

THE NEW STATESMAN

Spotlight

Thought leadership and policy

Housing: Let's build

Matthew Pennycook
Vikki Slade
Kwajo Tweneboa





VELUX®

VELUX roof windows have been bringing daylight and fresh air into homes around the world for more than 80 years, creating healthier living environments.

As the UK embarks on ambitious plans, both to renovate homes for climate and energy goals, and to build 1.5 million new homes this parliament, it is vital to include policies that prioritise the health and well-being of occupants alongside lowering energy bills and meeting climate targets.

www.velux.com

publicaffairs@velux.co.uk

Beyond the 1.5 million

The Labour government's aim to build 1.5 million homes over a five-year parliament – the equivalent of 300,000 each year – provides a striking headline figure. However, the target is not new. Boris Johnson made a similar commitment in his 2019 election manifesto and, as recently as 2022, then housing secretary Michael Gove, reaffirmed the 300,000 per year figure. Neither man met his number.

Targets should be ambitious. They should be exacting. But is this one feasible? And is it sensible?

Let's start with feasibility. It's been half a century since the UK witnessed this level of house building, supported then by the public sector. Even during the construction boom from the 1950s to the 1970s, widespread slum clearances meant that far fewer net new homes were created each year, overall.

Will it be different this time? Some argue that with purposeful planning reform it will (see page 14). Others insist that as the private developer market currently exists, there is little incentive to build at this scale.

Is it sensible to build 1.5 million homes? Or rather, is it sensible to do so in isolation? Here, two issues prevail.

First, an increase in housing stock doesn't necessarily lead to a substantive match in affordability. One contributor to this issue of *Spotlight* cites estimates that suggest a 1 per cent growth in housing stock delivers a 1.5 to 2 per cent reduction in house prices. Compare that to a 306 per cent increase in house prices since January 2000.

Second, building more is only desirable if it means building better. It's a point that is brought to life in striking terms by the first-hand accounts of dilapidated housing outlined on pages 18 and 26. And it's a point on which both the Lib Dem housing spokesperson Vikki Slade (page 5) and the Housing Minister Matthew Pennycook (page 24) appear to agree. Slade argues not just for more homes but "the right homes, in the right place, at the right time". This is a case that is easier to make in opposition than it is to implement in government.

Nevertheless, her words are similar to those of the Housing Minister, who told a *New Statesman* event earlier this year that we have to "change every aspect" of the housing system: planning reform, new renters' rights, greater commitment to social housing and more besides. "This is not an à la carte menu," Pennycook said. "This is a set menu." And that is the target against which to judge Labour. ●

Contents

5 / View from opposition
Vikki Slade, the Lib Dems' housing spokesperson

8 / Feature
Planning, capacity and the new-homes target

14 / Symposium
Is Yimbyism the way out of the housing crisis?

17 / View from elsewhere
Tom Copley, deputy mayor of London for housing and residential development

18 / Q&A
Housing campaigner Kwajo Twenebo

20 / Infographic
Right to Buy in numbers

24 / The debate
With the Housing Minister, Matthew Pennycook

26 / Feature
The rise and rise of the renters' union

Spotlight

40-42 Hatton Garden
London
EC1N 8EB

THE NEW STATESMAN

Subscription inquiries:
digital.subscriptions@newstatesman.co.uk

Publisher
Peter Coombs

Sales Manager
Dominic Rae
Account Managers
Jugal Lalsodagar
Lucy Sloan
Nia Ayoade
Kalpesh Vadher

Design
Erica Weathers
Cover Illustration
Klawe Rzczy

Senior
Associate Editor
Jon Bernstein

Associate Editor
Jonny Ball
Editorial
Harry Clarke-Ezzidio
Samir Jeraj
Megan Kenyon



First published as a supplement to the *New Statesman* of 29 November 2024.
© New Statesman Ltd. All rights reserved.
Registered as a newspaper in the UK and US.
The paper in this magazine is sourced from sustainable forests, responsibly managed to strict environmental, social and economic standards.
The manufacturing mills have both FSC and PEFC certification and also ISO9001 and ISO14001 accreditation.

This supplement can be downloaded from:
newstatesman.com/spotlight/reports



Revolutionising Construction Transforming Communities

Since 2006, Reds10 has led the way in industrialised construction, revolutionising the industry with cutting-edge innovations in design, production, and delivery. We create high-quality, sustainable buildings that transform everyday life across **defence, education, healthcare, justice, accommodation, and social housing.**



*Experience the future of
construction with Reds10.*

Find out more at: www.reds10.com

The view from opposition



Vikki Slade MP
Liberal Democrat
spokesperson for housing

“We agree that new homes are needed, but they must be the right homes”

There are few policy areas that expose the inequity in this country more than housing. There are 3.3 million homes that don't meet the Decent Homes Standard. More than 150,000 children are living in temporary accommodation. Living in such conditions can seriously impact the health, wellbeing, and life chances of these households.

Conservative politicians allowed developers to lead the agenda; refused to help those forced out of their homes by no-fault evictions; and seriously

delayed improvements of new homes' environmental standards to tackle the climate emergency. The resulting housing crisis has hit too many. The Liberal Democrats were reassured to see three Bills in the King's Speech focused on housing. However, we were concerned by Labour's top-down target of constructing 1.5 million homes over this Parliament – an approach which fails to recognise where the need for housing arises and underestimates the structural challenges in succeeding over this timeline.

We agree that new homes are needed, but they must be the right homes, in the right place, at the right time.

My own constituency of Mid Dorset and North Poole is typical of a community in the south-west, with high house prices, low wages, and significant environmental challenges. Buying a home – and in some cases even private rental – is out of reach for many young people.

Our demographic imbalance, with a population already older than the national average, is only worsening. New homes built here are often executive properties marketed to established households in the London commuter belt, rather than small homes designed to help local families move into their first property. Those searching for second homes – attracted by the West Country's famous market towns and stunning coastline – only exacerbate this issue, driving prices up and up. I've proudly backed Liberal Democrat calls to move holiday lets and second homes into different categories of planning use, so local councils can act when enough is enough.

I was also pleased that our calls to review “Right to Buy” were recognised in the budget. By reducing the available discount, Rachel Reeves took a welcome step toward stopping the steady drip of social homes into the private housing market. However, the government must go further – empowering councils to remove discounts altogether and retain much-needed properties in public ownership for future generations.

Crucially, we have to reverse, not just freeze, the flow of homes out of the social housing stock. We must build 150,000 social homes every year if we are to eliminate homelessness and restore affordability, potentially funded by the £130 billion capital infrastructure budget we have outlined.

And attending to details – like the nitty-gritty of land law, pedestrian as it may sound – is just as important as these headline figures. Reforming the Land Compensation Act would mean investment in social housing actually equals homes getting built. Currently, so-called ‘hope value’ is pushing up the price of land – meaning it changes hands based on what it might be worth, while commitments to building social housing fall by the wayside. Tightening the rules around how land is recompensed would give communities a far better chance of finally seeing affordable homes. ●

“Time to bring housebuilding into the 21st century”

Bringing modern methods of construction into the mainstream could be a game-changer

By Paul Ruddick

In association with



If there's one issue everyone can seemingly agree on, it's that the UK has a severe housing crisis, following decades of under supply.

Labour is right to put building more homes at the centre of its programme for government and action to speed up the moribund planning system will certainly help. But reforming planning alone will not resolve the crisis, because the construction industry simply does not have the labour force necessary to deliver the increase in homes required. This is not a new problem. The skills crisis in construction goes back many years, predating Brexit, which only exacerbated the issue. To truly resolve this crisis, we need to look at the way the construction industry builds homes.

It is often said that construction has let the industrial and technological revolution pass it by. Just look at the advances made in car manufacturing in recent decades, with the introduction of robotics and now AI, and compare that to housebuilding, where in many ways homes are still being built as they were 100 years ago: with contractors laying bricks in muddy fields.

But technologies to modernise construction do exist. At Reds10 we have been pioneering them for more than a decade now, developing highly sustainable, innovative, high-quality modular buildings offsite in our dedicated factories in Driffield, East Yorkshire, for the public sector. These include amazing homes for the military, school buildings and facilities for the Ministry of Justice and the NHS.

However, in the UK, this process, known as Modern Methods of Construction or MMC, has yet to enter the mainstream. This is at least in part due to the nature of our housebuilding market, dominated as it is by a small number of large housebuilders, who have a near monopoly over the market and therefore little incentive to drive forward innovation.

In the UK modular construction has also suffered from a perception problem – a hangover from poorly constructed post-war prefabricated buildings. This perception is grossly outdated: a bit like comparing a Morris Marina with a Tesla. Take, for example, our award-winning Imjin Barracks project, which provides modern accommodation for Army personnel based at the Headquarters of the Allied Rapid Reaction Corps in

Gloucestershire. This highly sustainable three-storey building comprises 69 single en suite bedrooms, alongside communal living and dining facilities, kitchens, drying rooms and utility rooms.

