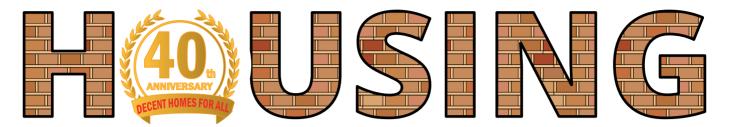
Labour Housing Group Newsletter - November 2022



HIGHLIGHTING HOUSING

Labour Housing Group has been busy this autumn taking forward our campaign targets. A key theme has been to seek to ensure that Housing is seen, funded and legislated for <u>as a fundamental human right</u>. LHG continues to work closely on this with partners such as the Labour Campaign for Human Rights.

Our **Policy Day** in October (page 5) focused on how to take forward Labour's great success, the "Decent Homes Standard" (DHS) and raise the bar. A key aspect of any new **Decent Homes Plus** must be to integrate into the programme the added element of combating climate change.

At Labour Party Conference, we co-hosted the fringe meetings entitled <u>Homes for Whom?</u> (page 2) and <u>Labour's Plan to Make</u> <u>All Homes Fire-safe (page 3)</u>.

But we need more hands to the pump! If you can, share our newsletter with friends and colleagues with an interest in housing. Encourage them to join LHG (page 11) and join in as we increase our <u>regional branch network</u> (page 10).

For those already persuaded and looking to carry the message further, we are asking them to sign-up to our <u>Pledge (page 5)</u> a short, simple statement of why housing matters so much.

Regarding the lack of practical measures to tackle climate change, an article on <u>page 8</u> proposes a key practical role for local authorities to kick-start and sustain local schemes.

Finally, as we wonder how ruinous our fuel bills will be, <u>page 7</u> explains how the UK lies well behind many of its European neighbours in maintaining emergency reserves of gas.

ALSO INSIDE

Our first-time delegate to Labour Conference this year was Executive member Andy Bates.
See his first-hand account on page 4.

Is a <u>Government</u>

<u>Department</u> the worst

landlord in Britain? This

one certainly knows how

to fail public scrutiny!

(page 7)

"It's an ill wind that blows nobody any good" is a time-honoured phrase.

In this case, the lucky beneficiaries of everyone else's misfortune is that old favourite, an <u>estate</u> agent (page7)

Meeting housing needs for all in the next decade (organised jointly with the Society of Labour Lawyers)

LHG's first fringe meeting at Annual Conference, Homes for Whom? this year posed a series of tricky questions which must be answered if we are to tackle housing inequalities across the nation.

> Jonathan Webb from the Institute of Public Policy Research set the first challenge; to increase supply so that house prices and rents are reduced. In a

reference to Lisa Nandy's speech earlier in the day in

which she said the next Labour government will be the first one to restore public housing as the second largest tenure, Jonathan welcomed the fact that building council homes is back at the top of the agenda. He also noted that the houses must be in the right places, but this will mean reform of the opening system so

that developers have to have the interests of local communities at the heart of their proposals, and communities can see the benefit of building proposals. Politicians will

also need to be braver!

Cllr Jayne Kirkham's challenge is to tackle the huge problems for people in Cornwall, where there aren't enough people with the skills necessary to upgrade the (often poor) rented housing stock, and where a new

housing emergency - the collapse of the private rented sector - has been caused by the twin evils of Tory meddling in stamp duty and the huge rise in numbers of Airbnbs and second homes. There is a desperate need for controls and devolved powers to limit any further expansion of short-term lets as well as the building of truly affordable homes in areas like Cornwall.

Cllr Kate Ewert, representing Labour Campaign for Council Housing, noted that one third of children in Cornwall are currently living in unaffordable and unsafe

private rented homes. Council homes bought under the Right To Buy are now being let as

holiday homes at massive rents,

unaffordable in a county with low wages. Communities with no affordable homes need rebuilding with long term, secure homes.

> David Watkinson from the Society of Labour Lawyers told us

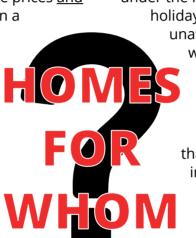
that, despite the stated intention of the Tory Government to stop no-fault evictions. there is still no end in sight. Whilst they

could have repealed Section 21 to end Assured Shorthold Tenancies, they have instead made inadequate proposals to tamper with grounds for possession.

Cllr Elsie Blundell from LHG's North West Branch talked about the challenge caused by the number of closures of refuges (1 in 6 since 2010) and the barriers for women

trying to leave domestic abuse and set up in a new, safer home. Universal Credit needs to be reformed and minimum wage increased so that women can have true financial independence.

