



**NORTHERN  
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# QUEEN'S SPEECH 2021

## NHC ON-THE-DAY BRIEFING

**11TH MAY 2021**

## **Introduction**

Today's Queen's Speech sets out the Government's legislative priorities for the coming session of Parliament.

There are a number of Bills that will be of interest to NHC members – including plans to legislate on Renters' Rights, Planning Reform, Leasehold, and Building Safety. Alongside the legislative priorities, Government has also used the Speech to restate other political priorities, including news on the levelling-up agenda and net zero.

This NHC briefing sets out what we know so far and provides our initial analysis. Many of these issues, especially levelling-up, net zero, private renting and planning reform, are areas where we have already been active, articulating the case for housing in the North. You can expect us to keep doing so in the months ahead and to brief members when more information emerges.

The Queen's Speech is one of two significant events this year which will advance the Government's political priorities. The other is the Spending Review due in the Autumn. As you'll be aware, the NHC continues to push for the front-loading of key decarbonisation funds to provide an economic stimulus in the North – and we'll continue with this work over the Summer.

I hope you find this on-the-day briefing useful. Please do let me have your feedback.



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## Planning Bill

The Queen's speech announced that "laws to modernise the planning system, so that more homes can be built, will be brought forward".

The proposed Planning Bill is legislation intended to give effect to the Planning for the Future White Paper proposals for reform of the planning system in England, which were first [published as a White Paper in August 2020](#).

A consultation has since occurred, [which the NHC responded to](#) as the collective voice of housing in the North. That consultation closed at the end of October, and we are still awaiting Government's detailed response.

[News coverage in the run-up to the Queen's Speech suggested that there were debates in Government about whether to maintain the three zonal categories suggested in the White Paper](#) (Growth, Renewal, Protection) or whether to proceed with solely Growth and Protection designations.

Official briefing from Government today contains little detail on the contents of the Bill, confirming that it will:

- Change local plans so that they provide more certainty over the type, scale and design of development permitted on different categories of land (e.g. a zonal system)
- Significantly decrease the time it takes for developments to go through the planning system
- Replace the existing systems for funding affordable housing and infrastructure from development with a new more predictable and more transparent levy (*this was referred to in the White Paper as the single 'Infrastructure Levy'*)
- Use 'post-Brexit freedoms' to simplify and enhance the framework for environmental assessments for developments
- Reform the framework for locally led development corporations to ensure local areas have access to appropriate delivery vehicles to support growth and regeneration.

There is no indication on the timing of the Bill as yet. The August 2020 White Paper suggested that local authorities would have 30 months from the point legislation passed to adopt a new local plan based on the new planning rules. This deadline would rise to 42 months if a council had adopted a new local plan under the old system in the last three years.

### NHC view:

The Government's planning reform agenda is significant. Today's announcement confirms that there will be a Bill in this session of Parliament, but there is little detail on the content of that Bill. It seems this is still a live discussion in Government, and we await the response to the Planning for the Future consultation with interest.

## Renters' Reforms

The Queen's Speech announced renters' reform, but this fell short of the reforming Bill as originally proposed, and takes a more measured approach to introducing reform. Firstly, the Government will publish its consultation response on reforming tenancy law to abolish Section 21 'no fault' evictions and improve security for tenants in the private rented sector, as well as strengthening repossession grounds for landlords when they have valid cause.

Today's announcement repeated earlier proposals for a new 'lifetime' tenancy deposit model that eases the burden on tenants when moving from one tenancy to the next, helping improve the experience of those living in the private rental sector.

Reforms are also promised to drive improvements in standards in rented accommodation, including requiring all private landlords to belong to a redress scheme, and ensuring well targeted, effective enforcement that drives out criminal landlords, for example exploring the merits of a landlord register. A set of measures to hold bad landlords to account for delivering safe and decent housing was announced as well as improvements and possible efficiencies to the possession process in the courts.

Government will publish a White Paper detailing this reform package in the Autumn, and legislation will follow in due course.

### **NHC view:**

Renter reform has been much promoted. It is over two years since Theresa May's initial pledge, confirmed in the Government's 2019 Manifesto, to abolish the use of 'no-fault' evictions by removing Section 21 of the Housing Act 1988 and reforming the grounds for possession.

We are pleased to see the Government recognise that improvements in standards in rented accommodation are desperately needed.

This is an opportunity to achieve fairness for renters, and improving the safety, security and conditions of privately rented homes for the 1.25m private renters in the North.

During lockdown, the Government acted quickly to put emergency powers in place with a temporary end to evictions and this swift action was widely welcomed. But there must be a long-term solution for private renters.

A repeal of Section 21 will represent a significant change in the law that governs private renting. Reform was called for by local authorities and tenants' representatives during our evidence gathering for research on behalf of the All Party Parliamentary Group for Housing in the North and is reflected in their concluding report [No Home Left Behind](#): An Inquiry into Property Standards in the Private

Rented Sector. This showed a clear correlation between complaints about poor standards and no-fault eviction.

