

## SHELTER

# HOME ADVANTAGE

A new centre-right vision for housing





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## A new centre-right vision for housing

Edited by Mikhail Korneev, Ryan Shorthouse and Bartek Staniszewski





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We deliver an extensive programme of research, publications and events and our thinking and ideas have had significant influence on public debate and government policy.

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Shelter is a housing and homelessness charity that helps millions of people every year struggling with bad housing and homelessness through our advice, support and legal services. And we campaign to make sure that, one day, no one will have to turn to use for help. We're here so no one has to fight bad housing or homelessness on their own.

#### shelter.org.uk

**Design:** Chris Solomons

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Contributors do not necessarily agree with the arguments and ideas expressed by other authors in this essay collection.

## FOREWORD

#### **Rt Hon Michael Gove**

If That the current housing model – from supply to standards and the mortgage market – is broken, we can all agree. That change is necessary is undeniable. We are bringing about change – and we are determined to see it through JJ

Every single person in this country, no matter where they are from, what they do or how much money they earn, deserves to live in a home that is decent, safe, secure and affordable. Along with the campaigners and political colleagues who have contributed to this thoughtful collection of essays, I am more committed than ever to building a modern, radical and successful conservative housing policy that works for everyone, whether they rent or own. While I do not necessarily share the authors' views on housing, some of which do not reflect government policy, they make an extremely valuable and timely contribution to the debate.

Through legislation and under the broad umbrella of our Levelling Up mission, we are determined to build the new homes our country so urgently needs. If increasing their quantity is one part of the challenge, we must also improve the quality of existing homes in both the private and rented sector; by holding developers, local authorities and landlords to account. Across our work, it is thanks partly to the excellent campaigning of Shelter, Bright Blue's partner in this project, that housing remains to the fore of the political agenda.

As Shaun Bailey writes, housing is unique in people's lives. Our home is often our greatest expense; the backdrop to our most significant moments. While there has been progress in addressing the housing crisis, it is piecemeal – we have much more to do. But as many of your contributors point out, the measures we are pursuing now, including the Levelling Up and Regeneration Bill (LURB), will help us increase the supply we so desperately need. The Bill also strengthens local leadership and reforms our planning system in a way that puts neighbourhoods firmly in control.

Homeownership is not everyone's destiny, of course. But it has long gone hand in hand with conservative values of responsibility, family and self-determination; and the relationship we draw between hard work and success. If one clear measure of success is having a home to call your own, we desperately need more homes to bring ownership within reach of many more people. That the current housing model – from supply to standards and the mortgage market – is broken, we can all agree. That change is necessary is undeniable. We are bringing about change – and we are determined to see it through.

**The Rt Hon Michael Gove MP** is the Secretary of State for Levelling Up, Housing and Communities, and Minister for Intergovernmental Relations. He was previously Chancellor of the Duchy of Lancaster, Minister for the Cabinet Office and Secretary of State for Environment, Food and Rural Affairs. Before that, he served as Secretary of State for Education, Government Chief Whip and Parliamentary Secretary to the Treasury, as well as Lord Chancellor and Secretary of State for Justice. He was elected Conservative MP for Surrey Heath in 2005.

## INTRODUCTION

### Ryan Shorthouse and Polly Neate

The housing market in this country is, frankly, a mess. The cost of owning or renting a home is as high as ever. Too many people in communities across Britain are missing the strong foundations for a prosperous future that come with a secure home.

Our broken housing system is contributing to the economic and political malaise the UK has been experiencing recently. It is increasing intergenerational inequality. Deepening poverty. Dampening growth. Limiting labour and social mobility. Preventing family formation. Sowing dangerous political disillusionment.

The situation is critical.

A Conservative Government, now in power for over 13 years, needs to make genuinely affordable and appropriate housing – of all different types of tenure – accessible to a much wider proportion of the population, especially younger generations and those on modest incomes. Unequivocally, this should be one of the Government's priorities.

The mess we are in has been decades in the making. In the 1960s, we consistently built more than 300,000 homes a year, including an average of 126,000 homes for social rent.<sup>1</sup> To buy a home would have cost, on average, around £2,500; two-and-a-half times what people, on average,

<sup>1.</sup> Shelter, "The story of social housing", https://england.shelter.org.uk/support\_us/campaigns/story\_of\_social\_ housing.

earnt in a year.<sup>2</sup> The 2019 Conservative Party manifesto promised to lift the supply of new homes to 300,000 per year. But, since 1980, we have struggled to build even 200,000 in a year.

House prices have sky-rocketed, for a mixture of reasons – historically lax monetary policy and a shortage of housing, in particular. Now, in order to buy a house, the average person would have to spend almost a decade of their life spending everything they earn on a house in order to be able to afford one.<sup>3</sup> In London, it would be over fifteen years.<sup>4</sup>

And we have seen a total collapse in the building of genuinely affordable social homes where rents are tied to local incomes. Now, after sales and demolitions, we are losing 14,000 social homes a year.<sup>5</sup>

The result? Millions of people are stuck paying eye-watering rents to private landlords.

The private rented sector has doubled in size over the last 20 years. Once renting was just for young people on starting out in the world, but now it is filled with families and older people who will spend their entire lives renting as they are spending so much of their income on rent that they simply cannot save.

Rents are at their highest levels since records began and over 48% of private renters have no savings whatsoever.<sup>6</sup> Indeed, the amount that private renters can expect to spend on their rent as a proportion of income has more than doubled since the 1960s.<sup>7</sup> This rise is particularly bad, again, in London, where median rent is now as high as 40% of the

<sup>2.</sup> SunLife, "History of house prices in Britain", https://www.sunlife.co.uk/articles-guides/your-money/the-price-of-ahome-in-britain-then-and-now/ (2022).

Numbeo,"Property prices in United Kingdom", https://www.numbeo.com/property-investment/country\_result. jsp?country=United+Kingdom.

<sup>4.</sup> Numbero, "Property Prices in London, United Kingdom", https://www.numbeo.com/property-investment/in/London. 5. Shelter, "14,000 social homes lost last year as over a million households sit on waiting lists", https://england.shelter. org.uk/media/press\_release/14000\_social\_homes\_lost\_last\_year\_as\_over\_a\_million\_households\_sit\_on\_waiting\_ lists (2023).

Department of Levelling Up, Housing and Communities, "English Housing Survey 2021 to 2022: headline report", https://www.gov.uk/government/statistics/english-housing-survey-2021-to-2022-headline-report/english-housingsurvey-2021-to-2022-headline-report (2022).

Sarky Job II of Dural Toburn Affront, Plan Affront, Housing across the generations", https://www.resolutionfoundation.org/app/ uploads/2017/09/Home-Affront.pdf (2017).

median income.<sup>8</sup> Sixty-eight percent of renters do not even believe that they will ever be able to afford a home.<sup>9</sup>

And it is not because those houses are worth the money. Almost one in four private rental homes and one in ten social homes fail to meet the Decent Homes Standard, a technical standard introduced by the government to ensure health and safety in housing.<sup>10</sup> Recently, two-yearold Awaab Ishak died due to the exposure to mould in his inadequate home, resulting in respiratory failure. Although the toddler's family raised the issue with their social housing landlord, the problem was disregarded, leading to a tragedy. And all this is while we have over a quarter of a million homeless people.<sup>11</sup> Indeed, recent figures show that more than 120,000 children are homeless, and evictions have risen sharply in the last year.<sup>12</sup>

During the post-war period, local authorities played a key role in the provision of new build housing. However, following local governance and funding reforms, supply by local authorities shrank from 185,000 in 1969-70 to 89,700 just a decade later.<sup>13</sup> This trend continued, and, at the start of the millennium, local authorities were providing less than a thousand new dwellings per year. The fall was, however, not matched by a proportional increase in private house building.

Something, plainly, needs to be done.

Housing policy has been at the heart of British conservative thinking for a century: with the call for a property-owning democracy in the 1920s, increasingly realised through the house building boom overseen by the Conservatives in mid-twentieth century and by the introduction of

Office for National Statistics, "Private rental affordability, England, Wales and Northern Ireland: 2021", https://www. ons.gov.uk/peoplepoplationandcommunity/housing/bulletins/privaterentalaffordabilityengland/2021 (2021).
 Jpsos, "Nationwide: Future of home survey", https://www.jpsos.com/sites/default/files/ct/news/

documents/2021-07/20-079993-02\_Nationwide\_Future\_of\_home\_survey\_PUBLIC.pdf (2021)

Michael Goodier, "One in four private rentals in England fail to meet decent home standards", The Guardian, 15 December, 2022.

<sup>11.</sup> Shelter, "Homelessness in England 2021: The numbers behind the story", https://assets.ctfassets.

net/6sxvmndnpn0s/2PuyTofvV2Z2Fi6uJxcd98/68fb35a1267c54ab3fc05896b8ab7a85/FINAL\_Homelessness\_in\_ England\_2021\_report.pdf (2021), 6.

<sup>12.</sup> Commons Library, "Households in temporary accommodation (England)", https://commonslibrary.parliament.uk/ research-briefings/sn02110/ (2023).

Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities and Local Government, "Table 209: permanent dwellings completed, by tenure and country", https://www.gov.uk/government/ statistical-data-sets/live-tables-on-house-building (2022).

Right to Buy in the 1980s.

In the 2010s, Conservative-led Governments oversaw significant developments in housing policy, including legislating the Homelessness Reduction Act and banning tenancy fees. However, recently, housing policy has stalled. This is mainly because of opposition to government planning reforms to significantly increase the supply of homes.

Housing policy in the twenty-first century needs to build firm foundations for the future of everyone in the UK. People's homes should be a source of pride, where they can lay down roots in their community and feel a sense of ownership over the places where they live.

Doing so would give people the security they need to take risks, innovate in the economy and build successful businesses. It would ensure that children could have a stable education, and that people in employment were healthy and productive.

This collection of essays seeks to renew the conservative mission on housing. It brings together leading decision-makers and thought leaders, both from an independent and centre-right perspective, to outline a new, radical vision for modern conservative housing policy. It provides a blueprint for current and future decision makers to rally around.

Contributors may not necessarily agree entirely with one another, but they are united in their belief of the urgency of reform – for economic, moral and political reasons. And they all agree that it is time to put homes back at the top of the agenda.

This book comprises four sections, each consisting of essays to resoundingly make the case for housing as a key tool in advancing four conservative goals: security, community, stewardship and conservation.

Of course, there is no silver bullet to the housing crisis. The ideas advocated here are neither exhaustive nor enough. But, without bolder steps, the housing situation in this country is only set to get worse, to the detriment of the national interest and the very survival of the centreright. We need new, radical solutions now. **Ryan Shorthouse** is the Founder and Chief Executive of Bright Blue think tank. Ryan is a Senior Visiting Fellow at King's College London and a trustee of two What Works Centres.

**Polly Neate CBE** is the Chief Executive of Shelter. Polly was previously Executive Director at Women's Aid and Executive Director of External Relations and Communications at Action for Children.



## LOCAL LEADERSHIP

#### How local councils can create more houses

### David Simmonds CBE MP

As a Conservative Government determined to widen the opportunity for home ownership, we have to get to grips with some key challenges. We must focus on what we build as much as the number of units; we must challenge the developer model, which has failed to rise to the challenge of building the homes we need; and we must enable local leadership to respond to the needs of a local market without the undue interference and delay inflicted by central government. Supporting local authorities to act as developers in their own right in particular has a huge potential to increase supply, with taxpayers directly gaining the upside from any development.

**ff** There is a trend in the country – local authorities with older demographics often have high percentages of under-occupied properties, while those with increasing younger demographics have over-occupied stocks of housing **JJ** 

The demographics of our country are changing fast. Over the past ten years, the total population of England and Wales has risen to a level that has not been seen before.<sup>14</sup> At the same time, birth rates are falling down to the lowest level ever recorded, while the proportion of older,

<sup>14.</sup> Office of National Statistics, "Population and household estimates, England and Wales: Census 2021, unrounded data", https://www.ons.gov.uk/peopleopolulationandcommunity/populationandmigration/populationestimates/bulletins/ populationandhouseholdestimatesenglandandwales/census2021/unroundeddata (2022).

dependent people is rising rapidly.<sup>15</sup> By 2045, one in four UK residents will be over 65.<sup>16</sup> All this adds up to a challenge for our housing market that is about the nature of supply, as much as it is about numbers.

## **G** Mayors often lack real power to act, especially in large, diverse constituencies **JJ**

This has caused rents to rise and land value to grow exponentially, meaning that young people are increasingly challenged buying their first homes, while other families are being pushed further away from areas in which they wish to live. Representing a suburban constituency, many of my constituents move to Ruislip, Northwood and Pinner, both to start families and to improve their quality of life. Yet the cost of land in London and the wider Southeast is pushing families further and further away. Infrastructure such as High Speed Two (HS2) potentially enables Birmingham to be a commuter suburb to London. This, however, should not distract from the importance of local leadership. It is only this leadership that, I think, is able to shape a housing strategy that reflects local market needs.

The UK remains a highly centralised country, with local representatives wielding limited power. Instead of trusting local authorities with greater power to reflect changing demographics, Whitehall supplies bureaucratic requirements on almost every aspect of local planning decisions. This ties local authorities up in red tape and limits their discretion to shape the market in the way that we see in other countries.

Local leadership from empowered local authorities is key when it comes to creating more homes. For too long has the philosophy of 'one size fits all' dominated the planning system. Greater flexibility must

Office of National Statistics, "Births in England and Wales: 2021", https://www.ons. gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/livebirths/bulletins/ birthsummarytablesenglandandwales/2021(2022).

Office of National Statistics, "National population projections: 2020-based interim", https://www. ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/ nationalpopulationprojections/2020basedinterim (2022).

be given for local authorities to build the homes needed without the threat of unwarranted intervention from a distant. locally unaccountable government.

**I**Instead of trusting local authorities with greater power to reflect changing demographics, Whitehall supplies bureaucratic requirements on almost every aspect of local planning decisions **J** 

It was therefore warmly welcomed when the Government ended compulsory house building targets through the Levelling-Up and Regeneration Bill.<sup>17</sup> There will never be an algorithm or formula that could replace the local knowledge that local communities and elected officials offer while remaining accountable.

With land for more than 2.6 million homes allocated in Local Plans. across the country,<sup>18</sup> power must be given to local authorities to make these plans become a reality. Greater credence must be given to these plans that reflect local needs and the abilities of communities to sustain a larger population.

Westminster can do more to create and unlock more housing stock by first unlocking the potential of local government. Too often are consents used as an asset to be arbitraged between local planning committees, the Planning Inspector and the Secretary of State for Levelling Up, Housing and Communities. Planning permission is used for planning gain rather than as an opportunity to actually build homes. Making local decisionmaking final, but justiciable if erroneous in law, would focus the system on its primary purpose - development - rather than inflating balance sheets at the expense of would-be homeowners.

While self-build can only ever deliver a small number of units.

The UK Parliament, "Levelling-up and Regeneration Bill", https://bills.parliament.uk/bills/3155 (2022).
 Local Government Association, "Planning policy, House of Commons – 17 January 2023", https://www.local.gov. uk/parliament/briefings-and-responses/planning-policy-house-commons-17-january-2023 (2023).

it is when local authorities act as large-scale developers that we begin to get close to our ambitions for housing numbers. Devolved authorities outside of Westminster are already making the most of the powers available to them. Mayors up and down the country have been undertaking admirable development projects. In the West Midlands, for instance, Andy Street has plans to develop several brownfield sites into thriving new communities,<sup>19</sup> while Ben Houchen in the Tees Valley is overseeing the transformation of the old steelworks into a bustling manufacturing and commercial hub in the North East.<sup>20</sup> These Mayors are backed up by multi-million pots of money to redevelop underused sites. The advantage of local authorities acting as developers in their own right, as is common in other countries, is that the taxpayer gets the upside. This, in my view, is the challenge that our developer model needs.

Sadly, this proactive house building fever has not graced all locally elected politicians, and Mayors often lack real power to act, especially in large, diverse constituencies. Nowhere is this clearer than in London.

Hillingdon and Harrow, the boroughs that cover my constituency, are both outer London 'doughnut' boroughs that have high home ownership, but also great enthusiasm for the green belt. As I have seen in my time as an MP and in local government, this presents unique challenges when it comes to expanding housing stock and home ownership; a different type of challenge than that faced by central London boroughs. These diverse challenges should, however, not prevent the local authorities from building the homes in their areas. It is more important than ever to use existing town centres and brownfield sites to build the homes that are needed where they are needed.

Encouraging the government to release unused brownfield sites directly to be used by local authorities, twinned with the decentralisation

Andy Street, "We Have Enough Brownfield Sites In Black Country To Protect Aldridge Green Belt", https://www. andystreet.org.uk/news/we-have-enough-brownfield-sites-black-country-protect-aldridge-green-belt (2020).
 Ben Houchen, "Two years on, Mayor Ben Houchen looks at future of Teesworks", *The Northern Echo*, 28 July, 2022.

of planning power to those locally elected, would unleash a wave of housebuilding across the nation. This would both increase housing stock in private ownership and allow local authorities to build both social and genuinely affordable housing.

This, however, could take time and political power to accomplish. While a worthy and necessary endeavour, as we have seen in recent years, it is a path filled with political quagmires that has led to the fall of numerous housing ministers.

Local leadership and discretion have a track record of delivering on development. Hillingdon and Harrow in my constituency, for instance, both have relatively low population densities for London, yet they both have quick access to central London via the underground. Underdeveloped town centres, especially on major transport routes, are holding back the potential of urban centres, but the local authorities are already addressing this with ambitious redevelopment projects.

As was outlined by the Government's *Building Better, Building Beautiful* Commission, people want to live in areas well-connected to local amenities and transport networks.<sup>21</sup> This applies both to younger people, who are more likely to choose to live in busier neighbourhoods with easy access to a range of jobs, and to the elderly, who need to be closer to services such as healthcare and support networks.

Increasing the number of one-bedroom flats through measures such as permitted development has already seen success since its introduction a few years ago. Yet empowered local authorities could see town centres strengthened and their potential realised. This would increase the stock of housing available in a short period of time and without much political capital being spent.

Providing local authorities with the power to build homes where they are needed is, of course, only half the picture. It is not worthwhile to build

<sup>21.</sup> Building Beautiful Commission, "Living with beauty", https://assets.publishing.service.gov.uk/government/uploads/ system/uploads/attachment\_data/file/861832/Living\_with\_beauty\_BBBBC\_report.pdf (2020).

thousands of new homes unless it is the right type of housing. With a growing but ageing population, the housing needed has changed since the last substantial planning reforms. The demand for housing can only be truly assessed at a local level.

For too long has the philosophy of 'one size fits all' dominated the planning system. Greater flexibility must be given for local authorities to build the homes needed without the threat of unwarranted intervention from a distant, locally unaccountable government JJ

While young families need bigger homes, those aged 65 and over often need smaller, more manageable homes. Without the housing stock for them to make the move, elderly people have to remain in their larger homes. This can be seen through the occupancy rating data in England and Wales.<sup>22</sup> There is a trend in the country – local authorities with older demographics often have high percentages of under-occupied properties, while those with increasing younger demographics have over-occupied stocks of housing.

Allowing local authorities to create high quality step-down and supported housing in the local area will free up homes that are currently being under-occupied. Allowing elderly residents to maintain their independence and stay in their communities is vital in freeing up the larger homes they would otherwise occupy.

As I have set out, empowering local authorities and enhancing their powers to act as developers may become a way to realise the potential of places and boost housing supply. We often reflect on a 'golden age' of housing expansion under the Conservative Prime Minister, Harold Macmillan, in the 1950s; if we enable local councils to act as developers

Office for National Statistics, "Census maps: Occupancy rating for bedrooms, Hillingdon", https://www.ons.gov.uk/ census/maps/choropleth/housing/occupancy-rating-for-bedrooms/occupancy-rating-bedrooms-6a/occupancy-ratingof-bedrooms-plus-2-or-more?lad=E0900017 (2021).

and make planning decisions in line with local need, future generations may look back on our own era with similar satisfaction.

