

HOUSING

HOUSING POLICY IN A PANDEMIC

By Thangam Debbonaire (Shadow Housing Secretary)

The Covid-19 crisis presents a fork in the road for housing policy, with two possible options.

In one direction, the crisis leads to large numbers of people evicted from their homes, increased homelessness and inadequate housing. But while the consequences of the pandemic make these problems more likely, there are other possibilities too. We can seize this moment to take a different direction, ending homelessness, helping key workers with the homes they deserve and building high quality housing for the future.

Renters under pressure

At the start of the coronavirus crisis, Labour called for a six month ban on evictions. We welcomed the government's introduction of a three month ban as a good start to protect people from becoming homeless, resulting from sudden loss of income. I am also pleased that this ban has been extended for a further two months.

However, people renting their homes should not be put in this position in the first place. Alongside other front bench colleagues, I have been calling for improvements to Universal Credit and the Local Housing Allowance. Unless this happens, the growing numbers of people struggling to pay rent could reach crisis point when the eviction ban comes to an end.

I am also pushing the government to uphold their election campaign promise of a Renters' Rights Bill, which would abolish Section 21 of the Housing Act 1985 – an end to 'no fault evictions' is more urgent than ever. In addition, we need to suspend some of the grounds for eviction in

Section 8 of the Housing Act 1988 so that there would be no mandatory eviction of tenants who fall into arrears.

An opportunity to end homelessness?

On the topic of rough sleeping, there has been some hopeful news. In March, the government announced the 'Everyone In' plan, funding councils to protect thousands of rough sleepers from the pandemic. In the space of just a few days, thousands of people were helped with a place to stay, food and support. *This showed what is possible.*

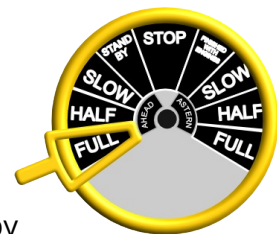
As Shadow Housing Secretary, I have been working with Keir Starmer's team to push the government to build on this success and end rough sleeping for good. We urgently need a funded plan for making sure people don't end up back on the streets.

Beyond the current emergency, we must look ahead to the kind of society we want. Many of us clapped for nurses, doctors, carers and many other key workers over the last few months. *This applause is meaningless if we don't also make sure that these people have a decent place to live.*

Even before this crisis, the housing system was broken and in need of wholesale change. As Shadow Secretary of State, my aim is for everyone to have a home which is truly affordable, safe, secure, warm, on a good tenure, powered by renewable energy and connected to transport.

At this critical turning point, I hope we take a step towards this positive future.

FULL SPEED AHEAD!



After the new Executive Committee had been elected by the membership in the ballot held earlier this year, we agreed to co-opt four new people.

With their help, a lot has happened since the lockdown started.

Here's a summary of what we've done so far:

- Welcomed **Thangam Debbonaire** as the new **Shadow Secretary of State for Housing** and started working on campaigns and events with her and her team
- Held our first online event, a Q&A session with Thangam Debbonaire – attended by over 30 members of LHG
- Set up a YouTube channel, starting with the video of the [Q&A session](#)
- Welcomed a new Patron, James Murray, MP for Ealing North (formerly an Islington councillor and London's Deputy Mayor for Housing)
- Submitted a paper as evidence to the Housing, Communities & Local Government Select Committee's inquiry into Long-term delivery of social and affordable rented housing
- Signed the [urgent statement](#) on Coronavirus and Housing: Protect Tenants and Homes, calling for action to open up hotels for homeless people and protection for people facing difficulties paying their rents or mortgages
- Co-hosted a webinar with Young Fabians on The Future of Labour Housing Policy, with Thangam Debbonaire as the keynote speaker
- Took part in two webinars organised by the Society of Labour Lawyers on housing issues, one focusing on the private rented sector
- Established a new series of events, "In Conversation With: ..." - the first event was set up for 16th June, with Bob Colenutt

launching his latest book, *The Property Lobby*

- Represented LHG at the Socialist Societies' online meeting with Keir Starmer and Angela Rayner
- Contacted trade unions and other bodies about joint work and sponsorship
- Initiated a discussion about a virtual Labour Housing Conference to take place instead of fringe meetings at Annual Conference 2020
- Revamped the [LHG website](#)
- Relunched Red Brick and redesigned the [Red Brick blog website](#)
- Set up a Policy Day to take place online in July on the Private Rented Sector
- Along with around 60 homelessness and other groups, signed an [open letter](#) to Robert Jenrick MP about homelessness, calling for the government to extend the 'Everyone In' policy accommodating rough sleepers

We hope you approve of what we have been doing!