Our evidence demonstrates that it will be impossible to truly balance the rights of tenants and landlords unless tenants have meaningful protection from retaliatory eviction. The NHC is supportive of the principles set out by the [Renters' Reform Coalition](#).

Today's announcement of a White Paper in the Autumn is not quite the reforming approach expected and is a more measured and consultative approach with a promise of extensive stakeholder engagement. This more considered approach was to be expected as the proposal to reform private tenancies will be contentious in some quarters.

The detail of today's announcement includes a very welcome reference to exploring ways to drive out criminal landlords, for example through the merits of a landlord register. Our work on driving out poor standards in the private rented sector showed quite clearly that greater knowledge of the sector is essential for local authorities to be able to tackle the rogue elements of the sector. We are pleased that the recommendations to the Government contained in [No Home Left Behind: An Inquiry into Property Standards in the Private Rented Sector](#) have been heard, but Government must take this opportunity to deliver on its pledge to repeal Section 21.

## Levelling-up

The second line of today's Queen's Speech stated that *"My Government will level up opportunities across all parts of the United Kingdom, supporting jobs, businesses and economic growth and addressing the impact of the pandemic on public services"*.

Whilst levelling-up isn't a legislative priority – there won't be a 'Levelling-up Bill' for example, the Government has used this occasion to set out how it will take forward the levelling-up agenda. This follows the recent announcement that [Neil O'Brien, the Conservative MP for Harborough, will take up a new role as the Prime Minister's 'Levelling-up Advisor'](#).

The Government have confirmed plans for a Levelling-Up White Paper later this year, which they say will: *"set out bold new policy interventions to improve livelihoods and opportunity in all parts of the UK. It will grasp the opportunities of Brexit and set out the next steps in our plan to enable more people to get on in life, without feeling they have to leave their local area"*.

White Papers set out Government's policy preferences, often as a prelude to legislation. They are more developed and less consultative than Green Papers. We expect the Levelling Up White Paper will supersede plans for a Devolution and Local Growth White Paper, which was expected last Autumn and then postponed.

In addition, background briefing on the Queen's Speech offers a broad definition of what levelling-up is. It states:

*"[Levelling-up] is about improving living standards and growing the private sector, particularly where it is weak. It is about increasing and spreading opportunity, because while talent is evenly distributed, opportunity is not. It is about improving health, education and policing, particularly where they are not good enough. It is also about strengthening community and local leadership, restoring pride in place, and improving quality of life in ways that are not just about the economy."*

### **NHC view:**

The outline definition of levelling-up contains many priorities that housing in the North can help Government to deliver on. Our ability to boost job growth and improve health and quality of life through net zero investment, the transformational effect that housing-led regeneration can have on quality of life and pride in place are just some of the ways we can contribute to Government's levelling-up ambitions. We look forward to engaging with Neil O'Brien and his team as the White Paper develops.

## Net Zero

The Queen outlined the Government's aims to "invest in new green industries to create jobs, while protecting the environment" during this parliamentary term. She also reaffirmed the Government's aim to reach net zero by 2050 and said the UK will lead the way in the run up to COP26 in Glasgow later this year. The speech also referenced new legislation that will set binding environmental targets which confirms the Government are to adopt the Climate Change Committee's recommendation from their Sixth Carbon Budget to [reduce emissions by 78% by 2035](#) compared to 1990 levels.

The background briefing papers also confirm that the Heat and Buildings Strategy and Net Zero Strategy are forthcoming, as well as bringing forward the Environment Bill which includes plans to place a duty on Ministers to ensure environmental considerations are central to policy development.

### **NHC view:**

New ambitious targets are welcome, but this must be translated into action to reduce emissions across the UK. We know that over a quarter of the North's carbon emissions come from our existing homes - so the energy efficiency of our homes, as well as how we heat them, is crucial to be able to meet national net zero targets.

Homes in the North are older and colder and so the region can lead the way in improving the quality and performance of homes. We also know that the social housing sector is well placed to be able to carry out the changes to homes required at pace and at scale.

Housing in the North can also deliver the jobs that were mentioned in the Queen's speech today: [recent research](#) by IPPR North (supported by NHC and its #OurNorth Net Zero partners) found that improving the energy efficiency of homes in the North and installing low carbon heating technologies could create 77,000 jobs in the region by 2035. Government will confirm its plans for investment in home upgrades at the Autumn spending review, and the NHC is urging them to front-load planned investment to provide a jobs stimulus.

