



Delivering on the housing crisis

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Defining the housing crisis



- Need
- Affordability
- Mix
- Skills
- Homelessness



Need

- 1.5m on council house waiting lists
- Population growth
- Demographics changing
- Government 1m by 2020 plus 0.5m by 2022
- Sajid Javid 266,000 new build per annum



Affordability

- Average age of first time buyer 38
- Home ownership trend now in reverse 63%
- Cost of a deposit for mortgage
- Average house cost Oxford 16.2 times average annual salary



Mix

- People living longer with illness and disability
- Single elderly in 4 bedroom houses
- Larger families in 1 and 2 bedrooms
- No flexibility in the system to adjust
- Need for capacity

Skills



- Ageing workforce
- Lack of skilled workers
- Lack of apprenticeships
- Dependency on European labour
- Brexit



Homelessness

- Pre recession visible homelessness almost disappeared
- Doubled since 2010
- Shelter suggest 250,000
- Political issue
- B&B costing local authorities £2m per day



Historical context pre 1997

- Homes fit for hero's
- Housebuilding boom
- Harold McMillan
- 1979 Right to buy
- Emphasis on home ownership
- Government took majority of receipts



Context pre 2010

- 1997 focus on £19B backlog of repairs
- Focus on decent homes standard
- Stock transfer
- Demolition
- Lack of new build
- 1m fewer social homes by 2010



Since 2010

- 2012 transfer to local HRAs
- 30 year business plans
- Included headroom for new build
- Based on rent certainty
- Deregulation of planning
- 2015 Government reduced rents
- Housing Green Paper



Housing the nation
Ensuring councils can deliver more and better homes

An illustration of a diverse housing estate featuring various building styles, including modern high-rises and traditional terraced houses, set against a green background.

Building homes, creating communities
Ensuring councils provide innovative solutions to meeting housing need

An illustration of a diverse housing estate, similar to the one on the left, but enclosed within a circular frame against a light blue background.

Local authority housing companies



- 100 already
- 200 by 2020
- Wholly owned by local authority or JV's
- General fund borrows from PWLB at 2%
- Council loans company at 6% to 7% return
- Out with right to buy
- Will Government close loophole?

