

The Labour Land Campaign Affordable Housing Supply Conference

A Permanent Solution to the Permanent Housing Crisis?

Wed 14 November 2012, Directory of Social Change, 24 Stephenson Way, London, NW1 2DP

1 Welcome and Introduction

The Conference was opened by Steven Clarke, who welcomed participants, gave housekeeping notices and thanked Eleanor Firman for her work in putting the Conference together.

Dave Wetzel

President, Labour Land Campaign

Dave welcomed everyone to the conference on behalf of the Labour Land Campaign. He founded the organisation in 1983, and has been campaigning ever since on the land issue, and making the case for using the economic rent of land for public benefit.

He said he was delighted to have so many excellent speakers. While he would not necessarily endorse all their policies, or they ours, we had much to learn from each other.

2 Setting the Scene

Duncan Bowie

Senior Lecturer in Spatial Planning, University of Westminster and Convenor, Highbury Group on Housing Delivery

Duncan gave a presentation laying out 'the wider context' of the Affordable Housing Conference.

He laid out five preconditions for effective housing delivery:

1. Sufficient land coming forward for residential development at appropriate locations, with the labour, skills and materials needed to build the houses required
2. A planning and building control regime or code which ensures housing meets standards and requirements
3. A planning regime which ensures housing is only built in locations with sufficient employment opportunities, transport and social infrastructure, and open spaces – and with the funding to deliver these
4. Mechanisms to ensure resources are used effectively e.g. density controls, licensing of development and/or occupation, and financial controls including taxation measures to discourage under-use
5. A funding regime, either to fund building, or support housing costs

Duncan then went on to talk about Government policy. Generally there has been support for home ownership. Historically there was Mortgage Interest Relief at Source (now scrapped). There's the exemption of first homes from Capital Gains Tax. There's the Right-to-Buy discounts on buying your Council house.

There is support for intermediate housing, the key workers' housing scheme, shared ownership and intermediate rent.

The Coalition Government is introducing several reforms to housing:

- A Housing Benefit and overall welfare benefit cap.
- The Government has stopped funding new social rented homes at controlled rents with security of tenure

- Part of the existing social rented stock is being converted on vacation by existing tenant to 'affordable' rents – at up to 80 per cent of the market rent, with limited security.
- The definition of affordable housing is being amended to 'affordable rented' housing in the Planning Policy Statement.
- There are reforms to the Housing Revenue Account.
- All national housing targets have been abolished, so there are only local targets.
- Government will no longer promote specific growth areas.
- It is providing a new incentive to local authorities for house building – the New Homes Bonus – but no compulsion or policing (all carrots and no sticks).
- It is weakening national planning guidance and nationally determined standards.
- Outside of London, it has abolished regional planning.
- In some ways it is devolving power further down than local government – to neighbourhoods, but in other ways there is recentralisation.

Duncan said that land is critical to planning. If we are to have affordable homes, land costs must be suppressed. It should be dominated by use value, not hope value. Evidence shows there is little impact of planning policy on urban land values. Density does have an impact though, with higher densities increasing land values and hence decreasing affordability.

The Government uses Planning Gain and Community Infrastructure Levies to support investment in new residential housing, regeneration and transport and social infrastructure. This relies on the uplift in land values that takes place after development. But this requires increasing house and land prices in a strong market. This has not been the case during the recession, at just the time when public investment and subsidies are being cut. So they are used as a replacement, not an addition to direct public funding – leading to an unworkable, volatile system.

Duncan went on to talk about finance. Originally, Government subsidies were just for socially rented houses only. Then funding for shared ownership and intermediate rents was introduced by the Labour Government. Eventually, public sector funding was reduced, from the Total Cost Indicator (TCI) system to competitive bidding. Levels of grants being made available have been cut, with what funding there is focussed on the 'affordable rent' programme.

Duncan wound up by talking about housing, the economy and tax reform. There is a huge variation in property prices, even in London. They have fallen but are beginning to pick up again. It is really held aloft by the prime London market, which is very much part of a global market.

The market is also primarily driven by investment rather than occupation. Thus, it is the supply of credit rather than housing that has the impact on house prices (which is contrary to the view of the Barker thesis and much conventional opinion). So, short-term market conditions drive supply rather than long term needs and demand. And it is misleading merely to look at averages – the marketability of homes depends on transport and social infrastructure – so type and location of homes is critical. And if there is not the required infrastructure, development will not take place. This is why planning is so vital.

