HOUSING: THE POLITICS OF PROPERTY
Alex Cunningham MP / Helen Hayes MP / Sadie Morgan
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In 1912, the Local Government Board recommended that the minimum size of a house be at least 79.4 square metres. Europe was in the midst of a pre-WWI arms race, and George V sat on the throne. Today, over a century later, the average size of a new UK home is 76 square metres. New housing in Britain today does not meet the standard that was applied at a time when one in every seven workers was a domestic servant and the average life expectancy was 53.

In 1961, the Parker Morris Committee released an influential report, *Homes for Today and Tomorrow*, which recommended minimum space standards across all housing in new towns and all council housing. These were abolished in 1980 by Margaret Thatcher, who saw the regulations as a barrier to development. After decades of unregulated building, the UK now builds the smallest homes in Europe. New Irish homes average 88 square metres of floor space; in France the average is 113 square metres. New Danish homes are almost double the size of those in Britain.

Newly built apartments of around 14 square metres – so small that four homes could be made to fit into a standard squash court – are no longer unusual, especially in the grossly inflated property market of the English capital. The Parker Morris standards aimed to guarantee three times that area as the minimum space in which a couple could live in a one-bedroom apartment. The relaxation of rules on commercial-to-residential conversions in 2013 led to a boom in thousands of flats in former office blocks, in which “permitted development rights” allow companies to flout minimum standards without obtaining the normal planning permissions.

With land prices increasing, developers and estate agents are making a virtue from necessity, marketing slick-looking, Instagram-friendly “micro houses” – which would easily have fit inside the average new living room in the 1970s – to cash-strapped young professionals. The housing crisis, described by Shelter as a national emergency, is forcing generations of people to adjust their expectations downwards and settle for less, while only those with the resources to exit the market benefit from the ongoing inflation of the property bubble. Until the government properly regulates space, this fundamental commodity will continue to grow ever more expensive while the walls close in on the people of Britain.
The value of the UK’s private rental sector surpasses the GDP of over 100 countries around the world, as well as the commercial output of several multinational companies, according to new research from digital estate agents Bunk. Multiplying the number of tenants in the UK by their average annual rent, Bunk placed the value of the British private rental market at £51.9bn – more than the GDP of Costa Rica (£44.9bn), Bulgaria (£43.8bn) or Croatia (£42.2bn).

If the UK’s domestic landlords were treated as an individual business it would be one of the largest in the FTSE 100, dwarfing even multinationals such as Vodafone (£39.1bn), Lloyds (£35.5bn) and Barclays (£25.5bn).

London alone has a rental market larger than other national economies, with an estimated total annual rental bill of £17.7bn, larger than the GDP of Jamaica (£14.7bn) or Mozambique (£12.3bn).

UK’s landlords richer than over 100 countries

Rohan Banerjee

According to an Ipsos Mori and Chartered Institute of Housing poll, 72 per cent of private renters in the UK believe the rising cost of housing will impact them personally in the next five years, compared with just 51 per cent who think the same for Brexit. For the general public, 57 per cent think the housing crisis will affect them, compared with 56 per cent who think the same for EU withdrawal.

Three quarters of the 2181 adults surveyed said that Britain had a housing crisis, whilst 55 per cent of the total, and 68 per cent of renters, thought this hadn’t been discussed enough in the past few years. 60 per cent of respondents said political parties didn’t pay a lot of attention to housing.

Mark Carney, the Bank of England governor, has warned that a disorderly Brexit could see house prices plunge by as much as 35 per cent. While this may be initially attractive for those who have been priced out of home ownership, it would have serious consequences for homeowners, housebuilders and the wider economy. Brexit worries have already contributed to falling London house prices.
rents and high management fees to homebuyers. The number of leasehold houses increased from 7 per cent in 1995 to 15 per cent in 2016 as developers sought to cash in, sometimes demanding ground rents and management fees totalling thousands of pounds a year. The former housing, communities and local government secretary, James Brokenshire, who has since been replaced by Robert Jenrick, announced to the Chartered Institute of Housing conference in Manchester that the selling of new houses as leasehold properties would be abolished.

An investment company has launched a scheme for people to buy their first homes with a deposit of as little £12,500 and no mortgage. Unmortgage says that its “gradual ownership” scheme, targeted at young people earning at least £30,000 a year before tax, will remove the need for a lengthy contract with a bank or building society. Unmortgage users buy 5 per cent of a property, worth a minimum of £250,000, before the company pairs them with a “funding partner”, selected from a pool of investors. That partner then pays for the rest of the property.

Once the user has moved into the home with their stake, they pay the remainder of its price back to their partner at a rate calculated according to those paid by similar households locally. Over time, the user can increase their stake in the home up to 40 per cent. Once they reach that point they’re able to get a normal mortgage and buy the remaining stake from their partner.

Liverpool City Region, Greater Manchester Combined Authority and West Midlands Combined Authority will begin the first phase of a radical new approach to tackling homelessness known as Housing First, as homeless people across the devolved areas are given settled homes. Until now, standard practice has been to move individuals through “levels” of housing, from rough sleeping on the streets then on to public shelters, through to transitional housing programmes, and eventually on to living in their own dwellings in the community. Housing First approaches make provision of guaranteed individual housing the first step in ending street sleeping.

Last year, homelessness charities reported that street homelessness was up 169 per cent since 2010, which many of the Conservatives’ critics have blamed on policies such as universal credit rollout and cuts to local authority budgets. Under Housing First programmes, health, addiction, employment and related support services are delivered directly to the housing. There are no preconditions for remaining housed and continued tenancy does not depend on participation in these services.

Sajid Javid has committed around £600m to building up to 50,000 new homes alongside place-making infrastructure in five “high-demand” areas in the South East of England. The chancellor said that the money would come from the Housing Infrastructure Fund that he set up during his time as secretary of state for communities and local government.

Just over a third of the investment will be used on a new Essex bypass and a train station near Chelmsford. Roughly £100m will be spent on a new road near Colchester that could support 7,500 houses. London is to receive £240m for social housing schemes in Enfield and the East End. Just under £70m, meanwhile, will be spent on a new school and improved transport in central Bedfordshire.

In a statement, Javid noted as important as increasing housing stock are the “roads, rail links and schools to support the families living in those homes”. He said the investment aimed to get “more people on the property ladder” while “allowing communities to flourish”.

“Mortgage-free” housebuying launched

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“Housing First” pilots begin

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Javid makes bold £600m housing pledge

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Alex Cunningham, Labour’s shadow minister for housing, talks to Jonny Ball about the viability of the party’s ambitious housing Green Paper.

Labour’s homes promise

It’s the hottest day of the year and Britain’s second-hottest day ever, and Portcullis House is suffering from its own mini greenhouse effect as sun streams through its glass atrium. The 38-degree heat, along with the fact that the previous day Boris Johnson became Prime Minister, is contributing to a febrile atmosphere in Westminster. Alex Cunningham, Labour’s shadow minister for housing, is bemoaning Johnson’s “flippant, off-the-cuff nonsense” in the new PM’s first parliamentary performance just hours before.

Last year, Labour’s Housing for the Many Green Paper announced the party’s intention to build at least 100,000 new social homes every year – or a million genuinely affordable homes over the course of two parliaments. “We need hundreds of thousands every year if we’re going to solve the crisis that is housing,” says Cunningham. According to a report by the Centre for Cities, in the last 15 years house prices have doubled, whilst average wages have risen by just 28 per cent. The real estate boom threatens intergenerational solidarity with a growing divide between asset-rich baby boomers and younger workers and families forced into overpriced private rented accommodation. And as ever-larger slices of incomes are spent on housing, the crisis threatens the wider economy, with huge levels of investment sucked into unproductive capital.

