



Summary

Labour believes that everyone has the right to a secure, decent and affordable home in a safe community. We believe that government, both central and local, has an essential role ensuring that we meet people's needs and aspirations.

In contrast to the previous recession in the early 1990s, when the Tory government simply stood back as homes were repossessed, Labour has acted decisively over the last 18 months. Repossessions are currently running at around half the rate of the early 1990s. And Labour increased investment to build more affordable housing - opposed by the Tories. This investment is creating or safeguarding 160,000 jobs while building 112,000 energy efficient, affordable homes to rent or buy in the two years to 2011. We are building more affordable homes during the recession than in the year preceding it.

Through our Kickstart building programme, sites stalled because of the recession are being unlocked. On over 250 sites across the country 22,000 homes are being built that would have otherwise been lost. This is helping to deliver the homes we need as well as safeguarding jobs in the housing sector - from bricklayers and material suppliers to surveyors and architects. These homes would not have been built and the jobs safeguarded if we had taken the advice of those who said Government should stand back and let the recession run its course.

As this action has shown, housing is central to Labour's programme for government and plan for the future. In contrast, the Tories will put ideology ahead of the homes that people need. Building too few homes means that we risk the recovery, risk putting a break on future growth and prosperity and risk failing families across the country.

Labour is the only party committed to delivering the new homes that British families and our economy need. We are the only party committed to building 10,000 council houses a year before the end of the Parliament. Labour is the only party committed to HomeBuy Direct, the popular scheme that gives first time buyers a foot on the ladder, and is the only party committed to introducing a new form of affordable housing providing a reliable rent to ownership route for working families on lower incomes. We have also pledged a 'New Deal', developed with housing associations and councils to confront future challenges together.

Whether renters or owners, people must feel safe and secure in their home. We are committed to strengthening the protections for homeowners facing repossession. Labour will protect secure tenancies and affordable rents for council and housing association tenants and extend the rights and support for private renters helping them get a better deal.

Labour will also build on its successful 'Decent Homes' improvement programme in social housing. We have invested to overcome the scandal of a £19 billion repair backlog inherited from the Tories. Labour has improved 1.5 million homes, by providing new windows, heating, kitchens and bathrooms. We remain committed to completing this Labour programme.

And we will reform the present council housing finance system to ensure all councils have more money to maintain and manage their homes at the Decent Homes standard, in the future.

Housing lies at the centre of the environmental challenge we face and to tackle climate change we must virtually eliminate carbon emissions from our homes. Labour believes that greener homes are better homes that are cheaper to keep warm. This is why we are committed to an ambitious Warm Homes Standard. Labour also knows that in greening our homes we help create the industries, technologies, skills and importantly the jobs that drive our future prosperity.

A Labour government will:

- Abolish stamp duty for 90 per cent of first-time buyers for two years, and provide HomeBuy loans for many who need help with their deposit.
- Strengthen regulation and protection for homeowners struggling with their mortgages, so that repossession is only ever the last resort.
- Build new rent-to-buy homes for working families, who find it difficult to buy, but may not easily access social rented housing by refocusing our low-cost homeownership programme.
- Reform the council house finance system to enable councils to build up to 10,000 homes a year before the end of the next Parliament.
- Work with housing associations and councils to set out New Deals that meet future challenges together. We will increase co-operative house building and new co-operative mutual forms of renting and management.
- Give new powers to Parish Councils to provide up to 10-15 new affordable homes in their community, without the need for individual planning applications from the local authority.
- Provide all councils with more funding to maintain the Decent Homes standard and remain committed to completing the programme.
- Protect the secure tenancies, affordable rents and rights to guaranteed standards of service of council and housing association tenants.
- Support people renting from private landlords to get a better deal and guarantee them written tenancies, free impartial advice on their entitlements and a National Register so they can check their landlord's details.
- Begin the new Warm Homes programme to make public housing greener, warmer and cheaper to run.

Our record and tackling the housing challenges Britain faces

Building the homes Britain needs

Labour has put housing at the centre of its programme in government and its action to help the country through recession. Before being hit by the unprecedented global downturn, housebuilding was at a 30-year high, with 207,500 new homes built in 2007.