Sheila Spencer (Secretary)



For readers new to housing policy issues, *Labour Housing Group* publishes a series of short guides aimed at a wide readership.

Our five published **Briefings** on current topics include *Rough Sleeping*, *Affordable Housing* and the *Private Renting Sector*, *Rural Housing* and *Leasehold Reform*. They can be found at: <https://labourhousing.org/resources/lhg-briefings/>

Forthcoming issues will cover *Homelessness*, *Right to Buy*, *Sustainable Homes* and *Council Homes*.

If you would like to contribute, please email our Policy Officer, Paul Martin at pauljmartin@clara.co.uk.

SHARED OWNERSHIP - A CASE FOR REFORM

The Government intends to make shared ownership a mainstream tenure through a scheme entitled *Help to Buy* under which all tenants in new housing association properties will have the right to shared ownership of their home.

The case is made in a video entitled <https://www.youtube.com/watch?v=d-WEDssWED8>. The House of Commons Library provides a more detailed and critical report entitled *Shared ownership (England): the fourth tenure?* (See <https://commonslibrary.parliament.uk/?library=1&s=shared+ownership>)

Help to Buy is marketed as home ownership and is often cheaper than full ownership or private renting. Shared owners acquire a 25 % share of the property and pay rent to the provider on the remaining share that they do not own. The scheme intends shared owners to “staircase”, i.e. increase their share to 100% as they are able.

Complicated and misleading

The legal position is different, complicated and based on case-law rather than statute. In the case *Midland Heart v Richardson* in 2007 a court held that a shared owner could be evicted due to rent arrears thus losing all the equity that she had built up in the property. This demonstrated that, **in reality, Ms Richardson was an assured tenant with a long tenancy.**

In 2019 the Advertising Standards Authority upheld a complaint about Notting Hill Genesis housing association’s advertising that claimed, “*I own a 2 bedroomed apartment and pay less per month than my friends pay to rent a room in a flat share!*”

<https://www.asa.org.uk/rulings/notting-hill-genesis-a18-469887.html>

Downsides

The downsides of shared ownership are that:

- Although they are liable for the repairs and expensive fire safety works, shared owners **must still pay ground rent and service charges**, irrespective of the size of their interest.

- **To exercise their staircasing option or to extend the lease, permission fees must be paid.**
- Although shared ownership leases must run for at least 99 years, the scheme started in 1980s and so **some leases are now too short for mortgages to be obtainable.**
- When a shared owner dies, a relative who inherits cannot sub-let and **the property must be sold to another person who qualifies for shared ownership.**

Where does the money go?

Shared ownership is very profitable. According to Savills estate agents, shared ownership sales have added a total of £5.9 billion to housing association turnover since 2016.

Private firms such as Heylo who have the largest allocation in the current *Help to Buy* programme of £64 million, are now marketing shared ownership.

What next?

Following a meeting between the Greater London Assembly Housing Committee and shared owners, an inquiry was held that led to all-party representation being made to the London Mayor for more help for shared owners.

Shared ownership needs an enquiry by a Parliamentary Select Committee to establish the views of the shared owners, examine whether the profits are being used to provide extra homes for social renting and, above all, determine whether the Government’s policy is feasible.

Dermot McKibbin

Notes

(For more problems about shared ownership see housing lawyer Giles Peaker’s comments at <https://www.leaseholdknowledge.com/shared-ownership-a-misnomer-that-can-be-worse-than-renting-and-worse-than-leasehold-says-solicitor/>)

ROCHDALE RUMBLINGS

Co-operation lacking in battle to save hundreds of homes.

ROCHDALE is best known as the birthplace of the worldwide cooperative movement. It is also home to the largest housing cooperative in the country.



