

Webb Memorial Trust

Established in 1944 as a memorial to Beatrice Webb



All Party Parliamentary
Group on Poverty

housing, poverty and the good society: what can we achieve by 2025?

Perspectives by leading opinion
formers in the housing sector



About the Webb Memorial Trust

The Webb Memorial Trust pursues the intellectual legacy of Beatrice Webb (1858-1943), who, together with her husband Sidney (1859-1947), embarked on a vigorous programme of social reform which influenced the development of the post-war welfare state. The Trust was formed in 1947 with the purpose of 'the advancement of education and learning with respect to the history and problems of government and social policy'.

Beatrice Webb argued that poverty was not a result of moral failure but of structural causes that had solutions. Her 1909 publication of the Minority Report of the Royal Commission on the Poor Law sounded a radical call not just for the abolition of the workhouse but for its replacement with universal public services which reflect our common citizenship. Beatrice was among the founders of the London School of Economics and Political Science, a key member of the Fabian Society and founder of the *New Statesman*.

Since 1987 the Webb Memorial Trust has funded a wide range of projects in the UK, helping to create a better informed debate about poverty, its causes and solutions.

About the All Party Parliamentary Group on Poverty

The All Party Parliamentary Group on Poverty seeks to increase understanding amongst parliamentarians of poverty in the UK. It is chaired by Kevin Hollinrake MP and the secretariat is provided by the Webb Memorial Trust. The APPG draws on a range of external expertise and knowledge, working with organisations and parliamentarians from across the political spectrum to raise the profile of issues connected to poverty and develop the all-party policy solutions which will help to address the persistent problem of poverty in the UK.

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Preface

This year marks the 75th anniversary of the Beveridge Report, which was heavily influenced by Beatrice and Sidney Webb's research on social reform. Beveridge was horrified by housing conditions in pre-war Britain, which he identified as a source of poverty and squalor. Alongside a national health service and social insurance, Beveridge argued for an ambitious council housing building programme and rent controls. These he saw as solutions to the poverty of his time.

The world has changed for the better since Beveridge's time and poverty today bears little resemblance to the slums of the 1930s. However, housing poverty is still with us and in more and more areas homes to rent or buy are unaffordable to people on low to average incomes. Overcrowding and homelessness is increasing, poor housing conditions in the fast-growing private rented sector are endemic, and the gap between housing supply and demand keeps widening. Furthermore, the failure to provide enough affordable homes is costing billions in housing benefit – something that Beveridge would have found unacceptable.

It is against this background, and in regard to the government's 2017 Housing White Paper, that the Webb Memorial Trust (WMT) and the All Party Parliamentary Group (APPG) on Poverty have published this series of policy-focused perspectives and opinion pieces on housing, poverty and the good society. Individually and collectively, they seek to inform and shape housing and anti-poverty strategies over the period to 2025. They identify the main concerns and combined offer an agenda for positive change. The viewpoints also complement recent research by the WMT on a range of related anti-poverty challenges, including reports on ending child poverty and tackling in-work poverty.

The viewpoints have been launched on the APPG and WMT websites, published as blogs on the Chartered Institute of Housing website and circulated to politicians, policy-makers, practitioners, campaigners, opinion formers and the media.

The WMT and the APPG on Poverty would like to thank all the authors for their contributions.

1. Solving poverty in the UK: why housing matters?

Brian Robson, Policy and Research Programme Manager, Joseph Rowntree Foundation

In 2016, the Joseph Rowntree Foundation (JRF) called for a new consensus that poverty in the UK is real, matters to all of us, and can be solved. Our plan to Solve UK Poverty called for a long-term deal between government, businesses, communities and citizens, so that no matter where people live, everyone has the chance of a decent and secure life.

Housing provides the foundation on which to build that decent, secure life. It must be at the heart of any plan to solve UK poverty. Housing has a significant influence on the costs that drive poverty. This influence has been heightened in recent years as aspects of the housing system which have traditionally buffered against poverty have begun to be eroded. If we're to solve poverty, policy should instead focus on reforming and augmenting those buffers, to make them still more effective.

Secure housing provides a stable platform for work, learning and life. Evidence shows that frequent moves, and particularly involuntary or negative moves, can result in behavioural problems and lower educational attainment among children, threatening their life chances. In the context of a dynamic labour market, stability at home is so important, and international evidence has positively linked it to employment. The case for decent quality housing is well-understood, with a substantial body of evidence showing the impact of poor housing on health. This is a housing and poverty success story – we have largely broken the automatic link between poverty and squalor.

Less attention has been paid to the important impact of high housing costs on poverty. This is true across a range of areas, including in relation to childcare and energy costs. But housing is the biggest single cost for most low-income households in the UK. Its high cost pushes an additional 3.4m people into relative income poverty, a figure that has increased over the last two decades. Many of these households live in the private rented sector, where 70% of households spend more than a third of their income on housing costs.

High costs aren't just a consideration in the private rented sector. Housing association rents are increasingly linked to market rates via the 'Affordable Rent' model. Analysis commissioned by JRF suggests the move to Affordable Rents will result in a further 1.3m people living in poverty by 2040. The fact that poverty levels are so sensitive to the level of these rents reflects the traditional importance of low-rent social housing to

mitigating poverty. The tenure has been highly-targeted in recent years, and has been labelled '*The most 'pro-poor' and redistributive major aspect of the entire welfare state.*'¹ There just isn't enough of it – social housing is now only housing one in seven in England, and even without extensions of right to buy and other associated sales, the tenure was likely to decline to housing just one in ten over the next 25 years. The lack of social housing is pushing people into insecure and often expensive private rented sector accommodation, with the result that there are now as many private renters in poverty as social renters.

Housing benefit has long been the safety net for those who struggle to meet their housing costs. It has been a far from perfect system – there is good evidence it has reduced financial work incentives and created unemployment and poverty traps. Universal Credit has the potential to reduce the long-standing issues with take-up and taper rates in support for housing costs. However, measures 'bolted on' to the system, like the household benefit cap and the freeze on uprating while rents continue to rise, create a situation where some households are forced to choose between living in sub-standard accommodation or meeting a large share of their housing costs from benefits which are intended to cover other living costs. Forthcoming research for JRF shows that these choices are proving extremely challenging and are contributing to a rise in evictions and forced moves, especially in London and the south east.

So, what's to be done? First, we should remember the UK's borders don't stop at Berwick or Bristol. Some parts of the UK are setting ambitious targets for the development of low-rent social housing, and these are to be welcomed. Scotland, Wales and Northern Ireland are all well on their way towards meeting the independently assessed need for affordable housing in their jurisdictions.

In England, though, we have a peculiar form of exceptionalism. Notwithstanding some welcome recent flexibility, housing investment is still focused on home ownership tenures, which serve a very different group to traditional low-rent social housing. Just 3% of new social renters could afford shared ownership or starter homes instead – these are products with very different markets.

Existing investment in England should be refocused and supplemented to deliver a package that can meet the independently assessed need for affordable housing. JRF has worked with Savills and the National Housing Federation to develop a new framework for affordable housing, which can deliver the 80,000 homes per year we need. The majority of

1. Tunstall, R. et al (2013) *The Links Between Housing and Poverty: An Evidence Review*. York : JRF

government investment for this package could come from existing spending plans, and over a five-year period the package could deliver 40% of the government's housing aspirations.

At least half of these homes would be let at a new 'Living Rent' pegged to the earnings of low-paid workers in the local area. This would also become the default rent for existing affordable rented homes when they are re-let. A 'Living Rent', set at 28% of local lower quartile earnings, would ensure that rents are affordable to those on low incomes whether they're in or out of work. It shares the pro-poor elements of social housing, but reflects the realities of today's increasingly dynamic labour market.

But if we're to make a credible case for capital investment in low-rent affordable housing, we must ensure that its effectiveness as an anti-poverty measure goes beyond low rents, important though they are. We know the security and stability it offers is crucial for children's life chances. For adults, investment in skills and employability for social housing tenants must be maintained – but initiatives need reform to ensure they are evidence-based. JRF's research in this area has found a lack of solid evidence underpinning existing interventions. This is why we are investing in match-funding robust trials within housing organisations to discover what works.

We must also recognise that the location of some of our existing stock of social housing reflects the employment patterns of the past. Linking these disconnected neighbourhoods to today's employment opportunities is a challenge we must meet if our cities are to deliver on the promise of inclusive growth. Over the next year, JRF will be conducting participatory research in three cities to identify practical ways to overcome this disconnection.

Solving poverty in the UK means strengthening the traditional anti-poverty buffers in the housing system - low-rent social housing and the system of support for housing costs. But strengthening these interventions isn't a call for a better yesterday. It means addressing their flaws and reforming them in line with the best evidence on what works. Poverty in the UK is real, but there's nothing inevitable about it. Housing policy must be at the heart of any plan to solve it.

2. Housing tenure, private landlords and poverty

Peter Kenway, Director, New Policy Institute

Is the story about poverty and housing in the UK now dominated by the problems of one housing tenure – the private rented sector – and poverty? Or are these problems, large and growing though they are, distracting attention from a more general problem which housing of all sorts presents to those on low incomes?

The rise and rise of the private rented sector in the poverty story is simple to tell, striking and timely. The number of people living in poverty in the private rented sector has doubled in the past decade. Furthermore, most people in poverty in the private rented sector (and home owners) are in working families.

The key statistics are these: in 2014/15, the last year of the Coalition government and the latest for which official poverty statistics are available, there were 4.5m people in poverty living in each of the three housing tenures, namely, the private rented sector, the social rented sector and owner occupation.¹

15 years earlier, at the turn of the century, the picture looked quite different: 2.1m in the private rented sector and 6.0m in the social rented sector. Back then, social rented housing used to dominate as far as poverty was concerned. Now, the three housing tenures are equal.

Against this background, confounding the stereotype of an overwhelming association between poverty and council tower blocks, it is inevitable that the private rented sector's share of poverty should attract such attention.

Our 2016 poverty report also showed that far more low income households in the private rented sector face what could reasonably be called "high" housing costs. Looking here at household income before housing costs have been deducted (so as to avoid a circular argument), 73% of the households in the poorest fifth and living in the private rented sector devoted at least a third of their income to housing. This compares with 48% for those in the poorest fifth in social rented homes and 27% for those in owner occupation. High housing costs are a much greater direct cause of poverty in the private rented sector than in other housing tenures.²

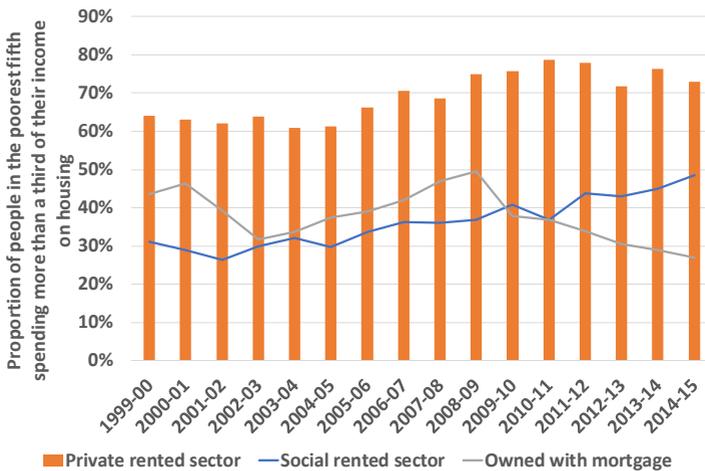
¹ Tinson, A. et al, *Monitoring poverty and social exclusion*, Joseph Rowntree Foundation, 2016, p18.

² Tinson, A. p40

On top of this, the private rented sector guarantees neither quality nor security. Some 40% of households in the private rented sector have lived at their current address for less than 12 months.³ The end of a shorthold tenancy is now the single biggest main cause of homelessness in England.⁴ Poor quality housing is not only unpleasant to live in but it can impact on people’s physical and mental health both currently and in the long-term and can lead to poor health outcomes for children.⁵

There is no doubt that the state of private rented housing is a major cause of concern. If conditions in the sector were far better, low income households living there would certainly benefit. But does that mean that reform of the sector should be a major goal for those whose principal focus is poverty? I don’t think so.

The key point is that most low-income households living in the private rented sector have long faced high housing costs. That 73% compares with more than 60% around 15 years ago (the top line in the graph). So, while high costs and unaffordability are worse in the private rented sector than they were in the early 2000s, the sector has always been a bad bet for low income households. The problem is not just – or perhaps even mainly – that the private rented sector has become more expensive for people with low incomes but that the too many people with limited incomes are having to live in it. It’s not the state of the private rented sector that’s the new problem now but its size, at least as far as poor people are concerned.



3 Barnes, B. et al, *People living in bad housing*, Shelter, 2013

4 Tinson, A, p50.

5 Barnes.

The graph also shows the proportions of people in the social rented sector and owner occupation facing high housing costs. Since the collapse in interest rates in 2009, the proportion of owner occupiers with a mortgage facing high housing costs has been falling steadily. The 27% facing high housing costs there may well be an all-time low.