He proposes a radical alternative. The public sector would buy long-term equity stakes in housing, investing for the long term. This would overcome some of the short-termism that drives volatility. The equity would be paid back on resale, or there could be an annual payback linked to a revised valuation (which could work on a proportionate basis over a certain threshold). The income stream from owning these assets would allow Local Authorities to undertake prudential borrowing. There would be covenants on the disposal of public land, and conditions on planning consents would replace Section 106 agreements.

Finally he moved on to property taxation. Stamp Duty Land Tax should be abolished. It is a tax on purchase rather than on appreciation. It would allow more efficient use of the existing stock as transactions would be less costly.

Council Tax could be made more progressive.

Inheritance Tax could be made more effective. Currently inheritance is one of the only ways onto the property ladder – which is clearly bad for social mobility and equity as getting on in life depends on the private wealth of your parents.

Perhaps the old Schedule A income tax on imputed rent could be reintroduced.

The Capital Gains Tax exemption on first homes could be removed, or some other way to tax appreciation could be found – either on disposal or an annual valuation.

A property tax on the house price could be introduced to replace Council Tax and Stamp Duty Land Tax.

And finally, a Land Value Tax should be considered.

3 Housing Policy

Throughout the 20th century all forms of housing tenure have been subsidised but via different policies. What did these policies achieve in terms of meeting housing need and what has been the impact on the wider economy to date? Who are the winners and losers in terms of overall housing costs and benefits? What would a housing policy for a well working economy and society look like?

3.1 Chair: Dave Wetzel

President, Labour Land Campaign

3.2 Jacky Peacock

Brent Private Tenants Rights Group

Jackie spoke of her experiences campaigning for the rights of private tenants, and outlined the implications of current policy.

In the 1990s security and rent controls for private tenants were removed by the Conservative Government. Lord Young, the Minister in charge, said that the newly created Housing Benefit (HB) would take the strain of the rising market rents. However, rents are now far above affordability. Rent costs are often the single largest item of budget expenditure, taking up to 35 per cent of take home pay. HB couldn't take the strain. But now HB is being capped. 50 per cent of the rents in London are above the capped amount. These families will have to be moved out – this will lead to crowded, poor quality accommodation for the poor, who will have their social support networks broken up.

The number of private renters is large (approximately 9 million) and rising. There is high turnover, with 30 per cent of tenancies lasting less than 12 months. This represents a very unequal power relationship with landlords, so it's very difficult to make landlords do simple things like repair the roof. It also has political consequences; you are unlikely to vote if you do not stay in any one area for long, so you lose your political voice.

Jacky spoke of some horror stories. Unlike some Government propaganda, many on HB work. One man was out on a night shift, cleaning escalators. When he returned, the locks had been changed and he was forced to move out. It is doubtful that Government's stated objective of getting more people into work will do so because, as this story illustrates, many renters are on low paid, irregular work which would be further disrupted by the changes.

Landlords are often very poor, attracted by the high-profit, low workload buy-to-let business model. They treat their tenants appallingly. They may conduct business cash-in-hand, so avoiding tax.

Things may be changing. More people are renting, including less tolerant, more assertive people who want to see the situation change. Private renters are no longer a voiceless minority. Ken Livingstone called for a London living rent, Labour want to introduce registration of landlords. If you need a licence to run a kennel or cattery, why not for landlords?

3.3 Eileen Short

Defend Council Housing

Eileen has a long record campaigning for social housing, defending its purpose and opposing privatisation, through Trade Unions and with Defend Council Housing.

She spoke of Glasgow after World War 1. After the privations of war, with wage freezes and racketeering, people were no longer willing to put up with the squalid slums. People went on a rent strike, with the aid of Trade Unions. The campaign was successful. Rents were regulated, living and sanitary conditions improved, and secure tenancies, the best in English law, were won. All under a Tory Government.

We need to campaign and win like this again. Council housing is worth fighting for. The market has never provided – it is more a tool for rationing and exclusion. Today, market failure is very evident. Many are excluded from decent housing, finding it becoming the growing pre-occupation in their lives. Many more have to move every six months to a year. There is no time to put down roots, or build communities with real social capital.

