

# NATIONAL POLICY FORUM CONSULTATION 2023

The Northern Housing Consortium is the 'Voice of Housing in the North' working with local authorities, housing associations and ALMOs. Our members manage 9 out of 10 socially rented homes in the North. We work with members to influence the national policy agenda, using insights from our member engagement activities and a robust evidence base, including insights from our annual state-of-the-North Northern Housing Monitor.

We welcome the opportunity to contribute to Labour policy making and would be happy to engage further, please contact Joanne Wilson, Head of Policy, joanne.wilson@northern-consortium.org.uk

#### Our key asks of Labour policy are:

- 1) Make a manifesto commitment to a minimum of a £6bn per year programme of energy efficiency upgrades, making homes warmer, cheaper to heat and clean energy-ready.
- 2) Commit to an Affordable Homes Programme which will meet the independently-assessed need for new genuinely affordable homes across England.
- Build on the last Labour Government's success in boosting housing quality with a programme to deliver an updated Decent Homes Standard and associated energy efficiency upgrades in both rented sectors.
- 4) Invest £3.8bn to remediate all the North's brownfield land over the course of two Parliaments, to unlock 310,000 homes.
- 5) Commit to uprating the Local Housing Allowance to the 30<sup>th</sup> percentile and re-link the benefit to the real cost of renting for future years.

#### A green and digital future

## Q4: What policies can help deliver Labour's existing pledges on green growth, particularly the Green Prosperity Plan?

Labour's Green Prosperity Plan aims to "create one million new jobs in towns and cities in every corner of the country, as well as bringing down energy bills, raising living standards and ensuring Britain shows global leadership in tackling the climate crisis."

We want everyone to have a safe, warm, and affordable home – but the UK faces unique challenges, which if not addressed could undermine Labour's ambitions.

#### The challenges:

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- The UK has a unique retrofit challenge, with poor comparative energy efficiency and the oldest housing stock in Europe.
- The North's housing stock is among the oldest in England, with 22% of homes in the North built before 1919 and one in six homes being non-decent.

Poor housing combined with low incomes and <u>rising fuel poverty rates</u> have left too many people with a poor quality of life and bleak future.

#### The opportunities

An ambitious new programme of decarbonising our housing stock, starting with social housing providers, could kickstart Labour's Green Prosperity Plan in communities across the North and provide people with the safe, warm, affordable homes they need.

This would support specific economic interventions, which will lower energy bills, raise living standards, provide good jobs, and tackle the climate crisis by getting homes ready to run on clean energy.

We worked with IPPR North to map out a pathway to decarbonising the North's homes, supporting green jobs and household incomes.

In the <u>'Northern Powerhomes'</u> report it sets out a pathway to:

- implement upgrades to improve energy efficiency in over 5 million northern households
- replace polluting heating systems with heat pumps in 4.6 million homes
- connect 1.1 million northern homes to heat networks

The report finds that achieving these measures could create 77,000 direct jobs in the North and 111,000 indirect jobs across the UK by 2035:

- 53,000 of those would be to retrofit homes with energy efficiency upgrades
- 13,000 to install and maintain heat pumps
- 11,000 for heat networks

Housing decarbonisation presents us with a huge opportunity to attract new entrants to these good green jobs, and to retrain tradespeople, such as gas engineers, to refocus the labour market on delivering improved home energy efficiency and low carbon technologies.

The report concludes that this programme could generate £3.85bn Gross Value Added (GVA) in the North and an additional £5.61bn in supply chains around the country. Our 2022 Northern Housing Monitor shows that:

- the leakiest and draughtiest homes tend to be concentrated in the North, meaning heating costs are higher in the region
- 26% of total carbon emissions in the North are attributed to homes

#### To deliver green growth and bring down energy bills, this must be addressed.

Until recently, a plentiful supply of relatively cheap gas for home heating meant this situation has been tolerated by Governments and householders. The war in Ukraine, and the consequent energy crisis has made it clear that we must move away from use of fossil fuels for home heating, this will cut carbon and increase energy security. Upgrading insulation in homes and installing green heat technology is essential to ensure our homes can use zero-carbon electricity effectively for heating and hot water. As such, it's a vital underpinning of Labour's clean energy mission.

<u>ONS data</u> shows the North's three regions have lower employment rates than all other regions of England.

Delivering an energy efficiency upgrade programme in the North would support progress towards net zero and Labour's aim to create jobs in 'every corner of the country'.