**David Simmonds CBE MP** is the Conservative MP for Ruislip, Northwood and Pinner. He also serves as Deputy Chairman of the Conservative Councillors' Association, as well as Chair of the APPG on Housing and Planning.

## **SECURE AND FAIR**

#### How we can make tenancy reform work for all

### James Cowling

For much of the past fifty years, our political discussion on housing has been focused on the rates of home ownership, rather than on the rental sector. From the 'property owning democracy' to Help to Buy, politicians and pundits rightly recognise the empowerment that comes with ownership. The challenge is to extend the same level of concern to renters and, in doing so, introduce reforms to soothe the worst aspects of the rental market.

### Introducing a new ombudsman will crack down on the worst cases of landlord failure JJ

As of 2022, the Government estimated that 21% of private renters and households lived in unfit homes, a figure that should startle politicians.<sup>23</sup> For many, the work of housing campaigner Kwajo Tweneboa brought home the reality of poor-quality accommodation in the UK. His activist-style social media videos shine a light on the worst cases of landlord neglect.<sup>24</sup> Many in society would simply not have known about the scale of these issues before campaigns such as his, highlighting the need for

<sup>23.</sup> Department for Levelling Up, Housing and Communities, "A Fairer Private Rented Sector", https://assets. publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1083378/A\_fairer\_private\_ rented\_sector\_web\_accessible.pdf (2022).

<sup>24.</sup> Daniel Lavelle, "Kwajo Tweneboa on fighting for Britain's poorest tenants", The Guardian, 19 January, 2022.

the government to draw its attention to this. From houses overrun by mice and cockroaches, to corridors with boiling water pouring from busted boilers, the need for change is clear.

Without better oversight, there is little redress for when a landlord acts poorly, and, given the scale of the challenge, the existing protections are insufficient JJ

The number of families renting into later life is also growing, compounding the need to act.<sup>25</sup> Without significant reforms to the planning system, the number of people locked into renting will spike, as young people and families cannot save enough for a deposit. This is felt most acutely in London, where house prices and rents have rocketed without a matching rise in the quality of accommodation. This increase in long-term renting must be met with immediate measures to make renting more secure, as well as long-term supply-side reform to fix the root cause of many of these problems.

There must also be a cultural shift in the expectations that we as a society hold around the relationship between landlords and tenants. Too often, the prevailing view is that the tenants' role is to provide a passive income to their landlords – keeping an asset warm whilst it appreciates in value. This worldview robs renters from a sense of belonging, and understandably so – why would a property matter to you if you are simply a passing paycheck rather than a respected custodian?

The debate on renter reform sparks a wider debate of the role of the state in the market. Some Conservatives would argue that the state should be cautious in reforming the rental market. They ask what the right balance of state intervention between two people conducting a free and fair transaction is. This misses that the housing and rental market is not a

<sup>25.</sup> Office for National Statistics, "Living longer: changes in housing tenure over time", https://www.ons.gov.uk/ peopleopoulationandcommunity/birthsdeathsandmarriages/ageing/articles/livinglonger/changesinhousingtenureoverti me#increases-in-the-private-rental-sector-at-middle-ages (2020).

free market; the state and the local councils have significant control over the level of supply. In doing so, they then have a responsibility to create a market which is fair. The more poignant question is: to what degree these measures can be soft-touch? Labour's answer is often heavyhanded, growing calls for rent controls that would simply exacerbate the problem. They are the perfect example of left-leaning, top-down policies.

The Government has rightly outlined its plans to combat this growing crisis; doing so reflects a compassionate approach to centre-right politics. The Fairer Private Rented Sector white paper, published by the Department for Levelling Up, Housing and Communities (LUHC), outlines many sensible steps to reform the sector.<sup>26</sup> This will form the body of the Rental Reform Bill due to be introduced before the next election in 2024.

In future years, it would be wise to ao further, extending the standard contract length of tenancies to up to three years. This longer period would help prevent people from being forced to regularly move and protect against rents being frequently jacked up

The axing of section 21 of the Housing Act 1988 that permitted 'nofault' evictions is a step in the right direction; landlords should not be able to freely turf out their tenants in the hope of securing a higher rental agreement shortly afterwards. Frequently, moving between rental accommodation comes with significant cost, averaging around £1,705.27 The fear of being turfed out without cause is compounded if you are unable to stump up the cash to move, weakening your ability to challenge a landlord on their failure to fix your leaking tap or rising damp. Tenants spending longer periods in one property is good for all stakeholders

<sup>26.</sup> Department for Levelling Up, Housing and Communities, "A Fairer Private Rented Sector", https://assets. publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1083378/A\_fairer\_private\_ rented\_sector\_web\_accessible.pdf (2022). 27. Generation Rent, "Costs of moving analysis, August 2021", https://d3n8a8pro7vhmx.cloudfront.net/npto/

pages/7616/attachments/original/1629821898/Costs\_of\_moving\_analysis\_Aug\_21.pdf?1629821898 (2021).

involved and helps renters to save up cash to spend how they see fit. For those at the bottom of the ladder, an extra £1,705 is a significant uplift in your savings. This extra cash gives people a buffer for a rainy day, or enables them to start saving a modest amount.

If Too often, the prevailing view is that the tenants' role is to provide a passive income to their landlords – keeping an asset warm whilst it appreciates in value. This worldview robs renters from a sense of belonging JJ

Protections for evicting problem tenants must remain, but the balance of power has to date been too far one way. Landlords must prove they have a legitimate reason for evicting tenants, and, in those circumstances, must be able to turf out bad tenants as quickly as possible. Making it easier for landlords to evict tenants who are wilfully not paying rent, or who are repeatedly engaging in anti-social behaviour, goes hand-in-hand with giving good tenants better protections.

Introducing a new ombudsman will crack down on the worst cases of landlord failure. Some of the worst cases of poor conditions take place at properties owned by larger landlords, so an ombudsman with teeth will have the power to independently drive the adoption of best practices. Without better oversight, there is little redress for when a landlord acts poorly, and, given the scale of the challenge, the existing protections are insufficient. The courts are too overstretched to deal with the scale of disputes, so the ombudsman will act to provide streamlined resolutions to disputes.

Extending the Decent Homes Standard to the private rented sector will also drive up standards, in the same way it did for social housing in the early 2000s. This will place a legal obligation on landlords renting out homes that are endangering the health of their tenants to quickly improve them.

However, these reforms must be the start of the journey; not the end

destination. In future years, it would be wise to go further, extending the standard contract length of tenancies to up to three years. This longer period would help prevent people from being forced to regularly move and protect against rents being frequently jacked up. Government must also look more closely at measures to protect renters against the failure of local councils, particularly in inner London. Some of the worst cases of poor living conditions are seen in council-owned accommodation.

Overall, the Government's proposals for the Renter Reform Bill are a collection of effective and balanced measures. They will make good progress in improving the rights and conditions of those in rental accommodation. However, it should be said that the elephant in the room is that, whilst these measures are welcome, they cannot be a sticking plaster for a failure to build enough homes. Bolder action must be introduced and should form the basis of a renewed Conservative offering in the elections of the future. Increasing the supply of new and high-quality homes will ultimately be the central driver in improving conditions. The 'NIMBY' tendency of backbench MPs can be overcome by an approach that increases density in city centres and with a multitude of benefits.

**James Cowling** is the co-founder of the Next Generation Tories, a political campaign that aims to bring together like-minded Conservatives to address how the Conservative Party can tackle the generational divide.

# AN AFFORDABLE, SECURE AND SAFE FOUNDATION?

#### Social housing's role in fixing the UK's housing crisis

#### Shaun Bailey MP

The UK is in the midst of a housing crunch. Over the last 20 years, the supply of good-quality housing has completely failed to keep pace with demand, causing ever-increasing house prices.<sup>28</sup> This imbalance has led to millions living in inadequate homes, with the poorest and the most marginalised in society most vulnerable. Analyses from Shelter<sup>29</sup> and the National Housing Federation<sup>30</sup> both highlight how millions of people are living in overcrowded, unaffordable, poor-quality housing, or simply households they no longer wish to live in. It is therefore no surprise that, as an MP, approximately 80% of my constituency casework relates to housing.

Housing holds a unique place in people's lives. It is almost universally our greatest expense. It allows for people to move households, often marking some of the biggest moments of their lives. It puts people in communities and provides them a sense of place. The quality of housing a child grows up in has a measurable, vast impact on their future success, while poor-quality housing continues to impact health and opportunity. Voters understand the importance of housing, with it consistently polling as one of the most important political issues, particularly among younger people.<sup>31</sup>

<sup>28.</sup> Cassie Barton, "Constituency data: house prices", https://commonslibrary.parliament.uk/constituency-data-house-prices/ (2022).

<sup>.</sup> 29. Shelter, "17.5 million people now impacted by the housing emergency", https://england.shelter.org.uk/media/ press\_release/17\_5million\_people\_now\_impacted\_by\_the\_housing\_emergency\_\_(2021) 30. BBC News, "Housing crisis affects estimated 8.4 million in England – research", https://www.bbc.co.uk/news/

<sup>30.</sup> BBC News, "Housing crisis affects estimated 8.4 million in England – research", https://www.bbc.co.uk/news/ uk-49787913 (2019).

YouGov, "The most important issues facing the country", https://yougov.co.uk/topics/education/trackers/the-mostimportant-issues-facing-the-country (2023).

In the post-war era, social housing was built in large numbers to provide agreeable accommodation for those who could not buy their own home or choose to rent privately. It has played this role well over the decades and in doing so has improved the life chances of tens of millions. As of 2023, 17% of households live in social housing,<sup>32</sup> with this figure varying significantly and peaking in urban areas, such as my constituency of West Bromwich West, where it is over 30%.<sup>33</sup> However, decades of low investment have led to a social housing sector that is under increasing strain, with a growing waiting list of over 1.2 million applicants and a huge number of substandard homes that fail to provide safe accommodation or meet modern regulations.<sup>34</sup>

**G** Last year, I watched Sandwell Council refer itself to the Social Housing Regulator as it revealed over 7,000 homes had an electrical safety certificate over five years old, with 1,245 of these certificates being over ten years old **JJ** 

With investment and reform, social housing can play a pivotal and exciting part in alleviating the housing crisis, particularly as those most affected by the housing crisis are traditionally the most suitable for social housing. To achieve this, we must return to the principle of providing an ample supply of reasonable housing, requiring the nation to simultaneously invest in both more social housing and better quality social housing.

There are a multitude of factors affecting the imbalance between overall housing supply and demand. These include: increasing levels of immigration; demand-side reforms further inflating the market; low levels

<sup>32.</sup> Hannah Cromarty, "Social housing reform in England: What next?", https://researchbriefings.files.parliament.uk/ documents/CBP-9227/CBP-9227.pdf (2022).

<sup>33.</sup> Cassie Barton, "Local authority data: housing supply", https://commonslibrary.parliament.uk/local-authority-datahousing-supply/ (2022).

<sup>34.</sup> National Housing Federation, "People in housing need 2020", https://www.housing.org.uk/resources/people-inhousing-need/ (2020).

of private sector house construction; land use; designations for protected areas, such as the greenbelt; and planning regulations. Crucially, the sharp decline in the construction of social housing continues to play a pivotal role.

**II** Housing is more than a physical asset. It plays a fundamental part in all of our lives, which is why the housing crisis is causing so much damage

In the 1950s and the 1960s, the UK built a record number of homes. averaging over 300,000 homes a year, with approximately 40% of this being social housing. From the 1980s, however, significant state support for the construction of social housing ended. As a result, by the late 1990s, social housing delivery had fallen into the low tens of thousands. Simultaneously, private sector house building has fluctuated and remains today at a lower level than it was in the 1950s and the 1960s, meaning that there has been no increase in the construction rates of private sector housing to compensate for the huge decline in the building of social housing.35

In recent years, the Government has begun to take welcome steps to reverse this trend, allocating additional funding towards building affordable housing.<sup>36</sup> But we should go further and faster. In 2020, the House of Commons Housing. Communities and Local Government Select Committee produced a report, Building more social housing (BMSH), identifying a demand for an additional 90,000 social homes per year.<sup>37</sup>

The economic case for a large-scale investment in social housing is strikingly positive. Further provision of social housing, especially when built by local authorities, provides a significant return on government

37. Housing, Communities and Local Government Committee, "Building more social housing: Third Report of Session 2019-21", https://committees.parliament.uk/publications/2102/documents/19835/default/ (2020).

<sup>35.</sup> Wendy Wilson and Cassie Barton, "Social rented housing (England): Past trends and prospects", https://

researchbriefings.files.parliament.uk/documents/CBP-8963/CBP-8963/CBP-8963/CBC/2022).
 Ministry of Housing. Communities & Local Government, "£2 billion boost for affordable housing and long term deal for social rent", https://www.gov.uk/government/news/2-billion-boost-for-affordable-housing-and-long-term-deal-forsocial-rent (2017).

investment. Central government spending on housing benefit is returned to local authorities and can thus be reinvested into the social housing stock rather than lost to the private sector. Costs can also be reduced by up to 40% by using surplus public land, with the cost of acquiring new land being one of the prohibitive factors for further housing development. The BMSH report states this saving is sufficient to make the subsidy required to build the proposed 90,000 dwellings per year economically feasible.<sup>38</sup> Housing development can also play a key role in boosting regional economies and supporting the levelling up agenda. Local Government Association (LGA) research shows that for every one pound invested in new social housing, almost three pounds are contributed to the local economy.<sup>39</sup>

A system where the punishments faced by private landlords are significantly more severe than those faced by local authorities and social housing providers is nonsensical. Standards should be at least identical, if not stricter, for social housing providers **JJ** 

Such investment in social housing would be popular. Following recent political realignment and demographic changes, there should no longer be a political conflict between the two main parties over their support for social housing, with polling showing that public support for further investment in it is bipartisan.<sup>40</sup>

Investing in social housing will not come at the expense of private development, but instead remains the only way to ensure that the government fully meets its housing targets whilst supporting the construction industry. Indeed, social housing development has higher

<sup>38.</sup> Ibid.

Wendy Wilson and Cassie Barton, "Social rented housing (England): Past trends and prospects", https:// researchbriefings.files.parliament.uk/documents/CBP-8963/CBP-8963.pdf (2022).

<sup>4.0.</sup> The Centre for Social Justice, "Exposing the hidden housing crisis: public attitudes to 'affordable housing' and housing policy", https://www.centreforsocialjustice.org.uk/library/exposing-the-hidden-housing-crisis (2021).

density, thus providing more dwellings faster than development in the private sector.

**ff** Investing in social housing will not come at the expense of private development, but instead remains the only way to ensure that the government fully meets its housing targets whilst supporting the construction industry **JJ** 

But we also need to improve the quality of the pre-existing social housing stock. The harrowing death of Awaab Ishak, a two-year-old child who died after living in a mouldy social home, has demonstrated the serious problems with the quality of the social housing stock.

As an MP, I am regularly disappointed by the correspondence I receive showing the poor state of social homes within my constituency. As the vast majority of the housing stock in my constituency was built before 1980, these properties remain significantly behind modern standards for fire safety, energy efficiency and maintenance. This has created an environment where social housing is often of a poorer and more dangerous standard than within the private sector. Last year, I watched Sandwell Council refer itself to the Social Housing Regulator as it revealed over 7,000 homes had an electrical safety certificate over five years old, with 1,245 of these certificates being over ten years old. Had such a breach of regulation occurred in the private sector, the landlord would be open to fines of up to £150 million. Examples of poor standards in social housing, when contrasted with their private counterparts, are widespread, with over three times more mould being found in social housing than in its private sector equivalent.<sup>41</sup>

A system where the punishments faced by private landlords are significantly more severe than those faced by local authorities and social

Robert Booth, "'Are you not worried we might die?' Social housing tenants on living with mould", The Guardian, 15 November, 2022.

housing providers is nonsensical. Standards should be at least identical, if not stricter, for social housing providers. Social housing providers have the scale to uphold and maintain high standards, are far more likely to provide accommodation for vulnerable members of society and, as not-for-profit authorities and corporations, should be providing a public good for both society and their tenants.

Fortunately, the current Government is taking significant and very welcome action. Michael Gove MP, the Secretary of State for Levelling Up, Housing and Communities, is leading the Social Housing Regulation Bill through Parliament.<sup>42</sup> This bill introduces new – and improves existing – requirements for social housing providers, including better safety and electrical regulation, as well as beefing up the sector's regulator. Under these reforms, the regulator will be able to issue unlimited fines to housing providers as well as launch proactive investigations. These proposed reforms have been welcomed by both social housing providers and their tenants, and follow significant public investment in fire regulations following the Grenfell disaster.<sup>43</sup>

Housing is more than a physical asset. It plays a fundamental part in all of our lives, which is why the housing crisis is causing so much damage. Improving the social housing stock and building more social housing can help. In doing so, it has the opportunity to play a huge part in providing a solution to one of the defining political issues of our time.

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<sup>42.</sup> Michael Gove, "Secretary of State statement on social housing standards", https://www.gov.uk/government/ speeches/secretary-of-state-statement-on-social-housing-standards (2022).

<sup>43.</sup> Hannah Cromarty, "Social housing reform in England: What next?", https://researchbriefings.files.parliament.uk/ documents/CBP-9227/CBP-9227,pdf (2022).

## **UP AND DOWN**

#### Last-time buyers are key to helping first-time buyers

### The Rt Hon Damian Green MP

The recent back and forth on the Levelling-Up and Regeneration Bill was portrayed as the builders versus the 'not in my back yard' Nimbys.<sup>44</sup> Even more starkly, those who wanted the Government to retain the power to set targets for every local area accused those of us who wanted a more localist and environmentally-sensitive approach of protecting the interests of the wicked baby boomer generation at the expense of the struggling would-be homeowners of tomorrow. This was always slightly simplistic nonsense. Indeed, the measures now in the Bill to stop developers land banking will increase housebuilding in the short-term. Now that we have reached a sensible compromise on this, we can move on to practical measures that will help all generations.

### If everyone lived in homes that were appropriate for their needs, we would need 50,000 fewer new homes a year

I want to make one modest suggestion that will simultaneously free up some existing housing stock to be used more appropriately than it is at the moment and improve the health and living standards for older people. We traditionally think that if we build more new homes for young

<sup>44.</sup> John Oxley, "Rishi Sunak bows to Tory NIMBY pressure", https://unherd.com/thepost/rishi-sunak-bows-to-torynimby-pressure/ (2022).

people and create financial packages to subsidise them buying these homes, we are solving the problem. This has not really worked. Partly, this is because however much new housing stock we build each year, it is dwarfed by the number of existing homes, which reached 25 million in 2021.<sup>45</sup> The trick is to have more of the existing stock occupied by families who really need that kind of house.

We have been ingenious over the years in creating incentives, such as reductions in Stamp Duty, for first-time buyers. Why not have similar encouragement for people downsizing out of an under-occupied family home? JJ

We need to look hard at the other end of the housing pipeline, namely the provision of housing that is suitable for those who have retired. This type of housing is seriously under-supplied at the moment and the demographics tell us that this failure will become more serious with every decade that passes. The supply of housing suitable for retirement living is around 7,000 a year out of a recent total number of around 200,000 a year.<sup>46</sup> At the same time, the population aged over 65 will increase from 11.2 million today to 17.2 million by 2040.<sup>47</sup> Already, according to an excellent recent report from Professor Les Mayhew, *Future-Proofing Retirement Living*, 81% of the over-65s live in standard housing and by 2040 this will be 87%. Indeed, around 80% of the over-65s own their home outright.

