

Red shift

Next week Neil Kinnock leads Labour into its annual conference with the party in its strongest position for a decade. Recognising the very real chances of a change in government, the construction industry is now seriously examining the policies that could shape its fortunes in the mid-1990s. Over the next month Building will examine Labour's policies in depth. This week Alastair Stewart questions shadow environment secretary Bryan Gould about housing, and asks industry figures how they could live with Labour.

ELEVEN YEARS ago when Labour was swept from power its policies were an anathema to the management of most building companies. Haemorrhaging industrial strife, an overbearing state and manufacturing inefficiency were seen as the worst vestiges of old-fashioned British Socialism.

Judging from Labour's latest policy review, or party leader Neil Kinnock's high-profile frontbench team on television, the ghosts of the party's past have all but been banished. In the meantime, the construction industry has hit its worst crisis since 1973 and shows no signs of recovering in time for an election.

This has led to the incongruous situation where many of the construction industry's normally Conservative leaders are talking – albeit in a guarded way – to what the pollsters predict will be the next government.

The House-Builders' Federation has met on several occasions with shadow housing minister Clive Soley; some very big property developers are known to be making overtures and Placemakers, the influential property lunching club, last week invited shadow environment secretary Bryan Gould to talk about Labour's plans to make buildings greener.

Judged to be the man most responsible for the party's policy overhaul, Gould's brief overlaps many of the industry's main concerns: housing, land, planning, local authorities, direct labour organisations and the environment.

Talking to *Building* prior to his Placemakers speech, Dagenham MP Gould exuded the



Gould: "We would expect to see a substantially increased building programme."

pragmatism that has become the hallmark of the new-look Labour Party. "The era when a government could commit itself to building 300 000 houses a year is past... we wouldn't oppose the sale of council houses... the last thing we want is yet another tier of bureaucracy between central government and the building authority."

However, hiding below the surface of *Opening Doors* – Labour's new strategy for housing (see right) are some vestiges of centralism and increased local authority powers.

The main plank of the policy is a change in emphasis away from the Conservative Government's overwhelming dependence on the private sector and housing associations towards belief in local authorities.

Councils will be allowed to build an immediate 50 000 extra housing units, says Gould.

This would be done by allowing authorities to spend £1.8bn of the £8.5bn believed to

be raised annually from council house sales.

"This would simply be a first step," he adds. "But we are now clear that we would progressively relax constraints so that over a period we would see a good proportion of those capital receipts being spent on construction generally."

But any notion that Labour is going to announce building targets is shrugged off: "We would expect to see a substantially increased building programme but at this stage we're not setting targets."

There would be an increase in public housebuilding revenue, not only by ploughing back a steadily increasing proportion of receipts, but also by selling council houses at prices more accurately reflecting the market.

"I think we would look very closely at the very large discounts that are offered. It's not necessary to sugar the pill."

"We're looking at the whole question of housing finance and trying to get level playing fields.

We would not cut mortgage tax relief, but certainly not extend it."

He remains circumspect about plans for regional authorities to set housing targets: "We've got to be very careful about the role of regional control in housing. The last thing we want is yet another tier of bureaucracy between central government and the building authority."

"There may be a role for the regional authority in strategic planning but essentially we wouldn't see the local authority having to get approval or money from the regional body."

And as for a new housing ministry: "We see the case for a housing minister with substantial responsibilities, but I wouldn't want to imply that that means a totally separate department."

The thorny issue of building on greenfield sites will have to be resolved, he says: "I suspect if we are to meet housing needs you can't just go on with continual building around the outskirts of existing conurbations and infilling towns and villages. I certainly propose a much greater emphasis on strategic planning."

"I think it's very important that we retain the concept of the green belt. But the corollary of that is you can't just hold everything in a straitjacket. You've got to find somewhere to build and you've got to take some hard decisions. What we're talking about is reasonably substantial new developments."

HOUSING STRATEGY

LABOUR'S HOUSING strategy document, *Opening Doors*, presents the party's policies for tackling homelessness, increasing the rights of owners and tenants, increasing the supply of affordable accommodation and reforming housing finance (see 1 June, pages 18-19).

