

NFA Summary on Budget Statement 2016

The Chancellor, George Osborne, outlined this year's budget in his speech earlier this afternoon. The NFA welcomes the additional funding to tackle homelessness but is seriously disappointed with the lack of any support to build more affordable rented housing to tackle the real causes of homelessness – the chronic under supply of affordable housing across all tenures in this county:

Headline housing and regional announcements within the Budget:

- Radical devolution of power with new elected mayors in English counties (East Anglia, Western England and Greater Lincolnshire) along with a £1bn investment for each county.
 - **Greater Manchester** will get new powers over criminal justice to ramp up devolution. (*Six Town Housing, Stockport Homes, Northwards Housing and Wigan & Leigh Homes* are a part of this devolution agreement).
 - *Gateshead Housing, Your Homes Newcastle* and *South Tyneside* are members who are also part of the **North East** devolution agreement deal.
 - **Sheffield City** regional devolution deal includes *Berneslai Homes* and *St Leger Homes* of Doncaster.
 - Previously agreed mayoral devolution deals will also each receive un-ringfenced single pots of funding to spend on local priorities, worth £2.86 billion in total.
 - The **Greater London Authority** will move towards full retention of its business rates.
- £115m to support those who are homeless to reduce the numbers of people sleeping rough:
 - £100 million to deliver low-cost 'second stage' accommodation for rough sleepers leaving hostel accommodation and domestic abuse victims and their families moving on from refuges. This will provide at least 2,000 places to enable independent living for vulnerable households and individuals, freeing up hostels and refuges for those in most acute need.
 - £10 million over two years to support and scale up innovative ways to prevent and reduce rough sleeping, particularly in London.
 - doubles the funding for the Rough Sleeping Social Impact Bond announced at the Autumn Statement 2015 from £5 million to £10 million, to drive innovative ways of tackling entrenched rough sleeping, including 'Housing First' approaches.

In the [Red Book](#) which outlines the full details of the Budget the following statements were made:

Social Housing Reform

- The government will explore ways to extend homeownership to social tenants who cannot afford to take advantage of existing schemes (we believe this is the on-going work on equity stakes).
- The government will introduce a taper within Pay to Stay, so that rents rise gradually above the minimum income thresholds of £40,000 in London and £30,000 outside of London.
- As announced on 27 January, the 1% annual reduction in social rents announced at the Summer Budget will not apply to supported housing in 2016-17.

Welfare

- From Autumn 2016, the government will introduce exemptions from the household benefit cap for recipients of Guardians Allowance, Carer's Allowance and the carers element of Universal Credit from the household benefit cap, which caps the amount of benefits out-of-work working-age families can receive at £20,000, and at £23,000 in Greater London.
- The government will delay the ending of the payments of Housing Benefit and Pension Credit to claimants who travel outside of Great Britain for longer than 4 weeks consecutively. This will now come into force in May 2016.

Home Ownership

- The launch of the Starter Homes Land Fund prospectus, inviting Local Authorities to access £1.2 billion of funding to remediate brownfield land to be used for housing, to deliver at least 30,000 Starter Homes
- The delivery of 13,000 affordable homes two years early by bringing forward £250 million of capital spending to 2017-18 and 2018-19

Financial Inclusion

The government will restructure the statutory financial guidance providers – the Money Advice Service, The Pensions Advisory Service and Pension Wise – to ensure that consumers can access the help they need to make effective financial decisions. The new delivery model will direct more funding to the front line and focus support on areas of greatest consumer need. It will include:

- A new pensions guidance body, to make sure that consumers can get all their pensions questions answered in one place, at all stages of their lives
- A new, slimmed down money guidance body charged with identify gaps in the financial guidance market and commissioning providers to fill these gaps to ensure that consumers can access the debt advice and money guidance they need