The shortage of suitable homes for older people to move into simply reinforces the natural human emotion of an attachment to the family home in which your children grew up. But there are a number of reasons

<sup>45.</sup> Statista Research Department, "Number of housing units in England from 2001 to 2021", https://www.statista. com/statistics/232302/number-of-dwellings-in-england/ (2023).

Professor Les Mayhew, "Future-proofing retirement living: Easing the care and housing crises", https://ilcuk.org. uk/mayhew-review/ (2022).

<sup>47.</sup> Age UK, "Retirement housing", https://www.ageuk.org.uk/globalassets/age-uk/documents/policy-positions/ housing-and-homes/ppp\_retirement\_housing\_england.pdf (2019).

that unhelpfully reinforce this. We have about a tenth as much specialist retirement housing as other countries, such as the US, Australia and New Zealand. This means there are often no suitable options in the areas where people already live.<sup>48</sup>

# If The trick is to have more of the existing stock occupied by families who really need that kind of house

People can also be put off by the sheer hassle of moving home, especially if they have not done this for many decades. Furthermore, there are reasonable fears about security if they move into rented housing and maintaining the value of their investment if they buy a specialist home.

As a result, there are a number of obstacles to be overcome. But the prize is huge. If more older people could confidently move out of their big family homes into well-built specialist accommodation, these homes would pass on to families who would occupy more bedrooms. In turn, they would be able to move out of the smaller houses which would then be available for the traditional first-time buyers. According to Professor Mayhew, this would have some radical effects. He claims that if everyone lived in homes that were appropriate for their needs, we would need 50,000 fewer new homes a year.<sup>49</sup> For each bedroom added to the retirement stock, two to three are released in mainstream housing. This is the definition of a win-win.

It is also worth noting that building more housing specifically for older people is beneficial even if it did not have this liberating effect on the whole housing market. Research by WPI Economics has shown that an individual living in a retirement community saves the health and care system around £3,500 a year.<sup>50</sup> The combination of specialist design to

Professor Les Mayhew, "Future-proofing retirement living: Easing the care and housing crises", https://ilcuk.org. uk/mayhew-review/ (2022).

<sup>49.</sup> Ibid.

<sup>50.</sup> WPI Economics, "Silver saviours for the high street", https://homesforlaterliving.org/wp-content/ uploads/2021/02/Homes-For-Later-Living-Silver-saviours-for-the-high-street-.pdf (2021).

minimise the risk of falls and the possibility of easy and guick access to on-site medical help would reduce demand on hospital services. It also enables more people to live in their own homes for longer, which is an almost universal desire. If this is being read by any passing Treasury minister or official, it is worth pointing out that one year of extra healthy living for older people delivers £60 billion worth of savings on the health and care budgets.<sup>51</sup>

**While the Department of Health and Social Care's** White Paper on social care stated that "every decision about care should be a decision about housing," only two local authorities (Greater Manchester and Central Bedfordshire) have truly robust strategies to address this **J** 

What are the obstacles that need to be overcome to eliminate this blockage? The first is, as so often, the planning system. A significant number of local authorities do not have any reference in their local plans to the delivery of housing suitable for older people. Indeed, research by Knight Frank suggests that half of all local authorities do not have any policy in place concerning this.<sup>52</sup> I believe that, on top of encouraging local authorities to do this, we need a new planning use class for retirement housing. The Government is about to issue a new National Planning Policy Framework; this would be the ideal time to create a class that promotes specialist housing for older people. With this could come a requirement to allocate a percentage of new housing for this use class on larger developments.

A more subtle problem is the land value of different types of development. Typically, providers of retirement housing are competing

<sup>51.</sup> The Association of Retirement Community Organisation, "Summary of the Housing for Older People Parliamentary Roundtable, held on 15 November 2022" (2022). 52. Knight Frank, "Seniors Housing Development Update 2021", https://content.knightfrank.com/research/2285/

documents/en/seniors-housing-development-update-2021-8317.pdf (2021).

for sites with care home providers, supermarkets and storage companies. The returns on such developments are higher because developers do not have the same obligations, such as the provision of social housing and the Community Infrastructure Levy. So, these other uses can outbid the retirement operators in the market for land. This is clearly a function of planning guidance, as the supply of retirement housing was much higher in the 1980s and 1990s when a different policy was in place.<sup>53</sup> Mainstream housebuilders used to have retirement divisions, but these no longer exist.

There is almost always, as another obstacle, a lack of joined-up thinking between health, social care and planning. At Whitehall level, the lack of retirement housing is one of the many problems afflicting the Housing Minister but is never top of their in-tray. Similarly, the Social Care Minister has a myriad of really serious problems to face, and although better provision of retirement housing would ameliorate a number of them, again it is unlikely to be the biggest issue they face. As a symbol of the problem, the Government promised early in 2022 to set up a joint task force to address this. At the time of writing, in December 2022, this task force has never met. Another indicator is that while the Department of Health and Social Care's White Paper on social care stated that "every decision about care should be a decision about housing,"<sup>54</sup> only two local authorities (Greater Manchester and Central Bedfordshire) have truly robust strategies to address this.

These are not the only blockages. For some, affordability is a real issue, and it may be that shared ownership for this group would be a promising way forward. For others, there is the image problem of retirement housing, which is often confused with sheltered housing or even 'old people's homes.' This is an outdated view of what is on offer today, where decent homes are available at various price levels. Even though 70% of those who have reached the state pension age live in households

Savills, "Retirement living", https://pdf.euro.savills.co.uk/uk/spotlight-on/spotlight---retirement-living.pdf (2018).
 Department of Health and Social Care, "People at the Heart of Care: adult social care reform white paper", https:// www.gou.uk/government/publications/people-at-the-heart-of-care-adult-social-care-reform-white-paper (2021).

with £300,000 or more in wealth,<sup>55</sup> usually, of course, the equity in their home, it is important that there is a range of offers. Older people want to release some of that equity when they downsize, so retirement housing needs to be available at a price below the level of the household's equity.

It is also worth considering the tax system as a possible lever. We have been ingenious over the years in creating incentives, such as reductions in Stamp Duty, for first-time buyers. Why not have similar encouragement for people downsizing out of an under-occupied family home? It would increase the number of transactions down the chain, which would itself compensate for at least some of the loss of revenue. There is probably a better phrase than 'last-time buyers,' but, however you describe them, they hold the key to unlocking activity throughout the housing market.

If we address these issues successfully, we can massively increase the 7,000 homes annually provided as retirement housing. The industry thinks that 30,000 a year is realistic.<sup>56</sup> Professor Mayhew has modelled scenarios up to 50,000 a year, which would still not keep up with the growth in older households.<sup>57</sup> If we make it easy and normal for people to downsize into desirable homes, we will help young and old at the same time. Your last house will not be your biggest house, but it can be your best house. The sconer we move towards this the better.

**The Rt Hon Damian Green MP** is the Conservative MP for Ashford. Damian was previously First Secretary of State and Minister for the Cabinet Office, and Secretary of State for Work and Pensions. He currently sits as the Chair of the Adult Social Care APPG.

<sup>55.</sup> The Association of Retirement Community Organisation, "Summary of the Housing for Older People Parliamentary Roundtable, held on 15 November 2022" (2022).

<sup>56.</sup> Isla MacFarlane, "Prime Minister urged to build 30,000 new retirement homes a year", https://www.showhouse. co.uk/news/prime-iminister-urged-to-build-30000-new-retirement-homes-a-year/ (2022).
57. Professor Les Mayhew, "Future-proofing retirement living: Easing the care and housing crises", https://ilcuk.org.

<sup>57.</sup> Professor Les Mayhew, "Future-proofing retirement living: Easing the care and housing crises", https://ilcuk.org. uk/mayhew-review/ (2022).



### **COMMUNITIES IN CHARGE**

#### Democratising house building

#### **Rose Grayston**

The vast majority of housing projects in the UK today are led and managed by a private developer, a housing association or a public body. Nevertheless, there is a growing movement across all UK nations to create more space in the housing system for projects controlled directly by the people who will be affected by and benefit from those projects: the communities who will live in and around the homes.

Community-led housing cannot solve our nation's housing crisis on its own, but it can and does solve some tough local housing problems for which we have found no other answers JJ

Community-led housing projects build new homes or bring existing empty homes back into use to meet local people's housing needs. The models used to do this vary, but all involve a local community group or organisation owning, managing or stewarding homes. It is about the community deciding the type of housing that is provided and setting the standards of affordability, quality, security and design.

In some places around the world, community-led housing models have become the dominant way of delivering affordable homes to rent or buy. Since 1996, Québec in Canada has shifted policy and funding support decisively away from public housing projects and towards the co-operative sector.<sup>58</sup> By contrast, community-led housing in the UK is still emergent. Even in Scotland, the UK nation where funding and policy support for community-led housing is by far the most advanced, projects tend to be small-scale.<sup>59</sup> Recent estimates put the size of the community-led housing pipeline at 653 homes in Wales<sup>60</sup> and 11,818 homes in England.<sup>61</sup> The development of community-led housing in Northern Ireland has been slower, though here, too, support is growing.<sup>62</sup>

**C** This is the special sauce that community-led development can bring to the table: community control wins local support for development, which enables sites to be released by landowners and to be given planning permission by local authorities that would never normally be granted **JJ** 

These figures are tiny compared to the numbers of homes that are needed. Research from Glen Bramley for Crisis and the National Housing Federation in 2018 estimated annual housing requirements for Great Britain at 380,000 homes, 162,500 of which should be affordable homes available to rent or buy below market rates.<sup>63</sup> So, to ask the obvious question: what is the big deal about community-led housing? Why has the Nationwide Foundation continued to fund and champion this niche sector in the context of enormous unmet housing need? Why are many local authorities, mayors and devolved administrations getting behind the idea, too?

Community-led housing cannot solve our nation's housing crisis on

<sup>58.</sup> Lisa K. Bates, "Housing for People, Not for Profit: Models of Community-Led Housing", *Planning Theory and Practice* (2022), 267-302.

<sup>59.</sup> Scottish Government, "Rural housing projects: list of approvals", https://www.gov.scot/publications/rural-housingprojects-list-of-approvals/#page-top (2021).
60. Sam Dordoy, "Nationwide Foundation invests to create more genuinely affordable homes in Wales", https://

<sup>60.</sup> Sam Dordoy, "Nationwide Foundation invests to create more genuinely affordable homes in Wales", https:// nationwidefoundation.org.uk/nationwide-foundation-invests-to-create-more-genuinely-affordable-homes-in-wales/ (2022).

<sup>61.</sup> Tom Archer and Catherine Harrington, "Delivering the community-led housing pipeline in England", https:// nationwidefoundation.org.uk/wp-content/uploads/2021/09/Delivering-the-Community-Led-Housing-Pipeline-in-England-FINAL.pdf (2021), 9

<sup>62.</sup> Northern Ireland Housing Executive, "Reaching Rural: Rural Strategy 2021-2025", https://www.nihe.gov.uk/ getattachment/397eb222-36f8-4e00-8a74-044961ded1d1/Rural-Strategy-2021-2025,pdf (2021), 4.
63. Glen Bramley, "Housing supply requirements across Great Britain", https://www.crisis.org.uk/media/239700/ crisis\_housing\_supply\_requirements\_across\_great\_britain\_2018.pdf (2018), 10.

its own, but it can and does solve some tough local housing problems for which we have found no other answers. It fills the gaps left by mainstream housing delivery mechanisms. The results are as powerful as they are varied, as a whistle-stop tour will demonstrate.

Rural communities across the UK are using a wide range of models to deliver homes tailored to the needs of local people, including Gŵyr Community Land Trust in Gower<sup>64</sup> and Staffin Community Trust on the Isle of Skye,<sup>65</sup> but the example of Roxwell village is particularly worth highlighting.

The village of Roxwell, near Chelmsford, is in the grip of a local housing crisis whose characteristics will be familiar to many rural communities. As an attractive place for retirees and second homeowners to purchase property, house prices and rents have climbed out of the reach of most locals. If working-age locals cannot afford to live and raise their families in Roxwell, community ties will weaken and local services like schools risk becoming unviable. Proposals for new housing development are often controversial, both because they usually involve building on green belt land, and because locals know that new market housing is unlikely to be affordable to them. given the demand from newcomers with deeper pockets.

A community-led scheme was able to forge a path through these knotty problems. In 2020, the English Rural Housing Association completed five homes for affordable rent and two bungalows for discounted sale at Glebe Meadow in Roxwell.<sup>66</sup> A section 106 planning agreement guarantees the homes will always remain affordable, cannot be sold using Right to Buy, and will only be relet or sold to others with a local connection. Community consultation and input from the parish council also informed the design of the scheme, ensuring local green space and nature are protected.

This 'by the community, for the community' approach won local support for development of a parcel of green belt land owned by the

<sup>64.</sup> Gŵyr Community Land Trust, "Executive Summary", https://www.gwyrcommunitylandtrust.org/\_files/ ugd/59d962\_2061501ce50e4c27aef5b2b9a59062aa.pdf

<sup>65.</sup> Community Land Scotland, "Case Study: Staffin, Isle of Skye", https://www.communitylandscotland.org.uk/wpcontent/uploads/2022/08/CS\_5-Staffin\_d3.pdf (2020). 66. David Barrowcliff, "Royal Opening of Affordable Rural Homes in Roxwell, Essex", https://englishrural.org.uk/royal-

opening-of-affordable-rural-homes-in-roxwell-essex/ (2020).

Diocese of Chelmsford. It is frankly impossible to see how this land would have been developed for a mainstream housing scheme.<sup>67</sup> This is the special sauce that community-led development can bring to the table: community control wins local support for development, which enables sites to be released by landowners and to be given planning permission by local authorities that would never normally be granted. The promise of community control and permanent affordability creates value that the mainstream development system cannot.

**While mainstream housing delivery models** achieve scale, they leave gaps in their wake that no one other than the community is incentivised to tackle

In Liverpool, Granby Four Streets Community Land Trust (CLT) has modelled a very different type of community-led housing solution for a very different type of local housing crisis. Since 2011, this CLT has been regenerating streets marred by decades of failed public regeneration initiatives, above all in the form of dilapidated terraced housing scheduled for demolition. Community activists started small: cleaning up streets, setting up planters and painting boarded up homes to brighten up a neglected neighbourhood. Then, with the help of architects, social investors and support from Liverpool City Council, the group set about purchasing those boarded-up houses and giving them a new lease of life as affordable homes and commercial and leisure spaces. The community leases land parcels and buildings for various uses and development projects, keeping control over prices and ensuring long-term affordability and community benefit. An area that was once threatened with wholesale demolition is now a thriving hub of community, artistic and economic activity.68

<sup>67.</sup> English Rural Housing Association, "Project Case Study", https://docs.google.com/document/d/1uFzDbZpPSxBQj\_ L5H5ssrlCL8cLoX0oV/edit (2020). 68. Levente Polyák, "Granby Four Streets CLT – From Demolition to Regeneration", https://cooperativecity.

org/2017/10/25/granby-four-streets-clt/ (2017).

Community-led housing groups have successfully pursued area-based regeneration alongside housing provision elsewhere, including self-help housing project Giroscope in West Hull and local charity Back on the Map in the Hendon neighbourhood of Sunderland.<sup>69</sup>

Since 1996, Québec in Canada has shifted policy and funding support decisively away from public housing projects and towards the co-operative sector JJ

In Knowle West in south Bristol, WeCanMake Community Interest Company (CIC) is pioneering a new approach to meeting housing need in a city with mounting affordability challenges but limited land that is suitable for new residential development. By working closely with existing Bristol City Council tenants to ensure projects will enhance life in Knowle West and directly meet the community's housing needs, WeCanMake has gained community consent for creating microsites on land that was previously part of the back gardens of social homes. The land is held in a land trust to ensure it and the homes built on it will always be used for the community's benefit. The Knowle West pilot has used a Community Design Code to ensure that homes are high quality and add character to the neighbourhood, as well as that they can be manufactured locally to the benefit of the local economy.<sup>70</sup>

Without a community-led approach, plans to increase housing density on council housing estates might have quickly descended into controversy and delays, as has happened in many cases elsewhere.<sup>71</sup> By contrast, WeCanMake created a people-led 'gentle densification' process that is delivering new homes and strengthening the community. This is a new model of community-led housing that WeCanMake hopes to see taken up

Create Streets Foundation, "No Place Left Behind: The Commission into Prosperity and Community Placemaking", https://www.createstreetsfoundation.org.uk/wp-content/uploads/2021/10/8560\_PS\_Create\_No\_Place\_Left\_Behind\_ FINAL\_amended.pdf (2021), 198-209.

<sup>70.</sup> Knowle West Media Centre, "We Can Make", https://kwmc.org.uk/projects/wecanmake/ (2022).

<sup>71.</sup> Ella Jessel, "Central Hill: Lambeth to bring controversial overhaul back in-house", https://www.architectsjournal. co.uk/news/central-hill-lambeth-to-bring-controversial-overhaul-back-in-house (2019).

by others over the coming years.

To conclude, community-led housing may not have the capacity needed to tackle the nation's housing crisis on its own, but we will not be able to meaningfully tackle the housing crisis without recognising and growing the contribution of community-led housing. While mainstream housing delivery models achieve scale, they leave gaps in their wake that no one other than the community is incentivised to tackle. Addressing local concerns about green belt development, in-fill on social housing estates or empty homes dragging down the neighbourhood does not usually deliver short-term profit and will not deliver the large numbers of homes needed to meet government housing targets. But these issues really matter to people, and, if they are not addressed, opportunities will be missed to improve people's lives and the way local communities – and economies – work.

Government at all levels should celebrate and support communityled housing, above all by renewing the funding programmes which have enabled these early success stories, such as the Community Housing Fund in England.<sup>72</sup> Housing associations whose own schemes have stalled due to current market conditions could be brought into communityled projects, which can benefit from associations' lower borrowing costs. Capital grant underspends and spare construction capacity from other projects could be recycled into community-led schemes. The benefits of supporting community-led efforts to fill the gaps in our housing system significantly outweigh the costs – not least because in many cases, community-led housing is the only tool delicate enough for the job.

**Rose Grayston** is the Public Affairs and Engagement Advisor for the Nationwide Foundation. She was previously a Policy Manager for Shelter and Senior Programme Manager for the New Economics Foundation. Rose co-authored the recent report of the No Place Left Behind Commission.<sup>73</sup>

<sup>72.</sup> GOV.UK, "Community Housing Fund", https://www.gov.uk/government/collections/community-housing-fund (2018). 73. Create Streets Foundation, "No Place Left Behind: the Commission into Prosperity and Community Placemaking", https://www.createstreetsfoundation.org.uk/no-place-left-behind' (2021).

## A HOLIDAY TOO FAR?

#### Improving access to housing in coastal and rural areas

#### Selaine Saxby

The housing situation in my beautiful North Devon constituency is not sustainable. There are virtually no houses for local residents to rent or buy. Very few of those that are available are affordable. When we do build homes, the increasing difficulty with viability means a diminishing number are available as affordable homes for local families.

# **(** 'Affordable' in North Devon is certainly not 'affordable' for those on the average wage **)**

The understandable surge in 'staycations' during the pandemic has seen huge growth in the short term holiday let market. One of the biggest increases in house prices in the country is here in North Devon, making home ownership an unattainable dream for far, far too many families.<sup>74</sup> The growth in second home ownership was a problem even before the pandemic, leaving the spectacular surf village of Croyde well over 50% unoccupied through the winter. This issue has now spread along the coast and even inland.

A flurry of section 21 evictions at the end of the pandemic has enabled landlords to take advantage of the far higher revenues available from holiday rentals, which has meant private rentals are hard to find.

<sup>74.</sup> ITV, "House prices in North Devon rise more than anywhere else in the UK", https://www.itv.com/news/ westcountry/2022-05-15/north-devon-house-prices-rise-more-than-anywhere-else-in-the-uk (2022).

The rents have gone up and councils are struggling to find long term accommodation for residents. Ironically, councils have been forced to use some holiday parks as temporary accommodation for families.

