

INSIDE HOUSING

news, views and jobs in social housing



Phil Shelton

9 point plan on what the government should do to kickstart house building, from chief executive of consultancy service SDS Phil Shelton

9 point plan to kickstart house building

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1. Kick start house [building](#) with tax incentives as in the film industry

Yes, why not boost the house building programme with tax incentives. The film industry gives tax incentives which are worth £5m tax relief on £20m budgets and £5m on the first £20m for bigger budget movies. We have a far greater human need of housing than home-grown Hollywood movies and stars. These incentives will help simplify and speed up the process of [planning](#) permission for sites.

2. Throw out the IMS System

Throw out the IMS [Information Management System] as the Homes and Communities Agency approach is putting registered providers off bidding for grants. Instead, move towards continuous market engagement, and forget the current lengthy programmes. These invariably start slowly and end in a frantic scramble to deliver.

This has proved clumsy and time-consuming, hide-bound by red tape. There are reportedly 5m on the waiting list for housing and we need 250,000 new houses a year. Where is the massive cash injection from public purse? Or from the private sector?

3. Commit government funds to increase infrastructure spending

Commit government funds to increase infrastructure spending and a spike in capital grants for housing, which would accelerate the stuttering building programme. David Cameron has pledged 275,000 affordable homes, 95,000 units through new housing zones and 200,000 starter homes in the next 5 years. Total: 570,000. But we need 250,000 new homes a year - or 1,250,000 by 2020. So there's still a significant shortfall.

4. Light-touch regs and clear time-tables

Introduce clear time-tables and light-touch [regulation](#) to make it easy for registered providers and local authorities to bid for the grants. Sadly, the time-table, as we see above, falls way short of what we need to solve the housing crisis, and the government is still just nibbling round the edges.

5. Scrap the £50.1bn HS2 and divert the funds to a high-speed housing programme

Think the unthinkable or obvious, whichever way you see it, and scrap immediately the HS2 [high-speed railline] folly, which, according to latest government figures, will cost £50.1bn. Replace this vanity project which is totally speculative, and re-direct at least some of the millions into public housing projects. Double whammy: roofs over heads, and a huge boost to the [construction](#) and allied industries.

The huge white elephant minus the final stretch to Glasgow, which we imagine the SNP will now have to fund, will release a few billion of the total £50bn cost of whole project. Use those savings for new housing immediately.

6. Throw out the [bedroom tax](#)

Forget the bedroom tax and focus on identifying the types of homes actually needed in a specific area. Micro planning should oust social engineering and a mean tax. In other words, the £470 million expected to accrue from the bedroom tax will help, but is not huge in terms of the task at hand.

7. Provide clarity and certainty on the future of housing

This has been woefully lacking and a new clarity would be a welcome change. As we see above, so far we have just 570,000 new houses to be built by 2020. Where's the clarity in that? It's elementary maths, and what certainty does that give the 5 million people on the waiting list for housing?

8. Encourage local authorities to [build](#) council houses

But be sure to seek expert advice from industry veterans, who know the pitfalls. The local authority and private sector initiatives where local authority set up separate companies to build houses, is the right route to take. Already we have successful examples. Think Manchester City Council's partnership with the Greater Manchester Pension Fund.

9. Embrace overseas partnerships

Finally, embrace overseas partnerships and investment like the partnership between Sydney & London Properties and the USA's highly experienced and cash-rich Related Companies, which developed the successful Hudson Yards project in New York.

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