

THE NEW STATESMAN

# The Report

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## More Than a Landlord The future of social housing

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## Homes by numbers Challenges facing the sector

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## Clive Betts MP Austerity, investment and housebuilding

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## Housing as social infrastructure Partnerships are key to progress

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# Social housing: problems facing the sector and its tenants

## DAMP AND MOULD

**120k-160k**

social homes in England have “notable” amounts of damp and mould or category three hazards.

**40k-80k**

have serious category-two damp and mould hazards.

## DOMESTIC ABUSE

**60%**

The increase in the number of households leaving social housing due to domestic abuse in nine years – from 4.6 per cent in 2013-14 to 7.1 per cent in 2022-23.

## MENTAL HEALTH AND SUBSTANCE ABUSE

**43%**

of people with mental health problems living in social housing have seen their mental health deteriorate as a result of where they live.

**51%**

of Clarion residents said their mental health got worse in 2023 due to the cost-of-living crisis.

## COST-OF-LIVING CRISIS

**77%**

of Clarion residents said they were cutting back on household spending.

**1 in 5**

Clarion residents are going without food due to their financial situation.

**12%**

of Clarion residents are unemployed. This is three times the national unemployment rate of 4 per cent.

**300%**  
increase in the number of cuckooing cases in London



Sources: official government statistics, Clarion and London Labour

## Introduction



**Clare Miller**  
Chief executive at Clarion  
Housing Group

# “Social landlords are an essential part of our social infrastructure”

The social housing sector has been undervalued for several decades. Right to buy has diminished local authority housing stock, with councils unable to replace units at the rate at which they are sold off. The government’s housing benefit bill has ballooned just as public investment in building has dwindled. That means that social housing has been rationed. Rather than being seen as an essential asset, it has been left to slowly decline.

But recent years have seen long-term issues exacerbated by a combination of austerity, low growth, the cost-of-living crisis, and a contraction in new housing supply even as demand increases across all of the privately rented, owner-occupied and social housing sectors. Local authority budgets have been squeezed, along with policing, the NHS and social care, public health, capital budgets and more, meaning social landlords like Clarion are picking up slack and papering over the cracks that have emerged in the social safety net. Those gaining access to social housing now are often presenting with a range of issues – meaning the role that Clarion has traditionally played, providing bricks-and-mortar accommodation as a not-for-profit social landlord, has expanded dramatically. On top of all this, the imperatives of net zero have added further pressures as we try to prepare our built estate

for a greener future through renewables and retrofitting.

Clarion is the largest provider of social housing in England. We have 125,000 homes across 160 local council areas. We’re working with a range of partners to provide interventions that make our communities work. Our charity arm, which we fund on an annual basis, helps our tenants in multiple ways: we support people into work if they’re not employed already; we help them navigate their first months in employment with a view to giving them financial independence; we run children’s activities during summer holidays – as well as skills training, digital literacy and inclusion programmes, and much else besides.

However, to maintain all this, we need financial certainty. In recent years, the government has tinkered with the sector’s long-term rent settlement, capping increases below what’s needed to maintain our stock, or freezing rents entirely even as inflation increases our budgetary pressures. What’s more, if Labour are to reach their laudable target of 1.5 million new homes over this parliament, the social housing sector will need to make a significant contribution (see the *New Statesman-Spotlight* interview with Clive Betts on page 4). And in order to do that, we’ll need to increase our revenues at least in line with inflation.

Recent news that the Chancellor will consider allowing rents to rise in line with inflation plus 1 per cent for ten years would be a positive step, helping restore capital budgets to maintain current housing stock, as well as planning for building more units in line with the government’s plans. Clarion spends around £1 million per day on on-demand maintenance – that could be everything from leaky taps to broken windows or mould. We haven’t always got it right. And the government has rightly set high expectations for social landlords to meet. But to keep our housing to high-quality standards, and to build new houses, we need steadily rising, predictable revenues. Below-inflation freezes since 2010 have seen £600m in lost revenues for Clarion alone.

