

**For the many, not the few**

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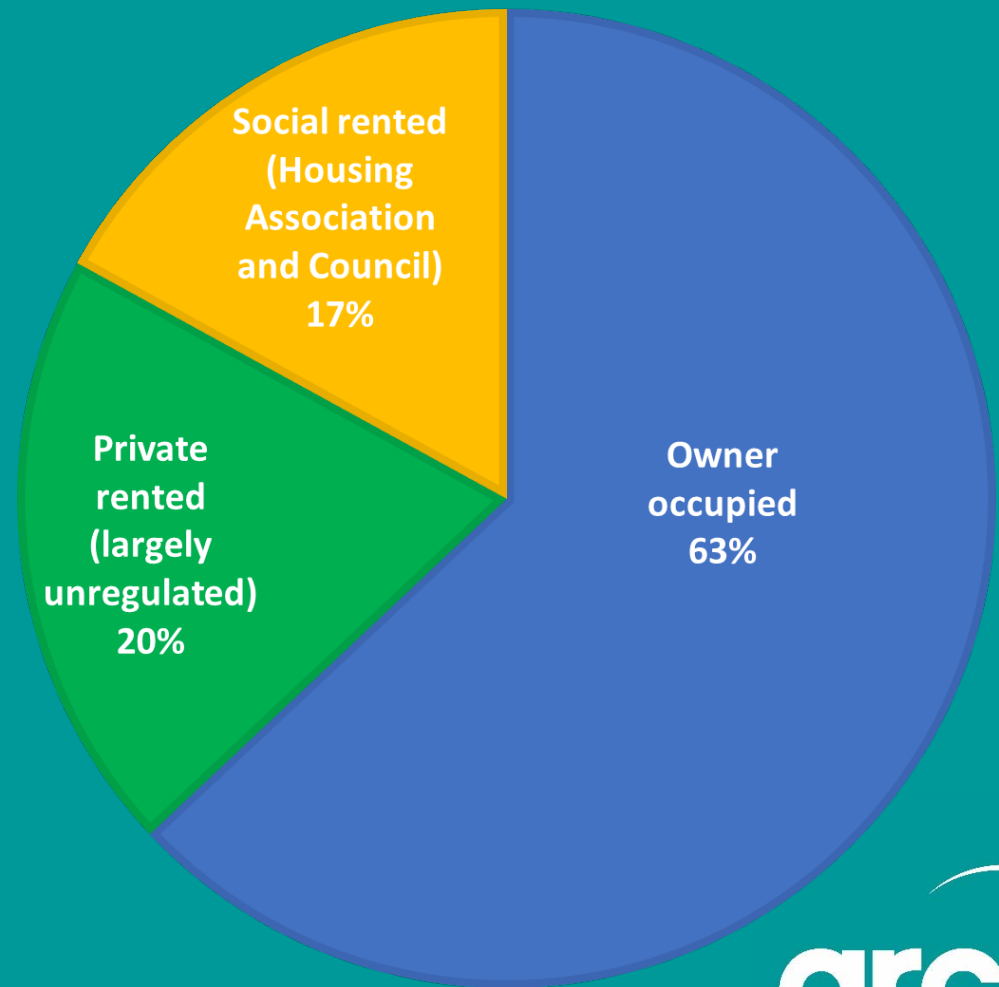


# Agenda

- A quick overview of England's housing system and not-for-profit housing associations' roles
- England's four housing challenges
- Some pointers for Austria from Policy responses since 2010 ?
- Alternative policies for the *few* as well as the *many*

# England's housing system overview

- 23.1 million households
- *Ownership and Social rented has fallen since 2003*
- Under 44s now increasingly in private renting

