



## **Minutes of the Roundtable between parliamentarians, housing and regeneration leaders with Robert Colvile, Director of the CPS, Editor-in-Chief of CapX, columnist for The Sunday Times**

Monday 21 st February 2022 at 11am (online meeting)

### **Members**

Ben Everitt MP (BE) - Chair

### **In attendance**

APPG Secretariat

### **Guests**

Robert Colvile (RC)

Aster

Trent and Dove

RPS

LPDF

Karbon Homes

Homes for the South West

Barratt

Meeting Started at 11 am

### **1. Introduction**

BE introduces RC

RC opening comments:

- It is undeniable that we need to build more houses.
- From the time I started running the CPS, I knew housing needed to be at the core of our policy agenda because it is at the core of what it means to live a good life. Not just housing, but home ownership too.
- When you have a crisis this bad, you need to throw everything at it. I am struck at how often in our policy work, everything comes down to housing and planning. We focus too much on separate details. The solution has to be an amalgamation of all the details.
- We did a report with Graham Edwards called 'Resentful Renters' which popularised and pushed the point about the stress test at the Bank of England, and the damage they had done to people's ability to get a deposit. We made the point that for long-term fixed rate mortgages, you don't need a stress test because the rate and demand stays the same. We also said that we need to 'bribe' landlords to sell to tenants.



- We have successfully argued for stamp duty cards. We pushed for planning permission to deliver contracts.
- We have had to commission a paper called 'The Case for Housebuilding', because we are still having to push public opinion, which is still against it.

## 2. Questions and discussion

BE: How do you see the confluence of opinion between the parties and what would the various manifestos look like, rolling into the next election?

A: One of the problems we have is that everyone wants to tell themselves comfortable lies. No one wants housebuilding is a comfortable lie. We can do it all on brownfield sites or do it all in the North are both comfortable lies. The argument currently being made is that if we move more economic activity to the North, we can move all the housebuilding up there too. During current events, the PM is in a position where he doesn't want to upset MPs and housebuilding upsets MPs. Or rather, it upsets the constituents who vote for them. I don't expect a surge of ambition. All parties will go in with the line that there is a housing crisis and that they are committed to building more homes. Labour and the Lib Dems will probably have a large focus on social housing and state spending. On a national level, all the parties will be committed to homeownership, and then on a local level, all the parties will not be committed to housebuilding because that is where that commitment is actually challenged by the people who elect those very same MPs. It will be the idea that on a national level people want the government to build, but they want them to build anywhere but where they are.

Q: Given that we have another attempt at a planning tax, how are we going to bring forward an infrastructure levy that will help drive housing delivery and deliver infrastructure in a timely manner? How do we get that certainty that the planning industry needs on a political level, considering housing ministers switch so often?

A: There have been some very good housing ministers. With Stuart Andrew, it does not appear that housing expertise is most important for the housing minister position because Gove will be driving the policy agenda. The fact we don't have a Housing Secretary is interesting. In my dream cabinet, housing would be a cabinet level thing.

On the infrastructure levy, it's a very good point. They are saying that if we build more houses in deprived areas we will get more bang for our buck. There is a fallacy in Whitehall that the North is a post-industrial wasteland. There are rich areas. You can't just build everywhere without any worry. Will need more executive housing up north if we want businesses to move up there. I think they will find that the infrastructure levy doesn't go as far as they want it to. The effective tax level on developers is very high at the moment, so incentive to build is not high.

Q: We have a series of planning proposals that have been rethought. Will planning reform be part of the levelling up agenda?

A: In the whitepaper, the section on planning is not very detailed, but we still have some clue what it is. More information is likely upcoming. I don't think we will get a bespoke



vision statement on planning that departs too far from what the whitepaper said. I could be wrong though.

Q: What should the government do to push for more planning consent?

A: There's been an ebb and flow between central and local. The solution we came to was to set targets centrally but get approval locally. Local areas decide where to build and what it will look like. My worry is that we are moving towards the view of not building more housing, which is electorally helpful, but realistically very problematic. Planning capacity is very problematic, and will now have to deal with new types of planning, with local authority planners basically having to relearn their job. They will also likely have to do regeneration plans too. They will have to match the new policy of building beautiful buildings. We suggested, as a think tank, that as part of the local plan, you do regeneration of town centres and high streets first. We think that will be very helpful. Unfortunately we still really need to build more houses in the suburbs. We can't run from this.

Q: How do we address the negative impact that the lack of housing is having on younger people?

A: NIMBYism is not that popular, although, depressingly, the popularity of housebuilding has been decreasing over the last few years. The voices of the future, younger generations, aren't being heard. A small number of people object to housebuilding, but they are concentrated in the Conservative party. The realignment of the Conservative party has seen more of a focus on the working class, the North and social conservatism. But Southern MPs still exist and are not particularly happy. We cannot continue to ignore the MPs in the South.

Q: What are your thoughts on how to address the issues you brought up about second homes? How do we address the quality of existing housing?

A: It isn't true that all new housing is bad quality. Hopefully new rules about codes and building beautiful will also help with this. We are so short of housing that almost anything will help relieve pressures. The problem here is that when you build more in cities, more foreign people buy it up. We need to up stamp duty so that we encourage homeownership more than landlordship. We are currently pushing out cookie-cutter homes, which are often not as nice, and are too expensive. There is no current enforcement to build different types of houses for different types of people and their needs. No one is punishing councils for not building different types of homes. We have a housing crisis, no a social housing crisis. People can't afford to own their own homes so fall back on social housing. If we build more homes, and increase homeownership, we will resolve the social housing issue without needing to address it directly.

Q: As a housing association and as a sector, could we be doing more to increase the economic benefit we provide? How do we get that collective voice that wants more homes to be heard?

A: Currently the promotion system encourages profit-making. Often when infrastructure is built first, it encourages a community to support building homes in that area. The economic contribution of housebuilding is underestimated. In economic



recessions less houses are built. In economic terms, the construction sector helps the economy. It can reinvigorate the economy. In the past, construction and housebuilding has done exactly that. I think they will pilot street votes as a community engagement mechanism. I don't know if it will be enough on its own.

Q: How do we insulate against the cyclical nature of the economy impacting housebuilding?

Every economic crash, you see a decline in SME's. Contracts for delivery give certainty. When disposing of public land we need to prioritise SME's. Land is currently largely controlled by big developers which is an issue, so resolving this will be very helpful

Q: What sort of difference will the re-alignment of the Conservative party make for this industry? How much is the idea that the Tories must build in order to survive the election correct? Is meaningful planning reform dead in the water? What will replace right to buy?

A: Planning reform will not be as ambitious but will still happen. I don't think changes in leadership will impact the housing policy that much. No winning Tory party leader will go for a policy platform of building 500k homes and not needing to protect the green build. It doesn't appear that there is a big impulse to replace the right to build. We have advocated for the investment from that to be funnelled into shared ownership. The treasury does want to get rid of right to buy, but it will be a give and take between the Treasury and the Levelling - Up department.

BE thanks RC for his time.

Meeting ends at 12:00.