



ALL-PARTY PARLIAMENTARY GROUP FOR
**HOUSING MARKET &
HOUSING DELIVERY**

Online Roundtable on regeneration with Lucy Powell, Shadow Secretary of State for Housing

Wednesday 24th November 2021 - 11am

Members

Ben Everitt MP (Chair) (BE)

Guests

Aster

Barratt Developments plc

Get Living

Homes for the South West

JLL

Karbon Homes

Land Promoters and Developers Federation (LPDF)

Places for People

RPS Group

Lucy Powell MP - Shadow Secretary of State for Housing (LP) (speaker)

BE introduced LP

1. Introduction

- LP explained that housing policy, housing supply and leveling up are wide briefs. She has a small team but is enjoying shadowing Michael Gove. LP highlighted the importance of the APPG and said she had enjoyed reading the APPG reports.
- LP suggested that there is a crisis of affordability across the country, however different areas have different causes and solutions. It is not just about supply of housing but the wider market must be taken into account when analysing problems and potential solutions.
- Housing isn't seen as the cornerstone to a stable and successful life as much as it used to be. It should be seen as a cornerstone public service and an integral part of the welfare state. An awareness of the importance of housing increased during the pandemic, as working from home became increasingly commonplace, but more emphasis should be placed on housing as a right and integral to a successful and fulfilled life.
- LP acknowledged that this panel are experts in the field. It is the politicians job to try to rebalance affordability. The linkages between salaries and housing costs have been broken or are under massive stress. Homes in 95% of local authority areas are out of reach for first time buyers. Help to buy and such schemes are somewhat further increasing prices. We can see pressure in the rental market too with soaring rents.
- Reaching net zero is a key policy for the Labour party and retrofitting homes is important. Retrofitting homes to meet climate targets as well as building good, long lasting and sustainable new homes are important ways to meet the climate targets. Indeed, some of the worst insulated homes in Europe are in Britain.



- Labour would increase the supply of homes but also increase the range of tenures and models. At the Labour Party Conference, new policy proposals were made such as reforming CPO (compulsory purchase orders).
- First time buyers should, in some cases, benefit from the first choice of some homes.
- There is an overheated market for housing. We must reestablish the link between local wages and housing prices. The Labour Party is working on new housing related policies to be announced in the new year.

2. Questions

Q: What is your approach to the housing association sector generally? How do you see its role compared to local authorities?

- LP is aware that any changes to what affordable housing is defined as will have large impacts on housing associations. Business models are very sensitive to pricing. LP said she wouldn't like any decision to affect future housing development and supply. LP asked the floor what mitigation measures a Labour government should take. LP suggested acquiring land at an affordable price, making it easier to access grants and accounting for building safety would be useful.
- Most of the social housing in LP's constituency is provided by housing associations rather than the local authority. LP said she is pragmatic and doesn't have a preference, but wants a solution.
- LP did however suggest that local authorities should play a stronger role and partnership between sectors and providers is important. LP said she doesn't have an ideological stance on the matter. There are good and bad practices in both methods of delivery.

Q: We are seeing local authorities go bankrupt up and down the country. With local authorities under strain, planning departments are under-resourced. The cumulative burden of planning regulations is pushed on to developers. How can this be resolved? Sustainability is increasingly important. How are planning rules changing to account for this?

- This is a big issue in the sector. LP agrees that planning needs rethinking and better resourcing. The public think planning decisions are made locally, yet in LP's view, local power is limited. Local authorities are under serious pressure.
- The Town's Fund is an important local source of income, but it is important that local authorities have real access to these funds. So many town centres have looked the same for decades, suffering from minimal investment.
- A more strategic approach to planning is required. We need to bring communities with us, and people need to have a say.
- LP said she was less sympathetic to the 'woe is me' of developers.
- Local authorities planning departments consist of not more than a dozen people but the volume of work is massive. They don't have the time to rethink how their department works or conduct outreach. Local authorities are under pressure, the housing supply in the system follows the line of least resistance.



- The planning bill is largely being shelved. LP suggested BE may know more about the plans than LP, but LP thought it may be coming back in some form in the new year with lots of the controversies taken out.
- SME house builders have largely been crowded out of the system which leaves more pressure on bigger volume housebuilders.
- This also alters the land available. Local small plots of land are going undeveloped as large home builders are less interested in these sites. Furthermore, brownfield sites may not be redeveloped.
- The Mayfield site in LP's constituency next to Manchester Piccadilly station is an ex-freight depot. It is a 28 acre site in the city centre being redeveloped; developers are going to make a new park in the area. Indeed, they are re-exposing a river which was covered over, the River Bedlock.

Q: Build to rent companies may have a role to contribute to solving the housing crisis. They have institutional capital, and are committed to net zero and ESG proposals, and are mostly mid market rent and affordable. They can quickly adapt in a sector with high barriers to entry. Housing associations have a role to play, but do you equally subscribe to the idea that build to rent firms also have an important role to play. They are highly innovative.

- LP stated that she saw a role for all types of providers.
- The Labour Party is however committed to enhancing the rights of tenants, including social tenants. Often they haven't had their voice heard. LP argued that listening to tenants would drive up the quality of homes.
- There are more and more people living in rented accommodation, and it is important to hear these voices too.

Q: How does the Labour party see the role of registered providers in providing affordable homes?

- This is about need and delivery. House building and supply are not the only issues. There are too many empty homes in this country, and too many wrong times of tenure.
- There are too many under-occupied homes, especially those occupied by the elderly. There are massive emotional and practical barriers preventing these elderly people from moving.
- We need not only address numbers, but also the types of housing.

Q: As you suggested, there is a mismatch between existing housing stock and future needs. What is the role of housing in the regeneration agenda?

- PRS will change the nature of security of tenure. Leveling up should focus on the local and housing and regeneration are at the centre of leveling up. Affordable housing needs also to be accessible. Often, the type of work, credit ratings, the banks assessment of affordability do not match up.

Q: There is no one housing market. The housing market is regional and geographical. There are many second homes in the South West which makes it difficult for local people to afford housing, as the price is pushed up.



- I completely agree. Bath and South Hams were highlighted by you - the Labour Party is actively exploring how to solve this issue.
- Currently, incentives are the wrong way around.

BE thanked Lucy Powell MP. Meeting ended at 12:05pm.