The ideal is high-quality housing that is suited to people's needs and enables them to live their lives. We are very far from that and going in the wrong direction.

In April 2010 Cameron pledged he would not threaten the rights of tenants. However, under localism, landlords are being given new powers to offer 2-year fixed-term tenancies – often taken by the young and unemployed. There are 'affordable' rents being introduced in social housing at 80 per cent of the market rent. 'Affordable' is now meaningless – this is a tool for privatisation.

Many of the changes to HB are causing real fear. In April, the 'bedroom tax' will come in, whereby HB is reduced if there are any bedrooms not being used.

There are about 1.8 million people in council housing, a further 2.8 million housing association tenants. Add this to the approximately 9 million private renters, and that is a lot of people to 'activate' – a support base to push for political solutions to the very real problems we have in providing decent homes for all.

4 The Availability of Land

How we use land and public spaces is determined by how they are owned and managed. What role does the land market play in the supply of affordable homes? Why has the private sector failed to respond to demand? What has been the influence of the capital markets and the deregulation of banking? What should be the role of the state here? What is the proper price for land?

4.1 Chair: John Lipetz

Chair, Coalition for Economic Justice

4.2 Stephen Hill

C20 futureplanners, RICS Sustainable Task Force Europe

Stephen gave a presentation entitled 'Development follows infrastructure: Why that matters for housing costs'. He asks four questions. Where does land supply come from? What is the right price for land? Could housing markets reach equilibrium? How much money do we need for infrastructure and who will finance it?

The dominant theme of recent decades has been that Government has abandoned the leading role in providing homes and infrastructure. This can be traced to the 1976 International Monetary Fund Crisis, when Jim Callaghan said *“It is no longer the business of Government to pay for public housing or infrastructure. The party’s over.”*

But if we look back at house building in the post World War 2 era, we see that from the 50s to the late 70s, when Government did play a key role, especially in building social housing, housing completions comfortably exceeded 250,000 a year. When Government abandoned that role, completions have hovered around 150,000. So how do we get those extra 100,000 houses per year, to take us to the 250,000 a year target? Deregulating planning, or with infrastructure?

To answer this last question, two developments along motorway corridors were compared and contrasted. Along one, there were more houses, of which vastly more were affordable, with far greater choice of tenure and production. The social mix was more diverse, with almost half of social tenants in managerial/professional roles. Building costs and land price increases were lower, and the land price accounted for a smaller percentage of the total house price. Indeed, the land price per hectare in one development was a quarter of that in the other.

The development which performed so well on these measures was the E4 Corridor from Stockholm to Uppsala, while the other was the M4 Corridor in Berkshire.

Land prices are the key issue. The costs of complying with public policy and regulation (the basic requirements of spatial planning to create sustainable places and communities such as infrastructure, dwelling size and quality, affordability, etc) should be internalised in the land price and valuation...but aren't.

Land needs to be correctly priced. As the Royal Institute of Chartered Surveyors' Royal Charter of 1881 says, in its objects: *“To maintain and promote the usefulness of the profession for the public advantage... securing the optimal use of land and its associated resources to meet social and economic ends.”* There is clearly a public interest argument for land prices.

Unfortunately, land prices are exorbitant because of the large amounts of debt being used to buy homes, often for speculative purposes. This land price speculation has not only made land prices too expensive to serve a public interest function, but it has resulted in a huge amount of mortgage debt. When this is added to other forms of debt – such as Government debt (which is relatively smaller) this means the UK has debt equivalent to over 500 per cent of GDP, one of the largest in the world.

As Grant Shapps, the previous Housing Minister said, *“we need a [housing] market that’s boring”, “where things are really quite predictable”* if we are to deal with our debts and maintain macroeconomic stability.

The UK is very poor at investing in infrastructure relative to many other advanced industrial countries. Using the McKinsey rule of 2.5 – that 2.5 per cent of GDP spent on infrastructure leads to 1 per cent GDP growth – the UK should be investing much more on everyday enabling infrastructure, and abandon its reliance on inefficient and costly mechanisms like Section 106 agreements and Community Infrastructure Levies.

