News Release

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Northern housing leaders urge Chancellor to back regeneration in the Autumn Budget to #Renew the North

The North East Housing Partnership alongside other Northern housing leaders, has written to the Chancellor of the Exchequer ahead of the Autumn Budget calling for a package of measures to unlock 500,000 good-quality homes, create thriving communities and drive growth in every postcode.

The joint letter, which is part of the Northern Housing Consortium's (NHC) #**Renew the North** campaign, sets out how housing-led regeneration can help deliver the Government's ambitions on growth, devolution and regeneration, while benefiting communities across the North. It is signed by the Northern Housing Consortium, Homes for the North, and the Chairs and Vice Chairs of housing partnerships across the North that own or manage 1.1 million of the region's 1.4 million social homes.

The signatories are calling on the Government to make regeneration a central part of the Autumn Budget, with a series of proposals that would support councils, housing associations and Mayoral Strategic Authorities to overcome barriers to delivering housing-led regeneration in the North. The NHC's Renew inquiry has found that financial viability is the biggest blocker. Lower land and property values in the region make it harder to get schemes to add up financially – whether renewing or replacing social housing that has reached the end of its life and no longer meets residents' needs, building on brownfield land or developing homes in town or city centres.

John Johnston, Chair of the North East Housing Partnership, said:

"As housing providers embedded in our communities across the North East, every day we see how important it is to people's lives to have a good quality affordable home.

Regeneration provides an opportunity to create lasting change in our communities by tackling homes that don't meet the modern expectations of our customers, investing in more

opportunities for local people, and bringing back pride and renewed confidence in areas that have been in decline.

Too many regeneration schemes continue to face significant financial and delivery challenges which are holding us back. Without the right funding mechanisms and greater flexibility to address local priorities, opportunities to transform neighbourhoods and improve housing outcomes risk being missed.

That is why the North East Housing Partnership is supporting the Renew the North campaign and calling on the Government to place regeneration at the heart of the Autumn Budget. With the right investment and powers devolved to local areas, we are confident that we can renew existing communities, unlock new homes, and ensure that people across the North East benefit from growth and prosperity."

Tracy Harrison, Chief Executive of the Northern Housing Consortium, said:

"The Prime Minister has put housing, devolution and regeneration at the top of his agenda. The opportunity at the Budget and beyond is to make sure those ambitions are matched by the funding and policy framework needed to deliver regeneration.

"Over the summer, I visited regeneration sites across the North and saw first-hand how housing-led regeneration can give hope to communities by improving people's health and wellbeing, creating jobs, attracting investment and unlocking new homes. I saw how new homes and community facilities have transformed some of the most deprived estates in the country, but with 100,000 social homes reaching the end of their lives, this needs to be replicated on a much larger scale. Investment in replacing and refurbishing homes that are not good to live in and have significant repair costs will help make sure communities are not left behind. It will also free up social housing providers' financial capacity so they can build more new homes."

"The social housing sector in the North, including councils and housing associations, has set out changes the Government can make at the Budget to unleash the benefits of regeneration."

The letter asks the Chancellor to adopt the measures set out below in the Autumn Budget:

- **Adjust and further devolve existing funding to better support regeneration.**
    - **Give Mayors and combined authorities greater flexibility to use the Social and Affordable Homes Programme (SAHP) for regeneration projects that meet local needs.** "Continuous Market Engagement" funding should not have a cap on regeneration – introducing one risks capping Mayors' ability to address local challenges.
    - **Introduce Homes England performance measures focused on homes renewed and replaced, not just new homes delivered.** Current indicators are heavily weighted towards new supply, limiting investment in regeneration projects across the North.
    - **Allocate National Housing Bank funding specifically for housing-led regeneration** to help unlock schemes that are stalled by viability and funding challenges.
    - **Implement zero-rate VAT on building safety works and extend the zero-rating of energy-saving materials until 2030.** This would maintain momentum in retrofitting, improving and regenerating older and colder homes.

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- **Establish a new "Centre for Regeneration" in the North** to build the capacity and capability needed to deliver regeneration at scale, while supporting Mayors with workforce development.

- **Extend the term of the National Housing Delivery Fund to ten years** to unlock all the North's brownfield land and 320,000 new homes.

- **Provide northern Mayors and combined authorities with devolved, place-based, flexible funding of £500m per year alongside existing funding.** Over ten years, this investment would help ensure that no one and nowhere is left behind, while transforming the North's 100,000 end-of-life social homes. This support would plug current funding gaps, enabling Mayors to:
    - Replace or refurbish end-of-life housing so residents can live in good-quality social homes.
    - Buy poor-quality private homes, including empty homes, and turn them into safer and healthier social housing.
    - Provide viability gap funding for strategically important regeneration schemes that deliver local benefits but are currently financially unviable.

The full letter can be found here.

The proposals come from the NHC's Renew inquiry, supported by Homes for the North and Muse, which has gathered evidence from social housing providers that collectively own or manage more than one million homes across the North. The Renew report found that housing-led regeneration could unlock 500,000 good-quality homes. This includes reviving struggling high streets with over **100,000 new homes** in town and city centres, **building 320,000 homes on brownfield land** and **renewing or replacing 100,000 social homes** in need of regeneration.

The letter to the Chancellor has been signed by all the North's housing partnerships, which bring together the social housing sector – including housing associations and local authorities – to work in partnership with Mayoral Combined Authorities, Homes England, and other stakeholders to deliver growth, better places, and new homes.