This special supplement hopes to introduce readers to some of the challenges facing the social housing sector and our tenants, but also to propose solutions. Housing is one of the most basic of human needs. It is an essential part of our social infrastructure. Clarion are ready to step in to play our part in rebuilding and restoring the public realm in a way that helps alleviate pressure on other services, in partnership with the government. ●

# “We can’t deliver a million new homes through the private sector alone”

## Clive Betts MP on austerity, investment and social housing

Keir Starmer walked into his new home in Downing Street, in part, off the back of his promise to build 1.5 million homes and end the UK’s housing crisis. The next day, share prices went up, with housebuilders posting some of the biggest gains, perhaps as an acknowledgement that investors believe Labour can deliver on this promise. Housing associations will be a key part of meeting the target. The Prime Minister has already said that the government will support not-for-profit social landlords to build many more affordable homes.

“If we’re going to deliver the 1.5 million homes in the course of the parliament, you can’t do that with the private sector alone,” said Clive Betts, member of parliament for Sheffield South East. Betts has steered scrutiny of government policy on housing and local government since 2010 as chair of the housing, communities and local government select committee in parliament, and he has no problem with criticising the previous Labour government, which he feels “didn’t rate councils at all as landlords”. Betts himself is agnostic on whether social housing is best provided through councils or housing associations. “I don’t see the world as, ‘Oh, it’s got to be councils, it’s got to be housing associations – one’s better than the other,’” he said. The shared challenge for both is how to meet the chronic need for social housing.

“You’re going to need the social housing sector to have a much bigger role than they have done in the last 14 years,” Betts told the *New Statesman-Spotlight*. He adds that the only time in modern history that the UK has built at the scale envisioned by Labour is when a combination of the private sector, councils and housing associations were all building homes. The last time more than 300,000 homes were built in a year was 1977. Building rates then declined in the decades following, and have collapsed since 2010, while the number of households living in temporary accommodation has grown to over 112,000. Austerity

economics, not least squeezes on local authority budgets, the introduction of Universal Credit, adjustments to housing benefit, and welfare freezes, have all added to demand in the social rented sector.

“Everyone can say, ‘Look at the amount of money we spend on housing benefits, look at how little we actually spend on building homes.’ If we could reverse that we’d have a long-term solution to the long-term problem. But how you get from where we are to where we ought to be is another matter,” said Betts.

Councils and housing associations are, he adds, in a “perfect storm” as a result of the pressures and policy changes they have been subject to. “We know that in 2010 the biggest cuts of all in the capital budgets were to social housing – around a 60 per cent cut. That’s never been put back.”

Alongside this, debt transfers, rent freezes and reductions have cut the amount of money available to maintain and improve the housing stock while the need to increase energy efficiency and enhance building safety has grown. The financial impact means there is less money to invest in more building, or to develop other services.

“I think that there can be a connection between a landlord and the tenants in the way that enables them to move on to provision of other services,” Betts says, but that is constrained by the resources available to them.

One significant area of policy where he sees housing associations playing a greater role is in employment. “One of the government’s policies is to try and change the way that job centres operate, so they actually look to provide people with employment, not to check people’s benefits,” he said. Many housing associations already play a proactive role in supporting tenants into work, Betts points out. “I think housing associations can play a real role in that much more easily if things are done at a local level rather than trying to engage with the department at national level.”



**Clarion Sutton Dwellings: built in 1913, regenerated and refurbished in 2024**

He also highlighted the positive role social landlords can play in health promotion and public health. “I think that they can provide a role there with advice, assistance, encouragement, information, which is different to full-on social care, but it can be very important,” he said. Health inequalities are higher among the communities that housing associations work with, and so they are well placed to play a role in supporting their tenants.

Looking ahead, Betts emphasised that he wanted to see “a clear plan” for delivering social housing and the funding to make it happen. “It’s an uncomfortable question to ask in the current climate, but it’s one that needs to be asked if we’re really going to hit the one and a half million homes,” he said. Betts also wants there to be clarity on social rents, something which has hit the headlines recently with news that the social rent freeze could end, with the government wanting to generate the money needed to build more homes. “[Housing associations] need the predictability, to be able to know

how much income they’ve got coming in, but they need to also have that certainty because lenders want that certainty when they lend money to them,” he said.