And during the recession we have put Labour values into action. We have increased public investment - opposed by the Tories - to help offset the contraction in private housebuilding. Our extra £1.5 billion Housing Pledge last year means Labour is investing £7.5 billion in the two years to 2011 to build 112,000 affordable homes for low cost rent or first time buyers.

This public investment during the recession is supporting over 40 per cent of all new housing built in Britain. The effects of the recession would have been much worse if Labour had not prioritised such investment in housing. As private house building fell by a half, public house building increased by almost a fifth.

This investment is delivering real benefits. As well as the 112,000 affordable homes, it is creating and safeguarding 160,000 jobs in the housing industry. Since June alone the Government has provided £4.2 billion of investment for councils, housing associations and private developers. This cash injection will create and safeguard 88,000 new jobs and 3,000 new apprenticeships.

Our 'Kickstart' building programme - funded from the fiscal stimulus injected into the economy - to unlock private developments stalled because of the downturn has restarted over 250 housing sites providing 22,000 new homes. In every region of the country there are active sites, with workers employed, that would not have happened if we had not increased public investment at this time.

First-time buyers

In contrast to the Tories, Labour believes that government has an important role in helping to meet people's aspirations to own their own home. Since 1997 we have helped over 160,000 first time buyers who could not have bought without government help onto the housing ladder. There are now a million more homeowners than 1997. And interest rates have also been kept low, in contrast to the 1990s.

We have acted decisively to address the challenges in the mortgage industry caused by the recession. And we have also increased direct support during the recession to address the particular challenges that first time buyers face. We

introduced HomeBuy Direct to help people who could afford a mortgage, but could not make a full deposit. Our committed funding will help 10,000 households get their first foot on the housing ladder. In a Labour fourth term we will continue to support people who want to buy their home for the first time.

Building affordable homes

HomeBuy Direct builds upon our record of support for affordable housing since 1997. As part of the 112,000 affordable homes we are building in the two years to 2011, we have started the largest council house building programme for almost two decades. And a fourth term Labour Government would expand this council house building further.

Labour also wants to work with housing associations to ensure they remain at the centre of housing delivery. Together we will ensure housing associations' independence. But we must also investigate how housing associations can use their assets and development capacities more efficiently. For example, through a combination of: asset sales, better leveraging of balance sheets, greater efficiency in maintenance spending and innovative building methods, we believe there is significant scope to deliver more homes at lower grant rates. This 'New Deal' review would be chaired by the Housing Minister and report into the next Spending Review.

Labour recognises that public housing provided by councils and housing associations is essential to helping and supporting the most vulnerable in society. But it is also central to Labour's conviction that those who work hard on low incomes deserve government support and help. There are 1.2 million working households who rent their homes from the council or a housing association.

We are making it easier for tenants to move around the country, if their work requires, without losing their tenancy. We have given councils greater leeway to give local factors more weight in allocating council housing. So councils can, if they choose, give greater priority to those in low paid work for access to public housing.

However, there are working families in low and middle income households who can find it difficult to buy outright and rarely gain access to social housing. These are the people in the jobs at the heart of our economy and in the front-line of our public services: HGV drivers, IT workers, teaching assistants, receptionists, shop assistants, librarians, caterers or even the bricklayers and joiners building new homes. We are determined that our affordable housing programme also helps these families. A fourth term Labour Government will provide this support as part of new mixed developments.

Supporting homeowners

We want to make homeownership more stable and more secure for everyone. The recession has increased pressure on homeowners, but Labour acted decisively to increase protection and support for homeowners worried about or at risk of repossession. In contrast to the early 1990s when the Tory government stood back, let the recession run its course and left people to fend for themselves, Labour has stepped in and acted swiftly and decisively. We have provided help at every stage when families are struggling with their mortgages. 330,000 people have received support or advice on repossession. 133,000 are benefiting from formal agreements with their lenders not to repossess. And last year, despite the Council of Mortgage Lenders' prediction that repossessions would top 75,000, there were 46,000 repossessions - around half the rate of the last Tory recession.

Yet, pressures on homeowners will continue. Not all lenders are treating homeowners fairly or with tolerance. A fourth term Labour Government will strengthen the regulation of sub-prime lending and enhance support for those facing repossession by including these mortgages in the Financial Service Authority's regime.