If There is significantly greater return and less investment required to rent a property out to the short term market in areas such as Devon and Cornwall JJ

North Devon is a beautiful and desirable place to live. Yes, we are a tourist destination, and proud of it. We have some of the best beaches in the country and warmly welcome our visitors. Historically, we have always welcomed second homeowners as well. However, our housing market is now out of balance.

The fabulous pubs, restaurants and surf schools our visitors seek to enjoy are all struggling to recruit. As a result, many operate at significantly reduced hours or service offering, making them less viable businesses in the long term. The situation is now so severe it is impacting public services, which are finding recruitment difficult, as anyone wanting to move into the area simply cannot find anywhere affordable to either buy or rent.

In the autumn and stormy winter months, occupancy of holiday lets and second homes drops right off, leaving ghost communities along the coast. The village I live in is now estimated to be about 50% second homes and holiday lets.<sup>75</sup> Through the pandemic, my street had just a handful of the 30 properties occupied for the best part of two years. The impact this is having on local developments is immense. Residents and councillors alike oppose new developments because they feel they will just be purchased and converted into yet more holiday lets, or become second homes, and that many of the properties will simply not be affordable to local residents.

<sup>75.</sup> This figure comes from informal local data gathering

'Affordable' in North Devon is certainly not 'affordable' for those on the average wage. The percentage of 'affordable' properties is lower right down the Devon and Cornwall peninsula because of the high price of land and low availability of sites, materials and workforce. The definition of 'affordable' needs revisiting to better reflect local wages.

We need to urgently find solutions to help tackle the imbalance in our housing market to enable more people to afford to live close to where they work. With the high price of fuel and lack of public transport, travel to work is also not an affordable option for many, so proximity is even more crucial.

Devon and Cornwall MPs have met repeatedly with the multiple housing ministers we have had in my short time at Westminster. We have taken our case to Number Ten on multiple occasions and are grateful for the steps that have been taken to begin to tackle what is a very complex issue. Nonetheless, we also want far more to be done.

#### If The reason our visitors come – our pubs, restaurants, attractions – will be unable to be sustainable businesses with no one left to run them JJ

The Council Tax surcharge on second homes will undoubtedly help by allowing councils to charge double the rate of Council Tax for second homes. The closing of the business rate tax loophole, preventing councils from collecting empty property rates of Council Tax, was also warmly welcomed. However, so much more is needed to begin to deliver real change into the beautiful rural and coastal areas that are so popular with tourists.

We need to go further. For a start, addressing the imbalances in the taxation system and environmental standards between short and long term holiday lets. The tax changes that removed being able to claim mortgage rate relief on long term rentals came into effect at the start of the 2020-21 tax year. But these amendments only affect long term

rentals: short term holiday lets have a specific exemption. This playing field needs levelling.

If The growth in second home ownership was a problem even before the pandemic, leaving the spectacular surf village of Croyde well over 50% unoccupied through the winter

Much needed energy efficiency improvements to properties are again only required in long term rentals. There is significantly greater return and less investment required, to rent a property out to the short term market in areas such as Devon and Cornwall.

Following the Government's consultation on the short term holiday let sector, it announced, as part of the Levelling Up and Regeneration Bill, that it would deliver a registration scheme for short term lets. This scheme is a real opportunity for tourist destinations to bring balance back to their housing markets. The scheme will give councils more of an oversight of property use in their areas, and is the start of giving communities more control over the planning use for properties that owners are considering turning into short term lets.

Local councils will be able to compile a full register of holiday let properties in their communities and from that determine whether any more are actually needed. Once the register is established properties wishing to become a short term holiday let would have to apply for a change of use, which could be rejected if the housing market was already saturated or out of balance, as our own currently is. When we have such a shortage of affordable housing, we need to find ways to ensure that all new properties coming to the market are available to the people who work locally to live in.

Small rural communities have a host of other challenges to overcome when it comes to housing. These include: no affordable homes in tiny developments; inadequate funding available for community land trust projects; and concern that the reintroduction of right to buy will deter landowners from releasing land to community projects if there is no guarantee that it remains affordable for future generations in that village.

We need to find ways to enable farms to redevelop outbuildings into homes for their own workers and for villages to build homes for their own families. Housing associations have a vital role to play in addressing this, but development seems to struggle to keep up with the demand. Research by the charity CPRE shows that social housing demand is increasing at six times the rate of supply and it will take 154 years to clear the backlog of social housing waiting lists in rural areas at current build rates.<sup>76</sup>

Whilst the Levelling Up White Paper rightly highlights the need to ensure our communities are beautiful places to live, when you already live, work and have grown up in a beautiful place, ensuring there are enough affordable homes to rent and buy is vital. The White Paper, in truth, does not adequately address the demise of long term rentals, or how we will actually increase affordable properties in rural locations.

In addition, there are concerns about how affordable housing will be paid for in future with the demise of Section 106 agreements. Across the UK, almost 50% of new affordable housing is funded by Section 106. In rural areas that is even more: in Devon, for example, 76% of new affordable housing built in 2020-21 was via Section 106, and for social rented housing this was 86%.<sup>77</sup>

The lack of affordable housing in most of rural and coastal Britain is creating a quiet housing crisis with priced out youngsters moving out. At the same time, more retirement and holiday communities are developing without any of the services or facilities with valuable staff needed by an ageing population in a remote location. The reason our visitors come – our pubs, restaurants, attractions – will be unable to be sustainable businesses with no one left to run them.

<sup>76.</sup> CPRE, "Social housing waiting lists grow for over half of rural councils", https://www.cpre.org.uk/about-us/cpremedia/rural-social-housing-waiting-lists-grow-2020/ (2020).

Jess Mccabe, "How much does Section 106 really contribute to affordable housing supply?", *Inside Housing*, 5 October, 2022.

We have to find a way to redress the housing market in our most desirable rural and coastal locations to enable every generation to live and work there. After all, villages without amenities rapidly cease to be communities.

**Selaine Saxby MP** is the Conservative MP for North Devon and a member of the Work and Pensions Select Committee. Please note that the essay was completed before the 2023 Spring Budget.

## MAKING A NEIGHBOURHOOD A HOME

#### The power of community spaces

#### Toby Lloyd

The pandemic required extraordinary responses from us all. Homeschooling, working from home, keeping vital services going and supporting those in need through lockdown threw up huge challenges and triggered countless examples of heroic local efforts. Some places and communities were better prepared, or just seemed better able to cope, than others. With the benefit of hindsight, we can see that the strength and depth of the community sector was often an important factor in determining how places fared in the face of this extraordinary shock.

#### **ff** Community spaces foster community activity, which in turn creates greater resilience and wellbeing amongst the local population **JJ**

The No Place Left Behind Commission I chaired, which reported in autumn 2021, heard so many stories of where a pre-existing set of community organisations – or even just one community group – had been the centre for rapidly organised support efforts that helped people get through the crisis.<sup>78</sup> And central to a thriving community sector are the spaces and buildings where people meet and communities come together.

<sup>78.</sup> Create Streets Foundation, "No Place Left Behind: the Commission into Prosperity and Community Placemaking", https://www.createstreetsfoundation.org.uk/no-place-left-behind/ (2021).

For example, Hebden Bridge has an unusually rich network of community businesses, centred around the old Town Hall building, which the community acquired in 2010 and now boasts a café, events space, offices and more. This dynamic community sector was critical to helping the town recover from serious floods in 2012, 2015 and 2020 that severely disrupted the life and business of the town centre. Even when the Town Hall itself had to shut its doors during the pandemic, the wider network of community businesses and volunteer organisations it nurtures was right at the centre of the relief and rebuilding efforts.<sup>79</sup>

**G** We have to recognise that many community spaces are in decline, or have disappeared entirely, because it is not always in the interests of their owners to maintain them or keep them in their current use. Markets are fantastic tools for many purposes, but there are things that market forces simply cannot provide adequately, and community spaces are often one of them **JJ** 

The value of community spaces is not just about buildings that could serve as logistical hubs, however. In Wolverhampton, locals formed the Acts of Random Caring Community Interest Company (CIC) in 2013 to prevent the closure of an adventure playground.<sup>80</sup> It is now a thriving community centre with a café, bookable rooms, play equipment, a community garden and a large fire pit with seating, as well as a wooded area with mature trees for nature activities. When the first lockdown hit in 2020, they installed benches and bins in a green space which became an important meeting point for local people. They had already been distributing 'community parcels' to address local needs before the pandemic, so they were able to scale up this activity and had good existing knowledge of who might need

<sup>79.</sup> Neil Lee and Polty Swann, "Saving the high street: the community takeover", www.powertochange.org.uk/ wpcontent/uploads/2020/10/Saving-the-High- Street-the-community-takeover-Report.pdf (2021). 80. Gatis Community Space, "Who we are", https://www.gatiscommunityspace.co.uk/who-we-are/ (2022).

support. They also 'glammed up' an old fridge, filled it with books, added a sign and put it on a street corner as a free resource for the community.

G Towns with more and better places for people to meet and communities to organise around will tend to foster stronger and more inclusive communities J

Research confirms the message of these stories: that community spaces foster community activity, which in turn creates greater resilience and wellbeing amongst the local population. The University of Cambridge Bennett Institute has shown that towns with more community facilities tend to have a higher number of mutual aid groups per head of population.<sup>81</sup> And Nuffield Foundation research has also shown that people living in places that had received higher levels of social infrastructure investment were more likely to have engaged in volunteering and social activism during the pandemic, were more likely to report their relationships with family and neighbours had improved during the pandemic, and felt more optimistic about the future.<sup>82</sup>

Unsurprisingly, the reverse is also true: a dearth of places for communities to come together contributes to a feeling of neglect, isolation and of being left behind. The Local Trust's conclusion from running Big Local programmes in 150 of the most left-behind neighbourhoods is that "communities lacking in places to meet and social infrastructure – such as youth centres, pubs, cafes, parks, community hubs and day centres – find it much more difficult to nurture the social interactions and relations that play an essential part in developing strong social capital and cohesive, well-integrated local communities."<sup>83</sup> Polling by Survation found that

programmes are faring better in the midst of the Covid-19 pandemic", https://www.belongnetwork.co.uk/wpcontent/uploads/2020/10/The-Social-Cohesion-Investment-Final-2.pdf (2020). \$3.Local Trust, "Left behind? Understanding communities on the edge", https://localtrust.org.uk/insights/research/left-

Tom Kelsey and Michael Kenny, "Townscapes: The Value of Social Infrastructure", https://www.bennettinstitute. cam.ac.uk/media/uploads/files/Townscapes\_The\_value\_of\_infrastructure.pdf (2021).

<sup>82.</sup> Dominic Abrams et al., "The Social Cohesion Investment: Local areas that invested in social cohesion

<sup>83.</sup>Local Trust, "Left behind? Understanding communities on the edge", https://localtrust.org.uk/insights/research/leftbehind-understanding-communities-on-the-edge/ (2019).

the top two things people in left-behind places felt their area was most deprived of were 'places to meet' and community resources such as leisure and sports facilities – ranking these above jobs or healthcare.<sup>84</sup>

Simply put, towns with more and better places for people to meet and communities to organise around will tend to foster stronger and more inclusive communities. This seems fairly obvious and should be uncontroversial, yet it is barely recognised in government announcements or funding decisions. In fact, community centres, local green spaces and other basic sites for communities to come together are frequently neglected, and often the first to be cut when budgets are tight. Statutory services such as social care have the first claim on increasingly scarce local government resources – and central government programmes tend to instead focus on nation-wide services and big ticket infrastructure.

# **ff** Central to a thriving community sector are the spaces and buildings where people meet and communities come together **JJ**

Even the recent wave of funding streams aimed specifically at local, place-based regeneration have tended to reflect ingrained Whitehall assumptions that large-scale infrastructure projects represent better value for money than the small scale, local projects that can actually mean so much to communities. Looking across the various levelling up funds, a recent study estimated that "£163 billion of the total £172 billion that has been allocated has been directed to projects of this kind. The remaining £9 billion is earmarked for investments locally that may incorporate social infrastructure but are also likely to reflect the focus upon economic growth and improved connectivity."<sup>85</sup> Tackling this bias against social infrastructure and enabling more of these regeneration funds to support

Local Trust, "Left behind areas missing out on community facilities and places to meet", https://localtrust.org.uk/ news-and-stories/news/left-behind-areas-missing-out-on-community-facilities-and-places-to-meet/ (2020).
 Tom Kelsey and Michael Kenny, "Townscapes: The Value of Social Infrastructure", https://www.bennettinstitute. cam.ac.uk/media/uploads/files/Townscapes\_The\_value\_of\_infrastructure.pdf (2021).

the relatively modest costs of community spaces should be an obvious priority for any government committed to levelling up, as should backing the call from over 620 civic, public and private organisations for £500 million of dormant assets to go into a Community Wealth Fund ring-fenced for social infrastructure in left-behind neighbourhoods.<sup>86</sup>

#### **ff** Community spaces foster community activity, which in turn creates greater resilience and wellbeing amongst the local population **JJ**

Capital investment in high quality community spaces is important, but so too is revenue support. Many of our existing community spaces have fallen into neglect due to cuts in ongoing basic maintenance and management. A long-term solution to the dire state of day-to-day local government finance is urgently needed. The No Place Left Behind Commission called for local authorities in left-behind places to be given ten year core funding settlements and for a one-off post-pandemic reallocation of historic council debt from local to national government to allow local authorities to invest in their own communities.<sup>87</sup>

But funding alone is not enough. We have to recognise that many community spaces are in decline, or have disappeared entirely, because it is not always in the interests of their owners to maintain them or keep them in their current use. Markets are fantastic tools for many purposes, but there are things that market forces simply cannot provide adequately, and community spaces are often one of them.

The incredible community space being developed by the Hastings Commons network of community businesses looks on the face of it like a triumph of dynamic community action – and it is. With affordable homes, co-working studios and offices, three floors of leisure businesses, a roof

<sup>86.</sup> Community Wealth Fund, "Why the Community Wealth Fund should be a beneficiary of the expanded dormant assets scheme", https://community.wealthfund.org.uk/wp-content/uploads/2022/10/CWFA-DA-Submission-1-1.pdf (2022).

<sup>87.</sup> Create Streets Foundation, "No Place Left Behind: the Commission into Prosperity and Community Placemaking", https://www.createstreetsfoundation.org.uk/no-place-left-behind/ (2021).

garden, glasshouse and bar, all housed in a beautiful former printworks, the Observer Building will be a fantastic resource for the local community.<sup>88</sup> But it is also an indictment of the power of private property owners to exploit neighbourhoods and communities. The Observer Building was closed in the 1980s and blighted the high street in central Hastings for the next 35 years. During that time, it received ten different planning permissions, none of which were implemented. Unable to buy the building and put it to good use, the community could only watch as it changed hands no less than thirteen times – twelve of them making a profit for the previous owner.89

**G** Even the recent wave of funding streams aimed specifically at local, place-based regeneration have tended to reflect ingrained Whitehall assumptions that large-scale infrastructure projects represent better value for money than the small scale, local projects that can actually mean so much to communities **1** 

For communities to be able to acquire, develop and maintain more community spaces, they need new rights to tackle extractive ownership and take back control of assets of community value. Twelve years ago the Coalition Government consulted on creating a Community Right to Buy that would do just this.90 Despite the success of a similar right in Scotland since 2003, in England the proposal was watered down in the Localism Act 2011 to become merely a Right to Bid - essentially the right to offer a property owner money, which they have no obligation to accept.<sup>91</sup> Unsurprisingly, this has had very little impact, and only around 1.5% of the thousands of properties that have been registered as

<sup>88.</sup> The Observer Building, "Plans", https://theobserverbuilding.org.uk/our-plans/.

<sup>89.</sup> Elliot Wright, "Old Hastings Observer building to reopen", https://www.sussexexpress.co.uk/news/people/oldhastings-observer-building-to-reopen-heres-whats-planned-for-inside-3695915 (2022). 90. GOV.UK, "Consultation outcome Community Right to Bid", https://www.gov.uk/government/consultations/

ocomunity-right-to-bid (2011). 91. GOV.UK, "Guidance Community Right to Bid", https://www.gov.uk/government/publications/community-right-to-

bid-non-statutory-advice-note-for-local-authorities (2012).

assets of community value since 2011 have actually been transferred to community ownership.<sup>92</sup>

# **66** A dearth of places for communities to come together contributes to a feeling of neglect, isolation and of being left behind **33**

To realise the power of community spaces we now need a genuine Community Right to Buy, giving local communities the right of first refusal to purchase Assets of Community Value that come to market, at a fair price assessed by an independent valuer. Communities up and down the country have come together to help each other through the crises of recent years. Embedding that hard-won capacity means investing in the spaces around which communities mobilise and cohere. The Community Spaces and Relationships Strategy that was promised in the Levelling Up White Paper of early 2021 must give communities at least some of the funding and, most importantly, the legal rights they need to acquire the assets that are so vital to community action and resilience.<sup>93</sup>

**Toby Lloyd** was the Chair of the No Place Left Behind Commission, set up by the Create Streets Foundation to explore the potential for community empowerment and placemaking to improve lives and neighbourhoods in left-behind places. He was previously the Number 10 Special Adviser on housing and local government to Prime Minister Theresa May and worked as the Head of Policy for Shelter. Toby is a Fellow of think tanks Onward and Create Streets, and an Honorary Associate Professor at University College London.

Tom Archer et al., "Our assets, our future: the economics, outcomes and sustainability of assets in community ownership", https://www.powertochange.org.uk/wp-content/uploads/2019/07/Assets-Report-DIGITAL-1.pdf (2019).
 GOV.UK, "Policy paper, Levelling Up the United Kingdom", https://www.gov.uk/government/publications/levellingup-the-united-kingdom (2022)

### CUSTODIANS OF THE COMMUNITY

# The role of housing organisations providers in regenerating communities

#### **Claire Higgins**

I love my home. I want everyone to have a home like mine in a nice community. People want to live in thriving communities with lots of opportunities but to offer this we need to be able to provide them with good quality affordable housing.

Doncaster social housing resident Pam Hankinson sums up what I think our vision for a housing policy should be, better than I could. A home is more than the walls that surround us. It is a fundamental part of our social fabric and it cannot be seen in isolation of the community in which it sits. But in our housing policy too often it does. We talk too much about units and targets, not homes, people and places.

Housing policy must of course deliver on numbers – at least eight million people are struggling to find a decent, affordable home.<sup>94</sup> But bold housing policy must go beyond this and focus on the needs of a whole place. This means building new homes alongside investing in existing homes, strengthening communities and restoring pride in place.

Bold housing policy, with a central focus on place and regeneration, would save the economy billions. It would slash the four billion pounds a year that poor-quality housing costs the NHS,<sup>95</sup> improve educational

<sup>94.</sup> National Housing Federation, "People in housing need", https://www.housing.org.uk/globalassets/files/people-inhousing-need/people-in-housing-need-2021.pdf (2021).
5. BRE, "The cost of poor housing in England" https://bregroup.com/press-releases/bre-report-finds-poor-housing-

BRE, "The cost of poor housing in England" https://bregroup.com/press-releases/bre-report-finds-poor-housingis-costing-nhs-1-4bn-a-year/ (2021).

attainment blighted by children living in overcrowded homes, increase stability and security – both accepted as major barriers to employment – and leapfrog the country forward in our net zero commitments.

66 Bold housing policy must build trust by scalingup democratic regeneration, seeing residents and the wider community as key partners in the work JJ

How would we do this? For the first time we would need to address, at scale, whole place regeneration and drive a neighbourhood-byneighbourhood approach to create a checkerboard of national impact.

A neighbourhood-by-neighbourhood approach would require differing ways of working, with the government needing partners on the ground who understand the unique strengths of each city, town and village. We need large scale devolution of housing funds and policy to mayoral and combined authorities, building on the success of this policy in London.