The innovative building not only provides the UK's defence personnel with modern and comfortable accommodation but is one of Europe's most advanced 'smart' buildings, generating and analysing 21,000 data points (including humidity, door and window contacts, sound levels, temperature, daylight, power metering, water and more). This ensures the building's performance can be optimised in real time, allowing for significant energy and cost savings.

Built offsite through our advanced construction techniques, Imjin Barracks, like all the projects Redzio delivers, is unrecognizable from the much-maligned 'prefabs' of yesteryear and is indistinguishable from buildings built through traditional construction techniques.

What does distinguish our buildings from those built through traditional construction techniques, however, is the quality, the high sustainability credentials, and the speed and efficiency of the building process. These benefits are achieved through the advanced construction techniques that we deliver in our factory environment, which has the

capacity to deliver 4,000 units per year.

Our factory production process is optimised for efficiency using repeatable processes and components, modern manufacturing tools, and advanced technologies that would be impractical on a construction site. The efficiency of factory construction means project delivery time scales can be drastically reduced by up to 50 per cent.

The efficiency of MMC also means that we can build projects with less labour. Across our pipeline we use around 30 per cent less labour than would be required by traditional construction techniques. We think that this can be reduced further as we move to greater levels of automation and industrialisation. If construction as a whole industrialised in this way, the skills gap could be bridged, helping the industry deliver the buildings and infrastructure the country needs.

Industrialised construction also greatly improves quality, with fewer post-construction snagging issues. Buildings are more airtight, providing greater energy efficiency without additional cost. Indeed, under our Carbon Negative at Zero Cost initiative, Redzio ensures all its buildings are designed and built to operate at net zero, with the lowest possible embodied carbon – at no extra cost to the

customer. And with around 90 per cent of the construction completed in the factory, there is also far less disruption to local communities from works on site.

There are further benefits that go beyond the sustainability, quality, efficiency, speed of delivery and lower cost of the buildings themselves. In our factory settings we employ our own workforce, investing in their skills and career development and supporting young people into apprenticeships and training opportunities. By other industry standards this may seem unremarkable, but within construction, it is increasingly rare. This is because the industry is dominated by a business model that sees a main contractor managing an ever-growing chain of smaller suppliers, rather than employing their own workforce.

This model is inefficient, drags down productivity, and fails to incentivise investment in skills and innovation – and it means that despite decades of technological advances, this has not flowed through to improved productivity in the construction industry.

Ultimately, MMC and the benefits it brings have huge potential to transform the construction industry and the way we build homes in this country, providing better quality, more efficiency, greater cost reductions, higher productivity, and improved sustainability. And we could do that with a smaller workforce, helping overcome the skills crisis that is currently holding back the industry delivering what the country needs.

At Redzio, we are actively developing prototypes that take what we have learnt from building innovative and high-quality housing for the defence forces – projects like Imjin Barracks – and applying that to the delivery of social housing. This is the next step in the evolution of MMC; moving it into the mainstream so that the benefits can be scaled, bringing housebuilding into the 21st century, helping tackle the housing crisis and providing a sustainable future for our country. ●

Paul Ruddick is chairman at Redzio

Learn more about how Redzio is transforming construction and delivering amazing spaces for people to live, learn and thrive, here: www.redzio.com



Reds10's award-winning Imjin Barracks in Gloucestershire is made using MMC

Capacity crunch

Only by easing the planning backlog will Labour meet its 1.5 million homes mission

By Megan Kenyon

The success (or failure) of the government's plans to build 1.5 million homes is contingent on the health of its planning system. Local planning authorities are an essential cog in the wheel of development; they oversee the signing-off of applications and ensure the quality of construction.

But a decade of austerity coupled with the proliferation of private consultancies has triggered a slow process of depletion within the sector. Research conducted last year by the *Local Government Chronicle* found that only one in ten councils in England has a fully staffed planning department.

The government is clearly cognisant of the need for action. Matthew Pennycook, the Housing and Planning Minister, recently said that the shortage of planners "keeps [him] up at night". The newly renamed Ministry of Housing, Communities and Local Government's plans for housing include the recruitment of 300 new graduate planning officers as a headline offer. This forms part of £36m package of investment in the planning system to upskill local planners and turbocharge housebuilding.

But with a whack-a-mole array of issues, including the recruitment and retention of planners, will the promise of 300 new graduates prove to be enough?

According to sector experts, exclusively focusing on graduate planners may not be the right approach in fixing this crisis. An increasing number of experienced planners have left local authorities to take on positions in the private sector; others have retired. This has left a dearth of mid-level professionals with the necessary expertise to replace them.

The issue is a perennial one. "Planning has been pretty much in terminal decline for 50 years," Hugh Ellis, director of policy at the Town and Country Planning Association told *Spotlight*. "What we really lack at the moment in the profession is cohorts of people who have left – either to go into the private sector, or who have left the profession completely."

Ellis added: "What we really need is experienced senior planners. If it was me, I'd be spending a bit of that money on trying to bring some of them back."

Indeed, this "terminal decline" is reflected in the stats.

According to research by the Royal Town Planning Institute (RTPI), 25 per cent of the planning workforce left



CHRISTOPHER FURLONG/GETTY

◀ their jobs between 2013 and 2020. Recent research from Public Practice, an organisation which places private sector professionals into public sector roles, found that 20 per cent of officers are preparing to leave the public sector in the next two years. As Pooja Agrawal, the chief executive of Public Practice, explained: “The number one challenge in recruitment [for council planning departments] is attracting appropriately qualified or skilled candidates. You can have all the roles [available] but if you can’t get the right skill set into local authorities, that’s a fundamental problem.”

The head of planning at a district council, who spoke to me on condition of anonymity, agreed. They pointed out that while there has been a steady decline in the number of students joining the profession, “the gap isn’t just about graduates”. They explained that currently, there is a skills gap in the profession which is eating away at capacity within the sector. Clearly, when staff are already overstretched, training new members of staff takes up time which is already precious. And when other experienced members of staff leave for the private sector to take up a higher salary, it can make matters worse. “When experienced planners leave for consultancies, it creates an imbalance in the system, leaving councils with less experienced staff to handle critical work,” they told me.

And this can create a vicious cycle, with an increasing number of councils now forced to go out to private sector consultancies in order to fill the gaps in their expertise. This is a far more expensive option than simply having the staff in-house who have the knowledge and skills to get the job done. The head of planning at a district council said: “Relying on consultancies is more expensive for councils, but if you don’t have the people to do the job you’ve got to find them somewhere.”

This public sector brain-drain coincides with a dire financial landscape for councils. Local authorities’ spending power has been cut by 26 per cent in the decade between 2010-11 and 2020-21 – and an ever shrinking amount of this is going towards planning. According to RTPI, the “administration of planning services at a local level has become more difficult over the past decade”. Their 2023 *State of the Profession* report found

that these difficulties have “worsened the performance of the planning system” by driving the contraction of the public sector and ensuring that planners’ salary growth remains stagnant. The RTPI’s report also found that, despite occasional growth in revenues, councils are continuing to spend even less on planning.

In 2023, the then Conservative government announced its plans to increase the fees charged by planning authorities for planning applications. Fees for major applications were increased by 35 per cent, with those for all other applications rising by 25 per cent. This was intended to raise investment in the sector. But according to RTPI’s research, rising income from planning services did not translate into more money spent on planning. In fact, the research found that direct investment in planning has been decreasing. Net expenditure on planning services dropped by 33 per cent from £893m in 2009-10 and £594 in 2022-23.

Through her work with Public Practice, Agrawal has had first-hand experience of this dramatic reduction in the allocation of funding and resources. Public Practice works to place built-environment professionals from the private sector into the housing and regeneration departments of councils. “The daily conversations we have with officers about recruitment freezes, budget cuts, and teams being deleted – in urban design and regeneration – it fills us with quite a lot of despair,” Agrawal told *Spotlight*.

The head of planning at a district council explained: “People see the stress and strain in public planning jobs, and when salaries are significantly lower than in the private sector it’s hard to make the case for staying.” They told me that under the current circumstances – with planning on its knees – “the government’s push for 1.5 million houses, combined with a 30-month target for local plans is

very, very challenging – if not impossible – to achieve.”

Another key ask for the sector is certainty. Since 2010 the UK has had 16 housing ministers, each bringing their own (or their party’s own) unique agenda to planning and planning reform. This has had a knock-on effect for the workload of England’s planners. And with ongoing capacity and retention issues, it overloads an already strained system. “Some stability would be beneficial,” the head of planning explained. “Each time an announcement is made and there is a change to the system, then that means that local authorities – who may have adapted to a new way of working – will have to redo that work.”

Under such dire financial circumstances, with budgets stretched to breaking point, this back and forth can prove almost catastrophic. “Not only is that a drain on council finances,” the head of planning explained, “but it also has an impact on morale within the profession. You just think, well every time I think I’m getting somewhere I have to redo it again.”

