

## **Appendix B**

### **National Context and Legislative Changes since 2021**

Since the 2021 strategy was adopted, there have been significant legislative, regulatory and political changes which impact the work of housing and planning authorities and their relevant partners.

#### **National Context**

- It is widely recognised that there is an acute shortage of social and genuinely affordable owner occupier or private rented housing, leading to issues of overcrowding and homelessness. There is also an increasing focus on improving the quality and sustainability of housing stock across all tenures.
- The UK is still experiencing a 'cost of living crisis' which refers to a fall in 'real' disposable incomes (adjusted for inflation and after taxes and benefits) that the UK has experienced since late 2021. In part, caused by high inflation outstripping wage and benefit increases. While all people are affected by rising prices, the impact has been felt most by those with low incomes who spend a greater share on energy and food.
- An unfavourable economic climate in the UK, particularly since the Autumn of 2022 has impacted the Housing sector significantly. The cost of borrowing to mortgage a home has risen as has the cost to deliver new housing supply. Costs to private landlords have been passed on in the form of rent increases and many landlords have chosen to exit the market, which further compounds the issues around availability and affordability.
- There have been increased numbers of individuals seeking asylum in the UK since 2022, and it continues to be the case that there are people arriving by 'irregular' means such as small boats via the English Channel. As the UK government has a statutory duty to accommodate asylum seekers pending a decision on their application, an estate of contingency (hotel) accommodation has been stood up. When an asylum application is concluded, if the person/s are granted leave to remain then they have to leave Home Office accommodation and most often require housing advice and assistance from the local authority in which they reside. BCP has been a locality in which the Home Office have secured this type of accommodation.

#### **Revisions to the National Planning Policy Framework (NPPF)**

The Government published its revised NPPF in December 2024 which includes;

- Reintroduction of Mandatory Housing Targets for local authorities
- Restoration of Five-Year Land Supply rules
- A new Standard Method (0.8% of existing stock as the baseline for growth)
- Affordability requirements in the Standard Method (aimed at reducing numbers needed in more affordable local authorities)
- Revision of Grey Belt definition (guidance expected Jan 2025)
- Golden Rules for Green Belt development
- Measures to ensure developers cannot bank land and must deliver on agreed sites
- Intentions to localise planning fees, pursuing a model that enables variation from national default fee

- Funding to support the delivery of Local Plans (direct contribution to LAS at an advanced stage of their plan and changes to the NPPF will impact Local Housing Need figures)

## October 2024 UK Government Spending Review

The key opportunities from the October 2024 announcements for the sector include;

- An additional £500m into the Affordable Homes Programme to enable delivery into 2026
- £50m for planning departments to recruit 300 new planners
- 5-year rent settlement of the Consumer Price Index (CPI) plus 1% for social providers
- Right to Buy discounts to be reduced and local authorities allowed to keep the full receipts of Right To Buy sales
- £233m additional funding for homelessness prevention
- Extensions to March 2025 of the Household Support Fund and Discretionary Housing Payments
- £1b to remove dangerous cladding (may not be accessible for social landlords)
- £3.4b towards decarbonisation through the Warm Homes Plan (includes fuel poverty schemes, Boiler Upgrade Scheme and also to grow heat pump manufacturing supply chain).
- £3b support in guarantees to boost the supply of homes and support Small and Medium Sized Enterprises (SME) house builders and the build to rent sector.
- £86m increase to the Disabled Facilities Grant to support adaptations for those with social care needs
- The discount on the Housing Revenue Account rate for the Public Works Loan Board extended to March 2026
- An increase on the Stamp Duty Land Tax for 2<sup>nd</sup> homes or buy to let properties

### Right to Buy

The UK government is proposing to reduce the maximum discounts available through the Right to Buy scheme, and to extend eligibility to housing association tenants. The government is also considering other changes to the scheme. Proposed changes;

**Discounts** - The maximum discount will be reduced from £102,400 outside of London and £136,400 in London to £16,000 in London as of November 21, 2024.

**Eligibility** - The government is considering increasing the eligibility requirement from three years to a longer period.

**Exemptions** - The UK government is proposing to reduce the maximum discounts available through the Right to Buy scheme, and to extend eligibility to housing association tenants. The government is also considering other changes to the scheme.

**Repayment** - The government is considering increasing the time period in which the council can ask for repayment of all or part of the discount.

**Receipts** - The government is considering whether new build homes should be exempt from the Right to Buy for a period of time.

## Housing Revenue Account Rent Policy

The Government are proposing to set a rent policy for social housing that would:

- Remain in place for at least 5 years, from 1 April 2026 to 31 March 2031. It is the government's intention to set a further 5 year settlement for the period beyond this. However, consultation has taken place seeking views on possible variations to this approach that could potentially improve the stability of rent policy – such as confirming policy for a longer period (e.g. 10 years) or on a rolling basis; and
- Generally permit social housing rents to increase each year by up to CPI plus 1 percentage point ('CPI+1%'), applying both to Social Rent and Affordable Rent.