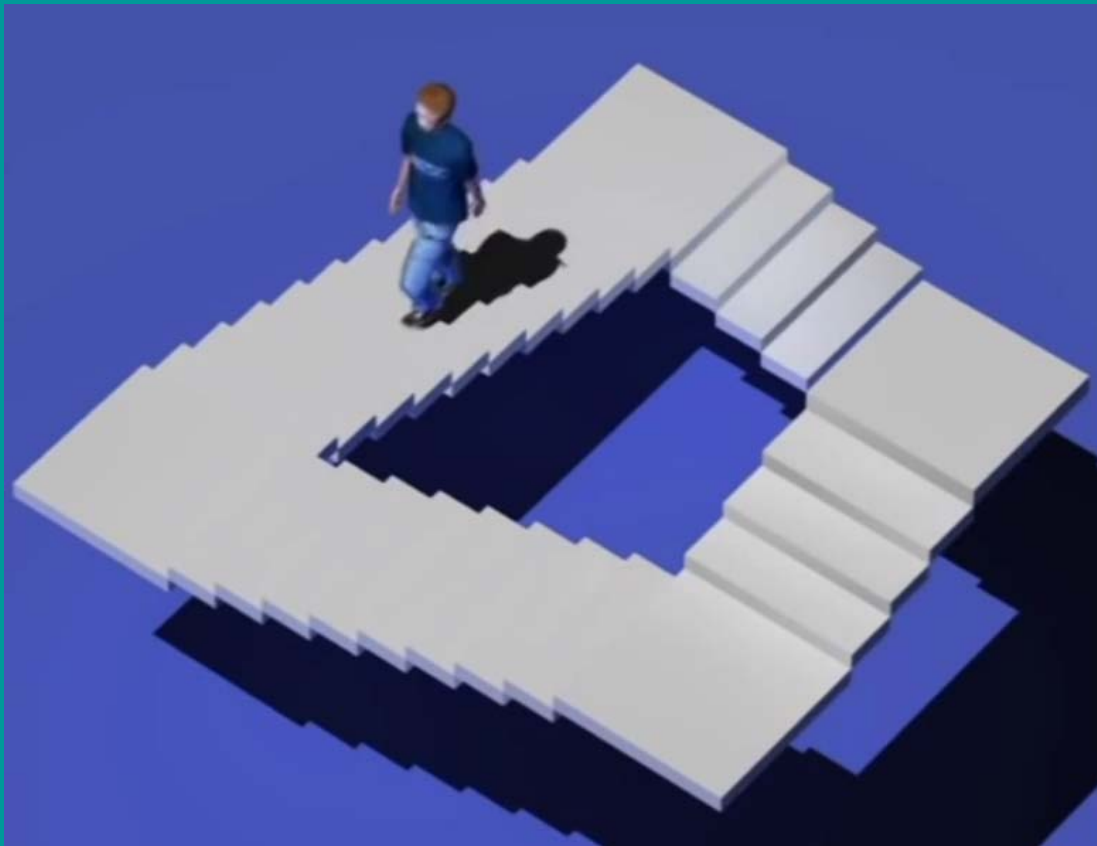


# Housing associations under pressure

- 1400 housing associations, including many small charities and small co-ops, but mergers are rife
- <200 are significant – five own >10% of all stock
- Associations own 2.7 million homes
- They funded 37,000 new homes by a cocktail of commercial loans, own income and some grants
- Average rent £96.91 now a week
- Social rented new builds fell by 97% since 2010
- 1% annual rent cut every year 2016-2020
- Capacity to build is falling due to welfare cuts