Rochdale Boroughwide Housing (RBH) was formed in 2012 following the transfer of Rochdale Council's 13,000 housing stock to form the ground-breaking tenants' cooperative.

But anything but cooperation has broken out between RBH and the council after a cross-party letter signed by 57 of the council's 60 members called for a halt to their controversial plans to demolish 480 homes in the town centre.

And it is a bitter dispute that could lead right to Whitehall as the Housing Minister Robert Jenrick has been asked to intervene in the row.

Rochdale Boroughwide Housing is proposing to demolish four out of seven blocks of high-rise flats in the town centre. These homes are very popular with the residents who now live in fear of losing their homes.

College Bank Flats – known locally as the seven sisters – are home to over 1,000 people and have graced the Rochdale skyline for more than 50 years. Unlike many other high-rise blocks built in the 60s and 70s they have been very popular in the town and their design has added to the built environment, not detracted from it.

The landmark flats enjoy a stable community of many long standing residents and quite a number

of owner occupiers, again a testament to their popularity. They are close to schools, all the town centre amenities and have excellent transport links.

Rochdale Boroughwide Housing is proposing to tear down four of the blocks because, they say, it will cost too much money to refurbish them. Most tenants dispute this. They are in good condition and have been well maintained over the years.

RBH claim it would cost a staggering £90million to refurbish the blocks. That's £10M more than the cost of restoring Big Ben, and three times the cost of refurbishing Windsor Castle following the devastating fire. Nearby housing associations have carried out extensive renovations to much bigger blocks of flats, and more cheaply.

However, the landlord is prepared to pay well over £1 million to demolish each of the four tower blocks.

Councillors have also called for a feasibility study into handing back the flats to the council and forming a new council-tenant cooperative to save and refurbish them.

RBH also stands accused of "social cleansing" – removing social tenants from the town centre to make way for more private homes and wealthier residents to support the massive regeneration of the retail centre currently underway.

The housing crisis is a real one and needs urgent action to tackle the desperate shortage of homes. Rochdale's largest social housing provider seems hell bent on making the problem worse. Its proposals will remove a staggering 480 homes available for rent to be replaced by just 120 new homes on the site. Rochdale has some of the most deprived communities

(continued on page 5)

Faisal Rana is a Labour Councillor in Rochdale and the council's assistant cabinet member for finance.





HOUSE OF COMMONS SELECT COMMITTEE CONSULTATION RESPONSE



On the 15th May, Labour Housing Group submitted written evidence to the 'Long-term delivery of social and affordable rented housing' inquiry ran by the Housing, Communities and Local Government Committee.

This enquiry had been relaunched following its suspension due to the last General Election. It seeks to investigate the effectiveness of the Government's current strategies to boost social and affordable rented housing provision.

Here is a summary of what we said in our submission. See the full document is online at <https://committees.parliament.uk/writtenevidence/3920/pdf/>

- LHG calls on Government to provide sufficient funding to deliver 155,000 homes each year at social rent levels
- LHG calls for Help-to-Buy to be scrapped and funds redirected to building new homes.
- LHG demands the creation of an English Sovereign Land Trust empowered to purchase land at Existing Use Value +15% to provide new social housing.
- LHG believes local authorities must be central to enabling and providing social housing. They should be given the powers to buy the land needed and invest in the skills and expertise required to build new homes.
- LHG calls upon Government to subsidise both private companies and local authorities to provide affordable homes for rent for the communities that need it most.
- LHG calls for providers such as Community Land Trusts and Community-Led Housing to be included in any funding offered.
- LHG calls for an end to the Housing Delivery Test, a return to regional home building targets and devolved powers to ensure local needs are best served.
- LHG considers that the UK is out of step with other developed economies in how it classifies local authority debt and that there

must be devolution of fiscal authority to ensure sufficient building programmes.

- LHG believes the UK must learn from successful international examples of radical new solutions, including tax credits and flexible zoning systems designed to improve housing supply and reduce wealth inequalities.

If any of the questions/ responses pique LHG members' interest, do consider submitting a 100 to 150-word pitch for a Red Brick blog piece to theredbrickblog@gmail.com.

ROCHDALE RUMBLINGS (Continued from page 4)

in the country and cannot stand such a huge reduction in the number homes for rent.