Its main proposals are:

- to increase new building and improve existing stock, particularly to meet the need for affordable housing
- to increase the role of national, regional and local government in the setting and monitoring of housing targets
- the possible creation of a new housing ministry
- that private companies should provide a large quantity of new housing, with the Government enabling them to plan for long-term growth
- for an enlarged role for direct labour organisations, within new community agencies
- higher imposed standards of design and energy efficiency.



HOUSING

Roger Humber, director, House-Builders' Federation

LABOUR'S document contains bold promises that more houses are going to be built, including more affordable homes. It recognises the inevitably central role of the housebuilder and it appears to recognise that land supply is an essential in the whole process.

However, it contains no specific funding commitments and no indication of how planning is to be used positively to resolve the major questions of adequate land release to meet the scale and location of the housing needed.

Planning seems to be subservient to the Labour Party's political commitment to regionalism. There is no adequate linkage between planning strategies identified at regional levels and implementation at local level.

Despite recognition of the role of the private sector, there is a tendency to want to meddle in the proposal that local authorities become involved in estate agency work.

But the conversations we have had with Bryan Gould and Clive Soley have indicated a more sensible grasp of issues than this document.

Sheila McKechnie, director, Shelter

ON THE FACE of it, the Labour Party's new housing strategy documents seem to be a positive response to what Shelter and many others in the housing world, including the Conservative Association of District Councils, have been saying for the past few years.

The promises made would end the worst effects of many of the disastrous policies pursued over the past 10 years. The promised expansion of housebuilding and improvement, together with an obligation to replace homes lost to right-to-buy, are essential in

areas of high housing demand. The pledge to institute a right for authorities to acquire long-term empty private properties for letting to those in need of housing is long overdue.

We strongly welcome the commitment to making local authorities statutorily responsible for all homeless people in their area.

There are also many positive ideas for new initiatives, especially the community-based construction agencies and the need for all areas to have their own housing plans.

However, all these pledges, however welcome, are relatively empty without bold plans for the reform of housing finance, together with strong planning and land reform. We have to wait and see if Labour's forthcoming housing finance document will have the guts to argue for the abolition of mortgage interest tax relief and for the taxation of wealth from the property bonanza of earlier years.

Max Hutchinson, RIBA president

IF I COULD find the word architect somewhere, it really would help. We find it a numbingly

reactionary thought that: "It will take years to return even to the position that existed in 1979". Surely the red rose party should be talking about 1999, not 1979.

Maybe today's Labour Party has not learned a lot from the mistakes of the 1960s. The document seems to say that good housing is a matter for legislation rather than of design.

We all know that good housing depends on design, management and participation. "We will also aim to increase investment in housing, without fuelling house price inflation..." So why not legislate against sin at the same time?

A Ministry of Housing would certainly stop buck-passing around the Cabinet table. Housing would climb up the political agenda. Regional housing authorities developing regional plans with local authorities would help post-1992 labour mobility.

The power to acquire private properties lying needlessly empty requires not just political will but money to back it up. The reinvestment of capital receipts from the sale of council houses is hardly new – nevertheless, it is a critical policy. Even today's government may loosen these reins in the run-up to the general election.



Les Tench, group divisional managing director, Steetley Building Products

IF LABOUR is elected there will be certain short-term benefits for building material firms, particularly those serving housebuilding. There will also be an increase in building and refurbishing hospitals, schools and so on.

What is a little disappointing is that no government of any persuasion has grabbed the nettle: the only real variable in private or public housing is the cost of land. I'd like to see more positive statements on land availability, also about the punitive tax on windfall gains from land, such as farming land being used for housebuilding.

If these two fundamental issues were attacked it would go a long way to solving housing problems. There are solutions. For instance, the brick industry has proposed leasing of land from local authorities.

There are welcome initiatives on training in the document. They are well thought out. But I am concerned with the increase in powers for local authorities and certainly a lot of questions will have to be asked about the role of DLOs.

But it is hard to imagine any worse policy than the one we have at the moment.



PLANNING

Robin Thompson, president, Royal Town Planning Institute

A LOT of the document's goals are entirely admirable. Clearly I would support a more policy-orientated approach to housing. I think the policy that there should be regional targets is very sensible.

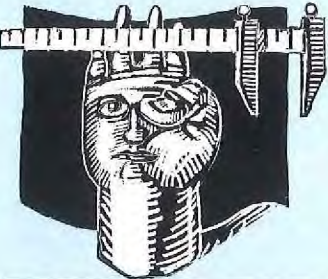
However, the main question mark with regards to planning and land availability is how they will implement it.