As the newest member of Labour’s housing team – the party plans to establish a separate department with its own secretary of state and junior ministers – Cunningham’s stated task is to help plan the largest council house building programme since the 1970s.

The MP for Stockton North joined the Labour front bench in April. His predecessor, Melanie Onn, resigned in order to break the whip and vote against a second Brexit referendum – hers was a heavily Leave constituency. “Right. You want to talk about housing.”
Cunningham declares, after dodging light questioning about the mood of the Labour Party in the wake of Johnson’s barmy ascendancy. He is only interested in talking about his new brief. “I can’t put a figure on 100,000 homes a year,” he says when pressed about the cost of Labour’s policy. “We’re talking about billions of pounds.”

Others have been more forthcoming about how much it would cost. The housing charity Shelter estimates that 1.2m homes are needed for those currently on social housing waiting lists and that 3.1m more social homes need to be delivered over the next 20 years, at a cost of around £10.7bn a year, in order to mitigate the crisis of affordability. In June, similar research by the National Housing Federation (NHF) found that 1.45m new social homes need to be built over ten years, which they estimated would cost £12.8bn a year. Over the decade, the investment would cost £146bn – adjusted for inflation through the building period.

Labour is exploring ways in which this could be funded, floating ideas such as a Land Value Tax to pay for spending plans. “Pension funds could be brought in to fund housing,” says Cunningham, “and that could have a role to play in building the capacity we need.”

According to Housing for the Many, public and private pensions, as well as money from Labour’s proposed £250bn National Investment Bank (capitalised mainly through government bond issues, i.e. debt-financed), will be invested in new social housing.

However, this level of housebuilding may not be as expensive as the current approach. Government spending on affordable housing, now less than a third of the allocated budget in 2010, was only £1.27bn for 2017-18. That year, 5,400 homes for social rent were built. However, housing benefit, much of which is used to rent properties from private landlords, cost £23bn – twice as much as Shelter says it would cost to build over 100,000 social homes. This is an almost total inversion of pre-Thatcherite housing policy, when

£12.8bn a year is needed for new social housing
“We’ve got to look at rent controls”

the homes the government boasts about building are actually put into use.” To this end, Labour’s Green Paper proposes a 300 per cent council tax premium on properties that have been empty for more than a year, a policy that Cunningham seems unaware of. “I haven’t seen anything that says triple council tax,” he says, “but I know we’re already in double council tax.” Since the then Chancellor Phillip Hammond’s 2017 reforms, all councils have been allowed to charge double council tax on long-term vacant dwellings in their local authorities.

For those currently renting in the private sector, Cunningham promises to rebalance the relationship between tenant and landlord. In 2015, 309 Conservative MPs voted against making homes “fit for human habitation”. Almost one in five MPs are landlords, including 28 per cent of Conservatives, 25 per cent of Lib Dems and 11 per cent of Labour MPs. “We need to apply pressure on them to make sure they’re providing a proper service to their tenants rather than dumping them in a hovel and expecting them to put up with it,” Cunningham says. “Rent controls are something that we’ve got to look at. I know Sadiq Khan in London is looking very carefully at that. But I feel the real solution to high rents is more houses. If we had more houses in the social housing sector, perhaps the rents in the private rented sector wouldn’t be so high, because if people have the opportunity to move into a local council house they don’t need to consider the private sector, which would mean rents would come down themselves.” Rent regulations were abolished in the UK by the same Housing Act of 1980 that brought in Right to Buy. Several European cities operate some form of rent regulation, as well as some cities in the United States. Sadiq Khan has expressed enthusiasm for policies that would stabilise or control rents in the capital, but these currently fall outside the powers of the Greater London Authority.

With an estimated 320,000 homeless, and millions struggling to pay rents or make it onto the housing ladder, the housing crisis has been described by Shelter as a national emergency. For Cunningham and the shadow housing team, their task is no less than a reversal of the last four decades of policymaking, and a reestablishment of the state’s role in housing provision. “I was born an optimist,” Cunningham says as he’s confronted by a member of the public who hears us grumbling about the new PM. “It was only when I came here that changed.”
Planning and public trust

Craig McWilliam, CEO at Grosvenor Britain & Ireland, asks how trust can be restored in developers and the planning system

The UK needs more homes. Too often though, we see development and regeneration halted in stand-offs between communities, councils and private developers.

The planning system is complex and not readily accessible to people outside the process. Pairing this with the historic failure of developers to be open or transparent, it’s unsurprising that the often confrontational debates that surround development are underpinned by a lack of trust.

At Grosvenor, we recently conducted research into the public’s opinion of developers and the planning system. We canvassed councillors, businesses and over 2,000 people to help us understand the problem and see whether any solutions would emerge.

Our research revealed that, when it comes to large scale development, just 2 per cent of the public trust developers to act in an honest way. 75 per cent of respondents attributed their distrust to the perception that developers only care about making or saving money. Where developers and local authorities present the benefits of investment – for example affordable housing, new parks or schools – these are sometimes perceived as “balancing items” or pale attempts to redress an imbalance of gain.

Developers, including ourselves, have evidently failed to communicate the costs and benefits of large-scale development, and still struggle to talk about the necessity of taking on risk and making a profit to deliver wider societal and environmental gain.

The problem of distrust is not exclusive to the private sector. Our research also found that only 7 per cent of the public trust local authorities to act in the best interests of their area. This shared issue can, we believe, only be addressed through shared initiatives and through bringing more voices into the conversation. We acknowledge that the planning system is not conducive to public engagement and want to find ways to increase interest and understanding across a far broader segment of society.

Taking the lead from our findings and the public’s suggestion of what may help to rebuild trust, we’ve identified three areas to focus our efforts on, and we want to bring all involved together to seek solutions.

Firstly, we want to look at where we can make it easier for the public to weigh the benefits and trade-offs inherently created in the process.

Secondly, we’ve identified that trust would grow if the public and private sectors were held to account to a greater extent than they are seen to be now. Together, we need to look at ways to make the planning process more transparent, accessible and for there to be more options to hold local decision-makers and private developers to account.

Finally, the public felt trust would be restored if people had more meaningful, practical and popular influence over large-scale development. We need to increase the public’s influence over a place and open the floor to many more voices.

At Grosvenor we’ve made some commitments to get more people involved in this conversation and, at the same time, to explain ourselves better. We’ve also made a call to our peers in the public and private sectors to generate broader public debates about the homes we need. The prize of more homes and a better built environment delivered faster is worth fighting for.
Modular housebuilding – the process of building homes in their individual constituent parts in factory settings before transporting them to their eventual sites – is on the rise. The pressure to satisfy demand for cost-efficient housing is on, alongside the need to meet evolving expectations around energy use.

In Sherburn, Yorkshire, the insurance firm Legal & General has built a 550,000 square feet modular housing factory, which it claims could eventually produce 3,500 homes a year. Around 220 people work at the facility, with just under half of them based on the factory floor.

Another modular housebuilder in Yorkshire, Ilke Homes, recently signed a deal with property development firm Places for People to provide 750 new units. Ilke uses light-gauge steel, rather than timber, to frame its units, which it argues makes them sturdier.

In Ellesmere Port, Cheshire, Project Etopia has opened a modular home factory with a continuous production line of lightweight panels that can be put together by three people in eight hours and stacked 14 storeys high.

Of course, construction challenges exist outside of the United Kingdom too. For example, in the United States, Factory OS, based on Mare Island, off the city of Vallejo, California, is also attempting to address an affordable housing shortage. At Factory OS, wood-framed houses, comprising walls, pipes, toilets, sinks and bathtubs, are bolted together in one go before being moved to sites pre-made.

As modular homes are built indoors, they do not fall victim to many typical on-site delays, such as those caused by inclement weather. They can be completed in weeks, not months.