## **Skills and Adult Education**

Legislation was also announced today for the Lifetime Skills Guarantee that the Prime Minister announced last year. The [Skills and Post-16 Education Bill](#) will be introduced on 18<sup>th</sup> May. The Bill will include a Lifelong Loan Entitlement which will reform the structure of student finance to allow anyone aged over 16 the access to flexible funding for four-years' worth of high-quality technical qualifications and academic education throughout their lifetime. The Bill will also give statutory footing to a Skills Accelerator programme to increase partnerships between employers and their local Further Education colleges/ local training providers to meet local skills needs.

### **NHC view:**

This focus on a skills system to develop “skills that people need for well-paid jobs and opportunities to train throughout their lifetime” is welcome and will underpin the reforms set out in the Skills for Jobs White Paper. We responded to the Minister for Apprenticeships and Skills on publication of the White Paper to commend the opportunity to match skills development with the needs of local economies, and highlight how important this is to the Government’s levelling up agenda to address regional inequalities. We also noted that this links directly with the priority to decarbonise our homes in the North, and more widely with the Government’s net zero target. Our members have told us that there is a skills gap in local areas which acts as a major barrier to large scale retrofitting and low carbon heat projects. If we are to deliver the 77,000 jobs in the region, as mentioned in the Net Zero section of this briefing, there needs to be greater clarity on developing the skills required to decarbonise the North’s homes. There is a huge opportunity here for the Government to connect the reforms to skills and adult education with the ambition of NHC members to reduce emissions from homes in the North.



## Leasehold Reform (Ground Rent) Bill

The Queen's speech also confirmed the Government's intention to bring forward "measures to end the *practice of ground rents for new leasehold properties*". This makes good on [a commitment made by Government in January 2021](#) to bring forward legislation to set future ground rents to zero, when leaseholders extend their leasehold - which they will be able to do for a term of 990 years.

The aim of the Bill is to ensure that leaseholders cannot be charged a financial ground rent for no tangible service. A civil penalty of up to £5,000 will be introduced for freeholders who charge a ground rent in contravention of the Bill.

Some exemptions are proposed for community-led housing, for certain financial products, and for business leases.

The background to this legislation is the increased use of leasehold arrangements and associated ground rents for new-build homes: a practice which became more widespread in the mid-2010s, reaching a peak of 16% of houses sold in England in 2016 (though this was notably higher in the North West, where 75% of houses sold in January 2017 were leasehold). Following widespread publicity and criticism that ground rents being charged were excessive, this proportion had declined to just 1% of houses sold nationally by March 2020.

Further legislation is expected in future sessions, aimed at more widespread adoption of Commonhold arrangements. This follows [extensive Law Commission activity](#) on the issue. A [Competition and Markets Authority investigation into the issue](#) is also underway.

### **NHC view:**

We are pleased to see Government taking its first step towards the implementation of part of the package of reforms recommended by the Law Commission of England and Wales last summer. The issue of escalating ground rent on leasehold homes has been a long-term scandal which has left many owners trapped and unable to sell their houses. This Bill will address an important consumer issue, but does not mark the end of the journey, with further legislation expected in future sessions.

## Home ownership

The Queen's Speech announced *that* "My Government will help more people to own *their own home*". This appears to be a reference to the Planning and Leasehold legislation referred to above. Briefing from Government on this point restates a number of existing funding announcements, including:

- The Stamp Duty Land Tax holiday, which will begin to be phased out in July and conclude in October
- The £12bn Affordable Homes Programme announced at Budget last year
- The National Homebuilding Fund announced at the 2020 Spending Review.

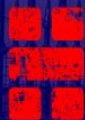
## Building Safety

The speech included a plan to "establish in law a new building safety regulator to ensure that the tragedies of the past are never repeated". The Queen references the Building Safety Bill here, which will create a new Building Safety Regulator to be established by the Health and Safety Executive. This will build on the [Draft Building Safety Bill](#) from last year and is expected to provide long-term certainty for building safety in the future. The Building Safety Bill aims to implement reforms to building safety recommended in Dame Judith Hackitt's [independent review](#). The existing building safety regulations to be updated include a new stringent regime for buildings of 18 metres or more, and a new system of Accountable Persons and Dutyholders who will hold the responsibility for the safety of a building. The Bill will also introduce provisions to support the removal of unsafe cladding. The Building Safety Bill was first introduced in the 2019 Queen's Speech.

The NHC has recently formed a Building Safety Network for those in the newly formed roles within our membership to share best practice. Keep an eye out for the next meeting of the network on MyNHC: <https://www.mynhc.org.uk/events>

## Domestic Abuse

The Government confirm they will develop a new Violence Against Women and Girls Strategy to better target perpetrators and support victims, as well as a Domestic Abuse Strategy which will focus on prevention. This follows from the recent passing of the [Domestic Abuse Bill](#) which places a new duty on local authorities to assess the need for accommodation-based domestic abuse support in their area for all victims and their children, and categorises all eligible homeless victims of domestic abuse as having priority need for homelessness assistance. The new Strategy will include £25m for work with perpetrators.



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