

H O U S I N G



LHG AT LIVERPOOL

HOMES FOR WHOM?

How do we meet housing needs for all in the next decade?

Monday 26th September 7.30-9pm
(doors open 7pm for light refreshments)
Venue: Liverpool Quaker Meeting House,
22 School Lane, L1 3BT

Chair: Cllr John Cotton, LHG Chair

- Cllr Jayne Kirkham, Labour Coast & Country
- David Watkinson, Society of Labour Lawyers
- Kate Ewert, Labour Campaign for Council Housing
- Elsie Blundell, Chair LHG North West
- Jonathan Webb, IPPR North



LABOUR'S PLAN TO MAKE ALL HOMES FIRE-SAFE

Tuesday September 27th 6.30-8pm
(bar opens 6pm)
Venue: MerseyMade - Unit 2, Chancery House 98 Paradise Street, L1 3HJ

Chair: Cllr Rachel Blake, LHG Vice-chair

- Georgie Hulme CLADDAG
- Andrew Fox-Hewitt, Fire Brigades Union
- Liam Spender, End Our Cladding Scandal
- Peter Apps, Inside Housing
- Dr Stuart Hodgkinson, University of Leeds



INSIDE See page 2 for news of Labour Housing Group's Pledge to improve housing for all and details of our October Policy Day.

MAKE THE LHG PLEDGE!

Housing policy is a broad and complex area that can baffle even the keenest supporter. Yet Labour Housing Group believes that the fundamentals can be briefly summed-up in our *Pledge* (see insert) which aims to state simply what really matters and gather support for badly needed policy changes.

Pledge



We pledge to press for the following:

1. Recognition that **housing is a universal human right** and a commitment to expressing that through UK law.
2. Taxation, funding and regulatory policies that **support decent homes for all tenants and continual investment in building.**
3. A **planning system** that is designed to balance the need for high quality, genuinely affordable and sustainable housing with local accountability.
4. **Government-led investment** in sustainable design and the workforce needed to make it happen.

In the first instance, we are asking Labour candidates everywhere to sign up to its four simple aims which make the moral and practical case for investment in housing.

Going beyond that, our campaign calls upon all those engaged with housing to spread the word wherever they live or work to back this cause.

We aim to make common cause with other campaigners so that we can bring about that change at local and national level.

Make the LHG Pledge!

Policy Day
22nd October 2022



This year's LHG Policy Day will take place on 22nd October 2022 at Birmingham Friends of the Earth Warehouse and will focus on tackling poor standards of housing.

Keynote speakers will include **Matthew Pennycook MP, Shadow Housing Minister, Cllr Sharon Thompson Cabinet Member for Homes and Neighbourhoods at Birmingham City Council** and people from a wide range of housing campaign groups.

Speakers and workshops will focus on the key questions such as:

- Why are councils and housing associations struggling to keep up good housing standards?
- What will a Labour Government do to improve housing conditions for private and social housing tenants and for owner occupiers with older housing?
- How are poor housing conditions linked to the cost of living crisis and rising energy costs?
- Could the review of the Decent Housing Standard make a real difference for all tenants?
- What do we think are the priorities?

BALFRON TOWER – WASTED CHANCES

This famously controversial 26 storey tower block, sold to developers by the social landlord Poplar HARCA in 2015, is now on the market for private sale.

Its 139 flats, ranging from 1 to 4 bedrooms are for sale at prices between £365,000 and £695,000. The 'lucky' leaseholders will also incur service charges of at least £2,000 per year.

When the block was built, it was designed with a form of communal heating which you might have hoped, on the grounds of sustainability, would be replaced.

Yet nowhere in the publicity material is there any reference to how these expensively refurbished homes will be heated. The developers will no doubt argue that, because this is not technically a 'new build' it would not be subject to regulations banning gas boilers.

So, in addition to the loss of (apparently) historic dwellings from the public sector, no advantage has been taken to make this very substantial building sustainable. No talk of heat-pumps or solar panels here, even when – by most standards – “money is no object”. If these developers - Telford Homes and Londonewcastle – can't be bothered or don't know how, what should we expect of cash-strapped local councils and their leaseholders?

Similarly cash-strapped social landlords such as Poplar HARCA have been forced into such deals to fund their other homes, but it is lamentable that no effort seems to have been made to at least develop greater expertise and technical options for the whole housing sector.

So perhaps it is no surprise that the architects Phippen Randall & Parkes (“PRP”) don't seem to be in any hurry nowadays to claim credit for this project.

This looks like another of those causes célèbres that animate “radical” architects – in this case one avowedly Marxist, though of the cigar-smoking, champagne-drinking variety.

Now, it has six flats decked out as the architect designed them; working class homes turned into art installations – just what we need in 2022.