In the Netherlands, cities such as Amsterdam and Rotterdam are making the most of modular construction’s speed. As councils struggle to manage the growth of their populations, they have committed to short-term investments in so-called “micro-neighbourhoods” – clusters of small, mobile, prefabricated housing units usually located on brownfield sites away from city centres.

To try and achieve a government target of one million more homes by 2030, Dutch cities are reducing the minimum size requirements on future stock; while in the interim period, to avoid homelessness, they are building temporary, two-person occupancy prefabs. The prefabs are cheap to assemble and transport, and can be erected on sites that haven’t been readied for heavier construction yet, or that are only available on short-term lets.

Back in the UK, the housing industry has an ageing workforce; while within the context of Brexit, it could also be argued, streamlining the construction process could help to manage any forthcoming migrant labour shortfall.

Rohan Banerjee
A new deal for the green belt

Spotlight talks to Urbanist Architecture about the potential of green belt reform and what it would mean for housing policy in the UK

Can you tell me a bit about what Urbanist Architecture does?

Urbanist Architecture is a firm with a difference. We’re Royal Institute of British Architecture (RIBA)-accredited and we focus on both architecture and planning simultaneously. Since our founding in 2013, we’ve received over 500 planning permissions, and this kind of unrivalled success rate for our applications has seen our reputation as London’s foremost planning permission architect grow. The majority of our works are for residential developments, including sustainable urban design projects for green belt land schemes in the UK.

How do considerations of environmental sustainability enter into your developments and how does this relate to the green belt?

Nowadays sustainability has to be at the forefront of any building development. Building and planning regulations require a proper consideration of ecological impact prior to construction. The trend for “Passive House” buildings in northern Europe is impressive. They are buildings which follow an extremely thorough but voluntary standard of energy efficiency that results in ultra-low energy buildings requiring little power either for heating or cooling. But they’re unaffordable for most people, and so the “Passivhaus” standard is unavailable as a mass-scale solution. Just as important as thinking about the efficiency of individual buildings is how those buildings are part of a community, how well integrated they are into public transport networks,
Is the green belt worth having, or is it anachronistic?
The green belt, in some form, is definitely worth having. But the designation of the green belt that we’re currently using is dated from the 1940s. The postwar Labour government allowed local authorities to include green belt proposals in development plans, and in the 1950s local authorities were encouraged to consider protecting surrounding land using the hard designation of defined green belts. But a lot has changed since then, not least the cost of land, which has skyrocketed, but also the character of the land originally classified as green belt. A lot of Greater London, which has expanded rapidly since the 1950s, now includes green belt. Areas around Enfield and Barnet, places which would usually be considered part of London’s urban orbit, actually contain some green belt areas. These areas might not be the first to come to mind when you picture a quaint kind of rural idyll. This is because not all of the green belt area is greenfield. The green belt is a planning category rather than a description of what a place looks like. And actually green belt includes a lot of previously developed brownfield sites, and even covers entire villages.

A lot of brownfield isn’t found in the middle of the countryside, but is often near train tracks and train stations in urban and suburban districts. These kinds of places can actually pose a positive opportunity for developing car-free urban spaces, close to public transport and mass transit services.

This year, the Campaign to Protect Rural England’s (CPRE) annual State of Brownfield report claims that enough suitable brownfield land is available for the construction of more than a million homes across 18,000 sites. However, this misses a crucial point – green belt and brownfield aren’t separate entities. The green belt, as it currently stands, includes both brownfield and greenfield sites. This demonstrates that CPRE’s opposition to green belt development is misplaced, as they are trying to promote the use of brownfield to increase land availability. This is based upon the common confusion between the green belt area with greenfield sites. Why do you think a consensus is growing around the need for green belt reform?
Earlier this year, Shelter estimated that there are 277,000 homeless people in England. Millions of new homes need to be built over the coming decades, in order to meet rising demand for housing. In London, the average price of a house is £475,000, more than ten times the average salary, which is therefore unattainable for the vast majority of people. Private rents have skyrocketed in recent years along with house prices. A large part of this is due to a governmental failure to ensure that adequate housing is built. Reform and development of some areas of the green belt, particularly brownfield areas, would ease the strain on affordable housing. A 2014 report by the Centre for Cities found that within 25 minutes’ walk of a train station there is land available for 1.4 million homes in the UK’s 10 least affordable cities’ built up areas. However, this is land designated as green belt, meaning these potential new homes cannot be built. In Britain’s most successful and, consequently, its least affordable cities, there is enough brownfield land for 425,000 new homes.

When it comes to green belt, public attitudes, as well as attitudes of those of local and national governments, need to change if we are to make serious inroads into solving the housing crisis. This isn’t a question of wrecking England’s pastures green, but about sensible development of brownfield land to provide decent homes for all and ease the pressure on the country’s housing market.
Rohan Banerjee investigates how shared housing schemes could help to address issues of space, supply and affordability

Is this the future of housing – or just a hotel?

Just a few minutes’ walk from the station at London’s Willesden Junction, what looks, from the outside, like an ordinary office block, is actually, according to The Collective’s planning and communications director James Penfold, a “project challenging housing’s status quo”.

The Collective is an international co-living franchise that was founded ten years ago by London School of Economics graduate Reza Merchant. In addition to its Willesden location, the company currently has three sites in New York, one in Miami, one in Chicago, and is working on further projects in Germany as well as London’s Canary Wharf, Stratford and Hackney Wick.

Through the double doors and into the lobby in Willesden, the 546-room, 11-storey development is livelier than its greyscale exterior suggests. Multi-coloured sofas and chairs are scattered around the ground-floor reception, which is open 24 hours a day.

Take a right and you’ll find an on-site bar and restaurant, “open to the public but discounted for residents”. To the left, a hallway leads to “several conference rooms and modern workspaces”. Music is playing overhead. People – “the average age here is 30” – are coming and going. A guitar is left unattended, propped up against a tropical-looking plant. Upstairs, as well as a range of rooms and studio apartments, that start at a rate of £1,100 per month (all bills included), or £850 “with certain discounts, like if you work for the NHS, for example”, are a gym, a library, a cinema and a games room.

“When Reza left LSE,” Penfold explains, “he was looking for a room to rent in central London and couldn’t find anything. It sparked an idea in his mind about how to satisfy this huge demand for accommodation; there was a real lack of supply. He set up an agency from LSE’s library and it snowballed from there… he sorted out flat-shares and warehouse conversions. At one point he had converted an old brothel near King’s Cross into a 50-room co-living scheme. As the demand grew, The Collective was born, and there was the move to take this idea to a much larger scale. Reza noticed that a lot of landlords in the [housing]
sector didn’t really take the experience of the consumer or the end-user into account. They were just after rent. So the other gap in the market was to offer services alongside a home.”

Whether The Collective could be considered more like a home or a hotel, “depends on what you’re prepared to put in yourself”, one former resident of the Willesden site tells me. Alex*, a software engineer from Wolverhampton, spent nine months in “the cheapest room on offer at the time” during his late 20s. “The all-inclusive bill was appealing and so were the cleaners [who came once a week]. In London, it’s really easy to get overwhelmed by work, so having the cleaning and stuff taken away was helpful.”

Is The Collective good value for money? The average monthly rent for an entire one-bedroom flat in Willesden, according to Zoopla, is £1,200, with bills on top. The average amount of floor space for a flat in the London borough of Brent, according to the London Datastore, is 61 square metres; while private rooms at The Collective’s Willesden site are just ten square metres.

However, the company “runs a lot of social events, clubs and stuff like that,” Alex recalls. “There were sport clubs, music, days out… they might get people in to give career talks. If you make the most of that, then yeah, I would say it is good value.” But there were negative aspects too. “The obvious con is that you’re compromising on space; the [bed]rooms are small… most people in co-living schemes are quite social to begin with. I guess you need a certain mindset to make the most of it. I think it suits single people. I don’t think you could really live there as a couple, or if you had a family.”