The cause for concern in the graph that risks getting overlooked is what has been going on with the social rented sector. Although the proportion facing high housing cost – 48% – is well below the figure for the private tenants – it has been rising steadily. 15 years ago, a quarter of low income social sector tenants faced high housing costs. Within just a year or two on present trends it will be a half.

If the social rented sector is expensive too, poorer households with chronically low income have almost no chance of avoiding poverty. For so long as the private rented sector was small and the social sector largely affordable, the obvious answer to the housing cost problem for low income households was to get as many of them out of the private rented sector. But as the private rented sector becomes larger and larger and the social rented sector slowly more expensive, the path to a good society in which low income households can for the most part afford their housing is becoming blocked off.

The status of the private rented sector as the housing bad boy is for the most part well-justified, though it is never perfectly black and white. For example, the upside of the sector's insecurity is that if you don't like where you are living, you do have the chance to move. If the neighbourhood's poor, that freedom can matter. But I still think that the fundamental problem for low income households is that the social rented sector is no longer the obviously affordable option that it once was.

Looking back, the way that the social rented sector was allowed to become progressively more expensive while shrinking in size too is an inexplicable and – for the Labour party that depended politically on social housing – grievous error. There is no road to a good society in which the cost of housing is not the cause of poverty unless there is at least one housing tenure, sheltered from the vicissitudes of the market, in which housing is reliably affordable for low income households.

3. Poverty and property: the trilemma of destitution, welfare and market intervention

Toby Lloyd, Head of Housing Development, Shelter

Public – and hence political – support for welfare is on a long term downward trajectory.¹ This challenges anti-poverty campaigners to ask themselves hard questions about their approaches to campaigning. It also raises questions about how much poverty we are prepared to tolerate as a society, and whether welfare benefits are the best means of tackling it.

This debate is neither new, nor surprising. Reducing and responding to poverty is one of the most complex problems modern societies face. While poverty evolves within changing economic and political currents, it also exists in a symbiotic relationship with the very systems set up to reduce it. Taxes, employment law, trade policy, benefits, and other aspects of the welfare state are all used to target poverty. And, as a result, all of them shape the contemporary form that poverty takes, to the extent that many people identify the policies designed to mitigate poverty as drivers of poverty themselves.

Again, this is not new: arguments about disincentives to work, benefit traps, the impact on wage levels, labour mobility and above all, the sheer cost of poverty alleviation have raged since at least Elizabethan times.² These debates, like the poor themselves, may always have been part of society, but it's not been a smooth ride. Periodically, the debate heats up and the system goes through spasms of crisis and change.

The Welfare Reform Act of 2012 clearly marks the beginning of one of these periods of change. Depending on your view point, you may identify the current changes as a vital reform to a system grown bloated and dysfunctional, an ideological assault on the welfare state itself, or an unpleasant but necessary part of a wider 'economic rebalancing'. These views are not mutually exclusive – and all three are well represented in society and in politics today, because tackling poverty has always been a trilemma. By this I mean **that it is impossible to simultaneously avoid widespread destitution; an ever-rising welfare bill; and major state intervention into key markets.** It should be possible to avoid one or even two of these at once – but not all three.

At any given point in history society is effectively making a choice to embrace, or at least tolerate, one of these three options. It may not be explicit, but by prioritising the

1 Hall, Suzanne (2012) 21st Century Welfare: Seventy years since the Beveridge Report, Ipsos MORI

2 Salgado, G. (1977). *The Elizabethan Underworld*. Dent.

avoidance of one or two of these outcomes, we are implicitly agreeing to put up with the third as the lesser of three evils.

The first big change in modern society's response to the trilemma was the enclosure movement. Before enclosures, the largely feudal economy was, crudely, a non-market system in which inheritance, political allegiance and military power determined who owned what. The poor were expected to feed themselves, and were not allowed to relocate – but the system also granted them access to land to grow and gather food, to collect firewood and graze livestock. Feudal society was effectively choosing the third option, by preventing a free market in land and labour from operating.

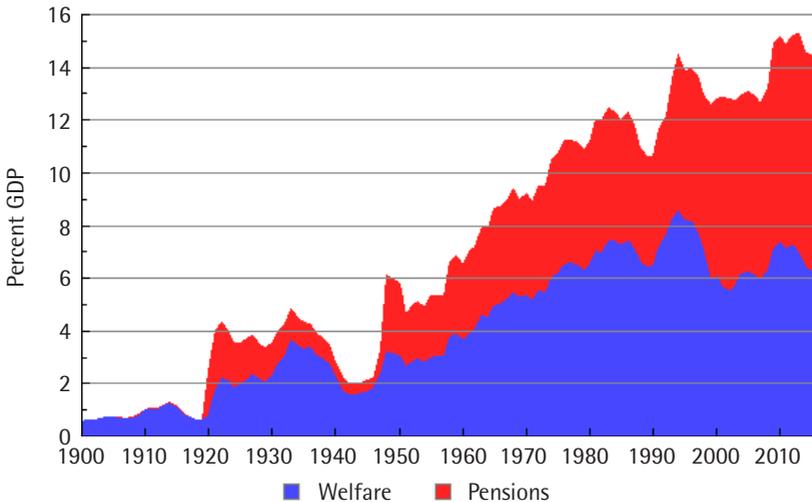
Enclosure, which turned common land into private property, was a critical part of the turn towards a market economy – which triggered economic growth, but also intense poverty as millions found themselves deprived of subsistence. Throughout the 16th and 17th centuries, hunger and social unrest were widespread: society was unwittingly choosing the first option. The eventual creation of the Speenhamland system of 'outdoor relief' in the late 18th century marked another turn – and this time one in which the state took the lead. Local municipalities raised levies to feed the poor and mitigate the worst of rural poverty. This represented the second option: the acceptance of the need for welfare (however inadequate and patchy), as the price of allowing free markets in property and capital to exist without intolerable poverty.

But as the costs of alleviating poverty grew, so did moral objections about the impact on the poor's motivation to work and employers' incentives to pay decent wages. Under the New Poor Law of 1834 Speenhamland was abolished and the workhouse was born. For the rest of the 19th century, while trade and global finance drove spectacular growth, millions endured abject poverty of the type made famous by Dickens. In choosing to tolerate such destitution, Victorian society had reverted to the first option, avoiding both intervention in property and capital markets and financial transfers to the poor.

The next major shift came after the First World War, as the implicit choice became one of market intervention first, and welfare second. The birth of council housing, landlord and tenant regulation, and the creation of the national planning system are all evidence of the willingness to intervene in markets to prevent poverty – while old age pensions and unemployment relief were created to relieve it. Welfare spending rose dramatically compared to the Victorian era, but then remained fairly stable. By the mid 1950s it still didn't take much more of a percentage of GDP than in the early 1920s. This represented a new balance in the trilemma response: rather than plump for one option alone, the mid twentieth century settlement involved a bit of the second and a lot of the third options.

Social protection

United Kingdom from FY 1900 to FY 2016



Source: ukpublicspending.co.uk

This balance started to reverse as the economy was steadily liberalised in the 1950s – and the benefit bill started rising steadily too. By the 1980s the political preference was determinedly for low intervention and high benefits. Characterising Thatcherism as a willingness to accept large welfare payments may seem odd to anyone who remembers the anti-welfare rhetoric of the time. But there is no denying that the upward trend in the total welfare bill continued over the last decades of the twentieth century. Some of this was cyclical, as recessions drove up unemployment costs. Some was demographic, as an aging population drew more in pensions (see above).

But in at least in one area there was a very explicit policy choice: housing. The private rented sector was deregulated, council housing sold off and property ownership advantaged in the tax system – while the state stopped building homes. In other words, market intervention was dropped and the focus shifted to using welfare to help people house themselves in the market. Ministers argued that any increase in poverty occasioned by a move towards freer markets would be offset by spending more on housing benefit, which would be there ‘to take the strain’.³

³ Webb, K. (2012). Bricks or benefits? Rebalancing housing investment. Shelter

Since then, and under successive governments, public investment in affordable housing has collapsed and housing benefit has indeed taken the strain, as the bill has risen to top £25bn a year. Inevitably, this has put the spotlight back on the benefit bill, and prompted repeated assaults on the real and perceived failings of the welfare system.

But no matter how hot the current debate gets, the basic trilemma remains. **If we are not prepared to spend as much as we do on benefits, we have to accept EITHER much more poverty OR greater intervention in markets.** In housing terms, if we don't want to see families destitute on our streets or pay more and more housing benefit to landlords to house them, then we have to do something else.

Few would argue publicly for a return to Victorian levels of urban poverty – although the Adam Smith Institute has made the case for more slums.⁴ Even putting morality and social justice aside, the consequences for public health and social order do not bear thinking about. Politicians also have a fully enfranchised electorate and a vocal media to contend with nowadays, which would make widespread and visible abject poverty harder to sustain politically.

So, the broader debate is really about what that something else should be – how we can intervene in markets in smart ways to both reduce poverty and welfare bills. In my view, the best target for greater intervention now is the dysfunctional land market, which lies at the heart of our failing housing system.⁵

Land is the essential natural resource needed to build a home. But unlike other raw materials, it also has numerous other functions. Most importantly, land is where the majority of all wealth in Britain is stored (as most of the value of a home is in *where* it is) and how it is passed down the generations through property inheritance. Land value is also the collateral on which our entire financial system is based, via mortgage finance.

Smarter public intervention in the land and property markets to get more land developed; while constraining price growth it could start to tackle these problems at source. And, it could get more, better and cheaper homes built.

It wouldn't be cost free: every time society reaches for a new response to the trilemma there are losers, and some land owners would make less than they might currently expect to. But if we are not prepared to pay the political price of that intervention, we will have to accept either an ever-rising welfare bill, or a return to widespread, abject poverty.

⁴ <https://www.adamsmith.org/blog/planning-transport/britain-needs-more-slums>

⁵ <http://blogs.lse.ac.uk/politicsandpolicy/why-arent-we-building-enough-homes/>

4. New policy approaches

Duncan Bowie, Senior Lecturer in Spatial Planning, University of Westminster

There is now a deep crisis in housing supply in many parts of England. The response unfortunately is far short of what's needed. Policy proposals championed by Government and many commentators are either just tinkering with the problem, or will exacerbate the situation.

We have not learnt the lessons of the 2008 credit crunch and failed to understand the fundamental deficiencies of the current system. Indeed, we would have still faced a housing deficit whether the country had been in boom or bust. The only way ahead is by embracing radical policy change. It is time to throw off long held ideological assumptions as to ideal forms of tenure and the relationship of state to market. While there has been widespread opposition to the Government's recent legislation both within parliament and from professional and campaigning groups, there is less certainty as to what the alternative is and how we would get there.

There is a systemic housing problem which cannot be corrected by short term measures. More radical solutions are necessary if the housing market is to be stabilised and the delivery of new homes increased. We also need to recognise that if we are to tackle inequity in wealth and opportunities, we need to tackle inequity in housing which is now the central component in inequity between households both within and between geographical areas. It is also central to the growth in inter-generational inequality.

The first priority must be to repeal the 2016 Housing and Planning Act, with the exception of the rogue landlord clauses. Gavin Barwell MP, the new housing and planning Minister has realised that this legislation will do nothing to increase housing supply. Indeed, if actually implemented, it would reduce both social housing supply and the security of new social housing tenants.

The second priority is to redirect current Government housing investment and increase the overall level. This means stopping all forms of subsidy, whether direct or indirect to owner occupied properties and new development for individual or corporate private ownership. Any financial assistance by Government to home ownership or private rented housing should be in the form of an equity stake by a public body, with the equity stake repayable to that public body (i.e. the public body receives its share in any value uplift on resale).

Discounted sale of council and housing association housing constitutes a subsidy to home ownership, by which the purchaser makes the capital gain, and should be terminated. The Starter Homes Initiative which also involves financial support for home purchasers who can then capitalise on market value on sale representing a 20% uplift on purchase price as well as any other gain in market value, should also be terminated.

The Government should reinstate a programme of capital grant to social rented provision through councils and housing associations on the basis of secure tenancies and controlled rents. The level of grant should be on the basis of covering the capital costs of development not covered by capitalised rent income over a 60-year period. This in effect would be a reintroduction of the mixed funding regime running on a system of cost indicators as operated by the former Housing Corporation. Borrowing by the council or housing association would then be entirely fundable from rent income, without recourse to the need to cross-subsidise from other sources, such as through agreements with developers, income from sale of market homes or shared ownership equity or from disposal of other assets. Government limits on local authority borrowing to support investment should be removed and replaced by a prudential borrowing regime where local authorities and other public sector bodies can borrow against the security of their assets and income.

The third priority should be a systematic reform of policy on planning and land. The Government should draw up a national spatial plan which identified general locations for residential and employment growth supported by planned transport, social and utilities infrastructure. The national spatial plan would need to ensure consistency between social, economic and environmental sustainability objectives and be an integrated housing, employment, infrastructure, transport and environmental plan. It would guide national decisions on infrastructure funding and set a framework for the development of regional, sub-regional and local plans.

