

## Will June herald the end of May?

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The die is cast: Britain will, perhaps somewhat wearily, trudge back to the polling stations on 8 June. Brexit will be the most likely battle ground for political parties; but will property become a casualty?

“Historically General Elections along with market activity and the level of transactions show a clear correlation,” said Penny Mosgrove, CEO at Quintessentially Estates. “Having said this, we don’t have the same long run up to the election as we would normally experience and by having a ‘snap election’ it will mean that any hesitancy from property buyers or vendors will have much less of an impact overall.

“It could be a positive decision for the property market in that it will bring some much-needed political certainty ahead of the Brexit negotiations later this year.”

Political campaigns will, inevitably, be fought and won on the terms of Brexit. Theresa May has already spelled out that a Conservative Brexit means a hard and total withdrawal from the EU, at a cost of access to the single market and freedom of movement and services.

Already, this has implications for housebuilders. RICS has predicted that [a hard Brexit could strip the construction industry of 8% of its workforce](#). Scape Goat has forecast a [‘Brexit cost’ of £570 million](#) to UK construction as the cost of EU building material imports continues to spiral.

“It will be important to hear that the next government will seek to obtain the best deal from the Brexit negotiations, providing business certainty in the short, medium and long-term, opening new opportunities worldwide and ensuring that we can still access top talent through the continuation of

a mutual recognition of professional qualifications and agreements with the EU,” said President of the Royal Institute of British Architects (RIBA), Jane Duncan.

Although 2016 taught it is dangerous to assume the outcome of any election, there are several likely conclusions we can draw, including a landslide victory for the Tories. Despite the snickers that escaped when Jeremy Corbyn said that the election is not a ‘forgone conclusion’, a Conservative landslide victory is widely expected.

“Unlike usual general elections, where contending parties draw up their manifestos and there is a degree of uncertainty as to the outcome, come the wee hours of 9 June I am fairly confident that the UK will remain under the control of Prime Minister May and the Conservative Party,” said Jonathan Stephens, Managing Director of Surrenden Invest.

“When it comes to the UK property market, it’ll be business as usual,” Stephens added. “There remains a chronic undersupply of housing and for whoever ends up in power as a result of this general election, building more homes and supporting the UK property sector will no doubt be at the top of their agenda.”

Although housing has been hoisted high on the political agenda since Britain emerged from the polling stations less than a year ago, a Conservative victory does not necessarily guarantee continuity.

After all, the snap election itself would not take place if Theresa May was as good as her word. Over the last few years, the property market has endured a myriad of changes to taxes including Stamp Duty, CGT, IHT, interest relief on rental properties and ATED increases.

Several issues, including the planning system, have lingered over numerous elections and are unlikely to be resolved with another tick of the ballot paper. “We will continue to ask government to prioritise creating a more inclusive society, including addressing the housing crisis and the need to revise current land value capture mechanisms to benefit communities,” said Stephen Wilkinson, President of the Royal Town Planning Institute.

“Any new Government will need to substantially invest in infrastructure and pursue an industrial strategy that is linked to an effective housing strategy and to empower devolved city regions to plan for growth in a meaningful way ... We caution that any new Government should not hamper planners’ abilities to perform this crucial role in England by introducing further changes to the planning system.”

CIH chief executive Terrie Alafat believes that an early election gives political parties the chance to give developers more solid ground. “This is an ideal opportunity for each political party to look at pragmatic proposals for how we solve our housing crisis,” said Terrie Alafat CBE, chief executive of the Chartered Institute of Housing.

“Brexit will of course be a major battleground in this election but this must not be at the expense of issues which are equally important to future generations. We would like to see housing take centre stage during the campaign, with a proper debate on how we solve our housing crisis and policy proposals which reflect the scale and seriousness of the problems facing so many people in the UK.

“This is a key opportunity for all parties to look at rethinking the balance of housing investment and to propose other specific measures to get us building the genuinely affordable homes we so desperately need.”

To read more, please visit: <https://www.showhouse.co.uk/features/will-june-herald-the-end-of-may/>