Devolved powers then need to work closely with local and community partners to spend this funding. Place-based housing associations are rooted in many of the communities in greatest need of support; they bring finegrained local knowledge, extensive assets and strong existing relationships.

A focus on place means we also need to look beyond organisations to the people who live in our communities. Last year, PlaceShapers worked with Bright Blue to undertake research to understand what underpins place-based regeneration. The *Stay Local Go Far* report shows the importance of joining up physical, economic and social regeneration.<sup>96</sup> But there is a fourth factor which tenants and communities said mattered most – democratic regeneration.

Too often, when we hear the word regeneration, we may think it is about replacing a community, rather than recharging it. We need to start ensuring that development and regeneration is done for and with the

<sup>96.</sup> PlaceShapers, "Stay local, go far", https://www.placeshapers.org/levelling-up-stay-local-go-far/ (2022).

existing community.

At the York Hill estate in County Durham, the Livin Housing Association worked with residents and the wider community to transform the area.<sup>97</sup> Residents said they wanted the estate to provide homes for sale as well as for rent and to attract new households to the area. The estate had been associated with high levels of anti-social behaviour (ASB) and poor-quality properties, before Livin invested over £5 million into building improvements, improving properties and making more homes available for sale.

#### We need large scale devolution of housing funds and policy to mayoral and combined authorities JJ

The South Yorkshire Housing Association is working with academics to explore the costs and benefits of a whole neighbourhood approach to decarbonisation, including changes to every home, as well as to the public spaces between and around homes, and to local transport infrastructure.<sup>98</sup> North Star is doing similar work to model the costs of refurbishing and retrofitting homes in Darlington.<sup>99</sup>

Such schemes would replace draughty, overcrowded, moribund homes with brand new ones that meet the needs of people in a modern world. They have the backing of the community who are excited by the prospect of regeneration because it means a good home and their children being able to continue to live in the place where they grew up. But for these schemes to get off the ground, we need more flexibility over funding.

As first steps to unleashing the pent-up capacity of place-based housing associations to improve existing homes and places, government should relax the criteria on existing funds – particularly the Homes England grant – to allow more support for regeneration and allow a wider range

<sup>97.</sup> For details on this, see Livin website: https://www.livin.co.uk/placemaking/place-based-projects/.

<sup>98.</sup> See their website for details: https://www.syha.co.uk/.

<sup>99.</sup> See their website for details: https://www.syha.co.uk/.

of delivery partners to bid for funding directly and to lead partnerships.

Government should take the revenue-neutral action of permitting social landlords to use the Recycled Capital Grant Fund, which was worth £43 million to PlaceShapers associations and over £350 million to all housing associations in 2020 and 2021.<sup>100</sup> to fund regeneration works.

**We** believe that the key criterion for awarding funding bids for regeneration should be that there is an evident, proactive and ongoing engagement process with the local community. Regeneration succeeds or fails on this buy-in; we should not be awarding funding unless we know it's firmly in place **1** 

Additional flexibility should also be provided in the Affordable Homes Programme's rules to allow grants to be spent on regeneration through acquisitions of and improvements to the existing housing stock. Flexibility is needed above all in places where 'net additionality' rules are not appropriate because of low market demand.

Funding flexibility aligned to a neighbourhood-by-neighbourhood approach would have a transformative impact, unlocking millions of pounds of investment in areas with low market demand and poor-guality housing, where current net additionality rules stifles investment at the first hurdle.

Finally, a bold housing policy must build trust by scaling-up democratic regeneration, seeing residents and the wider community as key partners in the work. In Walsall, the Walsall Housing Group works with a network of community champions to generate support and engagement from the broader community for physical restoration, especially those which involve demolition and the replacement of existing homes.<sup>101</sup> When

<sup>100.</sup> Regulator of Social Housing, "2022 account of private registered providers" https://www.gov.uk/government/ publications/2022-global-accounts-of-private-registered-providers (2023). 101. See the website for more details: https://www.whg.uk.com/.

members of the community are at the heart of this engagement, it is much easier to build the trust necessary to conduct significant physical restoration.

#### I Too often, when we hear the word regeneration, we may think it is about replacing a community, rather than recharging it

We believe that the key criterion for awarding funding bids for regeneration should be that there is an evident, proactive and ongoing engagement process with the local community. Regeneration succeeds or fails on this buy-in; we should not be awarding funding unless we know it's firmly in place.

At the same time, it is essential to stop seeing regeneration just in monetary terms. We need to start to really take social value into account when making decisions on housing and placemaking. Prioritisation of high land values and high house prices has an overweight effect on the current system. This has led to a lack of investment and undervaluing of the buildings and spaces in less prosperous places. To start rebalancing the way we make decisions on housing investment, we need a robust social value reporting framework that will help us understand the true contribution that placemaking has in left-behind areas.<sup>102</sup> The benefits of regeneration go far beyond land value, but we need to start seeing this reflected at the early stages of the decision-making.

A bold housing policy has to start with people and places. When we asked 15 social housing residents what regeneration meant to them, only two talked about large scale physical regeneration schemes. The others talked about improvements that had been made to the fences on their estates, to their local park, to their street lights. They talked about groups of residents working with their council and a housing association to make

<sup>102.</sup> Karbon Homes, "Fair Foundations, a new movement for left behind places" https://www.karbonhomes.co.uk/ media/15558/fair-foundations-report.pdf (2023).

this happen.

Therefore, we need to re-evaluate regeneration. The focus should be on people and places, with funding and support going hand-in-hand. That will give us the best chances of providing far more people like Pam with a great home and community to live in.

*Claire Higgins* is the CEO of Cross Keys Homes, a charitable Community Benefit Society. She also serves as the Vice-Chair of PlaceShapers, the national network of place-based housing organisations.

### **BUILDING TO BELONG**

#### The role of housing in integrating communities

#### **Dr Samuel Bruce**

In a recent Centre for Social Justice study, we demonstrated that a strong sense of local community is seen as important by the public, but not widely felt to be present in our communities today.<sup>103</sup>

# **ff** Thriving communities offer places for people to gather, but, all too often, new-build developments lack community space **JJ**

The top ten factors indicating a strong community include local people helping one another in tough times and people not feeling lonely. Sadly, less than a third of the UK public felt these were reflective of their community.<sup>104</sup>

National statistics confirm this and indeed indicate a worsening situation. Age UK, using ONS data, projects that the "number of people aged 50 and over living in England projected to be feeling often lonely up to 2030-31" is set to rise to 2.1 million.<sup>105</sup> Whilst loneliness is sometimes thought of as particularly acute among older age groups,<sup>106</sup> it is in fact the most prevalent among the young, with individuals between the ages

<sup>103.</sup> Centre for Social Justice, "Pillars of Community", https://www.centreforsocialjustice.org.uk/wp-content/ uploads/2021/06/Pillars-of-Community.pdf (2021).

<sup>104.</sup> Ibid., 25.

<sup>105.</sup> Age UK, "All the Lonely People", https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-andpublications/reports-and-briefings/loneliness/loneliness-report.pdf (2018).

<sup>106.</sup> To pick a notable illustrative example, the public attention brought to this issue through several well-known John Lewis Christmas television adverts.

of 16 and 24 having the highest incidences of feeling lonely, according to the Community Life Survey.<sup>107</sup>

This matters for several reasons. First, as Dr Hilary Cottam OBE points out, it is a serious issue for those most vulnerable and economically disadvantaged: "Modern poverty is about money and about a breakdown in our social fabric, a rent in our relationships and our shared experience [...] The paucity of relationships affects our understanding of the world, our rich enjoyment and our material chances [...]."<sup>108</sup>

The sociologist Prof Robert D. Putnam pointed out how Western civilisation has become more individualistic and less community-oriented, with diminished 'bridging' between different social groups and classes causing a decline in democratic vitality and civic life.<sup>109</sup>

This should be a matter of serious concern. As Hannah Arendt alarmingly pointed out in her classic *The Origins of Totalitarianism*, loneliness, the "experience of not belonging to the world at all," is the "common ground for terror" and a critical enabling factor in totalitarian domination.<sup>110</sup> She points out that loneliness "[...] is closely connected with uprootedness and superfluousness which have become the curse of the modern masses since the beginning of the industrial revolution [...]".<sup>111</sup>

Guarding against loneliness and social isolation is therefore not just important for individual lives, but also for a thriving and healthy society. Doing this can only happen through a rich web of cross-cutting social relationships based in families, local places and shared pursuits. As Edmund Burke famously put it: "To be attached to a subdivision, to love the little platoon we belong to in society, is the first principle (the germ as it were) of public affections."<sup>112</sup>

This issue, the strength and integration of communities, is not an easy

<sup>107.</sup> Department of Culture, Media, and Spor, "Wellbeing and Loneliness – Community Life Survey 2020/21", figure 2.4, https://www.gov.uk/government/statistics/community-life-survey-202021-wellbeing-and-loneliness/wellbeing-and-loneliness-community-life-survey-202021 (2021).

<sup>108.</sup> Hilary Cottam, Radical Help (Boston: Little, Brown Book Group, 2018), 42.

<sup>109.</sup> Robert D. Putnam,"Bowling Alone" (New York: Simon & Schuster, 2020) and Robert D. Putnam, "The Upswing" (New York: Simon & Schuster, 2020).

<sup>110.</sup> Hannah Arendt, *The Origins of Totalitarianism* (London: Penguin Modern Classic, 2017), 624. 111. Ibid., 624.

<sup>112.</sup> Edmund Burke, Reflections on the Revolution in France (London: Penguin Classics, 2004), 135.

one for public policy to address. There is no simple top-down strategy that can re-build our social fabric. It is an inherently bottom-up issue that requires myriad interventions, each carefully tailored to local circumstances and enabled through empowered community action.

Nevertheless, as Danny Kruger MP's *Levelling Up Our Communities* report demonstrated, government does have a crucial role to play in enabling a new 'social covenant' through policies which facilitate community connections and empower local initiatives.<sup>113</sup>

One area that is fundamental to this is housing. 'Housing policy' is not one single area or issue. Planning, investment, infrastructure, social policy, fiscal policy and environmental regulations are just some of the major areas with considerable bearings on housing. Here, I highlight some ways in which better housing can promote stronger community integration and some policy measures that would make it easier. To give focus, I concentrate here mainly on the supply of new homes, but there are other areas which are also key, not least long-expected reforms to the private rented sector.<sup>114</sup>

First, architecture and urban planning. Walkability should be a cornerstone of our new developments, and not only because it is popular and good for the environment. It is also an opportunity for people to connect; indeed, the organisation Create Streets has shown how more car-dependence can "stifle neighbourliness."<sup>115</sup> Further, access to greenery, including front and rear gardens, is "associated with many more neighbourly interactions compared to environments with no outdoor space."<sup>116</sup>

In addition to these, spatial design matters. As the *Building Better*, *Building Beautiful* commission made clear, "faceless architecture that

<sup>113.</sup> Danny Kruger, "Levelling up our communities: proposals for a new social covenant", https://www.dannykruger.org. uk/files/2020-09/Kruger%202.0%20Levelling%20Up%20Our%20Communities.pdf (2020).

<sup>114.</sup> For more detail on this, see Centre for Social Justice, "Putting Down Roots: Improving Security for Renting Families and Private Landlords", https://www.centreforsocialjustice.org.uk/wp-content/uploads/2019/03/puttingdown-roots.pdf (2019).

<sup>115.</sup> Create Streets, "Terraced Friendship".https://www.createstreets.com/wp-content/uploads/2020/11/Terraced-Friendship-Living-with-lockdown-1.pdf (2020), 3.

could be anywhere" is inimical to a strong sense of place.<sup>117</sup> The example of Poundbury in Dorset is famous for ensuring urban design which references both vernacular and elegant, characterful historic building design. Homes are organised around rear courtyards, and multiple parks and squares provide opportunities for neighbour interaction.

#### **Guarding against loneliness and social isolation** is therefore not just important for individual lives, but also for a thriving and healthy society **JJ**

This leads to another point; the incorporation of community facilities into housing developments. Thriving communities offer places for people to gather, but, all too often, new-build developments lack community space. An example to follow would be the Graylingwell development in Chichester that has magnificent community assets, including community space in an historic church, a community garden, and a multi-purpose community centre and café, all enabled through the impressive work of the Chichester Community Development Trust.<sup>118</sup>

Whilst facilities and design are important, there is also another significant question: the composition of the community. Both Graylingwell and Poundbury are notable for being mixed communities with substantial provision of social and affordable housing at 40%<sup>119</sup> and 35%<sup>120</sup> respectively. The Guinness Partnership, a major provider of Poundbury's affordable housing, reports particularly high levels of resident satisfaction there.<sup>121</sup>

The integration of social housing into developments is important not only for the welfare of the families benefiting from it, but for society as a whole. It is vital to prevent the negative social outcomes seen in mono-

- 118. See Chichester Community Development Trust web site for more information: https://chichestercdt.org.uk
- JTP Architects, "Graylingwell Park<sup>1</sup>, https://www.jtp.co.uk/projects/graylingwell-park (2007).
   Duchy of Cornwall Poundbury website, "Property in Poundbury", https://poundbury.co.uk/property/ (2023).
   Ibid.

<sup>117.</sup> Building Better, Building Beautiful Commission, "Living with Beauty", https://assets.publishing.service.gov.uk/ government/uploads/system/uploads/attachment\_data/file/861832/Living\_with\_beauty\_BBBBC\_report.pdf (2020), p.v.

tenure housing developments, with the modernist, brutalist, highfalutin high-rises of the 1960s and 1970s being notorious cases in point, such as Hutchesontown C in the Gorbals, Glasgow or the Southgate Estate in Runcorn, both of which had to be demolished as a result.

Walkability should be a cornerstone of our new developments, and not only because it is popular and good for the environment. It is also an opportunity for people to connect

More positively, it spreads opportunity through better-integrated social connections, enabling transfers of knowledge, trust and mentorship.<sup>122</sup> It enables the adequate resourcing of local public services, such as healthcare and policing, by ensuring employees can live locally even if local income levels render most open-market accommodation unaffordable. For example, ensuring that adult social care workers can reside in the area reduces bed-blocking in hospitals. Another advantage is that more social housing also enables faster build-out of developments, as the Letwin Review demonstrated.<sup>123</sup>

In addition to income differences, another form of social integration that matters is age-related. There is a shortage of adequate housing for older people, which is a pressing issue given our ageing population.<sup>124</sup> Such housing in walkable communities with good facilities matters especially for this age group, as mobility is often lower for elderly people. This can bring additional community benefits, for instance since over-65s

<sup>122.</sup> For examples of the importance of 'bridging' social capital (as Robert Putnam describes it) or 'weak ties' in the language of Mark Granovetter, see their works: Robert D. Putnam, *Bowling Alone* (New York: Simon & Schuster, 2020) and Mark S. Granovetter, "The Strength of Weak Ties", American Journal of Sociology (1973), 1360-1380. For examples of the importance of Role Modeling, see Centre for Social Justice, "Role Models Initative", https://www. centreforsocialjustice.org.uk/library/role-models-initiative (2020).

<sup>123.</sup>Oliver Letwin, "Independent Review of Build Out Rates: Draft Analysis",. https://assets.publishing.service.gov.uk/ government/uploads/system/uploads/attachment\_data/file/718878/Build\_Out\_Review\_Draft\_Analysis.pdf (2018), esp. 16.

<sup>124.</sup> National Housing Federation, "Older Person's Housing Group", https://www.housinglin.org.uk/\_assets/Resources/ Housing/OtherOrganisation/NEW-OPHG-A4-v4.pdf (2022).

are the most likely to volunteer.<sup>125</sup> Furthermore, good quality retirement accommodation can incentivise downsizing once children have flown the nest, thus freeing up larger family homes, enabling more efficient use of housing nationally.

How can we move towards higher-quality, more community-friendly developments? A great deal could be said about this; here are just five salient issues.

First, a major question concerns the cost of land. It is no coincidence that many of our most cherished new-build developments, such as Poundbury and Graylingwell, involve developing public land, that of the Duchy of Cornwall and the former Graylingwell Hospital. We need to make better use of more public land for housing; the Department for Levelling Up, Housing and Communities' (DLUHC's) concluding summary report of its Public Land for Housing programme revealed that, at its conclusion, only 38% of its target had been met.<sup>126</sup> We can and should do better.

Second, the reason public land can more easily unlock such beautiful homes, facilities and infrastructure is that more, or even all of the planning uplift value is captured for the common good. As the economist Liam Halligan points out, a key reason for this is the land compensation rules.<sup>127</sup> Recently, centre-right thought leaders, including Downing Street Deputy Chief of Staff Will Tanner<sup>128</sup>, Liam Halligan<sup>129</sup>, and Bartek Staniszewski<sup>130</sup> have argued that a reformed compulsory purchase system, providing a fairer balance between landowner compensation and public benefit, would facilitate better development.

<sup>125.</sup> Department for Culture, Media, and Sport, "Community Life Survey", https://www.gov.uk/government/statistics/ community-life-survey-202021-volunteering-and-charitable-giving/volunteering-and-charitable-giving-communitylife-survey-202021 (2021), fig. 5.2.

<sup>126.</sup> Department for Levelling Up, Housing & Communities, "Public Land for Housing Programme 2015-20 Concluding Summary Report", https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/ file/1100726/Public\_Land\_for\_Housing\_Programme\_Summary\_Report.pdf (2022), 4 127. Liam Haltigan, Home Truths (London: Biteback Publishing, 2019).

Will Tanner, "Using land reform to create places people love" in Shelter, "Grounds for Change", https://assets. ctfassets.net/6sxvmndnpn0s/ql7KMBFe3K2wznF4H0f9G/d4022217846f9e393da291375a8d0303/Grounds\_For\_ Change.pdf (2019).

<sup>129.</sup> Ibid.

<sup>130.</sup> Bartek Staniszewski, "Compulsory Purchase Orders are bitter, but their fruits may be sweet", https:// conservativehome.com/2023/01/13/bartek-staniszewski-compulsory-purchase-orders-are-bitter-but-their-fruitsmay-be-sweet/ (2023).

There are of course risks to this proposal, not least the potentially very protracted litigation that could ensue, and so the Government's commitment to a Law Commission review and continued work "behind the scenes with a view to taking action" on this subject is welcome.<sup>131</sup>

Third, the planning system in general needs to be better resourced, more predictable and more accessible to encourage investment and community engagement. In brief, moving in the long-run towards a more rules-based environment should encourage more investment and a well-staffed, modern, digital system would promote better engagement. As the Centre for Social Justice argued in our recent paper *Levying Up*, the proposed new Infrastructure Levy could improve things, provided it is introduced through a cautious, gradual, test-and-learn process, compensates areas with lower land values and protects the supply of truly affordable homes and community infrastructure.<sup>132</sup>

Fourth, we need to support the community-led housing sector to develop more affordable homes, especially in rural areas. It is currently a small, but very important, piece of the puzzle. To give one beautiful example, the Community Land Trust in the village of Queen Camel, Somerset has enabled greater community integration through re-developing a beautiful old school building into a vibrant community centre and café, alongside beautiful affordable homes available for social rent.<sup>133</sup>

It is no surprise that a 2021 LSE, Lancaster and Bristol University-run study, undertaken for the DLUHC, found that community-led housing is highly effective for mitigating loneliness.<sup>134</sup> We can support them through rolling out more 'enabler hubs' and renewing the Community Housing Fund to enable good local initiatives to get off the ground without the

Dehenna Davison, Levelling up and Regeneration Bill, 23 November 2022, https://hansard.parliament.uk/ commons/2022-11-23/debates/C2687887-0727-4666-8E8A-764F12B41D74/Levelling-UpAndRegenerationBill.
 Centre for Social Justice, "Levying Up: Ensuring Planning Reform Delivers Affordable Homes", (2022). https:// www.centreforsocialjustice.org.uk/library/levying-up (2022).

