

# Speech: CIH Housing 2018

## **Introduction**

Thank you very much and good afternoon everyone. Can I just start by thanking the Chartered Institute and your team for hosting us, And to all of you for the energy, enthusiasm and expertise you have brought to this conference.

I have to say that I took on the housing brief, in January, with real excitement, But also a measure of trepidation. Because we seem to get through ministers almost as quickly as England get through football managers ... although the current one is not doing too badly.

But what I found very quickly, amidst the fine detail of the National Planning Policy Framework, The myriad of housing schemes, And the varied views amongst all of you, Not to mention my even less bashful colleagues in the House of Commons ... that this really is a 'heart and soul' job.

It touches on everyone's most basic aspirations, And what it takes for us to feel secure in our daily lives: A roof over our head, A place to call home, And within the walls of an Englishman's castle, The crucible for our hopes and dreams, Not to mention the everyday happiness that defines our quality of life, indeed our way of life.

And, of course, these are not ordinary times. That precious sense of homespun security was shattered in the most tragic way, just over 1 year ago, With the appalling fire at Grenfell that cruelly saw 72 lives lost and we recently commemorated that tragedy, and my heart goes out to those who perished, Those who survived, And the community as a whole as they strive heroically to put their lives back on track.

I have seen some of that pain and suffering up close through my work with individual families, as well as local groups including Grenfell United. I have to say I am deeply impressed by their determination to find answers and see justice done. I am struck by their resolve to make this a moment for social change ... for individual tenants but also for whole communities like Grenfell who have long felt neglected or disdained.

Against that most poignant of backdrops, there is a wider national issue facing this country as a whole: our broken housing market.

To fix it, our strategy draws together three essential strands: safety, aspiration and innovation.

## **Safety**

After Grenfell, it must begin with safety.

People must feel safe in their homes, people must be safe in their homes.

Grenfell was a wake-up call. The public inquiry must get to the bottom of the facts. And there must be accountability and justice for that precious community.

And there is already action underway to overhaul the regulatory framework and restore public confidence in it.

Last month, the Prime Minister undertook to fully fund the removal and replacement of all potentially dangerous ACM cladding on buildings over 18 metres owned by social landlords. We're pressing building owners in the private sector to step up to the plate too, Because leaseholders should not pay those costs, And the private sector should not be let off the hook. I have to say that I hugely welcome the lead taken by Taylor Wimpey, Barratt Developments and Legal & General in shouldering the costs of remediation. They are doing the right thing. I urge others to follow their lead. And the government has made clear that if nothing happens we rule nothing out.

Next, we've launched a consultation on banning the use of combustible materials on the external walls of high-rise residential buildings.

We are also revising the building regulations, so there's no doubt about which materials you can and can't use.

And of course Dame Judith Hackitt's report was a watershed moment for our overarching regulatory framework, It is an opportunity to make a paradigm shift, From the comfort-zone of the box-tick approach to building safety, Towards a far more consistent and rigorous focus on compliance and identifying who takes responsibility ... from the original design right the way through to later and subsequent refurbishment.

This is the model that is used in sectors with the best practice and the best safety records, like for example the civil aviation sector.

## **Aspiration**

But our homes need to be more than just castles, places where we must feel safe, as essential as that is. They are also the place we rest our heads, the places we dream our dreams that inspire our lives.

For too many, today, the dream of buying your own home feels all too faint. Across the country, the average house price is now 8 times the average income. Here in Manchester, prices are rising by double the national average.

That's why we've set a target of delivering 300,000 new homes per year by the mid-2020s ... It is not because it's a nice round number dreamt up by Civil Servants in Whitehall around a water cooler, It is because we need to be delivering at that rate, To start making the cost of buying a home more affordable, For the nurse or teacher who can't afford to live in the community they serve, For the couple working extra shifts trying to save for a deposit, And for the next generation who look at what it takes to rent or buy in the private sector, And find it just far too far beyond their reach, however hard they work.

I understand that frustration, We share their aspiration, And the government is determined to make it a reality.

## **Building more homes, stronger communities**

Of course, people care about the community they are moving into, not just the individual home. That's why we have strengthened the sections of the National Planning Policy Framework, so councils insist on high quality design. That's why my department hosted the first ever Housing Design Quality Conference this year, to bring together experts in the field, And to recognise that driving up quality of new homes it will be instrumental to getting more of them built ... persuading communities to welcome rather than oppose new residential development.

