



The Budget that forgot housing – Jon Land

To be honest, the housing world wasn't holding its breath.

Following hot on the heels of the government's housing white paper and funding commitments already outlined in the Autumn Statement, it was always unlikely that housing would be a key focus of Philip Hammond's Spring Budget.

The fact it barely even got a mention, however, was a little surprising. For the record, 'housing' was mentioned ten times in the official Budget documents, all relating to previous announcements or in tables about Housing Benefit.

Murmurings, more in hope than expectation, about the Budget providing rent certainty for housing associations post-2020 were wide of the mark although this has been promised in the white paper so expect an announcement sometime in the near future.

Welfare also received a cursory mention with the Chancellor sticking to previously announced spending plans. The less-than-popular decision to [continue with the Housing Benefit cut for 18-to-21-year-olds](#) had already been slipped out quietly by the Department for Work and Pensions last Friday so as not to take the gloss off Hammond's Budget headlines on education and investment in adult social care.

The reaction from the sector was predictable. Gavin Smart from the Chartered Institute of Housing called it a 'missed opportunity' to build on the white paper while Jeremy Blackburn at RICS described it as a 'slim budget' and 'underwhelming' from a property perspective.

Meanwhile, the former Conservative Home editor Tim Montgomerie summed things up succinctly by tweeting: "No tax simplification. No big infrastructure boost. No Whitehall reform. No Universal Credit relief. No imagination."

So what did we actually get?

Well, the key announcement of the day for social housing providers was the £2bn additional funding for social care to councils in England between 2017-18 and 2019-20. It will also invest a further £425m to improve local NHS services and support accident and emergency improvement. The government will also set out proposals in a green paper 'to put the social care system on a more secure and sustainable long-term footing'.

As the Chancellor explained, £1bn of this will be provided in 2017-18, to allow councils to 'take immediate action to fund care packages for more people, support social care providers, and relieve pressure on the NHS locally'.

The Budget documents added some more detail: "Building on the approach to the Better Care Fund, councils will need to work with their NHS colleagues to consider how the funding can be best spent, and to ensure that best practice is implemented more consistently across the country.

"This funding will be supplemented with targeted measures to help ensure that those areas facing the greatest challenges make rapid improvement, particularly in reducing delayed transfers of care between NHS and social care services.

"Overall, local government will be able to increase social care-specific resources in real terms in each of the remaining three years of the Parliament."

Responding to the social care funding announcement, National Housing Federation Chief Executive David Orr said: "Relieving the pressure on vital social care services is absolutely critical and the government is right to invest £2bn to ensure our most vulnerable people are given the care they need.

"Housing associations' provision of supported housing is already a crucial part of speeding up delayed transfers of care and ensuring a functional social care system.

"It is therefore essential that the new funding model for supported housing enables this money to be used most effectively across the country. The government's present proposals do not deliver this."

Elsewhere in the Budget, it was announced that a 'Memorandum of Understanding' had been signed by the Treasury and the Greater London Authority agreeing to further devolve powers to the capital, including the setting up of a new taskforce to explore piloting a new approach to funding infrastructure.

The government says it will also shortly be announcing the 'Midlands Engine Strategy', which one wit said sounded like the name of a prog rock band.

Spring Budget 2017 – Key Points – Janis Bright

With the Housing and Planning Act 2016 still being implemented and the ink barely dry on the Housing White Paper, few expected major housing announcements in this Budget. And so it proved.

Public finances

The government continues its commitment to its austerity programme, saying it will 'maintain discipline' on spending. The unemployment rate is forecast to rise a little to 2019 and then level off. Inflation is set to increase to 2% by 2021.

Care

The government will provide an extra £2bn to local authorities for social care, over the next three years. The first half will be available in 2017/2018. Councils will be expected to work with the NHS to decide how the money should best be spent. A green paper dealing with the longer term question of funding care is promised.

Benefits

The Treasury says the DWP's 'action to clarify' Personal Independence Payments policy will restore the government's original intent and offset most of the cost from recent legal judgements.

It confirmed it has no plans to introduce welfare cuts beyond those already announced.

Removal of entitlement to the housing costs element in Universal Credit for 18-21 year olds is to go ahead (confirmed this month rather than in the Budget). There are some exemptions.

DWP will work with an outside data provider to better identify fraud and error caused by undeclared partners (this measure was announced last month).

There will be some exemptions to limiting support to two children under Child Tax Credits and Universal Credit (this was announced in January).

Devolution

Further work to offer greater powers to London, the Midlands and North is continuing. City deals in Scotland and Wales begins with Edinburgh and Swansea.

Efficiency review

The government has pledged to deliver £3.5bn of efficiency savings by making incremental improvements to public services and maximising VfM.

About the authors

Jon Land joined HQN in October 2015 after five years as editor of *24housing* magazine. A journalist by profession, he started his career at the *Hereford Times* before joining allpay in 2005 to establish the 24dash.com news website. He has joined the HQN team to head up the Housing Quality Network, develop the events programme and lead on *The Governor*, HQN's magazine.

Janis Bright is an award winning journalist and a post-doctorate level researcher. Her research projects include analysis of high-performing organisations, governance in England and Scotland, and resident involvement in European countries. She is editor of HQN's topical housing research newsletter Evidence and commissions Network briefings.



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