The principle that local authorities could allocate land for social housing is one which we



should support. But the problem is first of all it would need drastic changes in the law. I'm not sure that they have thought it through.

The present situation is that land is allocated according to use. I'm not sure they've thought it through. They could achieve their aim if affordability was a consideration in planning applications and briefs.



DIRECT LABOUR

Judith Barnes, Conservative councillor, London Borough of Camden

ONE alarming aspect of Labour's housing strategy is its declared intention to expand the role of the direct labour organisations of, among others, local authorities. The basis of this policy is its belief that the best way to provide homes is to use construction agencies based in the communities they serve.

For woolly thinking that unravels on the most cursory examination, this takes some beating! What does a local base guarantee? In Camden the service the community receives from the council's DLO is rock bottom; recent figures show only 12% of emergency repairs for tenants were carried out within the agreed time limit. The DLO has slumped drastically into the red - a huge bill to be picked up by Camden's community charge-payer at the end of the day.

The present Government's legislation on competitive tendering has made a start on tackling the abuses that had mushroomed unchecked in authorities such as Camden. But it has been a painful struggle in some authorities where Labour councillors have been determined to award contracts, by hook or by crook, to their DLOs.

Labour's policy, by legitimising favouritism towards DLOs once again, threatens to lead to a recrudescence of the unholy political alliance between Labour councillors and militant unions.



STANDARDS

Basil Bean, National House Building Council

THE National House Building Council, one of whose principal roles is to encourage high standards in private housebuilding, welcomes the Labour Party's emphasis on the need to upgrade the nation's housing stock.

More information is needed on Labour's proposal to set up a new technology centre to test building materials. How will its work relate to that of the British Standards Institution, the Building Research Establishment, the British Board of Agrément and the European Committee for Standardisation? The last thing the country needs is a number of standard-setting bodies that either duplicate each other's work or lay down contradictory standards.

We have reservations too about public authority involvement in the design of new houses for sale, which would be better left to market researchers and the architects of building companies.

In order to protect the investment and well-being of occupiers, NHBC's standards have, over the years, gone beyond or ahead of those embodied in the Building Regulations. It is hoped that this partnership of industry self-regulation and centrally established minimum requirements will continue to benefit owners and tenants alike.

Labour's intention to give training priority and raise the number of skilled employees is also welcome. It will complement NHBC's continuing involvement in training site managers and improving their managerial skills.

The manifesto can do no more than outline Labour's approach to standards, but it is certainly encouraging that, in the words of the manifesto, Labour is putting quality at the very core of its plans. This closely parallels NHBC's philosophy and will receive its wholehearted support.



Labour under the looking glass

OVER THE next three weeks, *Building* will focus on Labour's plans for housing and construction. And we will ask leading names in the industry what they hope for, and fear, from a Labour government.

Leading shadow ministers will be interviewed, but, instead of talking to them ourselves, we have lined up the heads of major building companies to ask the questions.

Next week, shadow housing spokesman Clive Soley will face Countryside Properties chairman Alan Cherry on the topic of housing.

On 12 October Haymills (Contractors) chairman John Woodhouse takes shadow employment minister Tony Blair to task on the self-employed, training and union legislation.

The following week, Wiltshire chief executive John Watts tackles trade and industry spokesman Doug Henderson on successive governments' use of construction as an economic football.

And over the next two weeks we will include full news and views from the Labour's Blackpool conference.



Head for cover

LAST WEEK'S story about the builder who refused to tender in Milton Keynes because he said that prices in the area were ringed has brought an interesting response. It comes from one of those companies that specialise in the (legal) job of collecting tender prices from competing contractors after the 12 noon deadline and letting everyone know within minutes what prices the other builders had proffered.

I am told that contractors in the Midlands feel in no need of this service. And neither do those in Strathclyde or Liverpool for that matter.

Now, this can be either because they do their own post-tender price swapping, or they occasionally do something that the director-general of Fair Trading might like to hear about. Take another sort of cover, chaps.

The Cook report

NOBODY IS in any doubt that the untimely death of Alvin Boyarsky, the late and already legendary head of the Architectural Association school of architecture, is a hard act to follow. What is in doubt, however, is precisely what the next act should be.

