

Chartered Institute of Housing response to the Building Safety Levy: second consultation

Introduction and summary of our response

The Chartered Institute of Housing is the professional body for people who work and have an interest in housing. We broadly welcome the outcome of the government's consultation on the design of the Building Safety Levy. In our response to the initial consultation, we advocated for affordable and supported housing to be exempt from the levy, and are pleased to see that government plans to implement these exemptions. This will ensure that the levy makes a significant contribution to building safety remediation while not disincentivising the development of affordable homes and other types of specialist housing that are in short supply.

The government's second consultation on the Building Safety Levy is a welcome opportunity to clarify that all types of supported housing should be exempt from the levy. We would therefore like to provide additional evidence in response to Question 6.

Question 6: Do you think that the communal accommodation listed above should be excluded from the levy charge? Please explain your answer.

We support extending the levy to a) drug and/or alcohol treatment centres and b) temporary accommodation for homeless people.

These types of housing should be included because they fall under the broad category of supported housing. Supported housing provides a vital service, ensuring that people with additional support needs receive the assistance they need to live in the community. This helps to keep people out of hospitals and other institutions, resulting in positive outcomes for individuals as well as significant public benefit.

Government's response to the initial consultation on the Building Safety Levy confirms that supported housing will be included in the exemption. In the government's national statement of expectations for supported housing, supported housing is defined as follows (emphasis added):

"In supported housing, accommodation is provided alongside support, supervision or care to help people live as independently as possible in the community. This includes: older people; people with a learning disability; people with a physical disability; autistic people; individuals and families at risk of or who have experienced homelessness; people recovering from drug and alcohol

dependence; people with experience of the criminal justice system; young people with a supported need (such as care leavers or teenage parents; people with mental ill health; and people fleeing domestic abuse and their children.”

We therefore agree that drug and/or alcohol treatment centres and temporary accommodation for homeless people should be included in the exemption because they fall under this broad government definition of supported housing. They should in other words be treated the same way as (e.g.) facilities for victims of domestic abuse in the government’s response to the initial consultation.

Beyond this, drug and/or alcohol treatment centres and temporary accommodation for homeless people have an essential function for individuals, communities, and society at large, supporting people in or at risk of homelessness and with addiction and substance dependency. Not exempting them from the levy may place them close to their respective viability thresholds, disincentivising their development and potentially compromising their supply.

Finally, in specific reference to temporary accommodation for homeless people, the finalised proposals and secondary legislation will need to ensure that the exemption applies only to accommodation that is purpose-built and intended to be used in perpetuity for this purpose. If it is not, there is a risk that homes could be initially designated as temporary accommodation to be exempt from the levy, but then taken to the general market afterwards. This would amount to a potential loophole, and secondary legislation should be drafted and implemented in a way that makes it impossible.

About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org

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