

H O U S I N G

40th ANNIVERSARY
DECENT HOMES FOR ALL

AGM
SATURDAY 12TH MARCH
2022
SEE PAGE 2

CLIMATE CRUNCH!

In 2022, most householders will experience strong and personal "encouragement" to improve their home's insulation and take other energy efficiency measures if they are to save money on their soaring fuel bills.

But what ought to be a great opportunity to replace expensive heating systems with more efficient ones may prove to be the very moment that many of us can least afford to do so, thanks to lost wages, reduced Universal Credit and prices rising across the board for even the most basic goods.

Even those still able to invest will often find it difficult to engage capable and qualified traders to do the work.

Could it get worse?

Let's hope we are not due for frighteningly cold winters such as those in 1947 and 1963 with their direct impacts both on the economy and individual households.

We may yet look back on 2022 as the pivotal point in public perception of climate change and energy use.

How bad is your boiler?

The think tank [Nesta](#) says that, although home heating accounts for 38% of all UK gas use, only 12% of 2,000 UK adults polled by the market research firm Opinium saw gas boilers as a high source of emissions.

Nesta's Andrew Sissons said that "For most people, your boiler is probably the most environmentally damaging thing that you own".

Nesta says the greenhouse gases emitted from the average UK gas boiler are roughly equivalent to taking seven flights between London and New York.

NO HOPE FROM HYDROGEN?

MPs on the House of Commons' **Business, Energy and Industrial Strategy Committee** are sceptical that the Government's strategy is adequate.

Its chairman, MP Darren Jones, said replacing gas boilers, the major source of pollution from homes, was "a huge task and we are not making near enough progress".

Controversially, the Committee rejected hydrogen as a replacement for natural gas in home heating boilers.

Mr Jones said "We were not convinced that hydrogen was proven to be a front-running, viable technology".

He added that concerns around hydrogen included "supply, distribution, changes to the network, changes in the home with safety work around pipes and valves - so many reasons we're not convinced".

AGM 2022

Saturday 12th March 2022 10.30am-1pm

We are pleased to welcome **Matthew Pennycook MP**, *Shadow Minister for Housing and Planning*, to give the keynote speech at the AGM to be held on March 12th.

We will hear from Matthew what his plans are for campaigning on housing between now and the next General Election, including in the May 2022 local election campaigns.

He will also talk about how his Front Bench team are holding the Tories to account on the multitude of issues at this time of housing stress: fire-safety and cladding, improving security of tenure for private tenants, rent control, tackling rough sleeping, a dire shortage of council homes, and the second homes crisis affecting many coastal and rural areas.

Following the normal AGM business, we will be launching the publication jointly produced by LHG and the Labour Campaign for Human Rights, "Housing is a Human Right: how Labour will make it a reality".

With a foreword by Matthew Pennycook about Labour's support for this idea, the pamphlet contains articles from experts on implementing *housing as a human right* in Canada and elsewhere.

These include how to improve security of tenure; physical conditions and safety in the home; rent control, affordability and access for a range of disadvantaged groups.

We will also learn how the right could be built into English law and given teeth, and how vital participation is to make it a reality.

Speakers at the launch will include **Dr Koldo**

Casla, *Director of the Human Rights Centre Clinic of the University of Essex*, and **Marianne Hood**, a long-time campaigner for tenants' rights and former LHG chair.

LHG's first step in the campaign to get housing as a human right into English law (it's already being advanced as an idea in both Scotland and Wales) came with our [motion](#) being incorporated into the housing composite which was unanimously approved at Labour Party Conference 2021.

This aims to get the existing Government, or, more likely, the next Labour Government to enshrine the right into law.

If you haven't yet registered for the AGM, here is the [link](#).