A long-term energy efficiency strategy would allow stakeholders across sectors to plan for delivery – including social housing providers, education and training providers, and supply chains.

Under the last Labour Government, social housing providers demonstrated they can partner with Government to deliver <u>large-scale home improvement programmes</u>, and with 1.2 million homes across the North the sector operates at the right scale to drive supply chain development.

The Northern Powerhomes report finds that energy efficiency upgrades for social housing could be a catalyst for decarbonisation of housing of other tenures by:

- driving supply chain growth
- pushing down costs
- driving up skills development

## Energy efficiency upgrades are critical to deliver Labour's Green Prosperity Plan and clean energy mission.

## **Q5:** What policies can help contribute to the four missions outlined in Labour's industrial strategy?

Labour's industrial strategy has four missions: *"delivering clean power by 2030, harnessing data for the public good, caring for the future, and building a more resilient economy."* 

Labour must commit to:

- the promise of £6 billion per year capital investment to upgrade homes from its Climate Investment Pledge
- a ten-year project to upgrade the energy efficiency of every home that needs it

This puts a focus on the future by decarbonising our homes and helps to build a more resilient economy by lowering bills, creating sustainable jobs, and reducing reliance on fossil fuels to heat our homes.

To date, energy efficiency funding has been allocated through national competitive bidding processes. A change in the method of allocating funding is required to ensure that spending is allocated in the most effective way possible.

Labour should go further on its commitment to devolve power, wealth, and opportunity by **devolving energy efficiency funding to local regions** through mayoral combined authority allocation, based on prevailing levels of fuel poverty.

Long-term devolved funding provides certainty for supply chains and confidence to the market, allowing them to invest in capacity.

Mayoral Combined Authorities provide:

- local knowledge
- opportunities to integrate energy efficiency, with local skills and economic development

Greater devolution of skills and employment support would play a vital role in helping the North to become a leading centre for excellence in housing decarbonisation.

#### Q6: What are the specific implications of policy proposals in this area for (a) women, (b) Black, Asian and minority ethnic people; (c) LGBT+ people, (d) disabled people and (e) all those with other protected characteristics under the Equality Act 2010?

#### What the data shows:

- between 2017 and 2021, white households were less likely (12.6%) to be in fuel poverty than all other ethnic groups combined (19.1%) [Gov.uk data]
- "certain households are more likely to be in fuel poverty, including: households living on low incomes, households with dependent children, households home to people living with disabilities, and minority ethnic households" [Institute of Health Equity report]
- all ethnic minority groups in England, with the exception of Indian and black Caribbean groups, are more likely than white British groups to experience housing deprivation (overcrowding, having no central heating or living with another household) [The UK Collaborative Centre for Housing Evidence's report 'Race Equality in Housing', uses 2011 census data]

With ethnic minorities and disabled people being more likely to be in fuel poverty, proposals for improving energy efficiency in our housing stock can help to reduce inequalities.

As stated in our response to previous questions, a domestic energy efficiency programme would boost living standards, lower energy bills and create jobs.

With some minority groups more likely to live in low-quality housing, a focus on improving these homes with efficiency upgrades will not only lower bills but improve the quality of the home. Warmer, well-ventilated homes are less likely to experience issues such as damp and mould and can improve both physical and mental health for residents. Improved health can lead to better outcomes and a better standard of living.

Labour's National Policy Forum 'A green and digital future' paper, aims to "unlock the potential of different groups currently underrepresented in certain parts of the economy."

Our recommendation to devolve funding to Mayoral Combined Authorities could also help to reduce inequalities due to regional and local authorities having more knowledge of the issues facing their areas. This would allow them to also support skills development, education and job creation in neighbourhoods where fuel poverty is higher and life outcomes are worse – as well as focusing funding on areas where homes require urgent improvement.

## Q7: What consideration would need to be given to policy proposals in this area when collaborating with devolved administrations and local governments in England, Scotland, Wales and Northern Ireland?

Please see our response to Q5 above, on a regional allocation of energy efficiency funding.

#### Better jobs and better work

#### Q1: How can Labour strengthen sectors that make up the everyday economy?

In our response to the section 'A green and digital future', we outline the benefits to the local economy on increasing investment in energy efficiency upgrades. These will boost new green jobs and support the local construction industry in communities across the North.

