

DCH Outline Response to Labour's Review of Social Housing – deadline 31 Jan 2018

[numbers in square brackets refer to the questions in Labour's call for evidence: see [link here](#)]

We welcome Labour's Review of Social Housing and call for evidence.

With the worsening housing crisis biting into the lives of most communities and families, we need urgent action. Labour's review needs to be short and sharp, with recommendations for immediate action along with longer term plans.

[1] We don't need to trawl over the past, but we do need to draw conclusions and apply key lessons.

Conservative governments tried to chip away at council housing from the beginning. Homes and rights achieved were attacked in the 1960s Housing Finance Act, by the Right to Buy, by HATs 1 and 2 and Large Scale Stock Transfer, by cuts and growing political hostility.

[2] Labour in 1994 generally continued this approach to council housing, stepping up stock transfer targets. The Decent Homes standard promised to tackle a backlog of underinvestment and disrepair, to modernise every council home. But funding for improvement work was made conditional on privatisation, via stock transfer, PFI or an Arms Length Management Organisation.

The effect was a disastrous net loss of council and housing association homes.

Labour conference from 2004 repeatedly backed council housing and the 'Fourth Option' tenants demanded: ring-fencing of rents and capital receipts to allow councils to manage, maintain, improve and build new council homes, and a 'level playing field' so council housing has the same rights and access to funding, debt write-off and borrowing as other landlords.

[3] The Conservative-led coalition government in 2010 immediately slashed housing capital investment for councils and housing associations by over 60 per cent. Their Localism Act attacked tenants and housing rights and introduced the new 'Affordable (up to 80% market) Rent' - see [Statement from Housing Emergency tenants conference](#)

The Cameron government of 2015 introduced the disastrous Housing and Planning Act which provoked angry opposition, and in the face of this, little of the Act has been implemented – see [Briefing](#)

What should 'affordable' mean?

[4] Council housing pays for itself, covering the cost of building, managing and maintaining homes. The principle of housing for rent that covered management, maintenance and pooled historic cost worked well, as an alternative to market-linked rents and profits.

We support the call by 'Homes for All – for a broad new definition of affordable housing based on one-third of average net pay. See [Homes for All – Budget for Homes](#) Labour should oppose any above-inflation council rent rises.

[5] 'Social' housing is not a useful term. It blurs an important distinction.

Council housing is publicly-owned, with secure tenancies (the best tenancy available in England), the lowest rents [[link?](#)], rights to repair and decent standards, and underpinned by democratic accountability of the landlord. All these rights are worth defending from recurring threats.

Housing associations (HAs) are in the private sector, with higher rents and eviction rates, and no democratic accountability, although they receive large-scale public funding. Now officially known as *Private Registered Providers*, mergers and takeovers mean most HAs have moved away from their charitable and social goals, and behave like other private developers and landlords, building to maximise surpluses.

Building

[7] The private housing market has never met housing need, and will not do so now. We need to invest in a mass programme of new (and reclaimed) council housing, to address the huge unmet need. 100,000 council homes a year, as pledged in Jeremy Corbyn's ten-point plan, would begin to meet need and take the pressure off other services (and heat out of the housing market).

[8] Housing scarcity is managed by waiting list points and scoring. We need to minimise waiting lists by building and letting homes. Creating more categories of need and playing one group off against another is potentially wasteful and divisive.

[9] Bring services back in house, including a national non-profit house-building service: a direct local authority labour force with an apprenticeship programme to build and maintain the council homes we need.

[10] Direct investment without strings in existing and new council housing should include action to free Councils of unjustified historic debt, releasing them to build new homes for rent. All receipts from Right to Buy should be ring fenced for reinvestment in council housing.

[11, 13] All new housing development should include at least 50% really-affordable housing for rent, and all public land should be used for housing to create 100% publicly-owned, really affordable housing.

[12] Local authorities can be empowered to take over and let any home or other property suitable for residential use which has been empty for six months or more. Councils should have the necessary powers and resources to regulate the Private Rented Sector, including powers to acquire housing that fails to meet standards, to improve and let this as council housing.

[14, 15] A funded programme could bring all existing and new council and other rented housing up to highest energy efficiency standards.

[16, 17, 18]

Landlords must be required to fund and recognise independent tenant organisation locally, borough-wide and national. Labour should oppose stock transfer, and should guarantee truly independent tenant ballot on stock transfer, and on estate ballots on redevelopment proposals. This is essential for a genuine tenants' voice to be heard by managers, landlords and politicians.

Further information:

www.defendcouncilhousing.org.uk

<https://www.redpepper.org.uk/saving-council-housing/>

<http://www.axethehousingact.org.uk/about/>

John Grayson, *Opening the Window: the hidden history of tenants' organisations*