

## Response to the Autumn Budget and Spending Review 2021

Homes for the South West (H4SW) welcomes a number of the announcements made in the Autumn Budget and Spending Review 2021.

In particular, we welcome the announcement that Housing Associations will be exempt from the Residential Property Developer Tax, ensuring that any surpluses we make can be reinvested back into affordable housing. We also welcome the news that funding will be made available to support brown field development. Whilst these steps are welcome, there is still much that needs to be done to truly scale up the delivery of affordable and quality homes in the South West. The shortfall in new homes in the region now stands at 22,000 per year, with house prices remaining prohibitively high. Holiday homes and second homes – 27% of which are in the South West – are an additional regional challenge; many coastal towns and villages are now functioning without any private rental market or homes for sale at prices that local people can afford on local incomes.

Further fundamental interventions need to be made by Government to address the unique nature of the South West housing market. These include:

- Reforming public land disposal so that it is used to support the scale of affordable housing required in Local Plans;
- Redirecting 27% of the income received from the second homes levy into the provision of the affordable homes the South West needs;
- Taking a strategic approach to the use of the welcomed decarbonisation, fire safety and Affordable Homes Programmes, so that they can be used together to support the regeneration of localities which need intervention and would demonstrably deliver greater value and synergy; and
- Allowing Housing Associations to access funding for regeneration and economic development, including via the UK Shared Prosperity Fund, to support housing-led regeneration across the country.

H4SW will continue to work in partnership with local Councils and SW MPs to lobby for these as well as other policies so that we can deliver the 25,000 homes we have already publicly committed to deliver in the next 5 years.