He presented two different viewpoints of the drivers of housing policy: current Government thinking is focussed on how to manage the housing queue, whereas Beveridge was concerned with the more fundamental issue of ‘why is there a queue?’.

4.3 Gordon Nardell, QC

Gordon Nardell QC, drawing on his experience as a Barrister dealing with regulation, gave a presentation entitled ‘Debunking de-regulation: The myth and reality of regulatory impacts in the private rented sector’.

The contemporary debate is: should tax-payers subsidise private accommodation costs in high rent areas? The coalition says 'no'. It is capping housing benefit which will lead to social cleansing of high rent areas.

But there is another way of saying 'no' – cut the benefit bill by capping rents. This is Ken Livingstone's solution. When this was proposed, the National Landlord Association threatened that landlords would withdraw from the market. But this assumes that de-regulation improves supply. And regulation diminishes it. It is a good time to examine regulation and de-regulation – looking particularly at rent levels, security of tenure, and the quantity and quality of accommodation.

Looking back on the effects of the 1988 Housing Act, which removed rent controls and security, did deregulation increase supply? The *number of properties for rent* did increase, but so did the *shortage of accommodation*, because of the other effects of de-regulation on housing supply. There are two trends.

Firstly, the rise in buy-to-let (BTL) transactions crowded out first time buyers (FTB). From 1999 to 2007, there was an increase of 1 million BTL mortgages (a tenfold increase) *but* 1.4 million fewer FTB mortgages. The market failed to self-correct as buy-to-let took up the slack that would have driven prices down. So the number of households priced out of the market exceeded the additional properties available for rent.

Secondly, the quality of the housing stock fell because the lack of security made it more difficult to enforce the landlord to make repairs – tenants would be unaware of their rights or be afraid to press for them in case of 'retaliatory eviction'. A London Assembly report 'Bleak Houses – Improving London's private rented housing' found: a third of private rented houses fell short of decent homes standards, 50 per cent more dwellings contained serious hazards than the owner-occupied sector, and that £1.4 billion would be required to bring the existing stock up to standard (yet housing benefit is a £400 million per year subsidy which could presumably be used to do this).

4.4 Alex Morton

Senior Researcher, Housing and Planning, Policy Exchange

Alex comes from the other side of the political aisle from many of the other speakers, having worked for Peter Lilley and now for Policy Exchange – the Cameroonian think-tank. Unlike many of the other speakers, Alex believed the problem was not too little Government intervention, but too much.

The market does not work in land, and planning is responsible. Planning restricts the availability of land for building homes, making it a scarce resource. This scarcity relative to demand means it is prone to rapidly rising prices. The incentives for home builders then becomes to buy and hoard land in a speculative bet that it will increase in price, which it generally does. There is no need to develop on the land, when there is greater profit in just holding on to it as long as possible. Clearly the rules of the market do not apply – you would expect high prices to increase supply.

When land prices do drop, homebuilders cannot build. Their balance sheet is shot because they have often borrowed to buy land, and that borrowing is secured against the land price. They just hang on in there – perhaps buying up cheap land – until the land price starts rising again.

The system we have is where local Councils have plans for house building – but this just means restricting supply, and central planning is always ineffective. Council houses were effective, but the political dynamic has changed. Before 1980, the majority of people were renters – people wanted more Council houses. Now most are owner-occupiers. They tend to vote against development. They see no benefit in it – it would ruin their view and stop their house from getting more valuable. Also, housing is rarely beautiful or high-enough quality to win support. Because land is so expensive, it absorbs most of the money available for development. A house costs only about £100,000 to build, it should cost no more than that to build one. It is usually only high density, poor quality homes (or apartments) that are being offered, and people don't like them.

The system does not work and is not beneficial. We may think overpriced land makes us richer, because we are sitting in more expensive homes, but in reality we are poorer for it. People are trapped where they are and cannot move to find jobs. New homes, shops, offices, factories cannot be built which would genuinely increase the wealth of the nation. Wealth is just transferred from young and poor to the old and rich, and potential wealth is prohibited.

5 Finance

As things stand, the tax base on wages and trade is projected to weaken in the future, what are the available options for government and local authorities in terms of fiscal policy, revenue and investment to support delivery of affordable homes, and how will these interact with the land market? What should we pay for our housing?

