



## **No escaping the main issues!**

Having made it to the North of Majorca for the half term break I thought I may have escaped the daily grind of life back in the UK. However with the kids successfully dispatched off to the pool I made the mistake of switching on the BBC World News channel and it featured an interview with David Anderson, the Chief Executive of the Co-operative Bank. The first question they ask him is about the UK housing market and straight away he launches into an answer about shortage of supply and not enough building taking place. This causes me to reflect on the recent MJ front page that calls for Ministers to provide radical solutions to the growing housing crisis.

With the target of 3m new homes built by 2020 falling further behind by the day, it would appear that Ministers are going to have to revisit all options if they are to meet the growing demand. Councillor Paul Bettison stated that the LGA estimates that 5m people will have registered on council house waiting lists by 2010 and this starts to lead to where some of the answers may lie.

The credit crunch has stopped private new build in its tracks; seen the withdrawal of many of the lenders from the RSL and housing association markets' and; raised longer term questions about the opportunity to purchase a home ever being available again for many first time buyers. It's at this point that you question whether the market is capable of delivering a home ownership solution for first time buyers at an affordable rate ever again. That's when you realise that the fixation with home ownership in our country is inhibiting one of the most basic social needs.

What's so wrong with local authorities being able to create enough new homes for rent either directly or in partnership with their local ALMOs, RSLs, housing associations or private developers? The increase in supply would deliver a realistic option for many people young or old who have very little alternative at present, help regenerate local communities and cool the market options, keeping the bottom rung of the ladder in place for those who wish to grab it. Is this not what the place shaping role should be about?

In order to make this happen Ministers must speed up the current review of the national HRA system and allocate the ongoing annual surpluses gathered by the Treasury from housing

tenants back to local authorities to meet local needs. Currently this equates to £194m per annum and is growing significantly year on year.

The only reason I can see for delaying such an obvious answer is based on an outdated ideology about local government's capability of delivering on housing. With the momentum growing for such a solution across a diverse range of organisations and groups there is no real escape from what is becoming a dawning reality.

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