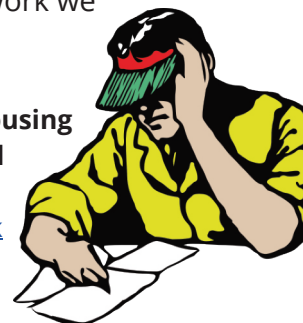
Dear Readers

My aim since I became acting Editor in 2019 has been to produce a 'good read' for LHG members, but particularly those who are not specialists in the subject. (There are many excellent sources for full-time professionals.)

What marks out the 2020s from earlier eras is the near-universality of the pain. Whether it is the insecurity of the private rented sector or the horrifying cost of ownership. It cuts across all ages and areas of the country.

Labour Housing Group is just one of the organisations fighting to fix the sector, but a significant one whose work we aim to report here.

If you want to make a contribution to LHG's Housing Newsletter, please email the Editor at pauljmartin@clara.co.uk



NEW LHG PARLIAMENTARY GROUP

The LHG Parliamentary Group's inaugural meeting on 26th January got off to a flying start.

Shadow Housing and Planning Minister, Matthew Pennycook couldn't make the meeting due to constituency business, so **Lisa Nandy**, *Shadow Secretary of State* for Department of Levelling-Up, Housing and Communities opened the well-attended meeting.

Lisa described the enthusiasm within her team for the upcoming battle with Michael Gove at DLUHC. She said that her priorities are:

- Sufficient affordable housing - "and we are prepared to be radical about it"
- a focus on rights and standards - the Renters Reform Bill seems to have disappeared from the Government's legislative programme
- Reform of the planning system which should make planning rather than profit the centre of attention.



Karen Buck

Karen Buck* said that "*almost nothing was unbroken regarding housing delivery*".

Average deposit for first-time buyers had risen by £18,000 and there were 100,000 fewer lettings in social housing last year.

Problems with temporary accommodation, increasing homelessness and poor standards in social housing were also a concern.

MPs were very aware of the impact through their casework and she was keen to incorporate local experience into campaigning work. Karen's membership of the DWP team had also given insight into how *housing is central to fixing a lot of other problems*, such as health, children's life chances and the cost of social security.

Roberta Blackman-Woods* described work that Labour had been doing before the pandemic and why something really radical was needed to tackle inequality and climate change.



Roberta Blackman-Woods

Greater London Assembly member



Lisa Nandy



Matthew Pennycook

Nicky Gavron* made the case for Modern Modular Construction's role in providing affordable housing while **Sem Moema** expressed concern about the rights of tenants and the high cost of retrofitting homes, estimated at £98 billion.



James Murray



Paul Dennett

James Murray* thanked LHG's Rachel Blake and Sheila Spencer for their support for publishing *The Missing Solution: Council Home-building for the 21st Century*.



Rachel Blake

Paul Dennett said delivery of carbon net zero was made very difficult by the poor state of housing stock in North-West Region. More than a quarter of owner-occupied homes did not even meet the *Decent Homes* standard while *Right to Buy* sales still resulted in homes not being replaced.

The existing regulations caused huge *viability* issues in building new affordable homes and tended to push development funding southwards.



John Adams

John Adams from Gateshead said that the problems of the North East were very similar, but added that the combination of heavily polluted sites and low house prices often made the enormous costs of remediation unaffordable.



Jonathan Wallcroft

Jonathan Wallcroft said South West region were campaigning in Devon and Cornwall on the basis of *'first homes not second homes'*, with particular reference to the impact of homes that are empty for much of the year.

There was good local support for more affordable housing since children required to move away from the area often left an ageing population.

This lively and engaging exchange of view bodes well for the Group's work with Labour Housing Group.



Ruth Cadbury



Chi Onwurah



Liz Twist

*LHG Patrons

Nicky Gavron*

Sem Moema

COUNCIL HOMEBUILDING WORKSHOP

Following the successful launch of our Council Homebuilding Commission at the Labour Party conference, Labour Housing Group held a workshop for members and Councillors about setting up and accelerating Council homebuilding.