5.1 Chair: Carol Wilcox

Secretary, Labour Land Campaign

5.2 Christine Whitehead

Professor of Housing Economics, LSE, and Senior Research Fellow CCHPR

Christine said that there is a difference between principles and reality – and that we must look at housing policy empirically.

Much of what goes on in housing policy is not due to formal decisions, but to inflation. The inflation of the 1970s cast the die for housing policy after. The rising values increased scope for borrowing, which had major macroeconomic effects.

Housing is an investment good, so like all investments, it needs finance. It can be funded by equity or debt. Debt is paid off by rent or imputed rent.

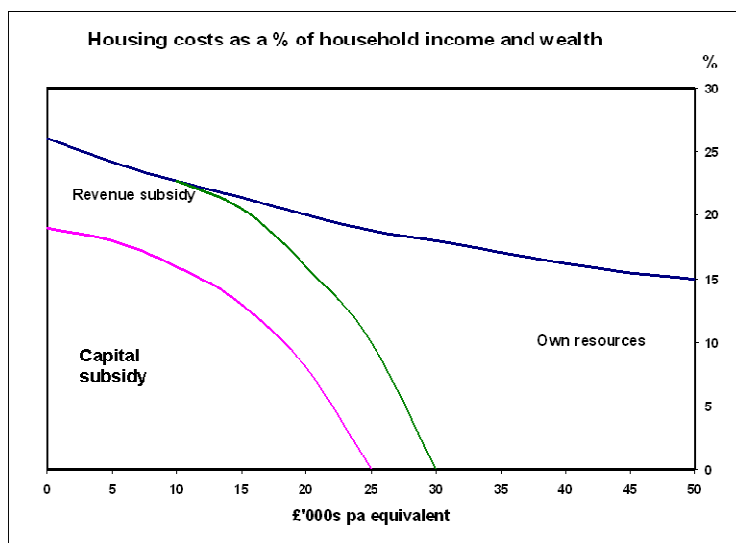
Over the last 50 years, owner-occupation has been the main and most efficient way to get equity. 50 per cent no longer have a mortgage - owning outright is normal. This entails lower costs, so lower maintenance.

5.3 Pete Redman

Highbury Housing Group

Pete gave a wide-ranging presentation, which discussed housing subsidies, taxation and a model of house prices.

He began with a chart showing how housing costs are shared between the households' own resources, capital- and revenue- subsidies, and how that mix varies as household income and wealth increases.



Capital subsidies are used for the economically inactive. Those in work get help with revenue subsidies. The better off manage with their own resources.

He then showed that the increase in the number of households will require even greater subsidy. But when one looks at the subsidy coming from the Homes and Community Agency, the Greater London Authority, Section 106 agreements, etc, there will be a shortfall of around £1.2bn a year.

The recession has made many of these problems worse. But they shouldn't. Record-low interest rates mean it is the ideal time to borrow to invest in public sector assets like new Council housing. Unfortunately we're going in the other direction – cutting hard.

Pete then went on to look at how taxation could be used to make housing more affordable, and perhaps more stable.

He has created a model for English average house prices, which he has fitted to historical data. He then models the effect of a property tax of 0.75 per cent on house price, replacing Stamp Duty and Council Tax. It would be more progressive than the regressive Council Tax, and since it is not a tax on transactions it would not impair efficient use of the housing stock. He believes that by varying this tax, it would be possible to reduce variability in house prices.

6 Housing, Land and the Economy

All land is provided free by nature in the first instance, before labour is applied to it to produce food, buildings and infrastructure. However the World Bank designates urban land as 'produced capital' rather than an inelastic natural resource. The location value of land arises from the efforts of all in society but this value is distributed solely to owners of land as unearned capital gain. How sustainable is it to allow the competing interests of private owners to control the management and use of land? Should we tax land ownership? What other measures can reduce spatial inequality? What is happening globally? Is there a permanent solution to the housing crisis?

6.1 Chair: Jerry Jones

Acting Chair, Labour Land Campaign

6.2 Bob Colenutt

Senior Lecturer, Institute of Urban Affairs, University of Northampton

Bob Colenutt gave a presentation entitled 'The Challenge of Land for Housing'. There is a clear crisis in housing supply. Despite completion targets of around 250,000 homes a year from 2000 onwards, only slightly more than half of these were built. Who, then, is to blame? Planners, for being too restrictive and not granting enough planning permission? Landowners for not releasing enough land? House builders for rigging the market? (According to recent figures there are 992,000 potential housing units in strategic land banks). The Government, for not building enough infrastructure? Or is it 'NIMBYism'?

