

Smaller Housing Associations

Introduction

Thank you for that warm introduction, Kate.

It is a pleasure to be addressing you this morning on the second day of the National Smaller Housing Associations Conference.

I would like to begin by thanking the National Housing Federation for their tireless work over the last few months on behalf of their 800 housing association members.

There is no shying away from the fact that it has been – and remains – an incredibly challenging year for housing associations and social housing tenants across the country.

COVID-19 has created unimaginable difficulties few of us have faced in our lifetimes which have also affected how and where we work and every sector of the economy.

However, in the face of this adversity, you should also be proud of what you have achieved.

You have shown incredible professionalism and commitment in utilising your expertise and providing support to the tenants that rely on you.

And, in turn, the government has sought to play its part to support tenants facing uncertainty and financial difficulties.

That includes an unprecedented support package to help tenants meet their living costs through the Job Retention Scheme, over £9 billion of additional support through the welfare system, and an increase of the Local Housing Allowance rate to the 30th percentile.

This year we have also made available £180 million in Discretionary Housing Payments for local authorities to help both private and social renters pay their bills.

It is abundantly clear from our return to a national lockdown that this battle against COVID-19 is far from over.

We must continue to do all we can, as we near Christmas and the long winter months, to ensure that as many people as possible have a roof over their head which is safe and secure.

As many of you know, in March of this year, the government took unprecedented action to support renters by banning evictions for 6 months.

The stay on possession proceedings has now lifted and the government, working with the judiciary, has put in place new court arrangements that seek to

balance the needs of landlords and tenants.

We have extended notice periods so that landlords now need to provide tenants with 6 months' notice in almost all circumstances, apart from the most serious cases such as incidents of anti-social behaviour or egregious rent arrears.

But we know there is more to do.

My department is working closely with Public Health England, the Department for Business, Energy and Industrial Strategy, and the Health and Safety Executive, to continue refining our landlord and tenant guidance.

It is important that we work together on providing up-to-date advice which reflects the realities on the ground so that essential gas safety work, repair requests and planned maintenance can go ahead.

I am very grateful to the National Housing Federation for the joint workshops you delivered with us in September which examined many of these issues with landlords themselves.

They provided really encouraging and positive feedback on our published landlord and tenant guidance, especially on repairs and maintenance, which shows that we are on the right track and are delivering the clarity the sector needs.

This government is steadfast in its determination to help communities pull through what remains an extremely challenging time.

However, it is also right that we act now to lay the foundations for our long-term recovery from this pandemic.

We are committed to helping our economy and our society to not just build back over the coming months but to build back better.

And it is you, the small and medium sized housing associations joining us here today, who are fundamental to making that recovery a success.

That means delivering on 3 shared priorities.

Delivering more affordable homes

The first is delivering more affordable homes as part of our unwavering ambition to build a million new houses within the term of this Parliament.

We are investing £12.2 billion in affordable housing from 2021 to 2026.

It is the highest single funding commitment to affordable housing in over a decade.

And it includes our newly launched Affordable Homes Programme which, providing economic conditions allow, will deliver 180,000 new affordable homes by 2026.

Government wants to work closely with housing associations on using this investment to unleash development in places where there is clear support for growth. Even relatively small-scale development has a positive effect in local places – providing work for smaller builders and SME businesses.

Nowhere is this more the case than in the rural parts of our country.

Between April 2015 and March 2019, 11% of new build additional affordable homes have been delivered in villages with a population of fewer than 3,000; that underscores the importance of these settlements not just to ramping up housing supply but to spurring economic growth at a local level.

To smaller housing associations, I say that this is where we need your initiative.

We know there is untapped potential out there, and our delivery partners are ready to welcome your proposals to help deliver our new Affordable Homes Programme.

Climate change and net zero

Our second priority is building the cleaner, greener more energy efficient homes of tomorrow.

Housing accounts for around 15% of the UK's greenhouse gas emissions through their use of oil and gas for heating and hot water.

Our working together to cut the carbon footprint of social homes will help significantly reduce these emissions, helping us meet the UK's commitment to net-zero by 2050.

But, better insulated, more energy efficient homes deliver so many other benefits too, not least, reducing residents' energy bills and lifting them out of fuel poverty.

Now I recognise that delivering more technologically sophisticated social housing while better insulating existing homes is not easy.

And the government knows that the sector cannot do this alone.

That is why we have made our Green Homes Grant for 2020/21 available for social landlords so they can access up to £5,000 to upgrade the energy performance of their homes.

At the Chancellor's summer economic update, the government also announced a £50 million demonstrator project to start the decarbonisation of social housing over 2020/21.

This will encourage innovation and help inform the design of our £3.8 billion future Social Housing Decarbonisation Fund which will completely change the game for green investment in social homes right across the country.

Planning for the future and social housing

But we also want to create healthier and better-designed neighbourhoods outside the home so that we can improve the quality of life as well as the quality of housing for social tenants.

And that brings me to our third shared priority – ensuring that our proposed planning reforms work for everyone...

...That they encourage local authorities and developers to not just build the homes this country needs but also create greener, more sustainable neighbourhoods which are built to last, and which will stand the test of time.

The reforms we have set out in Planning for the Future leave an inheritance of environmental improvement to the generation that comes after us...

One in which environmental assets are protected...

more parks, playing fields and green spaces are provided...

all new streets are tree-lined...

and new neighbourhoods can become the heritage of the future, built closer to where people want to live and work so we can reduce our reliance on carbon-intensive modes of transport.

Through the Environment Bill, we are also ensuring that biodiversity net gains are mandatory, and that new residential development contributes to ecological recovery while enriching the quality of local green spaces.

As many of you know, a key part of our reforms is a radical shake-up of developer contributions so that we can simplify the process time and ensure development pays its way.

Developer contributions currently deliver around half of all affordable housing, most of which is delivered on-site.

It is therefore vital that our approach will continue to deliver on-site affordable housing not just at present levels but, potentially, even beyond them. Our new levy will ensure this can happen.

We are also exploring giving councils more power to determine how developer contributions are used.

In addition, the new levy captures changes of use which do not require planning permission.

This further increases the levy base, delivers more affordable housing and ensures that communities see the vital infrastructure improvements they need: not just road and rail, but schools, playgrounds and clinics too.

Social housing white paper

As we enter this second lockdown, we are all reminded that the roof over our head, and the neighbourhood in which we live, have such a strong bearing on our physical and mental health.

It is for these reasons that we intend to publish our social housing white paper soon.

It will empower social housing tenants, provide greater redress, improve the quality of social housing and support the continued supply of social homes for generations to come.

Conclusion

And I want to continue working with housing associations, the National Housing Federation, local authorities and partners from across the housing sector to make sure our white paper and the host of reforms I have outlined today deliver real improvements for social housing tenants throughout the country.

As we dare to imagine a post-Covid world, I believe we have a unique opportunity to go much further and faster than ever before in building the right homes in the right places for the people who need them the most.

We have an opportunity to create greener, healthier and happier communities for this generation and the next.

Together, let us seize that opportunity with both hands, safe in the knowledge that once we are past this pandemic, a brighter future lies ahead for all of us.

Thank you.