

Labour's election pledges no answer to UK's housing crisis

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Britain's housing crisis is a social catastrophe for millions of people.

Research, published by Heriot-Watt University for the National Housing Federation (NHF) of social housing landlords, estimates that 8.4 million people in England live in unaffordable, insecure or unsuitable homes.

The housing crisis has a negative impact on one in eight people in England. Extrapolating from data in the University of Essex's "Understanding Society" survey, the report estimates:

- 3.6 million live in overcrowded homes
- 2.5 million cannot afford their rent or mortgage
- 2.5 million are trapped in shared accommodation, including with relatives, that they cannot afford to move out of
- 1.7 million live in unsuitable accommodation but are unable to move
- 1.4 million live in poor or substandard conditions
- 400,000 people are homeless or at risk of homelessness, including those sleeping rough, living in homeless shelters, or in temporary accommodation

The total is almost double the number currently considered in need of housing on official waiting lists. The NHF concludes that England needs 340,000 new homes a year to tackle this problem. The last time that happened was in 1968.

The year to March 2019 saw 169,770 new homes built in England. The Conservatives have boasted of their "great track record" on house building, but the percentage of so-called "affordable" housing within this total continues to decline.

The Thatcherite boast of creating a "home-owning democracy" was aimed at undermining social housing and this continues apace. Since 2010 construction of homes for social rent has dropped by 80 percent.

The last two Labour and Conservative governments both looked to the private rented sector as the means of addressing the shortage of social housing, with disastrous results. Research by the Chartered Institute of Housing confirmed that the most vulnerable are routinely denied access to affordable housing by landlords.

Homeless applicants are regularly "screened out" and social landlords routinely reject vulnerable tenants on the expectation that they would accrue rent arrears when moved onto the punitive Universal Credit (UC) benefit system and forced to

wait five weeks for their first payment.

Some housing associations have demanded that prospective tenants to be moved onto UC pay a month's rent in advance—an impossible requirement for many. Housing charity Shelter reports that four in 10 private landlords surveyed operate an outright ban on renting to people receiving housing benefit.

In 2014, David Cameron's Conservative government announced a plan to create 200,000 new homes for first-time buyers. This month National Audit Office reported that none of these houses had been built. Between 2015 and 2018, the Ministry of Housing, Communities and Local Government (MHCLG) spent nearly £174 million on acquiring and preparing sites for these "starter homes," but the housing that resulted was general, with only a part of it nominally "affordable."

"Affordability" is the great deception in this destruction of social provision. A Shelter report found that "affordable rents" for typical two-bedroom properties are 30 percent more expensive than social rents and "completely out of reach for most people who are eligible for social housing."

An Office for National Statistics report on housing affordability in England and Wales in 2018 noted that newly-built properties were "estimated to be significantly less affordable than existing dwellings," and 77 local authorities—mostly in London and the South East of England—had become less affordable over the previous five years. No local authority in England had become more affordable.

Full-time workers could expect to pay on average 7.8 times their annual earnings on purchasing a home in England and Wales. The London borough of Kensington and Chelsea—where the June 2017 Grenfell Tower fire took place in one of its poorest areas—was the least affordable local authority in 2018. Average house prices stood at around 44.5 times average earnings.

Only 6,463 homes for social rent were built in England in 2017-18. Around 1.15 million families were on waiting lists for council houses, with only 290,000 homes available. Almost two-thirds of families had been on waiting lists for more than a year. Over a quarter had been waiting for more than five years. Labour said that at the current rate of construction it would take

170 years to house families on the waiting lists.

Shelter said the shortfall was caused by the lack of newbuild social housing, compounded by the Conservative “right-to-buy” policy. Under right to buy, two million council-owned houses were sold off since 1980 and not replaced. Councils were forbidden to build replacement homes. Today, over 30 percent of ex-council stock are private rentals.

Successive governments treated the poor as an eyesore to be hidden. Poorer housing estates were run down and closed. In 2003, Tony Blair’s Labour government launched the Housing Market Renewal Pathfinder programme. This aimed at tackling housing problems in northern England by bulldozing 250,000 homes and encouraging 1 million people to move south into new homes near airports to help secure London as a global financial hub.

Housing destruction took place in every major urban area in the north and midlands. Streets were forcibly emptied, with few homes built to replace them.

The ban on council house building exacerbated the problem. In London in 2010-16, available new homes were only 41.8 percent of the number of new households in the same period, according to the GMB union.

The result is exemplified by the London Borough of Newham, with 25,729 households on the waiting list but only 588 social homes available.

Due to the collapse in availability of social homes, there has been a vast rise in numbers of families with children renting privately—up from 566,000 in 2003 to 1.8 million in 2017.

The Conservative Party’s election manifesto promises a continuation of the socially destructive right to buy—committing to a private building programme that is accelerating the housing crisis for ever greater numbers of people.

What would a genuinely socialist housing policy consist of?

The Socialist Equality Party insists that quality public housing is a social right. All public buildings must be stripped of their dangerous cladding immediately and homes made safe. This requires a multi-billion pound programme of public repair works, which must be funded from the profits of cost-cutting property developers and the super-rich. The wealth of this parasitic layer must be expropriated to fund—as central to the programme of a workers’ government—the building of high-quality public housing, schools, hospitals and all the infrastructure required in the 21st century.

In contrast, Labour’s manifesto proposes annual construction of “at least” 150,000 council and social homes, but only *by the end* of the five-year parliamentary term. Even if this target were eventually reached, Labour’s commitment is only that two-thirds of these properties be built by councils for social rent. Construction of the remaining 50,000 is intended to be privately outsourced to housing associations.

Labour’s proposed construction programme is, moreover, based on the same capitalist market that makes the lives of millions impossible. Labour is committing half of its £150

billion “social transformation fund,” to be raised from borrowing on the international markets, for its housing pledges. Shadow Chancellor John McDonnell announced new fiscal rules which would see “borrowing for investment” not being included in borrowing targets. His borrowing plan—like the Tories’—is based on present low interest rates under conditions of escalated inter-imperialist tensions and trade war.

Labour proposals to borrow tens of billions is necessitated because Jeremy Corbyn and McDonnell cannot and will not countenance the expropriation of the super-rich. Rather than confront the parasitic layers that have enriched themselves at the expense of the working class, Labour’s manifesto reassures the billionaires that it will ask only for “a little more from those with the broadest shoulders.”

The super-rich will only be asked to pay an additional five pence on the pound. The manifesto promises to “reverse some of the Tories’ cuts to corporation tax,” while keeping the rate lower than in 2010. This is a pledge only to go back to the rates set by the pro-business Gordon Brown Labour government.

All of Labour’s proposals, from money for a Fire Safety Fund for provision of sprinklers and other safety measures in high-rise tower blocks and enforced replacement of dangerous cladding, to revisions of “affordability” in line with local income, must be measured against their overarching commitment to the capitalist market.

The manifesto’s pledge to “stop social cleansing by making sure regeneration only goes ahead when it has the consent of residents” has a hollow ring. Labour-run councils in every urban area in the UK have been at the forefront of enforcing destructive and despised regeneration programmes. In the London borough of Haringey this led to the removal of a Blairite council and its replacement by a group of Momentum councillors—the self-styled “Corbyn council”—which then carried on a programme of cuts and regeneration.



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