

# ELECTION 2015:

WHAT'S AT STAKE FOR HOUSING?



**Policy priorities for the next  
government**

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## IN BRIEF:

Having a safe, affordable and decent home is the benchmark of a fair and just society, and one that the UK is failing to meet. Britain is in the midst of a housing crisis and housing will be one of the biggest issues facing the country at the General Election. Only a serious policy offer to voters will begin to tackle some of the many challenges that need to be confronted. Immediate actions that will bring an end to the hated Bedroom Tax, protect the security of tenants and regulate spiralling rents will make a huge difference. If we are to end the housing crisis within a generation a major house building programme that prioritises council and social homes is urgently needed.

## THE PROBLEM:

In the UK there are simply not enough homes of the right sort in the right places. Due to a combination of increasing population size, people living in smaller households and the failure of successive governments to build enough homes, the housing crisis is growing year on year as demand far outstrips supply. In many parts of the country this has caused rents to rocket and house prices to spiral out of control.

Social housing is in short supply because successive governments have prioritised home ownership over building more social housing stock. Over the last 40 years house prices have doubled, pushing those who can't afford a mortgage and are unable to access social housing into the private rented sector.

Soaring demand has resulted in rents shooting up dramatically, with private renters now spending 40% of their income on housing.



Spending on Housing Benefits have soared because wages are no longer paying enough to meet the costs of rising rents. Between 2008-2014, 300 working households per day registered for housing benefit. Welfare reforms and the bedroom tax have also led to a massive spike in evictions. The housing market is insecure for everybody.

## WHAT'S AT STAKE AT THE ELECTION?

From social housing tenants squeezed by benefit changes to private renters living in poor-quality conditions and first time buyers' looking for a mortgage, the housing crisis is worsening. The next government must tackle the root causes of a system that works only for the most privileged few. Tinkering with existing policies is never going to get us where we need to be. The Conservatives will continue along the same path, squeezing those on benefits, stigmatising social tenants, prioritising speculators and big investors instead of responsibly increasing the stock of affordable homes. But with intervention and political will, we can ensure supply meets demand and bring an end to the crisis. There is a lot at stake at the General Election.

# ACTION THAT CAN IMPROVE CONDITIONS AND CREATE HOMES:

The dysfunctional housing market will continue to fail to meet housing need unless drastic action is taken. The recession has clearly shown the need for strong and decisive government intervention both to counteract the impact when markets fail, and to regulate the market to limit the likelihood of failure happening again.

So what sort of strong and decisive action do we need to significantly increase housing supply, end the huge amounts of money that are wasted on housing benefit to private landlords and

## IMMEDIATE ACTIONS:

- 1. Regulate the private rented sector** by introducing a Landlords' Register in England and Wales, which could have the power to 'strike off' consistently bad landlords. Letting agents' fees should also be made illegal.
- 2. Control spiralling rents** by protecting social rents and bringing them back to affordable levels. In the private sector rents should be regulated and increases controlled to protect tenants and much more needs to be done to enable an overall reduction in the level of private sector rents.
- 3. Introduce longer-term tenancies** to give an important amount of security, allowing renters to plan their futures and become involved in their communities.
- 4. End the Bedroom Tax and remove the regressive total benefit cap** to alleviate the massive pressure upon housing associations and tenants trapped in difficult situation thanks to a squeezed housing market.
- 5. Ban 'buy to leave' investment** so that owners cannot leave newly-built homes empty for unreasonable periods of time without facing fines and the threat of repossession.

## ENDING THE HOUSING CRISIS WITHIN A GENERATION

- 1. Build more housing and protect existing stock** so that the supply of social and affordable housing increases to meet at least the current demand for 245,000 homes a year. Building homes offers one of the best multiplier impacts on the economy of any form of public investment.
- 2. End right-to-buy** to ensure vital social housing stock remains as a public resource for those who need it.
- 3. Lift the borrowing cap on local authorities** and bring our accounting rules into line with those used by the rest of Europe, where housing debt is not considered part of the national debt figures.
- 4. Reform planning and ensure local involvement** so that local authorities have greater powers to ensure housing meets the needs of the community.