Scott Corfe, chief economist at The Social Market Foundation, a think tank based in Westminster, authored a report, Co-Living: A Solution to the Housing Crisis? in February. The report considered how co-living could address concerns around space and supply, as well as public health issues such as loneliness. “Co-living is a flexible concept,” Corfe says. “There are opportunities to have co-living projects that are both part-ownership or rent-based. What underpins both types of co-living is the idea of having communal spaces or facilities in between private rooms or housing. Because you’re sharing the costs over a larger group of people, you’re making things available, like a gym, or a swimming pool, say. Privately, people might not be able to afford those things. I suppose pricing [for rent] would come down to the balance that the developers placed between space and facilities. Something like The Collective might be priced at a premium because it’s got a lot of high-end facilities, and smaller rooms, but you’ve got to remember it’s not the only way of doing things. Co-living can combat loneliness.
CO-LIVING

could just mean a group of houses or flats built closely together with a shared communal lodge. That might be cheaper. But in any case, there’s a big benefit to co-living beyond cost cutting, which is the social element.”

Last year, a joint study carried out by BBC Radio 4 and the Wellcome Collection found that young people were the most likely group in the UK to experience loneliness. Over 40 per cent of respondents aged 16-24 said they had felt lonely on a weekly basis in a nationwide survey. Corfe continues: “Post-university blues can be quite common. We shouldn’t think about loneliness as an issue specific to the elderly... having a community is important to young people as well, especially those who might have just moved to a new city by themselves. Maybe co-living can help with introducing people to new friends.”

Atif Shafique, a senior researcher for the public services and communities team at the Royal Society of the Arts, a social reform charity, co-authored a report, Co-living and the common good, in 2018. “If done right,” Shafique says, “co-living and community-led housing can be a useful tool for urban and community planning.” He adds: “It can help in terms of creating cohesive and integrated communities, with richer social capital and higher levels of trust.”

Although Shafique notes the advantages of co-living in terms of addressing “spare space, especially in cities”, he thinks that co-living’s contribution to solving the wider housing crisis requires some context. Many co-living projects, he points out, are “clearly targeted at relatively affluent professionals and don’t necessarily provide options for people on lower incomes, particularly families. Co-living mechanisms through Community Land Trusts [not-for-profit organisations set up by local people, usually in conjunction with a local council], where price inflation is controlled, may be better at meeting broader needs.”

James Penfold wouldn’t claim that co-living projects such as The Collective can provide a “silver bullet” for the housing crisis, but rather, says they should simply “form part of the mix”. He adds: “We don’t expect everyone to move into co-living projects. But if some people do choose to live in places like this, then that reduces the pressure on existing housing stock. People need different types of housing for different times in their lives.”

YorSpace, a community-led housing project, is building a co-housing community in Acomb on the outskirts of York that is focused more on the social aspect of co-living than the convenience of multiple on-site facilities. “A 0.75-acre parcel of land on the former Lowfields School site,” explains one of the project’s directors, James Newton, “is being bought from the council. There will be 19 homes, which are a mix of one and two-bedroom flats and two, three and four-bedroom houses. These are sold at below market rate. Everyone will have their own private dwelling and there will be communal facilities that include a large shared kitchen and dining space, laundrette, kids’ play rooms, guest rooms and workspaces.”

Perhaps unsurprisingly for a project based in the North of England, YorSpace, which will welcome its first group of residents later this year, is more modestly priced than similar projects in London. “Our houses are typically 60 per cent of the local market value and our monthly repayments are around 70 per cent when compared to the rates of local mortgage repayments,” Newton says.

Unlike The Collective, which is a rent-based project, YorSpace is a Community Land Trust that is using a co-operative “Mutual Home Ownership” model. “We are offering residents an opportunity to buy shares in the project. If you are in one of the homes, you have a stake, relative to that home’s size, in the co-op. It gives people a chance to grow equity over time.”

Who gets to live in a YorSpace development? “Anybody is able to join YorSpace as a member and we’ve had...
nearly 200 members join since our incorporation as a community benefit society in 2017. Any member can apply to be a resident in our developments [of which the Acomb site is the first] and their application will be assessed against the YorSpace allocations policy which prioritises people most in housing need and those with a strong connection to the city of York.”

But while co-living offers community, it also takes away responsibility. For Emily*, a lawyer in her 20s who previously lived in a warehouse conversion flat-share with eight other people in North London, co-living was not conducive to personal growth. “I think it can be fine for a while when you’re younger,” she says. “But, actually, managing your own bills is part of growing up. I don’t think it’s good for millennials to just have everything done for them. And as you get older, you want your own personal space, not just another version of student halls when you aren’t a student. I also don’t think getting someone to look after your cleaning is a good habit to get into.”

Nevertheless, co-living does raise some valid points to be considered in the UK’s housing conversation – especially in terms of urban planning and what happens to disused buildings. “As we struggle to deliver the 200,000 homes a year the UK needs, we should consider that the answer may not lie in traditional housing alone,” notes Sadie Morgan, the award-winning designer and founder of the architecture firm dRMM, who grew up in a commune in Sevenoaks. “As demographics change and we have to deal with an ageing population. We have to be smarter about the way we live. What we in the built environment must not forget is that houses are homes, homes make a community and communities make a place.”

Of course, whether the responsibility of modernising the UK’s housing mix should fall to the state or the private sector is a matter for debate. The fact remains, however, co-living in its current form, offers community only to those that can afford it.

“Millennials shouldn’t have everything done for them”

**BY THE NUMBERS**

4.5m
Number of privately rented households in the UK

£51.9bn
Estimated value of the UK’s private rental sector

100%
Increase in people aged 35-54 living in rented accommodation since 2007

33%
Percentage of the UK’s current 25 to 34-year-olds who own their own home
Provisioning the quality homes the country needs

Tim Collins, head of corporate affairs at Barratt Developments, looks at how the country’s biggest housebuilder is achieving in quality rather than just quantity.

While there is no doubt that our country needs more homes to tackle the historic undersupply we have had over the last few decades, it is vital that as the number of homes we build increases, the quality of those homes does not suffer. There is a massive focus from consumers, the media and politicians on the quality of newbuild homes. As a result, our industry is rightly under scrutiny and we have to respond positively.

The good news is that the overwhelming majority of new homeowners are happy, according to the annual industry customer satisfaction survey published by the Home Builders Federation (HBF). The HBF survey asks all customers who have bought a new home whether they would recommend their builder to a friend. More than 87 per cent would, a 1 per cent increase on last year’s results a second successive year of improvement, underlining housebuilders’ commitment to high standards, quality and customer service.

But as the country’s largest and best known housebuilder, Barratt Developments is absolutely committed to leading the way on quality and customer service. This year it built nearly 18,000 much-needed homes across the country whilst also receiving the top rating of five stars in the HBF survey. For Barratt to be awarded five stars means that more than 90 per cent of its customers are happy to recommend their home.

This is now the tenth year in a row that Barratt has been awarded five stars, a record none of its competitors comes close to.
Stewart Baseley, executive chairman of the HBF, said: “Getting a positive endorsement from the people who buy and live in the homes they build has to be the number one priority for a successful homebuilder. Delivering such high levels of customer satisfaction should provide customers with real confidence in the company and the homes that they build.”

The HBF customer satisfaction survey is one of the largest surveys of its type in the country, with 50,000 new owners completing it each year. The simple star rating was developed to make it easier for people to properly understand which UK housebuilders have the most satisfied customers.