<sup>133.</sup> For more information, see the Queen Camel Community Land Trust web site: http://www.qcclt.co.uk

<sup>134.</sup> Kath Scanlon, Jim Hudson, Melissa Fernández Arrigoítia, Mara Ferreri and Karen West, with Chihiro Udagawa, "Those little connections: Community-led housing and Ioneliness", https://assets.publishing.service.gov.uk/ government/uploads/system/uploads/attachment\_data/file/1035018/Loneliness\_research\_-\_\_Those\_little\_ connections\_pdf (2021).

resources of a major developer.135

Fifth, more investment is needed to unlock beautiful, truly affordable homes. The Government should continue investing in the Affordable Homes Programme and improve and expand it. Furthermore, it should deliver the £10 billion Single Housing Infrastructure Fund promised in the 2019 General Election manifesto to ensure that in new developments, "the infrastructure, roads, schools, GP surgeries, comes before people move into new homes".<sup>136</sup>

From this cursory discussion, we can see how housing and communities as policy areas are two sides of the same coin. We must ensure they are treated as such, and we must undertake immediate steps, alongside generational reforms, to ensure we can create healthier built environments and thriving communities for the future.

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<sup>135.</sup> For details on this, see the Community Land Trust Network website: https://www.communitylandtrusts.org.uk (2023).

<sup>136.</sup> Conservative Party Election Manifesto 2019. https://www.conservatives.com/our-plan/conservative-partymanifesto-2019 (2019).

## STEWARDSHIP

11

### **NEVER AGAIN**

#### Building safety after Grenfell

#### Lord Greenhalgh

The Grenfell Tower tragedy on the 14th of June 2017 resulted in the largest loss of life in Britain from a residential fire since the Second World War. Indeed, it was the deadliest structural fire in the United Kingdom since Piper Alpha in 1988. 72 people died and 70 more were injured.<sup>137</sup>

# **15** of the 37 disabled residents who had lived in Grenfell Tower died in the fire; over 40% **JJ**

In the Johnson administration, from March 2020 until July 2022, I served as the Building Safety and Fire Minister. We were determined to ensure that a tragedy like Grenfell never happened again. The Building Safety Act was the landmark legislation that delivered on that mission, bringing in the biggest changes to building safety legislation for nearly 40 years.

This Act not only addresses the total building safety regulatory system failure head on, but also protects the leaseholders who are the victims of the building safety crisis. It helps to ensure that there is a more proportionate approach to building safety risk, introduces a cap on the historic building safety costs that leaseholders will have to pay and, finally, provides extensive legal measures that ensure that the polluter pays.

In my view, there were three causes of the Grenfell fire. First, a

<sup>137.</sup> Mark Rice-Oxley, "Grenfell: the 72 victims, their lives, loves and losses", The Guardian, 14 May, 2018.

corrosive construction industry culture that encouraged the use of irregular practices to maximise profit. Second, a building safety regulatory system that was broken. Finally, a Fire and Rescue Service that lacked people with the requisite diversity of talent, professionalism and robust governance to be held to account.

If The Grenfell Tower tragedy on the 14th of June 2017 resulted in the largest loss of life in Britain from a residential fire since the Second World War JJ

The Government's response to this corrosive construction industry culture has been to improve the safety of our new builds with voluntary industry codes, such as the Building a Safer Future charter<sup>138</sup> and the Code for Construction Product Information.<sup>139</sup> The housing quality agenda is driven by the New Homes Quality Board and the New Homes Ombudsman Service. Moreover, the building safety regulatory system failures were also responded to in the landmark Building Safety Act. The shortcomings of the Fire and Rescue Services are also addressed, in the *Fire and Rescue Service Reform* white paper, launched in May of 2022 by me and the then Home Secretary, Priti Patel MP.

Deaths from residential fires are typically very low. However, there is a devastating fire in a high rise about every ten years: Garnock Court in 1999, Lakanal House 2009 and the Grenfell Tower tragedy in 2017. And there have been many more frequent near misses, such as Worcester Park, Bolton Cube and New Providence Wharf.

Many leaseholders have faced, and some still continue to face, unaffordable building safety remediation costs post-Grenfell. These include considerable cladding costs; in buildings 11 to 18 metres tall, they amount to around £25,000 per leaseholder, and for buildings between

<sup>138.</sup> See their website for more details: https://www.buildingasaferfuture.org.uk/about-us/.

<sup>139.</sup> See their website for more details: https://www.cpicode.org.uk/about/.

18 and 30 metres, £46,000 per leaseholder.<sup>140</sup> Many leaseholders also face considerable non-cladding costs, such as fire safety systems, fire stopping, compartmentation and fire doors installation. And with that said, many leaseholders are not necessarily wealthy. A significant proportion would not be able to finance the expenditure from personal income and savings alone without government support.

Before I became the Building Safety Minister, the approach had been to govern by diktat. Government by diktat does not work. The Consolidated Advice Note (CAN), issued in January 2020, was a disaster. This only changed with the arrival of Michael Gove MP as Secretary of State, who brought about a building safety reset around three principles: proportion, protection and pollution.

In an oral statement delivered in the House of Commons in January 2022, Gove called for a more proportionate approach to risk: "We need to ensure we take a proportionate approach in building assessments overall. Too many buildings are declared unsafe and too many are seeking to profit from the current crisis."

Gove also acknowledged that leaseholders are victims of this crisis and must be protected: "Leaseholders living in their own flats should not bear the burden of fixing historical fire safety defects that are no fault of their own." Finally, he called for the polluter to pay: "I will not ask hardworking taxpayers to pay taxes to get developers and cladding companies making vast profits off the hook. Instead, we will make industry pay to fix the remaining problems and help to cover the range of costs facing leaseholders."<sup>141</sup>

Action followed swiftly: The CAN was withdrawn in January 2022. The Publicly Available Specification (PAS) 9980 was introduced instead and enabled a consistent and auditable assessment of risk, on a scale of high, medium or low, of the external wall system. The Fire Safety Act 2022 was launched a few months later.

<sup>140.</sup> Based on https://www.checkatrade.com/blog/cost-guides/house-cladding-cost/ and calculations by the editor. 141. Michael Gove, "Building Safety", 10 January 2022, https://hansard.parliament.uk/Commons/2022-01-10/ debates/2B1490CB-A149-4E31-866E-B2C7DA5EE2F8/BuildingSafety.

15 of the 37 disabled residents who had lived in Grenfell Tower died in the fire; over 40%.<sup>142</sup> The Johnson Government was committed to supporting the fire safety of disabled and vulnerable residents, and acutely aware of the need to ensure the safety of those residents with mobility concerns. It ran a consultation on the issue of Personal Emergency Evacuation Plans (PEEPs) in July 2021. This consultation made clear the substantial difficulties of mandating PEEPs in high-rise residential buildings around practicality, proportionality and safety. Given these difficulties, the Government undertook a new consultation, which included a proposal called 'Emergency Evacuation Information Sharing' (EEIS).

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This was a complex ministerial brief to be responsible for, and my closest friend, Greg Hands MP, joked that I was safe in any reshuffle, as no one wanted my job! However, I believe that we made great strides in addressing the impact of the building safety crisis on leaseholders – particularly under the leadership of Michael Gove MP as Secretary of State.

The current Government needs to have the strength of will to move away from the drive for sheer housing numbers and think, also, about quality and place. We do not just need decent homes. We need decent neighbourhoods with homes that are built to last.

**Lord Greenhalgh** was Minister of State for Building Safety and Fire. He was previously the first Deputy Mayor for Policing and Crime in London.

<sup>142.</sup> Robert Booth, "Outrage as ministers reject post-Grenfell safety plans for disabled people", The Guardian, 18 May, 2022.

### **BACK IN THE BROWN?**

#### Regenerating brownfield sites to support housing

#### Jo Gideon MP

An affordable and secure home is a fundamental human need. Yet, in the UK, home ownership is already an aspiration that feels like a distant dream for many.

# **G** Subsidence is a word dreaded by homeowners and builders alike **JJ**

We need more homes that are affordable, safe and compliant with strict standards. While house building starts decreased as a result of the COVID-19 lockdown, it is vital that this number begins to grow again.<sup>143</sup> The Levelling-Up and Regeneration Bill, which is set to pass into law in 2023, will hopefully help achieve this. As part of this, the homes that are built need to be safe and in the right place, and for that we need to shape places to make them right.

Poor planning can lead to rundown town centres, unsafe and dilapidated housing and the loss of countryside. As one of the current Government's goals for planning, protection of the environment implies the idea of retaining as much open space as possible.<sup>144</sup>

<sup>143.</sup> Homes England, "New Homes England statistics show overall housing starts down, reflecting the impact of Covid-19 on housebuilding", https://www.gov.uk/government/news/new-homes-england-statistics-show-overallhousing-starts-down-reflecting-the-impact-of-covid-19-on-housebuilding (2020).

<sup>144.</sup> Department for Environment, Food & Rural Affairs et al., "Protecting and enhancing the environment to be at the heart of new housing and infrastructure developments", https://www.gov.uk/government/news/protecting-and-enhancing-the-environment-to-be-at-the-heart-of-new-housing-and-infrastructure-developments (2022).

Building on brownfield sites offers a great alternative option to greenbelt development. By regenerating areas of land that have been used for industrial or commercial purposes in the past but are no longer in use, we can protect valued green spaces for future generations. This will also create opportunities for construction work as the economy recovers after the COVID-19 pandemic, saving the livelihood of construction workers and boosting local economies. This approach was adopted in the city of Stoke-on-Trent, where 99% of new homes in 2021 were built on brownfield sites.<sup>145</sup>

Stoke-on-Trent is well known for its pottery industry heritage. The city was also home to a large steelwork and over 50 coal mines. These sites have been lost over time and their full potential is often not utilised. In particular, the many potbanks lost in the 2008-09 global financial crash are now in urgent need of repurposing. With the right investment, Stoke-on-Trent can deliver plenty of brownfield sites not only for modern industrial development, but also for housing. We have opportunities to repurpose redundant high street buildings and industrial heritage sites that are currently in an unsafe condition to modern housing. The regeneration of Spode Works in my constituency is a great example of this. Spode Potteries is a strategically important site with the potential to incorporate attractive living and working space whilst saving much-loved and authentic buildings that are integral to our heritage.

However, because of the issues surrounding the re-use of brownfield sites, developers have historically been reluctant and unenthusiastic to make use of them for any new planned schemes. There can be great costs associated with the clean-up of a brownfield site depending on its previous employment – a complex process that requires the involvement of a number of different agencies and stakeholders. In addition, it is necessary to ensure that any new development meets the required building and

<sup>145.</sup> Stoke-on-Trent City Council, "Stoke-on-Trent Brownfield Register", https://www.data.gov.uk/dataset/1368fc6f-3975-4bf1-b234-1f5d6055b7dd/stoke-on-trent-brownfield-register (2022).

planning standards. While the re-use of brownfield sites provides great opportunities, development mistakes can have long-lasting consequences.

# **66** Part of the task of levelling up is to address the legacy of the past **99**

The legacy of the pottery industry of Stoke-on-Trent is also present in the former clay pits. Although the site was redeveloped, the local area of Boatman Drive is experiencing ongoing issues. Several hundred houses were built on the site of an old marl hole, or clay pit. Several years ago, cracks began to appear in the road. The scale of ground movement has increased over time and is beginning to impact more homes in the affected area. Not only has the only road into the housing estate area been closed for three years, but there are also concerns about the safety of local properties. Homeowners are facing increased insurance premiums and devalued properties or are unable to sell their homes, while the situation remains unsolved.

A council-commissioned report suggested that the problem was likely due to adverse soil and water interaction within the backfill deposits to the former marl pit on which the estate is built. The local geology is made up of soft mudstone used in the ceramics industry. Subsidence, a product of soil erosion within the backfill pit material, has possibly caused significant defects to underground water and drainage pipes.

Subsidence is a word dreaded by homeowners and builders alike, as it can affect a house's structural safety and value. As the ground moves lower, the foundations of houses can become misaligned. Particularly with clay soils, weather can change the material a lot. When it is hot and dry, it can shrink and crack, making the ground unstable increasing the risk of sinking.

The problems faced by those in Boatman Drive along with other brownfield developments across the country are impacted by similar issues and have significantly affected local residents' wellbeing. This has particularly impacted vulnerable people, who found it harder to manage the challenges, including access to ambulances for those with health emergencies.

Part of the task of levelling up is to address the legacy of the past. The scars of deindustrialisation continue to make the task of regeneration complex, as places such as Stoke-on-Trent address abnormal site issues: land contamination, decaying industrial structures and the enduring misuse of brownfield land and old buildings. We used to have a specialist national organisation to support local areas in dealing with these sites. English Partnerships, dissolved in 2008, did fantastic work in supporting areas around the country in resolving these conundrums, unlocking latent commercial value.

**66** By regenerating areas of land that have been used for industrial or commercial purposes in the past but are no longer in use, we can protect valued green spaces for future generations **JJ** 

I am very uncertain where that help and support comes from today. This is why I think it is time to consider whether there is a case for recreating an expert body that is properly resourced to support places like Stoke-on-Trent to resolve these problems and therefore accelerate economic recovery. Cities like Stoke-on-Trent with lots of brownfield sites can, and should, be unlocked for new developments and affordable housing programmes. However, with the right help for tackling site abnormalities and connecting development sites, we could do even more.

**Jo Gideon MP** is the Conservative MP for Stoke-on-Trent Central and a member of the Leasehold Reform Bill parliamentary committee.

### THE LONG ROAD

#### Ending rough sleeping for good

#### **Bob Blackman MP**

Across the UK. over 6.631 people were sleeping rough in September 2022.146 This staggering figure is growing, and thus it is essential that the Government takes urgent action if they are to keep their commitment and end rough sleeping by 2024.147

Rough sleeping is a form of homelessness whereby people are sleeping without adequate shelter, typically on the streets and open to the elements, causing a significant threat to health. In London alone, the number of rough sleepers rose by 16% between April and June 2022.<sup>148</sup>

Ending rough sleeping for good has been a significant priority of mine. since being elected to Parliament in 2010. Here, I lay out the methods that I continuously urge the Government to adopt to prevent people from spending yet another night on the streets.

It is important to recognise that rough sleeping is rarely self-inflicted; often, it is caused by an unlucky bout of circumstances. I always find astounding the amount of people with lived experience of rough sleeping who never thought in their wildest dreams that, at some moment in their lives, they would be sleeping on the streets. It is a stark reminder that we need to ensure there are provisions in place to protect people from

government/publications/ending-rough-sleeping-for-good/ending-rough-sleeping-for-good (2022). 148. Crisis, "16% rise in rough sleeping across London – Crisis responds", https://www.crisis.org.uk/about-us/media-

<sup>146.</sup> Department for Levelling Up, Housing and Communities, "Support for people sleeping rough in England, September 2022", https://www.gov.uk/government/publications/support-for-people-sleeping-rough-in-england-september-2022/support-for-people-sleeping-rough-in-england-september-2022 (2022). 147. Department for Levelling Up, Housing and Communities, "Ending rough sleeping for good", https://www.gov.uk/

centre/16-rise-in-rough-sleeping-across-london-crisis-responds/ (2022).

getting into such situations, be it their own fault or not.

There are many reasons for rough sleeping. People can end up sleeping on the streets due to personal circumstances and life changes as well as deficiencies in the homelessness prevention system.

**G** Understandably, due to the inappropriate environment and associated risks, it is very difficult for rough sleepers to sleep. This further worsens their mental and physical health and fuels reliance on drugs **JJ** 

People may have been living with family or friends and sadly experienced their relationship break down. This often leaves people needing to leave the property immediately, with no notice period due to the casual terms of their residency, forcing them on the streets.

A more extreme case of troubled relationships is domestic abuse. It takes great courage for victims of domestic abuse to escape their perpetrators. Victims often fear for their safety and thus, with no preparation, are forced to flee their homes to prevent further harm. This leaves no time to organise alternative accommodation or establish immediate finances to fund temporary accommodation, therefore leaving them with little choice but to sleep rough.

Another, perhaps more obvious reason, is a change in financial circumstances. Unemployment can lead to drastically reduced incomes and, in turn, mean tenants are unable to keep up with rental payments, losing the roof over their heads and being forced to live on the streets.

Following that, mental health problems and substance abuse can alter people's perspective and make it difficult to see a way out of rough sleeping. They may get stuck in a vicious cycle where the longer someone experiences life on the streets, the more likely they are to develop additional mental and physical health needs, engage in substance misuse or come into contact with the criminal justice system. The more advanced those needs become, the harder it is to break the cycle. Until recently, prison leavers were normally discharged on a Friday. This meant that, when they left the prison, often with minimal funds due to their economic inactivity whilst imprisoned, the local authorities were closed for the weekend. As such, they were often forced to sleep on the streets. I am pleased that Friday releases are no longer allowed. However, due to their criminal records, prison leavers still find it difficult to obtain work, and so often will be forced into being homeless regardless of their efforts.

At the same time, getting access to appropriate support can often be a barrier to preventing homelessness. There is a significant lack in the housing available that is appropriate to accommodate people living rough. Frequently, they will be housed in inappropriate shelters or blatantly refused support. Additionally, many mental health assessments will not be carried out on the streets. This makes it impossible to receive help from outreach services or referrals.

#### If A recent report showed that those on the streets are 17 times more likely to be a victim of crime or have anti-social behaviour directed towards them JJ

With regards to substance abuse, it is often a similar story. People can be refused assistance unless they address their drug issues. However, this is very difficult to do when living on the streets with no access to appropriate support. A staggering 33% of rough sleepers that approach local authorities for help are refused assistance of some kind.<sup>149</sup>

Finally, migrants who have no recourse to public funds are commonly exposed to rough sleeping. Many of those in this position who were assisted under the 'Everyone In' scheme – a government initiative that aimed to provide emergency accommodation during the COVID-19 pandemic – face rough sleeping once again. The real problem here is

<sup>149.</sup> Crisis, "Everybody in: How to end homelessness in Great Britain", https://www.crisis.org.uk/media/239951/ everybody\_in\_how\_to\_end\_homelessness\_in\_great\_britain\_2018.pdf (2018).

the long delay in determining the right to remain for those arriving in this country, but this is an extremely complex area to resolve.

The implications of rough sleeping can be devastating. The subjection to below-freezing temperatures, minimal sanitation, limited food or drink and abuse from passers-by are undoubtedly detrimental to the health and wellbeing of rough sleepers.

A recent report showed that those on the streets are 17 times more likely to be a victim of crime or have anti-social behaviour directed towards them.<sup>150</sup> This figure is worse for women, who are frequently kicked or had objects hurled at them. Six percent experienced sexual assault and 51% are subjected to the defilement of their property.<sup>151</sup> Understandably, due to the inappropriate environment and associated risks, it is very difficult for rough sleepers to sleep. This further worsens their mental and physical health and fuels reliance on drugs.

I am pleased that the Government has committed to end rough sleeping in England by 2024. However, considerable resources need to be implemented to make this a reality.

The All Party Parliamentary Group (APPG) for Ending Homelessness works tirelessly in collaboration with the homelessness charity Crisis to continue pressuring the Government to stick with its commitment to get people off the streets. As Chairman of the APPG, I welcome the ongoing collaboration the group has with the Minister on these matters. I am positive that going forward we can continue to make sufficient progress to achieve our shared objective.

