FIVE YEARS OF FAILURE:
THE TORY HOUSING RECORD
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Labour’s Housing Team:

Housing is a top priority for Labour, which is why there is now a dedicated shadow housing team for the first time.

John Healey MP, Shadow Cabinet Minister for Housing and Planning
Roberta Blackman-Woods MP, Shadow Housing and Planning Minister
Teresa Pearce MP, Shadow Housing and Planning Minister
Matthew Pennycook MP, Parliamentary Private Secretary
Five Years of Failure on Housing

The Conservatives spent the last Parliament blaming Labour. This won’t wash now. The Tories have their own track record in government – five years of failure. People can see and judge this for themselves.

For five years, the Conservatives had the chance to tackle the housing crisis – but they’ve failed. Their five years of failure on housing means worry and misery for millions struggling with the cost of housing crisis – higher rents, higher deposits, more people renting privately, more homelessness, the lowest rate of home ownership in a generation, and fewer homes built than at any time since the 1920s.

The Conservatives claim to be the party of home ownership but they’ve failed and on their watch it has declined every year – there are 205,000 fewer homeowners since 2010.

The Conservatives claim to care about private renters but they’ve failed to help them – England’s 2.5 million additional renters since 2010 and are paying £1,600 more every year in rent.

The Conservatives claim they have a good record on affordable housing but in reality they’ve failed to build the affordable homes we need to buy or rent. Social homebuilding is at its lowest for over two decades and they’ve failed to replace homes one-for-one through the Right to Buy, only replacing one for every nine sold.

The Conservatives claimed to care about homelessness in opposition but in government they’ve failed those who are most needy and desperate. All forms of homelessness have risen since 2010.

The Conservatives said they would “get Britain building” but last year only half the number of homes were built that experts say we need to meet demand. David Cameron has led the government that built the fewest homes in peacetime history since the 1920s when David Lloyd George was Prime Minister.

Everyone knows someone struggling with high housing costs. From young people forced to stay at home with parents and families stuck renting privately, to young couples with no hope of ever buying a home together and older people who can’t find homes fit to meet their needs.

The government has a duty to act and Labour has a duty to expose its failures when it doesn’t. It’s indefensible for government ministers to not do more to ensure people are decently housed and to help the next generation get on. An affordable home isn’t a ‘nice to have’, it’s the bedrock for the lives and futures of individuals and families throughout the country. There can – and must – be change.

John Healey MP
Shadow Cabinet Member for Housing
1. Five years of failure on homeownership

The Conservatives claim they are the party of home ownership and want to help the next generation on to the property ladder.

“I want young people to have the same chance of getting on the property ladder as their parents and grandparents.”

George Osborne, 8 October 2013

Conservative Ministers have failed to increase home ownership and it has declined every year on their watch.

• The average deposit is now £57,000 compared with £43,000 in 2010.¹

• There are 205,000 fewer homeowners since 2010. The level of home ownership has fallen since 2009-10 from 67.4 per cent to 63.3 per cent in 2013-14.²

2. Five years of failure to help private renters

The Conservatives claimed that they would help people who rent privately.

“You hear people say: “why can’t people just rent like in Europe?” or “there’s nothing we can do because we don’t have the money”. I disagree.”

David Cameron, Conservative Party conference, 5 October 2011
http://www.telegraph.co.uk/news/politics/conservative/8808521/Conservative-five-years-of-failure-on-private-renting.html

Conservative Ministers have failed to deliver for private renters. The number of people living in the sector has soared – as have the rents they pay – but the lack of security and poor conditions remain. There wasn’t even a mention of private renters in the Conservatives’ election manifesto.

• The number of people living in the private rented sector has increased by 2.5 million since 2010 and there are now 1.5 million families with children renting from a private landlord who could be evicted with as little as two months’ notice.³

• Private rents have reached an all-time high of £803 per month and continue to rise. This is an increase of 20 per cent since 2010. Rent now costs an average of £1,636 more a year than in 2010.⁴

<table>
<thead>
<tr>
<th>Region</th>
<th>Increase in monthly cost of rent since May 2010</th>
<th>Increase in annual cost of rent since May 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>England and Wales</td>
<td>£136</td>
<td>£1,636</td>
</tr>
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LSL Property Services, buy-to-let index, 18 September 2015; http://www.lslps.co.uk/documents/buy_to_let_index_aug15.pdf

3. Five years of failure on affordable homes

¹ Based on a 20 per cent deposit using ONS House Price Figures: Table 2 http://www.ons.gov.uk/ons/rel/hpi/house-price-index-july-2015/rft-table-1-july-2015.xls
⁴ LSL Property Services, buy-to-let index, 18 September 2015; http://www.lslps.co.uk/documents/buy_to_let_index_aug15.pdf
The Conservatives claimed they would build more affordable homes.

“We've got the biggest programme of new social housing in a generation.”
George Osborne, Mansion House Speech, 12 June 2014

And they committed to replacing every home sold one-for-one through Right to Buy.

“And for the first time, every extra home sold will be replaced on a one for one basis.”
Grant Shapps on Right to Buy replacement, 2 July 2012

Conservative Ministers have failed to deliver the genuinely affordable homes our country needs. They’ve introduced a new “affordable” rent model which is unaffordable to many, they’ve swept away requirements on developers to build new affordable homes and George Osborne is investing less money in affordable housing than at any time for 15 years.