In <u>Karbon Home's Fair Foundations report</u>, they highlight that the UK2070 Commission was "forced to conclude that the UK remains 'one of the most spatially unequal economies of the developed world". This needs to change and areas that are often described as being left behind need more investment and support.

Devolving more funding to mayoral authorities will bring decision making closer to the local, everyday economy – allowing better and closer alignment with local skills, work, places and people.

Our members may focus on housing, but they understand the communities in which they work and provide a range of wrap around services to support their customers. They are well placed to make a difference and are deeply involved in the way places work.

If Labour wish to strengthen the sectors that make up the everyday economy, funding is needed for:

- more social and affordable housing supporting people and places, and boosting jobs and skills
- public transport to stimulate the local economy and support people to live and work

With higher housing costs across the country, and housing accounting for a higher per cent of income for lower income households, it is important that Labour ensure people working in our public sector can afford to live locally where they wish to and contribute to the everyday economy. Too often, workers are pushed away from the areas they work due to high housing costs and a lack of affordable or social housing.

Rents have risen faster in the North since 2020. We all want to boost productivity in the North, but we need to ensure we avoid pricing people out of the communities in which they live and work. <u>Analysis</u> shows real year-on-year increases in average rents across the North – from 9.1% in the North East to 12.2% in the North West.

In developing their approach to the everyday economy, one of our members, Karbon Homes, has identified the need for:

- "tax incentives and government investment guarantees to de-risk aspects of regeneration projects and attract large scale institutional capital."
- support and encouragement for the "development of robust social value reporting frameworks to enable more rigorous monitoring and evaluation of spending and policy interventions in housing and placemaking. This will help build understanding of the contribution housing and placemaking are making to left behind areas and help lay the ground for those bidding for public money to invest in areas where the benefits are considerable but not immediate."

Through embedding a placemaking approach, working with anchor institutions such as the housing sector, Labour can help boost local economies.

## Q2: How can Labour ensure its industrial strategy and other policies support creating good, secure work in the everyday economy?

See our response to Q1.

## Q5: How can we ensure the Government's buying power supports good jobs, small business and the self-employed?

Public procurement needs to ensure that the selection criteria and tender processes are not prohibitive to SMEs. The current criteria can be a barrier to entry for new companies and can become a vicious circle, whereby they need to demonstrate sufficient experience to win public contracts but cannot demonstrate the experience until they win some government contracts.

Whilst, large, established, national organisations will still be able to meet the selection criteria that the SMEs do, at least the smaller or local contractors are not blocked from the outset and are given the opportunity to demonstrate their expertise in a fair and transparent competition.

Value for Money must be a key consideration when using public money, but this does not mean the cheapest supplier is the best value. Best practice shows us that a balance between quality and price should be met.

The NHC's Consortium Procurement Frameworks are always procured with a split weighted towards quality, and we advise our members to do the same. Social value is one aspect that should be considered in public procurement, but it should be proportionate to the contract being procured, specific to the organisation and measurable in both qualitative and quantitative terms. Local supply chains should be assisted in this aspect as they will often know the area they are working in and be part of these communities.

#### Public services that work from the start

Q1: How can Labour ensure our public health services prevent worsening population health, ensure pandemic preparedness, address widening health inequalities, and offer early intervention programmes that reduce pressure on our communities and other services (in conjunction with wider social policy)?

#### Prevent worsening population health and address widening health inequalities:

Ensuring everyone has access to a safe, warm, affordable home needs to be a cornerstone of Labour's public health policy.

We ask Labour to consider The Marmot Review, 10 years on report, and look to implement its findings.

The 10 years on report highlights that "While wage growth has been low, benefits have been cut even while costs of living, particularly housing, have increased... Living in poor quality housing, being exposed to poor quality environmental conditions, poor quality work and unemployment, not being able to afford nutritious food and sufficient heating for example all impact on health."

We know this is a national issue, but as the Review points out "there are more areas of intense deprivation in the North, Midlands and in southern coastal towns than the rest of England". Our <u>Northern Housing Monitor</u> shows that the Private Rented Sector now makes up 1.2 million of Northern households. Yorkshire and the Humber has the highest proportion of private renting outside London and

has the highest levels of non-decency with nearly 4 in 10 Yorkshire private rentals failing the Government's own basic Decent Homes Standard – the highest proportion of any region in England. This demonstrates the pressing need for both reform of the Private Rented Sector and growing the Social Rented Sector to provide choice and improved living conditions for people.