We will also work with the industry to explore what further regulation of estate agents might be required to give buyers and sellers greater confidence and protection from poor practices.

Decent homes

Labour has tackled the disgraceful condition of council and housing association homes, after the Tories left a £19 billion backlog of repairs in 1997. After years of underinvestment almost 40 per cent of social homes were then in an unacceptable state of repair, lacking modern facilities and services and effective heating and insulation.

Labour has invested £21 billion, with landlords contributing an extra £13 billion to the Decent Homes programme. New windows, doors, central heating, insulation, kitchens and bathrooms have been provided to millions of tenants. Now, over nine out of every ten social homes are decent. This work to improve people's homes also supports over 90,000 jobs each year, has reduced carbon emissions and saved tenants on average £107 a year on their fuel bills. Our work means 1.5 million of our poorest and most vulnerable households have had their homes vastly improved.

And we will reform the present council house financing system to ensure all councils have more money to maintain their homes at the Decent Homes standard.

Private renters

More people, and especially more young people, are renting their homes from private landlords. Renting from a private landlord can provide flexibility that owning your own home may not.

Currently, most people rent from landlords who are not professionals and tend to own just one or two properties that they rent out. This means that standards can vary. We would like to see more larger and professional organisations providing rented accommodation, alongside the many individual landlords. We especially want to encourage more investment in new build rented accommodation that will also help increase the overall supply of housing.

We are doing more to strengthen tenants' rights, especially when faced with irresponsible and negligent landlords. We have already introduced the compulsory tenants deposit protection scheme, to make sure landlords cannot unreasonably keep tenants' deposits. We will do more to make sure private tenants get a fairer deal

Empty homes

Many properties that could be good quality homes are currently lying empty. We have made progress, reducing the number of long-term empty properties, especially in the social sector. We brought in new powers in 2004 to help local authorities tackle the problems of empty homes in their area, introducing Empty Dwelling Management Orders. We launched earlier this year a package of support to help local authorities with the skills and expertise to use existing legal powers. But we recognise that more could be done. We will ask all local authorities to identify the long-term empty homes in their area and set out an action plan to bring the homes back in to use. We will also where necessary make existing powers less complex and easier for councils to use.

Greener, better homes

Over a quarter of all Britain's carbon dioxide emissions come from our homes, so housing must be central to our efforts at every level to tackle the threat of climate change. The great challenge is to ensure that our homes are more energy efficient with a very much smaller carbon footprint.

Work starts this year on our first four eco-towns and by 2016 there will be 10,000 eco-homes built on site. By 2020, ten eco-towns will be under construction - providing the highest standards of green living found in Britain until now. We will be the first country to legislate to ensure all new homes are zero carbon by 2016. We have already begun a green refurbishment of British housing, across all tenures. Our Warm Homes programme in public housing will make all social tenants' homes greener, warmer and cheaper to run.

Labour's housing vision for the fourth term

Pledge 1

We will abolish stamp duty for 90 per cent of first-time buyers for two years, and provide HomeBuy loans for many who need help with their deposit

We will continue our commitment to help people buy their own home. We will abolish stamp duty for first time buyers buying homes under £250,000 for two years. This will lift 90 per cent of first-time buyers out of paying stamp duty. To pay for this Labour will introduce a new stamp duty rate of five per cent for homes worth more than £1 million. We will continue with HomeBuy Direct for first time buyers and adapt it as the housing market improves. HomeBuy Direct provides equity loans to help people who can afford a mortgage, but struggle to find the levels of deposit needed to buy their home.

Pledge 2

We will strengthen help and protection for homeowners struggling with their mortgages, so that repossession is only ever the last resort

We will strengthen help to homeowners with more protection from repossession. We will work with the FSA to ensure that repossessions are only ever the last resort, by tightening regulation to make sure that all options are explored and all types of government assistance to homeowners are considered before a lender can move to repossess. We will make the FSA responsible for the regulation of all mortgages, strengthening the regulation of sub-prime mortgages especially. This means transferring second charge loans, such as debt consolidation loans, into the FSA's tougher regime.

Pledge 3

We will build new rent-to-buy homes for working families, who find it difficult to buy, but may not easily access social rented housing by refocusing our low-cost homeownership programme

Under Labour new affordable housing will continue to be a high priority. The lack of affordable housing is a national challenge and we need further fundamental reforms to deliver what British families need.