This outlook feels bleak; particularly in the midst of an ongoing housing crisis that makes the need for development more pressing. But those working in the sector remain confident that with the right support, the sector can be brought back from the brink. Much of this comes down to reframing what we mean by planning, and how the built-environment sector is viewed as a whole. It needs to be viewed as a more attractive – and more aspirational – sector to work in.

Though the departure of experts from the sector is a major issue, it is coupled with the failure to recruit a younger generation of planners into public sector roles. This is evidently the problem which the government funding of 300 more graduate planners has been allocated to solve. But like those leaving the public sector later on in their careers, graduates, too, need to be persuaded to stay on once they have completed their training.

As one planning insider told me, “You can recruit 300 planners into the public sector, but nothing is stopping them from leaving to go to the private sector after two years.” They explained that many young people taking on a career in planning may start with the best of

Since 2010, the UK has had 16 housing ministers



Capacity issues at English councils' planning departments will have a direct effect on Labour's ability to build 1.5 million homes

intentions, but capacity challenges and low wages can quickly skew their perspective. "A lot of graduate planners go into public sector planning thinking they're doing good for society," they said, "but a lot of times they're not actually doing planning – it's more like paper shuffling."

"The job isn't about just delivering housing units; it's about making places that can save people's lives because they're built in the right place," Ellis said, "or that can extend life expectancy because they're designed to support health and well-being." He explained that the purpose of planning is not about "doing things to people. It's about a local, creative, democratic process of meeting people's collective needs and creating a vision of what our places to look like."

Agrawal agreed. "We've always pushed for a broad definition of planners as place-makers. To create better places or deliver homes, you need a range of skills – you need skills in housing delivery, urban design or in sustainability – not just traditional planning skills." She explained that by doing so, not only will the change that the planning system is

able to affect be broader, but the profession itself will also become more appealing, especially to those with a wider range of expertise. "We need to rethink planning as more than approving developments," she said. "It's a tool to unlock growth and create better, more proactive, and creative places."

Indeed, bolstering capacity within local planning authorities will improve the trust which communities are willing to place in the system. The head of planning at a district council who spoke to *Spotlight* anonymously explained that, currently, "there is a gap between what communities are promised and what gets delivered on the ground, which creates mistrust and frustration".

To address this, they explained, councils must improve their relationships with the communities they serve, especially with the young people who are the likely recipients of upcoming development. "There is a role for local authorities to improve the way that they engage with communities digitally," they explained. They pointed to examples of councils using artificial intelligence (AI) to show what a development might look

like once it has been completed. But of course, such initiatives need proper resourcing in order to be delivered.

The new government has lofty ambitions for the planning system. It is often cited by ministers as the key to unlocking the coveted growth which Labour promised ahead of the election. Its proper operation is also crucial to solving the housing crisis.

What is not clear is whether there is true understanding within government of the nature of decline within the planning system. That its headline pledge is the recruitment of 300 graduate planners in the midst of a sector brain-drain, suggests that there isn't. It would make far more sense – and be far more effective – to institute a broader programme of reform within public sector planning, rejuvenating the profession and making it far more attractive for experts to stay.

Such an extensive programme of change will take time, money and effort – luxuries this government may not have. Labour's ability to deliver 1.5 million homes may depend on getting it right. ●

Where does the Budget leave housebuilding?

Funding solutions will be needed to complement planning reforms and unlock delivery

By Emma Cariaga

In association with



The new government's commitment to a radical acceleration of housing delivery to address the housing crisis and drive economic activity is welcome and much needed. It is all the more welcome to see this reflected in the Budget, with over £5bn committed to accelerate delivery and increase access to affordable homes. However, given the years of missed housing targets, the ambition to deliver 1.5 million homes over this parliament remains a huge challenge, with the OBR predicting at least a 200,000 homes deficit by the end of the parliament.

The biggest challenge, acknowledged by the Chancellor, Rachel Reeves, remains funding the delivery of affordable homes. We welcome the commitment in the Budget to increasing the Affordable Homes Programme by £500m to £3.1bn, although much more will be needed in phase two of the spending review to achieve Labour's goal of securing a step change in affordable housing delivery.

Planning reform is vital to increasing housing delivery and can be progressed alongside the fiscal measures announced in the Budget. We welcome the government's proposed changes to national policy, including a targeted approach to green belt release through the new "grey belt" classification. However, to boost housing delivery in the short-term and unlock economic growth, government must accelerate development and densification on brownfield land: urban sites that have been previously developed but are now under-utilised or in need of regeneration.

Recent research from leading UK engagement platform, Commonplace, commissioned by British Land, Landsec and Berkeley Group, found that urban communities view undeveloped brownfield sites as "wasted potential", and, far from being anti-development, overwhelmingly support urban regeneration that delivers for their local area. In addition, the research showed that these communities are open to supporting taller and denser development, provided they are involved in the planning process at an early stage and the benefits of development are shared.

The number of planners working in the public sector shrunk by a quarter between 2009 and 2020. We therefore welcome the Chancellor's commitment

to funding 300 new planning officers while creating a more diverse pipeline of talent entering the profession. These resources should be targeted towards places with the greatest potential for growth, such as the city regions, high-potential clusters and strategic sites referenced in the government's industrial strategy.

In order to make the most efficient use of both new and existing resources, the government must simplify the planning system: clearly defining what policies should be included in each tier (national, regional and local) to minimise policy layering and complexity and avoiding duplication between planning and adjacent (building and environmental) regulations. The planning system is overburdened and process-driven and could be further streamlined through continued investment in digitisation to create a modern, tech-enabled planning system at a national scale.

Up until 2010 affordable housing was substantially funded through grants. Since 2010, grant availability has significantly reduced and the responsibility for funding and delivering affordable housing has largely passed to the market.

As a result, there is downward pressure on housing completions from the rise in interest rates; unprecedented construction cost inflation; new building safety legislation, which has reduced efficiency, particularly on brownfield sites, through the introduction of second staircases; and a challenging sales market, with increased mortgage rates and a subsequent fall in demand.

A gradual reduction in interest rates will stimulate the market but the pace is slow and we cannot rely on rising house prices alone to address permanent changes in legislation and viability. If the new government is to achieve its goal of radically increasing affordable delivery, a new funding model is needed to address these pressures and complement the positive supply-side reforms introduced by the new government.

Other announced measures in the Budget including extending the mortgage guarantee scheme to support lending at a higher loan-to-value, at the lower end of the market, and enabling local authorities to retain and invest 100 per cent of right-to-buy receipts will



An illustration of British Land and AustralianSuper's Canada Water development, London

support delivery, but in the longer-term other fiscal incentives and funding solutions will also need to be considered.

Risk sharing on brownfield sites would enable developers and local authorities to work more closely together to review the ability of developments to deliver affordable housing. Where sites are stalled with levels of affordable housing that are unviable, collaboration and an "open book" approach could enable quicker delivery where the local authority is prepared to adjust the headline rate of affordable housing, vary levels of discount through changes to the tenure split and/or increase the overall quantum of development, with additional affordable housing delivered when financial performance improves.

More flexible arrangements that are responsive to local market conditions would give developers the confidence to continue to invest in development through the cycle.

The reforms outlined above would enable the government to rapidly increase housebuilding in the areas where it is needed most, to ensure that more people have access to the quality, affordable homes they need close to their places of work. The Budget provided a welcome boost for housebuilding, but staying the course on planning reform and innovating to unlock delivery will be just as vital. ●

Emma Cariaga is British Land's joint head of Canada Water and head of residential

Is Yimbyism the way out of the housing crisis?

“Yes in my back yard” activists want looser planning, and much more building. Will it work?

THE LOUDEST VOICES IN THIS DEBATE TYPICALLY ARE THE ALREADY WELL-HOUSED

Shreya Nanada

Chair and co-founder of Labour Yimby, and Islington councillor

The UK is in the midst of a housing crisis. How did we get here? From the mid-20th century, successive governments made a series of policy changes, relaxing lending, scrapping taxes on property, abolishing rent controls, selling off council homes and failing to build more.

There was also a shift in the country's economic geography. As we opened up our economy to international markets from the 1970s, and shifted from manufacturing to high-value services, economic activity became increasingly concentrated in a few large cities.

Our housing stock failed to shift with it. It could have been different. We could have adjusted to our new economic reality. We could have implemented a more flexible planning system; or initiated active state intervention to expand and densify our cities. We didn't do either.

Together, these changes made people who happened to own land or homes in prime locations, particularly in London and the south-east, very rich. And they left those seeking housing in those areas worse off, paying increasingly high rents for increasingly cramped and poor-quality homes.

How should we address this problem? There are a number of options. We can keep the distribution of the existing housing stock the same, but address affordability, and redistribute ownership. We can change the distribution of the existing stock, for example by encouraging downsizing, or by penalising empty homes. And we can build more homes.

These first two sets of reforms are much-needed. Currently, the balance is far too far in favour of landlords and the well-housed. But they only get you so far. The UK has some of the oldest, smallest and poorest-quality housing stock in the developed world. The only way to address this is to build more.