A case study of the Northamptonshire/Milton Keynes Growth Area was carried out to find out. The study's aim was to assess housing delivery under the New Labour Growth Areas programme 2004-10 and to learn lessons for planning and land policy. The case study consisted of interviews with local authorities, developers, communities and agencies covering the period from 2004 to the present. In particular it aimed to find perspectives on 'growth' and 'sustainability'.

'Growth' refers to the ambitious plans for more housing in the Growth Areas; and the plans, targets, policies and local delivery vehicles to build them. The aim was to make housing palatable, considering the opposition to it. This would be done by having large numbers of high-quality housing in order to foster sustainable communities. The assumption was that the planning system would make land available and the private sector would deliver the housing and infrastructure. As one Government Officer said, *'The growth agenda assumed that if you drew up a plan, the private sector would deliver it.'* There was a step change in housing targets, along with ambitious sustainability policies, but no-one assessed whether the private sector could or would deliver, or asked if the plans were realistic. The programme had begun to slip even before the economic crash, particularly on large sites which required significant infrastructure. As already mentioned, the 'growth' did not materialise, and the targets were not met.

'Sustainability' suffered as well. *'There was never a meeting of minds'* between the various planners and developers about sustainability. *'[D]evelopers saw it as an imposition'*, said the local authority. *"The planners did not know what they wanted"* - they did not look at 'value and viability', said a house builder. *'There is nothing about sustainability that changes the criteria for development'*.

Ultimately, as it became clear that the quantity targets would not be met, quality was sacrificed. Relatively few best-practice housing schemes were built. A Local Delivery Vehicle officer said, *“the idea was to facilitate growth not to aim for quality”*. In the end, neither was achieved.

So what are the lessons to be learned? The Growth Areas scheme failed. Delivery was well below target and sustainability was watered down.

A comprehensive planning and land policy is needed, such as the one in the Planning Network UK’s Manifesto for Planning and Land Reform. The dependence on private sector delivery should be reversed, with the Government taking the lead and getting smarter. The benefits of development should be retained in the community. Public land should be retained long term. The New Town model should be revisited. The leverage of infrastructure funding should be used to obtain community benefits.

Strategic planning needs to be reinvented, with the Local Authorities Core Strategies giving clear allocations and deliverable standards which must prevail over viability claims.

Local communities must be involved. Unless they see benefit, they will continue to say ‘no’ to housing (they may even do this if they see benefit – and we need to think our way around this.) Community land ownership should be encouraged by allowing community charities and trusts to obtain land at less than market value or in larger schemes. Strategic funding vehicles for community led development must also be created.

There must be a range of mechanisms to bring private sector land forward for development. The stranglehold of options must be broken – by putting time limits on them, or using Compulsory Purchase Orders.

Funding must also be reconsidered as large investments are needed. Section 106 agreements, Community Infrastructure Levies, Roof Taxes – they can only deliver a small proportion of sustainable development. Land value taxation can play a part. Government and/or institutional funding for infrastructure is necessary.

The housing delivery model must be transformed from being short-term to long-term. The Government must see to this, but the same long-term approach needs to be introduced in the private or institutional approach to land ownership and stewardship.

It will need a coalition of radical interests in land and planning to press for reform.

6.3 David Drew

David, a former Labour MP for Stroud, is dealing with issues around rural housing in his PhD. He hopes to retake his old seat at the next Election.

His talk dwelt on his experience as an MP. His constituency is semi-rural, the sort that the Labour Party gives up on – which is bad for residents. There are many issues Labour needs to talk about to engage with these areas – rural post offices, parish governance, right to roam, affordable homes. None of this was New Labour.

New Labour’s re-election strategy was house price increases – right-to-buy – all else was secondary.

In rural and semi-rural areas, large developments are not needed. Rather, it is often a few houses needed to be built in each village. This requires major decentralisation, with plans being pushed down to parish level. The public sector needs to take the lead, with community funding from DEFRA.

