

# The Queen's Speech

## Briefing for housing associations

20 May 2021

### Summary

The Queen's Speech sets out the government's priorities and legislative agenda for the next year. The National Housing Federation (NHF) welcomed the focus on housing in the speech.

This briefing summarises the key areas of the speech that relate to the sector and outlines the NHF's overall view and next steps. Below is a summary of the main points:

- **The Building Safety Bill** will update existing building safety regulation including a more stringent regime for buildings 18m or over, or seven storeys high, as well as introduce an accountable person responsible for making and keeping a building safe. The Bill will also establish the Building Safety Regulator.
- **A Planning Bill** focused on speeding up delivery. The Bill will change local plans so there is more certainty over the type and scale of development allowed on different categories of land. The Bill proposes to end existing agreements for funding affordable housing, including Section 106, with a "more predictable and more transparent" levy.
- **The Leasehold Reform (Ground Rent) Bill** will place restrictions on ground rents on new long residential leases. It will also set new rents at 'peppercorn' level and include penalties for charging prohibited ground rent.
- Proposals contained in the **Social Housing White Paper** will continue to be delivered and the government will legislate "as soon as practicable" to implement the elements that require regulatory change.
- **Reform of renters' rights** will be set out in a White Paper in the Autumn before being legislated for "in due course". It is expected that the White

Paper would strengthen repossession grounds for landlords with valid cause and set out improvements to the possession process in the courts.

- **A Levelling Up White Paper** will be introduced with new policy interventions to improve livelihoods and opportunities in all parts of the UK as we recover from the pandemic.
- Specific **legislation relating to social care** was not included, however the government signalled its intention to bring forward proposals sometime this year.

## Building Safety Bill

The Bill will set out a more stringent regulatory regime for higher-risk buildings alongside regulatory changes that will affect all work that requires building regulations sign off.

It is expected to reflect the [government's response to the Building A Safer Future consultation, published in April 2020](#), which in turn reflects the principles of Dame Judith Hackitt's [Independent Review of Building Regulations and Fire Safety](#). It brings forward a higher-risk regime for buildings 18m or over or seven storeys high, which includes a system of dutyholders with greater responsibility and accountability for safety at every stage of a building's lifecycle. The Bill also establishes a new regulator at the Health and Safety Executive, which will have oversight of the new regime and will drive improvements in building safety standards and performance in all buildings. You can read the NHF's more detailed [summary of the proposals](#).

We understand that a range of consultations and documents will support new dutyholders to adopt proposals in the Bill are being, or will be, made public soon, including:

- [Guidance on planning gateway one](#) – a new hard stop in the development process of higher-risk buildings.
- A consultation on a Publicly Available Standard for the Building Safety Manager – a new role expected to have day-to-day responsibility for safety in higher-risk buildings.
- Information for housing associations on adopting Building Information Modelling as a means of implementing a golden thread of information across a building's lifecycle.

The Queen's Speech also referenced that the Building Safety Bill would bring forward a financing scheme to help pay for the costs of remediating external wall systems. We expect this to be the proposal for loans to freeholders of buildings 11-18m high, which can be recouped from leaseholders via service charges at a maximum of £50 per month. Further detail on the scheme has not been made public and we anticipate that the government would want to ensure as much parliamentary time for the Bill as possible is dedicated to the new regulations, rather than further debating the question of who should pay for remedial works. However, we expect this will be determined by how leaseholders and Parliamentarians respond to the proposals for long-term loans to leaseholders.

## The NHF's view

The NHF welcomes the news that its passage through Parliament will take us a step closer to a fundamental overhaul of building regulations, which the tragic fire at Grenfell Tower made clear was necessary. Having been in development for so long, housing associations are likely to be very familiar with the direction of travel for building safety, but are keen to understand the finer detail of the new regime. A huge amount of work has been undertaken by the government, individual housing associations, sector groups and groups reflecting the wider built environment, both to test out specific aspects of new policy, and to share subsequent examples and lessons. The NHF has participated in some of these groups, shared learnings among our membership, promoted specific safety initiatives and represented the sector to the Industry Safety Steering Group, overseeing the industry's work to adopt a culture of safety. We also submitted our views to the government throughout the consultation process and to the Housing, Communities and Local Government Select Committee's pre-legislative scrutiny.

Once the Bill is made available, we intend to analyse it and engage with the Parliamentary process as part of our ongoing work to help ensure that the new regime is fit for purpose. In the meantime, we continue to engage with civil servants so that housing associations are heard at the Ministry of Housing, Communities and Local Government (MHCLG), and with the Health and Safety Executive (HSE), to support our members during the rollout of the new regulatory system.

## Planning Bill

The Planning Bill focuses on the speed of delivery. The Bill introduces different land categories in order to give planners and communities more certainty over the type and scale of development permitted, with permission in principal in "growth" areas granted in order to decrease the time it takes for applications to go through the planning system. Development in "protected" areas will not be prevented, but stronger mechanisms will be in place to ensure that they are appropriate.

As trailed in the Planning White Paper last year, the Bill will replace existing funding for affordable housing funding, including Section 106, with a "more predictable and more transparent levy".

The framework for environmental assessments will be simplified and enhanced via this legislation, whilst the Environment Bill, announced at the same time, is likely to have other implications on planning in the future.

The Planning Bill will also focus on speeding up the creation of Local Plans as well as ensuring consultations around them are easy to access and well-promoted. Moving to a digital-led approach to plan making and increasing the capacity in Local Planning Authorities are both identified as key to this new process.