In 2016, I introduced the Homelessness Reduction Act. This focused on preventing people from becoming homeless and introduced the most comprehensive changes to the rights of homeless people in England for over 39 years. Fundamentally, its purpose is to ensure that everyone who is at risk of homelessness or is currently homeless is legally entitled

<sup>150.</sup> Crisis, "Crisis reveals scale of violence and abuse against rough sleepers as charity opens its doors for Christmas", https://www.crisis.org.uk/about-us/media-centre/crisis-reveals-scale-of-violence-and-abuse-againstrough-sleepers-as-charity-opens-its-doors-for-christmas/ (2016).
151. Crisis, "Everybody in: How to end homelessness in Great Britain", https://www.crisis.org.uk/media/239951/

<sup>151.</sup> Crisis, "Everybody in: How to end homelessness in Great Britain", https://www.crisis.org.uk/media/239951/ everybody\_in\_how\_to\_end\_homelessness\_in\_great\_britain\_2018.pdf (2018).

to meaningful help from their local authority, regardless of their current status. Previously, only those who were deemed in priority need and at crisis point had been entitled to assistance from local authorities. This excluded most people; in particular, almost all of those who were single.

I always find astounding the amount of people with lived experience of rough sleeping who never thought in their wildest dreams that, at some moment in their lives, they would be sleeping on the streets JJ

The Homelessness Reduction Act also addressed the significant lack of meaningful advice and assistance. Unfortunately, local authority advice and assistance was not usually tailored to the individual's requirements. The Act implemented a duty on all public bodies to refer any person they believe to be at risk of homelessness within 56 days to the housing department of a local authority. This has helped to direct appropriate and efficient support and resources to those in need, and to prevent them from having to sleep rough. That 56-day deadline marks a significant extension: previously, only those at risk of homelessness in the following 28 days would be entitled to receive some guidance.<sup>152</sup> The extension to 56 days means that people have a longer opportunity to gain assistance to resolve their situation.

The Supported Housing (Regulatory Oversight) Bill, that is currently pending in the House of Commons, is set to introduce further measures to tackle rough sleeping. These will ensure that rogue landlords who take advantage of vulnerable people in exempt accommodation are regulated to protect tenants from atrocious accommodation and other exploitation.

There are many more actions that the government can take to help ease the burden of homelessness and prevent people from ever finding

<sup>152.</sup> Department for Levelling Up, Housing and Community, "Homelessness code of guidance for local authorities", https://www.gov.uk/guidance/homelessness-code-of-guidance-for-local-authorities/overview-of-the-homelessnesslegislation (2018).

themselves on the streets. The first of those would be an increase in the housing supply.

Intil recently, prison leavers were normally discharged on a Friday. This meant that, when they left the prison, often with minimal funds due to their economic inactivity whilst imprisoned, the local authorities were closed for the weekend JJ

It is crucial that there is the right amount of the right housing. We need to increase the level of available affordable housing so that, particularly during a time of rising living costs, tenants can keep up with rental payments and simultaneously not be on a never-ending waiting list for such housing. Successful prevention of homelessness is built on the premise that there is universal access to emergency and permanent accommodation. We need to ensure we prevent homelessness in the very first instance; once people are already on the streets, it is a far more difficult feat to take them off them.

Second, although currently adopted by some local authorities, it is essential that the rollout of a homelessness prevention duty is extended to every local authority, ensuring that those at risk are provisioned with support and advice to help alleviate their situation.

As explored earlier, the longer a person is on the streets, the more difficult it is to break the cycle. So, third, it is crucial that outreach is effective and swift to help match rough sleepers with appropriate accommodation as soon as possible. Any barriers to receiving help need to be removed, making the journey off the streets a swift process. The No Second Night Out (NSNO) model is used by many local authorities to move new rough sleepers into accommodation almost immediately.<sup>153</sup>

Every night spent on the streets is a night wasted in rebuilding

<sup>153.</sup> For instance, see Mental Health Camden, "Streetlink's No Second Night Out", https://www.mentalhealthcamden. co.uk/services/streetlinks-no-second-night-out.

someone's life. Every person sleeping rough has a different story. They may have different reasons for ending up there, different complex needs and different hurdles to accessing help. It is crucial that the assistance they receive is personalised and tailored specifically to their needs to ensure the best possible chances at rebuilding their lives. This support must continue for as long as possible into their rehabilitation, ensuring that they are supported to find employment, receive treatment for any physical or mental health needs and are aware of relevant support networks that they may need at some point in the future.

**Bob Blackman MP** is the Conservative MP for Harrow East. Bob serves as the Chairman of the All Party Parliamentary Group for Ending Homelessness, and is a member of the Levelling Up, Housing and Communities Committee.

### LAND LOCKED

#### Giving communities the ability to build

#### John Penrose MP

Britain's housing problem has been brewing for ages. This is because, for the last few decades, we have not built enough new houses. No matter who has been in power, we only add 1% or 2% more living space to our existing housing stock each year;<sup>154</sup> that is not nearly enough to keep up with the demand caused by hundreds of thousands of new households. As a result, housing costs have been getting steadily harder to afford for years.

If The answer is a bigger version of the same idea, with all the same strengths and benefits, but on a much larger scale: 'Street Votes on steroids,' if you like JJ

This does not just increase poverty by making the UK a less affordable place to live, particularly for lower-skilled and lower-paid families, but it also skewers opportunities by making working age people less able to take any life chances that come their way because they are – understandably – unwilling to move from low-cost to high-cost parts of the country without a big pay rise. Furthermore, it unfairly hits poorer children in short-term rented housing by disrupting their education and support

<sup>154.</sup> The Royal Institution of Chartered Surveyors, "Retrofitting to decarbonise UK existing housing stock", https:// www.rics.org/globalassets/rics-website/media/news/news--opinion/retrofitting-to-decarbonise-the-uk-existinghousing-stock-v2.pdf (2020).

networks if they have to move house and school more often than their better-off classmates. It means that more households live in cramped and overcrowded homes, where the shared causes of poverty and poor health, like dampness and disease transmission, are more common. And, last but not least, it makes it far harder for young people to get on the housing ladder and become part of the property-owning democracy that has been such a big and important part of the Conservative Party's dream for so long.

# **G** Would be the biggest single creation of new, available living space for generations **JJ**

The answer to rising demand and inadequate supply is, clearly, to build a lot more homes. It does not matter whether they are to rent or to buy; we need a huge increase in the annual output of the entire housebuilding industry. But how?

The Levelling-Up and Regeneration Bill that has just been approved by MPs includes at least one important step: the 'Street Votes', dubbed "a cracking idea" by the Secretary of State for Levelling Up, Housing and Communities, Michael Gove MP,<sup>155</sup> which will allow individual streets or neighbourhoods to create their own development style codes, democratically approved through a local referendum. Once the new code is agreed, everyone in the neighbourhood can modify their home according to the new plans if they want to, without needing any further planning permissions. The democratic referendum restores local residents' control over their neighbourhoods, preventing developments from being imposed over their heads through legal cases brought by distant, big-business developers with clever and expensive lawyers. Everyone benefits from being able to upgrade their home to the new style code instead of just a few developers pocketing fat profits and then

<sup>155.</sup> Ella Jessel, "Gove backs 'cracking' plans for street votes on suburban development", https://www. architectsjournal.co.uk/news/gove-backs-cracking-plans-for-street-votes-on-suburban-development (2021).

walking away. The new style codes will give our towns and cityscapes their character and beauty back by stopping 'anywhere-ville' estates of identical houses.

It will attract much-needed investment to regenerate and save tired or run-down towns, suburbs and city centres. And it will bring small builders and developers back into the sector, after decades of being squeezed out by the bigger players, because they will be able to build without all the pain, conflict, heartache and huge lawyer and planning consultancy fees that the current system demands.

So, 'Street Votes' is a clear and very welcome win. But is it enough? I worry that it will not be.

This is partly because the failure to build enough new homes is so long-standing and deep-rooted that an even bigger shock to the system will be needed to break it out of its rut. 'Street Votes' are great, but they are not big and scary enough to upend four or more decades of failure on its own.

The Levelling-Up and Regeneration Bill weakened the housing targets that had been a core part of the previous, failed system. While housing targets imposed the wrong types of developments in the wrong places – in the teeth of local community opposition – and let big developers appropriate bumper profits before they moved on to do the same in the next neighbourhood, ending them also means we need more, new ways to stimulate more home-building instead.

What else might help, on top of the 'Street Votes,' to get Britain building again? The answer is a bigger version of the same idea, with all the same strengths and benefits, but on a much larger scale: 'Street Votes on steroids,' if you like. It is called 'Build Up Not Out,' and would mean anybody who owns a home in a town, city or urban area could redevelop it as of right now, provided they follow their local council's design code. Rural areas and heritage buildings would be exempt and the new buildings would still have to satisfy all the right building safety regulations, but if they did, then they could start building straight away.

The effects would be electric. On average, our towns and cities are

about two storeys tall, so a local design code that permits a townhouse revolution of four or five storey buildings would double the amount of home space available in our towns and cities in one go. It would be the biggest single creation of new, available living space for generations.

Almost every urban home-owner's property would immediately be worth more because of the hope value the announcement of the 'Build Up Not Out' policy would create. And as all the newly-permitted space was built out, the cost of housing to rent or buy a flat would fall to become far more affordable for anybody under 40 who wanted to get on the housing ladder or relocate, perhaps because they had been offered an exciting career opportunity in another part of the country.

#### If The new style codes will give our towns and cityscapes their character and beauty back by stopping 'anywhere-ville' estates of identical houses

Moreover, it would be greener, since we would be using existing, brownfield sites. People would also be able to live closer to their jobs and commute less. The policy would abolish the pressure from builders to concrete over green fields and green belts at the edge of towns and cities across the country.

Furthermore, it would be more economically-productive and efficient, as it would use the existing services and infrastructure like drains, water mains, power and fibre-enabled broadband, as well as medical surgeries and schools rather than having to build everything from scratch.

In addition, it would have all the same benefits as 'Street Votes': of reestablishing local community consent and control over what gets built, bringing thousands of small builders and developers back into the market after being squeezed out by the bigger players and restoring character and beauty to our town-and-cityscapes.

Finally, it would stop land banking. The big developers would not be able to control the pace of their building to match whatever rate kept local prices high. If they did, all the new builders and developers would simply swamp them with lots and lots of new homes, built in ones and twos, on existing sites, instead. So, it would always pay to build fast and sell quickly, rather than drip feed properties onto the market. And that is the increase in speed and quantity of building that we are after. It would mean people struggling to own or rent would suddenly find they had got far more choices than before. We would go from a seller's market to a new world where renters and buyers have the upper hand for the first time in decades. That would be transformational, for 'generation rent' as well as everybody else.

*John Penrose MP* has been the Conservative MP for Weston-super-Mare since 2005. He was the United Kingdom Anti-Corruption Champion at the Home Office from 2017 until 2022.

# CONSERVATION

### **SLICES OF PARADISE**

#### Creating beautiful places

#### Nicholas Boys Smith

Three years ago – a lifetime away – the Building Better Beautiful Commission, which I co-chaired alongside the late Sir Roger Scruton, presented our findings to a packed audience besides Lambeth Palace. When we had begun our labours 12 months previously, many had asserted that our task was without purpose and our aims without merit. However, our proposals were greeted with near-universal support. One architect wrote, "I'm finding myself agreeing with almost everything, which is a surprise." The chair of the Academy of Urbanism called it "an unexpected joy." From controversy, consent? *E pluribus unum?* 

**ff** Even pre-COVID, the most popular form of home in this country, as nearly everywhere, is the private house. People want space **JJ** 

What had happened was that calmly, reasonably and, I hope, empirically, the Commission had reviewed the quality, popularity and sustainability of the places we create in England and had found them clearly wanting.<sup>156</sup> People who wrote in to us said so. Focus groups around the country said so. Pricing and behavioural analysis said so. And, frankly, most of the professionals we spoke to said so.

<sup>156.</sup> The Building Better Beautiful Commission, "Living with beauty: report", https://www.gov.uk/government/ publications/living-with-beauty-report-of-the-building-better-building-beautiful-commission (2023).

As the pandemic broke out a few months later, government and local councils started to take our recommendations on board. Major themes included the need to re-green our streets and squares ('an apple tree for every home') and to rejuvenate our streets' vitality as places to dwell – not just roads to rush through. During the crisis, the then Secretary of State, Robert Jenrick MP, wisely relaxed regulations on street dining and supported the planting of more street trees, following the firm evidence that they are associated with fewer accidents, greater health, more walking and cleaner air.

Consequently, in January 2021, the Government followed the Commission's recommendations and published the *National Model Design Code*, a superb document.<sup>157</sup> It should guide neighbourhood fora, councils and developers to create new places and to steward existing ones to be popular, beautiful, happy and sustainable.

Also in 2021, the Government changed the *National Planning Policy Framework*, the overarching document that sets planning policy across the country.<sup>158</sup> It included many of our recommendations: to set beauty as an aim of the planning system, to demand enhanced biodiversity from every development and to strengthen councils' ability to reject proposals which are ungainly or unsightly.

What types of places should we be creating?

Let me say this unambiguously. We must dare to ask communities what they like and how they wish to live. We need to keep it simple and make use of the exciting possibilities for digital engagement. We should aim to create the conservation areas of the future.

Development can be the cause of ugliness. But it can also be the cure. We must combine the best of the old with the new: fast Wi-Fi but safe cycling; beautifully textured streets that look as if they have always been

<sup>157.</sup> Department for Levelling Up, Housing and Communities, "National Model Design Code", https://assets.publishing. service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1009793/NMDC\_Part\_1\_The\_Coding\_ Process.pdf (2021).

<sup>158.</sup> Department for Levelling Up, Housing and Communities, "National Planning Policy Framework", https://assets. publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1005759/NPPF\_July\_2021.pdf (2021).

there, overshadowed by the oak trees that really have.

Twenty years ago, the late architect Lord Rogers proposed an urban renaissance.<sup>159</sup> His task force argued that Britain's towns should be better places. His argument was not without merit. It led to many important improvements, in cities like London and Manchester.

But it was not flawless. Some subsequent development visions made a naively unnuanced argument that high density development is the future and the answer to all our housing needs.

The broad mass of the British people rejected this vision. Like the vast majority of people in all countries, they seek the joys of the garden suburb: the place to call your own, the places "which even when they are communal are not official – the pub, [...] the back garden, the fireside and the 'nice cup of tea,'" as George Orwell fortuitously put it.<sup>160</sup> Even pre-COVID, the most popular form of home in this country, as nearly everywhere, is the private house. People want space.

But this very understandable desire is not without consequences. Sprawling suburbs need a lot more countryside to build upon. That is, to put it mildly, not always very popular with the people who live there already. Nor, in its most elongated variant, is it very good for residents. In multiple surveys, sub-suburbs are associated with knowing fewer neighbours and with less active, less healthy lifestyles. Nor are homes which rely upon miles of new roads to get anywhere the affordable, sustainable future to which we aspire.

We must find a middle way between the extremes of lumpish blocks crammed into a small urban site on the one hand and low-density subsuburbs on the other.

Fortunately, there is an answer that often works: gentle density, a network of beautiful streets and squares, of mansion blocks and terraced and semi-detached houses anchored around real middles, a village green or a local corner-shop; tree-lined avenues, streets that children can safely

<sup>159.</sup> Urban Task Force, Towards an Urban Renaissance (e-Library: Taylor and Francis, 2005).

<sup>160.</sup> George Orwell, The Lion and the Unicorn: Socialism and the English Genius (London: Secker and Warburg, 1941).

walk along, beautiful houses that cherish and evolve the local vernacular and nestle thoughtfully in the landscape. Blocks with clear backs and fronts that are associated with lower crime and better use of 'little and often' green spaces. Such places tend to be more popular, and more prosperous. No one ever complained that a town had too many squares. People respond more warmly, innately and organically to streets that have coherent complexity, colour and texture, and whose forms and features invite you to walk or mimic, however imperceptibly, some of the patterns of nature.

**G** Beautiful buildings transcend their first transitory purpose and sail on into the future: the Edwardian power plant turned into a café, the mediaeval barn turned into an art gallery, the ground floor of a terraced home turned into a shop and then perhaps an office and now a home again **JJ** 

Gentle density expansion and intensification is also part of the answer to 'levelling up,' fixing the scars in too many of our towns. The digital revolution can make the towns left behind by industrialisation viable economic centres once again. Making use of existing infrastructure, not just pouring houses into a field.

Some inspired landowners, developers and community groups are already delivering this model. The King, when he was the Prince of Wales, is the best known. But he is not alone. The Joseph Rowntree Foundation at Derwenthorpe, the Bourne Estate in London, Look StAlbans, the HomebakedCLT, Marmalade Lane in Cambridge: all are playing their part.

Often such places are created with profound levels of neighbourly involvement or even community leadership. This is no coincidence. Done well, greater planning certainty through visual design codes, as the Office for Place will be supporting, would re-balance the scale in favour of the gentle infill, the self-build, the custom-build, the SME, the homeowner and the innovative entrepreneur. The places of the future will not be the same as the places of the past. But they will rhyme. We can do some things far more cheaply now thanks to the exciting possibilities of modular building. But other things are harder. What was two-a-penny a hundred years ago (a delicate string course, some gently patterned bricks) is now the preserve of the wealthy. That is something to fix.

Places of the future should more confidently integrate trees and plants into the town than used to be the case, preserving hedgerows or green corridors running through new settlements and creating allotments. Again, provably popular and good for us. The natural kingdom has a place in the urban realm.

#### G During the crisis, the then Secretary of State, Robert Jenrick MP, wisely relaxed regulations on street dining and supported the planting of more street trees

To create places like this is also something we can agree on and is truly sustainable.

The good news is that the types of places that people find homely, safe and beautiful are, all the polls and pricing data tell us, fairly consistent by age, sex, wealth, race, region and politics.

The types of place we live in, knowing your neighbour, feeling at home in the world and knowing that your children can move safely around the neighbourhood are not partisan passions. We can all agree on this. Fast roads, bad air, overlarge buildings and featureless façades are not the settled preference of the British people. This is why you rarely see them in the most expensive neighbourhoods.

Creating beautiful places is also to build sustainably. Ugly buildings rarely outlive their primary use. But beautiful buildings transcend their first transitory purpose and sail on into the future: the Edwardian power plant turned into a café, the mediaeval barn turned into an art gallery, the

ground floor of a terraced home turned into a shop and then perhaps an office and now a home again.

Resilient and successful places flex their uses easily over the centuries. And in doing so their whole life carbon costs collapse. Constructing a new-build two-bedroom house uses the equivalent of 80 tonnes of carbon dioxide. Refurbishment uses eight tonnes. Even with the highest energy-efficient specification, the new build would take over 100 years to catch-up.

We used not to be afraid of the concept of beauty. The great Octavia Hill wrote that "we all want beauty for the refreshment of our souls" and she sought to provide it in the homes she provided for working people. We now need to reinvigorate the living tradition of place-making. This does not necessarily mean creating a house that looks as if it was built in 1820. Though do so if you wish. But it does mean understanding the qualities of street, of building, of height and of façade that make places popular and homely. We all need our home – our place – as we make our way through the world.

**Nicholas Boys Smith** is the founding director of Create Streets and the Chair of the Government's Office for Place. He co-chaired the Building Better Beautiful Commission.

### LOWERING THE TEMPERATURE

#### Decarbonising Britain's housing stock

#### Sam Hall

Over 19 million homes across the UK are energy inefficient and nearly 29 million lack low-carbon heating.<sup>161</sup> Our buildings are some of the coldest and draughtiest in Europe, and our installation rate of heat pumps is at the bottom of the European league table.<sup>162</sup> Following a successful insulation blitz between 2008 and 2012, the rate of home upgrades has cratered and remained anaemic.<sup>163</sup> With sky-high energy bills pushing millions into fuel poverty and Vladimir Putin weaponising Europe's dependence on gas to help his war in Ukraine, this has become a major policy failure of the UK Government. Home decarbonisation must now become an urgent priority.

