

A Response to Labour's Consultation Paper *Housing for the Many*

South-East Cornwall CLP discussed the proposals in *Housing for the Many* at an all-members meeting, and this is our response.

We welcome the return to a housing policy based on local authorities building secure, affordable council housing, which twenty years ago would have been unimaginable. The detail contains some fantastic proposals – but in almost every area, we need to go much further.

Affordability

Q1a, Q2. It is welcome that Labour is proposing to reclaim the very idea of ‘affordability’ and break the link with the market. As a result of the current government’s subsidy for ‘affordable rent’ only, housing associations in Cornwall have ceased building new homes for social rent, so we are glad that Labour will return to funding social rented homes. However, the proposal for a new ‘living rent’ pegged to one third of average incomes will not help those in areas such as Cornwall where so many people depend on part-time and seasonal earnings. We believe that ‘affordability’ should take into account actual household needs, by using a measure such as the Minimum Income Standard from the Joseph Rowntree Foundation, which is based on minimum, not average wages.

Funding Labour's New Ambition for Affordable Homes

Q1b, Q3, Q5. We welcome the proposal to spend £4 billion a year on financing the building of social-rent housing; but we could do better. We believe that all current housing investment should be redirected, ending all forms of subsidy – whether direct or indirect – to new development for individual or corporate private ownership. The proposal for minimum levels of social housing where public land is used for building is welcome, but could go further. We believe that where public money and public land are used for housing, it should be on the basis of publicly accountable organisations, with secure tenancies and controlled rents.

We welcome the lifting of borrowing restrictions on local authorities building council houses. We welcome the reintroduction of capital grant for a programme of social rented provision through councils and housing associations, and ask that it be set at a level which ensures that new homes can be built to decent standards on the basis of genuinely affordable rents. Such a public housing programme can deliver both direct-labour organisations to create secure jobs and a skilled workforce; and local planning to meet local needs, with community facilities.

Right-to-Buy

Q6a. We welcome the suspension of the right-to-buy, and call for it to be ended eventually.

Land and Planning

Q5, Q8, Q9. In September last year this CLP passed a motion calling on Labour’s policy to include practical measures to end the subsidies and legal loopholes which benefit the developers, lenders and big corporations who use housing as a means of investment and speculation; and we welcome the proposals in *Housing for the Many* which start to deliver on that. We particularly welcome the support for Community Land Trusts.

Regeneration and Empty Homes

Q7. We welcome the proposals for bringing empty homes back into use – but believe that more could be done. The housing crisis, with skyrocketing rents, exploitative landlordism and poor quality housing, is characterised in Cornwall by high numbers of second homes and holiday lets; while in other high-value areas such as London it is characterised by homes being purchased as assets to speculate on and kept empty. In addition to the proposals in the paper, therefore, we propose that local authorities should be given the power to place an additional levy on second

homes and holiday lets; that planning controls should be introduced for the change of a primary residence to a holiday home; and that where a village or town is so dominated by second homes and holiday lets that the community is no longer sustainable, local authorities should be given the right and resources to purchase houses in these communities themselves, as they come onto the market, to rent as council housing to meet local need. We also propose that local authorities, in areas which are dominated by homes kept empty for investment purposes, should be given the power and resources to compulsorily purchase such homes to rent as council housing to meet local need.

A Tenure of Choice not of Last Resort

Q6c, Q11, Q14. The commitments to end the bedroom tax and forced sell-off of high value council homes are welcome. However, our CLP seconded a motion that was passed by conference in 2016, calling for an end to all attacks on the rights of council and housing association tenants in the 2016 Housing and Planning Act. Scrapping the proposal to make fixed-term tenancies compulsory is a start. However, in Cornwall two-thirds of new housing association tenancies are now being given for periods of five to seven years, instead of for life. We believe that Labour should repeal all the attacks on social housing from this Conservative government – including means-testing of rents and the ability to create fixed-term tenancies.

Increasing Social Landlords' Accountability to Tenants

Q14. The proposals to make housing associations more accountable are welcome, such as the renewed expectation of social purpose, a requirement for tenants on boards, transparency standards, access to public finance, and an end to 'for-profit' companies. However, if Labour really wants to offer meaningful protection to housing association tenants, we believe that the next manifesto should also restore the 'secure' rather than 'assured' tenancies they enjoyed before the 1979 Conservative government came to power, and end mandatory evictions.

Direct Investment for Decent Homes: Write Off Debt

Q16. A new programme of investment in existing council and housing association housing to bring it up to and maintain decent standards, including better fire safety, accessibility and environmental standards, sounds like very good news... However, we are extremely concerned that there is no mention of how these 'Decent Homes 2' improvements will be funded. The previous Decent Homes programme was described by the ODPM Select Committee in 2004 as a "Trojan horse ... to minimise the proportion of housing stock managed by local authorities", and did more than any policy apart from the Iraq war to create alienation and distrust among core Labour voters, because funding was made conditional on changes in the ownership and management of council homes. Instead, we call for direct investment in both improvements and ongoing maintenance, at a level based on independent research such as that from the Building Research Establishment in 2003, including debt write-off as necessary, to ensure a long-term, sustainable future for both housing association and council homes.

South-East Cornwall CLP, April 2018