



Chartered
Institute of
Housing

What you need to know about Plan for jobs

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The government has announced its 'next steps' to kickstart the economy following the Covid-19 lockdown and measures such as the 'job retention scheme' (or furlough scheme). This short document outlines the measures that affect housing providers.

Job retention bonus

The government is introducing a one-off payment of £1,000 to UK employers for every furloughed employee who remains continuously employed through to the end of January 2021. Employees must earn above the Lower Earnings Limit (£520 per month) on average between the end of the Coronavirus job retention scheme and the end of January 2021. Payments will be made from February 2021. Further detail about the scheme will be announced by the end of July.

Temporary stamp duty land Tax (SDLT) cut

The government will temporarily increase the Nil Rate Band of Residential SDLT, in England and Northern Ireland, from £125,000 to £500,000. This applies from 8 July 2020 until 31 March 2021 and cuts the tax due for everyone who would have paid SDLT.

Green Homes Grant

The government will introduce a £2 billion Green Homes Grant, providing at least £2 for every £1 homeowners and landlords spend to make their homes more energy efficient, at up to £5,000 per household. For those on the lowest incomes, the scheme will fully fund energy efficiency measures of up to £10,000 per household. In total this could support over 100,000 green jobs and help strengthen a supply chain that will be vital for meeting the government's target of reaching net zero greenhouse gas emissions by 2050. The scheme aims to upgrade over 600,000 homes across England.

Social Housing Decarbonisation Fund

The government will establish a new Social Housing Decarbonisation Fund to help social landlords improve the least energy-efficient social rented homes, starting with a £50 million demonstrator project in 2020-21 to decarbonise social housing.

Affordable homes programme

The government has confirmed that the £12.2 billion Affordable Homes Programme announced at the budget will support up to 180,000 new affordable homes for ownership and rent in England. The £12.2 billion will be spent over five years, with the majority of homes built by 2025-26 and the rest by 2028-29. The Affordable Homes Programme will also include a 1,500 unit pilot of First Homes.

Short-term home building fund extension

The government will support small and medium-sized housebuilders that are unable to access private finance by boosting the Short-Term Home Building Fund, providing an additional £450 million in development finance to smaller firms. This is expected to support around 7,200 new homes in England, boosting housing supply and adding resilience to the market. A proportion of this fund will be reserved for firms using innovative approaches to housebuilding such as 'Modern Methods of Construction'.

Brownfield Housing Fund

The government will allocate a £400 million Brownfield Housing Fund to seven mayoral combined authorities to bring forward land for development and unlock 24,000 homes in England. To allow authorities to begin delivering projects quickly, 90 per cent of the fund will be allocated immediately on a per capita basis, with 10 per cent to be allocated through a competitive process.

Planning reform

The government will introduce new legislation in summer 2020 to make it easier to build better homes in the places people want to live. New regulations will make it easier to convert buildings for different uses, including housing, without the need for planning permission. In July 2020, the government will launch a policy paper setting out its plan for comprehensive reforms of England's planning system to better support the economy and release more land for housing in areas that need it most.

Kickstart scheme

The government will introduce a new Kickstart Scheme in the U.K. This will be a £2 billion fund to create hundreds of thousands of high quality 6-month work placements aimed at those aged 16-24 who are on universal credit and deemed to be at risk of long-term unemployment. Funding available for each job will cover 100 per cent of the relevant national minimum wage for 25 hours a week, plus the associated employer national insurance contributions and employer minimum automatic enrolment contributions. However, young people taking part in this scheme cannot also be apprentices.

New funding for a National Careers Service

The government will provide an additional £32 million of funding over the next 2 years for the National Careers Service so that 269,000 more people in England can receive personalised advice on training and work.

High quality traineeships for young people

The government will provide an additional £111 million for traineeships this year in England, to fund high quality work placements and training for 16-24 year olds. The government will fund employers who provide trainees with work experience, at a rate of £1,000 per trainee. The government will also improve provision and expand eligibility for traineeships to those with Level 3 qualifications and below, to ensure that more young people have access to high quality training.

Payments for employers who hire new apprentices

The government will introduce a new payment of £2,000 to employers in England for each new apprentice they hire aged under 25, and a £1,500 payment for each new apprentice they hire aged 25 and over, from 1 August 2020 to 31 January 2021. These payments will be in addition to the existing £1,000 payment the government already provides for new 16-18 year old apprentices, and those aged under 25 with an Education, Health and Care Plan - where that applies.

What does CIH think?

The announcement of £50 million to retrofit social housing, plus £2 billion towards a new 'green homes grant' for lower income households is a good start, although much more investment is needed. It also brings the potential to create much needed jobs.

This must be the first step in addressing the climate change emergency and has the potential to reduce fuel poverty. Government must ensure it is followed quickly by a clear plan and resources to get the housing stock up to the targeted energy efficiency levels by 2035 - and meet the Government's firm commitment to achieve that enormous task. We're seeing just the first instalment of a promised £9.2 billion investment in the Conservative manifesto and we now look to the Spending Review in the Autumn for the Government to demonstrate a clear commitment to delivering a zero-carbon future for the nation's housing stock.

The temporary cut in stamp duty might provide an opportunity to stimulate the housing market but, without increasing supply, this is likely to lead to an increase in already high house prices. We need to see housing - and homes - at the heart of Government's plans for economic recovery. The Chancellor's Autumn Budget and Spending Review will provide an early opportunity for government to invest in new homes, including the 90,000 homes at social rents needed each year to solve our acute housing crisis.

CIH has concerns about proposals to make it easier to convert existing buildings to homes which can often lead to very poor-quality housing. We are supporters of the Town and

Country Planning Association's [Healthy Homes Act](#) campaign and will be working hard to influence the government's plans on this. We're also pleased with the announcements that the Chancellor made in relation to training and apprenticeships. The £2bn 'kickstarter' programme to create high quality six-month work placements is a fantastic way to prevent those who are at risk of unemployment. This will help them to build their skills, gain experience and develop confidence.

At CIH, we believe apprenticeships are a great way for employers to develop their workforce but also for employees to continue to learn and grow. The new bonus announced, which will give employers a further incentive to hire apprentices over the next six months, is a great way to introduce new people to the sector, develop the skills and competences of individuals across the sector and equip the sector to meet the challenges being faced during these changing times. More needs to be done in relation to engaging young people into careers in housing and these incentives are a positive step towards supporting this. Our policy advisor, John Perry, has written this [blog](#) for Inside Housing on the environmental measures.

Join our member opinion panel

CIH will be seeking members' views as we prepare our response to a range of government consultations including the Planning White Paper. Why not join our Member Opinion Panel and make sure your views help shape our responses to government proposals?