Local Planning Authorities should be required to allocate housing sites to meet the full housing requirements in their area, or, where this is not possible, reach agreement with neighbouring authorities in their sub-regional or city regional planning area as to identification of residential development capacity. The government should determine these joint planning areas based on travel to work areas and a statutory requirement imposed on the authorities within each area to undertake a combined assessment of housing requirements, a combined assessment of development capacity and should agree on site allocations, based on consistent density and sustainable development criteria. Where agreement cannot be reached, central government should have the power to determine local planning authority residential development targets and site allocations. Local

planning authorities should be required to prepare planning briefs for all housing sites, setting out the requirements by built form, density, dwelling size and type and tenure/affordability based on the assessment of housing requirements in their area. Development proposals which are not in conformity with these briefs should be refused.

Local planning authorities should also have the power to compulsorily acquire any housing site allocated in an approved plan at Existing Use Value. This is essential if the cost of development in higher value areas is to be reduced significantly. Where a Local Planning Authority grants planning consent for a private development, they should have the power to take an equity stake in the development, so part of any subsequent value uplift is repayable to the authority. This could be used as an alternative to agreeing a planning obligation or requiring payment of the Community Infrastructure Levy. There should be a mandatory new minimum standard for all new residential development, irrespective of tenure or location. This should include internal space standards, amenities standards and environmental standards. These should apply to residential units provided through conversion of non-residential premises

The fourth priority should be to reform the regime of land and property tax so it supports housing policy objectives rather than obstructs them. Stamp duty on purchase of residential property should be replaced by a tax on the capital gain on land and property on disposal. Inheritance tax should be revised to increase the tax on the transfer of land and residential property through inheritance. The option of reintroducing schedule A income tax based on the imputed rental value of owner-occupied dwellings should be considered. Valuation of property for the purposes of council tax should be up-rated to reflect current values. There is also a case for the level of council tax being related more explicitly to the size of the dwelling in terms of floor space.

Higher rates of taxes should be introduced for higher value property. Rates of tax on individual property should take into account the level of occupation of properties – properties which are under-occupied to be subject to a multiplier relating to the level of under occupation, with penal rates for vacant property. There should be no limits on the ability of local authorities to set rates of council tax. This would enhance local democracy and reduce the dependence of local authorities on grant from central government.

The core components of reform to the housing market and housing supply are land, ownership, money and power. These are fundamental issues, and any proposition, whether from Government, political parties, academics or practitioners, which fails to

operate within these parameters will be inadequate. We must return to a housing policy based on effective use of residential accommodation rather than a policy based on individual asset appreciation.

Duncan Bowie is author of 'Radical solutions to the housing supply crisis' (2017)

5. Combating fuel poverty

Sarah Daly, Director of Strategic Sustainability and Partnerships, Sustainable Homes

According to National Energy Action, fuel poverty now affects over 4m households, up from 1m in 2004. More disturbingly, what the government refers to as 'excess winter deaths', were estimated at 23,000 in England and Wales in 2015 - around a third attributed to fuel poverty. For such a prosperous nation as Britain these statistics are beyond shocking.

Unfortunately, the incidence of fuel poverty is rising exponentially due to a perfect storm of factors. These include, but are not limited to:

- Rising energy costs: with domestic prices forecast to rise by 5-9% in 2017
- Income factors e.g. stagnating wages and welfare reform
- Poor energy-efficiency, especially in the private rented sector (PRS) with the poorest households consigned to the most costly and difficult-to-heat properties where they have little means to improve their situation
- Inadequate heating systems: many, especially in the PRS, do not have appropriate heating systems and are using expensive, older electrical heating. Tenants can be reluctant to ask their landlord to improve their heating system or insulation for fear of eviction if they complain
- Affordable tariffs: the reluctance of a high number of vulnerable people to 'switch' energy supply (due to a lack of knowledge of the cost benefits or urban myths that they might lose service); those on pre-paid meters are often paying up to £100 more per annum for their energy
- Lack of regulation in homes of multiple occupation, especially HMOs with inclusive rent and bills where the landlord controls the heating and will often keep tenants in cold and damp conditions

What should be done?

It's widely accepted that improving the energy-efficiency of all homes is by far the most important and cost-effective action; not only to make homes more comfortable and affordable to heat, but to ensure we reach our carbon reduction targets of 80% by 2050. Shockingly, we need to be retrofitting one house every minute between now and 2050 to reach this target - something which we are not even close to achieving.

Energy companies still have a requirement to offer energy efficiency measures under the

Energy Company Obligation (ECO), but this does not necessarily mean the neediest will get the support they require. The government is promising to target vulnerable households, but the new Obligation (ECO3), which comes into force from April 2017, has a smaller budget.

PRS: getting your house in order

Whilst there has been good progress in combating fuel poverty in the social housing sector, problems persist among homeowners. For example, many 'just about managing' homeowners are at risk of falling into fuel poverty, notably older homeowners who are cash-poor. The winter fuel allowance is a blunt instrument to help these people; it fails to meet the needs of some, while the better-off treat it as a Christmas bonus!

However, the biggest challenge is in the PRS. As mentioned, the regulatory environment has been generally lax. This is about to change. From 2018, all new/renewal tenancies will be required to meet higher energy rating standards (at least an 'E' rated energy performance certificate). By 2020, it will be unlawful to rent out any property with less than an 'E' rating. This will be costly for some landlords,¹ but absolutely necessary. Unfortunately, between now and then we will have another four years of landlords being able to increase their investments at the expense of vulnerable tenants who appear to have little or no rights. Mandatory landlord registration (which already exists in Scotland and Wales) is the first step in forcing landlords to improve standards. This can then be accompanied by incentives, such as reducing annual fees based on the energy rating of the property and offering tax breaks.

Landlords with multiple properties are often focused on extending their portfolio rather than meeting the basic needs of those who live in existing homes. It must become the norm for every house to meet minimum standards before landlords can invest in more. One mechanism for this would be for mortgage lenders (either voluntarily or on guidance from the Bank of England) or via legislation, to not lend on properties below a minimum EPC level; or to lend with retentions until upgrading work is completed to an appropriate standard. Lenders should see low EPC properties as high-risk, not only because there is more chance of tenants falling into arrears or being evicted, but because incoming legislation will make those properties unlettable after 2020.

Registered properties could be given a simple star rating for clean, safe, warm, healthy and maintained properties. It should also be mandatory for all private accommodation to

¹ According to UKGBC, it takes an average of £1400 to bring a house up to an EPC E-rating from an F or G; (and with 70% of house types the most urgent boiler, insulation and draught-proofing upgrades can be done to an 'E' standard for less than £1000)

display full cost of occupancy, including energy costs (this is critical because many people only look at the rent and do not realise they might be paying substantially more in energy for a very poor property).

It is currently too easy for landlords to disguise mould and damp issues by presenting properties with a fresh coat of paint and strategically-placing furniture to hide problem areas. These are often not noticed until the tenant has signed-up and moved in, by which time they may not be able to move for six months or even longer. Higher standards should be enforced with warnings, fines or the removal of a licence to operate for landlords who refuse to maintain their properties to a decent living standard. Whilst private landlords often complain that they are being 'targeted', as with all accreditation schemes, it is only poor performers that will find this system prejudicial. 'Good' landlords will see this verification as adding value.

Mind the policy gap

We know that we can reduce fuel poverty by immediately addressing energy-efficiency and upgrading properties. Indeed, tackling poor properties has an immensely beneficial impact on not just tenants, but with job creation and a cash injection into the local economy. And, improvements need to be across all tenures – including HMOs which in England have for too long been excluded from the regulations.

Another point which cannot be overlooked, is the importance of having high quality assessments of buildings and the correct energy-efficiency strategies applied by qualified, independent experts, such as those trained by the Retrofit Academy. There is also a danger that some landlords may do the minimum to stay compliant, as opposed to doing the optimum for that building once, and not having to revisit works within another year or two as legislation increases. A more comprehensive approach will give better outcomes in terms of long-term reduction of fuel poverty and reaching climate targets. However, it is vitally important to have the correct independent expertise upfront, so that properties are considered holistically in terms of heating, insulation and ventilation strategies as it is very easy to cause or exacerbate damp and mould with incorrect interventions.

All the indicators show that a well-coordinated national energy-efficiency programme, with appropriate skilling, reskilling and upskilling of trades, will have an immediate impact on the health, wellbeing and productivity of people across all tenures. ECO3 should be focused on those in dire fuel poverty but we also need to recalibrate expectations in the PRS so that it is not just socially unacceptable, but legally impossible, for rogue landlords to profit from those they keep in sub-human conditions for their own profit.

Landlords who cannot meet minimum standards should simply not be allowed to operate. The worst that can happen is that social landlords, or more professional private landlords, will pick up and refurbish those properties or portfolios that are not being run appropriately.

6. Tomorrow's housing professionals

Terrie Alafat CBE, Chief Executive of the Chartered Institute of Housing

"The best way to predict your future is to create it,"
Abraham Lincoln

The biggest challenge facing tomorrow's housing professionals will be to create a future in which they can meet the housing needs of our nation in an increasingly difficult and uncertain environment.

Thankfully we live in a very different world than the one Beveridge described so vividly 75 years ago, but of all of the major challenges he identified the lack of decent, affordable housing is certainly still one of the biggest issues facing the UK. Though it is true we have built many new homes in the decades since the report and there have been significant improvements to the standard of housing, there is still so much more to do. Indeed, we ended 2016 with the lowest level of affordable housing delivery for 15 years and a concerning and continuing increase in the number of homeless people.

In recent years the policy and funding landscapes have become more unpredictable and there's no sign that will change. Meanwhile, Brexit serves to create an additional layer of uncertainty. As a result housing professionals and their organisations will need to take their future into their own hands more than ever and find solutions to the housing problems faced by communities across the UK. So how can they do this?

One thing they will certainly need is the ability to think into the future; to look for solutions outside of the housing world and to use creativity and ingenuity to adapt to changing circumstances.

As housing organisations continue to do more with less and diversify into new service areas, there will be more focus on competency, attitude and skills rather than just the ability to fulfil specific functions.

Modern housing professionals will need to be equipped to handle this. They will need, more than ever, to be multi-skilled, flexible and be able to turn their hands to different jobs within the housing profession. A few years ago we put together a report called *Frontline Futures*¹

¹ <http://www.cih.org/resources/PDF/Policy%20free%20download%20pdfs/Frontline%20futures%20report%20final.pdf>

which looked at the changing face of the sector and the core characteristics frontline housing workers would need. Knowledge of a particular role was still seen as important, but a whole new range of skills including problem solving, negotiation, change management, resilience, and responsiveness were also identified as essential.

The report also highlighted the additional demands on housing professionals as a result of welfare reform and the changes in the provision of social and health services.

Innovating will be a key part of meeting the challenges the sector faces. As a sector we are beginning to embrace technology and change. As I write we are in the process of shortlisting for the UK Housing Awards and it is pleasing to see the innovation category is one of the strongest by far. But there is still work to be done and there's an argument that the increased pace of change in the housing world means we need to be more dynamic and move faster. We are behind the curve compared with the tech sector, for example, where five years is considered long-term for the delivery of new products.

The importance of skills is reflected in the new apprenticeship standards which take effect from April of this year. These changes will put housing organisations at the heart of apprenticeship delivery, where they will be supported by a training provider to develop a programme of learning that will enable apprentices to realise their potential.

It is vital that housing organisations are aware of these new standards, which were led by employers in the housing sector, because embracing new talent will be a vital part of ensuring we are attracting the talent and skills the sector needs to meet the challenges which lie ahead.

CIH actively encourages the engagement of young people in the sector to develop their skills and confidence to become leaders of the future through activities like our Rising Stars programme and the Graduate Employment and Mentoring Programme (GEMs) in partnership with Incommunities to encourage graduates into the sector. In addition, we have developed an ongoing event – the Big Conversation – a platform for young people to come together, plan their career and network with others to develop as future leaders.

We also need more diversity in the leadership of our sector. In 2015 we launched a commission to tackle this issue and we have seen some progress. But to coin a phrase by our then president Steve Stride, our sector is still too pale, male and stale. Getting new perspectives into the sector will be crucial to make sure housing organisations continue to provide services which meet the needs of the many people who need housing. If housing organisations are to truly serve their communities then they must better reflect them.

Housing organisations could also benefit significantly from opening up more to recruiting from outside of the sector. Of course, there is invaluable experience in the sector which we cannot dispense with, but combining this with new viewpoints and experience could give us the crucial edge we need.

As the professional body, CIH has a pivotal role to play in exploring and supporting learning and skills for the housing industry of the future. It is an arena in which members can share knowledge, innovate and equip themselves to deliver cutting-edge practice. We also provide a forum in which the housing industry can collectively grow its capacity, competence and voice. In this sense the challenge to the sector is very much a challenge for CIH and we are continuing to develop our offer to make sure we support the professionals of tomorrow.