David Thomas, chief executive of Barratt Developments, commented: “Our vision is to lead the future of housebuilding by putting the customer at the heart of everything we do. So for us the release of the HBF customer satisfaction survey is one of the most important dates in the calendar and the scores are a real marker for us as a business. We are enormously proud to be the only major national housebuilder to be rated as five-star for the past decade and will continue to work as hard as we can to keep our customers satisfied.”

More independent endorsement of the quality homes that Barratt builds comes from the National House Building Council (NHBC) in its annual Pride in the Job Quality awards. The Pride in the Job Quality awards recognise the best-run building sites in the country and are the highest accolade a site manager can achieve.

This year 84 site managers from Barratt won one of these prestigious awards, known as the “Oscars of the housebuilding industry”. This is the 15th year in a row that Barratt has won more of these quality accolades than every other housebuilder.

In addition to spot checks from the NHBC, site managers are judged on their consistency, attention to detail, leadership, technical expertise and health and safety, with just 450 individual winners being chosen from over 16,000 entrants.

Steven Boyes, chief operating officer at Barratt, talked about this year’s achievement: “These awards recognise only the very best new homes and well run sites. They are something that customers can look out for as a quality mark knowing their home has been built to the highest standard possible. To win more of these awards than any other housebuilder for 15 years in a row is a real point of difference which shows how committed we are to building high-quality homes for our customers.”

When it comes to ensuring customer satisfaction in new homes, quality isn’t the only watchword. So is good design. And not just of the house but the wider neighbourhood and community too. This is why Barratt is proud to have won more Built for Life accreditations (71, including 17 named as outstanding) than the rest of the industry put together. A development that has been awarded Built for Life status is a sign of a good place to live with well-designed properties in a really friendly and attractive neighbourhood.

The scheme involves measuring new developments against 12 stringent criteria such as car parking, safe streets and access to amenities. Put simply, a Built for Life development should offer a higher quality of life and be a better long term investment. Demand for homes is stronger and people tend to stay longer in Built for Life developments.

As Nigel Longstaff, urban design director at Barratt, commented: “Right from the very outset we decided that great design matters. Which is why our own Great Places design standards mirror the Building for Life 12 principles, which promote great design on every one of our schemes.

“Our focus on design means we don’t just build houses, but also build great places where people really want to live and to be part of a community. This is about leaving a positive legacy and we’re extremely proud of the design work we do as a company.”

To mark all of these awards celebrating the quality of its homes, Barratt and homelessness charity St Mungo’s have just launched a major new £500,000 partnership to improve the lives of people experiencing homelessness and expand St Mungo’s innovative gardening programme, Putting Down Roots.

Putting Down Roots provides vocational horticulture training for people experiencing homelessness in London and Bristol. Students are supported by trainers to develop skills in a variety of garden techniques in public parks, community gardens and allotments across the two cities.

Since it began in 1958, Barratt has built more than 450,000 high-quality new homes across England, Scotland and Wales and it remains committed to leading the industry in quality and customer service as it helps tackle the country’s housing shortage.
Planning and pricing must go hand in hand, writes Helen Hayes, Member of Parliament for Dulwich and West Norwood

How planning created an affordability crisis

Last month we celebrated the 100th anniversary of the Addison Act, the legislation that enabled the first major council housebuilding programme in the UK in the aftermath of the First World War. We celebrated the security, wellbeing and community that council housing provides for more than two million people across the UK. Yet we did so in the midst of a deep and entrenched housing crisis in which 1.25m people are on the waiting list for social housing.

In 2010, the coalition government stopped grant funding social housing. In 2012, it made it much easier for developers to argue, through a process called the “viability assessment”, that they could not build high levels of affordable housing; and in 2013, it changed the definition of an “affordable” home to include homes at up to 80 per cent of market rent – completely unaffordable for anyone on a low to median income in most parts of the country. These three political choices have brought the delivery of genuinely affordable social homes in the UK to a near standstill, while the cap on housing benefit for people living in private rented accommodation has increased housing insecurity and homelessness for thousands of people.

Over the past ten years, the number of social homes built each year has fallen from around 30,000 to a paltry 6,400. At the same time, the number of so-called affordable homes at up to 80 per cent of market rent has increased to 47,000.

What happens in our planning system has a critical impact on whether the genuinely affordable social homes that are urgently needed in so many places are delivered. The Tories’ current approach is limiting the effectiveness and fairness of our planning system, ensuring that it works in favour of landowners and against the interests of local communities.

The decision to withdraw grant funding for social housing has left councils overwhelmingly reliant on negotiations with private developers to
deliver new affordable housing, set out in documents called Section 106 agreements. Council planning policy sets out what percentage of affordable homes must be delivered within any new housing development – usually 35-50 per cent. Yet the viability assessment process ties the hands of councils, enabling developers to argue successfully that they cannot afford to build affordable homes at the level required by policy.

Viability assessments were developed to encourage and stimulate building in a recession, but they have evolved to become something quite different: a quasi-scientific basis for negotiation between developers and councils, with the overt objective on the part of developers of reducing their obligation to build affordable housing. In 2012, the coalition government’s National Planning Policy Framework stated that planning applications “should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened.” This vague wording gave license to developers to argue that a council’s policy requirements are too burdensome; it essentially acts to prioritise excessive private profits over the need for social housing.

Viability arguments can justify an appeal against refusal for planning permission, and cash-strapped councils are reluctant to risk having to pay the applicant’s appeal costs if they lose. Viability negotiations are often not between equals, as councils struggle to pay for the expertise they need to interrogate developers’ figures, and they also slow down planning, often taking years to resolve, creating great uncertainty and frustration.

Within the viability assessment process, the cost of the land on which new homes are proposed to be built is every bit as important as the definition of an affordable home. Our planning system still affords existing landowners the rights to any future value of developments built on their land. This so-called “hope value” – the right to unearned windfall profit – dramatically inflates the cost of land, and inflated land prices make it much more difficult for councils to buy land in order to deliver social housing.

In a recent example in South London, a site with an existing use value of £2.5m was put on the market at £23m on the assumption that it could be developed for housing. It was later withdrawn from the market on the expectation that the value would rise even further, setting back the delivery of any housing at all on that site by years and making it almost impossible to deliver affordable housing, even by the current broken definition. This inflation of value either places sites far beyond the reach of councils and housing associations or requires a significant quantity of private homes to be built to cover the costs – homes that can push up density to levels that are unacceptable to the community or are built at the expense of genuinely affordable homes.

In this example our planning system acts to prioritise the right of a single landowner to a £20m windfall over the urgent need for genuinely affordable homes for local people – and that is a profound injustice.

Earlier this year, I introduced a Ten Minute Rule Bill which would re-establish the link between the definition of “affordable” and income, replacing the current definition of up to 80 per cent of market price with “no more than 35 per cent of net household income for lowest quartile income groups in each local authority area”. My bill also sought to remove “hope value” from the planning system, which would enable land to be bought by councils at a price much closer to its use value.

It is vital that our planning system provides certainty and transparency, and puts an end to the speculation on land values that prevents land from being used to deliver new homes. While landowners should receive fair compensation, coded in law, the planning system should not recognise any right to speculative profit that does not arise from any action or investment on their part.

While our planning system includes strict obligations in relation to consultation, in reality it overwhelmingly gives voice to the views of existing homeowners. In order to ensure a more representative range of voices are heard in the planning system, I believe there is an argument for the statutory consultation process on any planning application for housing to have to capture the views of people on the local council’s housing register who are by definition in housing need. Ensuring that the views of those who desperately need new homes, as well as those who are already well housed, are factored into the planning process will help to ensure that a representative range of views inform democratic decision-making.