6.4 Dave Wetzel

President, Labour Land Campaign

Dave used his speech to round up the Conference.

He wanted to tell every one of the car ladder. If you got on the car ladder, then you could expect the car to go up and up in price.

Of course, this doesn't happen. Cars go down in price – they depreciate. Yet people talk of a housing ladder and houses do tend to rise in price. Indeed the housing ladder, and housing boom and bust, is one of the prominent features of the British economy.

So how can one appreciate and the other depreciate?

The answer is that the house does depreciate, but the *land* it is built upon goes up in price. The land and buildings are distinct.

As an example, Dave was recently in Budapest. He saw a bridge on a river trip. It happened that a church was in the way of where the bridge was built. So they uprooted the church and moved it somewhere less obstructive.

Another example, a houseboat moored in Chelsea is worth millions. An identical houseboat moored in Maidenhead loses a huge amount of value. The difference in its value is the value of the two locations.

So, the land value – the value of the land discounting anything built upon it – represents the value of location. It is this that varies with the general improvement of society and with increasing demand for land available for residential housing. It is this that is responsible for the housing ladder – we have a *land ladder*.

Houses are primarily a home. They are where we enjoy ourselves, rest (from the problems of capitalism), and occupy ourselves with housework. It is a place of love, friendship and things to do. We need them for a harmonious society. So, all have the right to a decent home.

So why can't we have affordable, high-quality housing. Economists and politicians are not looking at the theory of rent. As described, land values increase and accrue to the land owner, who contributes nothing to the process. If land is dear, then little money can be spent on building good homes. Any attempt to subsidise developments and improvements of buildings will merely end up in the pockets of the land owner – and will not solve anything.

An understanding of the theory of rent will also help us understand how damaging our tax system is. Land rents are unearned, and will not discourage work or improvement if taxed. Other taxes do.

We have 20 years' worth of 'land banks' - land that could be used to build communities but is being hoarded for speculative gains. If these were taxed they would be made use of. We have many empty sites – there are still bomb sites in London from the Blitz that have not been redeveloped. If the landowner was charged, they would not be kept out of use.

Land is easier to value than buildings and it is the ideal target for taxation. Let's tax land values.

7 Concluding Remarks

“Everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family, including food, clothing, housing and medical care”

Universal Declaration of Human Rights

Speaker Biographies

Duncan Bowie has extensive experience of spatial planning and housing strategy practice, having worked for the Mayor of London, the Association of London Government, the Housing Corporation, the London Docklands Development Corporation and the London boroughs of Newham and Lambeth. He joined the University of Westminster in September 2010, having for the three previous years been Reader in Urban Planning and Regeneration at London Metropolitan University. He has published in professional journals on spatial planning and housing issues and has published a book on planning and housing in London under the Mayoralty of Ken Livingstone.

Bob Colenutt works for the Northampton Institute for Urban Affairs, and is presently conducting research on housing development in the Northamptonshire/Milton Keynes Growth Area. He is also undertaking an assessment of who benefits from Neighbourhood Plans. His background is as a community planner for community groups in London, and as a regeneration officer in local government. He is a member of Planning Network UK, which has just published a draft Manifesto for Planning and Land Reform (see PNUK website).

David Drew joined the Labour Party in 1969 and Co-operative Party shortly after that. He was elected as a Stevenage Borough Councillor in 1981. He returned to his home in Gloucestershire and have been a Parish/Town Councillor, Stroud District Councillor and Gloucestershire County Councillor at various times since the late 1980s. He was MP for Stroud from 1997 to 2010. He has been reselected as PPC for the Stroud Constituency hoping to overturn a Tory majority – a 1.2% swing needed. He is very involved with the voluntary sector, Church and many Party activities. He is currently pursuing a PhD on New Labour and Rural Policy of which affordable housing is one of his case studies. A teacher by background he has taken a close interest in education, housing, poverty and international development, specifically in Sudan.

Stephen Hill, MRICS, CEnv, Director C₂O futureplanners, is an independent public interest practitioner, with public and private sector experience of housing, planning and delivering mixed-use development, urban extensions, new settlements, and community-led neighbourhood regeneration. He is RICS' representative on the government's Housing Policy Sounding Board, and a joint RICS-Housing Forum initiative to integrate institutional investment into housing and infrastructure. He has championed land tenure and tax reform, and citizen-led housing solutions for over 20 years. He is currently working with tenants and residents and London councils on community led and owned housing developments on council estates and land. He is a board member of the National CLT and UK Cohousing Networks.