By refocusing our low-cost homeownership programme we will develop new rent-to-buy housing specifically for working families on low and medium incomes as part of new mixed developments and communities. These homes will offer working families a rent below market levels which they can top up – they could pay their 'rent-plus' – to build up a stake in their home over time. At various points they will be able to buy portions of their homes or take those savings elsewhere to buy. This provides working families with a good quality,

secure affordable rented home from day one, and allows them buy their home over a time period that suits them.

Pledge 4

We will reform the council house finance system to enable councils to build up to 10,000 homes a year before the end of the next Parliament, as part of maintaining our commitment to building new affordable homes.

We will offer a new deal for councils. This year we have the largest council housing building programme for almost two decades underway. By reforming council housing finance and abolishing the Housing Revenue Account subsidy system, Labour will offer councils a new deal to build more of the affordable homes their communities need. In return, we expect councils to commit their own land and resources to housing development and exercise their responsibilities to provide housing to the full. Before the end of the next Parliament councils will be able to build 10,000 new homes per year, a five-fold increase in existing council house building.

Pledge 5

We will work with housing associations and councils to set out New Deals that meet future challenges together. We will increase co-operative house building and new co-operative mutual forms of renting and management

We will offer a new deal for housing associations. We believe that housing associations can do more to ensure the supply of new affordable homes and make better use of their resources and assets to do so. We want to develop with the sector a new settlement. Labour will pledge to continue to give affordable housing a high priority and will take further steps to guarantee the independence of housing associations from government. In return, we want to see the sector use its assets and development capacities more efficiently to deliver more homes with lower grant rates.

Most homes are built by private industry and that will remain the case. But, the recession has damaged the industry's future capacity to build the homes we need and the sector faces a number of challenges, such as a lack of skills and insufficient innovation. We expect the industry to be pro-active in tackling these problems, but a Labour government will also take an active role in improving the industry. We will take stronger steps to ensure all local authorities have a five year land supply for housing and withhold Housing and Planning Delivery Grant where they do not. We are streamlining the planning system and committing to consider and implement any new regulations at fixed intervals. We will bring forward more surplus public sector land for development and extend the public land initiative to support house builders using more innovative methods and operating with lower profit margins.

We support the new kinds of development and homeownership that cooperatives and mutuals can offer. We will review existing arrangements to ensure that co-operatives seeking to build affordable housing are not disadvantaged. We will also ask the Homes and Communities Agency to review how the Public Land Initiative could appropriately support development by co-operative builders. We will also make it easier for tenants to take control of housing services through mutual and co-operative arrangements.

Pledge 6

We will give new powers to Parish Councils to provide up to 10-15 new affordable homes in their community, without the need for individual planning applications from the local authority.

Many rural areas face particular affordable housing needs. A shortage of affordable rented accommodation means that many young people have to leave rural areas, threatening the future of rural communities. We will give special planning powers to parish councils to build new affordable homes in their areas without the need for planning permission from the local authority. We will extend 'permitted development' rights so that a maximum of 10-15 new affordable homes could be built where parish councils themselves have set out clear evidence and design expectations.

Pledge 7

We will provide all councils with more funding to maintain the Decent Homes standard and remain committed to completing the programme.

We are proud of our Decent Homes record, more than tackling the scandalous backlog left by the Tories. Labour will reform council housing finance to ensure that councils can maintain those council and housing association homes upgraded at the Decent Homes standard. We remain committed to bringing all homes up to the Decent Homes standard.

Pledge 8

Protect the secure tenancies, affordable rents and rights to guaranteed standards of service of council and housing association tenants

Labour is committed to protecting the secure tenancies and affordable rents of council and housing association tenants. These are the important foundations for a vibrant social housing sector. We also commit to maintain the new standards regime introduced by the Tenants Services Authority that is guaranteeing minimum service levels as rights for social housing tenants.

Pledge 9

We will support people renting from private landlords to get a better deal and guarantee them written tenancies, free impartial advice on their entitlements and a National Register so they can check their landlord's details.