There's a crucial caveat to all of this. In our efforts to meet the challenges faced by the new housing landscape we must always remember our social purpose. Recruiting expertise from outside of the sector, gaining new skills, embracing technology – all of these are positives, but they must supplement and not detract from the core purpose of a housing organisation.

We recently rounded off our centenary celebrations at CIH and it is well worth remembering the purpose that drove the pioneering women behind the formation of the first professional body in 1916. They were students of Octavia Hill who had worked tirelessly to build communities. The minutes of their early meetings remain at our offices and paint a vivid picture of the utter determination those women had to make sure people had access to a decent home – decades before Beveridge's seminal report revealed the need for widespread reform.

Of course, much has changed since those days, in large part as a result of Beveridge's recommendations. But one thing remains – the desperate need for decent, affordable housing. In fact, it goes way beyond that – it's a need to build communities and to serve them. This was Octavia Hill's driving force when she transformed slums in London for the first time. She wanted to 'make lives noble, homes happy and family life good'. Over a century and a half later it is difficult to think of a more incisive summary of what social housing should strive to achieve. And though there is no doubt modern housing professionals will need to adapt to meet the multitude of ever-changing challenges the sector faces, they must never forget the social in social housing. That word encapsulates so much of what we do.

If anything the sector has moved on even further since *Frontline Futures* was published, but one thing remains relevant, and in fact it was at the heart of Octavia's work all those

years ago - modern housing professionals will need 'a social heart and a commercial head'. By 2025 it would be good to look out at a more diverse sector which has continued to professionalise, embrace technology and acquire new skills to meet the challenges which lie ahead. But I also hope we have a sector which has the same heart and the same determination to make a real difference to people's lives.

The biggest challenge to the housing professionals of tomorrow and the organisations they work for will be to find a way to do both.

7. Building the homes we want and need on public land

Alice Martin, New Economics Foundation

The New Economics Foundation is pursuing routes to enable more people, in partnership with local institutions and civic powers, to take back significant control over housing locally. Halting the fire-sale of public land, diversifying the types of homes we build and curbing the inefficient, speculative use of housing are three critical steps to be taken now if we are to address both the long-term drivers of the affordability crisis and mitigate potential risks triggered by the Brexit vote.

The UK is facing a major housing affordability crisis with millions of people across the country priced out of a decent and secure home. Following the Brexit vote, new private housing supply - already falling short of what is needed - may well falter further as firms suffer increased material costs and uncertainty over the sale price of their projects.

In the short-term at least we know that this "Brexit effect" is likely to worsen the gap between incomes and housing costs. The sterling depreciation is likely to further erode household incomes whilst house prices and rents are unlikely to reduce as fast. In the midst of this crisis, the government is pursuing a policy of aggressively selling off publicly owned land - much of which is lying vacant rather than being used for affordable home building. As land is sold and social housing torn down families are torn apart. We are losing control over what is built where, and by whom - and crucially, what is deemed affordable and for whom. A dramatic change of course is needed.

Build affordable homes on public land

Unfolding before our eyes is a glaring missed opportunity to overcome the housing affordability crisis. The public land sell off across the country is not only a waste of public resources, it's a further stepping back of the Government's role in addressing the crisis and a significant ceding of power. The sell-off so far has achieved little. Developers are hanging on to newly acquired sites without building, intending to profit from the value of the land alone. As highlighted in the latest Public Accounts Committee report,¹ the rate of new homes built on the land sold so far remains appallingly slow. Meanwhile large developments are being proposed on sites with no plan to include any genuinely affordable homes.²

1 <https://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news-parliament-2015/public-land-new-homes-further-progress-review-report-published-16-17/>

2 <http://www.bristolpost.co.uk/fury-as-developers-plan-305-new-homes-at-bristol-hospital-site-with-none-for-council-tenants/story-29855014-detail/story.html#f0BbSeWUD0IHMCOK.99http://www.bristolpost.co.uk/fury-as-developers-plan-305-new-homes-at-bristol-hospital-site-with-none-for-council-tenants/story-29855014-detail/story.html#xIJSQpe7py4FZG0S.99>

The Government's costly moves to subsidise the housebuilding sector to build more quickly – whether through de-risking the sites before they sell them off or investing in new roads and other infrastructure – are unlikely to speed things up. Homebuilding targets have been consistently missed year on year since talk of the crisis began.

Policy tinkering and subsidies like this are failing because the problem is structural. The inflated price of land in the UK, propped up by a financial system prioritising loans against property over loans to the real economy, has been a major cause of the housing crisis. Why? Inflated land costs provide a perverse incentive for developers to sit on plots and drip feed new homes at a slow rate to keep house prices up.³

We need another approach

In an initial snapshot survey of urban public land sites being offered for fire-sale, we identified 10 plots of publicly-owned land that could provide 4,631 good quality, low cost homes.⁴ Building non-for-profit housing to rent and buy on these sites would begin tackling the housing crisis straight away. It would also bring a much better deal for taxpayers, prioritising a long term revenue stream from rental homes over a one off cash receipt for the land.

We found that:

- In the ten sites we looked at, an average 50% of the cost of building affordable housing would be recouped through reduced housing benefit payments over 30 years
- For most of the sites the savings on housing benefits over 30 years are greater than the one-off sales value of the land
- On average, public housing on sites would become net contributors to the public purse after 20 years
- Building affordable housing linked to local incomes on these 10 sites alone could reduce the housing benefit bill by £231m over the next 30 years

What's more, keeping a stake in land means we can ensure that homes built are put into effective use rather than being left empty or under-occupied. As we've seen, soaring house prices create a powerful financial incentive for people to "overconsume" the housing we have and for housebuilders to meet this demand with new developments.

3 Ryan-Collins, J., Lloyd, T., and Macfarlane, L. (2017) Rethinking the Economics of Land and Housing, Zed Books: London (forthcoming); New Economics Foundation, The financialisation of UK homes, April 2016 <http://www.neweconomics.org/publications/entry/the-financialisation-of-uk-homes>

4 Halt the fire sale of public land and build affordable homes. NEF. Nov 2016 <http://neweconomics.org/wp-content/uploads/2016/11/land-fire-sale-methodology-note.pdf>

As demonstrated recently by the residents of St Ives, neighbourhood plans and local government taxes can be used to curb this type of speculative demand that proliferates 'build to leave' and second home developments. Retaining land in public or community ownership, or as a long term equity stake, will help more regions – whether coastal, rural or urban – put good quality first homes for local residents, ahead of speculative, second home investments.⁵

What kind of homes do we need?

In the midst of the crisis, people in all tenures are losing what control they had over their homes and, crucially, the areas in which they live. The loss of social housing puts those who cannot afford to buy at the mercy of private landlords, with weak protections against eviction or rent hikes. Even those who own a home are living precariously. Home ownership does not mean safety, security or control if you find yourself unable to pay the mortgage, or in negative equity. In recognition not just of the affordability crisis, but the stark erosion of control people are experiencing – the priority now must be to provide a variety of housing models, at scale, that locks in affordability and long term security.

Trying to subsidise homeownership in an inflated market has been a costly mistake. With levels of home ownership at an all-time low, the promises of right to buy and help to buy to give more people a share in the nation's property wealth have failed dramatically.

Instead we need to scale up the models that give people the long term security and control that, in its existing form, homeownership is failing to deliver. What could this look like?

- Community Land Trusts (CLTs) provide affordable housing by taking land values out of the cost of housing – so the buyers/tenants only pay for the bricks and mortar – with priority given to local people in housing need. An asset lock prevents the land from being sold, which in theory makes CLTs more durable than traditional social housing with homes kept permanently affordable. The trust model can be used to build new homes such as the St Clements project in London's Mile End, or buy out, manage and improve existing homes as a resident-owned housing association – such as the 640 homes managed by Waltern Et Elgin Community Homes in Westminster.
- Mutual Housing Ownership (MHO) is a form of shared ownership which the New Economics Foundation helped to pioneer, in which residents own an equity stake

⁵ <http://neweconomics.org/turning-back-to-the-sea/>

in a mutual property trust rather than an individual property, dependent on what they can afford. LILAC, a co-housing development in Leeds, is the first example of this kind of scheme in action. The growing demand and potential for large-scale MHOs is currently being explored by OPAL housing, a partnership project between Bioregional and Transition by Design.

- Renter cooperatives give tenants security and control over their space and spending. The option of longer-term tenancies and rents set according to incomes allow people to budget and save for the future. If provided on a large scale, these models are an attractive investment option for pension funds and other institutional investors as they provide a long-term rental income.⁶

All of these models work alongside social housing, or themselves can be used as a more empowering way of delivering it. Crucially, like social housing the rental income component means they are financially self-sufficient, providing a revenue stream for the public body or community trust that owns the freehold of the land. However without access to affordable land these models cannot be developed at scale. With public land sales tipped heavily in favour of largescale private developers who can produce plans demonstrating how they will maximise profits and achieve 'best value' for the sites, the longer term economic benefit of not-for-profit housing schemes - that focus on quality, affordability and long term security for the dweller - are not being considered.

We are embarking on a year long project to challenge this bias, in line with RIBA's recent recommendation that public land must be used for homes that ensure best value over the long term⁷ - not in terms of a cash receipt for a quick sale.

6 http://www.policy-network.net/publications_detail.aspx?ID=5088

7 RIBA: 20 point plan to tackle the housing crisis Aug 2016

8. Including children's voices in the housing poverty debate

Rys Farthing, Social Policy Analyst

Children and young people have the highest rates of poverty among any other age group in the UK,¹ yet their unique experiences and ideas for change are all too often overlooked. Poor quality housing is no exception. It makes decent childhoods difficult to experience, in a way that we can only really understand by listening to children and young people.

"I cry everyday, and I have dreams of me having a house, and sometimes, when I'm in the toilet of my school, I cry. I don't like living in a flat. No one likes living in a flat. I lived in a hostel when I was little, and now I'm living in a flat. What's my next step? Living in another flat? I just want a house, that's all. It's not really that much to ask"

12 year old who lives in a one bedroom flat with his family

Actively including children and young people in the debates and discussions about solving our housing crisis has two key benefits. First, democratically, children and young people have the right to participate in decision-making processes that affect them. Including them realises this right and ultimately helps tackle the political marginalisation that young people too often experience. Second, participation in general, including youth participation, has the capacity to produce better, more effective policy. Including different experiences helps create a better knowledge base for informed and ultimately effective action.²

To try and realise the capacity of youth participation, between 2010 and 2015, I worked alongside young people from low-income neighbourhoods across England. Right across the country, housing concerns came up time and time again. It was a central issue in the lives of every group I spoke to.

Poor quality housing reduces the quality of life for young people in different ways. Many mentioned faulty (or lack of) heating. One young woman spoke of "having no privacy" because she shared her bedroom with three older brothers. Another young man described

1 EuroStat 2015 'At Risk of Poverty Rate by Age Group – EU SILC survey' <http://ec.europa.eu/eurostat/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=tessi120&language=en>

2 deLeon, P. & Longobardi, R. 2002 'Policy analysis in the good society' *The good society* 11(1), pp. 37-41; Dryzek, J.

1990 'Policy sciences of democracy' *Polity* 22(1), pp. 97-118; Fischer, F. 1998b 'Beyond empiricism: Policy inquiry in post positivistic perspective' *Policy journal studies* 26(1), pp. 126-146

the boredom and indignance of living in crisis accommodation his entire life, having known nothing other than the one room his entire multigenerational family shared. Another said if she had a magic wand she would wish to sleep forever because she can't sleep properly with her two siblings in the same room. Another young woman spoke about constantly getting detention in winter because she was unable to dry her uniform in her damp apartment in time for school. This often led to her being late for school, facing detention and damaging her relationship with her teachers to boot.