A recent report by respected research group *Futuregov* has said demand for social housing in Rochdale is at a tipping point. In just three years, the number of homeless forced to live in bed and breakfast accommodation has almost quadrupled, with people spending 3,653 nights in B&B in 2018/19. That is the scale of the crisis facing Rochdale.

The battle has spawned the *Save the Seven Sisters* campaign group of proud tenants, terrified of losing their home, battling an over-powerful and insensitive landlord.

And although (notionally) RBH is a tenant-led cooperative, in reality it is controlled by a board of housing and finance professionals, put there by the banks that fund it. They make all the big decisions when it comes to investment in the stock. The council's two representatives on the board were removed a few years ago.

This dispute brings into sharp focus the lack of democratic control of social housing following the mass stock transfers of the Blair years. But for now, there is a feisty band of Rochdale tenants fighting for their homes and demanding, quite rightly, that their councillors do everything in their power to help them.

LIVING WITH CORONAVIRUS?

The Labour Housing Group Executive is planning a Housing event around the usual time of Labour Party Conference, working with sister organisations with similar interests.

Covid19 will be a key topic, of course. Clearly, the immediate need is for urgent measures to prevent homelessness caused by evictions for non-payment of rent and mortgages.

Local authorities that have stepped up to house rough sleepers will need to see permanent funding to take forward this work.

We know that there is already insufficient housing of the right types where it is most needed.

Now, with many house-building projects postponed by the lockdown, there are likely to be shortages of building materials and equipment. Labour shortages will be acute where lockdown and lack of investment halted training programmes.

Yet even beyond these pressing issues, there are bigger questions emerging that will need answers:-

- What will be the long-term impact on the cost of rents and mortgages?
- What changes will be needed to planning law and forms of housing tenure. Will Government be willing to make them?

- New forms of housing finance may well be needed to underpin the recovery. Is there the political will to devise and implement them?
- Coronavirus has proved that broadband access is key to personal survival and economic recovery, will Government take steps to make this universally available?
- How can the transport infrastructure support different patterns of movement caused by social distancing?



Looking even further ahead, there may be far-reaching consequences:-

- Will older people in general become less healthy and/or mobile?
- Must we become accustomed to recurring pandemics and learn how to impose and lift lockdowns at short notice?
- Will there need to be a system of "alert states" built into our thinking like wartime air-raid precautions?
- Will more people want to leave cities for good and will there be a demand for something like the 20th Century's new towns?

One thing we can be sure of is that the next few years will be even tougher than we expected before the pandemic, but that there is also an opportunity for positive change.

£ APPEAL £ APPEAL £ APPEAL £ APPEAL £

If you cannot spare time and energy, you can still help us in our work by making a donation by bank transfer to "Labour Housing Group", account number 50478080, sort code 08-90-06, Co-operative Bank, PO Box 1AN, Blandford Street, Newcastle, NE99 1AN.

Of course, you can also send a cheque made payable to "Labour Housing Group" c/o **The Treasurer, Flat 2, 8 Torrington Park, London N12 9SS**

PLEASE QUOTE "LHG2020 CAMPAIGN"

FAREWELL FROM JOHN HEALEY: WHAT I'VE LEARNED ABOUT HOUSING

After a sum total of more than seven years leading Labour's housing policy from the opposition and government benches, it is time to move on. This is what I have learned about the sector.

Coronavirus dominates our politics and our everyday conversations – it is taking lives and livelihoods. So, a reshuffle of Labour opposition politicians understandably isn't front-page news.

But after spending much of the past 11 years leading for Labour on housing – in government and opposition – I'm moving on to be Labour's shadow defence secretary, so I wanted to take this opportunity to share some lessons I take from my time working in this fantastic field.

First, the housing sector's strength is its hugely dedicated professional workforce. This is more than just technical proficiency, although housing has that in spades – from building trades, to tenant support, to hostel work. Most of the people I've met in housing love what they do because this is a moral mission.

Home is at the heart of all of our lives, and giving everyone the foundation on which to raise their families and realise their aspirations is so much more than a technical exercise. Value this, and celebrate it.

Second, the sector is at its best when it speaks out loudly on behalf of that mission; it's at its worst when it meekly accepts what governments of either political party say, or simply talks to itself.

