

Tories turn back to the 'failed housing market' to resolve the housing crisis!

Briefing: Conservative Party 2019 General Election Manifesto.

“The Conservative manifesto leaves them isolated as the only major party not committing to new social rented housing at scale.” Inside Housing

1. **A house for everyone!** "We will never achieve the numbers of new houses we require without the active participation of social and municipal housing providers." So said Teresa May in 2017. But the 2019 Tory Manifesto shows an air of unreality in face of the housing crisis. Johnson says they will do everything "to ensure *everyone* can get on and realise their dream of owning their home". Everyone! All those on poverty wages, zero hours contracts, temporary contracts and the like. **In Swindon even the cheapest lower quartile house is 8.05 times lower quartile earnings.**

The Manifesto aims to **“rebalance the housing market to more home ownership”**.

2. **'Social homes'**. There is a promise of a Social Housing White Paper (originally promised in 2017) "which will set out further measures to empower tenants and support the continued supply of social homes". However, there is **£0 funding** shown in their "Costings document" for the "hundreds of thousands" they say will be delivered.

With no sense of irony the Tories say that social tenants "deserve the same dignity, respect and fair treatment as private tenants"!

There has been **a loss of 194,000 council homes in England** since 2010 as a result of coalition and conservative government policy. **In Swindon we now have 200 fewer council homes than in 2012.**

3. **Right to Buy**. They will continue with RTB which is the main reason for the shortage of council housing. Their "one for one" replacement policy was a fraud. Homes sold have not been replaced by new homes. The Manifesto proposes to follow the "successful" Right to Buy pilot of housing association homes in one area, with new pilots. "Success" in this case represented only 529 sales. Moreover, there is a big question over funding since the May government abandoned the proposal to rob local authorities of the receipts from the sales of "higher value homes" to hand over to housing associations.

There is nothing about funding it in their costings document.

4. **Flammable cladding**. The Tories say they will remove unsafe cladding, i.e. the very thing they have failed to do since the Grenfell fire. According to the government's own figures **318 buildings high rise are still covered with Grenfell style cladding 30 months after the fire**. There are an estimated 100,000 buildings below 18 metres with cladding.

The document taxes the English language to destruction. In relation to Grenfell Tower and the cladding issue it says it will continue with our "rigorous process of materials testing". Inside Housing says

"The government is currently refusing to test a number of dangerous cladding products, such as polystyrene and non-fire retardant high pressure laminate cladding, and has not released most of the results from the materials testing carried out in the summer."

The recent fire in Bolton student accommodation has brought to light HPL, which according to test results, performed *even worse* than the ACM which was on Grenfell Tower.

There should be no flammable cladding on any building whatever its height. The issuing of fire certificates should be the responsibility of the Fire Service.

5. **'First Homes'**. The 'big idea' of 'First Homes' is included. This offers the prospect of a 30% discount. **But there is no government funding for this**. They say it will be paid for by developers contributions. It's not clear whether that will be in addition to their contributions that usually go towards the costs of infrastructure, or instead of it. It is apparently modelled on David Cameron's 'Starter Homes' which, Theresa May dropped in 2017, **with not a single home of the proposed 200,000 built**, though £174 million had been spent on the scheme! The discount, according to Inside Housing 'could' apply to only 19,000 homes by the mid 2020s.

6. **Fixed rate mortgages.** The Tories will “encourage a market in long-term fixed rate mortgages”. A 'lifetime fixed term mortgage' with 5% deposits is an aspiration. But they can't create a market. **Mortgage lenders might well turn their nose up at the idea because it will hit their profit margins.**

7. **'A fairer rental market'**. Conscious of the political sensitivity of the situation in the private rented sector, the Tories are maintaining the proposal to end 'no fault' evictions and introduce a 'lifetime deposit' which moves with the tenant. The document says “...if you're a tenant, you will be protected from revenge evictions and rogue landlords, and if you're one of the many good landlords, we will strengthen your rights of possession.” What this means is unexplained. They continue to oppose licensing. **Councils don't have the resources to chase up and prosecute landlords who do not provide decent and safe accommodation.**

The document says nothing about the fact that around a quarter of the sector is deemed 'non-decent', nor about the high rents which have run ahead of inflation and earnings. **Between 2011 and 2018 private rents in Swindon for the cheapest, lower quartile room in a shared house, increased by an average of 31.66% compared to an increase in earnings of 13.4%.**

8. The Tories say that people who own their own home “are more rooted in their communities”. This is ironic given the fact that they have introduced 'fixed term tenancies' for council tenants, which make their lives insecure, with the threat of eviction hanging over their heads. Before RTB was introduced council estates were very much mixed communities (in social rather than tenure terms). **The growth of private rent on council estates has introduced transient communities. Secure tenancies which council tenants had, helped to build communities** because they knew that if they paid their rent and behaved in a civilised fashion they would not be thrown out of their homes.

In Swindon the council is buying back ex-council homes at market rates owing to the shortage of stock, using money which would otherwise be spent on maintaining existing homes.

9. One final thing to beware of. The manifesto says that “We will also support communities living on council estates who want to take ownership of the land and buildings they live in.” There is no explanation of this but it will be draped in the language of “tenant empowerment”. Remember that Tenant Management Organisations were supposed to “empower tenants”. One of the organisations responsible for what happened at Grenfell Tower was the “Tenant Management Organisation” which was a tool of the management rather than an independent tenant organisation.

Conclusions

The Tories under May had to publicly recognise that the housing market had failed to resolve the housing crisis. They said it was “a dysfunctional market”. “We will never achieve the numbers of new houses we require without the active participation of social and municipal housing providers.” She even spoke of “a new generation of council housing”. The 2019 Manifesto abandons this rhetoric. The document has all the hallmarks of a policy cobbled together at the last minute. Even though it promises a much delayed social housing white paper there is no indication whatsoever as to the content. The words 'social housing' did not even get a mention in its election briefing note. **There is no money committed to it in the costings document.**

There are now fewer than 1.6 million council homes left in England. Those sold off under RTB have not been replaced. That is why the private rented sector, a quarter of which is non-decent, has grown so much. The Tories continue to oppose registration of private landlords and local authority resources to police the sector are completely inadequate.

The introduction of “affordable rent” in place of 'social rent' has driven up rents and the central government housing benefit bill. It has piled the pressure on tenants who are struggling with Universal Credit and the government's 'hostile environment' which they have introduced into the DWP. As *Inside Housing* points out in its latest editorial the Tory Party is the only major party without some manner of commitment to 'social rent'.

There can be no resolution of the housing crisis without a return to large scale council house building. It is the domination of house building by commodity production which is responsible for the housing shortage. Even Tory Lord Gary Porter recognised that the last time 300,000 homes were built in Britain, more than 40% were built by councils. **“We have to return to that” he said. But Johnson's Manifesto does not recognise that. It looks to 'the market', the private builders and developers to resolve a crisis which they have already shown themselves incapable of resolving.**

In Swindon the council's reliance on the market has meant that over the last five years less than 10% of homes built are “affordable” even according to the government's own definition.