The housing crisis is massive in scale. If we want to solve it, we should make every effort we can. Instead of listening to the loudest voices shouting against new homes (typically the already well-housed), we should start listening to the nearly 70 per cent of renters who support building more homes in their local area. We should be ambitious on social housing delivery. But most importantly, we should aim high. One and a half million homes is a good start, but far from enough.

“BUILD, BUILD, BUILD” MANTRAS ARE NO SOLUTION TO A COMPLEX, STRUCTURAL CRISIS

Josh Ryan-Collins

Professor of economics, Institute for Innovation and Public Purpose, UCL

The UK needs a lot more affordable housing. But is building 300,000 homes a year the solution? Here are three reasons why not.

First, the UK's housing sector is not capable of building at this scale. Since the 1990s, successive governments have said they will increase supply and been unable to, averaging around 180,000 new dwellings per year. Most have blamed the planning system. But the more fundamental problem is that the UK residential construction sector is dominated by a small number of large private sector developers who lack incentives to build at a rate that would reduce house prices.

The only period in the UK's post-war history when new homes were being constructed at the rate now targeted was the 1950-70s, when around half of new stock was provided by the public sector, unencumbered by the need to generate a financial return. Whilst the announcement in the budget of an additional £500m for the Affordable Homes Program was welcome, it will be nowhere near enough to get to these levels of housing.

Second, the evidence suggests that the expansion of the housing stock has a limited effect on housing affordability in aggregate. Estimates of the sensitivity of UK house prices to increases in housing stock consistently show that a 1 per cent increase in housing stock delivers a 1.5 to 2 per cent reduction in house prices. This contrasts with a 306 per cent increase in mean nominal English house prices since January 2000.

Third, recent research demonstrates that a strategy focussed mainly on building is incompatible with carbon emissions targets.

What's the alternative? Much more focus on the existing stock. This is inefficiently distributed, with the number of homes underoccupied by retirees vastly exceeding households in overcrowded conditions. A major reason for this is the demand for housing's role as an investment asset. Incentives should be given for homeowners to downsize.

None of this is to say that more supply is not needed, especially in cities. But the bulk of this should be affordable and will probably need to be provided by the public sector. Prioritising the right to housing as a place to live rather than a financial asset is the key to addressing the structural crisis in the UK's housing market.

WE NEED CLEAR AIMS AND A SINGULAR VISION TO ADDRESS HOUSING SHORTAGES

David Orr

Chair, Clarion Housing Association and project leader, Homes for All

We have a national housing crisis. The indicators are clear. Nearly 1.3 million households are waiting for a social home in England. One in five children are living in overcrowded homes and 150,000 children are in temporary, insecure and often low quality homes, the greatest number ever. A generation of young professionals feel locked out of home ownership. A rapidly increasing number of older people live in insecure private rented homes. The oldest and, by most measures, poorest quality homes in Western Europe are energy inefficient, expensive to heat and contributing to global warming. The list is endless.

This isn't a description of some problems in an otherwise functioning system. The system is broken and requires a systemic, long-term approach to fix it.

Our new government has made a welcome commitment to publishing a proper long-term strategy for housing next year. I have argued for this for years and I am confident that it will be a serious attempt to address the problem. But there is an even more fundamental step which is missing. 'Strategy' is defined as a plan of action to achieve an overall aim. We don't have a clear view of what the aim is.

We need a clear statement of a vision for housing. It might be that 'everyone should be able to live in a warm, dry, energy efficient and affordable home in a functioning community'. Apparently obvious, yet not stated. Without such a vision, how can we develop the strategy, or route map, to get us there? And it needs to be legislated to ensure the best possible chance of long-term success. There is a flow here which any business would recognize – vision, strategy and governance arrangements to ensure delivery.

It is hugely heartening to have a government which clearly wants to make a difference, and which has already made a very positive start by providing more investment in social homes. This is the critical starting point. Without building many new affordable rented homes, the system will remain broken. There are many partners, including Clarion, who want to get behind the government in a spirit of national partnership in pursuit of shared objectives. There is a chance right now for Labour to do something truly transformative by articulating that vision for housing. ●

“Our housing policy failed to keep up with major shifts in our country's political economy”



Continuing to champion social housing

Everyone deserves a safe place to call home.
That's why we've provided more than £18.5 billion
to the social housing sector since 2018.

Helping Britain Prosper

Scan or search Lloyds Banking Group social housing



The view from elsewhere



Tom Copley
London's deputy mayor
for housing and residential
development

“Our fractured housing market is going to take time to heal”

sky-high housing costs are top of Londoners' concerns, and the need to get new homes built is top of the in-tray for Sadiq Khan's third term as London Mayor, as it is for the new government.

The first step is overcoming a disastrous inheritance from the last government, which left housebuilding on its knees.

Since 2010, ministers have slashed funding for new social housing, cut local authority housing and planning budgets to the bone, and scrapped housing targets. A period of record low interest

rates and Help to Buy papered over the cracks, but the foundations were undermined by these decisions. Recently, the botched implementation of vital second staircase regulations has slammed the brakes on tens of thousands of homes.

The housebuilding industry rightly warned the then government that their approach would send housebuilding into freefall, with the Home Builders Federation saying that government policy was setting housebuilding on course to hit the lowest level since the Second World War. They were ignored.

Fast-forward to this summer. Important, initial steps taken by the new Labour government have begun to stop the rot. But the Office for Budget Responsibility's autumn Budget forecast made clear the scale of the challenge ahead. UK-wide housing completions are thought to have fallen last year to their lowest level since the post-global financial crisis slump, and are on course to fall again this year.

It's in London where the pressures on building are most acute. In recent years housing completions in the capital hit the highest level since the 1930s, with backing from City Hall getting councils building homes again at scale for the first time in my lifetime. But London has been most exposed to government inaction – in the face of an inflation shock and higher interest rates – and, given London prices, it resulted in both buyers and builders being more reliant on borrowing.

Meanwhile, the necessary costs of making London's larger social housing stock fit for the future with next to no help from the last government has sucked up financial headroom that would otherwise be spent on new homes.

The inheritance is dire, but I remain optimistic about the future and certain that we can and must rebuild. In London, we have a Mayor and local leaders who want to get homes built to create a fairer London for everyone. We're determined to go further until everyone, whatever their income, has a decent home they can afford.

The Mayor and I are playing our full part in the process of rebuilding, taking steps to set up a new City Hall Developer to buy land, direct development and get homes built for the first time in decades. We're saying “yes” to thousands of new homes when planning decisions on larger developments cross the Mayor's desk. And we're investing City Hall budgets in tens of thousands of council and social homes.

We've already shown the fruits of being able to do this hand in hand with the current government – take the plan for hundreds of homes on a car park by Cockfosters Tube station, blocked by a previous transport secretary, now given the green light by the new government.

However, we know the work of reconstruction has only just begun. The repair job on our fractured housing market will take time. But we're determined to see it through and help rebuild the opportunity for affordable housing in our city – brick by brick. ●

“Let’s build housing on a scale not seen since the Second World War”

Kwajo Tweneboa on living standards, Michael Gove and Labour’s 1.5 million homes target

By Harry Clarke-Ezzidio

There are few people who have had as big an impact on the social housing sector in the recent past than the campaigner Kwajo Tweneboa.

Tweneboa, 25, has lived in social housing for most of his life and came to prominence in 2021 when he took on his social housing provider, Clarion.

He posted videos of the dilapidated living conditions affecting his family and other residents at the Eastfields housing estate in south London. He had waited 18 months for promised repairs to take place. His videos posted to social media went viral, and action was swiftly taken.

Since then, he’s highlighted similar struggles faced by thousands of residents across the country. He has brought issues of poor standards in social housing to the attention of prominent Labour and Conservative politicians.

Earlier this year, Tweneboa appeared on the *New Statesman Podcast* to talk about his new book, *Our Country in Crisis*, social housing reform, and his expectations of the new Labour government.

Below is an abridged version of the full interview:

To what extent is housing contributing to wider crises across the country?

It’s huge. It’s one of the drivers of many other social issues that ordinary individuals experience.

If you’re a child growing up, and you’re homeless, or you’re living in temporary accommodation, or you’re moved from different parts of the country simply for a place to call home – that affects your education. And often these young people are from disadvantaged backgrounds as it is, so we’re not setting them up to prosper if we’re allowing this issue to fester.

But also earlier, one of the NHS bosses came out and said you cannot claim to have fixed the NHS if you first and foremost haven’t fixed housing. Last year the NHS spent £1.4bn looking after people living in poor conditions; £38m spent on looking after those who had reached out to the NHS suffering with issues as a result of living in homes filled with damp and mould.

We talk about crime, poverty... When you really think about it, and link together, there’s one common denominator – and that issue is often housing.

Just how bad are conditions for some residents?

It's hard to even describe some of the conditions I've seen people living in and subjected to. I've been in homes where I've had to cover my shoes with Sainsbury's bags before I went in because they were absolutely flooded with raw sewage... [I've seen] cockroaches, mice, ceilings collapsing, leaks... the list could go on. It's endless.