There's also an aspect of inequality to the problem of housing. The children and young people I spoke to were acutely aware that better housing existed, and that they lived in worse housing than most of their peers. Sometimes their peers went out of their way to make sure they were aware of this:

Benjamin, 11: *"Sometimes my friends start bragging on about where I live, like how you live there, I live here, why can't you get a decent house like me, like you can't get your own room you can't get your own privacy"...*

Pe, 11: *"When our friends come to our house, they never come back".*

Benjamin: *They'll be like, "when you get a new house, I'll have a sleep over there".*

They were also acutely aware that where there was competition for scarce housing resources already privileged people beat them to it:

Tasmin, 15: *"I think only some areas of (our neighbourhood) are improving, but what I've realised with those areas, they're called the guppies, you know, guppies are like the white, young... Ummm"*

Basmah, 15: *"What's guppies?"*

Rys: *"Yuppies? Young, up and coming is what it stood for? So people like, errrrmm... me. White, young, middle class..."*

Tasmin: *"They end up getting those new houses more towards the central (City) side of (our area) like (main street) and all of that, rather than your mum who's been on the waiting list for like 10 years. Do you get it?"*

Saba, 15: *"My mother's been on it for 13 years actually".*

Housing was not a zero-sum game between local residents; rather quality housing was an actively diminishing resource in the eyes of these young people. Moreover, they all believed their housing situations would not improve. If things continue as they are, there is no hope for them, and even less for the children they might have:

Tilly, 17: *Yeah, I think like, what's it gonna be like when our kids are 16? They will be living in mud huts in (local) Park.*

Keila, 18: *Yeah, I know! Seriously.*

But amidst their anger and despair, they were desperate for change and all too willing to be involved in developing solutions to their housing problems. As part of our work together, each group developed a list of policy asks for local and national politicians and housing topped the list in almost every area. Broadly, they wanted:

- *'bigger'* houses so families would no longer be *'crammed in'*
- more *'affordable'* homes, so families weren't financially stressed
- more accessible housing for people like them, via reduced *'waiting times'* on council flats and an end to building housing just for *'yuppies'*
- better quality with more insulation to tackle the cold and damp

Young people are thinking about local solutions. In East London, for example, the young women I spoke to called for specific interventions to generate supply in the area, including the compulsory purchase of under-occupying houses so they could be shared with over-occupying households, a requirement for houses left empty for a year to be rented out, and for fried chicken shops be converted to homes... to tackle the twin concerns of over abundant of fried chicken shops in their area and a lack of space for affordable housing.

These children and young people were also extremely keen on telling their stories and sharing their ideas with decision makers and to be involved in deliberations around fixing their local housing crises. They petitioned their local MPs, met with local councillors, joined scrutiny committees and penned letters to their local paper. If we're serious about creating a truly effective and democratic solution to the housing crises, I would urge anyone who is thinking about tackling housing poverty, and poverty in general, to both consult and actively involve children and young people in developing their solutions – you will end up with better interventions, and a better society, as a result.

What difference would it make to you if your family if housing were cheaper?

"Well I think it would be better on me. I think my confidence would be better as I would

have my own space and perhaps have some privacy because, like, I'm nearly 16 now and I think it's about time I had my own privacy. Also, having more money for ourselves would mean I could have better facilities such as a computer, printer and day to day equipment which will be important for my studies. Also, the conditions of the rooms could be improved with the extra money we have, it gives us a chance to re-decorate the rooms and make it look more appealing for friends and family"

15 year old girl

Rys Farthing is a social policy analyst who specialises in youth policy and poverty

9. Building strong communities

Ruth Davison, Director of Policy and External Affairs, National Housing Federation

We need to build many more homes. Not a few more, many. And thankfully it appears we at last have some political and public consensus on that. As long as that consensus holds and is met with real action on the part of Government and all the players in this sector – especially Government, who for far too long, no matter which political party was in power, did far too little – we might get somewhere.

Building homes when we have a massive housing shortage is a precondition to building strong communities: children in hostels may be safe but they have no home, no nest from which to successfully psychologically fledge. Without building homes, we store up greater problems for the future.

Housing associations, who built 40,000 homes last year, have pledged in the sector's vision, 'Ambition to Deliver',¹ to do their part and treble that number by 2033. It's an ambitious pledge and housing associations will need to quickly demonstrate how they will deliver it.

How those homes are built, where, and the design of the public realm, have an impact on the lives people lead in those buildings. The research on design quality is unequivocal and Professor Roger Ulrich has proved that, in healthcare settings, design quality can aid or degrade not only our sense of wellbeing, but our health and chances of recovery.² How much more important then, the stage on which we play out our day to day lives? And it should go without saying that homes should not only be designed well but built well – to withstand wear and tear and shield us from the elements. Homes that are well insulated cost less to run and are a boon to all, particularly for those on low or marginal incomes.

The poorest fifth of UK households spent 11%, or £88 monthly, of their disposable income on household energy in 2014, whilst the richest fifth spent more than £50 a month more than that (presumably they don't feel the cold more) – £144 – yet this amount accounted

1 http://s3-eu-west-1.amazonaws.com/pub.housing.org.uk/Ambition_to_Deliver.pdf

2 Dr Ulrich is Professor of Architecture at the Center for Healthcare Building Research at Chalmers University of Technology in Sweden, and is adjunct professor of architecture at Aalborg University in Denmark. He is the most frequently cited researcher internationally in evidence-based healthcare design.

3 ONS, 'UK Perspective 2016' <http://visual.ons.gov.uk/category/uncategorized/uk-perspectives-2016/>

for just 2% of their disposable income.³ And homes should be built close to amenities, jobs, and public services as on average, transport costs are the second biggest expense to UK families behind their housing costs, at £75 weekly. Again, the poorer you are, the higher proportionally, the cost.

So, let's build the homes, design and build them well, and not just throw them up in a field. But if we are in the business of building strong communities then I think we need to think about the people who will live in them too. Buildings alone do not make for strong communities make. People make communities. And here I'm talking about mixed communities.

Strength is about resilience. The dictionary tells us that strength is being "able to withstand, force, pressure or wear; not easily affected by disease or hardship; not easily disturbed; firmly established." Whilst many people living in poverty are, by necessity, hugely resilient, poor places are bad for the people who live in them. Fact: they have (much) worse public and private services than affluent areas (access to public and private services, PSE study). Educational attainment is lower, people die earlier. And not just a little lower - there is a 27% point difference in GCSE grade A-C attainment between those on free school meals and those not and those in the 10% least deprived areas live a full 19 years more than those in the 10% most deprived areas. Poor places don't make people more resilient - they push them over.

What we need is to perpetuate communities where people with a range of incomes in a range of housing tenures (and a range of ages and world views) live alongside each other - and many such successful communities exist. Places where there is sufficient economic and social capital to get things done. In short, places where people have the time, talents, cash and know-how to demand improvements to services and to support vital businesses and enterprises - which in turn bring employment opportunities. Visit poor places, especially poor estates on the edges of town and not only are there few, or no, jobs, many are food 'deserts' where there is no ready access to fresh foods.

So, I hear you say, that's all well and good, but there's no evidence that mixed communities work. By which people mean academic evidence. A review of the research on mixed communities shows only a marginal improvement in perusing this strategy for poorer people against doing nothing. One scholarly article claims that the only provable 'thing' is increased interaction amongst different social groups, but only in the form of a neighbourly nod and pleasantries. To assert this is to miss the point. The 'mixed communities' research is focused on a programme of the same name launched by the Labour government in 2005. It was established as a long term, public-private approach to regenerating already poor or

desperately poor areas. That's hard work – though not impossible. I've seen many examples of areas where interventions have lifted a place, even a little (and sometimes a lot) whilst working with housing associations.

But I'm talking about seeking to replicate the really successful places we know that already exist. Truly do we doubt the evidence of our own experience so much? The empiricism of seeing, experiencing, mixed communities at first hand? Places like the place I live, where 45% of the stock is social or affordable, 34% owner occupied, 20% privately rented and most of the children go to the same local schools – all 'good' and 'outstanding' by the way.

I am a collector of bon mots of wise one liners. The dictionary of quotations was invented for me. I am not sure where I heard: "The plural of anecdote is not evidence," but I have deployed it many times since. And, of course it is also true that as a species we place too much confidence in human judgement, in our experience and judgement, searching for patterns and building them into random experience as the work of Daniel Kahneman and Amos Tversky has shown.⁴ Do I dismiss the research as limited because it doesn't tell the story I want it to? Doesn't prove the case?

Were I ever to have the cash to commission a longitudinal study to examine the benefits to all of mixed communities, I would. But if we know, actually know, that poor places have worse public and private services – and worse outcomes for the people who use them – what more incentive do we need to break up and further, never build, mono-tenure estates and hard-wire mixed communities into our public policy? And yet, not only are developers still managing to 'off-site' their affordable homes contributions – building them in some cases literally miles from their new luxury homes or blocks – they're managing not to build them at all. The Government's own statistics show a massive 72% jump in payments to councils by developers in lieu of building affordable homes – from £1.2bn in 2013/14 to £3.2bn in 2014/15. That's more than the total value of the affordable homes programme that year. And developers are candid in many of the documents lodged with councils that it's to prevent their overall scheme being de-valued by having affordable homes and their tenants close by.

Patrick Schumacher, director of Zaha Hadid Architects, recently told the World Architecture Festival in Berlin that it was a "tragedy" that social housing tenants had a right to "precious" city centre properties. In his dystopian eight point plan he suggested not only abolishing all forms of social and affordable housing, but privatising all public space – the final act of

⁴ Kahneman and Tversky developed their 'prospect theory' to describe the way people make real-life choices, rather than optimal decisions. See their paper 'Prospect Theory: An Analysis of Decision under Risk', 1979

enclosure. Of Hyde Park he said: "we need to know what it costs us". Well here's another little quote: a cynic is a man who knows the price of everything and the value of nothing.

His is a future I don't want to contemplate. A future of ghettos. A future where the demos is further fragmented and alienated one from the other. A future we don't have to seek to create through adopting a dystopian plan, rather one we will sleepwalk into if we don't act now to prevent it.

10. Listening to Einstein: Nurturing innovation through community-led approaches to housing

Jennifer Line, Programme Manager, Building and Social Housing Foundation

At the Building and Social Housing Foundation (BSHF) we take turns in selecting our 'quote of the week! Here's one of my favourites from Albert Einstein:

"We cannot solve our problems with the same thinking we used when we created them."

In exploring alternative housing solutions, as with any form of innovation or creative thinking, it's useful to reflect on Einstein's sentiment. Within housing, as with so many things, we find ourselves trapped by silos, creating echo chambers that reinforce a feeling that housing is 'too big to solve'. It's a state of mind which is hard to break free from.

Why community-led housing?

At BSHF, our choice to work intensively on community-led housing as an important alternative housing solution was driven by a conviction that it is a good thing, and that we might be able to help. Indeed, across the world community-led housing arguably accounts for a majority of new housebuilding. In our wider work we see examples of people taking housing into their own hands, approaching things differently, and achieving lasting positive change. Often the challenges facing international communities are arguably more severe than in the UK. There are communities in other countries with effectively no rights or support at all making their own situations better through community-led approaches, because if they don't, no-one will.

Are we in a culture that is so used to being distant from control over the big things that affect our lives (like housing) that we have effectively ruled ourselves incapable of making decisions? When community-led housing is discussed with housing professionals it's not long before the word "niche" is mentioned often followed by the words 'sandals' and 'muesli'. We have allowed community-led housing to be seen as a marginal form of tenure for an eccentric minority. But there is great potential for people to be empowered by community-led approaches. What if everyone who feels stuck could have some power over getting unstuck? Housing is not a niche issue or the exclusive domain of experts; it is a global issue that affects everyone.

One of the most startling phenomena of our time is the world's rapid urbanisation. Nothing

like it has happened ever happened before. Cities like Dhaka, Kinshasa and Lagos are forty times bigger than they were in the 1950s. Where do all the new people live? There is no Nigerian or Bangladeshi equivalent of Barratt Homes or Places for People. The new urban population in the developing world has largely housed itself. Not always well, and not always with the landowner's permission. But upgrading and rebuilding programmes such as those of the Asian Coalition for Community Action (ACCA), Slum Dwellers International (SDI), and REALL (formerly Homeless International) are helping to change that for the better and create housing coops, community land trusts and other forms of tenure that we recognise as community-led housing.

Are there lessons here for the UK? For the first time in a century, UK home ownership is falling. The population is rising. Policies designed to help, do not look likely to cope. The market does not look able to provide for everybody's housing needs.

With a perspective across the world and across time, community-led housing looks less and less niche and more and more like the norm. It's the UK's developer-led housing model that begins to look like the exception.

What does community-led housing have to offer?

In the housing world it's common to find discussions circling around the same barriers time and again:

We can't solve anything without tackling the land market...

We can't solve anything without addressing the inefficiencies in the planning system...

We can't solve anything without significant policy changes...

We can't solve anything without more investment...

That change is necessary and long overdue is pretty much accepted by the housing profession. But the unintended consequences of housing policy are prolific across our history. We can't help but fear we'll get it wrong, again. Again. We are paralysed by our own knowledge, stuck in the mindset of 'can't'.

The Community-led Housing Programme at BSHF has focused intensely on how, at the local level, people succeed in navigating barriers to housing delivery. This is happening *within the existing system*. Without changes in the land market, with the same planning processes, with a volatile and ever-imperfect policy environment, and with no 'big money'. Often, also, without much prior knowledge or experience of housing at the outset – just a recognition of a problem and a desire to solve it.

There are great disadvantages to venturing into housing as a new entrant. It is a highly complex, risky, expensive and competitive business. Many community-led housing schemes flounder. In fact we don't know how often this happens as this grass-roots activity is so grass-roots there's no way of collecting comprehensive data on it. However, there is also a notable absence of the mindset of 'can't'. The genesis for community-led approaches to housing comes from a different place than usual – the people who will be affected by an intervention in housing, and who are being affected by a lack of intervention. This is a different motivator than shareholders or policy levers. It makes it worth pursuing creative solutions which deliver what is needed rather than bowing to the resistance of the system. This difference makes community-led housing an alternative housing solution that needs to be taken much more seriously.

