

Ten years on from the Review – time for second thoughts?

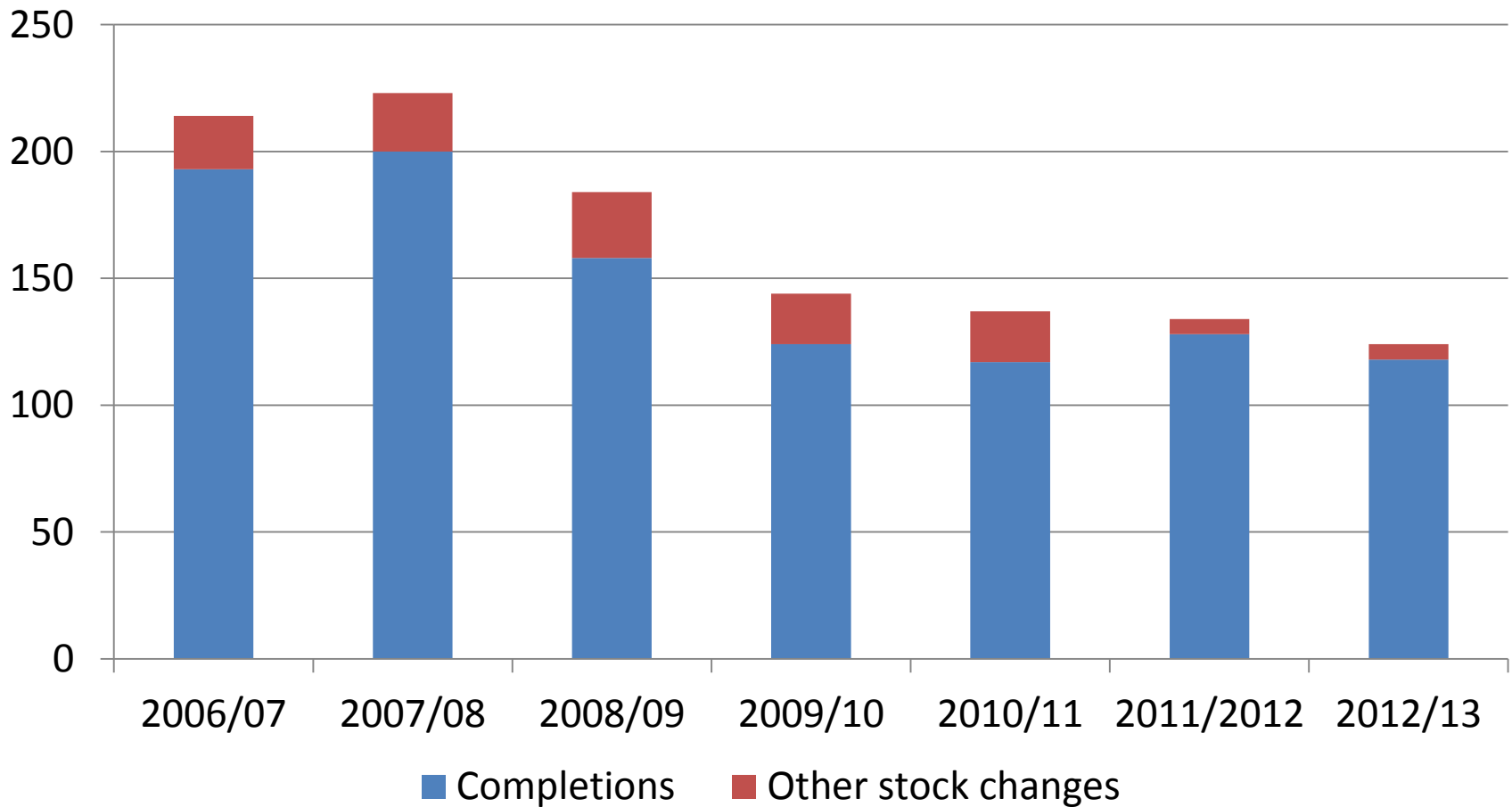
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Did the Review increase supply?

Net additions – England



Source: CLG

Where did the people go?

- Household projections:
 - 2004-based 223,000 annually
 - 2006-based 258,000
 - 2011-based 221,000
- Average completions 137,000 since 2003
- Dwelling stock: up 172,000 average since 2003
- 90,000 more young adults a year living at home

Can we sustain 200,000 plus?

- NPPF; planning inspectorate; land supply
- New Homes Bonus
- Better mortgage finance

BUT

- Loss of small and medium housebuilders
- Delay and uncertainty – reserved matters
- Landowner behaviour
- Anti-development culture in South?

What if we can't?

- Rising cost of space
- Higher housing benefit bill
 - HB £23.8 bn 12/13
- Owner-occupation requiring inheritance
- Bubble tendencies
- More young at home/labour immobility
- More unequal space

Can we tackle supply?

- Robust local plans and use of local government finance system
- Outcomes not just judged by plans
- Financial compensation
- New settlements
- Self-build

Can we tackle results of undersupply?

- Reform VAT and Council Tax
- Regulation of rental market standards
- Macroprudential policy – does it work?
- Shared equity financing

SUMMARY

- England – 200k output possible
- Sustained 220k output unlikely
- Policies to improve structure to boost output possible
- Will be a growing cost of undersupply
- Policies will need to address this cost