Our planning system needs urgent reform to enable genuinely affordable social housing to be built at a scale capable of addressing the housing crisis. Communities must be able to trust the planning system and have confidence that the promises made in local plans and in planning applications will not be watered down later on the grounds of viability, or in terms of quality and sustainability.
The latest contracts, jobs and training

PUBLIC SECTOR CONTRACTS NOW OPEN FOR TENDERS

1. Swan Housing Association
   Swan Construction Consultants Dynamic Purchasing Systems
   Bid deadline: 4th September
   Tender value: £175m
   Billericay-based firm Swan Housing Association is looking for multiple long-term partners, suppliers and consultants to support its construction and inspection services.
   Contact: tenders@camerons.uk.com

2. Eastern Procurement Limited
   Property improvements, repairs and maintenance framework
   Bid deadline: 13th September
   Tender value: £65m
   Eastern Procurement Limited, a Norfolk-based firm that offers specialist contract management services to local authorities and social landlords, is seeking construction and electrical partners to refurbish properties in its portfolio.
   Contact: info@eastern-procurement.co.uk

3. Newcastle-under-Lyme Borough Council
   Newcastle housing advice service
   Bid deadline: 30th September
   Tender value: £1.2m
   In a bid to tackle homelessness Newcastle-under-Lyme’s council is looking for a partner to run its new advisory service available to local people, which aims to help them to manage finances and find appropriate housing.
   Contact: Amanda.boffey@newcastle-staffs.gov.uk

4. Blackburn with Darwen Borough Council
   Blakey Moor Terrace Design Services
   Bid deadline: 13th September
   Tender value: £160,000
   Blackburn with Darwen Council is looking to appoint an architecture team to design and deliver a new housing development on the Blakey Moor Terrace site in the Lancashire town’s centre.
   Contact: heather.bailey@blackburn.gov.uk

Total value: £241.36m

PUBLIC SECTOR CONTRACTS OPEN FOR BIDS SOON

1. Staffordshire County Council
   Provision of technology and innovations in nursing homes in Staffordshire
   Staffordshire will soon be on the lookout for technology and construction partners to refurbish and re-design local nursing homes, in-fitting automated facilities and security systems.

2. Northern Housing Consortium
   Asbestos, Legionella and Mould Management Framework – Early Engagement
   The Northern Housing Consortium, based in Sunderland, will seek plumbing and sanitary partners to manage and offset mould problems in its properties in the North East.

3. Northern Housing Consortium
   Asset management DPS
   The NHC will also be looking for a consultancy partner to oversee its various surveying responsibilities, including but not limited to audits of construction quality and energy efficiency of homes.

4. Cheshire East Council
   Soft Market Testing – Extra care housing for those with complex needs, Mountview Congleton
   Cheshire East Council will seek a consultancy partner to gauge whether the currently disused Mountview care home in Congleton is suitable for renovation and refurbishment.

HOUSING JOBS NOW OPEN FOR APPLICATIONS

Head of affordable housing development and investment, Ministry of Housing, Communities and Local Government
   Salary: £50,643
   Location: London
   Closing date: 8th September
   The post-holder will manage and supervise the government’s Affordable Housing Investment Team, which is responsible for identifying suitable buildings and allocating funding accordingly for developing new homes to be used in social housing and to be sold at sub-market rent.

Housing director, West Kent Housing Association (WKHA)
   Salary: £100,000
   Location: Sevenoaks
   Closing date: 9th September
   WKHA seeks a new director to oversee the organisation’s activities in constructing, selling and managing affordable homes across the county. The post-holder will be responsible for reviewing applications for social housing projects and sourcing sites for new buildings, while maintaining relationships with the local council.

Head of acquisition, Homes England
   Salary: £62,519–£70,859
   Location: London
   Closing date: 31 August
   The DfT is seeking an experienced data analyst to head its new central data unit, which aims to collate data on various aspects of the transport sector, including expenditure and safety provisions.

Senior marketing manager, dRMM
   Salary: Competitive
   Location: London
   Closing date: 2nd September
The award-winning architecture firm dRMM is looking for an experienced marketing manager to lead the company’s marketing and communications strategy for its numerous housing projects. The role involves planning and executing advertising campaigns, while managing relationships with the media.

HOUSING EDUCATION AND TRAINING OPPORTUNITIES

**MSc Housing and City Planning, University College London**
Based at UCL’s Bartlett School of Planning, this flexible course, which can be completed full or part-time, covers the broad politics of urbanisation. Modules include managing community budgets, architecture and design and collective energy efficiency of housing blocks.

**CIH Level 3 Certificate in Housing Services, Chartered Institute of Housing**
This introductory qualification, comparable to A-Level or NVQ Level 3, is delivered flexibly over several sessions at any one of the CIH’s multiple centres nationwide. It covers building quality, place-making, basic rent and property law and urban planning.

**The Self Build Course, National Self Build and Renovation Centre**
The NSBRC in Swindon is offering a three-day introductory course to people who are interested in building in their own homes, covering planning permission, material science, budgeting, land evaluation, electrics and plumbing.

**MSc Housing Studies, University of Glasgow**
This taught one-year programme covers the breadth of UK housing policy, focusing mainly on the rented market share and social housing. Validated by the Chartered Institute of Housing, it covers best building standards and landlord responsibilities.

**AVERAGE UK HOUSE PRICES**
The map below shows the average prices of properties sold across different UK regions and their monthly price change, according to the latest available UK House Price Index (June 2019).
What can the UK learn from Austria’s social housing? 
Jonny Ball finds out

The Vienna model

Kurt Puchinger takes us to his office via a Hapsburg-era “paternoster” cyclical lift. Housed in the vast, neo-Gothic Wiener Rathaus, or Vienna City Hall, the city’s housing director is excited to show us this rare contraption made up of around a dozen continuously moving wooden compartments, taking passengers, many of whom are nervous at the prospect of jumping from a moving elevator, on a potentially never-ending rotation around the Rathaus’s ornate floors. “It’s one of the last of its kind,” Puchinger says with a smile.

A director of the Viennese housing and planning department, he is tasked with the maintenance of Vienna’s impressive system of subsidised public housing, a hallmark of the city’s social-democratic traditions going back a century. In the Austrian capital, more than 60 per cent of residents live in 440,000 social homes, about half owned directly by the municipal government and the rest by state-subsidised, not-for-profit co-operatives. These council houses are not built just for the low-paid, unemployed or hard up. Nor do they resemble the so-called “sink estates” lamented in the rhetoric of the British political classes. The upper income threshold for a single person to qualify for a social home is €45,510, or £40,000 — a yearly salary that would put you in around the 80th percentile, or the top 20 per cent of earners in the UK.

For a couple, the upper combined income limit is €67,820 — over £60,000. Tenants’ incomes are not continuously assessed, so pay progression throughout a resident’s career does not jeopardise their right to remain in public housing. The average rent on a one bedroom property amounts to 21 per cent of an average resident’s income. In Paris, the average is 46 per cent of income. In London, it’s 49 per cent. Vienna’s housing subsidy is paid for with a 1 per cent levy on the salaries of every Viennese resident, half of which is deducted from wages, and the other half matched by employer contributions.

“Our policy is based on the basic statement that housing is a human right,” Puchinger explains. “For 100 years this has been the philosophy of the Viennese Social Democratic Party.” This year marks the centenary of so-called “Red Vienna”, when Marxists in the Social Democratic Party initiated a radical reformist programme of municipal socialism — mass housebuilding, public education and healthcare — creating a proto-welfare statelet in the former seat of the collapsed Austro-Hungarian Empire. The Social Democrats have been the dominant party in the city legislature ever since.

“We don’t want to have a situation where you can identify the social status of a person by their home address,” says Puchinger. “Wherever you live you’ll find all kinds of social groupings and for us this is one of the most important
Housing

Boss, Bob Crow, and Kate Osamor MP (allocated a council house when she was a homeless single parent), have been criticised for living in social housing despite their relatively high salaries.