In the following discussion, we heard of the further challenge of poor conditions affecting many students and the need for stronger enforcement, particularly in multi-occupied homes.





Experts in the field of fire safety spoke at our second fringe meeting. Peter Apps from

Inside Housing has written extensively on what led to the shocking loss of life at Grenfell. He talked about the failure of evacuation policy, products marketed as safe when they were anything but, and the lack of robust challenge to companies involved in testing and selling cladding materials.

Some progress has been made in plans for remediation of high rise blocks, but for too few of the buildings affected; in

few of the buildings affected; in effect, the Tory Government has outsourced solving the problem. Labour, by contrast, must listen carefully to those with the knowledge and experience to find the solutions.

Andy Fox-Hewitt from the Fire Brigades Union reminded us that rather than take action against the perpetrators of cladding disasters, the Tory Government has chosen to go after the

Fire Service.

Their years of deregulation of building inspection meant that a blind eye was turned to actions which have led to the disastrous fires. The Fire Safety Bill missed the opportunity for a systematic review, provides weak sanctions, excludes problems in institutional buildings, and ignores the fact that one quarter of jobs in fire services have been lost.

Georgie Hulme from CLADDAG gave a stinging and moving account of the problems still experienced by disabled leaseholders in blocks of flats.

Personal Emergency Evacuation Plans (PEEPs) are essential to ensure that people with all sorts of disabilities can be got out of buildings safely, but this

Government has reversed a decision to implement PEEPs, with ministers saying that it would be too costly, and that disabled people should all be housed on the ground floor.



CLADDAG argues that equality in evacuation must be enacted urgently, so is challenging the inaction on PEEPS through judicial review. In the meantime, many disabled people have lost their trust in public bodies, and too many have their mental health damaged by the constant worry of the unsafe accommodation they are currently stuck in.

Dr Stuart Hodkinson from Sheffield University told us that it is a miracle that there have not

been more fires. The Grenfell enquiry has already revealed so much that Labour can learn from, including the fact that

tenants raising concerns had been silenced and even bullied, and that there needs to be wider regulatory reform to take the legal fight out of individuals' hands.

of individuals' hands.

We need to end the reliance on

stay-put policies, make sure there is more than one route out of a tall building, and stop filling our homes with so much plastic.

Liam Spender from End our Cladding Scandal

campaign group called on
Labour to make the building
industry pay for the cladding
scandal rather than leaseholders,
and reinforced the point that the power
imbalance between developers and residents
is at the root of the current crisis.

Key conclusions reached included:

- The hollowing-out of the state had contributed significantly to disasters such as Grenfell
- High rise fires are very dangerous for fire services - this needs to be recognised and acted on
- Planning and building regulation rules need to be brought together
- Sprinklers and second staircases are essential in all high rise buildings
- Grenfell was predictable following the fire at Lakanal House
- A failure of regulation, and putting profit above care for people, led to the disaster at Grenfell House





Lisa Nandy

Lisa Nandy , Shadow Secretary of State for Levelling-up, Housing and Communities

It has been an extraordinary week in Parliament with "lettuce proving victorious". But there was nothing funny about the last 2 years of Tory government in which 40% of mortgage products had been withdrawn.

"I'm determined our legacy will be to change all this."

Our mantra has been "Council Housing, Council Housing, Council Housing" which is an idea worth fighting for. Communities would be able to take control and invest in local people.

Our aim is to make Council Housing the second largest sector again.

Britain needs a pay rise to make housing affordable. We will introduce state-backed mortgages.

We will write this into law in our first 100 days. We will end petty restrictions on tenants and end no-fault evictions.

We will close a loophole that allows private landlords to buy up homes in appalling conditions and let them at exorbitant costs.

We will introduce an inspection regime.

We will immediately abolish leasehold status in respect of new lettings.

We will deal once and for all with the shortcomings that allowed Grenfell.

The right to a decent home is not negotiable.

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

Keynote speakers included **Lisa Nandy Shadow Secretary of State**, **Cllr Sharon Thompson Cabinet Member for Homes and Neighbourhoods at Birmingham City Council** and people from a wide range of housing campaign groups.

Cllr Sharon Thompson, Birmingham City Council - Portfolio holder for Housing and Homelessness

If Birmingham were a housing association, it would be the country's third largest. The real housing crisis has been building since 2015.

Where we once managed 120,000 council homes, this was down to just 60,000. The current financial model doesn't add up for dealing with so many ageing properties. Difficult decisions are often required. Although the council has 213 tower blocks, their issues do not involve cladding. Birmingham has teamed up with Coventry and Wolverhampton to take forward the Three Cities retrofit programme, although no firm commitment has been made by Central Government.