### **The NHF's view**

The NHF welcomes the government's drive to increase the speed of delivery and make the planning process more transparent and accessible. We are very clear that the sector is ideally placed to help them achieve their goals around increasing housing supply and that our members have excellent insight into what barriers exist to the development of affordable homes.

We remain concerned about the impact that replacing Section 106 contributions with a new Infrastructure Levy will have on affordable housing delivery. We will continue to work with government to ensure that any new system delivers on its stated intention to protect affordable housing delivery.

## **Leasehold Reform (Ground Rent) Bill**

The Leasehold Reform (Ground Rent) Bill will restrict ground rents on new long residential leases. New rents will be set in law at 'peppercorn' level and penalties for freeholders charging a prohibited ground rent will include fines up to £5,000.

### **The NHF's view**

The NHF welcomes this reform which will help bring consistency and prevent unfair practice from some freeholders. Along with the right to extend leases to 990 years, ground rent reforms will provide a sustainable framework for future leasehold products.

The NHF will continue to work with the government to understand the details of this new law. We will also engage with members to explore how this affects housing associations and leaseholders, and will continue to raise any concerns and support members through the changes.

The government has already signalled an intention to promote the "widespread take up of commonhold for the supply of new flats" and has established a [new advisory body](#). We will work with the government to ensure that leasehold reform works for

members and is compatible with the development and management of shared ownership.

## Social Housing White Paper

Despite the government not committing to legislation, it was stressed that proposals on the Social Housing White Paper will continue to be delivered. The government will continue to develop social housing regulations and look to legislate as soon as it is practical to do so. The legislation aims to drive social landlords' compliance with improved consumer standards, placing social renters' interests at the heart of the regulatory system.

The government recalled strides already made, such as the launch of a review of the Decent Homes Standards, conducting a national campaign to raise awareness on seeking redress, consulting on smoke and carbon monoxide alarms, and convening a working group on electrical safety.

### The NHF's view

The NHF will continue to work closely with the government on shaping and delivering the proposals in the White Paper. The Regulator of Social Housing will be engaging with stakeholders on a number of areas in due course whilst the Housing Ombudsman moves forward with implementing some of the changes proposed in the White Paper.

By continuing to comply with existing consumer standards and engaging with residents through the work of Together with Tenants, the NHF and our members steadily strive towards the direction set out in the White Paper, signalling our sector's commitment to addressing resident concerns and readiness to implement the White Paper proposals as they are brought forward.

## Renters Reform Bill

Reform of renters' rights will be delayed until a White Paper in the Autumn, before being legislated for "in due course". These reforms were initially set out in the [Renters' Reform Bill](#) which were announced in the Queen's Speech in December 2019, but delayed due to the pandemic.

The government also committed to:

- Publishing its consultation response on the abolition of Section 21 ‘no fault’ evictions and improving security for tenants in the private rented sector, as well as strengthening repossession grounds for landlords.
- Outlining proposals for a new ‘lifetime’ tenancy deposit model that eases the burden on tenants when moving from one tenancy to the next.

The White Paper is expected to set out the following measures:

- Require all private landlords to belong to a redress scheme.
- Strengthen repossession grounds for landlords with valid cause.
- Set out improvements to the possession process in the courts.

## The NHF’s view

The NHF supports greater security of tenure for tenants and recognises the importance of ending section 21 evictions in preventing homelessness. Repealing section 21 would mean that landlords would only be able to end an assured tenancy by demonstrating at least one of the normal grounds for possession in court. All assured tenancies, whether in the housing association sector or the private rented sector, would therefore be ‘lifetime’.

The assured shorthold tenancy would cease to exist. While this proposal is driven by issues arising in the private rented sector, it would also affect housing associations who use assured shorthold tenancies as a probationary regime for new tenants. The fixed-term tenancy regime operated by some housing associations is also a form of assured shorthold tenancy, while many types of supported and specialised housing use assured shorthold tenancies.

The NHF’s [response to the 2019 consultation](#) sets out our views including the agreement that the abolition of section 21 should extend to all users of the 1988 Act, including housing associations. We also set out that it is unacceptable for housing association tenants to have less statutory protection than private sector tenants. We also proposed that specific changes were considered to the Housing Act to cover some forms of supported housing, and specialised provision, where no-fault possession is legitimately required and suggested that consideration be given to a form of short tenancy, such as that used in Scotland, which could be used instead of probationary tenancies in certain circumstances.

## Economic recovery and levelling up

The government has confirmed that levelling up is at the heart of its agenda to build back better after the pandemic. As part of this, a Levelling Up White Paper will be published later this year, setting out bold new interventions to improve livelihoods and opportunities in all parts of the UK.

The government also stated that levelling up will involve creating new jobs, boosting training and growing productivity in areas that have experienced economic decline and loss of industry. This would be achieved by nurturing different types of economic growth and building on the strengths of different areas rather than using a one-size-fits-all approach.

### The NHF's view

The NHF welcomes the Levelling up White Paper and its agenda to build back better and other efforts to enhance areas that have experienced economic decline. Housing associations have a vital role to play in levelling up as they are anchored in their local communities. With the right support and investment in communities, regeneration and employment and skills support, they can be key players in delivering the ambitious levelling up agenda.

## Social Care

There was no specific legislation relating to social care and the government signalled its intention to bring forward proposals sometime this year.

### The NHF's view

The NHF views the lack of proposals on the future of social care as disappointing. Adequate social care funding is key to ensuring quality services and enabling people to live independently in their own homes. We need long-term stability and adequate funding alongside better recognition of the value of preventive services. The NHF will continue to make the case to the government on the importance of housing in improving the quality of life of people with care and support needs.