Local authorities, housing associations and governments simply did not take it seriously enough. I've spoken to MPs that have told me that these housing issues take up the majority of their caseload and have done for a very long time. So no one can sit here and tell me they didn't know about these issues. There simply wasn't political will to deal with it, unfortunately.

What is the "problem with Westminster" that you outline in your book *Our Country in Crisis*?

There's a lack of understanding; our politicians will not be living in the conditions that I see people living in, and that plays a massive role. It's very easy to talk about an issue. But seeing people live in those conditions, or living in them yourself, gives you a different type of motivation for wanting change.

I'm glad that I met Michael Gove [Secretary of State for Levelling Up, Housing and Communities until July's general election] instead of the previous housing secretaries, because quite frankly, they were useless.

[Gove] got through the Social Housing Regulation Bill. Did I want it to be stronger? Absolutely. The Renters' Reform Bill didn't get through... but he was receptive to the realities of what was going on. You need your whole party to care in order to get legislation through, and that simply just wasn't going to happen [under the previous Conservative government].

But now we've got a Labour government, [and] a secretary of state that has lived in social housing, and knows how important it is. I hope Angela [Rayner] is able to deliver what it is that people so desperately need. Rachel Reeves and Keir Starmer have been talking about delivering economic prosperity – they won't do that unless they tackle the housing crisis in this country.



Tweneboa describes building social housing as an "investment" in the economy

What do you think of Labour's plans for housing?

They've talked about building more council homes... [but] they haven't really given us numbers apart from saying they're going to build 1.5 million homes.

What we do know is the last time a government was building 300,000 homes per year – which I believe was in the Seventies – it was because a large number of that was council homes. If they're going to meet that target, they have to prioritise the building of social homes, because that is where the current crisis is... That's where the 145,000 homeless kids are currently stuck waiting for a place to call home; that number will continue to grow if we don't prioritise this. [Labour] are going to have to build more council homes on a scale as big as after the Second World War.

My worry is that... [they are] going to be built [predominantly] by the private sector and there's going to be a reliance on the private sector. From what I've seen within housing when it comes to the private sector and contractors, is that there's one thing they care about – and that's making as much money as possible.

We need the government and local authorities to [directly] be building council homes. It is an investment. It has been shown already that if they invest, the economy will reap the rewards in years to come.

Do you see yourself going into politics one day?

As I'm getting older, I'm probably considering it a lot more than I would have a few years ago.

I have been banging on about class and representation and wanting to see more people like me in politics. And sometimes you have to be the person that puts your head above the parapet and actually goes in there to try and shake things up. I hope I've been able to shake things up from the outside, especially in regards to housing.

I'll always be a housing campaigner regardless of whether I go into Westminster – and maybe I will – but... I want to see this government succeed.

If I can help that, fair enough. But what I will continue to do is advocate for those outside of Westminster who are struggling. ●

Right to Buy, the sieve that drained the UK of its council houses

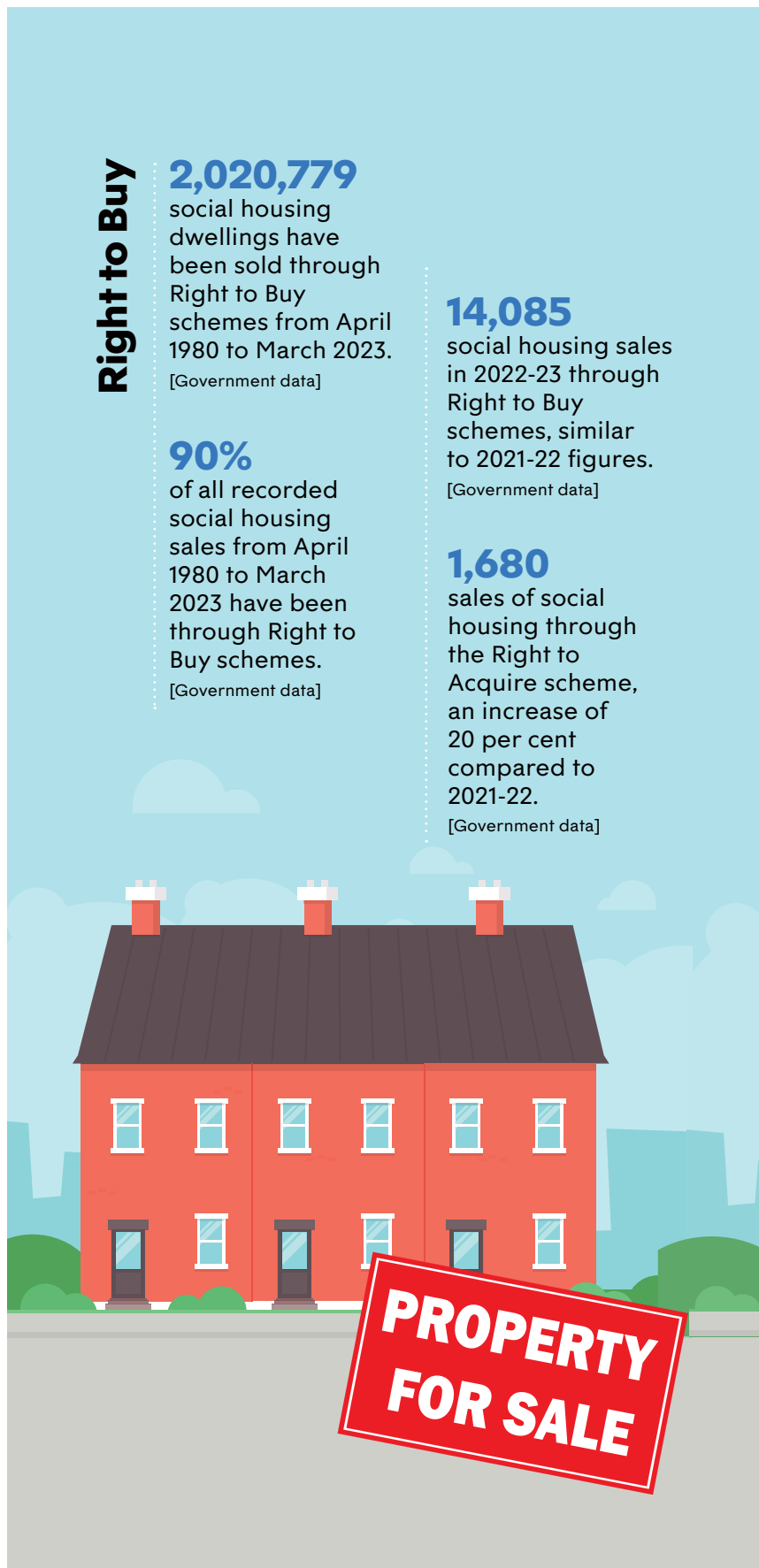
Towards the end of 1979, the then Conservative government announced plans to allow council tenants to buy their homes at a discount. It is not an overstatement to say that this announcement substantively damaged the British housing market.

Since it was first announced, Right to Buy has seen the sale of two million council homes, many of which have not been replaced. This has been accompanied by a steady decline in housebuilding in the four decades since; in 1980 94,140 new social homes were built. According to the Regulator of Social Housing, in the year ending 31 March 2024 the UK built just 700 social homes. For comparison, in 2022-23, the UK sold off 14,085 social homes through Right to Buy schemes.

The new Labour government is clearly alive to the damage wreaked by Right to Buy's 45-year history. On 30 October, Rachel Reeves confirmed the government would allow councils to retain 100 per cent of Right to Buy receipts. She also confirmed a reduction in the Right to Buy discount. But while these policies may be a salve, they are no silver bullet.

It is difficult to see how this – or any – government can advance a successful social housebuilding programme with Right to Buy still in operation. The policy makes a sieve of the UK's council housing stock: councils are simply unable to match the rate of replacement to the rate of sales. Perhaps getting rid of Right to Buy is, like many others, a tough decision the government is not yet ready to take. But the fault lines of this policy are clear: keeping Right to Buy may save votes, but it won't save money. And while it remains, the housing crisis will only intensify. ●

By Megan Kenyon



Of the **14,085**

Right to Buy sales in 2022-23, **11,303** were local authority owned and 2,782 were owned by private registered providers.

[Government data]

700

social rent homes were built in England last year.

[Regulator of Social Housing]

5,200

Private registered providers had a net gain of around 5,200 social rent homes.

[Regulator of Social Housing]

PROPERTY FOR SALE

25%

Up until 2023, councils were required to give a quarter of Right to Buy sales receipts to the Treasury.

100%

In the 2024 Autumn Budget, Rachel Reeves announced that councils would be allowed to keep 100 per cent of the receipt of sale.

£30.5bn

Government spending on housing is at its highest level in real terms: **£30.5bn** in 2021-22 compared to **£22.3bn** in 1975-76.

[UK Housing Review Autumn Briefing]

Housing crisis

95%

In 1975-76, nearly all housing spending went on housebuilding, compared to 2021-22 when only 12 per cent of this sum went towards housebuilding.