The workshop, Chaired by LHG Executive Member, **Rachel Blake**, started with an introduction from **Steve Hilditch** (the Commission Editor) and contributor, **Paul Hackett**. Following a question and answer session, the attendees went into subgroups, led by **Satvir Kaur**, **Steve Partridge** and **Martin Wicks**.

The discussion concluded that a huge commitment is needed. Everyone but the Tories – other political parties, housing professionals and analysts including Shelter's Social Housing Commission - knows that the only way forward is to build council homes at scale. As Shelter says "[We cannot go on like this!](#)"

James Murray MP identified how crucial this issue is, but the Tories are doing little to address it. Although their *Levelling Up White Paper* does at least acknowledge the acute shortage of social housing and commits to reviewing the delivery of council homes, there is no funding identified.

Paul Hackett from *The Smith Institute* summarised the key learning points from the project. He noted that we must find new ways of talking about the use of land; that we need funding for both building and retrofitting council homes; and we must invest in growing the capacity of local authority teams.

Breakouts identified the following four key areas.

Delivery

- Labour must make it possible for councils to buy land at basic costs, so that councils can use it for building council homes themselves and not have to compete for land with big developers
- Councils should not be forced to give their land away for others to build
- The democratic accountability of *local housing companies* to local councils was

discussed and whether they are the right vehicles.

Sustainable homes

- The number of homes with fuel stress will triple post April with rising costs
- Energy in homes is 14% of carbon emissions
- A new funding stream for decarbonisation was needed as it would not be sustainable within HRA the scale of the need is so significant.
- We need to think long term and focus on retrofit (which is a big part of the solution). We also need to build sustainable homes, using new methods such as modular construction at scale.

Finance and governance

- Councils are worried about other demands not just new build – condition of existing stock, fire safety
- Need to harness financial capacity that already exists in HRAs – probably £10 billion
- Untapped potential includes 160 councils that don't have *Large-Scale Voluntary Transfers* or HRAs but would need pump priming and incentives.
- There were many different delivery models including companies. Mixed development was essential to build council homes as was the pooling of receipts and land between councils

Other commitments for Labour

- There is a motion circulating around CLPs, asking for Labour to declare a housing emergency and reinforcing the Conference 2021 housing composite
- The priority is to get the HRA debt written off and proper government funding for fire safety and insulation works, as well as building new homes
- 100,000 council homes per year can only be achieved if a Labour Government commits to making land affordable. One measure will be to repeal the 1961 Land Compensation Act
- Some councils are setting up HRAs once more

LHG is setting up a network for Labour councillors with an interest in building council homes. Contact Rachel Blake if you want to join this: rachel.n.blake@gmail.com

HOMELESSNESS ROCKETS

As virtually every housing campaign warned the Government, homelessness is rising as the measures available to support them are cut back.

Research by Heriot-Watt University for the homeless charity Crisis indicates that more than 66,000 more people will be homeless by 2024, with the bulk of the increase being among people forced to "sofa surf". There will also be 8,000 more people sleeping rough, while 9,000 people are expected to be forced into unsuitable temporary accommodation.

Local councils warn of a "tidal wave" of need caused by benefits freezes, soaring food and energy bills and the end of Covid eviction bans. Eight out of 10 fear increases in homeless children.

Matt Downie, Chief Executive of Crisis, described the findings as "a huge cause for concern", as a survey of 155 English councils also found that nine out of 10 town halls expect to see an increase in evictions from private rented homes over the next year.

The most acute forms of homelessness are estimated to have reached 203,400 in 2020, a reduction of 5% on 2019 levels.