## Legislative changes during the strategy period

There are several recent/future legislative changes that impact across BCP and nationally;

### **Building Safety Act 2022.**

In April 2022, the Building Safety Act became law. It aims to improve the safety of high-rise buildings by:

- a new regulatory regime for building safety
- a new Building Safety Regulator
- a new system for managing safety risks in high-rise buildings
- ensuring that new high-rise buildings are constructed to the highest safety standards.

### **The Social Housing (Regulation) Act 2023**

The act was implemented in April 2024 and aims to enhance regulatory powers and improve housing conditions for tenants. It does this by holding poor performing landlords to account. The Act supports these aims by:

- giving more power to the Regulator of Social Housing including increased inspections and issuing fines for non compliance
- giving more power to the Housing Ombudsman including publishing best practice guidance to landlords following investigations into tenant complaints
- setting strict time limits for social landlords to address hazards. For example, damp and mould
- setting new qualification requirements for social housing managers.
- introducing stronger economic powers to follow inappropriate money transactions outside of the sector, such as money laundering

### **The Supported Housing (Regulatory Oversight) Act 2023**

The Act came into force on 29 August 2023. The Act plans to introduce new standards for supported exempt accommodation and make changes to how this type of accommodation is regulated. It allows the government to create new National Supported Housing Standards and introduce licensing regulations. It also sets out how a new Supported Housing Advisory Panel will work and makes changes to the rules on intentional

homelessness when a person leaves accommodation which does not meet national standards.

The Act provides a legal framework for introducing regulation, but the impact will depend on the regulations published by the government, and ongoing enforcement.

### **The Levelling-up and Regeneration Act 2023**

This Act became law in October 2023 and aims to support the government's commitment to reducing geographical disparities between different parts of the UK by spreading opportunity more equally. The Act is intended to "speed up the planning system, hold developers to account, cut bureaucracy, and encourage more councils to put in place plans to enable the building of new homes."

The bill will also require the government to report annually on its progress, support the devolution of powers in England and create a framework for the delivery of green homes.

### **Domestic Abuse Act 2021**

Domestic Abuse Act 2021 introduced a statutory definition for domestic abuse for the first time and placed a duty on local authorities in England to provide safe accommodation-based support to victims of domestic abuse and their children. The Act amended homelessness legislation so that all eligible victims of domestic abuse that are homeless because of domestic abuse are regarded as being in priority need under the Housing Act 1996 and Homelessness Act 2002.

### **Social Care White Paper (2021)**

In 2021, the government published their 10-year vision for adult social care in England. The Health and Social Care White Paper highlights the importance of an integrated approach to meeting people's day-to-day health and social care needs and the government's aims and proposals regarding, amongst other things, housing adaptations and the Disabled Facilities grant (DFG). The principles of the paper of "Providing the Right Care, in the Right Place at the Right Time" provides for individuals to have choice over their housing arrangements which play a crucial role for achieving positive outcomes. This could be in the form of a new home or their existing home, purpose designed or not to meet their needs and have access to technologies and adaptations.

### **Rough Sleeping Strategy 2022**

In September 2022 the government published a refreshed rough sleeping strategy "Ending rough sleeping for good". The strategy has four key themes to end rough sleeping which are prevention, intervention, recovery and a transparent and joined up system. This was also accompanied with a further £2billion investment over a three-year period into policy and schemes to end rough sleeping such as Housing First and the Single Homelessness Accommodation Programme.

### **Renters Rights Bill**

This Bill has passed second reading in parliament and is due to become law by the summer of 2025. It intends to make substantial changes to the private rented sector. It includes the proposed abolition of Section 21 'no fault' evictions, restrictions on rent increases, prevention of discrimination (against those with pets, families or in receipt of benefits), application of the Decent Homes Standard in private rented properties, and a Private Rented Sector Database which all landlords of assured and regulated

tenancies must register with. The bill is widely welcomed by tenants who hope it will make the Private Rented Sector more fair and secure, however increased regulation leads to a hypothesis amongst sector specialists that the sector will further contract as landlords exit the market.

### **Health and Care Act 2022**

This Act established Integrated Care Systems across the UK. The ICS is the system that brings together the health and care organisations in a particular local area, to work together more closely. There are 42 ICSs across England and they were formally established as legal entities in July 2022. Each integrated care system is responsible for planning health and care services in the area it covers. Each one is made up of an Integrated Care Board (ICB) and an Integrated Care Partnership (ICP), which work in tandem to meet the needs of their population. Working alongside our partners in Health and Social care is of vital strategic importance, recognising that housing is a wider determinant of health and the development of the Dorset ICS is a great opportunity in this regard.