## Labour must implement the renters' reform agenda; ensuring security of tenure and decent homes in the private rented sector.

The costs of housing have increased significantly and continue to do so. This affects the whole housing sector, including affordable and social housing – which Marmot says impacts "on all the other social determinants of health and pushing many people into poverty, homelessness and ill health."

Government figures released in March 2023 show the shocking rise of homelessness in England, with a 74 per cent increase since 2010. The figures from the rough sleeping snapshot give an indication of the scale of the problem, but do not show the whole picture. The Chartered Institute of Housing has <u>raised</u> <u>concerns</u> over these and other official figures, and we echo these concerns and the worrying trends this data is showing. The Department for Levelling Up, Housing & Communities <u>quarterly statistics for</u> <u>statutory homelessness assessments</u> in England show that 75,860 households were initially assessed as homeless or threatened with homelessness – an increase of 4.4 per cent since last year. On 30 September 2022 there were 99,270 people sleeping in temporary accommodation in England, up 3.9% since the previous year – and 125,760 dependent children were living in temporary accommodation.

Our analysis shows that there is a <u>clear case for unfreezing Local Housing Allowance</u>. For a threebedroom family home to rent in Tameside and Glossop, the gap between real rents at the 30th percentile (as determined by the government's Valuation Office Agency) and the frozen LHA is now £24 a week – £104 a month, or £1,248 a year. This picture is reflected across the country.

Ending the freeze on support for private renters' housing costs makes economic sense too – as members tell us the freeze is resulting in homelessness presentations and driving up the use of costly temporary accommodation.

#### Ensure pandemic preparedness:

<u>Our research with the University of Huddersfield</u> showed the impact of the COVID-19 lockdown on poorquality housing occupants in the North of England.

There is a need for a long-term rebalancing of housing policy – at national, city-region and local levels – so that the **quality of our existing homes is treated as a priority** equal to the importance of the supply of new homes. This would improve the experience for tenants and should be considered as part of pandemic preparedness.

A focus on 'rogue landlords' ignores poor practice and a lack of resilience in the private rented sector more broadly. Many residents in this study suggested that their landlords were reasonable and non-exploitative. However, this did not ensure that the accommodation they were letting was reasonably adequate or that landlords had the necessary expertise and resilience to support households. Minimum standards should be clarified by extending the Decent Homes Standard to the private rented sector and establishing a clear and ambitious minimum energy efficiency standard for the PRS. But there should also be a wider focus on ensuring landlord compliance with minimum standards than is currently the case. This means resourcing local authorities to perform their vital education and enforcement role.

## Q2: What should Labour do to strengthen primary care (including all primary healthcare professions) and to shift healthcare where possible into the community, while ensuring high quality hospital services?

Many of our members provide wider support and wrap around care for their customers. Our members would be happy to show you first hand some of the great work they are doing in the communities they serve.

For example, <u>South Yorkshire Housing Association</u> is working with NHS Doncaster Clinical Commissioning Group and Doncaster Council on social prescribing, to make sure that people have access to the information, opportunities and support they need.

In the North-East, the Gentoo Group has worked on a <u>Boilers on Prescription</u> project, with Sunderland Clinical Commissioning Group. The Guardian reported that "in the first six months alone GP appointments had been reduced by 28% among the pilot group and outpatient appointments by 33%".

In the North-West, Bolton at Home provide a <u>care and repair service</u> to help older and vulnerable residents to live independently in safe, warm, secure, well maintained and adapted homes. And Mosscare St Vincent's partnered with Greater Manchester Mental Health NHS Foundation Trust to <u>pilot</u> <u>a project</u> that delivered vital mental health support to tenants in their homes.

Many of our members provide social housing for older people, and planned structured visits from primary care can support and address health concerns early on – as well as providing more convenient services for residents.

NHS England says that "people living in care homes should expect the same level of support as if they were living in their own home – but this can only be achieved through collaborative working between health, social care, voluntary, community, and social enterprise (VCSE) sector and care home partners." The NHS Long Term Plan commits to rolling out an <u>Enhanced Health in Care Homes (EHCH) model</u> across England by 2024. We would encourage the Labour team to ensure the model is rolled out to all care homes, including those that support working age adults, and to consider opportunities for how the NHS can work collectively with our members.