Boyarsky left an international school of architecture staffed by hand-picked old stalwarts. In response, the AA council has a vision of regeneration. It has given itself until next March to trawl the world for candidates of sufficient stature to boost the school even further ahead in the international stakes.

On the other hand, the ultimate arbiters are the school's staff and students, some of whom want to keep things closer to home. The obvious contender for this faction's vote is Peter Cook of Archigram fame, who for decades has epitomised the AA's creative free spirit.

But there is a catch. Can Cook be coaxed out of the rival Bartlett school of architecture up the road on Gower Street, where he currently resides as professor?

A taste of the life of Riley

THE DAY after QS practice Henry Riley took a splendid front cover on *Building* to celebrate its centenary, the country's 17th largest practice held an equally splendid dinner at King's College Cambridge on the Saturday night to celebrate its centenary.

More than 300 guests enjoyed the jokes of cricket commentator Brian Johnston after the '82 Medoc and Beef Wellington. The practice, which now has 135 staff housed

in eight offices, seems to have become even more hospitable. When I made mention of the 90th anniversary celebrations in 1980 the guest list was then only one-third the length.

As those who attended this time noticed, the guest list reflected the practice's strong links with J Sainsbury, a valued client in these troubled times. I said in 1980 that I had already booked my place for the centenary. Can I possibly put my name down for the 125th?

his loft - is documented on pages 46-47. But colleagues say football is closer to his heart.

So excited was he when Coventry got to the FA Cup final at Wembley in 1987 that he had several metres of the team's sky blue and white-striped material tailored into a three-piece suit in London's Savile Row.

When asked if a suit could be made from the material, the unflappable tailor's assistant replied: "Sir, we could tailor it from a plastic bag."

Feeling a bit more confident, Mann queried: "Should the stripes for the waistcoat be vertical or horizontal?"

"Now, we wouldn't want sir to look silly," came the reply.

Pounds Sterling

TIMING IS everything in business. But even Sir Jeffrey Sterling of P&O, Bovis's holding company, must have been amazed by his luck last week.

Just one day after Bovis bought Southern US contractor McDevitt & Street for £27.5m, Atlanta won the 1996 Olympic Games. Who built the 60 000-seat Atlanta Fulton stadium? And who stands to win the multibillion dollar construction orders for the Olympics?

Of course, the real winners will be landowners in Atlanta. But who acquired 1000 ha of development land around the city in 1986? And who bought 278 000 m² of commercial office space earlier this year? Sir Jeffrey. The European

HANSOM

Max mauls Martyn the mice man

EVERYONE'S GUEST after-dinner speaker, Max Hutchinson, was at it again last week. This time it was the British Gas/RIBA awards for energy-efficient design by architectural students.

Facing Max in a staged question and answer session on energy-efficiency was the sharp-witted Martyn Lewis of BBC TV's *Nine O'Clock News*.

Lewis quipped that mice were being replaced by architects in laboratory experiments for three reasons. "There are more architects than mice. Scientists are not so attached to architects as they were to mice. And there are some things that even a mouse won't do."

Then, after Lewis made other criticisms about the standard of design, Max snapped: "What do you think of the BBC's new building at White City?" Lewis: "It's like a giant public lavatory". This was music to Hutchinson's ears. "That's what you get when you use design-and-build contracts," he retorted.

Passion suit

RHWL PARTNER Geoffrey Mann, as our profile this week demonstrates, has two abiding passions in life - trains and Coventry City Football Club.

His mania for railways - which led him to build a 96 ft train set in

Ferries acquisition in 1986 brought the development land, and the £492m purchase of Laing Properties earlier this year included the office space.

Perhaps Sir Jeffrey holds a controlling interest in a company making crystal balls.

Some of this appeared in *The Times* on Monday. What didn't appear is how unlucky Bovis is looking back home at the moment. The firm is still wedded to the now deeply unfashionable business of management contracting.

Worse, large chunks of its business is on commercial developments in the South East, and everyone knows what is happening to them.

An oblique view

CONTRACTORS can be a bitchy lot. Take this comment on the debacle at Lord's cricket ground where John Lelliott is keeping tight-lipped why the construction of the two new stands is running six months behind schedule.

"Rumour has it that Lelliott forgot to take into consideration that Lord's cricket ground slopes," gloated one senior member of staff from a rival firm. What on earth can he mean? Answers in the usual plain brown envelope.