Labour will extend the support and rights for people who privately rent their homes so they get a better deal. We will launch a dedicated free advice line so tenants understand their rights and can get information and support if they face problems with their landlord. We will give every tenant the right to a written tenancy agreement. We will establish a National Landlords Register, so all tenants can check their landlord's details and we will introduce compulsory regulation of letting and managing agents. We will set up a 'trip advisor' style website covering private landlords - so people can see what past tenants have experienced with a landlord. We will support a Private Tenants' Voice to be a national champion for tenants in the sector.

Pledge 10

We will begin implementing the Warm Homes Standard and aim to make all social housing greener, warmer and cheaper to run by 2020. All new homes will be zero-carbon from 2016 and we will deliver the pioneering eco towns.

As part of our commitment to reduce the carbon emitted from our homes, we have set out a plan to make all British homes, as energy efficient and as close to zero-carbon as possible. We will show leadership in the public sector, by starting with public housing and working with the energy companies. We aim to ensure that, where practical, all social housing has loft and wall insulation by 2015. This will give tenants homes that are greener, warmer and cheaper to run. We remain committed to making all new homes zero-carbon by 2016 and supporting the pioneering eco towns.

Change you can't afford: the Tories on housing

A risk to new homes, jobs and the industry

Tory policies for housing and planning would put the recovery at risk. Labour's investment in housing underpins tens of thousands of jobs and is delivering more social housing during the recession than before it.

By scrapping house building targets - likely to lead to fewer homes - they risk the jobs supported by house building and put a brake on Britain's recovery. By cutting public investment, they cut the money which currently underpins over 40 per cent of all new housing in Britain.

Tory planning policies are a block on development and would introduce significant uncertainty into the planning system, when business and industry needs to know where it stands.

According to city economists, their wider policies to cut investment will drive up unemployment, undermining the ability of people to buy a home and causing a further 20 per cent drop in house prices.¹

The Tories have called on their councils to block building and block growth, spreading uncertainty among industry and threatening the recovery. Shadow Secretary for Communities and Local Government, Caroline Spelman has written to Tory council leaders inciting them to block housing developments and cutting the ground from under the building industry.²

The House Builders Federation expressed "real concern" with the Tories' approach, warning: "The timing is unfortunate: housing providers have been through the worst downturn in living memory and the letter would lead to a hiatus in planning for housing that could only exacerbate the supply crisis we already face"³

Leading industry figures have slammed Tory housing plans. Chief Executive of Taylor Wimpey said that Tory plans were "as scary as hell".⁴

¹ www.guardian.co.uk/business/2010/apr/19/conservative-victory-property-price-crash

² www.lgcplus.com/Journals/3/Files/2009/9/1/DearColleague-Planning-RSS-Aug2009-Cllrs-1.doc

³ www.ft.com/cms/s/0/3f2b4000-a0c5-11de-b9ef-0144feabdc0.html?catid=46&SID=google

⁴ www.house-builder.co.uk/rss/news.php?id=4824

A risk to affordable homes

Housing would be in the firing line in an Emergency Budget 50 days after polling day. They opposed the funding for the Housing Pledge, which provided extra money to help build 112,000 new homes in two years up to 2011. And they proposed to cut the housing budget by £800 million last year.

A Tory government would remove any obligation on councils to build affordable housing and their changes to the planning system will reduce the number of homes built. By purely 'localising' housing to councils, the Tories would cease to take responsibility for ensuring that Britain has the homes that it needs. A Tory government would stand by if councils did not want to build affordable housing - either rented or for first time buyers.

Tory housing policy is clear to see in London, where the Tory Mayor is cutting the number of affordable homes being built, not just from Labour's plans, but also from his own election promises. Boris Johnson during the election promised to match Labour's housing commitment, but when in office he downgraded his pledge, delivering fewer affordable homes, especially for rent. The then Director of Shelter, Adam Sampson, warned: "The Mayor's proposals will, if implemented, serve merely to perpetuate the wealth and class divisions in the nation's capital."⁵

A risk on repossession

During the last Tory recession, repossessions ran at around twice the rate today. No help was put in place for struggling homeowners until after the recession was left to run its course.

They did nothing then and today they are silent; criticising government plans and saying little on what they would do instead. Their Manifesto makes no mention of repossession support.

⁵ "Tory home truths for London's poor," Adam Sampson, Guardian Comment is Free, 20/1/09