We also encourage the Labour team to look at <u>The TAPPI Inquiry Report</u>, which sets out 10 practical principles to build technology into housing in a way that improves life for our ageing population. With the outcome-focussed principle being centred around improving health and well-being to improve quality of life or maintain independence.

#### A future where families come first

## Q3: How can the next Labour government defeat the scandal of rising poverty and end the soaring demand for food banks?

The links between housing and poverty are <u>well-known</u>. However, policy often focuses on the availability of housing, and on high direct housing costs in terms of rent and mortgage payments impacting on material poverty. The low rents offered by social housing are well-known to reduce material poverty.

While these cost and availability factors are important, and increasingly so in the North (see our response to Q4), a number of other variables are also important to consider when seeking to tackle poverty through housing policy. These include <u>a range of material and non-material outcomes</u>:

• Lack of availability of housing contributes to higher direct housing costs, but through overcrowding and homelessness it can also negatively impact health and wellbeing.

- High indirect costs, principally the cost of home heating, particularly where homes are not adequately insulated, reduce household income.
- Quality: non-decent housing can increase the costs of heating, repairs and maintenance; and negatively impact health and wellbeing.
- Location: homes distant from local job opportunities prevent people from accessing paid work or increase the cost of commuting, reducing earning potential. Homes located outside easy reach of affordable goods and services can increase costs, reducing household income. Poor quality neighbourhood environments can negatively affect health and wellbeing, social capital and sense of belonging, and increase the risk of crime.
- **Security**: insecure tenancies can have a negative impact on health and wellbeing through the sense of precarity, but if they lead to forced moves, can also increase household costs and constrain or disrupt access to employment, education and training opportunities.

These can be addressed by integrating housing policy within the Labour Party's plans to defeat rising poverty.

Our recommendations are set out in more detail elsewhere, but we would particularly highlight the following as having strong potential impact on poverty:

- Meeting the independently assessed need for affordable housing (see Q5 below) will tackle the lack of availability of housing for those on lowest incomes. Uprating local housing allowance (see Q4 below) will be an important interim measure to ensure private renters can meet the rising cost of rents in that sector.
- Energy Efficiency upgrades (see Q4, Green and Digital Future Paper) will help reduce the impact of high indirect costs by making properties more energy efficient.
- A 'Decent Homes 2' (see Q5 below) will boost quality in both rented sectors.
- Boosting the supply of affordable housing, and building on well-located brownfield sites (see Q5 below) will increase the supply of affordable housing in locations within reach of employment opportunities.
- Implementing a rental reform programme, including abolition of section 21 'no fault' evictions will provide additional stability in the Private Rented Sector. Boosting the supply of homes for social rent and for ownership will deliver security of tenure for more families.

**Tenure is also important** in mitigating the impact of poverty on people's lives. 'Housing Plus' services offered by social landlords (for example, hardship funds, food banks, employability and income maximisation services) provide services generally not available to households in the private rented sector.

## Q4: How can Labour's reforms to social security and employment support ensure people of working-age and pensioners have security throughout their working lives and in retirement?

We limit our answer here to support for housing costs. The last Labour Government established a system of support for private renters known as Local Housing Allowance. This was set at the 50th percentile of local rents, and therefore intended to enable a renter to access homes in the 'bottom half' of their local market.

Since 2010, the Local Housing Allowance has been subject to significant change – reduced to the 30th percentile (i.e., less than the bottom third) of local rents in 2011; then frozen or uprated at less than the increase in real local rents. Following a re-set to the 30th percentile during the pandemic, the Local Housing Allowance has once again been frozen since 2020/21.

This has had particular consequences for renters in the North of England, where rents have risen across all three regions since 2020, with increases accelerating over time. This has resulted in a situation where just 7% of typical 2-bedroomed family homes offered for rent in the North are affordable to a household reliant on Local Housing Allowance.

Our members tell us this is driving homelessness presentations and making it increasingly difficult for them to discharge their homelessness duty into the private rented sector. With an ongoing shortage of social housing, this is leading to increased use of temporary accommodation, including bed and breakfast. People in temporary accommodation face an uncertain future and this can affect their mental health and wellbeing. <u>Shelter has found</u> that almost half of children have been forced to move schools as a result of living in temporary accommodation. This is also very costly for the public purse, with the cost of temporary accommodation for homeless households in 2021/22 totalling £1.6bn; <u>up 61% in the last five years</u>.