# UK's housing policy contradiction

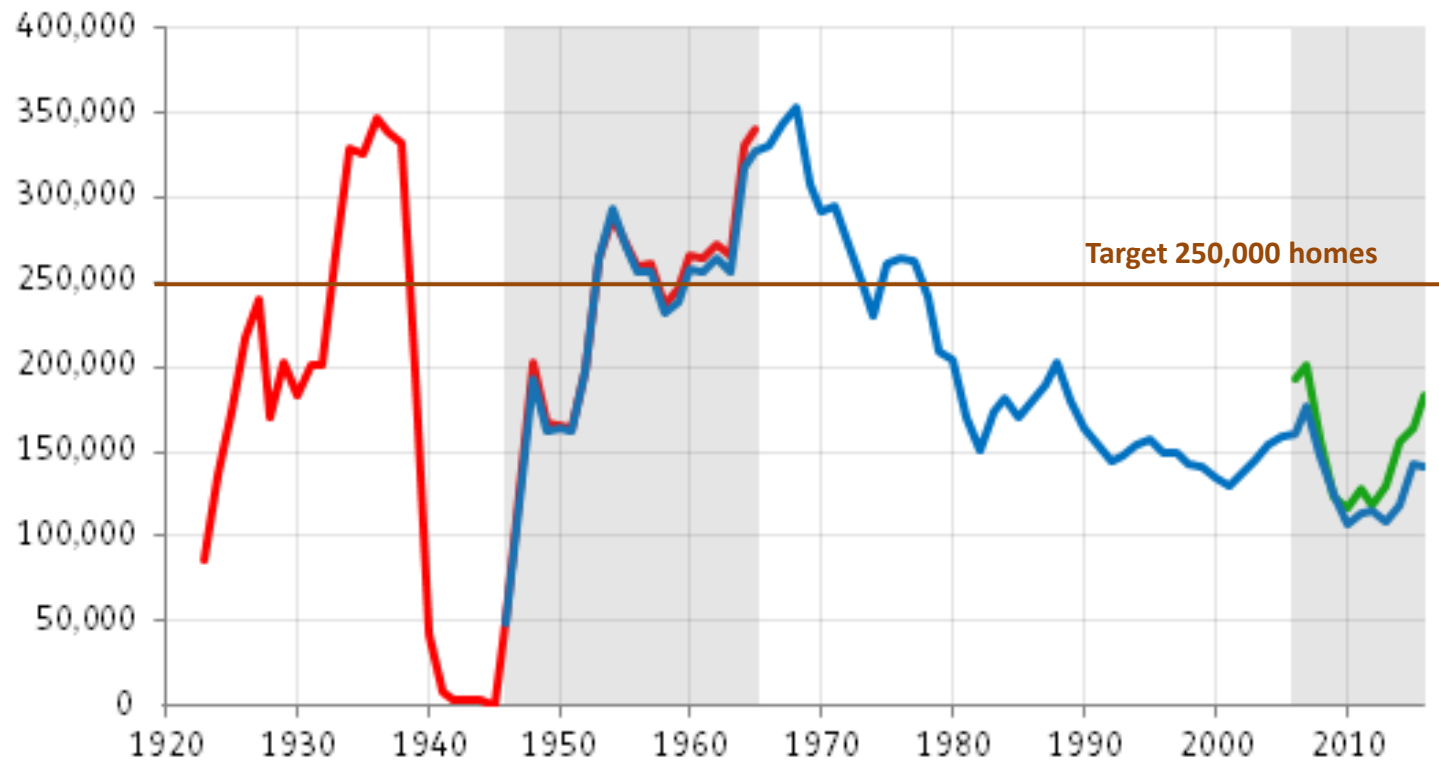
Market forces cannot house enough people – but  
Government thinks market forces are the solution



