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Council housing is the key to resolving the housing crisis



thelabourcampaignforcouncilhousing.org

In [an interview on ITV](#) a Minister has finally explained why the government opposes funding a large scale council house building programme. Daniel Hewitt asked Steve Reed why the government didn't do what the Attlee government did; its mass council house building programme. According to Reed it's because people have different aspirations today. Then, not many people owned a home. Today "most people want to own one". Since Labour is "the party of aspiration" the government has to respond to that. Yet between the want and the means is an unbridgeable gulf for those without the help of "the bank of mum and dad".

Whereas Aneurin Bevan recognised that the "[speculative builder is an unplannable instrument](#)", this government is looking to the market to resolve the housing crisis. This flies in the face of all historical experience. The speculative builder has never built for those who cannot afford to buy. The market today is dominated by an oligopoly of large volume builders whose only interest is maximising their profit margins and dividends for their shareholders.

The government's strategy is to liberalise planning law to speed up planning permissions and this, they imagine, will significantly increase house building. But the big builders will never build at a pace or scale which will lead to a fall in prices and their margins. There are already 1.4 million plots with planning permission which have not been built on.

Referring to the £39 billion 10 year Social & Affordable Homes Programme, Reed said "60% of that is for social rent, so, council housing. The biggest increase in council house building in a generation." This is an astonishing lack of grasp of detail. In fact there is no funding specifically for council housing. The 60% is for social rent homes but councils will have to compete with housing associations for the grant. At best it will fund 18,000 social rent homes a year, just 6% of the government's 300,000 a year target. The SAHP is [a flawed programme which will not solve the housing crisis](#).

Labour Campaign for Council Housing Secretary, Martin Wicks, said:

"The 132,000 households in temporary accommodation and 1.3 million households on waiting lists, will not be able to buy homes. Security of tenure for them can only be provided by social rent council homes.

Prior to Right to Buy council housing could be said to have facilitated home ownership. The very reasonable rents enabled tenants to save up a deposit for a market home. They bought a home, handed the keys back to the council, and a family on the waiting list was given the tenancy.

Today, millions in the private rented sector have high rents which make it difficult or impossible to save. It is the shortage of council housing (less than 1.6 million left in England) that excludes these people, who would be happy to have the lower council rent and the security of tenure (which the private sector doesn't provide), if it was available.

Although the government has said that social rent housing is a priority, Steve Reed is allowing the developers in London to build less of them. Last year there was a fall of 27,000 social rent homes. [For the first time ever, there are less than 1.5 million social rent council homes in England](#).

With numbers in temporary accommodation continuing to increase, with profiteering by the big builders leaving prices way beyond the means of millions, unless the government changes course, the acute housing crisis will drag on. There can be no resolution of the crisis without the government funding a large scale council house building/acquisitions programme."