[UK Housing Review Autumn Briefing]

PROPERTY FOR SALE

Temporary accommodation

On 31 March 2024, **117,450** households were in temporary accommodation, an increase of **12.3 per cent** from the same period last year. [Government data]

Households with children in temporary accommodation increased by **14.7 per cent** to **74,530**, while single households increased by **8.5 per cent** to **42,920**. [Government data]

Awaab's Law is an immediate call to action

Housing providers
must take a resident-
first approach to
improve standards

In association with



The tragic death of two-year-old Awaab Ishak in 2020 should never have happened. Awaab's case, which resulted from prolonged mould exposure in his family's rented social home, made it clear that more needs to be done to avoid such a preventable death from occurring again.

In the ongoing battle against mould, the housing sector has largely fallen short. To ensure healthy homes for all, a paradigm shift was needed – one driven by innovation, empathy and communication. By introducing Awaab's Law, the UK government has taken the necessary steps to ensure residents' concerns are taken seriously and addressed. This landmark legislation, born out of a distressing tragedy, represents the beginning of this change. Awaab's Law must be viewed as an immediate call to action in terms of addressing concerns within an appropriate timeline and acknowledging the urgent statutory timeline.

With clear guidelines for landlords and tenants, Awaab's Law aims to simplify addressing damp and mould and other Housing Health and Safety Rating System (HHSRS) hazards, by mandating social landlords to deal with reported health hazards promptly and within legislated time frames, documenting all actions and keeping residents informed.

Tom Robins, the chief executive of Switchchee, said: "Awaab's Law has sparked some concern amongst social housing landlords, particularly around resource allocation, legal ramifications, first-time access to residents' homes, and the nature and complexity of the repairs required.

"While some of our customers have highlighted to me the pressure that they face to deliver the requirements within the strict timescales proposed by the new legislation, my clear message back to them is always one of reassurance. Providers should see Awaab's Law as an opportunity to be empowered to take action and drive long-term positive change.

"We believe in the power of technology to change the way we solve big problems for real people. Addressing issues like fuel poverty requires a data-led approach, ensuring that immediate support reaches those who need it most. That's why we introduced Switchchee's free Energy Voucher Service, a proactive

initiative in collaboration with UK housing providers. By using Switchee data, we will identify people living in cold, unsafe conditions, and offer a £49 energy voucher for immediate relief, straight to their smart Switchee device. Within hours, we can help a person or family, afford to turn their heating on – and feel the comfort and warmth that everyone deserves.

“Most housing providers are actually in a position to deliver this effectively – it just requires a slight change in approach. It means recognising the importance of prioritising resident engagement. In reality, this means always maintaining transparent communication, keeping accurate records, and providing clarity on the timescales for resolving issues in homes.

“By creating a resident-first approach, not only will it help produce stronger relationships between providers and residents that are built on trust, but it will also reduce the need for tenants to invoke Awaab’s Law through the court system.” While the idea of Awaab’s Law can seem daunting to social housing providers – especially as official timescales for implementation have not yet been announced – preparation can and should begin now, Tom advises. “This preparation will not be cost-free,” he says. “It will mean investing time and resources to engage with residents now,

reviewing the customer journey and upskilling internal teams. Being ready for the introduction of Awaab’s Law will also mean improving capabilities to handle new reporting requirements or legal preparations such as upgrading tenancy agreements.” When adopting this resident-first approach, providers need to be flexible as residents’ trust in the system varies. While some residents are very engaged, there are a significant number who are disengaged for a variety of reasons – it is critical that this more silent group is not forgotten. This is why many social landlords are increasingly embracing new technologies and innovations to achieve the desired cut through with all residents.

Switchee’s communications functionality is proving to be an effective solution for this. Our smart, in-home device, which is already being used by over 130 social housing providers, offers a means of two-way communications. This enables direct communication between residents and providers via an in-home display, which sees 88 per cent of residents respond within the first 24 hours. It is making it easier for residents to report hazards in homes, and ensure they remain engaged every step of the way. As we focus on creating new affordable homes, we must not lose sight of improving our existing

housing stock. Switchee data reveals that last winter, 3.7 million UK households, 13 per cent of the population, were in fuel poverty. Initiatives such as Warm Homes are essential in addressing the injustice of poverty. Tom is passionate about the role technology plays in tackling housing issues: “Our internet of things (IoT) technology goes beyond communication, offering a proactive and practical means for landlords to tackle damp and mould, with innovation at its heart. It allows housing providers to proactively monitor housing stock conditions. With Switchee’s real-time property data and actionable insights, the risk of mould is identified early on, driving social housing landlords to act before the presence of mould poses a threat to human life.

“What our technology shows is that landlords can take a proactive approach now to address hazards before Awaab’s Law comes into play. Many are already doing this, and the opportunity now is for the social housing sector to work together and collaborate with each other and partners like Switchee, so we can engage and support residents early on.”

Last month’s Autumn Budget included a range of welcome announcements on housing including an initial £3.4bn for the Warm Homes Plan to invest in heat decarbonisation and household energy efficiency. However, it is crucial that further funding is provided in Phase 2 of the Spending Review so that social housing providers are fully empowered to deliver warm, energy-efficient homes, reduce carbon emissions, tackle fuel poverty, support green jobs, develop the retrofit sector, and improve the health and well-being of social housing tenants. With £500m available within the Affordable Homes Programme the homes of the future must be forward-thinking and tech-savvy, while the Warm Homes Plan is vital to addressing retrofit issues. Ultimately, Awaab’s Law will ensure both types of homes are safe for residents, however tech is essential to both.

Tom concludes: “Our Switchee technology enables this to be achievable, and as we build on our data and knowledge, resident wellbeing becomes a more viable reality, and we can seek to prevent further tragedies. In essence, technology could be the true power behind Awaab’s Law as we move forward.” ●

Resident review

“**Smart sensors**

“One of the features I like about Switchee is the monitoring of damp and mould. It’s good I can rely on that to keep my home safe. I feel happy it is doing that.”

John Bradbury - Resident

A resident-first approach is essential to improve conditions for tenants

“This crisis is acute and it’s entrenched”

Treating housing in isolation means perpetuating the mistakes of the past

By Jon Bernstein

On a rainy late September morning, room 11b of Liverpool’s ACC conference centre was packed.

Housing debates at Labour Party conference are invariably standing room-only affairs and this one was no different. Housing affects us all. Housing policy animates. It sometimes frustrates.

Opening the fringe debate, Kate Markey, chief executive of the Nationwide Foundation, pinpointed one of the main causes of that frustration. “No modern government has truly articulated a vision and a strategy of what housing is for,” she said. “As a consequence, we’ve had years and years of siloed policy which has brought unintended consequences.”

Unintended consequences that include poor quality homes (in 2021-22, 14 per cent of households lived in dwellings that fell below the Decent Homes Standard); an all-time high number of households living in temporary accommodation; and rising property prices that put home ownership beyond the aspirations of many.

Markey argued that housing needs to be viewed as a system, “a complicated web of economic and societal levers that impact each other”. Developing the theme, David Orr, former chief executive of the National Housing Federation and head of national housing coalition Homes for All, noted: “Housing doesn’t exist in isolation... [It] is core to our success as a nation, it is core to the economy, it is core to our social stability. We want our kids to do their best. How are they supposed to do that if they have nowhere to do their homework?”

“If ever there was something that needed long-term thinking and strategic planning, it’s housing.”

On the need for a housing vision, Orr compared it to other parts of government delivery. “I know what the vision for the NHS is. It might be difficult to deliver, but I know we all have a vision of a health service that is available to all free at the point of use. I know what the vision is for our education service. I know what the vision is for our climate change policy, net zero by 2050. I don’t know what the vision for housing is.”

In response, the Housing and Planning Minister, Matthew Pennycook, described the housing crisis as “acute and entrenched”. Before detailing Labour’s intended solutions, he outlined some of the suffering that results from the present crisis. “There are more than a million

people on social housing waiting lists. There are millions of people in insecure, often substandard private rented accommodation. There are millions of people in cold, damp and mouldy substandard properties.”

“And most shocking... we now have a situation where – partly as a result of decades of not building enough homes of all tenures but largely as a result of policy decisions made over the last 14 years – 150,000 children [are] homeless in temporary accommodation. That should shame us as a nation.”

Two constituency MPs added some local detail. Meg Hillier, MP for Hackney South and Shoreditch since 2005, said half of her constituents live in poverty. Many teenagers share, not just a bedroom, but a bed with a parent. There is, she said, a “theoretical” 13-year wait for a two-bedroom property. Anything larger and the waiting time is “off the scale”.

Fellow Labour MP Satvir Kaur is newly elected, winning the seat of Southampton Test in July’s general election. In Southampton as a whole, there are 8,000 people on housing waiting lists. “Housing for too long has been a commodity,” she said. “A decent, safe, affordable home is intrinsically linked to better life outcomes.”