But short-sighted conservative parsimony isn’t an inevitable part of the British political psyche. In 1949, Nye Bevan, architect of the NHS and doyen of the Labour left, proclaimed his vision of new municipally owned housing estates, in which “the working man, the doctor and the clergyman will live in close proximity”. His Housing Act removed the reference to publicly subsidised housing exclusively for “the working classes”, and aimed for the replacement of slums and ghettos for the poor with the “living tapestry of a mixed community”. Swept to power on a wave of postwar optimism, the reforming Labour government of 1945-1951 would leave a seemingly indelible mark on British society. Large parts of its policy programme were accepted and left untouched by the Conservative Party in government, including the idea that the state should play a large role in housing provision, and the UK variant of the Keynesian consensus – paternalistic welfarism, state intervention and a mixed economy – came to be known as Butskellism, a portmanteau of Labour and Conservative’s postwar Chancellors. By 1979, despite several periods of Conservative government, Bevan’s dream had come a long way to being realised; not only did almost a third of all households live in public housing, but 20 per cent of the richest tenth of the population did too.

This consensus fell apart with the election of Margaret Thatcher and the passing of Right to Buy legislation in 1980. Michael Heseltine, implementing the Housing Act in his role as Secretary of State for the Environment, framed the Bill in emancipatory language. “Certainly no single piece of legislation has enabled the transfer of so much capital wealth from the state to the people,” he said. Long-term council tenants were given the opportunity to buy their houses from local authorities at a huge discount. But while councils were obliged to engage in the piecemeal privatisation of their assets, they were forbidden to use the receipts to build new social homes, leading to a gradual depletion of social housing stock. The number of new council houses being built fell by 85 per cent by the end of the decade. As wealthier inhabitants took advantage of Right to Buy, the less wealthy residents continued to rent, and as council and housing association stock diminished, dwellings remaining under council or housing association control had to be allocated on a needs basis to those on the lowest incomes, the unemployed, the long-term sick and financially vulnerable. Now, after 40 years of Right to Buy, only 17 per cent of the population live in social homes, less than half of the 1979 peak. Half of all social homes have at least one resident with a long-term illness or disability. Average household income is 40 per cent less than in the private rented sector, and less than half the average of home-owning households. The “living tapestry

things we want to do.” Integration and economically mixed communities are the watchwords, along with high-concept modernist architecture that in other European capitals would be the preserve of the well-to-do. Studies have shown that real integration of households of different professions and backgrounds promotes social solidarity, reduces crime, improves health, increases social mobility, avoids ghettoisation and alleviates the kind of pervasive moods of detachment, disenfranchisement and alienation that characterise the reputations of some of the UK’s “left behind” areas.

Vienna’s generous housing model stands in stark contrast to the Cameron government’s “Pay to Stay” policy surcharging council tenants earning more than £30,000 a year – an idea that was dropped before implementation due to its impracticality (housing associations had no mechanism for forcing residents to declare their incomes). The late union boss, Bob Crow, and Kate Osamor MP (allocated a council house when she was a homeless single parent), have been criticised for living in social housing despite their relatively high salaries.

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Built in the 1930s, the Karl Marx-Hof houses thousands of Viennese people at subsidised rents

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Social Housing

“We’ve never privatised and we never will”

of a mixed community” envisaged by Bevan has faded.

The private sector, meanwhile, has boomed. Average house prices in London were four times the average salary of prospective buyers in 1999, but by 2017 prices were 14.5 times the average salary, following a 300 per cent increase. The dream of a property-owning democracy has faltered for millions of struggling families and younger generations.

Adding insult to injury, over 40 per cent of London’s sold council houses have found themselves in the hands of private landlords rather than owner-occupiers, with many of the new low-income private tenants receiving housing benefit to cover their rents. Thus the public has paid for the policy failure three times: first to build the council house; second to subsidise the discount when it’s sold under Right to Buy; and third when the Right to Buy becomes a Buy to Let, when the former social home is bought by a landlord charging unaffordable rents to less wealthy tenants in receipt of housing benefit. Since the introduction of Right to Buy, the amount of money the government spends on housing benefit has increased by 600 per cent. Before the introduction of the policy, 80 per cent of government’s housing spend went on social homes, with the other 20 per cent going on housing benefits. Now, housing benefits make up 95 per cent of the government’s housing spend, with only 5 per cent spent on new social housing.

The Labour Party’s Housing For the Many Green Paper describes this as a transfer of spending from bricks to benefits. In 2017, less than 1,000 new government-backed homes for social rent were started across a country of 65m people with an acute housing crisis. In Vienna, a city of less than 2m inhabitants, “the target is to build between 8,000 and 9,000 social homes every year” – a target that is regularly met, according to Karl Puchinger.

Does Vienna ever intend to follow a similar path to the UK, reducing new building and allowing social renters to buy their properties? “We do not sell any buildings,” Puchinger says. “Buildings that are owned by the city or by a subsidised social building company are not allowed to be sold. We’ve never privatised and we never will.” If Puchinger keeps his word, Vienna’s high-functioning housing system will survive long after its centenary, and, like the cyclical lift in the city’s Rathaus, will continue to be one of the last of its kind.

Vienna’s Hundertwasserhaus includes 53 apartments, three communal terraces and a roof garden

“We’ve never privatised and we never will”
The true housing crisis

Richard Tibenham, chief executive and founder at Greenlite Energy Assessors, explains how the conventional response to the housing crisis is creating inefficient, energy-intensive housing stock

Across all sections of the political divide, there is a growing consensus that the UK has fallen prey to a severe housing crisis, damaging social solidarity, intergenerational fairness and pricing millions out of home ownership. Between 1998 and 2008, average UK house prices rose by more than 300 per cent, way in excess of real wage growth. In 1999, average house prices were four times the average salary of prospective buyers in the capital, but by 2017 it was reported that prices had ballooned to 14.5 times London’s average salary.

But from voices on the left and right, the spike in rental and mortgage costs is almost universally put down to the failure of successive governments to build sufficient homes. In other words, the housing crisis is identified as an issue of demand outstripping supply, total population rising faster than the country’s total housing stock. It’s a narrative attractive in its simplicity, but doesn’t stand up to scrutiny. What’s more, the narrative is having a damaging effect on the UK’s built environment, leading to inadequate early planning, and a sacrifice of quality, as well as ecological sustainability, in favour of quantity. Newly built homes too often eschew zero-emission aims, carbon neutrality considerations and thermal comfort standards, and are built by developers without energy efficiency in mind.

Contrary to perception, as house prices have skyrocketed over the past two decades, the UK’s housing stock broadly rose in line with the population. The housing bubble that grew over this same period wasn’t inflated by lack of supply, but rather by financial speculation, the growth of Help to Buy, and the expansion of credit. The interests of landlords, speculators and developers were matched by the willingness of private banks to lend cheaply, causing prices to rise. After the 2008 crash, low interest rates along with quantitative easing only made matters worse, reflating the real estate bubble. Housing supply had roughly corresponded to the increase in people – the issue was rampant profiteering.

But the illusion that price rises are down to lack of supply has given rise to a build-at-all-costs mentality as arbitrary targets are set for new-build homes over parliamentary terms. Inefficient new housing stock is creating a legacy of buildings burdening future generations with high cost energy infrastructure at a time when governments are trying to eliminate their carbon footprints. Issues such as overheating are becoming more common due to excessive glazing and glazing orientation, meaning energy is needlessly expended on cooling. These oversights are a product of a misdiagnosis of the housing crisis, and this has led to a slapdash approach to planning and building. Crucially, it is far cheaper to install the energy saving features necessary for low-carbon operation at the construction stage than it is to retrospectively add them. The fact that this isn’t happening will increase the cost of carbon neutrality.

