver a new generation of council housing.

It also supports communities across the country by helping councils deliver services for their most vulnerable residents while also helping our high streets to flourish.

## Building the homes communities need

The Chancellor has confirmed that the biggest barrier to councils building homes, the Housing Revenue Account borrowing cap, has been removed entirely – freeing up councils to deliver a new generation of council housing – up to an estimated 10,000 homes a year.

In a move to help more first-time buyers get a foot on the housing ladder, a new Help to Buy scheme has been announced from April 2021 – restricted to first-time buyers and including regional property price caps to ensure it is more targeted on people who need it most.

And with most first-time buyers now exempt from paying Stamp Duty following last year's Budget – benefitting over 120,000 buyers so far – this year's Budget went a step further by extending this relief to all first-time buyers of shared ownership properties worth up to £500,000 – and making this retrospective, so any first-time buyer who has made such a purchase since the last Budget will benefit.

To make sure that the infrastructure is in place to support new and existing communities ahead of development of new homes, the Housing Infrastructure Fund has been boosted by £500 million – bringing the total to £5.5 billion with the potential to unlock up to 650,000 homes.

Grant funding of £291 million for vital infrastructure on the Docklands Light Railway in East London has been announced, meaning less pressure on existing services in the area and the potential to unlock over 18,000 homes.

The next wave of deals with 9 housing associations were announced, allocating £653 million from the Affordable Homes Programme to deliver over 13,000 additional affordable housing starts by March 2022 and £1 billion of new guarantees to support small and medium sized builders, implemented by the British Business Bank.

A [consultation](#) on a package of planning reform to allow greater flexibility to extend existing buildings upwards and allow a change of use has been launched – to ensure that the planning system is speeding up the delivery of homes and supporting the regeneration of high streets.

Support was confirmed for up to 500 neighbourhoods to develop plans to allocate or permission land for homes sold at a discount.

The government has also committed to working with local partners in the Oxford-Cambridge Arc to maximise sustainable economic growth in a response to the National Infrastructure Commission's report.

This Budget has provided a boost of £650 million to help councils support the most vulnerable people in their communities. Of this £240 million will be focused on winter pressures next year with flexibility to use the remainder where it is needed most – for adult or children's services.

This is on top of the £240 million announced last month to address winter

social care pressures this year.

An additional £84 million over 5 years will also be made available as a targeted children's social care fund over the next 5 years, along with an additional £55 million Disabled Facilities Grant in this financial year.

This will mean councils will be able to deliver the services their residents need while also protecting them from excessive Council Tax bills.

The Budget will also provide a further £420 million to councils to fix potholes and carry out other repairs to improve roads, allow better access to workplaces, high streets and other community facilities.

## **Help for the high street**

A £1.5 billion plan that includes a cut to the business rates bills for small retailers worth almost £900 million over 2 years, funding to transform town centres and a relaxation of planning rules has been announced as part of the Budget to support the country's high streets.

This includes:

- the launch of a £675 million Future High Streets Fund to transform local high streets so that they can remain firmly at the heart of communities; this will be used to improve infrastructure and transport and also support areas to redevelop under-used retail space into homes and offices, helping to restore high street properties and put historic buildings back into use
- business rates relief targeted at small retailers to cut their bills by a third and a new mandatory relief for public lavatories, building on over £10 billion of business rates support since 2016
- relaxing planning rules to support new mixed-use businesses on the high street and the conversion of under-used retail units into offices and homes

This is accompanied by additional support for local leadership to prepare and implement new strategies for their high street, including a new High Streets Taskforce to offer support and advice to help revitalise high streets.

This Budget also went further to fire-up the Northern Powerhouse, fuel the Midlands Engine and back our regions across the UK by committing to refresh both strategies next year and increasing the Transforming Cities Fund to £2.4 billion to make it quicker and easier for people to get around in some of England's biggest cities.