

# “ Beware Gordon Brown and his housing ‘gifts’ ”

■ Daniel Mendoza reads between the lines of this week’s green paper

‘TIMEO DANEOS, UT DONA FERENTES,’ AS MY OLD granny used to say as she microwaved the chicken soup. We used to roughly translate that as, ‘Never trust anyone giving you a gift.’

Gifts, or favours, are rarely what they seem to be, and you should be especially wary of any treats from the government.

This government, Mr Brown – in what fills me with mirth – announced ‘it’, repeat ‘it’, was going to build zillions of houses, double quick (news, 27.07.07). The government does not build houses, never has done. Can you imagine what those houses would look like, what they would cost and how late they would be?

Local authorities used to build houses, but Mrs Thatcher stopped them. Housing associations and some charities do, and developers are often reluctantly made to do it, through section 106 agreements.

Ignoring the wilder shores of self-build and Kevin McCloud of TV’s *Grand Designs*, people who build houses are called ‘housebuilders’. They are private sector companies, quoted or unquoted. They operate in what Mr Blair used to call ‘the free market’.

## NO HOUSING CRISIS

There is a man almost as wise as Granny: Simon Jenkins. He wrote in *The Sunday Times*: ‘There is no housing crisis. There is just a housing market. There is no housing “need”, unless you are living on the street. There is just housing demand and housing supply.’

‘There is also housing panic, housing lobbyists and housing stark raving madness – the last much in evidence.’

Jenkins passes through the history of socialism, and how in the USSR, ‘the people’ were entitled to housing. He reminds us that in an open economy, such as we have here, demand is a function of price and supply, and demand for the unavailable affordable homes could vanish with a change in interest rates or a tax on under-occupation or a drive to encourage students to live with their parents.

He points out that there are 700,000 houses standing empty, and housebuilders’ land banks could deliver another 300,000. They may not be where people want to live, of course.

Instead of rationalising what ‘need’ and ‘demand’ really are, prime minister Brown



is going to subsidise the new wave of building.

Meanwhile, interest rates continue their upward trajectory and Britons continue to be desperate to own houses – 70%, unlike, say, 42% in Germany – and indeed, have a right to be able to afford to own houses.

So, are we going to see the housebuilders pushed about, in a flurry of carrots and sticks, and redundant Ministry of Defence land covered in wild flowers, newts and butterflies being turned into housing estates?

Are we going to see floodplains continuing to attract – nice flat land there, wonder how it got so flat – and local authorities encouraged to bumble back into supplying?

We really ought to attend to coastal erosion as well.

Those old MoD sites are unlikely to be in city centres. They are likely to be airfields miles from anywhere. So we shall need lots of road ‘improvements’, as long as the buildings aren’t listed as mementos of past conflicts.

And as all these spanking new homes rise up, they’ll be densely built, incorporating a desperate attempt at greenness, sustainability and wholesome design. Not those terraces, gardens and bow windows, please – give us modern. Maybe m’lords, Rogers and Foster and soon-to-be-Dame Zaha Hadid will have a stab.

God help us. Never since the back to backs crowded into the fringes of industrial cities will we see so many people crammed into so much quality and quantity naff habitation. We shall patronise and cajole young buying wannabes into them.

But needs must, as they say. Granny used to say that. And beggars can’t be choosers.

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