Part of that goal to build more social homes means housing associations need to think about the balance of tenures they are building, Betts said. “Some of [associations] have now gone far too much towards shared ownership and almost given up on the idea of building social housing,” he said. Alongside that, he would like to see greater partnership and cooperation, both across the sector, where housing associations have sometimes been known to compete against each other, and with local authorities, which he acknowledges are not always good at cooperating among themselves.

“I hope we see it as a joint effort to try and improve the number of houses available for rent and the quality of them,” he said. ●

*Clive Betts is the Labour MP for Sheffield South East, and chair of the housing, communities and local government select committee*



**Greg Reed, Group CEO at  
Places for People**

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# “Partnerships with government are critical for thriving communities”

**A** new dawn. A shift of the dial. Whatever you choose to call it, there is no denying the energy that Labour has brought to tackling the housing crisis since the party was elected this summer.

With the right political will, all of this can mark a distinct step change. A change for housing. A change for communities. And a change for society. Change, many argue, that is long overdue.

As one of the UK's leading affordable housebuilders with the largest pipeline in our sector, new measures to turbocharge housebuilding, simplify the planning system and unlock land are music to our ears at Places for People (PfP). We've craved this transformation, and so much leads back to quality new housing. But Labour's change must transcend bricks and mortar.

One thing that will always stay the same at PfP is our deep-rooted purpose of creating, supporting and managing thriving communities. Today we deliver on this mission across our 245,000 homes, 100 leisure centres and to over a million customers. All with the same motivation that has been the lifeblood of our entire operation for generations.

The “why” of thriving communities will never change for us. But the “how” must.

We are a purpose-driven social enterprise. We change lives every day – whether building new homes, generating social value, investing in employment, health and well-being, or offering support with financial stability and homelessness prevention.

But public spending cuts have increasingly left us as the last line of defence. Over a third of our customers last year couldn't afford to heat their homes. Nearly a fifth ran out of food and couldn't buy more. We moved quickly to plug these gaps, investing and doing everything possible to ensure our communities continue to thrive.

The public support available to vulnerable groups has deteriorated and we are having to step in. We and others want to urgently look at the ways in which vital state relief is both resourced and delivered at community level.

If organisations like ours remain a sticking plaster, if we continue to be thinly spread, this will inhibit our ability to deliver on our core mission.

**T**here is nobody quite like PfP. We're much more than a housing provider.

We draw strength from more than 20 industry-leading group companies. Our unique strengths and cross-community role make us a critical partner to government, helping to build our way out of the housing crisis but also bring hope and stability to our communities.

Last year we generated £334m in social value from helping communities, more than ever before, and built thousands of new homes. Our national health and well-being projects are changing lives for young and old.

But with the right state support and interventions we can do even more. We want to work with public service providers and government to find ways to maximise every pound spent, bringing better outcomes for the economy and society – and allowing organisations like us to do our thing.

Our “why” will never change. The time is ripe for change and collaboration so let's work together to make sure the “how” works for everyone. ●

# Helping Communities

As the UK's leading social enterprise, we have a responsibility to ensure our products and services make a positive impact on People, Places and the Planet. Creating social value for Customers and Communities is at the heart of our approach.

In the past year, our impact team and charity - The Places Foundation - have generated substantial social value from helping Communities.

## Social value

**£175 million**

Social Value generated by our regulated business (Wellbeing valuation HACT model).

**£159 million**

Wellbeing and economic value from our Leisure business (Sheffield Hallam model).

**10,390**

Number of Customers helped who were homeless or at risk of being homeless.

**4,295**

Number of Customers supported towards education, employment or training.

**1,597**

Number of Customers supported to get online or use the internet.

**14,697**

Number of people supported with financial inclusion including money advice and hardship funds.

**23,855**

Number of people supported through projects targeting health and wellbeing.

**29,808**

Number of people supported through projects targeting sustainable resilient Communities.



# Investing<sup>£</sup> in people and places

Our free national employment and training programme helped over 1,700 people into work, training, apprenticeships and self-employment last year.

Clarion owns and manages **125,000** homes and in 2023/24, we invested over **£418 million** in repairs and maintenance and built over **1,500** new homes.

[clarionhg.com](https://clarionhg.com)



**CLARION**  
HOUSING GROUP