HOW TO SOLVE THE HOUSING CRISIS

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For the government to solve the housing crisis and hit its 1.5 million plus new homes target, it will need to think more creatively than assuming new build, and particularly new build housing developers, will deliver what's needed.

In a recent survey of house builders, an overwhelming 49 out of 50 said the target figures for new build could not be met. House builders are not alone in their thinking. Nearly every organisation in the housing sector has said the same thing. The National Housing Federation, the Home Builders Federation and Savills (estate agents) have said the government will fall short of its ambition by nearly half a million without 'significant government support for social housebuilding and first-time buyers.' The real housing crisis is **one of affordability not planning.**

And the many issues raised are pretty universal, including house builders that only build at a rate which is profitable for them, housing associations and first-time buyers who can't afford to buy so called 'affordable homes', a lack of skilled workers, problems within the supply chain etc. The issues are rarely to do with planning, even though planning is always blamed. In fact, there are over 1 million homes with planning permission that remain unbuilt.

Figures from the National Housing Federation show that taxpayers are spending around £10 billion a year more on housing costs than in 2010, when the coalition government cut grants to build affordable homes by two thirds. The £10 billion increase to the public bill comes from housing benefit (up £8.4 billion, or 42 per cent) and temporary accommodation costs (up £1.3 billion, or 366 per cent). If the £10 billion went into building homes instead it could have delivered 53,000 social rent/affordable homes.

According to the Chartered Institute of Housing (CIH), fifty years ago, 96 per cent of state spending on housing went on building homes, versus 4 per cent on benefits. That ratio has flipped. By 2022 benefits made up 88 per cent of housing expenditure and building homes was 12 per cent.

We propose a popular solution that would help the government meet its target and be a better outcome for taxpayers.

Let's look at solutions to other problems. If you take the problem of traffic congestion, the solution could be more roads. Alternatively, you could have things like congestion charging, better public transport etc, in order to reduce the number of new roads required. The same with energy. You could just add to supply to meet increasing demand. Alternatively, you could use energy more efficiently, store more energy, utilise smart energy to iron out peaks and troughs, to reduce the number of new power stations required.

It's similar with housing. You could just build more houses (and that's certainly needed in the right places) but you could also use the current housing stock more efficiently; some houses could be refurbished/brought back into use; and buildings could be repurposed for use as homes. The potential numbers are huge.

HERE'S HOW:

EMPTY HOMES: In 2023, there was a total of 1.55 million residential homes worth £532 billion standing empty across England and Wales. Shockingly, there are 70,000 homes owned by local councils and housing associations left unoccupied and often derelict, despite the fact that 150,000 children live in temporary accommodation in England alone. Just before Christmas, MPs, peers and housing organisations called for more funding for councils to buy long-term empty homes, saying they offer an 'immediate solution' to reduce homelessness.

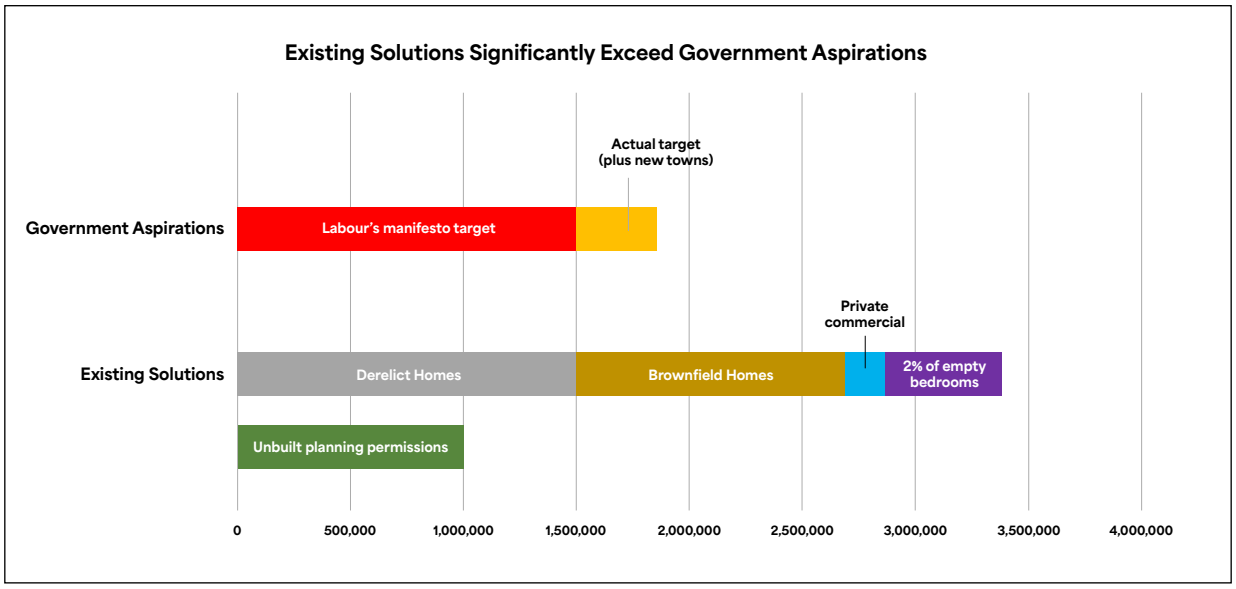
EMPTY COMMERCIAL PROPERTIES: There are an estimated 165,000 privately-owned commercial and business premises that remain empty across Britain. Some of these, with proper regulation and standards, could be turned into houses and flats, providing one part of the solution to the current housing and homelessness crisis.

SPARE ROOMS: According to Spare Room, there are 26 million empty bedrooms in the UK. If just 1.74% were rented out it could see rents return to 2017 levels. There is a little-known government 'rent a room scheme' that should be better promoted and the results should count towards the 1.5m plus housing target. The objective is surely more accommodation to solve the housing crisis, not just more new build.

And yes, new build is also required but on top of the housing crisis there are also nature and climate crises. All three are better helped by refurbishing and repurposing existing buildings, as well as improving the occupancy of existing homes.

BROWNFIELD: If new build is to take place, it should be on brownfield sites first. CPRE's State of Brownfield report 2022, found at least 1.2m homes could be built on 23,000 brownfield sites. Knight Frank (estate agents) found that 100,000 plus homes could be built above public car parks. For years supermarkets have raced to gobble up massive brownfield sites to build mega stores. These sites now provide an enormous opportunity - around 150,000 homes in London alone could be built above or alongside stores.

UNBUILT PLANNING PERMISSIONS: And finally, there are around one million plus unbuilt homes with planning permission in the system. The government should penalise developers when homes remain unbuilt following permission being granted.



So, if we want a 3 in 1 solution for people to the housing, nature and climate crises, then all the above measures should be starting points. And more importantly they should all count towards the government's target. That way, it's a triple win for everyone, and building on green spaces becomes the very last resort.

And even to those that say the objective is not housing per se, but achieving economic growth, well remediation, renovation, refurbishing, repurposing, call it what you will, all leads to economic growth. But has the added advantage of being more nature friendly, less carbon intensive and fitting better within the concept of a circular economy.

For a copy of the full report visit **homesforeveryone.org.** We know it's popular because over 11,000 people have sent it to their MP.

Community Planning Alliance
A nationwide alliance of local groups campaigning for affordable housing, protecting green spaces and nature.

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