It has long been the case that upgrading Britain's housing stock would significantly contribute to solving some of the UK's most chronic problems. First, it would reduce UK greenhouse gas emissions. The impacts of climate change will continue to get worse until the world reaches net zero. Heating buildings produces about a quarter of all UK emissions.<sup>164</sup>

<sup>161.</sup> Environmental Audit Committee, "Energy Efficiency of Existing Homes, Achieving net zero", https://publications. parliament.uk/pa/cm5801/cmselect/cmervaud/346/34605.htm (2021), and Green Finance Institute and Bankers for Net Zero, "Tooling up the Green Homes Industry", https://volans.com/wp-content/uploads/2021/09/Tooling-up-the-Green-Homes-Industry\_FINAL.pdf (2021), 3.

<sup>162.</sup> Greenpeace, "The UK's poor record on heat pumps", https://www.greenpeace.org.uk/wp-content/ uploads/2021/09/Briefing-heat-pumps-9Sept-4.pdf, 3.

<sup>163.</sup> Simon Cran-McGreehin, "Insulation and gas prices", https://eciu.net/analysis/briefings/heating/insulation-andgas-prices (2022).

<sup>164. &</sup>quot;HM Government, "Heat and Buildings: Strategy", https://assets.publishing.service.gov.uk/government/uploads/ system/uploads/attachment\_data/file/1044598/6.7408\_BEIS\_Clean\_Heat\_Heat\_\_\_Buildings\_Strategy\_Stage\_2\_v5\_ WEB.pdf (2021).

Net zero is therefore impossible without nearly eliminating emissions from homes. These emissions come from the energy used for heating and electricity as well as from the construction process and the building materials. The Climate Change Committee recently highlighted the energy efficiency of buildings as an area where climate policy was still lagging behind.<sup>165</sup>

#### While the majority of our imports come from friendly European states, the price we pay for gas can still be manipulated by nefarious regimes – not least Russia

Second, it would address the cost of living and fuel poverty. Greener buildings are more energy efficient and therefore cheaper to power and heat. Retrofitting homes reduces their running costs permanently, meaning fewer expensive schemes are needed from HM Treasury in the form of energy bill rebates for the fuel poor. Home upgrades are the long-term and fiscally responsible way to keep the cost of living down and tackle fuel poverty.

Fuel poverty has now become a crisis. Even with the government's Energy Price Guarantee capping bills, millions of families are struggling to make ends meet.<sup>166</sup> Indeed, National Energy Action estimates fuel poverty is now at 6.7 million households, up from 4.5 million in November 2021.<sup>167</sup> One recent analysis suggested that putting the lights on and keeping a home warm could make up the largest share of household spending since the 1950s.<sup>168</sup>

Finally, reducing the demand for gas to heat our homes would improve

<sup>165.</sup> Climate Change Committee, "Progress in reducing emissions: 2022 Report to Parliament", https://www.theccc. org.uk/wp-content/uploads/2022/06/Progress-in-reducing-emissions-2022-Report-to-Parliament.pdf (2022). 166. Ofgem, "Latest energy price cap announced by Ofgem", https://www.ofgem.gov.uk/publications/latest-energyprice-cap-announced-ofgem (2022).

<sup>167.</sup> National Energy Action, "8.2 million UK households could be in fuel poverty from October", https://www.nea.org. uk/news/8-2-million-uk-households-could-be-in-fuel-poverty-from-october/ (2022).

<sup>168.</sup> Ed Conway, "Energy bill spending heads towards highest level since at least the 1950s", Sky News, 28 March, 2022.

our energy security. In 2021, over half of our gas was imported.<sup>169</sup> In normal times, this reliance on imports would merely be concerning for the UK's balance of payments, but following the Russian invasion of Ukraine, it is harmful to our national security. While the majority of our imports come from friendly European states, the price we pay for gas can still be manipulated by nefarious regimes – not least Russia. Our ongoing dependence on these fuels exposes us to volatile international markets and limits our ability to stand up to hostile states.

It is understandable why ministers are reluctant to prioritise home energy efficiency schemes. But the failure to grip this problem before now has damaged households in the current energy crisis and left our country exposed to petrostates

If the Government achieved its ambition to improve the average energy efficiency rating from band D to band C on energy performance certificates (EPCs) by 2035, it would cut heating demand by 20% and reduce gas imports by 15%.<sup>170</sup> Since there is no realistic prospect of radically increasing domestic gas production – either by exploring new North Sea gas sites or by trying to restart fracking – insulation and heat pumps are the most practical route to making the UK more energy secure.

Upgrades should start with insulating the fabric of a building, especially cavity wall and loft insulation, where the energy savings are high relative to the upfront cost of the measures. On average, insulating cavity walls and lofts could cut household energy bills by over 10% and, for the draughtiest homes, up to 20%.<sup>171</sup> Solid wall insulation, while more expensive and more disruptive than cavity wall insulation, also offers

<sup>169.</sup> Addy Mettrick and Damon Ying, "DUKES 2022 Chapter 4: Natural Gas", https://assets.publishing.service.gov.uk/ government/uploads/system/uploads/attachment\_data/file/1094421/DUKES\_2022\_Chapter\_4.pdf (2022). 170. Simon Cran-McGreehin, "Insulation and gas prices", https://eciu.net/analysis/briefings/heating/insulation-andgas-prices (2022).

<sup>171.</sup> Department for Business, Energy and Industrial Strategy, "Impact of Measures: England and Wales Headline tables", https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1081690/ Impact\_of\_measures\_headline\_EW\_2018.xisx (2021).

significant savings.

That will not be sufficient on its own, however, to achieve all the financial, environmental and security benefits discussed above. Gas boilers also need to be upgraded to low-carbon alternatives to eliminate residual gas usage. Heat pumps are three to four times more efficient than gas boilers, can work in any housing type in the UK and use increasingly lower-carbon electricity.<sup>172</sup> Given household water supply and use contributes around 6% of UK greenhouse emissions, there is also the potential to cut energy waste by improving the water efficiency of appliances.<sup>173</sup>

As important and cost-effective as it is, decarbonising the housing stock cannot be done overnight. For one thing, the supply chain is not big enough to retrofit every home before next winter. But, given the environmental urgency of reducing emissions this decade, energy security fears exacerbated by the Russian invasion of Ukraine, and the cost of living crisis, now is the time for the Government to set out a comprehensive and rapid roadmap for upgrading our housing stock.

Recent government policy is often criticised in this area – and no doubt ambition and urgency have been lacking – but some good steps have been taken. The Conservatives' manifesto in 2019 committed to spend £9.2 billion on energy efficiency, although this has not yet been fully delivered.<sup>174</sup> The *Heat and Buildings Strategy* included a new fund to help people replace their gas boilers with lower-carbon heat pumps and a target for industry to reduce the upfront cost of this critical technology.<sup>175</sup> And in the 2022 Spring Statement, the Chancellor made a very welcome decision to scrap VAT for insulation, heat pumps and solar panels. This was following a campaign by Conservative Environment Network MPs

<sup>172.</sup> Catapult Energy Systems, "All housing types are suitable for heat pumps, finds Electrification of Heat project", https://es.catapult.org.uk/news/electrification-of-heat-trial-finds-heat-pumps-suitable-for-all-housing-types/.

<sup>173.</sup> Waterwise, "Net Zero and the role of Water Efficiency", https://www.waterwise.org.uk/wp-content/ uploads/2021/02/Net-Zero-and-the-role-of-Water-Efficiency-9-2-21.pdf (2021).

<sup>174.</sup> The Conservative Party, "The Conservative and Unionist Party Manifesto 2019", https://www.conservatives.com/ our-plan/conservative-party-manifesto-2019 (2019).

<sup>175.</sup>HM Government, "Heat and Buildings: Strategy", https://assets.publishing.service.gov.uk/government/uploads/ system/uploads/attachment\_data/file/1044598/6.7408\_BEIS\_Clean\_Heat\_Heat\_\_\_Buildings\_Strategy\_Stage\_2\_v5\_ WEB.pdf (2021).

which meant that more people could afford to upgrade their homes.<sup>176</sup>

# **11** Insulation and heat pumps are the most practical route to making the UK more energy secure **JJ**

However, these policies have not been sufficient to drive up insulation rates. Fuel-poor households need additional government support to improve their energy efficiency. Higher-income households do not have thousands of pounds of spare capital waiting to invest in a home retrofit, so they too need incentives and financing to retrofit their homes. For the same reason the support for heat pumps needs to be ramped up.

Fortunately, there are already some successful insulation programmes that we can build on. Expanding schemes like Local Authority Delivery and giving more public money to energy suppliers to expand the new Energy Company Obligation would be a step in the right direction. These schemes are proven to work and could be quickly bolstered.

Critically, we need a multi-year commitment to energy efficiency. That's why the Chancellor's announcement in November 2022 of a long-term energy demand reduction target, an energy efficiency task force, and £6 billion of additional public funding for energy efficiency from 2025 was welcome. Past schemes such as the Green Homes Grant were too short-lived, and insulation companies did not have a strong enough business case to train new installers and expand production.<sup>177</sup> Further policy clarity will unlock private sector investment in the supply chain.

But there are other measures available to help people upgrade their homes. For example, introducing a stamp duty rebate for energy inefficient homes, which are retrofitted within two years of being purchased, could incentivise more households to invest in insulation measures. The 'Cycle to Work' scheme could be replicated for home retrofit, where employers

<sup>176.</sup> Conservative Environment Network "Chancellor slashes vat on home insulation to help with energy bills following a call by green tories", https://www.cen.uk.com/press/chancellor-slashes-vat-on-home-insulation-to-help-withenergy-bills-following-a-call-by-green-tories (2022).

House of Commons Committee of Public Accounts, "Green Homes Grant Voucher Scheme", https://committees. parliament.uk/publications/8007/documents/82623/default/ (2021).

can finance home improvements and employees pay back the costs in monthly instalments from their pre-tax income. These tax breaks need to be designed with simplicity in mind to ensure everyone can access them.

Low-cost financing can help too. The Government could enable home energy loans to be attached to people's utility bills (similar to the failed Green Deal but without the bureaucratic lending limit) or council tax bills (property-assessed clean energy financing in the US). Interest rates could also be lowered by the government underwriting the loans. Germany successfully did this through its reconstruction bank, the KfW, for the past ten years. The new UK Infrastructure Bank can similarly help more households finance these improvements by offering loan guarantees for home retrofits.

# **G** There is no realistic prospect of radically increasing domestic gas production **JJ**

Finally, the Government should increase its ambition for the Boiler Upgrade Scheme in its later years. It was right to be cautious about encouraging too many heat pump installations in the first year to avoid shoddy workmanship that damages consumer confidence in the technology while the supply chain is immature. But the Government should seek to expand the rate of installation incrementally in years two and three. To ensure the running costs of a heat pump continue to compare favourably to those of a gas boiler, the Government should also permanently remove legacy renewable energy subsidies from electricity bills – either funding them out of general taxes (as they are at the moment as part of the Energy Price Guarantee) or shifting them to gas bills.<sup>178</sup>

With a litany of policy failures, it is understandable why ministers are reluctant to prioritise home energy efficiency schemes. But the failure to grip this problem before now has damaged households in the current

<sup>178.</sup> Lynsey Jones, "Green levies aren't to blame for rising energy prices", https://www.cen.uk.com/our-bloglist/2022/7/19/green-levies-arent-to-blame-for-rising-energy-prices (2022).

energy crisis and left our country exposed to petrostates. With fossil fuel prices likely to remain high for some time, we should not delay again. It is time to insulate.

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### THE RIGHT HOMES IN THE RIGHT PLACES

#### Planning reform in rural Britain

#### Paul Miner

Since the late 1980s, there has been an array of reforms that have sought to both make the planning system work more efficiently for private housebuilders and provide mechanisms for effective community involvement. These have culminated in the Secretary of State for Levelling Up, Housing and Communities, Michael Gove MP, introducing, in 2022, a series of legal and policy reforms to the Levelling-Up and Regeneration Bill and proposed revisions to the National Planning Policy Framework (NPPF). These reforms should be guided, in Gove's words, by the acronym BIDEN: beauty, infrastructure, democracy, environment and neighbourhoods.<sup>179</sup>

# A particular problem with large new build housing schemes in rural areas is that residents are forced to rely on their cars

And while there is substantial overlap between much of what we want to see and Michael Gove's BIDEN approach, much more emphasis needs to be given to providing genuinely affordable housing. The BIDEN programme also needs to be substantiated by guarantees given to rural areas on issues such as local democracy and infrastructure, particularly green infrastructure, too.

<sup>179.</sup> Christopher McKeon, "Gove backs 'BIDEN' in bid to win support for new housing developments", *The Independent*, 14 November, 2022.

First, giving communities a say over their local environment. Public involvement in planning is critical to achieving good-quality development and protecting and improving the environment. Indeed, much greater safeguards and reassurances about public involvement in the planning process are required. The processes for both local plans and planning applications can be made simpler, but the public needs to have a meaningful influence at both stages. If we are to have new National Development Management Policies (NDMPs), as the Government currently proposes, they should only go as far as setting a floor, or a minimum and allowing local councils to seek higher levels of affordable housing, biodiversity net gain or energy efficiency where there is an acute local need. Decisions on the location of large housing schemes must still rest with elected local authorities who should also be able to use their planning powers to help regenerate town centres post-COVID. This must involve being able to annul or disapply national permitted development rights where this is needed to help deliver a local vision for the future.

It is also crucial to build the quality homes we need, in the places local people want to see them, at a quicker rate. Sir Oliver Letwin's 2018 *Review of Build Out* set out how we can do this, in particular through local authorities taking a lead role in acquiring land and requiring a wider variety of housing types, from open market to intermediate and then social housing, in each new development.<sup>180</sup> So far, the Government has not done enough to set out how these important changes might be taken forward. Rural areas across England have particularly acute affordable housing needs. A continued focus on home ownership is likely to lead to those needs not being sufficiently met.

Indeed, government policies allowing developers to avoid affordable housing contributions on small sites have made it particularly difficult to seek affordable housing in rural towns. CPRE's 2020 research with Place Alliance shows that a particular problem with large new build

Oliver Letwin, "Independent review of build out: final report", https://www.gov.uk/government/publications/ independent-review-of-build-out-final-report (2018).

housing schemes in rural areas is that residents are forced to rely on their cars.<sup>181</sup> This not only makes it more expensive to live in rural areas, but it also increases air pollution and discourages new residents from leading healthy lifestyles. The Government must give more support for strategic 'larger than local' planning, in order to avoid these problems, as well as support new development with investment in rural bus services and active travel routes.

**G** We live in a nature emergency. As with affordable housing and energy efficiency, local councils should have the power and resources to seek higher levels of environmental or biodiversity net gain than national targets demand, where local circumstances justify **J** 

Third, we should be focusing on tackling the climate emergency. In recent years, most of the innovation in tackling climate change has come from the local level. For example, the Merton Rule, a requirement for new developments to generate at least 10% of their energy needs from on-site renewable energy equipment, has helped encourage more energy efficient new homes.<sup>182</sup> The current government target is for new homes to be net zero 'ready' by 2050. This does not command public confidence when we know that the 2005 *Code for Sustainable Homes* set the target for 2016. A more ambitious target – 2030 at the latest – is both needed and perfectly feasible. Local authorities should be given power to set zero carbon targets for new developments in local plans and national policies should not be used to enforce more mediocre or watered-down standards. In the light of increasing problems and concerns with flooding and river management, there is also no excuse to keep on delaying the introduction of new laws

<sup>181.</sup> Matthew Carmona et al., "A housing design audit for England", https://indd.adobe.com/view/23366ae1-8f97-455d-896a-1a9934689cd8 (2020).

<sup>182.</sup> ICAX, "The Merton Rule", https://www.icax.co.uk/The\_Merton\_Rule.html (2023).

requiring sustainable drainage in new housing schemes.

Furthermore, the Government's current approach to apportioning housebuilding levels between local authorities is supposed to ensure 'enough land is released in the areas where affordability is worst.' In practice, however, government housing policies and investment programmes in recent years have been directed mainly towards the South of England. There is a clear tension with the need and political imperative to encourage regeneration in the Midlands and the North. There are enough suitable brownfield sites in England for over 1.2 million new homes and extensive tracts of this land can be found all over the country.<sup>183</sup> A brownfield-first policy should be introduced. In that, we would both better protect high quality farmland and help regenerate and support the social capital of existing communities. This should be coupled with a stronger steer to meet the affordable housing needs arising in rural communities, which may in turn mean greenfield land needs to be built on in those areas. Rural exception sites are already a well-established means of meeting genuinely local need, especially in the South West, and many developments on such sites have been built to high standards of design. The Government needs to reform a number of spending programmes, in particular the Housing Infrastructure Fund and New Homes Bonus, to increase fairness between the regions and level up the country.

Biodiversity and nature's recovery should also be prioritised. In this respect, CPRE differs from many in the planning sector, who dismiss the value of the Green Belt and argue that it protects poor-quality land and encourages unsustainable patterns of development. Green Belt land provides the countryside next door for 30 million people.<sup>184</sup> Green Belts are needed more now than ever in order to provide space near cities for nature, wellbeing and climate mitigation, to encourage urban regeneration

<sup>183.</sup> CPRE, "Brownfield land for 1.2 million homes lying dormant, our report shows", https://www.cpre.org.uk/news/ brownfield-land-for-1-2-million-homes-lying-dormant-our-report-shows/ (2022).
184. CPRE and Natural England, "Green Belts: a greener future", http://publications.naturalengland.org.uk/

<sup>184.</sup> CPRE and Natural England, "Green Belts: a greener future", http://publications.naturalengland.org.uk/ publication/38005 (2010).

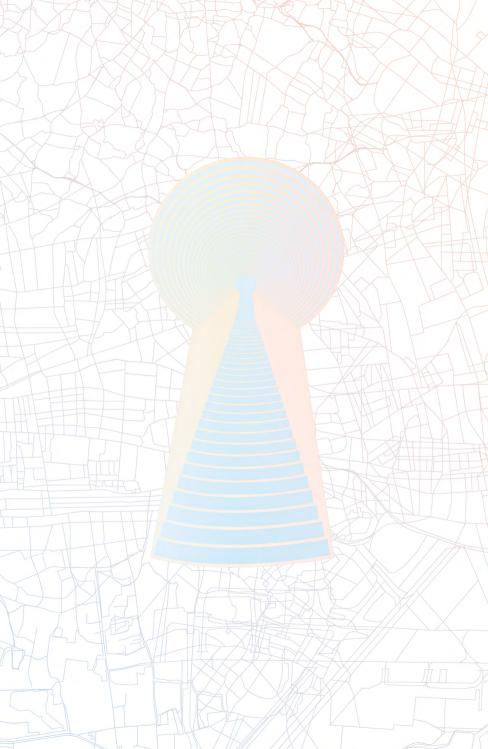
and to prevent London growing at the expense of the rest of the country.

On the contrary, we need a better-protected countryside around large towns such as Leicester and Middlesbrough that do not currently have Green Belts. We live in a nature emergency. As with affordable housing and energy efficiency, local councils should have the power and resources to seek higher levels of environmental or biodiversity net gain than national targets demand, where local circumstances justify this. Devolution of an element of land management spending, as well as planning policies, should help with this. Alongside this, there should be continued encouragement for the designation of local green spaces – a real recent planning success story that has been used over 6,000 times by local planners and parish councils across England.<sup>185</sup>

The Government continues to make bold and exciting claims about improvements to the efficiency and effectiveness of the planning system and outcomes in terms of design, speed and affordable housing provision. But, in practice, those aspirations will be difficult to achieve. Central targets can threaten local democracy and there seems to be an absence of any apparent ambition for increasing the supply of genuinely affordable homes. COVID-19 showed many of us the importance of access to good quality housing, nature and green space. A post-COVID-19 planning system needs to radically improve that access and make the connection to wider public policy goals; goals that will depend to a great extent on the planning system for their success.

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<sup>185.</sup> CPRE, "Local Green Spaces: new research proves their value to people and nature", https://www.cpre.org.uk/ news/local-green-spaces-new-research-proves-their-value-to-people-and-nature/ (2022).



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