What defines community-led housing?

Our journey of understanding has not been simple. Community-led housing is an umbrella term. It describes a vast spectrum of activities, containing a range of viewpoints and different practices. There are purist approaches and hybrids, and levels of engagement ranging from light-touch to total immersion. Appetites when it comes to community involvement in housing are as varied as housing markets. The one constant is that where there is some element of control and influence, communities get more from the process of housing than just bricks and mortar.

We have spent time talking and listening to as many people as possible with an interest in or a view on community-led housing. This group is growing and changing all the time.

With new voices come new perspectives, and with an area as diverse as this there is always space for expanded understanding. Part of our work has been to attempt the distillation of community-led housing routes and principles to help these diverse actors identify as part of a single, far-reaching movement.

Broadly speaking (with a UK focus, although this may have international applications) there are *three main routes to community-led housing delivery*:

1. Group led: Grassroots groups responding to housing need or demand, or people seeking to deliver their own homes.
2. Extension of community based activity: Existing community based organisations with local roots decide to provide housing in addition to their current activities.
3. Developer-community partnership: A local authority/landowner/housing association or small builder wants to provide housing that benefits the local area in perpetuity. They recruit 'founder members' from within the community and support them to

take over ownership/stewardship and/or management of the homes. This could also include Neighbourhood Planning Groups deciding to commission housing in their area.

The legal form and activities of each community-led housing scheme depend on the outcomes needed, but community-led schemes share *common principles*:

1. The community is integrally involved throughout the process in key decisions like what is provided, where, and for whom. They don't necessarily have to initiate the conversation, or build homes themselves.
2. There is a presumption that the community group will take a long term formal role in the ownership, stewardship or management of the homes. This works on a spectrum – communities may be happy with simply commissioning homes, or they may want to be involved in every aspect from conception to ensuring an ongoing legacy of influence for local people. The fundamental point is that it is the community that is informed and empowered to make these choices.
3. The benefits of the scheme to the local area and/or specified community group are clearly defined and legally protected in perpetuity.

Community-led housing exists where people perceive and act on market failure. In many places this is related to affordability, but not exclusively so. There are schemes where the impetus recognises a lack of options for older households (we have a generation with substantial equity and choice, many of whom aren't happy with their housing choices). There are schemes which tackle empty properties and provide training, investment in local people, and affordable homes at the same time.

Can scale be achieved by 2025? What levers can be applied?

We see great potential for community-led approaches to housing. But the fact remains that the odds are not in their favour. Most people don't know that these opportunities exist, or that they apply to them. Even when they do it's hard to know where to start. The community-led housing market will prevail, but there are ways policymakers can help it to thrive.

Pay more attention to 'the little guys' The cumulative impact of lots of small sites in delivering homes can be substantial. Community-led and small providers have a different business model to 'the big guys'. They want (and need) to build out quickly. More local authorities are starting to shift their focus this way with supportive approaches like packaging up and de-risking small sites or allocating some of the bigger sites to smaller providers.

Be more creative with releasing assets. There are ways to get social value *and* money back from releasing land and property without selling outright to the highest bidder. More local authorities are exploring leasehold schemes, deferred repayment and retaining stakes in development rather than succumbing to the typical 'best value' dilemma which so often ends in the permanent loss of public assets in exchange for a capital receipt for the most money possible.

Rebalance the scales. New providers have imagination and ambition, but no cash flow. Providing a little financial support initially, or removing some upfront costs can help them get further, faster, and places them on a more even footing with more established, bigger players.

Accept there are risks. If we believe diversification will help to tackle the housing crisis, we cannot continue to leave delivery only to those with the most substantial financial cushions, so they can take the hit when schemes lose money. This locks us into a housing market with a highly conservative approach to risk and return which isn't delivering what we need. The question we need to ask is, if we don't take the risks that come with change, what are the risks if *nothing* changes?

Provide support to reduce risk where possible. De-risking community-led housing and other forms of new supply is possible through technical support, underwriting, pre-packaging sites with planning permission and facilities like revolving loans, as well as effective knowledge transfer and selective standardisation of common practices and processes.

Keep it local. There is always a place for national interventions. But housing markets are not homogenous. Local solutions are needed for local problems. With community-led housing the customer is the starting point and not the end point. This approach changes the housing journey from 'plan, present, defend' to 'recognise, understand, resolve'. Housing becomes a means to an end, as well as an end in itself.

In the end with enough support and the right levers in place, the potential for community-led housing is equivalent to the potential of unmet demand in the housing market. That should be enough to capture the imagination, which leads neatly to another favourite Einstein quote.

"Imagination is more important than knowledge. For knowledge is limited, whereas imagination embraces the entire world, stimulating progress, giving birth to evolution."

The BSHF Community-led Housing Programme is supported by funding from the Nationwide

Foundation. BSHF does not take any of the funding – we provide the equivalent of match funding through staffing for the programme and additional financial support. For more information visit www.bshf.org.

11. A bright future for council housing?

Martin Wheatley, Research Fellow of the Smith Institute and Fellow of the Royal Society of Arts

For the first thirty years after the Second World War, councils were the engines of housing delivery. English councils built nearly 4m new homes, more than half of them in periods of Conservative government, and half of all new housing supply during this period.¹ By 1977, nearly three homes in ten were rented from councils.²

In the last 25 years, councils have been able to build just 0.7% of new homes,³ and more than two thirds of the four million homes which they owned in the late 1970s have either been sold through Right to Buy, with only a tiny proportion replaced, or transferred to housing associations. The Coalition government reformed the financing of council housing and gave some modest support for new build through its Local Growth programme.

However, the renewed ambition for development which that started to unlock has largely been derailed by the 2016 Housing and Planning Act and mandatory rent reductions. The sector now waits to see how the Housing White Paper gives effect to the shift in Ministerial rhetoric away from the previous exclusive focus on home ownership.

So, is this the last gasp for council housing or by 2025 will councils once again be able to contribute to housing the nation? The answer lies, partly, with councils themselves, ever-resourceful in the face of unforgiving national policy constraints, innovating their way into new approaches. There is a growing wave of councils, substantially blocked from developing traditional social housing through their Housing Revenue Accounts, setting up Local Housing Companies. More than a third of councils have now established such vehicles, in a variety of joint venture and other corporate structures, and with the intention of acquiring existing stock and developing in a variety of tenures.⁴

However, it is too early to predict the scale of development which will be undertaken through Local Housing Companies, and, still more so, the extent to which they will

1 CLG, *Live Tables on Housebuilding*, Table 244

2 CLG, *Live Tables on Dwelling Stock*, Table 104

3 CLG, *Live Tables on Housebuilding*, Table 244

4 FOI requests by *Inside Housing*, reported in "More than a third of councils set up housing companies", Sophie Barnes, *Inside Housing*, 5 December 2016

be able to provide housing which is genuinely affordable to people on middle to low incomes.

However, there *could* also be a bright future for conventional council housing, developed through Housing Revenue Accounts and perhaps championed on a larger scale by the new combined authorities. Indeed, there is cross-party consensus in the local government sector that a resumption of council house building at scale is a big part of the answer to the housing crisis.⁵ What is clearly needed is for national policy-makers to realise that resuming (and sustaining) public investment in genuinely affordable rental housing at scale makes economic and social sense, for three key reasons.

First, because it helps tackle the crisis of housing affordability and home ownership. The long term trend towards owner-occupation started to reverse soon after the millennium, and has now fallen to 62%, 7% below its 2004 peak.⁶ With a slow decline in the social rented stock over the same period, private renting has more than doubled, to more than four and a half million households over the same period.⁷

The shift in tenure has been particularly stark among households in the £15,000-£30,000 a year range, the households whom the Prime Minister has described as "Just about Managing." In just six years between 2008-09 and 2014-15, the number of such households renting privately has increased by over 60%, to over 1.6m, while the number owning with a mortgage has decreased by more than a quarter, to fewer than 1.5m.⁸ Those renting privately experience both much higher costs⁹ and much lower security. Alongside more development by the private sector, a new generation of council homes would offer this cohort stable, secure, genuinely affordable rental homes in the short term, with the option (via Right to Buy) of affordable purchase in the medium term.

Second, the government needs to restore a more sensible balance between rent subsidies and capital spending on new housing. For too long Whitehall has ignored the escalating cost of housing benefit for private rented housing, the cost of which has nearly doubled in real terms in the last 6 years.¹⁰

A key driver of this growth is claims from working households, which have more than doubled in just six years to nearly half a million (an annual average rate of over

5 Local Government Association, *Autumn Statement: LGA responds to housing announcements*, 23 November 2016

6 CLG, *Live Tables on Dwelling Stock*, Table 104

7 *ibid*

8 *English Housing Survey, 2014-15*, Live Table FA1321 (S113)

9 *Housing: Trends in Prices, Costs and Tenure: IFS Briefing Note BN161*, IFS, February 2015

10 DWP Stat-Explore

15%).¹¹ Research by Capital Economics for the SHOUT campaign and National Federation of ALMOs showed that a sustained programme of investment in genuinely affordable rental housing would break even for the public finances within 20 years, and produce a net benefit of up to 0.5% of GDP by the end of a fifty year period.¹² Capital Economics said that carrying on with current policy was "fiscal myopia."

Third, for over 30 years both Labour and Conservative governments have believed that the private sector would fill the gap created by low levels of public sector investment in new housing. Over the last 10 years especially, they have thrown significant policy interventions at it, including reforms to the planning system, easing regulatory constraints on developers, and significant buyer subsidies. The experiment has surely shown conclusively that the private sector alone cannot meet demand. Over this period, new housing development has averaged less than 150,000 a year, less than 60% of the 1948-1978 average. In the last 15 years, it has been lower still, around 136,000 a year. If development is to increase to the 250,000 (or more) homes a year required to match projected household growth, it is surely time to rediscover the policy instrument of public investment which worked so successfully before the late 1970s.

Councils could not, of course, from a virtually standing start, deliver the whole of such a programme, even where they are still landlords. However, on a cautious analysis, they could play a big part in it, alongside housing associations. Even a very cautious unlocking of the huge financing potential of councils' housing balance sheets would deliver 60,000 homes over 5 years.¹³

One obvious counter-argument is the *short run* upward pressure on the public finances of initiating such a programme. The Capital Economics report suggested a number of reasons why this should not stand in the way of a resumption in public investment, including the readiness of the markets to distinguish between borrowing for investment and borrowing for current purposes, and the potential to develop off balance-sheet mechanisms which would not score on the Public Sector Borrowing Requirement.¹⁴

Another concern is that some of the council housing built during the boom years has not stood the test of time, and has ceased to provide an acceptable living environment, to the extent that in some cases complete redevelopment has been necessary. Clearly

11 *ibid*

12 *Building New Social Rent Homes: an Economic Appraisal*, Capital Economics for NFA and SHOUT, June 2015; analysis reworked in the light of the European referendum in Capital Economics for ARCH, LGA, NFA and SHOUT, October 2016

13 *Let's Get Building*, John Perry, National Federation of ALMOs, 2012

14 Capital Economics, June 2015, p42

mistakes were made in constructing and managing some large council estates. However, stock retaining councils have no desire to repeat the errors of the past and have continued to invest in the homes they own. Around 84% of council homes now meet the Decent Homes standard,¹⁵ compared with a third for private rented homes.¹⁶ Furthermore, government surveys show around 40% of council tenants would choose that tenure, even if they had the option of owner-occupation.¹⁷

The time is right to make council housing a big part of the solution to the housing crisis, via a new programme of public investment so councils can again build at scale. The focus must be on place-making and creating mixed tenure communities, with decision taken locally not by Whitehall diktat. Who knows, by 2025 we may consider it normal for councils to provide homes for their citizens.

Martin Wheatley is an adviser and researcher on housing and public services. He is a member of the board of a transfer housing association and a leading member of the SHOUT housing campaign www.4socialhousing.co.uk

¹⁵ *English Housing Survey, Social Rented Sector Report, 2014-15*, CLG, July 2016

¹⁶ *Safe and decent homes*, Shelter, December 2014

¹⁷ *Public Attitudes to Housing in England*, CLG, July 2011, p33

12. A place of delightful prospects? Housing and poverty in suburbia

Paul Hunter, Head of Research, The Smith Institute

If you were to imagine a place of comfortable affluence which was relatively safe, if a tad boring, the chances are what would spring to mind would look a little suburban. It should perhaps come as no surprise then that our minds make the mental leap to conjure up images of semi-detached houses, tree-lined streets and ample front gardens. It is certainly the picture of suburbia that has been pushed in culture and by each generation's *Mad Men*.

Such suburban prospects and aspirations, whether blue collar or middle class, have however been looked down upon and sneered at: Metroland scorned for its mock-Tudor homes and suburbanites satirised for social climbing. Yet, this has always belied the attractiveness of suburbs to large numbers of the population.

