

Housing – Critical Futures.

Statement by: **Shelter / KPMG** in the UK

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“Building the Homes We Need”

Open letter to Dear David Cameron, Nick Clegg and Ed Miliband:

Everyone now accepts that we have a desperate housing shortage in England. Each year we build 100,000 fewer homes than we need, adding to a shortage that has been growing for decades. What's more our current house building system seems incapable of delivering growth on the scale required. Growing demand means that without a step change in supply we will be locked into a spiral of increasing house prices and rents – making the current housing crisis worse.

Despite modest efforts to improve supply over many years, there has been no comprehensive plan to get us rapidly building the homes the country needs. If the next government shies away from showing the strong leadership needed, having a home of your own to rent or buy affordably will become a distant dream for an increasing number of people in this country. Rents will rise and homelessness will increase. The economic recovery will be held back by high housing costs, an immobile workforce and unstable housing markets.

In short, the country needs a serious plan to transform housing supply. One that faces up to tough choices, but also sets a new tone for political generations to come – and all parties need to sign up to it. Solving this problem will take leadership and vision from across the political spectrum at local and national level. All parties share responsibility for the housing shortage, and all must commit to ending it.

KPMG and Shelter have put together a comprehensive, visionary programme for the next government to get the country building the homes it needs. Taking steps to lower the cost of land for development will reduce the profits made by some land owners, but allow better homes to be built and stimulate a new wave of SME builders who have been squeezed out of the market. Increasing investment to build genuinely affordable homes will mean tough fiscal choices, but reducing the cost of housing will also cut the welfare bill. Introducing new taxes on unused housing land and empty homes will be unpopular with some, but will get development moving on stalled sites.

There are no easy solutions or silver bullets. Coherent and co-ordinated action is needed at each stage of the development process, to deliver a new vision in the way that housing is provided in England. Our report, *Building the Homes We Need - a Programme for the 2015 Government* has been written through close collaboration between housing policy, financial and housing market experts in KPMG and Shelter. It draws on a wide range of expertise and new research to address the problems and propose solutions. We are confident that our programme will create the new generation of homes which are so desperately needed. We look forward to working with you to deliver it.

Campbell Robb – CEO, Shelter

Marianne Fallon – UK Head of Corporate Affairs, KPMG in the UK

This statement is from a report authored as the result of a year-long joint project by KPMG in the UK and Shelter. "*Building the Homes We Need - a Programme for the 2015 Government*". The aim is to contribute to the crucial national debate on the housing shortage. To view the full report, visit:

[http://www.shelter.org.uk/_data/assets/pdf_file/0019/802270/Building the homes we need - a programme for the 2015 government.pdf](http://www.shelter.org.uk/_data/assets/pdf_file/0019/802270/Building_the_homes_we_need_-_a_programme_for_the_2015_government.pdf)

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