Alex Morton was Secretary to the Conservative Party's Globalisation and Global Poverty Policy Group under the Rt Hon Peter Lilley, MP. Following this he worked in the Civil Service Graduate Fast Stream before leaving to join Policy Exchange. He is the author of the 2010 report *Making Housing Affordable*, which won the Prospect magazine's Think Tank Publication of the Year and highlighted the cost of current housing policies. Its central proposition was that house price stability should be a major government priority. And he co-authored *More Homes: Fewer Empty Buildings*, which argued for easier conversion from commercial to residential property, a policy picked up in the 2011 Budget. Other publications include *Cities for Growth; Why Aren't We Building Enough Attractive Homes?* which warned that our existing house building sector was broken and unable to build the homes we need due to a combination of planning constraints and the warped development industry that our planning system has created; and *Ending Expensive Social Tenancies*, about how better stock management could create the greatest social housing building since the 1970s through slowly selling off the most expensive social housing.

Gordon Nardell, QC is a barrister and long-standing contributor to the Labour movement debate about economic and social policy. He served from 2006 to 2010 as a councillor in the London Borough of Southwark, an authority facing enormous housing challenges. Gordon has written online and print articles on housing policy, including in the Left Economics Advisory Panel's *Red Papers* and the journal *Labour Briefing*.

Jacky Peacock has spent most of her adult life campaigning with private tenants to try to get conditions in the private rented sector improved. For the last 25 years Jacky has been Director of Brent Private Tenants' Rights Group. She is also Secretary of the National Private Tenants Organisation. After a few early successes such as the cap on fair rents which has kept elderly private tenants in their homes, and the licensing of bed-sit houses, conditions have got steadily worse with the repeal of regulation and rent controls. Jacky is also a long-standing member of Labour Housing Group and is currently the Vice-Chair.

Pete Redman has worked in social housing for 40 years leading housing associations and local authority services in London, Leeds and Birmingham. He is currently engaged in housing policy development having assisted IPPR and Demos. He is a member of the Housing Studies Association and the Highbury Group on housing supply. His current research concentrates on housing market dynamics, house price volatility, and the role of social housing within the overall housing market.

Eileen Short is chair of Defend Council Housing, a campaign against privatisation of council housing and in favour of direct investment in new and existing council housing. The private housing market is failing; a mass programme of new council housing is essential to build the homes we need. Publicly-owned council housing is decent, secure, genuinely-affordable and accountable. It is part of the solution to Britain's growing housing crisis.

Dave Wetzel is the founder, and now President, of the Labour Land Campaign. Dave's career includes being a student engineer, a bus conductor, driver and inspector, airline pilot roster officer, Co-op Political Organiser, Chair of the Greater London Council's Transport Committee, Leader of Hounslow Council, transport charity director, antique dealer, the first Vice-Chair of Transport for London, Chair of London Buses and an international speaker on land reform.

Christine Whitehead, OBE, PhD, BSc (Econ), ARICS, FSPR is Professor in Housing, Department of Economics, London School of Economics and Senior Research Fellow, Cambridge Centre for Housing and Planning Research, University of Cambridge. Christine is an internationally respected applied economist. She was Director of the Cambridge Centre for Housing and Planning Research from 1990 to 2010. She has conducted an extensive programme of research on various aspects of the housing market, with special reference to housing finance and subsidies, private renting, social housing provision and land use planning, as well as on urban, industrial policy and privatisation issues. Major themes in her recent research have included analysis of the relationship between planning and housing; the role of private renting in European housing systems; financing social housing in the UK and Europe; and more broadly the application of economic concepts and techniques to questions of public resource allocation with respect to housing, education, policing and urban regeneration. Her latest book, with Sarah Monk as joint editor, *Making Housing More Affordable* was published by Wiley Blackwell. She was awarded the OBE for services to housing in 1991. She has acted as Adviser to Parliamentary Select Committees on many occasions – latterly for the CLG Select Committee inquiry into Financing the Supply of New Housing.