But our cities are changing, and their suburbs today face a different type of challenge. Masked by the stereotype and counterintuitive to the idea of suburbs as places of wealth, the evidence paints a picture of decline. This comes at a time when a suburban renaissance is critical to meeting people's housing aspirations and delivering the new homes so acutely needed.

Urban renaissance and suburban decline?

The turn of this century marked a new dawn for urban areas. Out of the ashes of the 1980s inner-city riots and economic decline has risen reimagined and thriving city centres. An urban renaissance, which has changed the way we think about our modern cities.

Little time, however, has been expended on examining the flipside: What this might mean for our city suburbs? An oversight rendered more puzzling by the location of the political conflagrations and revolts of the last few years. The image of the 2012 London riots was the family-run carpet shop in flames not in Brixton, Tottenham or Hackney, but Croydon. And then last year suburbs delivered a more peaceful form of insurgency through the Brexit ballot box. Whilst few (22%) in hipster Hackney voted to leave, travel to Barking and Dagenham and three times as many did. The picture was replicated in many of our major conurbations. In Oldham 60% voted to leave while only 40% did in metropolitan Manchester.

Looking at the data it is unsurprising that many were dissatisfied with the status quo. Research by the Smith Institute has shown that the number of jobs in suburbs has stagnated over the last decade. Inner London, for example, created 500,000 jobs between 2003 and 2013. In outer London it was just 8,000. Jobs performed by suburban residents increased at a slower rate than in urban areas. In Manchester, suburban resident job numbers increased by 6%, compared with a 47% rise in urban areas.

Poverty has become more concentrated in some suburban areas. In London, official data shows that there are now more people in poverty in outer London than inner London (over the last decade, poverty has risen from 20% to 24% of the suburban population). Working-age means-tested benefits have on the whole increased at a faster rate in suburbs. Suburbs have also seen a rise in the proportion of the most deprived areas within their cities.

House prices over the last 20 years have also increased more rapidly in urban areas. On average, housing in outer London is more affordable than in inner areas. In the West Midlands and Greater Manchester, the most affordable places to live have increasingly become suburban areas (e.g. in 1995, 70% of the cheapest 10% of areas in the West Midlands were suburban; by 2014 that figure had risen to almost 90%). In the three cities, social housing has declined over recent years, but most rapidly in urban areas. The private rented sector, meanwhile, has grown in both suburban and urban areas. The combination of prices rising faster in inner areas and social housing declining more slowly in outer areas means lower-cost housing is increasingly located in suburbs.

The situation could become much worse. Changes in local housing allowance appear to be changing where people in London can live. For example, the number of people claiming local housing allowance has fallen in inner areas and risen in outer London. This suggests that more low-income people are locating, and will have to locate, to the suburbs. The sharp decline in new social housing in inner city areas and the increasing purchasing power of the urban homeowners will merely exacerbate this trend. Lower income households will have to turn to private rented housing, which is increasingly more affordable in suburbs.

Suburbs will increasingly be home to a larger proportion of our cities' poorer population. The ramifications for policy makers, anti-poverty campaigners and most of all those on low incomes are multifarious. For many bus travel is the only affordable means of travel. However, with more lower income people living in suburbs and more jobs located centrally, how attractive is it for someone to travel two hours to do a part-time shift on the minimum wage (let alone for someone with caring duties)? With cities

desperately needing to build more houses how do we ensure those on low incomes are not isolated from jobs and services? And how do we provide services for those on low incomes in lower density suburbs?

Towards a suburban renaissance

These challenges demand urgent intervention. Decline may not be uniform and some suburbs remain overwhelmingly the preserve of the wealthy. Nevertheless, evidence on housing, the economy, labour markets and poverty indicators suggest many suburbs and suburban residents are feeling the strain of a changing spatial distribution of wealth and opportunities in our cities.

A critical component to addressing the problems suburbs face and supporting low income households living in city suburbs will be getting the housing offer right. Higher densities can support more sustainable suburbs (including better transport links) and help meet the challenges of household growth that all cities face. With many of the new homes being built designed for young professionals in inner cities, focus on suburban housing could help those, on low incomes or more comfortably off, embarking on life as a family (most people's vision of the good society would aim to support families not aiming to make life more difficult). And with land scarce and often expensive in inner cities, suburbs can also deliver new homes which are affordable for more people and help limited subsidy go further.¹

Such interventions support our suburbs but would also deliver the new homes cities so desperately need. More generally the success of the city is as much about its suburbs as it is about the urban core. If suburbs are not attractive places to live, then will people remain in the city? Is the city a successful place if poorer people in suburbs cannot access work, or if the traffic is so bad that it detrimentally affects people's quality of life? But within the discussions about what kind of cities we want, there are normative choices, not least around mixed communities and social justice. At one extreme, city growth could be based on letting the market rip. Housing would be allocated by market power rather than need, and inequality would go unchecked. Concentrations of deprivation would not be seen as a social ill but an inevitable consequence of growth. The alternative is a better balance between places and improved affordability and quality of life. The economic imperative to ensure that all people can access work, are healthy and well housed, have access to a decent school and education, and can afford to live decently in our cities should be apparent.

¹ Hunter, P *Pricing Londoners in, not out: mapping where new affordable homes in London could be built* (The Smith Institute, 2016)

This means suburban areas cannot be left to deteriorate, but neither should renewal be achieved by displacing growth or people. Instead, it means extending opportunity to poorer suburban residents, for them to fulfil their potential. But if there is to be any type of suburban renaissance, the suburbs first need to be seen as an important policy issue. But suburbia rarely features in the political discourse or public debate. This has to change. Indeed, the case for setting out a popular and inspiring agenda for the places where most of us live, at a time when their fortunes seem to be flagging, seems self-evident. The government could take the initiative and establish a suburban taskforce to form consensus, test new ideas and lay the foundations of a suburban renaissance so that all suburbs can be places of delightful prospects. After all the good society, surely means providing the opportunity for everyone, in all places to be able to lead the *Good Life*.

Paul Hunter is author of two major reports on suburbia, the latest 'Towards a suburban renaissance: an agenda for our city suburbs' can be downloaded here: <http://www.smith-institute.org.uk/book/towards-urban-renaissance-agenda-city-suburbs/>

13. Decent private sector living conditions

Seb Klier, London Campaign Manager, Generation Rent

One of the most graphic symptoms of the housing crisis is the sheer number of private renters living in properties that don't meet basic living standards. 1.2m private rented households live in homes that do not meet the government's Decent Homes Standard (28% of the total¹), a framework developed to ensure local authorities maintained good conditions in the social housing stock, but which is not enforceable in the private sector.

While the Decent Homes Standard was a concerted and long-term attempt to improve standards for social tenants, nothing comparable has happened in the private rented sector, even though it has doubled in size in the last two decades and is home to the worst conditions.

So, what kinds of problems do almost one in three private renters face in the conditions of their homes? At the bottom of the sector, renters live in homes that are overcrowded, with vermin and pests common, and hazards associated with poor gas and electricity supply.

But poor conditions are prevalent for a wide range of renters, not just those on low incomes. A Shelter survey in 2014 found 61% of renters had experienced damp, mould, a leaking roof or window, electrical hazards, animal infestation or a gas leak in the previous twelve months.²

Problems are so prevalent because as well as the relatively small number of rogue landlords who are happy to ignore the law, there are so many 'amateur' landlords in the market, whose lack of knowledge and care still leads to dangerous conditions.

Each of the problems listed above can cause immediate or long-term health problems, with damp and mould known to affect a range of respiratory problems, for example. Yet private renters often tolerate poor conditions. Many, for example, have found somewhere they can afford and don't want any added costs that may come with moving, or to provide their landlord with a justification for increasing the rent.

1 https://england.shelter.org.uk/__data/assets/pdf_file/0006/892482/6430_04_9_Million_Renters_Policy_Report_Proof_10_opt.pdf, page 3.

2 <http://www.carolinepidgeon.org/files/docs/roguelandlordsinlondon.pdf>, page 16

In high-demand areas, with landlords able to evict tenants without reason and with just two months' notice, renters often fear endangering their tenancy by making a complaint to the landlord or the local authority.

Some unscrupulous landlords do evict 'demanding' tenants, but the overarching fear of eviction leaves many problems unreported, even where the landlord would have no problem in putting right the disrepair.

Recent changes to prevent 'revenge evictions' have given renters some limited protection where the local authority's environmental health team has confirmed hazardous conditions, but often tenants are unaware of their rights, or the power of the local authority to take action.

The current system puts the onus heavily on the tenant, who has to first chase their landlord and then follow up with the council if the landlord is unresponsive or claims that the tenant caused the problem. Resources at council level are also severely limited and certainly inadequate for providing proper oversight of a sector that continues to grow year-on-year.

It also means that enforcement varies wildly; in a recent study by London Assembly member Caroline Pidgeon, she found that the ratio of environmental health inspections to number of PRS homes was as high as one in ten in Greenwich, but only one in 689 in Lewisham.³

However, in a system that relies on often-vulnerable tenants proactively making complaints, and in a sector as diverse and heterogenous as the PRS, many households will be missed. It's for this reason that we need to radically alter regulation to compel all landlords to prove their home is fit for human habitation before they put it on the market.

Something that gets closer to this is the use of selective licensing by local authorities, which compels every landlord or agent in an area to hold a licence for each property they own. Licences are conditional on a set of standards, and can be revoked if a landlord fails to meet them.

Newham's scheme is the most advanced borough-wide regime in the country, and has meant that in the last year, that single council alone was responsible for 70% of all prosecutions in London taken under the 2004 Housing Act.

They have done this by targeting their resources, first on properties that didn't even

³ <http://www.carolinepidgeon.org/files/docs/roguelandlordsinlondon.pdf> 'Rogue landlords in London' (October 2016)

attempt to get a licence, and then by monitoring the rest of the stock in a way that is impossible if the authority doesn't know where its privately rented homes are, as is the case for most councils.

However, although borough-wide licensing is the best tool currently available for tackling poor conditions in the private rented sector, it is not perfect. Whereas previously the decision to license borough-wide was the gift of the council, the final approval is now made by central government, which has already seen some schemes rejected.

Furthermore, acquiring a licence does not necessarily mean that a landlord has a property in good condition. Typically granted for a five-year period, there is obviously time for disrepair to set in, but for some schemes applying for a license does not automatically come with an inspection of the property.

A landlord may appear to have fulfilled all their obligations, but then a nasty case of black mould emerges from under some fresh paint. For licensing to be properly comprehensive, all homes should be inspected to confirm their health-worthiness before they can be rented out.

At first glance this may feel overly bureaucratic but there are existing parallels in other industries and products that are potentially injurious to health. Motorists, for example, have to ensure their vehicle passes an annual MOT test, to ensure others are protected from dangerous vehicles.

This is widely accepted and compliance is very high, even though most cars on the road are safe. Most landlords should be able to accept this a legitimate business cost that would not affect their profitability, and would also stop rogue landlords from undermining the reputation of the sector.

It would take some time to build up the environmental health infrastructure to make the system function, but this would be funded by the annual fees charged to landlords. It would also empower tenants and give them confidence that when they sign a contract, the home is fit for purpose.

As larger numbers of people live for longer periods of time in the private rented sector, government needs to take strong action to protect those tenants and to professionalise the sector. An 'MOT system' for the private rented sector would be instrumental in this and would show that the government is serious about driving up standards in the

long-term, as well as providing a shot in the arm to local authorities.

Ensuring that our homes do not endanger our health should be one of the basic tasks of government. The current system is not working so a new approach is needed: one that is simple, comprehensive, and effective.

With private renting becoming the long-term norm for large sections of the population, it is time that renters enjoyed the same comforts as owner occupiers and social tenants.

Generation Rent campaigns for professional managed, secure, decent and affordable private rented homes in sustainable communities <http://www.generationrent.org/>

14. Creating successful new communities

Kate Henderson, Chief Executive, TCPA

If we want to create affordable inclusive communities rather than just housing units then we urgently need a new house building model. While the private sector plays an important role in building homes in England, they are incapable of delivering the number or quality of homes we need. The new model would focus on creating diverse housing tenure options, delivered by a range of providers. These could include new innovative and publicly accountable development corporations and local authority companies, working in partnership with housing associations, developers and SMEs, through to smaller, citizen-led models such as co-operatives, community land trusts and self-build.

A key foundation for this new and diverse house building model would be a much stronger role for the public sector in planning new communities. It seems all too easy to forget the significant contribution planning made to improving people's quality of life since the end of the 19th century. We built extraordinary quality social housing which was an unparalleled improvement on what had come before. In the post war years the public and private sector achieved the delivery of over 300,000 new homes pa, with around 90,000 of those homes being built by local councils. From the late 1940s to the late 1960s we built 32 new towns which still house over 2.7m people today. Town planning was a key tool in contributing to a broad set of progressive outcomes for people.