Now where councils share our ambition as many do to get those homes built, we need to give them support. I know what it's like, as a constituency MP in Esher and Walton. Residents say: we understand the need for extra homes ... But, where are the roads, the schools, the clinics to accommodate the extra families? It's a fair question. That's why we have doubled the Housing Infrastructure Fund to £5 billion ... to build the bypass, the new primary school, the local clinic to go with the new development ... so that as we build more homes, we build up stronger local communities too.

I recently visited Heyford Park in Oxfordshire. And at the heart of what is a truly vibrant and aspirational community there is Heyford Park Free School, there is a care village, there is a sports park. In fact, the school was up and running before many of the homes were built. That's forward thinking. That's how we broaden people's perspective about the opportunities for the sustainable communities that can come with building new homes.

## **Generation rent**

And for those who aspire to rent rather than own their own home, we want a better deal for you too.

The Tenant Fees Bill, currently going through parliament, bans unfair fees charged to tenants. From now on, when you're renting a house or an apartment, what you see is what you pay.

We're championing the Build to Rent sector, which delivers long-term tenancies on a serious scale. Before 2012, the sector hardly existed at all. With our backing we now have over 20,000 Build to Rent homes and 100,000 more coming through in the pipeline. Build to Rent properties are springing up in over 40 sites here in Manchester alone.

And, yes, we're cracking down on rogue landlords with banning orders and increased civil penalties, First of all to protect tenants, But also to preserve the reputation of the vast majority of decent landlords in the sector.

## Social housing

The tragedy at Grenfell also shined a spotlight on some of the deeper failings in social housing. Residents not heard. Credible concerns all too lightly dismissed.

Grenfell survivors told me about gaps left between windows, And attempts to install boilers on top of electrical fuse boxes in people's hallways. When one group of residents asked a senior manager: "How would you feel if this was in your flat?" He said: "Well if I was getting it for nothing I wouldn't mind".

That's not right. That's wrong and we must change such contemptuous attitudes.

Now while most social housing landlords treat their people, their residents, with dignity and respect, too many still have not.

So inspired by the crie de coeur from the Grenfell community, Our social housing green paper, which we intend to publish next month, will set out our plans to ensure everyone in social housing gets fair and decent treatment.

We will look to strengthen the role of the regulator, to give it more teeth. But ultimately, what we really want to empower residents as consumers, With clearer expectations of the treatment and service they are entitled to, And with the voice and ability to meaningfully hold landlords to account.

Let's remember ... nearly 60% of all adult social tenants are in work. The overwhelming majority are good neighbours. They take pride in their communities, They share the same aspirations we all do ... to live in a safe, comfortable and happy home. Many just happen to live in areas with extremely high housing costs.

As we conducted our social housing workshops up and down the country, as part of the consultation that was leading and informing the green paper, I met first-hand entrepreneurs, NHS staff, professionals. They were held in high esteem in their places of work only to find they felt scorned when they went home.

So, let's tackle some of the lingering prejudices that paint all social tenants as relying on welfare, Let's show them the respect they deserve, And let's also open the door to them sharing in the same aspirations we all hold.

Social housing should be a spring board for social mobility, not a glass ceiling. After all, many social tenants aspire to own their own home. [Political content removed] And I look forward to announcing our first pilot of Voluntary Right to Buy in the West Midlands later this year, As a first step to extending the dream of home ownership to Housing Association tenants across the country.

# Innovation

As well as safety and aspiration, finally, I want to say something about innovation, Because the housing sector is home to some of the most exciting technological changes around.

And frankly, government needs to keep up.

Modern design and methods of construction offer a chance to build at pace with a leaner and high-skilled workforce.

That's one reason we altered and revised the density provisions in the NPPF, to make sure the regulatory framework doesn't hold back this innovative means of building homes quicker, at lower cost, whilst maintaining high quality design.

In April, I joined the Design Quality Conference where I toured modular homes built by Ilke Homes and CHIC – you can see examples of these on the forecourt just outside this conference centre.

We are supporting builders that embrace this kind of innovation through the £3 billion Home Building Fund.

At the Autumn budget, we added another £1.5 billion to this fund to encourage custom builders and new entrants to the market place.

We're now seeing a real change in market activity. Modern Methods of Construction are entering the mainstream, with Britain emerging as a world-leader.

Beyond MMC, next month I am going to convene a seminar of experts on how digitisation of land holdings and planning decisions could help stimulate SME developers, To ease the vice like grip that the big developers hold over the market, And to promote more competition that ultimately will offer more choice and better deals for everyone as consumers of housing.

# Conclusion

With your help, we can deliver in each one of these three vital areas, to: Restore public trust in building safety, Make the dream of home ownership a reality for the next generation, And drive the innovation and reform ... so, from the private to the social sectors ... the housing market delivers a better deal for the consumers it is there to serve.

Thank you.