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Sadiq Khan wants controversial rent controls that ‘could cut housing supply by 50,000’

- Evidence shows rent controls cause housing stock in cities to fall
- £4.5bn in rental revenue could be lost in London by 2025, research found
- Despite weight of evidence, Khan backs implementing scheme

Sadiq Khan has said he is in favour of controversial rent controls in London, despite a weight of evidence suggesting it could cut housing supply in the capital by 50,000.

The Mayor said last year he has no plans to bring in rent controls in the capital, but today at Mayor’s Question Time he told Andrew Boff AM he wants to see the scheme introduced in London.

Rent controls generally involve stabilizing rents at the line of inflation. Research conducted by Mr Boff, which incorporated census data, Office for National Statistics (ONS) projections and Cambridge University analysis, found there were detrimental side effects of the scheme.

Citing a Cambridge University study, he found that rent controls could shrink the supply of private rented homes in London by 3.5 per cent, with 51,205 fewer homes coming on to the market in that time.

London Assembly member Andrew Boff said: “It is extremely disappointing that Sadiq Khan is willing to be so careless with the future of London’s housing stock.

“Our city desperately needs more homes and, having provided so few in his first 18 months in office, I had hoped the Mayor would do everything in his power to boost those levels.

“Instead he is once again happy to make a short-termist promise that keeps him onside with his party, regardless of the long-term impact on the city he serves.”

ENDS.

Notes

- Andrew Boff is the GLA Conservatives’ housing spokesman
- The full exchange between the Mayor and Mr Boff can be viewed on the following webcast from 1hr57mins: <https://www.london.gov.uk/mayors-question-time-2017-10-12>

- Rent caps will cut housing supply by 50k - <http://www.cityam.com/224426/boff-rent-caps-will-cut-housing-supply-50k>
- Khan's housing record: <http://www.cityam.com/268360/city-hall-conservatives-slam-sadiq-housing-record>

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