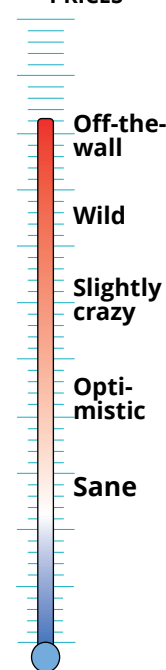
[Erno Goldfinger](#) “Marxist” architect

HALIFAX
£294,260

It wasn't only temperatures that rose in August, the seemingly endless increase in the cost of a home continued with average prices reaching £294,260!

Almost the only thing supporting these sky-high prices is the sheer lack of properties for sale.

UK HOUSE PRICES



WHY HOUSING SUPPLY AND DEMAND MUST BOTH BE TACKLED

The question is often asked *what's the problem with UK housing?* and the usual reply is *too few houses*. The solution offered is often *build more houses*, as though increasing supply will fix the problem. But a housing debate focusing on supply-side issues alone is unbalanced; we also need to consider demand-side measures.

Build, build, build has been the loud voice drowning all others in UK housing policy, even within the Labour Party. We must seek out and listen to other voices.

Two voices dominate housing policy today, both noxious. One is the voice of the building industry, who want to remove planning restrictions and minimise the sharing of planning gain.

The other comes from middle-class house-owners who are concerned about "getting their children on the housing ladder".

This points up the toxic role of inheritance in perpetuating societal inequalities by treating housing as a speculative investment whose value will increase over time.

So baby-boomer children and grandchildren must "get on the housing ladder" at the first opportunity, rather than wait a few years.

What are the alternatives?

A fairer allocation of planning gain

When agricultural land is redesignated for building or when planning permission is granted, its value increases massively.

At present, the gain goes overwhelmingly to the land-owner rather than to the community.

One way to correct this could be to greatly extend the scope of S106 legal agreements between the planning authority and developer that ensure that certain extra related works are undertaken.

Such agreements might underpin a National Fund to support good-quality, low-cost rental housing.

Similarly, while public improvements such as flood defences increase the value of nearby properties, the benefit goes largely to the house-owner. Why should they not pay for part of the social investment, perhaps by an increase in council tax?

A 'bedroom tax' to discourage under-occupancy

The Tories' notorious "bedroom tax" was unfairly and viciously applied only to social renters for under-occupancy.

However, there is something in the bedroom tax principle, *if it is applied fairly*, to encourage those who live in houses that are far too big for them that might house a whole family rather than one or two pensioners.

A bedroom tax on home-owners would need to address perverse incentives, such as the loss of the capital gains that a large house brings.

Tax housing gains

Despite broad agreement within Labour that capital gains should be taxed equally with earned

income such as PAYE, taxing capital gains from housing is rarely mentioned.

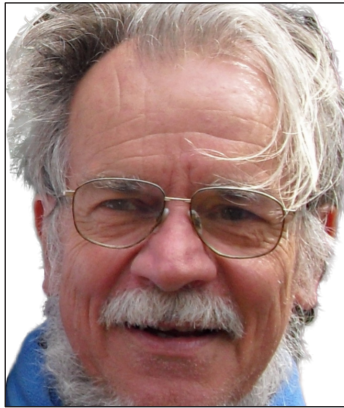
This is despite the distortion of housing demand caused by anticipated capital gains. Imagine how the post-1970 market situation would have differed if the last half-century had not seen such massive house-price inflation.

Further research needed

As with all new policies, there are practical problems of implementation that should be investigated rather than simply rejecting the policy.

We would need to know whether they would improve the housing situation significantly and over what period of time?

Would the amount of tax raised be important? Would the increased sense of fairness as between house-owners and renters be of value? What can we learn from the experience of other jurisdictions?



Author John Bibby is a statistician-economist who lives in York and describes himself as an active pragmatic left-winger in the local Labour Party. Declaration of interest: John is a baby-boomer and has benefited massively from living in houses that are far too large for him and his family.

B FOR THE BOILERMAN?

Three decades ago, we asked the engineer who had fitted the boiler in our (then) new house how to set its controls. He admitted he didn't know and that he set his own boiler manually each day!

When we had that boiler replaced with one that met the (then) new regulations, once again we asked the engineer how to set the controls and, once again, he didn't know.

Last year, I asked two engineers the same question as the existing controls had broken.

You guessed correctly - neither was familiar with these controls.

I bet you could randomly sample 100 homes with central heating boilers and find that many of the "intelligent" controls were not being used optimally - or at all.

The root of this knowledge-gap is that boiler engineers aren't taught (much) electronics either in college or at subsequent "refresher" training. As for the cost of wasted equipment and fuel...

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



No.4
Simon Clarke

Simon Clarke is the new housing secretary – the fourth in less than a year! He was previously Chief Secretary at the Treasury. He replaces Greg Clark who was in the job for just two months after Michael Gove was sacked.

Simon Clarke was first elected as MP for *Middlesbrough South and East Cleveland* after Tom Blenkinsop stood down. His previous roles include the Treasury Committee, the Treasury Sub-Committee, and the Regulatory Reform Committee.

He has argued strongly for tackling climate change. He also voted for leaving the EU and described Boris's Brexit deal as "marvellous news".