Standards vary greatly within the Private Rented Sector. Selective licensing will give us more control but at a cost. Birmingham has lost £750m financing but still expects to create 130 jobs.

Future policies need to be really ambitious and far-sighted. For instance, we procure locally and run scholarships with the aim of enabling housing to be seen as a proper profession.

Lastly, we are hoping for the Labour Government that we need.



Our priorities Social housing sector

- Build new homes but not at the expense of tackling substandard ones
- Work closely with trade unions, tenants and councils campaigning against privatisation

Private rented sector

- The Decent Homes Standard must be extended to the Private Rented Sector.
- Registration for landlords must be compulsory, with each property uniquely identified via a national portal which records the work needed to bring it up to standard
- Compulsory training and accreditation for landlords
- Legislation needs to be rationalised and good quality advice and information provided for tenants and landlords
- Rented stock taken out of the PRS must be replaced

Owner-occupied sector

- Builders must be qualified to build homes
- A repairs fund should be established into which owners contribute regularly and which is eligible for tax-relief, the fund being transferred to the new owner when the property is sold.
- Home improvement agencies and grants should be reintroduced.
- Financial incentives need to be changed so that housing is no longer regarded solely as an investment.

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 below) which aims to state simply what really matters and to gather support for badly-needed policy changes.

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.





We pledge to press for the following:

- 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.
- A planning system that is designed to balance the need for high quality, genuinely affordable and sustainable housing with local accountability.
- Government-led investment in sustainable design and the workforce needed to make it happen.

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!

LABOUR CONFERENCE DELEGATE'S REPORT

At the age of sixty-two, it was exciting to go to my first Labour Party Conference. Thanks to LHG for allowing me to be a delegate. There is a definite sense that we are a government in waiting, which is the only thing I could think to say when I got stopped by a Sky News reporter as I was leaving Keir's speech.

The high spot was Lisa Nandy's speech. She is passionate about her brief, having been a housing advice worker. Her strap line about secure and affordable housing being essential to a decent life and people fulfilling their potential, provides a strong narrative.

She affirmed the commitment to 'Council Housing, Council Housing, Council Housing,' as an asset owned collectively at a local level. She understands that a reduced number of families having access to council housing, with a commensurate increase in families living in the private rented sector, means that families who desperately need the security and affordability of council housing are forced into the insecure and unaffordable private rented sector.

She pledged that by the end of a first term of a Labour Government this trend will be reversed and there will be more families living in council housing than in the private rented sector.

Can I set the challenge to our readers to work out what this means in terms of the number of new council homes that will be built?

Lisa gets that the private rented sector is a failed market, with the power balance favouring landlords. Labour is thinking through how to reform private renting without the negative consequence of our reforms causing the number of homes in the private rented sector to decline rapidly, with too few council houses being available to take up the strain. Especially as a significant number of private landlords are already seeing a move to *Airbnb* to be more financially advantageous.

The way forward is to tighten up on the grounds for eviction, requiring landlords to compensate tenants if they no longer want to rent out their properties and making renters' deposits transferable between homes.



The Party has reached the same conclusion that Professor Hal Pawson outlined in our recent *In Conversation*; the biggest obstacle to first-time home ownership is wealth, rather than income. The difference is between children who have access to the 'bank of mom and dad' to pay their deposit and those that don't. Labour is therefore introducing a guaranteed deposit scheme.

Hopefully, the front bench will also agree with Hal's main conclusion that much of the billions spent on Help to Buy each year does not achieve its stated goal of helping those who would not otherwise be able to afford home ownership.

Rather, it helps people who would have bought anyway to buy a bigger place or slightly earlier. If there is agreement with Hal, it will help answer the question, where is the money for new affordable homes coming from?

The one disappointment was that Housing did not feature as a priority in the constituency/ socialist society ballot and was therefore not debated on the conference floor.

There was an effective campaign to get Electoral Reform debated from which we draw lessons. Our motion needs to be inclusive, from people who are homeless to those trying to get into owner occupation and we need to organise effectively across all sections of the Party.

Andy Bates (LHG Delegate to Conference)

UK's WORST LANDLORD?

The Ministry of Defence (MoD) is one of the UK's largest landlords and manages 50,000 properties on behalf of Armed Services'

personnel.

But ever since Parliament's Public Accounts Committee (PAC) reported in 2016 that the performance of the contractor, Carillion Amey, was "totally unacceptable", the MoD has dragged its feet.