The big case for housing is there to be won with people who don't know this sector's proud history or understand the policy details, and who certainly can't decipher our acronyms, but who can be persuaded of the argument for decent, genuinely affordable housing.

Third, the case for social housing, built by housing associations as well as councils and others, is in rude health. It is not yet won within the heart of government, as the disappointing latest Budget allocations for public housing investment underline, but it certainly can be.

Over the 10 years since I negotiated the council housing self-financing deal with the Treasury, it

is inspiring to see councils starting to build homes again, and reinventing their capacity to do much more. The period when parts of the sector shrank even from talking about social rented homes has passed, but we must think of new ways to make this imperative relevant and urgent, including for a generation of young people who have little first-hand experience of council housing.

Fourth, the darkest days of my time in housing are those of the Grenfell Tower fire – it still casts the longest shadow three years on. Grenfell has raised big questions about what we build and how we listen to residents.

The housing sector must lead the changes that are now necessary, just as it must lead in other areas where there can no longer be 'business as usual' from green standards to leaseholders' rights.

Fifth, and finally, coronavirus is a defining crisis for our time. It will sharply refocus minds on what is important, as the global financial crisis did a decade ago.

Millions of people are becoming painfully aware of how they and much of Britain live on the brink. Their housing is precarious and housing costs are unaffordable if their household income takes a hit, while the most vulnerable are the thousands with no home at all.

Part of the answer to this crisis as the pandemic passes must be more decent, secure and affordable housing – and we should all argue to make sure that is the case.

Thank you for your support, encouragement and inspiration. Those who know me best are aware that my passion for housing doesn't come and go with the frontbench policy brief, so I'll continue to keep a close interest in housing – and of course to read *Inside Housing*.

I leave you in the capable hands of Thangam Debbonaire, our new Labour shadow housing secretary, who I know will be a great advocate for our sector and its mission.

John Healey, Labour Shadow Defence Secretary

THE LABOUR HOUSING GROUP TEAM

LHG EXECUTIVE 2020

LHG's Executive was elected at the AGM 21st March for the two years to 2022.

Executive member	Constituency/role
Andy Bates (co-opted)	Speakers' organiser
Janet Berry	Membership Officer (<i>Winchester CLP</i>)
John Bevan	Vice-chair (<i>Tottenham CLP</i>)
Rachel Blake	Branches liaison (<i>Bethnal Green & Bow CLP</i>)
Nick Bragger (co-opted)	Fundraising (<i>Guildford CLP</i>)
John Cotton	Chair (<i>Birmingham Perry Barr CLP</i>)
Ed Derrick	Website link (<i>Newcastle Central CLP</i>)
Gerard Heffey (co-opted)	(<i>West Derby CLP</i>)
Ross Houston	Treasurer (<i>Finchley & Golders Green CLP</i>)
Heather Johnson	Vice-chair & Events Organiser (<i>Hampstead & Kilburn CLP</i>)
Paul Martin	Newsletter Editor and Policy Officer (<i>Poplar & Limehouse CLP</i>)
Amanda Pinnock	Social media - (<i>Huddersfield CLP</i>)
Sheila Spencer	Secretary (<i>North Tyneside CLP</i>)
Christopher Worrall (co-opted)	Blog lead (<i>Poplar & Limehouse CLP</i>)

WHAT IS THE LABOUR HOUSING GROUP?

The Labour Housing Group is a lobbying group that is affiliated to the Labour Party and dedicated to the development of a socialist housing policy.

You can contact us at <http://labourhousing.org/contact> and join us at

<https://labourhousing.org/membership/>

Individuals must be members of the Labour Party and agree to be bound by Labour Party rules and the LHG constitution

FOOTNOTE

I recently rediscovered this poem, unread in decades but still touching. This caught my eye.

'Home is the place where, when you have to go there, they have to take you in.'

'I should have called it something you somehow haven't to deserve.'

You can find Robert Frost's whole poem at -

<https://www.poetryfoundation.org/poems/44261/the-death-of-the-hired-man>

If you have articles (or ideas for them), drop me a line at pauljmartin@clara.co.uk

Paul Martin (Editor)

