

HOUSING FOR THE MANY: LABOUR'S REVIEW OF SOCIAL HOUSING

Response from Highbury Group on Housing Delivery.

Introduction

The Highbury Group is an independent group of specialists from public, private and independent sectors from housing, planning and related professions which prepares proposals for Government and other agencies on policy options for optimising the output of housing including affordable housing. The Group at its meeting on 5th February 2018 considered your review paper.

The Group has published a number of statements setting out its policy position on a range of issues relating to social housing and housing supply. These include its submission to the Labour Party's review of housing policy led by Sir Michael Lyons, a statement prior to the 2015 general election, a response to the 2017 Housing White Paper and Duncan Bowie's 2017 book: Radical Solutions to the Housing Supply Crisis, a summary of which is attached.

Key issues for consideration by a Labour Government

A power for local authorities, the Mayor of London, regional city mayors and combined authorities to acquire land which is suitable for housing development at existing use value. This approach needs to be applied to all sites assessed by the local planning authority as appropriate for housing including sites which have not yet received planning consent. Applying only to sites with consent will be problematic where the developer has already acquired the land at above existing use value. To ensure hope value is discounted and that development is able to proceed, public acquisition of land at an earlier stage is essential.

Reinstatement of a nationally funded programme of social rented housing, led by direct development by local authorities, sufficient to meet in full the needs of households who cannot afford market provision. The national housing investment programme should be focused on social rented housing at low rents with security of tenure and not diverted to subsidise forms of home ownership. Grant should be allocated to individual local housing authorities in relation to the relative need in each local authority area and not through a competitive bidding system. Current borrowing controls on Local Housing Authorities should be replaced by a prudential borrowing regime. A national funding programme for estate regeneration and improvement to replace requirement for cross-subsidy from market led development. A national programme of funding to support transport and social infrastructure for residential development on major sites. Financial support to be provided to local authorities in relation to modifications to existing council housing stock in relation to modified fire safety standards.

Revised national planning policy to require local planning authorities to base housing targets including targets for different types of affordable housing, on their Strategic Housing Market assessments. Local planning authorities should be required to refuse development proposals which do not meet the needs identified in the SHMA in terms of tenure and affordability, bedroom size mix, built form and design standards including internal and external space standards. National Planning Policy should be amended to relate definitions of different types of sub-market housing to the income levels of households for whom the housing is to be provided. National planning policy should also be amended to remove the current focus on the developer return being a relevant factor for determination of planning applications which are not policy compliant. Local planning authorities should be allowed to put conditions on effective occupation on planning consents for new development.

A review of land and property tax to both enable appropriate development and ensure effective use of both existing and new housing stock. This should include a) consideration of replacement of stamp duty by taxation on capital gain on sale of residential property (with discounts for downsizers), b) consideration of the re-introduction of schedule A income tax relating to the imputed rental value of owner-occupied property, c) revisions to council tax including higher rates bands for higher value properties and higher rates for vacant and under-occupied residential properties, and d) revisions to inheritance tax relating to inheritance of residential property.

Repeal of the provisions of the 2016 Housing and Planning Act in relation to security of tenure and rent levels for social housing tenants. Repeal of Right to Buy legislation in relation to England. As an interim measure, the current provisions for discounts should be removed and a requirement for 1:1 replacement introduced. Revisions to the housing benefit/ universal credit system to enhance security of both existing and new social housing tenants who rely on benefit to pay their rent.

Note: The views and recommendations of the Highbury Group as set out in this and other papers are ones reached collectively through debate and reflect the balance of member views. They do not necessarily represent those of individual members or of their employer organisations. The group's core membership and previous statements and research presentations are on the group's website:

<https://www.westminster.ac.uk/highbury-group-on-housing-delivery>

Duncan Bowie
Chair, Highbury Group on Housing Delivery
Bartlett School of Planning, UCL
duncanbowie@yahoo.co.uk

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