## That is why we believe that Labour must commit to re-setting the Local Housing Allowance to cover at least the 30th percentile of local rents, then re-link the benefit to the real cost of renting for future years.

Building more social and affordable housing is important (as discussed in our response to Q5 below) but in the interim at least, a system of adequate support for housing costs will be a vital component of providing security for private renters.

# Q5: How can Labour make home ownership a reality for more families, give private renters the security they need and tackle the scourge of homelessness? How can the next Labour government build more social and council housing and ensure greater investment in genuinely affordable homes?

Councils and housing associations across the North share an ambition to deliver more and better homes.

**The North has a good performance against the current Government's housing delivery test**, comfortably outperforming the aggregate target (159% achieved, versus 124% nationally 2018/19 to 2020/21). Only 4 of the North's 72 authorities achieved less than their targets.

While the quantum of delivery is positive, there is a **need to diversify the mix of tenure and locations** where homes are delivered.

#### We outline below our thoughts on Labour's commitment to social and council housing.

#### Home ownership

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- There is a particular opportunity in the North to utilise brownfield land to increase housing supply, particularly in urban locations close to high streets, existing transport infrastructure and public services.
- The latest brownfield land registers suggest **capacity for 310,000 homes across the North** around a quarter (23%) of the England total.
- Many of these sites carry abnormal costs of clearance or remediation, costs which lower land values in the North are incapable of absorbing viably.
- The cost of remediating all the North's brownfield land is estimated at around £3.8bn.
- Since 2020, the current Government has made over £520m available to Combined Authorities in the North and Midlands to gap fund the delivery of <u>brownfield sites</u>. This funding is being used by Northern Metro-Mayors to make a real difference at local level, though Treasury appraisal approaches have complicated the delivery of the programme.

• We ask Labour to commit to remediating all the North's brownfield land over the course of two Parliaments, which has the potential to unlock 310,000 homes. This funding should continue to be allocated through Mayoral Combined Authorities where these exist, enabling coordinated delivery of housing sites alongside transport and economic development initiatives.

#### We welcome Labour's commitment to giving private renters the security they need.

We are Supporters of the <u>Renters Reform Coalition</u> and support the Coalition's positions on security and affordability:

- Section 21 'no fault' evictions must be abolished.
- Once Section 21 is abolished, tenancies should be open-ended.
- Grounds for possession must ensure that the intention to abolish no-fault evictions is met, and must not undermine renters' security of tenure.
- The new system must ensure that rent increases are not used to force tenants to leave, operating as a defacto unfair or retaliatory eviction.
- The affordability crisis in the private rented sector should be addressed (see our response to Q3 above). Notice periods should be increased from two months in all but the most serious cases.

#### We warmly welcome Labour's commitment to build more social and council housing.

The next Labour Government must commit to an Affordable Homes Programme, which enables the delivery of supply to meet the independently-assessed need for <u>affordable homes</u>.

Average annual affordable housing delivery in the North of England has run at around 10,000 homes per annum. This is a 45% shortfall against the independently assessed need of 18,815 homes per annum. The shortfall is most acute in delivery of the most affordable social rented homes (<u>81% shortfall</u>).



Chart from the Northern Housing Consortium's, Northern Housing Monitor 2021

The scale of affordable housing investment from government is the key factor in determining levels of supply – however, we would support the following policy measures which we believe would boost supply:

- **Revising 'net additionality' rules,** to enable councils and housing associations in the North to invest more in the replacement and regeneration of <u>existing stock and brownfield sites</u>.
- Agree a long-term rent formula for social housing, to provide the sector and tenants with long-term certainty. This is particularly important in the North, where social rent levels are the lowest in the country.
- Enabling local authorities to set their own levels of right to buy discounts, in order to preserve the existing stock of affordable housing where this is a local priority, and enable like-for-like replacement when properties are sold.
- **Removing the cap on the proportion of right to buy receipts** that can be used to fund acquisition of existing property (this would contribute to Labour's priority to expand the social rented sector and reduce the scale of the private rented sector).
- Remove artificial deadlines for the use of right to buy receipts, giving councils greater flexibility to ensure receipts contribute to local housing strategies.

#### Investing in genuinely affordable homes means investing in the existing stock too.

The current Government pledged in 2020 to revise the Decent Homes Standard (which dates back to 2006); and in 2022 pledged to extend the Standard to the whole of the Private Rented Sector for the first time, alongside a levelling-up mission to halve the levels of non-decency in rented homes by 2030, with the greatest reductions in the worst performing areas.