Yet since the late 1970s house building figures have dramatically declined and we have seen an increasingly larger bill for housing benefit payments, whilst failing to address the root cause of rent increases, which is the lack of supply of social and affordable housing. In addition, the comprehensive deregulation of planning since 2010 has resulted in us building some of lowest quality homes in north west Europe.

As part of a new house building model there should be a positive long-term role for new communities, combining the quality and beauty of garden cities, as found at Letchworth and Welwyn, with the practical success of the delivery of the post war new towns. We now need to be brave and match the scale of the post war ambition by building a new generation of garden cities fit for the 21st century. This is an obvious part of the new housing model for England because garden cities represent the very best of British place-making, framed by a financial model which can pay for

itself. The model is based upon the capture of the uplift in land values which the granting of planning permission and the development creates; this can be used to fund infrastructure provision, debt repayments and long-term reinvestment in the new community. This is both morally defensible – much of the value is created by public sector policy decisions – and commercially sensible – development can proceed more rapidly and successfully if it is backed up by adequate and timely infrastructure.

The development of new communities must go hand in hand with the regeneration and renewal of our existing towns and cities. London and many of our regional cities have seen an economic renaissance over the last 20 years but the management of economic growth has often ignored the needs of many people and communities. Our job now is to refocus on reaching the most excluded and vulnerable in our cities. This requires a strong vision for our urban areas; we need to provide real opportunities for meaningful partnerships at the city-regional level and we need a new focus on area-based approaches to regeneration at the local level.

A new house building model should be at the heart of this new urban policy, drawing together community governance and planning with the wider integration of related health, education, policing and local authority powers and institutions. This was a key lesson from the TCPA/Webb Memorial Trust report *Planning out Poverty* which recommended a new form of area-based planning which seeks to combine planning powers and in particular place-based delivery vehicles, with a much greater sense of social outcomes and community governance.¹ Like the garden city model this is not a new concept, but the emphasis and outcomes would be tailored to tackle specifically those areas facing complex social challenges.

Citizen-led models of housing, including co-housing and community land trusts, should be another important element of a new house building model. Citizen-led models of housing development offer both opportunities for community-based governance and stewardship arrangements and the possibility of providing a variety of tenures within a development. Self-build and custom-build homes should also be an important part of the new housing model in England, and land should be designated for this purpose, potentially as serviced plots. This isn't all about Grand Designs, opportunities offered by self-build and custom-build must be made realistic for those on moderate and low incomes.

Citizen-led housing models are not new ideas, but the scale and pace of community-led developments in England is currently relatively small and lags behind the rest

¹ TCPA/WMT, 'Planning Out Poverty: The Reinvention of Social Town Planning, 2013

of Europe. In order to accelerate the delivery of citizen-led models of development, alongside building decent social and affordable housing, suitable public sector land should be released at less than market value where this is demonstrably in the public interest. It is still possible to achieve good value for the taxpayer using this mechanism; it is simply that some of the returns to the public purse are generated through the wider economic benefits of housing delivery for the nation.

We need to build consensus to build successful communities

Three fundamental changes are needed to build the homes the nation needs and deserves, and to lay the foundations of a new house building model.

Firstly, we must build consensus that housing – including housing that is available for social rent, either from a council or housing association – is good for the nation. Advocates for new, high-quality housing need to seize the economic, social and environmental high ground to explain why new housing is both necessary and desirable. Ultimately, we must act on a crucial guiding principle: good-quality housing, for people of all incomes and circumstances, is a pillar of a civilised society.

Secondly, we need consensus on a coherent housing supply model for the future, which should encompass issues of social justice, investment patterns, housing quality, tenure and planning policy. This will require significant changes to the policy and legislative framework, for example, to enable councils to build outstanding, inclusive and genuinely affordable homes.

Thirdly, we need consensus about the purpose of planning and this will require reforming the planning system. The current planning system does not command consensus between the public, private and voluntary sectors, and some of its outcomes are plainly against the long-term public interest. We urgently need to restore a comprehensive framework of place-making standards, and planning policy should be rebalanced to ensure social justice and outcomes for people are just as important as the needs of land-owners and developers. With support from the Webb Memorial Trust, the TCPA has begun this process of consensus building by producing the Planning4People Manifesto which is supported by a powerful coalition of over 110 like-minded people and organisations who are working together to change planning for the better.

There is no doubt that we will build new homes in Britain, but the challenge for all of us is whether we have the determination to leave future generations with a legacy of beauty and durability which truly meets the challenges of the 21st century. This means ensuring the homes we build meet the needs of everyone in society – and it

will need us to create a shared sense of purpose and partnership across politics and across sectors if we are to realise this ambition. Above this means a leading role for communities and the public sector enabled by a planning system with social justice at its heart.

Housing and poverty – a way forward?

Richard Rawes, Chair, Webb Memorial Trust

After decades of reforms and policy manoeuvring, the housing crisis in England is getting worse. Housing supply remains well below what it was before the financial crisis, new social housing has almost disappeared, buying or renting has become even more unaffordable, homeownership is in decline, a third of private rented homes fail to meet the 'Decent Homes Standard', and homelessness is increasing. If these trends continue, the housing crisis will become a major catastrophe, with the gap between the housing 'haves' and the housing 'have nots' becoming unbridgeable.

By 2025, housing could be an even bigger driver of extreme poverty and inequality. The great social reformers, Sidney and Beatrice Webb and William Beveridge, must be turning in their graves. For them, ending housing poverty was the hallmark of a prosperous and civilised society. While councils built a million homes in the inter-war years, mostly for low income households, council house building in recent years has struggled to get beyond 2,000 units.

We have collectively failed to address the housing and poverty challenges we face. It is 75 years since the publication of the Beveridge Report, which drew heavily on the Webbs' research on how poor housing was a cause of poverty and ill health. Great progress has been made since, not least in ending the squalor and destitution of slum housing. Yet, housing inequalities today are widening and the most vulnerable are being left behind. We are in danger of going backwards, not forwards.

England is now indisputably a divided housing nation, not only between landlords, owner occupiers and renters but also between young and old and between high housing demand areas and elsewhere. Most worrying is the rise in housing poverty, particularly among those on low incomes and in work. The impacts on children of long waiting times and cold, damp and overcrowded housing is movingly illustrated in Rys Farthing's essay on children's voices. This affects not only the day to day experiences of young people but also their educational attainment and future life prospects.

As housing costs rise, more and more tenants rely on housing benefit to pay their rent. As a consequence, and despite punitive cost savings, the housing benefit bill has doubled since the early 2000s to £25bn a year – some 11% of welfare spending. Effectively, subsidies for the construction of affordable housing have been replaced by ever increasing welfare payments – an expensive mistake. This benefit bill is likely to

continue to spiral, with a growing proportion of rent subsidy paid to private landlords. As articulated by Toby Lloyd, head of housing development at Shelter, without interventions in the market upstream, attempts to put a cap on this rise will inevitably increase housing poverty.

So, what can be done to ensure that housing helps to create a fairer and more inclusive society? According to Birmingham University's research for the Webb Memorial Trust, policy makers should look to the principles that drove early post-war public housing, i.e. a flexible mix of tenures, with councils and housing associations providing both social and private rented homes. This 'hybrid' approach would "help restore civil society roles in housing and allow a greater emphasis on community stewardship".¹

This series of perspectives also provides a reassuring consensus that poverty can be solved and that such solutions can make a major contribution to a 'good society'. While 14 different viewpoints from a wide range of organisations have been expressed, some common themes emerge in finding solutions to the complex interaction between housing and poverty.

In terms of supply, while the current need is for at least 250,000 homes a year, the private sector has never built more than around 150,000 homes and it is not in its interest to flood the market. So whatever incentives and 'planning freedoms' are introduced, it is highly unlikely that the development industry will meet the need on its own, particularly for 'affordable' homes. Any solution therefore has to complement private sector construction with some combination of council, housing association and community-led housing.

If this is part of the answer, why are we in the midst of a major sell-off of public land, both by government departments and local authorities? Whatever the short-term need to boost public finances at a critical time, this is a wasted opportunity to both solve the shortage of affordable housing and ensure that it is the public who benefit from any increase in land value arising from the change of planning use. Taking land costs out of the equation provides the opportunity for a building programme of affordable housing which can pay for itself over its lifetime, particularly with the support of some upfront capital grant to address issues such as contamination, demolition and public infrastructure.

An extension of this approach could enable local authorities to compulsorily purchase land at, or close to, existing land use values, as promoted by Duncan Bowie, senior

¹ Birmingham University, Housing and Communities Research Group, 'Social housing and the good society', 2016

lecturer at the University of Westminster. Again, this would ensure that increases in land value remain in the public domain. Whether the development of this land is through local authorities, community land trusts or New Town Corporations is less important than the principle of local accountability and the assets being managed for the public good. The government's new garden towns and villages programme² provides an opportunity to revisit the funding regimes used for the post-war New Towns, which 'captured' the rise in values and ploughed it back into the community, including cross-subsidising rents.

Increasing the supply of social housing will not solve housing poverty but it will make a difference over time. However, while housing shortages and high housing costs are a key cause of poverty in many areas, it is also the case that unemployment or low household income mean that many families can only afford the poorest quality housing, often in the private rented sector. While most councils have significantly improved the quality of their homes through the decent homes programmes, around a third of private rented homes fail to meet this standard. Given the massive increase in private renting, from 10% to 19% of housing stock, the lack of controls on this sector is surprising. Issues of overcrowding, cold, damp and high energy costs are common problems, together with the fear among tenants that if they complain, they could either be ejected from the property or improvements made and the rents put up. There is now a strong case for the registration of private sector landlords, together with annual inspections and greater powers of intervention for local authorities.

The lack of security for private sector tenants has been highlighted by Compass in a recent report 'Secure and Free', commissioned by the Webb Memorial Trust. Among the report's ideas are measures to curb future rent growth and improve security for tenants. Drawing on ideas from Friends of the Earth and Civitas, they also suggest that security be improved for home-owners through a 'right to sell' and 'right to stay', so that those who can no longer afford mortgage repayments can sell their properties and remain as tenants paying fair rents.

Regional differences make it impossible to identify universally effective solutions. In particular, demand for housing is inherently linked to the local economy and workforce needs. In this respect, the government's commitment to providing a national industrial strategy is helpful, particularly in the context of Brexit. However, this also underlines the need for far greater devolution to local areas, including revenue raising powers. This would enable authorities to better coordinate employment and residential growth,

2 CLG 'Locally-led garden villages, towns and cities', 2016

put together robust business plans for the construction of affordable housing and ensure the condition of existing public and private rental stock.

In this respect, the comment from Brian Robson (Joseph Rowntree Foundation) is interesting in that Scotland, Wales and Northern Ireland have put in place policies that are successfully meeting their housing needs, while England is making little or no progress. Wales and Scotland also have in place a mandatory system of private landlord registration.

As well as housing conditions, tackling the causes of poverty is as much about planning and regeneration in helping to create the kind of places where people want to live. Building successful new communities and urban extensions takes time, public engagement and political commitment. Mixed tenure planning policies, offering access to good schools, employment, retail and leisure facilities, can make a big difference. Indeed, some of the most desirable places to live are ones with a mix of uses and a mix of residents. This can be enhanced by 'joined up' support to residents; there are some excellent examples of housing providers offering a holistic advice service, rather than a 'housing management' service. Clearly such an approach is not available to private sector tenants, who have to rely on voluntary agencies for support such as Citizens Advice.

So in a nutshell, drawing on this series of perspectives, here are some suggestions that could make a real difference in addressing the impact of the current crisis on our most deprived communities:

- Stop those policies that are making things worse – planning changes that hand the enhanced value of housing land to landowners instead of the community, house purchase subsidies that inflate prices, etc.
- Reintroduce a capital grant system to address derelict land, demolition and upfront infrastructure costs, enabling new affordable housing to be constructed and a progressive reduction in housing benefit costs
- Relax the constraints on local authority borrowing and encourage councils and housing associations to adopt a 'hybrid' approach, with a flexible mix of tenures providing both social and private rented homes
- Retain public land instead of selling it, requiring local councils and communities to retain the freehold and invest in housing for the future
- Enable local councils to compulsory purchase land at existing use value
- Address the overall housing supply by developing new towns, villages and urban extensions, using the New Towns principles to ensure future sustainability

- Set the new Industrial Strategy in the context of a national spatial plan, both to help rebalance the economy and to better plan the links between housing and employment
- Accelerate the programme of devolution, including revenue raising powers, to enable devolved authorities to make long-term investments on behalf of local communities
- Rethink property taxation, including council tax and stamp duty, to better reflect land values and residents' 'ability to pay'
- Bring in a system of private landlord registration, with annual inspections and improved enforcement powers for local authorities
- Ensure that, if 'right to buy' is retained, there is a government backed system to replace all lost affordable housing stock
- Introduce a 'right to stay' so that those who can no longer afford mortgage repayments can sell their properties and remain as tenants.

We have resolved crises of housing and poverty in the past – and in much more difficult circumstances, particularly after two world wars. With strong political will, a cross-party consensus and a trust in local democracy, we can do so again.