Defining what he called the “bold and decisive action” Labour has taken in the first few months of government, Pennycook cited forthcoming reform to the planning system to help meet the government’s target to deliver 1.5 million homes in the span of a five-year parliament. He cited too, a new Renters’ Rights Bill (“not a polished Renters (Reform) Bill”) as the first step in delivering a “huge increase” in affordable homes by giving new flexibility to councils and housing associations. He also promised action on “decency, standards and professionalism” featuring a decent homes standard across the private and social rented sectors.

Referring to earlier remarks, he added: “This is a systems problem. We’ve got to change every aspect of it. This is not an a la carte menu. It’s a set menu. Everything must be done to transform the system.”

Hillier identified two interlinked issues that matter most to her constituents – supply and quality. On social housing, she observed: “Even if you are adequately housed... you still often face disrepair



Housing Minister Matthew Pennycook says we are dealing with a “systems problem”

issues because of a lack of investment. That’s not an excuse – we cannot have modern slums from our social landlords.”

On the quality of house building, Orr added: “It’s an absolute waste of time and money building rubbish.” Homes with a span of 40-50 years are symptomatic of the larger problem afflicting the sector, he said. Kaur noted that much of Southampton’s postwar housing stock is now 20 years beyond its lifespan.

“The way you drive quality is through competition,” argued Markey. This includes community-led housing able to meet around 5 per cent of the government’s 1.5 million homes target.

Pennycook added: “There’s no way we’ll build enough homes in this country without getting many more SMEs [small and medium-sized enterprises] involved... we are overly reliant on a handful of volume builders that have a particular business model.”

It has been suggested that ending Section 21 no-fault evictions will drive landlords away and reduce the availability of private rented properties. It’s a view that the panel challenged. “First of all, a home doesn’t vanish in a

puff of smoke [with the end of no-fault evictions],” said Pennycook. “Someone might buy that home, the local authority might acquire that home, it might go to a more professional landlord. So those homes don’t disappear. Second, I don’t think there’s any evidence of an exodus of landlords. None of the statistics bear this out. So I take that with a pinch of salt.”

Markey pointed to Rent Better research that examined the long-term impacts of Scottish tenancy reform. Rather than exiting the rental market, what landlords really want is consistency and certainty.

And in the spirit of consistency and certainty, Hillier had a final plea. With reference to the more than a dozen ministers who have held the housing brief since 2010, she said: “If Keir Starmer is listening, Matthew Pennycook should stay in his role for five years, at least. It needs a steady hand on the tiller.” ●

“Homes for all: How can Labour shape the future of UK housing?”, a New Statesman panel discussion in association with Nationwide Foundation, took place in Liverpool on 23 September 2024

Tenants of the world, unite!

What's driving the rise of the renters' unions?

By Jonny Ball



During the First World War, in the overcrowded tenements of Glasgow, a key battle in Britain's labour history was taking shape. The Glasgow rent strikes of 1915 were part of an emerging phenomenon that came to be known as Red Clydeside – a period of industrial and political militancy in the factories, slums and shipyards around the River Clyde. Housing shortages had accompanied rent increases in wartime. In response to the eviction of a tenant in arrears, campaigners across the city organised protests and mass non-payment. Tenant activists became known as “Mrs Barbour’s Army”, named after a leading organiser, Mary Barbour, a carpet printer from Govan.

The government paid attention. Rent controls were introduced soon after the strike began. Although today's free-market right casts these types of regulations as a counterproductive constraint on housing supply, they were in place in various forms until 1980. This covers a period in which enormous levels



Members of the Acorn tenants' union stage a protest against evictions in Haringey, London

of housebuilding were routinely achieved, and during which housing was often much more affordable.

A century after the Glasgow rent strike, tenant activism has re-emerged. Few with recent experience of renting will be in any doubt about what's driving it.

"I think it's just a response to, well, a confluence of factors", says Isaac Rose, an organiser for the Greater Manchester Tenants' Union, and author of *The Rentier City*, a critique of Manchester's model of private-sector-led regeneration.

"There's post-crash effects", he says, "both austerity and the financialisation of housing that came out of that." Since 2008, UK rents have roughly doubled while real wages have stagnated.

Housing policy over the last 14 years has seen a revolving carousel of 17 ministers taking responsibility for the brief. Each has presided over sub-par housebuilding figures and a growing bifurcation between housing costs and people's real incomes.

On the ground, that means families

living in overcrowded rental accommodation, unable to move on to the property ladder. It means young professionals being forced into houseshares well into their thirties. At the extremities, it means rough sleeping and the harrowing expansion of the hidden homeless. The latter includes evicted couples couch-surfing with no permanent abode; over 100,000 families allocated B&Bs, budget hotels and bedsits by local authorities without the housing stock to satisfy an ever-expanding waiting list; tenants living in extremely low-quality, slum-like conditions, fearful of raising maintenance issues with a landlord who is benefiting from years of an ultra-tight, sellers' market.

Kat Wright is all too familiar with this world. She is a field director at Acorn, one of the largest tenant unions, which started in 2014. "I've lived in well over a dozen different rented houses with a lot of bad landlords," she tells *Spotlight*. "I had been illegally evicted before, and had lots of experiences of just being

really powerless in that landlord-tenant relationship. But then I found out about Acorn and helped start a branch in Manchester."

The union has organisers in 11 cities across England and Wales and branches in 30 cities and towns. Wright runs their organising department. "We've got members in Liverpool, Manchester, Bristol, London – the big cities – but also places like Wigan, Stoke, Falmouth... which sometimes get forgotten about and left behind," she says.

"Our model is based on door-knocking and asking people what they care about, and asking people what they want to see change." The union doesn't exclusively focus on housing issues, but they do take up the bulk of its activity.

"We have run campaigns that have won free school meals for tens of thousands of families across Norfolk," says Wright. "We've got Manchester City Council to stop using bailiffs to collect council tax debt from people ▶

1.5 million homes: why we must deliver quality, sustainability and safety

The role of the UK concrete masonry industry in delivering growth

By Chris Leese

The government has put housing at the heart of unlocking growth in the UK, committing to deliver the biggest housebuilding programme in two generations.

The deliverability of building 1.5 million homes, the overhaul of the UK's planning system and the impact on the green belt have so far dominated the debate.

What receives considerably less airtime is quality: but we must consider how building at speed can create a new generation of properties that deliver the homes people want and which embed sustainability and safety.

In the transition to net zero, properties must be energy efficient to reduce carbon and ensure lower bills for homeowners and renters.

As the climate continues to change, homes must be built to be more resilient to increased rainfall and the growing threat of overheating.

As the construction industry learns the lessons of the tragedy of Grenfell Tower, a new generation of homes must, above all, be safe and fire-resistant.

In 2025, the Future Homes Standard will focus industry on energy efficiency and carbon reduction in new home builds.

However, embedding quality and safety into the fabric of our new housing stock must be a constant focus for housebuilders, registered providers, and local authorities.

Concrete masonry construction has been central to how we build homes in the UK for generations.

Known as “brick and block” it is a tried and tested building technique representing 73 per cent of the new-build housing market.

These materials have a proven safety record and do not burn, compared to combustible building materials such as timber which add additional risk to our built environment.

Concrete does not require any additional fire protection because of its own built-in resistance to fire.

With a clear roadmap to beyond net zero, the UK concrete and cement industry is continuing to evolve and innovate.

Masonry concrete is UK-made with local and responsibly sourced supply chains.

As well as providing much-needed new homes, a new wave of housebuilding must prioritise and maximise the use of domestic materials.

A reliance on imported, combustible materials with high “carbon miles” and vulnerability to disruption and delays from lengthy global supply chains will also undermine our ability to hit new completion targets.

Materials are critical to delivering the government's vision for new homes at volume but are often overlooked. Yet they are integral to meeting the quality, deliverability, safety and sustainability challenge.

Now is the time to focus on tried and tested, domestically produced, long-lasting building methods to deliver future-proofed UK homes.

Relying on imported combustible materials which add risk to our built environment and do nothing for UK manufacturing jobs is not the answer. ●

Chris Leese is chair of MPA UK Concrete

In association with



◀ on benefits and put over a million pounds into debt relief, and we've just done the same in Brighton."

Short of full rent strikes, which are rare, unions like Acorn run campaigns that can escalate from petitions to occupying council buildings.

"We've occupied Manchester City Council," Wright tells me, "we have disrupted council meetings. We've got a brilliant member called Viv. Bailiffs knocked on her door and were really abusive to her in front of her and the kids that she cared for. When one of our organisers spoke to her, she was like, 'You know what? I'm sick and tired of being treated like this all my life. I didn't know there was anyone fighting back!'"

Multiple generations of policy failure have accentuated need, deprivation and crisis in the housing sector. This isn't a problem with an easy solution or a single cause. Conservative-minded think-tankers point much of the blame at Clement Attlee's Town and Country Planning Act (TCPA), which they label a "Nimbies charter" and an effective veto over developers. Supply is clearly a factor, but planning is no panacea. The TCPA legislation was in place in the boom-building years of the two Harolds – Macmillan and Wilson – who both presided over 300,000 unit completions a year, a level that hasn't been achieved since but which Labour now aims to repeat.