These announcements are very welcome: but what matters to renters across the North – particularly those in the private rented sector where one-in-three homes are non-decent – is delivery.

#### Labour therefore must:

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- Introduce a new Decent Homes Standard which will apply to both rented sectors. This Standard should be accompanied by a realistic timetable for implementation, and a programme to support delivery. Evidence from the 2000-2010 Decent Homes Programme under the last Labour Government demonstrates how important these elements were to successful delivery.
- Confirm a new Minimum Energy Efficiency Standard for the Private Rented Sector, and an Energy Efficiency Regulatory Standard for the Social Rented Sector; both of which should be aligned to Decent Homes implementation to maximise programme efficiency and minimise disruption for tenants.
- **Commit to a minimum of £6bn per year programme of energy efficiency upgrades**, making homes warmer, cheaper to heat and clean energy-ready (see our response to the 'Delivering Growth' policy consultation for more on energy efficiency).

#### Q6: What are the specific implications of policy proposals in this area for (a) women, (b) Black, Asian and minority ethnic people (c) LGBT+ people, (d) disabled people and (e) all those with other protected characteristics under the Equality Act 2010?

<u>Government equality analysis</u> conducted at the time the Local Housing Allowance was raised to the 30th percentile in 2020 showed that the increase to the 30th percentile particularly benefitted women, disabled people and ethnic minority households.

Analysis by the UK Collaborative Centre for Housing Evidence suggests that national policy statements in England do not recognise race equality in housing as a priority concern. There is clearly therefore much which could be achieved by fully embedding greater equality and fairness in the housing system.

The same CaCHE review highlighted notable ethnic inequalities in the current housing system, noting that all ethnic minority groups are more likely than the white British group to be living in housing disadvantage and deprivation. Ethnic minorities are less likely to be owner-occupiers and have higher levels of overcrowding than the white British group across all types of location.

By investing in the quality and supply of social and affordable housing in the North of England, and across the country, Labour will give people the security they need and tackle the scourge of homelessness.

Durham University's <u>Stigma and Social Housing in England</u> report details that there is stigma in social housing, associated with a drive by government to increase levels of home ownership. <u>Government</u> <u>statistics</u> show that black African and black Caribbean households are more likely to live in social housing than white British households. In most income groups, white British households are less likely to rent social housing than households from all other ethnic groups combined.

The government's depletion of social housing stock through reduced investment and the right to buy scheme means fewer people are living in social housing. The Durham University report also notes that it has become easier for stigmatisation of social housing residents due to the promotion of successive governments of home ownership as the ultimate goal to aspire to. This has led to a framing of social and private renting as an inferior living situation and something to 'get out of'.

A drive to increase the supply of good quality, sustainable social housing could help to destigmatise the sector and reduce housing inequality. Boosting social housing stock and developing a more positive culture around renting would have positive implications for all renters and could provide rational for further investment in the sector.

## Q7: What consideration would need to be given to policy proposals in this area when collaborating with devolved administrations and local governments in England, Scotland, Wales and Northern Ireland?

In our response to the Green and Digital Future paper, we called for energy efficiency funding to be devolved to Mayoral Combined Authorities (MCAs) where these exist.

We believe Labour should also continue devolution of the Affordable Homes Programme to MCAs, where there is local appetite for this (e.g., as part of a Trailblazer or similar programme). This would move towards bringing MCAs in the rest of England in line with the powers and funding exercised by the Mayor of London. It would also enable integration of funding for new and existing social housing, which is currently split between the Department for Energy Security and Net Zero, and the Department for Levelling Up, Housing and Communities and their agency Homes England.

We note this question refers to collaboration with local government in England, and would note that housing and planning capacity within councils in the North of England has been an area of local government capacity which has faced some of the most severe reductions since 2010.

**Our evidence shows a reduction of 54% in spend on strategic housing services in Northern councils since 2010**; compared to a reduction of 34% in the rest of England. Planning services have fared even worse, with Northern spend down by 65%, compared to a reduction of 50% in the rest of England.

## The North's councils are ambitious but to deliver on those ambitions and work effectively with Labour, if in Government, they require the funding to rebuild housing and planning capacity.

We also believe that Homes England – with 1,400 staff and a spend of £5bn+ pa – may represent an important source of capacity if appropriately tasked by Government.