He voted against higher fines for landlords or letting agencies breaching the law. He also voted against letting victims of domestic abuse access benefits and to rent a home irrespective of their immigration status.



RedBrickBlog Editor Chris Worrall has recently stood down from this role, and LHG would like to thank him for his ideas and energy over the last 2 years.

Sheila Spencer is currently acting as the conduit for articles for the blog. We welcome submissions which challenge current thinking about progressive housing policy.

Please send any submissions to info@labourhousing.org



LHG IN THE LORDS - LEASEHOLD REFORM

Extract from the official record of House of Lords debate on Tuesday 6th September 2022

*Labour Housing Group's Patrons are more than figureheads - they are actively supporting our work. On a day when Parliament was obsessed with the installation of a new Prime Minister, Roy, Lord Kennedy of Southwark was helping to keep attention on **Leasehold Reform**.*



Question asked by Lord Kennedy of Southwark

To ask Her Majesty's Government when they plan to introduce a Bill to reform leasehold as a tenure for housing.

My Lords, I beg leave to ask the Question standing in my name on the Order Paper. In doing so, I declare an interest as a leaseholder.

Baroness Scott of Bybrook (Con)

As the noble Lord will be very well aware, as of today we have a new Prime Minister, and therefore it would be pre-emptive for me to set out so soon the details of when any legislation will be introduced.

None the less, I want to be clear that the Government are committed to creating a fair and just housing system that works for everyone. This includes our reforms to improve fairness and transparency in the leasehold home ownership market.

Lord Kennedy of Southwark

I thank the noble Baroness for that response. Can she go further and confirm that she will speak to the new Secretary of State and other relevant Ministers, when appointed this week, to urge progress on leasehold reform?

There are some dreadful abuses of leaseholders taking place across all aspects of this tenure – on service charges, insurance and forfeiture – and truly radical reform, or even abolition of this tenure and the development of commonhold, is required.

Baroness Scott of Bybrook

I assure the noble Lord that I will speak to whoever is the new Minister, or to an old Minister coming back. While I cannot set out precise details of the future Bill at this stage, the Government have been very clear about our commitment to addressing the historic imbalance in the leasehold system. Further legislation will follow later in this Parliament. This is a long-term reform programme; it is complex and it is important that we get the detail right.

Lord Young of Cookham (Con)

My Lords, my noble friend will know that **the leasehold reform Bill was originally planned for this Session and has now been postponed to the next one.** In the meantime, in addition to the problems mentioned by the noble Lord, Lord

Kennedy, there is considerable uncertainty in the leasehold market. Leaseholders when they buy a flat do not know what additional rights they may acquire under the Bill, and this affects the value. To minimise the uncertainty in the meantime, can my noble friend do what she can to **ensure that the Bill is introduced very early in the next Session, preferably on the first day of the Queen's Speech debate?**

Baroness Scott of Bybrook (Con)

I will use every opportunity I can to do that, and the Government are looking at capping rents across the social sector. I will also bring up the issue of ground rents while they are looking at those issues. I think that is an important point we can take back from the noble Baroness.

Lord Kennedy of Southwark (Lab Co-op)

My Lords, I have one final thing for the Minister to take back to the new Secretary of State. **There are a couple of really good Private Members' Bills on these issues, including the Leasehold Reform (Reasonableness of Service Charges) Bill and the Leasehold Reform (Disclosure and Insurance Commissions) Bill.**

Baroness Scott of Bybrook (Con)

Noted, my Lords.

LHG EXECUTIVE 2020-2022

LHG's Executive was elected at the AGM on 12th March 2022 for the two years to 2024.

Executive members

Andy Bates (co-opted)

Janet Berry

John Bevan (co-opted)

Rachel Blake

John Cotton

Ed Derrick

Gerard Heffey (co-opted)

Ross Houston

Heather Johnson

Paul Martin

Dermot Mckibbin (co-opted)

Amanda Pinnock

Sheila Spencer

Christopher Worrall

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.

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.

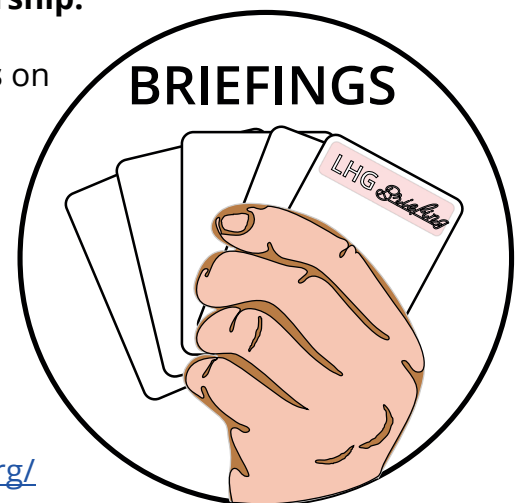
Of course, you can also send a cheque made payable to "Labour Housing Group" c/o **The Treasurer, Flat 2, 8 Torrington Park, London N12 9SS**

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.