By 2018, more than 11,000 MoD homes across the UK were empty, costing the taxpayer more than £25m a year in rent and maintenance.

In 2019, the PAC said that "too many military personnel found themselves in living quarters where the standard is simply not good enough."

The story continues be one of poor progress. By 2021, Gareth Davies, head of the National Audit Office said that "thousands of armed forces personnel are living in sub-standard accommodation" and that barracks had suffered from "decades of under-investment" by the Ministry of Defence.

"Problems with heating and hot water are not conditions that [members of the armed forces] should have to tolerate. MoD needs to get this right if it is to retain service personnel in the long term."

Labour MP Meg Hillier, who chairs the Public Accounts Committee, said "These are the people we ask to go out and fight for our country. The least they should be able to expect is a hot shower and a decent roof over their heads."

WHEN THE GAS RUNS OUT



Shadow Secretary of State for Climate Change Ed Miliband said:-

"All governments do contingency planning for worst-case scenarios but the truth is that we

are vulnerable as a country as a direct consequence of a decade of failed Conservative energy policy.

Banning onshore wind, slashing investment in energy efficiency, stalling nuclear and closing gas storage have led to higher bills and reliance on gas imports leaving us more exposed to the impact of Putin's use of energy as a geopolitical weapon."

FOXTONS PROFITS UP



The London estate agents, Foxtons, reports that its business has grown by a quarter, with revenue of nearly

quarter, with revenue of nearly £44 million, up from £35 million. Its sales were up 44%!

They are making money hand-over-fist with an increase of around 2% of every sale.

And it's not just sales of homes that is doing very nicely; lettings were up almost 20%, too.

Overall, their pre-tax profits rose to £4.3 million for the six months ended on June 30th, up from £3.6 million last year.

Make no mistake, it's not just energy companies who are doing very nicely out of other people's misfortune.

WHEN THE GAS RUNS OUT

The *Rough* facility, a depleted gas field in the North Sea, provided 70% of the UK's gas storage capacity for over 30 years.

Centrica, which owns British Gas closed it in 2017, saying that it was uneconomic to maintain without UK Government support.

At the time, the then Energy Minister Michael Fallon said the decision to allow *Rough* to close would save the UK £750 million over ten years. His successor Kwasi Kwarteng maintained in 2022 that there were sufficient, cheaper sources to cover any shortfall.

Only months after the closure of the *Rough* site, the UK's <u>National Grid issued a formal warning that the country did not have enough gas to meet demand during the freezing "beast from the east" storm which battered the UK in March 2018.</u>

In the event, the country did not run out of gas but the cost of gas increased by 800% from its usual levels when that warning was given.

In September 2021, Professor John Underhill of Herriott-Watt university in Edinburgh, warned "The real challenge will lie on cold, dark, windless days of winter when demand for heat, light and energy are at their highest."

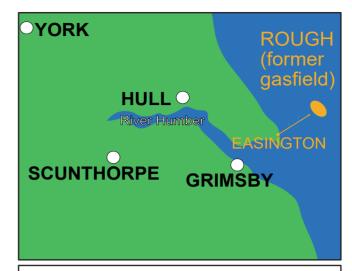
He added "Short of the lights going out, cookers failing to light and radiators going cold, this may be as close as we get to the 'black swan' moment where people realise where our energy comes from and our need to ensure there is sufficient homegrown supply, reliable import sources and back-up to avoid shutdowns and other unintended consequences for food supply chains and the like."

In the intervening period, the Russian war on Ukraine has massively disrupted the availability of gas as well as oil and prices have risen substantially.

Kathryn Porter, a respected energy consultant, had previously expressed doubts that the *Rough* facility could be effective without significant and costly work.

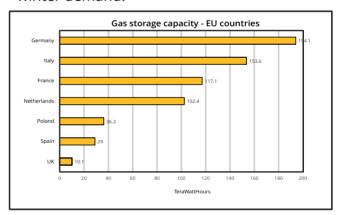
However, it is still better than nothing as she noted. "Even at a quarter of capacity, re-opening Rough would increase Britain's gas storage capacity by just over 1.5 times.

But she concluded that, even so "the best we could hope for would be for Rough to meet 12% of demand over a 19-day period".



The former gas field Rough is linked to the Easington processing station near Hull.

The UK has some of the smallest reserves in Europe and by now warnings have been issued (examples) of domestic gas supplies being cut-off, particularly if there is high winter demand.



What is the currently largest operational gas storage site in the UK? It's at Stublach in Cheshire. It took eleven years to create at a cost of £500 million and can hold enough natural gas to supply 300,000 homes per year, which initially sounds impressive.

