

## Housing at the Labour Party Conference

The Labour Party Conference adopted a progressive housing policy in a composite motion based on a motion from the Labour Housing Group and a number of constituency parties. Similar motions have been adopted by previous party conferences, with relatively little impact on the position of the Labour front bench or election manifestos. This time it was different because even before the motion was debated, Lucy Powell as the new shadow secretary of state for housing, having recently taken over from Thangam Debonaire, announced a new set of housing policies. This is significant for a number of reasons. Labour has been slow to adopt more radical housing policies despite extensive pressure within the party and a succession of reports from campaigning and professional bodies, but the development is also significant because neither Powell or the shadow secretary of state for Communities and Local government, Steve Reed, come from the left of the party. Powell and Reed both now shadow Michael Gove, the recently announced Minister for Levelling Up, Housing, Communities ( and inter-governmental relations – ie: with the devolved administrations in Scotland, Wales and Northern Ireland ).

Lucy Powell's speech included:

- \* Establishment of a Building Works Agency to fund removal of cladding in tall buildings and pursue developers for costs so leaseholders don't have to pay.
- \* A massive increase in council and social homes.
- \* New powers for councils to buy and develop land for housing, including reforming compensation rules.
- \* Redefining affordable housing so that affordability is assessed in relation to local wages not market values.
- \* Closing loopholes in planning rules which allow developers to avoid requirements to provide affordable homes.
- \* First time buyers to have priority in purchasing new market homes.

The detail still needs to be worked up. For example, will compulsory purchase rules remove all speculative hope value and be fixed at the pre-existing use value of the land as many, myself included, have argued? Will affordability be defined as 30% of average household incomes as proposed in the conference motion. The Highbury Group has argued that this should be 30% of the average incomes of the prospective occupiers, which for social housing is those on lowest incomes – this was the definition used in London in the Livingstone era. Priority for first time buyer will only work if the homes are at prices most first time buyers can afford.

There were significant omissions from Powell's speech – for example increased security of tenure, regulation of physical standards, management and rents in the private rented sector. We would have welcomed mention of assisting councils to take over both vacant and poorly managed private properties and to buy back former council properties and other properties on the open market – the quickest way of increasing the supply of social housing. Powell also did not specify how many new council homes Labour would build – the conference motion referred to 150,000 new social homes a year, of which 100,000 should be council homes – targets, which on the basis of current evidence on housing need, we should support. While Powell was critical of the loss of council homes through the Right to Buy, and the discount applying, and said that 'this can't continue', it was unclear whether this represented a commitment to abolish Right to Buy, as included in the conference motion and already applied in Scotland and Wales.

In his 90 minute conference speech, Keir Starmer only mentioned housing twice - first a reference to the broken housing market, the second a reference Britain's housing being less energy efficient than housing in other European countries. It has been reported that Labour's commitment to a green transition of £28 billion a year includes £6 billion a year to retrofitting the country's housing stock. The question of how both this programme and the programme of new social housing are to be funded concurrently remains unclear. Labour has criticised the lack of funding for local authorities but has also committed itself to abolishing business rates, without specifying how this revenue will be replaced. A number of think tanks, including IPPR, have argued for council rates and stamp duty to be replaced by a property tax where tax is proportionate to property value – a move which the Highbury Group has discussed on several occasions. However, both Starmer and Rachel Reeves sought to establish principles for tax reform, without stating what reforms they would propose, with Rachel Reeves going as far as saying that Labour had no plans to support increases in income tax. This was despite Labour having recently opposed the Government's proposals for increasing national insurance and taxes on share receipts in order to fund a national care plan. This raises some serious questions as to the deliverability of Labour's new commitments. Nevertheless, the fact that Labour's housing policy is at long last beginning to move in a more sensible direction should be welcomed.

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