- Conservative Ministers have failed to build the genuinely affordable homes that we need – last year they built the fewest for over two decades – 10,920 homes for social rent compared with 33,180 delivered in Labour’s last year in office.6
- The Conservatives have failed to deliver one-for-one replacements for homes sold through the right to buy - instead only one is being built for every nine sold.7
- Conservative Ministers have failed to build affordable homes to buy – homes built for affordable ownership since 2010 has declined by 49 per cent from 22,240 to 11,410 last year.
- The government’s ‘affordable rent’ is not affordable to many families, particularly in London where it could swallow up to 84% of the earnings of a family on the average income, and require a salary of up to £74,000.8
- Conservative Ministers have punished social tenants with the unfair “Bedroom Tax” which has affected around half a million households.

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7 CLG live tables on affordable housing supply: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/408891/Table_1000.xlsx
#House of Commons Library analysis
4. Five years of failure on homelessness and rough sleeping

In opposition, David Cameron described homelessness as “a disgrace”.

“I think that it is simply a disgrace that in the fifth biggest economy in the world that we have people homeless, people sleeping on the streets, sofa-surfers, people in hospitals. I think it is a disgrace.”


http://news.bbc.co.uk/1/hi/uk_politics/7402410.stm

In government, Conservative Minister have failed to tackle homelessness and the numbers of people on our streets has soared.

- Over 54,000 people were accepted as homeless and in ‘priority need’ in 2014/2015 – an increase of 36 per cent since 2009/10.9
- The number of families with children illegally housed in bed and breakfast accommodation for longer than six weeks has soared by 820 per cent (920 in Q1 2015 vs 100 in Q1 2010).10
- Rough sleeping has increased by 55 per cent in England since David Cameron became Prime Minister, rising from 1,768 in 2010 to 2,744 in 2014.11

5. Five years of failure to get housing benefit under control

The government has promised to get housing benefit under control.

“The whole working age benefit system has to be put on a more sustainable footing.”

George Osborne, Emergency Budget Statement, 8 July 2015


They’ve failed. High housing benefit spending is housing’s ‘canary in the mine’ – signalling that for far too many families, their incomes simply don’t cover their high housing costs. It has grown rapidly in the last five years, despite deep cuts to individual awards, as Ministers have failed to get to grips with the root causes of housing benefit spending.

- Housing benefit spending has risen by £4.4bn in cash terms between 2009/10 and 2014/15 to over £24bn.12
- The number of people who are in work and claiming housing benefit has more than doubled from 486,000 in May 2010 to 1.1m in May 2015.13

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13 DWP administrative data: https://statExplore.dwp.gov.uk/
6. Five years of failure to build new homes

George Osborne and Conservative Ministers have repeatedly pledged to build more homes.

“Some of the most important infrastructure for British families is housing and we have to confront this simple truth: if we want more people to own a home, we have to build more homes.”

George Osborne, Autumn Statement, 5 December 2013

After five years the Conservatives have failed to deliver the increase in house building that Britain needs.

• Since 2010 Conservative Ministers have presided over the lowest levels of house building in peacetime since the 1920s when David Lloyd George was Prime Minister.14

• Half the number of homes were built last year compared with those needed - 124,52015 home completions compared with the 245,000 homes independent experts say are needed.16

Fears for another five years of Tory failure

There is little government ministers are doing now that is likely to change the trends to 2020 and moderate their five years of failure since 2010. Based on their track record, as trends continue, Britain is set to see after a decade with Conservative Ministers in charge:

Homeownership by 2020

- **Average deposits of £76,000** – a 20 per cent deposit will be nearly double what it was in 2010 with the average house price rising to £378,000.
- **508,000 fewer homeowners than in 2010** – there will be over half a million fewer homeowners in 2010 than in 2020.
- **A 50 per cent drop in the number of young people owning their own home** – less than 800,000 people under the age of 34 will own their own home a drop of 50 per cent since 2010

House building by 2020

- **A shortfall of 1.3 million homes by 2020** – based on the average number of homes built since 2010, there will be a shortfall of 1,307,580 homes by 2020.
- **Cameron to have worst housebuilding record since the 1920s** – he is set to retain the worst housebuilding record of any peacetime Prime Minister since David Lloyd George.

Private Renting by 2020

- **The private rented sector will have doubled in size** - 16.3 million people will be renting privately an increase of 94 per cent since 2010.
- **Renting will be £3,500 more a year costing £11,500 annually** – the cost of renting privately will have soared by 44 per cent costing £3,500 more a year than in 2010 with monthly rents at an all-time high of £958.

Affordable Housing by 2020

- **Only 2,062 genuinely affordable homes for social rent will be built in 2020** – a decrease of 94 per cent compared with 2010.
- **Only 2,407 homes for affordable home ownership will be built in 2020** – a decrease of 89 per cent since 2010.

Homelessness and Rough Sleeping by 2020

- **74,000 families being made homeless every year** – the number of families being made homeless every year will have increased to 74,000, an increase of 85 per cent since 2010.
- **81,000 families living in temporary accommodation** – families in temporary accommodation will have increase by 58 per cent by 2020.
- **5,305 people will be sleeping rough** – an increase of 200 per cent since 2010

**Methodology:** all figures are forecasts based on the trend since 2010 and projected forwards to 2020.