However, the French-owned company called Storengy which runs it agrees that, in terms of national demand, it's tiny.

As the Managing Director, Anne-Laure Chassanite freely admits, "We can hold 1 per cent of the total consumption of the UK. That's very small."

In contrast, France now has stored enough gas to supply two thirds of households and small and medium-size companies for the whole of winter.



PREVENTING RESIDENTIAL HEAT-LOSS

Despite their massive contribution to carbon emissions, little progress has been made in "decarbonising" residential homes. The bulk of homes are not being upgraded or replaced fast enough to produce the substantial improvement in energy efficiency that we need to reduce climate change.

Individual households must not be left to make the change. There needs to be a country-wide programme of change. Although there are promising local schemes - such as South-Tyneside's geothermal project¹ - but there is nothing happening on a sufficient scale.

Labour needs to develop an ambitious national plan led by local authorities. The starting point must be authoritative data and analysis on which to base such a strategy.

Heat-loss audit

A heat-loss "audit" can be carried out quickly and cheaply, using modern technologies and existing data.

A dedicated project team will be needed, backed at the highest level in the council. Depending upon the available in-house expertise, they may need to identify academic and/or industrial partners to provide relevant knowledge or experience.

Data needs to be collected that will provide a clear way to identify those blocks of residential properties that are most in need of improvement. Sources might include:

- a) <u>Infrared aerial photography</u> gathered by drone. The aim would be to provide an "overlay" of the council's street-map showing "hot-spots" to help determine priorities.
- b) Energy Performance Certificates (EPCs) provide a fairly detailed assessment of individual homes but are far from comprehensive as they are usually only commissioned when homes are sold.
- c) Energy companies should be asked to provide consumption by dwelling in KwH which can be matched to the overlay to compare heat-loss and energy usage.
- d) Other information will need to be gathered, such as building type e.g. terraced, semi-detached, detached and multi-storey.

The age/design of building as these will have a big impact on heat-loss.

e) The type of tenure and identity of landlords, where relevant, will also be needed to guide future interventions.

Apart from *infrared aerial photography*, most of this information gathering can be deskbased. In-person assessments of each postcode block is advisable to check the reliability and usefulness of the data, particularly when interventions are planned.

Interventions

It is highly unlikely that there will be limitless funding to tackle residential heat-loss, so a tight focus on priorities will be needed. A key aim should be to identify the most effective strategies by measuring the reductions in heat-loss following an intervention.

Public funding will probably not be sufficient without contributions sources from power companies, landlords and owners.

Not all projects need to be grandiose. Schemes for fitting draught-excluders and installing improved insulation might benefit from being procured collectively. Even just demonstrating to residents how to optimise their central-heating boiler's settings will contribute.

Labour shortages, community benefits

In many areas, skill-shortages will affect the programme, so a useful counter-measure would be to offer training and future work opportunities. Local economies could benefit from a predictable flow of work across a range of trades.

Flexibility

A "one size fits all" approach won't suit and local discretion will be needed to get commitment from residents and service-providers, especially in areas with very mixed ownership.

1 See LHG Newsletter Issue 23 - May 2022 https://labourhousing.org/wp-content/uploads/2022/05/LHG-newsletter-May-2022.pdf

WELCOME ABOARD!

Regional Branches of Labour Housing Group are a great way to develop local and regional policy ideas.

Our branches in the South West, North West, North East, London and Parliament meet with policy experts, hold policy days and campaign days and prepare manifesto ideas.

All LHG members living in the **West Midlands** will be invited to the launch of the new branch on Nov 28th at 7pm (location to be announced).

If you are from the **East Midlands** or the **South East**, please do get in touch as we hope to set up branches for these regions soon.

Rachel Blake (Vice-Chair LHG)

You can contact us at http://labourhousing.org/contact



Action on Empty Homes is publicising an event entitled "Tax Haven Money in London's Real Estate" which showcases a new report by Dr Rex McKenzie of Kingston University as part of his Wealth Chains Project.

The findings focus on the influence of tax haven money in London's real estate and how this impacts the lives of Londoners.

You can watch the launch event on YouTube here. More information is available via jack.portman@emptyhomes.com

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
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.

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

Andy Bates (co-opted) Ross Houston

Janet Berry Heather Johnson

John Bevan (co-opted) Paul Martin

Rachel Blake Dermot Mckibbin (co-opted)

John Cotton Amanda Pinnock

Ed Derrick Sheila Spencer

Gerard Heffey (co-opted) Christopher Worrall

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