

An open letter to Conservative Leadership candidates

15 July 2022

To [named MP],

This is a pivotal time for the future of the government so I am writing to ask you to publicly recommit to the Conservative Party's 2019 manifesto pledge to build a million more homes in this parliament and 300,000 homes a year by the middle of this decade.

Building that many homes annually has not been achieved in the UK since 1977ⁱ but while the target is ambitious it is vital that challenges with supply are solved.

For too many people, the dream of owning their own home remains unfulfilled and for many others the security of a safe and decent home to rent at an affordable price is despairingly remote. This is no more acute than during this cost-of-living crisis.

- Three quarters of those who want to buy a home in the next four years aren't sure they can afford the cost.ⁱⁱ
- 4 in 5 renters who would like to purchase a home don't have sufficient savings for a deposit in their area.ⁱⁱⁱ
- Meanwhile, 1.5 million people now live in overcrowded homes, nearly half of whom are children.^{iv}

The country is at a crossroads on this issue and the forthcoming end of Help to Buy adds extra impetus to head in the right direction. You are in a unique position to recommit the Conservative Party to one of its core values – homeownership – and deliver on a major plank of the mandate it received from the country three years ago.

The leadership election will rightly be about your plans for the economy, so we should be clear that building homes is good for growth. By recommitting to this pledge, you would be signaling support for £14.2 billion of economic activity and creating 260,000 additional jobs.^v During times of tough government spending decisions the opportunity to unlock private investment and well-paid jobs across the country, by having the right policy framework in place, is surely unmissable.

Of course, housing supply is not the only factor at play and it is important that lenders do their utmost to address these issues. At Leeds Building Society we are committed to putting homeownership within reach of more people generation after generation. As the UK's leading lender on Shared Ownership and one of the first providers of First Homes we are constantly seeking ways to lower the barriers to owning your own home.



Whoever wins the race to be the next Conservative Party leader, we hope that all candidates can agree to play their part too by reaffirming the intent to meet demand with the necessary supply of housing, including affordable homes to buy, social rent and shared ownership.

I would be happy to spend time discussing this issue with you at more length but otherwise wish you well in your campaign and look forward to hearing from you.

Yours faithfully,

Richard Fearon
Chief Executive, Leeds Building Society

ⁱ Office for National Statistics: House building, UK: permanent dwellings started and completed
<https://www.ons.gov.uk/file?uri=/peoplepopulationandcommunity/housing/datasets/ukhousebuildingpermanentdwellingssstartedandcompleted/current/ukhousebuilding.xlsx>

ⁱⁱ <https://www.adamsmith.org/research/build-me-up-level-up>

ⁱⁱⁱ <https://www.bankofengland.co.uk/-/media/boe/files/financial-stability-report/2021/december-2021.pdf>

^{iv}

https://england.shelter.org.uk/media/press_release/15_million_people_crammed_into_englands_overcrowded_social_homes_

^v https://www.hbf.co.uk/documents/7876/The_Economic_Footprint_of_UK_House_Building_July_2018LR.pdf