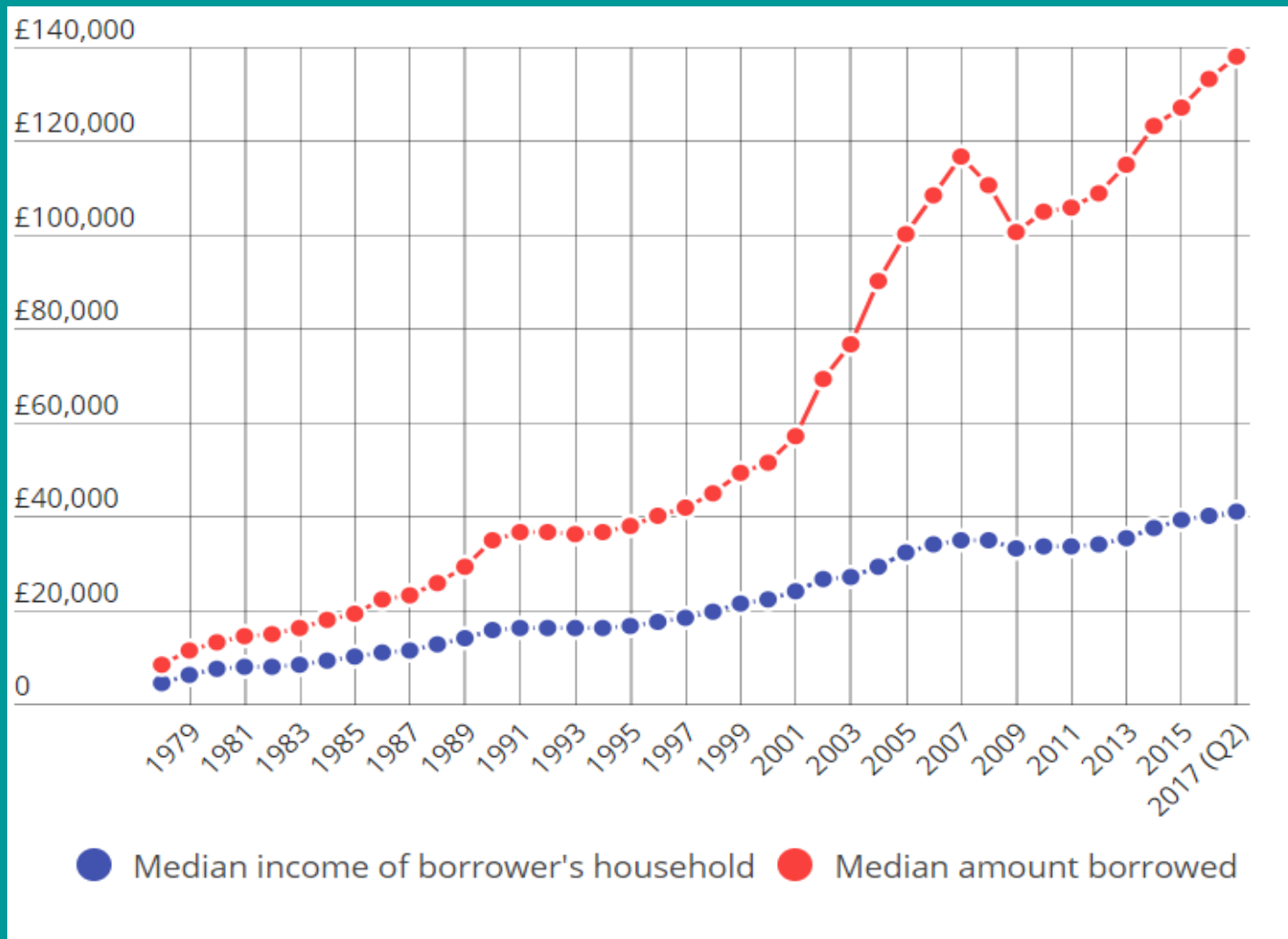
# We have not built enough new homes

## House building since the 1920s

Permanent dwellings completed in England\*, 1923-2017\*\*



# House prices rise faster than incomes (especially around London)



# Over 300,000 are homeless

- Homeless Charity estimates 1 in every 200 people are without a *permanent home*
- 4,400 Rough Sleepers (sleeping outdoors) - up 134% since 2010
- Main cause is tenants leaving private rented housing
- This is largely due to Government welfare cuts





# Grenfell Tower - failure of regulation

- 71 died in upgraded *council* owned block
- Investigations are ongoing
- Issues found in many public *and private* blocks
- Long term, system-wide regulatory failures
- Like the banks before the Credit Crunch



# Conservative Party focus on increasing ownership

- **£20+ billion for “Help to Buy” subsidies up to 20% of £600,000 (new build) homes !**
  - Soft loans, guarantees, and now matched savings
- **First time buyer Stamp Duty (house purchase tax) reduced**
- **Social rent new build investment redirected to ownership or shared (part rent/part sale) ownership**

# Disadvantages of ownership policies

- Sub-prime lending caused the Credit Crunch - some people just can't afford to own
- Subsidising buyers mean new build prices have risen 15% over second hand homes
- Supply has not increased significantly
- The politics take over e.g. the last buyer-oriented subsidy policy took 17 years to abolish
- Stamp Duty reform means poorer households in England are subsidizing richer first time buyers in London ...

# The Conservatives' Planning reforms

- Failed to incentivise councils to allocate more land (especially green belt) for development
- Now have hugely increased land supply targets
- Shifted the balance in favour of developers in planning appeals
- BUT, whilst 51% of councils believe they will need to build on green belt, Government claims green belt building will only be “exceptional”

# Labour Party policies in flux

- Policy review on social housing
- Its aspirations include:
  - to build 100,000 “genuinely affordable” homes
  - for councils to build social rent again
  - to rebrand social housing
  - to create a greater tenant focus
  - ? ballots before commercially funded regeneration ?
  - *There are tensions between Jeremy Corbyn’s model and the rules Labour councils now have to work with*
  - *Only a Labour government can change those rules*



# Some personal suggestions

## – *and their disadvantages*

- Invest significantly in remediating brownfield (second hand) land (up to 1 million potential homes)
- An honest approach to greenbelt land policy – *will be unpopular especially in Conservative areas*
- Change accounting rules to boost social building
- Allocate public land only for mixed tenures – *but will mean lower income from developers*
- Regulate private landlords – perhaps with rent control – *may well reduce supply*
- Switch spending to social building (cheaper in the long term) – *won't win votes for Conservatives*

# The Future

- **Market forces will always provide the majority of new homes, but ...**
- **We fail as a society if we ignore people and places for whom the market doesn't work**
- **Cutting corners on housing today impoverishes the future**
- **Investment in well built, well managed and affordable homes is part of a greener, more efficient and socially fairer tomorrow.**

# Wir können es schaffen !



## SnugBug Houseshare

SnugBug is a house-sharing service which is available for people aged 18 – 34 who have a connection with Manchester. We currently have properties in Levenshulme, Withington, Whalley Range, Chorlton, Old Trafford, Newton Heath and Openshaw.





**For more information  
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