Case studies

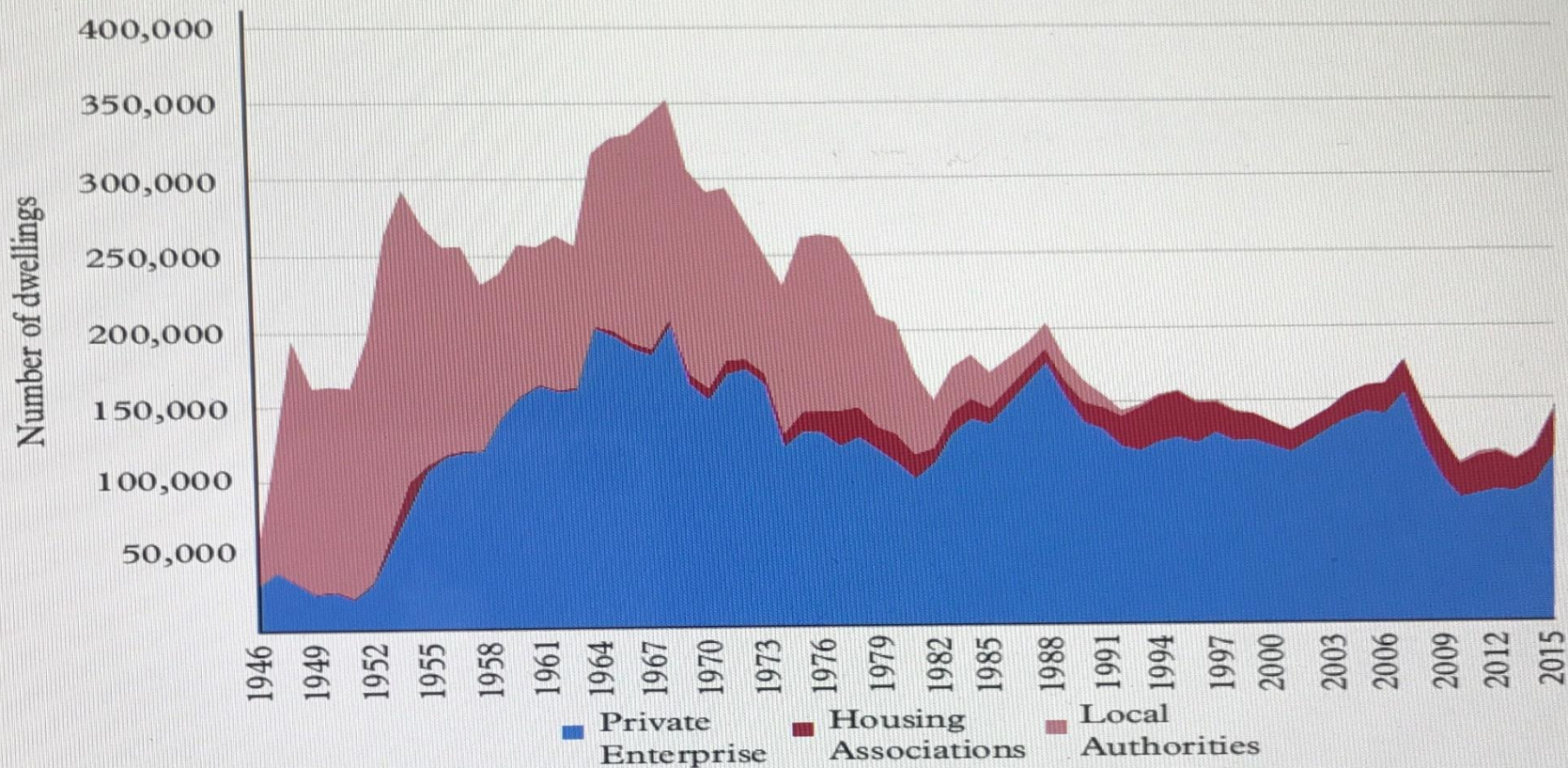


- Birmingham
- Lambeth
- Midlothian
- Oxford
- South Cambridgeshire
- Thurrock
- Harrow
- Manchester
- Edinburgh
- Aberdeen

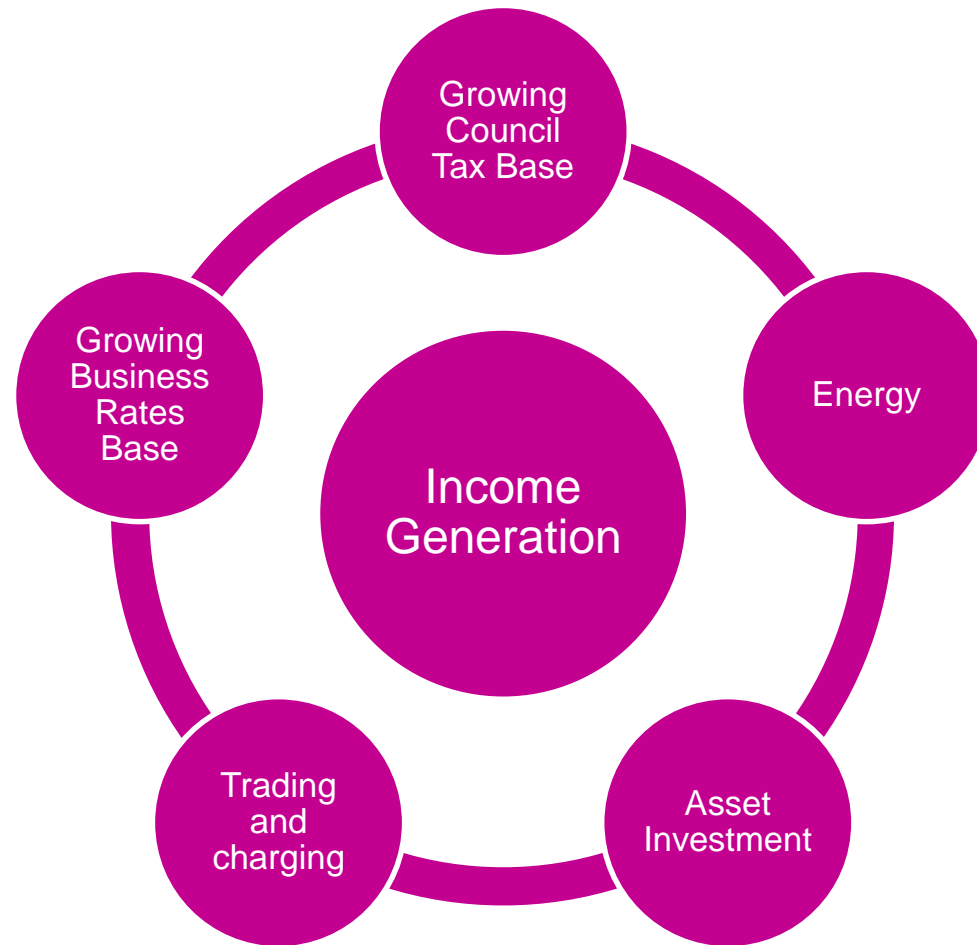
Who built UK housing?



Figure 1: Permanent dwellings completed in England by tenure, 1946 to 2015



Commercialisation Strategy



Conclusions



Housing crisis growing

Build rate needed keeps increasing

Will not be reached without council housing

LA housing companies a start

Allow councils to borrow

Allow councils to build

Allow councils to train workforce

Allow councils to deliver for local communities



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LOCAL SOLUTIONS



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