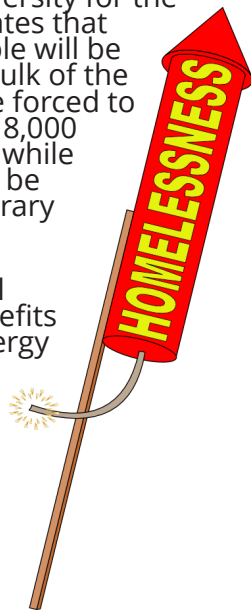
The main reason for this was the "Everyone In" initiative during the pandemic which saw rough sleepers housed in hotels. A key factor was that evictions slumped during the pandemic because ministers had paused court proceedings.

Yet in October and December 2021 possession claims rose by 42% over the previous quarter.

Unfortunately, this measure is now predicted to rise further to 270,000 by 2024 and reach close to 300,000 by 2036, unless further countermeasures are taken.

"It doesn't have to be like this," said Downie. "The protections put in place during the pandemic helped thousands of people off the streets and prevented many more from facing homelessness. It would be shameful for this progress to unravel before us, at a huge human cost and a financial one for the local councils left to foot the bill."

Crisis is calling on the government to raise the Local Housing Allowance – frozen since April 2021 – so that it fully covers the cost of rent for people on benefits.



POLICY-MAKING SCHEDULE 2022

Labour's NEC member Ann Black reports from its 25th January meeting on Labour's policy-making arrangements.

Six new policy commissions were agreed, with the titles and co-convenors as below:

- Better jobs and better work – Rachel Reeves MP and Andy Kerr
- Safe and secure communities – Yvette Cooper MP and James Asker
- Public services that work from the start – Wes Streeting MP and Mark Ferguson
- A green and digital future – Ed Miliband MP and Margaret Beckett
- A future where families come first – Bridget Phillipson MP and Diana Holland
- Britain in the world – David Lammy MP and Michael Wheeler



In May 2022 the NEC will guess whether the general election is more likely to be in 2023 or 2024 and adapt accordingly. Key dates are:

March – June 2022: draft consultation documents published. CLPs will not be meeting in the run-up to the May elections, but should plan for discussions soon afterwards.

June – July 2022: policy commissions draft reports for conference, with an overarching report on the Stronger Together project. Processes for debating alternative positions within these documents are under development.

If a 2023 general election seems probable, the final full meeting of the NPF will be in November 2022 to agree Labour's policy platform, based on consultation and conference decisions, to go forward to the "Clause V" meeting (shadow cabinet, NEC and other stakeholders) which signs off the manifesto.

Sheila Spencer adds: It is unclear at the moment where housing fits in. We have raised this with Ann Black, the NPF, and David Evans. Housing is a key issue - it needs to be obvious where our policies can be seen!

RENTS THRU' THE ROOF!

The Office for National Statistics (ONS) reports that rents in the private sector are rising at the fastest rate in five years.

Overall, the cost of renting rose by 2% in 2021 – the largest annual increase since 2017.

Zoopla, the property website agreed, saying that the average rent jumped 8.3% to £969 a month in the final three months of 2021.

Driving this, average house prices hit a record high of £275,000. This was far from an isolated instance, as inflation more widely hit 5.5% in January.

House prices across the country also hit record highs with the biggest increase in nearly two decades, making the average price of a UK home £275,000 in December – 10.8% higher than a year earlier.

The pattern varied across England, with the East Midlands showing the biggest increase in average rental prices, making tenants pay 3.6% more than the previous year.

For once, London had the smallest increase at 0.1%, as city flats became less attractive during lockdown. This trend now seems to have bottomed-out and rental prices are rising as office workers and students return to cities.

A spokesperson for the Joseph Rowntree Foundation, said: *"Something is not right when the average house price in the UK has increased during the pandemic by more than the average full-time worker earned last year."*

"Renters searching for a new tenancy will struggle as rents in some areas have risen as much as 8%. Despite this, housing benefit has been frozen for two years. To address this, the government must urgently relink housing benefit to the real cost of renting."



LEGAL, DECENT...

There are not a lot of highly-regarded, large-scale companies building homes to rent that might be considered "affordable" in the mid-market sector and those that do rarely need publicity.