Greenlite Energy Assessors advocates an integrated approach between architects, engineers and contractors that begins at the planning and design stages of the building process, before air conditioning has to be installed as a result of lack of foresight. Only early engagement and a focus on energy and thermal efficiency in the built environment will allow us to meet our commitments to the planet.
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Legislative challenges of listed buildings

Both heritage status and building regulation compliance need to be considered simultaneously during renovations or conversions, writes Tom Barton, senior associate at Fisher German.

Oftentimes it can seem as if the legislation covering a building’s regulatory requirements during refurbishment and conversion work can run into conflict with best practice for conservation of its listed or heritage status. The building regulations exist to ensure buildings are safe, energy-efficient and healthy environments for people to live and work. In contrast, heritage legislation exists to conserve the “significance” of listed buildings and their settings. Both are triggered when alteration, refurbishment and conversion work to heritage assets are proposed and both need satisfying.

Understanding the core principles of both building regulations and heritage legislation is crucial, as compliance with one is of little value without the other. Recognising this early in a project is essential, as it frames specific challenges and focuses the design team on solutions, compromise and negotiation within the legislative framework.

Appraising the “significance” of heritage assets affected by the proposals should be undertaken before design proposals are taken too far down one path. This process is effectively an appraisal of the building and its setting to identify the characteristics that make it special. Historic England’s best practice guidance, “Conservation Principles, Policies and Guidance” is useful to this end, and sub-categorises significance into evidential value, historical value, aesthetic value and communal value. This appraisal process should consider not only the fabric, but how the heritage assets are experienced and valued as a cultural entity, and what they mean to people. This allows an assessment of the impact of potential change to be managed, mitigated and where possible enhanced, enabling these heritage values to be effectively conserved.

In practice, this statement of significance can then be used, with support from the local authority listed building officer, to justify waiving certain building regulations, namely Part L regarding energy efficiency, on grounds that proposals to, for example, insulate the walls of a converted mill, would have too great an impact on the building’s significance. Similarly, where certain building regulations concerning building safety are given greater weight, tackling both sets of legislation simultaneously and including all stakeholders allows negotiation to take place regarding mitigation of any heritage impact of this work, taking a view of wider conservation benefits. Material specification is often key, and with the greater availability of vapour-open traditional materials such as wood fibre insulation and limecrete floors, there is an increasing expectation that these should be used by both building control and heritage bodies.

Expertise in both the heritage requirements and building regulations is essential to any building conversion or renovation project, to ensure the right balance is being struck between conservation and modernisation. Fisher German has a wealth of experience and expertise in working on building projects in which collaboration and cooperation between heritage requirements and building regulations are at the forefront. Our expertise allows people undertaking this kind of a project to progress listed building consent in tandem with the building regulation process, allowing a smoother journey that sensitively manages changes in historic buildings.
A new era of social housing

Paul Bridge, chief executive at Civitas, explains how, against a backdrop of massive unmet demand, the company’s social housing model can be part of the solution to the UK’s housing needs.

After 40 years of Right to Buy, low building rates and gradually dwindling stock, there is a growing consensus that social housing is under enormous supply pressure. Last year, figures from the homeless charity Shelter revealed that 1.15m households were on social housing waiting lists, amounting to around 4.5m people. Many are in need of specialist supported housing as demand amongst adults with complex needs has been driven by population growth as well as medical advances resulting in improved outcomes and life expectancies for those with long-term disabilities. Care in the community, as opposed to placing disabled adults in institutional care, has resulted in a far higher quality of life and better social outcomes for individuals and their families. But the development and maintenance of this type of specialist supported social housing needs investment, resources, and a very specific set of experiences and skills. If current trends are borne out, there will be a 29,053-person shortfall in supported housing in 2020, rising to 46,771 by 2024-25.

Accommodation for people with complex care needs often requires extensive modification to tailor buildings to people’s requirements. These aren’t standard-issue homes. They often include office space for carers; sensory rooms for residents; sensor-operated lights, showers and bathrooms; extensive outdoor spaces; thick and reinforced walls; under-floor heating to avoid protruding radiators; centrally controlled ovens to reduce the risk of accidents and fires; and centrally controlled doors to prevent vulnerable residents leaving the premises without proper supervision. Rental costs are significantly higher than your average social home, and yet vastly more expensive institutional care – whether it’s long stays in hospitals or care homes – is often many multiples of the cost of the supported living model.

Founded in 2016, Civitas is a stock exchange-listed company working with 157 local authorities in the provision of housing for 4,072 people across England and Wales. With the support of government, Civitas specialises in supported social housing in an era when local authorities and housing associations lack the experience and funding to make adequate investments in much-needed housing stock. The company also offers investors steady, long-term ethical investment opportunities with a highly secure 5 per cent annual rate of return.

This year’s report into our social impact by The Good Economy found that 96 per cent of our residents coming from hospital have seen an improvement in their mental health since moving into our accommodation. 90 per cent of family members stated that residents’ motivation and aspirations have increased since moving into specialist accommodation, and overall, the company’s £827m property portfolio generated £114m of social value in 2018 alone, including £59m of direct savings to the Treasury.

When public sector budgets are stretched, and with demand for housing remaining high, partnership between local and national government along with the private and charitable sectors is essential to meeting housing needs. As a founding member of the ethical investment platform, The Big Exchange, Civitas, working closely with national homeless charities such as Crisis and The Big Issue, is well placed to be part of the UK’s housing solution, and help deliver high-quality homes for those who need them most.
In 1977, the United States Army’s Construction Engineering Research Laboratory produced a technical report titled *Shipping Containers as Structural Systems*. The report noted that shipping containers – which had also been developed and standardised by the US Army in the 1940s and 50s – were increasingly being used to transport ammunition, and that the rush to get large amounts of ammunition close to a front line in the early stages of a conflict meant that large number of containers would be available just as construction in the field was needed. Engineers subjected the containers to load stresses, gale-force winds and deep snow, and found them durable and versatile – and 76 per cent cheaper than standard field base buildings.

Through the 1990s, the US military began using container ships to transport everything from provisions to tanks in standard commercial containers. At the same time, the growth of trade and offshore manufacturing hugely increased the number and spread of container.

Perhaps this is why architects, who began proposing domestic buildings made from shipping containers at around the same time, like them so much. In 2001, Container City went up in London, offering accommodation and office space to young professionals in the rejuvenated East End. It was followed by office and retail developments such as Boxpark and Containerville. In Seattle, a Starbucks was created from containers. In 2015, Carl Turner Architects designed “A New House For London”, made from the ubiquitous boxes.

But last week, with the publication of a report entitled *Bleak Houses* by the Children’s Commissioner, the public was told what living in a shipping container is really like for many of the 124,000 children across the UK who now live in temporary accommodation. The Commissioner’s Office heard that the containers became unbearably hot or cold, that they were not properly designed for families – and that councils are planning to deploy more of them, because they’re cheap.

This has always been the true appeal of the container. A second-hand 40ft box in good condition can be bought for around £1,500, offering a pre-built, stackable structure with more than 28 square metres of internal space. The *Architects’ and Builders’ Price Book* puts the build cost for standard housing in the UK at around £1,500 for a single square metre. However much architects enthuse on the aesthetics and adaptability of the container, its modular nature, and the efficiency of repurposing them, the bottom line is that few can ignore a building solution that is 30 times cheaper than the benchmark. The brutal logic of cheap space is reflected in the fact that while the UK stacks them up as flats, shipping containers are used elsewhere in the world as temporary prisons.

And still the idea that metal boxes are fit for human habitation grows – the world’s tallest container building received planning permission from a London council last month – as architects and developers style them into stores, dwellings and offices. In doing so, they legitimise crowding human beings into containers that were never designed to be homes.

**“Cargotecture” is the ugly face of housing design**

Architects who propose homes made from shipping containers should try living in one, writes

*Will Dunn*
Spotlight

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