The 2024 UK Housing Review noted that the government was now allocating around £31bn towards its housing budget. That's roughly twice as much as the Treasury allocates to policing England and Wales, and the most the government has ever spent on housing in all its history.

By contrast, in 1975, the government spent just £22bn, adjusted for inflation. In that year – with Jaws in the cinemas, Bohemian Rhapsody in the charts and Wilson in Downing Street – the average house price was around three times the average salary. Today it is seven times the average salary.

The question then arises: where is the record housing budget money going? If the government is spending more on housing than ever before, why are we in the middle of an acute affordability crisis?

The answer will be enough to enrage any struggling tenant. In the 1970s,

95 per cent of the housing budget went towards building, improving or repairing homes owned by local authorities and leased at subsidised, below-market rates. These provided secure, low-cost housing to residents and a steady income to local government. Today, only 12 per cent of the housing budget is allocated to this kind of housebuilding. The other 88 per cent is spent on housing benefit – £26bn every year in rental subsidies, transferred from taxpayers to low-paid tenants, and then, ultimately, ending up in the pockets of landlords. That means we're spending seven times as much on subsidising tenants and their landlords as we are on actual housebuilding.

What's more, many of those landlords in the private sector will be renting out former council properties, originally bought at a knock-down price through Right To Buy. Those houses would then have been sold on at a vastly inflated rate, until a new owner leases it out to private tenants paying considerably more than the rental value achieved when the home was a public asset in the public sector.

The House of Commons' communities and local government select committee found that 40 per cent of council houses bought through the Right To Buy scheme have undergone this bizarre ownership journey, and are now being rented out by private landlords. Many landlords will have low-income tenants, paying rent using the housing benefits with which we have replaced housebuilding investment.

This is just one of the multiple distortions that have been embedded into our broken housing market. We are not building either social or private homes at anywhere near the rate we did in the post-war and inter-war eras. We are limiting building by imposing byzantine planning regulations on developers seeking to complete

projects for both the public and private sectors. And we are no longer controlling rents through the kinds of stringent regulations that once limited demand for houses-as-assets.

Today, for many comfortable middle-class Britons, a buy-to-let mortgage and a second or third home is seen as the key to a secure retirement. Property has become the ultimate cash cow, the gift that keeps on giving. One in every 21 people in the UK is a landlord, four times the number of teachers. Most own either one or two properties. The market has been pumped up by deregulated credit, a decade of low interest rates, and quantitative easing after the financial crash.

Supply has not kept up with these long-running demand stimuli, along with a growing population, and policies like Help To Buy. The last of these, the brainchild of former chancellor George Osborne, provided government backed-loans to first-time buyers, papering over the cracks of scarcity and market imbalances but letting the underlying causes fester.

"I guess there's been a young generation who were politicised after the crash," says Rose, the author and activist. It's not hard to understand why. "I've got involved in this kind of work. I'm certainly that kind of age, with the Corbyn era, that kind of political cohort. That's driven a lot of it, as well as working-class tenants fighting policies like the bedroom tax."

Two million homes have been sold under the Right To Buy scheme, introduced by Margaret Thatcher in 1980. The policy helped create a new base of working class, aspirational voters who leant Conservative in elections. Thatcher's concept of a "property-owning democracy" was geared towards creating a solid constituency of Thatcherites. In the same way, the housing crisis in 2024 is creating a solid constituency of left-wingers, a "generation left" represented most aptly by millennial graduates, excluded from the middle-class, homeownership lifestyles their parents enjoyed.

The new Labour government will hope to alter that trend and reverse decline, but until they do, the tenant unions are here to stay. ●

"A younger generation were politicised after the crash"

For building best practice? Look north

Alex O'dell on what we can learn from the Nordic housing model

In association with



Alex O'dell is vice president, Great Britain and Ireland at Velux. He sat down with *Spotlight* to discuss how the built environment can affect health, well-being and climate, and how to embed models of best practice into UK housing policy.

Spotlight: Why do you believe the UK has lacked a holistic vision for its built environment, and how has this affected communities?

Alex O'dell: Strategy so far has always seemed to be about hitting volume targets when it comes to housebuilding. That means that broader considerations around well-being and sustainability take a back seat. That means a lot of communities and a lot of newbuild housing just isn't hitting high-quality standards. In the past, the government has been slightly tunnel-visioned, with that singular focus on hitting the raw numbers at the lowest price possible. But having sub-standard housing really affects residents in terms of their well-being, as well as their mental and physical health. There's a broader social cost that goes with that, for the NHS and a range of government services. Research shows children's test scores improve when they live in brighter, warmer dwellings with natural daylight and no damp. For adults, there's fewer sick days and higher productivity.

How can the Labour government draw inspiration from Nordic countries to enhance the UK's built environment?

We have lacked ambition a little bit previously. If we look at the housing model in Scandinavia we can see some great outcomes. Denmark is the home market for us. We have been involved in a number of initiatives to try and showcase that Nordic paradigm and trumpet its benefits through projects like Living Places Copenhagen – an experimental living environment focused on bringing together investors, architects, engineers and more, to show we don't need to wait years for healthy and sustainable homes.

To promote these standards in the UK, we took the Future Homes Hub (FHH) to Living Places this summer. The FHH has been asked by the government to pull together housebuilders, architects, experts in the industry to come up with recommendations for how we can achieve better housing standards, and the Living Places visit provided



Alex O'dell presents to members of the Future Homes Hub at Living Places Copenhagen

valuable inspiration.

Homes need proper ventilation and to have daylight integrated into their design. We're trying to show there's a better way of doing things. You can have collaboration between manufacturers, communities, housing professionals and designers to produce environmentally friendly homes that are energy efficient and that enhance well-being indoors. It's about how you prioritise health, sustainability and community in the built environment. It's got to be scalable and affordable so we can mass produce homes fairly cheaply, but once you work with builders to use the right materials we calculate we could be building houses with around a sixth of the embedded carbon as an average UK house. Building and construction is responsible for around 40 per cent of emissions – cement and steel have a huge footprint – so we have to be conscious of this.

What role does the design of indoor environments play in public health, and how should this influence UK policy?

It's important we make homes that people want to live in. They need to be well-ventilated. They need good temperatures, good light and a controlled indoor climate. They need to be quiet. We spend 90 per cent of our time indoors. The Town and Country

Planning Association says one in ten people live in sub-standard homes. Those people are twice as likely to be in poor health, costing the NHS and wider society around £18bn every year. A well-designed built environment reduces stress, improves mental health, and it allows you the potential to improve your physical health in many positive ways.

Open, outdoor shared spaces can also do that, while also fostering community and building people-friendly neighbourhoods. These are the kinds of investments in the future that will improve public health and population-level well-being for years to come.

How can the Labour government's commitment to building 1.5 million new homes be aligned with the goals of sustainability and well-being?

We absolutely welcome the government's plans to build a lot more homes and also to build a high proportion of affordable housing. That's absolutely what we need. It can't be at any cost, though. We need to build the right houses for the future. 1.5 million is going to be a major challenge for the industry. Some of new units and extra space could be achieved with ambitious renovations of existing buildings: new floors and more extensive use of loft spaces. We'll need

the planning arrangements in place, as well as the labour force – but we cannot forget about quality with a relentless focus on quantity. We need to think of the energy, environment and health impacts. We follow a set of principles called the Active House principles with three key metrics to focus on: energy, environment, and indoor climate. Currently, there's no incentive and no requirement on developers to follow any regulations on daylight or natural ventilation. But they are both key to healthy living in healthy buildings.

The government is trying to create a legacy, to fix a broken housing market in the UK – and that's excellent, commendable, we are absolutely on board and ready to partner with public bodies, local government, national government and private partners in our sector, in order to make that happen.

But we need to get the balance right. We don't want a legacy of cramped, disconnected houses full of damp. We need to think about natural daylight, about natural ventilation that aerates the house and keeps it at a good temperature, about acoustics – this is what makes the indoors liveable, and what will go a long way to renewing the country's housing stock positively for generations to come. That would be an incredibly impressive legacy. ●



The perfect Christmas gift

Give a subscription from just £49*



From politics to culture, the New Statesman and its team of great writers will inform, enlighten, entertain.

- Subscribe for just ~~£5.75~~ £2.76**
- Unlimited access to newstatesman.com
- Weekly magazine delivered direct to your door**
- Early bird & discounted tickets to NS events
- Ad-free listening to NS podcast

Subscribe today and save over 25%

Visit www.newstatesman.com/xmas24 or call free on 0808 284 9422

* Offer is for a UK 6-month digital subscription for £49, or bundled print & digital subscription for £72.

**Saving based on annual newsstand price of £299, limited to bundle subscriptions. Offer ends 31.12.2024. Gift subscriptions will start in January 2025. For overseas prices visit website or call +44 (0) 808 284 9422 for further assistance.