Outside commentators sometimes put this down to the UK's near-obsession with home-ownership (via a mortgage) undermining the role of a legitimate, affordable privately rented sector.



So it must be notable when a major company such as the insurers Legal and General choose to get involved. And they don't come a lot larger than this firm whose "net worth as of February 22, 2022 is \$22.52 billion!"

Legal & General announced this month that it would spend an extra £2.5bn on its "[Suburban Build to Rent](#)" schemes over the next five years. They aim to provide more than 7,000 purpose-built rental homes in UK towns and cities in a move to cash in on the booming market.

Dan Batterton, the Head of Build to Rent at L&G, said while the £2.5bn would not "solve the housing crisis", it was part of the solution, funnelling new investment from pension funds into creating well-managed homes.

"We're looking at 40-year cashflow for these assets, so we are incentivised to build homes that will keep people happy in the long term. We want to make renting an aspirational option," he added.

Rent increases on L&G blocks are capped at 5% for five years. "Our bulk buying power can bring down costs: from building workspaces so people can run businesses from their homes to offering car-sharing schemes," said Batterton.

This looks like good news, except that any such initiative will be competing for land, skilled labour and materials in the UK's dysfunctional housing market.

Time will tell.

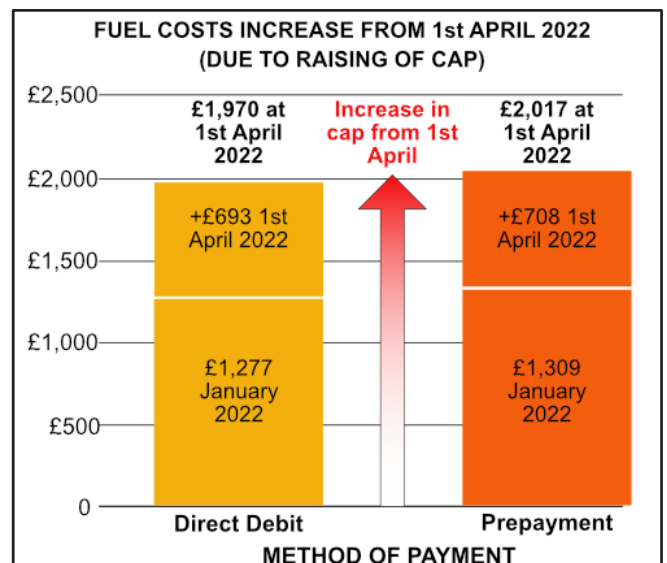
MONEY UP THE CHIMNEY!

Labour Housing Group members won't have missed the shocking announcement of the rise in fuel bills when the price-cap is raised on 1st April.

The annual increase of £693 from £1,277 to £1,971 has received the most media coverage. That's for the approximately 22 million dual-fuel users paying by direct debit.

But for 4.3 million customers on prepayment meters a bigger increase of £708 is taking them to £2,017 per year.

These are the poorest householders with the least ability to manage.

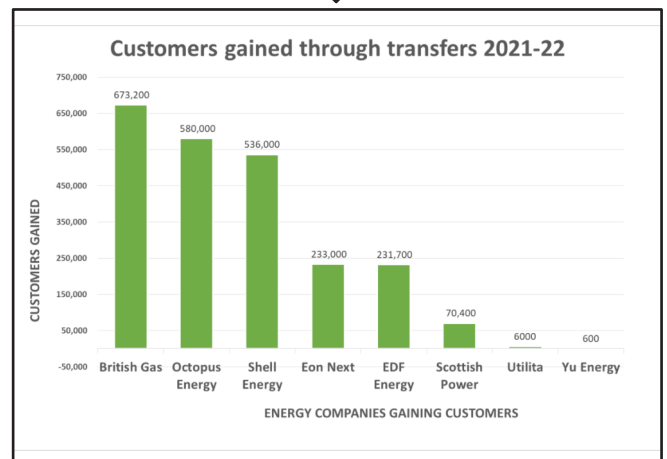
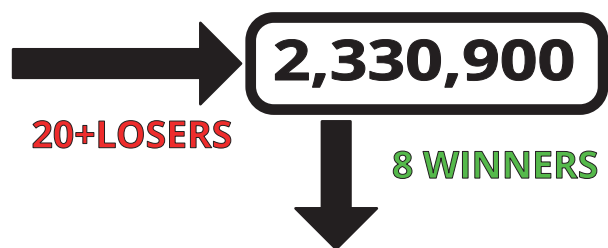


