

Autumn Budget 2018: much to like, more to do

COMMENT 31 Oct 2018 BY NICHOLAS HARRIS SOCIAL HOUSING

As Stonewater prepares for its strategic partnership with Guinness and Homes England, *Nicholas Harris* finds much to celebrate in Monday's Budget – but there's more work for housing associations to do



It has been a while since we've had a 'good news Budget', and the chancellor's speech on Monday felt like a welcome relief.

Tax breaks, increased departmental spending, duty freezes, and National Living Wage pay rises all gave the chancellor the good news headlines he was craving.

And [housing saw gains](#) too. Struggling first-time buyers will benefit from the [extended Help to Buy](#), and stamp duty – now to be abolished for all first-time buyers of shared ownership properties valued up to £500,000 – will also be applied retrospectively to the date of the last Budget.

But the real news for housing is the emerging following wind that's helping to drive the sector. Through his Budget, Philip Hammond showed that the government recognises the role housing associations have to play in tackling the housing crisis. We've earned our place at the table.

Confirmed in the Budget, the second round of strategic partnership funding through Homes England will see £653m made available to [eight housing association partners in seven partnerships](#), delivering more than 13,000 new homes across the country. This takes the total funding for Homes England strategic partners to £1.2bn, securing more than 27,000 additional homes.

Finally, the government sees housing associations as core to tackling the housing crisis, and we're playing our rightful part in building the high-quality, affordable new homes the country desperately needs. Through the partnership funding, our sector can unlock its building capacity, and deliver at the scale we need. As a result of the certainty of grant funding from Homes England, successful partners can now enter longer-term commitments to buy additional land, targeting areas of greatest housing need.

This announcement shows that Homes England's vision is now firmly and fully aligned with that of the most ambitious housing associations.

Working in partnership with Guinness, Stonewater will begin work on 4,500 new affordable homes through the strategic partnership by 2022. The funding we are set to receive will enable Guinness and Stonewater to extend and accelerate our development plans, bringing forward the building of affordable and social housing.

Most importantly, the funding will add to Stonewater's already significant development programme and brings us closer to our vision of everyone having a place to call home.

But we should caution against celebrating too early. The Budget didn't fully embrace our building potential, nor earn us a permanent presence in the chancellor's dispatch box.

We still have some way to go to show the government that housing associations can play a bigger role in tackling the housing crisis, and that we're ready to lead from the front.

For now, Help to Buy still has its feet firmly under the table. By extending the Help to Buy equity loan for a further two years, the chancellor is failing to recognise the full potential of shared ownership as a better tool for helping first-time buyers.

Up to last year, the £10bn that Help to Buy received in government funding supported 135,000 new homes for first-time buyers. But this same investment into shared ownership would have created 330,000 new homes for first-time buyers.

And while the promise to consult on extending shared ownership to private developers shows willingness to recognise the reach of shared ownership, it is housing associations – with our clear social purpose and our long-term approach to neighbourhood development – that are better placed to deliver high-quality, affordable homeownership products.

So, while I'm glad to see that housing associations are now clearly positioned around the table, our work is not yet done.

Real opportunities lie ahead for the most ambitious housing associations. Those that want to build and want to work with the government and partners have opportunities ahead of them.

If we can deliver on our promises, and deliver what we know we're capable of, then the future looks bright for housing.

Nicholas Harris is chief executive of Stonewater