

Drop taxes to support 'Generation Rent'



View from the Agent

Simon Gerrard

The private rented sector (PRS) is a fundamental and essential part of the UK housing market. The previous chancellor put in place policies that will have a big impact on the PRS, making investors with one or two properties and those wanting to buy their first property to let out, to think twice before entering the market.

Lending for buy-to-let house purchase was under half what it had been in the months leading up to the stamp duty changes.

The government had originally considered – and consulted on – an exemption from the higher rates of stamp duty for corporates and funds making significant investments in residential property ahead of the budget, in order to continue to attract investors that “contribute to an overall increase in housing supply”.

I call on the new Chancellor to consider a stamp duty suspension

for professional medium-sized and corporate landlords to prevent a spiralling in rents and exacerbated housing supply crisis

In the wake of Brexit, the only people actually pulling out of deals are investors. The Chancellor's stamp duty hike on second homes in April had already sent them running for the hills, but Brexit could now be the final nail in the coffin.

Trying to de-risk the lower end of the market and discourage accidental landlords mortgaging themselves to the hilt makes sense – but killing off the entire professional and corporate end of the investor spectrum does not.

The rush of investors completing deals before April means there is now a healthy supply of letting property and rents are steady, and the only way we will prevent a severe hike in rents as a result of the buy-to-let market drying up is if the government suspends the extra three percent stamp duty for mid-tier landlords – in my view, those who have five or more properties in their portfolios.

Figures from the Office of National Statistics show that the population in London is set to increase by more than 13pc by 2024. Other forecasts show by 2025 just 40 percent of Londoners will own their homes.

already have a serious housing



■ The cost of climbing the housing ladder has created Generation Rent.

shortage, particularly in London, and desperately need to support medium-sized landlords so they can continue providing much-needed accommodation to the so-called

'Generation Rent'.

The only way to keep these individuals in the market and encourage them to 'keep calm and carry on' in the midst of much

“ We will prevent a severe hike in rents if the government suspends 3% duty

panic, is through removing the tax disincentives.

To qualify for the stamp duty exemption an investor would need to prove they already own more than five properties; most professional landlords with a multi property portfolio run profitable businesses contributing to HMRC already, so this encouragement would in fact generate income for the treasury.

Brexit, a double-whammy tax from Osborne, and a spooked property market: there is only so much an investor will take before they simply put their money elsewhere, which will derail the supply of new rental property to the market and mean an immediate spike in rental prices. Nobody wants to see what that will look like for this country's housing crisis.

■ Simon Gerrard is managing director of Martyn Gerrard Estate Agents in north London.

■ Ham&High property supplement see inside

When we, as patients, talk about the NHS, it's personal

The CQC's review of the Whittington Hospital once again underlines the problems with so much reporting of the NHS.

The CQC declares that the hospital 'requires improvement', suggesting deep-rooted systemic problems of the hospital's own making, and reveals that there is 'a lack of overnight consultant cover' and too few consultants in the emergency department. There are also concerns about the maternity department – again, insufficient staff.

It's clear that Britain now has too few doctors, that recruitment and retention is an issue – one likely to be exacerbated by Brexit, as the Whittington's chief executive pointed out. It is also the case that there is simply not enough money available to hire medical staff. Last October, the King's Fund reported that over the last parliament the annual average real increase in UK NHS spending was 0.84 per cent and that the ten years up to 2020/21 are 'likely to see the largest sustained fall in NHS spending as a share of GDP in any period since 1951'.

Yet the implications of all CQC reports is that a hospital's shortcomings are the fault of the CEO. We should pause to remember



View from the Street

Liz Thomson

that the CQC is a government quango, a fig leaf to provide vestigial credibility.

I spent 90 minutes with them last year, at their invitation, discussing the failings of domiciliary care. They cheerfully admitted they knew little about how it functions and that anyway it was well-nigh impossible to regulate. So much, then, for all those reports which carry CQC marks of approval.

But back to the Whittington: my father spent six weeks in its care last year, admitted on January 5 with aspiration pneumonia. The A&E department was orderly but pressured: The young Australian bed manager had 420 admissions but only 260 beds. The consultant in charge must have felt overwhelmed, yet he dealt patiently and gently with my 93 year-old father and with

me, sympathetic and caring as he took me aside to explain the likely outcome. My tough old dad rallied briefly under their care but he could no longer swallow and without radical intervention was unable to eat. This he refused, so the task was to manage the infection and the pain and, inevitably, his slow decline. His care was exemplary, overseen by a truly outstanding consultant geriatrician and her team of diligent junior doctors. The nursing staff was wonderful. Everyone treated him as an individual – wanting to know about his life, asking to see photos – comforting him, and my sister and I, as his end approached. We saw for ourselves the NHS at its very best.

When we, as patients, talk about the NHS, it is the doctors and nurses we are referring to, the over-worked and under-paid staff who care for us, 'from cradle to grave' following their vocation. For us it is personal.

When the government and the CQC talk about 'The NHS', they are referring to 'an executive non-departmental public body of the Department of Health' which comprises NHS England, NHS Providers, NHS Trust Development Authority, NHS Professionals, NHS Litigation Authority, the NHS



■ The Whittington Hospital in Highgate was the subject of a CQC report.

“ The consultant must have felt overwhelmed yet dealt patiently and gently with my father, 93

Business Services Authority, NHS Property Services... a hydra-headed monster that sucks money away from medical provision. In light of a £2.45bn deficit for 2015-16, King's Fund policy director Richard Murray said: 'Overspending is not

down to mismanagement or inefficiency – it shows a health system buckling under huge financial and operational pressures.'

Trusts and CEOs must balance the books – which inevitably means employing fewer doctors and nurses, leaving operating theatres empty and expensive equipment idle.

So please, let's place the blame where it belongs. After all, Whittington staff are 'highly committed' and deliver 'high-quality patient care'. Amen to that.

■ Liz Thomson is a Muswell Hill-based journalist, author and broadcaster