Defunct energy company	Former customers
Ampower	600
Avro Energy	580,000
Bluegreen Energy	5,900
Colorado Energy	15,000
Daligas	9,000
Enstroga	6,000
Entice Energy	5,400
Goto Energy	22,000
Green	255,000
Igloo Energy	179,000
MoneyPlus Energy	9,000
Neon Reef	30,000
Omni Energy	6,000
Orbit Energy	65,000
People's Energy	350,000
PFP Energy	82,000
Pure Planet	235,000
Social Energy	5,500
Symbio Energy	48,000
Together Energy (and Bristol Energy)	176,000
Utility Point	220,000
Zebra Power	14,800
Zog Energy	11,700

"SWITCHING" - A FAILED ANSWER TO OVERPRICED FUEL

After years of consumers being told that they could save money by regular "switching" between providers, 2022 looks like demonstrating the need for effective regulation.

CUSTOMERS TRANSFERRED BY OFGEM DUE TO COMPANIES LEAVING THE MARKET



LHG EXECUTIVE 2020-2022

LHG's Executive was elected at the AGM 21st March 2020 for the two years to 2022.

Executive members

Andy Bates (co-opted)

Janet Berry

John Bevan

Rachel Blake

Nick Bragger (co-opted)

John Cotton

Ed Derrick

Gerard Heffey (co-opted)

Ross Houston

Heather Johnson

Paul Martin

Amanda Pinnock

Sheila Spencer

Christopher Worrall
(co-opted)

LHG's Patrons are currently

Roberta Blackman-Woods

Karen Buck

Nicky Gavron

Roy Kennedy

James Murray

WHAT IS THE LABOUR HOUSING GROUP?

LHG is a lobbying group 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.

YOU CAN \$TILL HE£P

If you are too busy to give 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.

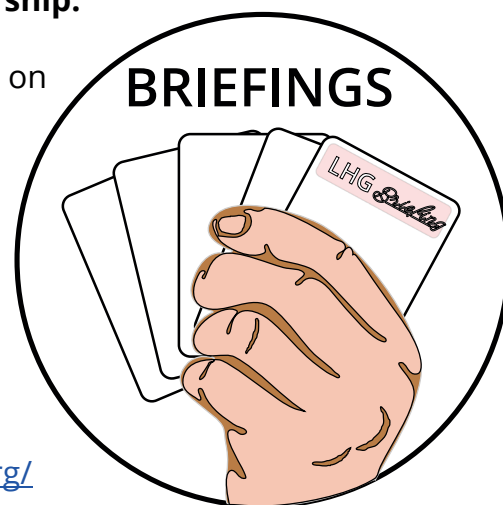
Of course, you can also send a cheque made payable to "Labour Housing Group" c/o **The Treasurer, Flat 2, 8 Torrington Park, London N12 9SS**

Please quote "40th Anniversary"

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

Our published **Briefings** on current topics include *Homelessness, Rough Sleeping, Affordable Housing, Private Renting Sector, Rural Housing and Leasehold Reform.*

They can be found at:
<https://labourhousing.org/resources/lhg-briefings/>



The latest edition covers *Council Homes*.

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

Opinions expressed here are not necessarily those of the Labour Housing Group.