



## **Speech to House of Commons on a new generation of council housing – Paul O’Brien, APSE, Chief Executive**

Thanks for giving me the opportunity to come along today and speak to you about the highly topical research APSE has recently completed for UNISON – A new generation of council housing, an analysis of need, opportunity, vision and skills.

Looking firstly at need, the origins of social housing in this country can be traced to a desperate need for quality, affordable, secure housing at the end of the 19<sup>th</sup> century. Just over 100 years later social housing is back at the forefront of public policy debate for the same reasons.

In 1997 the incoming Government inherited a £22b backlog of repairs in council housing and set out with vigour to address what was the dominant need at that time, to bring the standard of council housing up to a decent level. With almost 2m on council house waiting lists and many more living in overcrowded conditions the pressure on Government to deliver more affordable housing has been intense. With Government looking for 3m additional new

homes by 2020, the recent failure of the private housing market has only cranked up the need for social housing further.

With registered social landlords and arms length management organizations failing to deliver new housing in any significant numbers Ministers have once again turned to local government to deliver a new generation of council housing in order to meet this need. John Healey as Housing Minister has made more progress in this area in a few months than his predecessors have in 12 years. Whilst some may argue that it's only a few thousand houses it's a significant start and a signal of intent.

It's no secret that council housing has had its doubters over the years and many have questioned whether local government will have the ability to rise to the challenge created by this new agenda after such a long time. That's what we attempted to assess in undertaking this research. Can local government really deliver on this agenda?

What we identified was a variable state of readiness within local authorities. We categorized this in 3 broad groupings the trailblazers, the interested and the unaware.

The trailblazers are those who have been pushing for the opportunity to build for a number of years and indeed 49 authorities in England, along with 14 in Scotland, are already engaged in the first phase of building new homes.

The interested are those where elected member and officers have seen demand grow significantly over the past few years and have recently become aware of new opportunities created to finance new build council housing but a lack of knowledge after decades of not building has hampered confidence.

The unaware are those who are not interested in this agenda politically or who feel that as a result of transferring their housing stock they no longer have a direct role to play in housing provision.

So what are the critical factors in pursuing this agenda? The research identifies the importance of political and strategic vision, clear leadership and a positive culture towards council housing within the local authority; a growing mood for the importance of direct provision; the impact of new central Government policies around financing council new build; the scope of developments, many are looking to build small infill sites in the first instance, but aspire to larger scale. It also identifies some difficulties with the HCA bidding process and factors such as land availability, maximizing community benefit in the local

supply chain and employment. With regard to quality of build, this is not about recreating the sixties high rises.

The research also identifies environmental considerations around carbon reduction, sustainable construction and energy use as significant issues.

Of course any decent size new build programme can provide a huge boost to local economies in difficult times. APSE's previous research in mapping the economic footprint of local authority spend, which showed that for every £1 Swindon Council spent on their services a further 64p circulates in the local economy through the multiplier effect of local expenditure backs this up. Some of you may also have seen our report for the TUC in the press over the last few days which looks at the impact of the recession on public services. This also demonstrates the importance of continued investment in local services in the current climate.

An important point to emerge from APSEs research for UNISON was that those councils who have retained their ownership and management of housing appear more eager and well placed to pursue house building and therefore help government address what is becoming a huge social need.

However some barriers remain with regards to legislation, finance and technical matters although John is deliberating on the findings of his consultation exercise into some of these

issues at present. However, skills and capacity do not appear to be an overwhelming blockage to local councils building housing directly again in significant numbers.

Skills required are split into four sets generic, professional, technical and trades. These are linked to the various stages of building; pre-development; pre and during and on-site.

Whilst not every authority maintains significant capacity in these skill sets at this stage the vast majority believed that this would grow and expand as house building programmes progressed.

Having considered all of the above, the huge need for new homes that has built up, the failure of the housing market to deliver generally, the falling numbers of homes available in the social housing sector over the past decade, the economic necessity and benefit and local governments capacity and capability to deliver in this area, the report calls for the government to place a clear duty on councils to provide homes in the areas they serve, either directly, or in partnerships with RSLs or other bodies.

The report identifies that we have begun the first steps to build a new generation of council housing one that must be constructed with the needs of tenants in mind, to the highest

standards of energy efficiency, in the right places and in communities that are mixed and sustainable.

In closing, John I applaud the progress you have made over the last few months in reintroducing house building amongst councils on a significant scale and I hope that as we progress towards a general election all of the political parties will be attempting to outdo each other on their manifesto commitments on the size and scale of their programme of new build council housing in the future.

Thanks for listening.