



Ministry of Housing,
Communities &
Local Government

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I believe that everyone should have the security, dignity and opportunities they need to build a better life. Council housing can play a key role in this by supporting the needs of individuals and local communities. This is especially important in this, the centenary year of the passing of the Housing, Town Planning & c Act 1919 – known as the Addison Act, which supported the large-scale construction of council homes for the first time. Drawing on the centenary, I want to see local authorities across the country building really innovative housing that will stand the test of time and provide security for generations to come.

Last year's Social Housing Green Paper 'A new deal for social housing' confirmed the Government's support to help local authorities to build more homes. In the Autumn we abolished the Housing Revenue Account (HRA) borrowing cap to provide councils with the flexibility to borrow for house building in line with the Prudential Code. We have confirmed a longer term rent deal from 2020 to provide a more stable investment environment for housebuilding, and expanded the Affordable Homes Programme. On top of this we have consulted on flexibilities in the use of Right to Buy receipts, and have published information to help councils to administer their HRA: <https://www.gov.uk/guidance/housing-revenue-account>

We are also making it easier for local authorities to build if they do not have any council housing. Such authorities can build up to 199 council homes without opening a Housing Revenue Account, subject to obtaining a Direction, and now, when they are ready, they can open up a new HRA free from the previous restrictions on borrowing.

It is fantastic to see, and hear about, some of the council developments that have recently been built, and I am interested in hearing about your future plans and what additional support would help you get building. I want innovative councils to share their experiences to help others who are embarking on the same journey. So whether you are experienced and building, or just getting started we would like to hear from you – please get in touch with Tony Hatch at buildingcouncilhomes@communities.gov.uk.

This is a great opportunity to consider what you can do to directly contribute to local housing need, working alongside other providers to deliver the homes that are needed. I hope that you will take advantage of the flexibilities and funding available, to increase council housebuilding, deliver creatively to meet local need, and build a new generation of council housing.

Yours sincerely,

RT HON JAMES BROKESHIRE MP