How To Repair The Housing Market Quickly – A Crisis Response

By Alexander Hilton
with exclusive polling by Survation

Counterpoint by Dr Kristian Niemietz

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“*Land monopoly is not the only monopoly, but it is by far the greatest of monopolies. It is a perpetual monopoly, and it is the mother of all other forms of monopoly. Unearned increments in land are not the only form of unearned or undeserved profit, but they are the principal form of unearned increment, and they are derived from processes which are not merely not beneficial, but positively detrimental to the general public.*”

– Winston Churchill, 1909

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FOREWORD

When I started working in 1976, the circumstances I faced were very different to those facing young people starting out in life today. In both the world of work and with housing there was a level of security that has now been lost.

When I joined the General Post Office (as it was known then) if you worked hard there was an expectation that you would get a level of pay, a good pension and job security that would ensure you had a decent standard of living. Similarly, when I was starting a family, living in a council house in Balham, it was taken for granted that everyone in this country had a basic right to a decent home.

Now for too many people today, these things are unattainable. In the world of work, insecurity - from zero-hours contracts to bogus self-employment - is becoming the norm. And in housing millions of people have no prospect of ownership or accessing social housing at all.

To call this situation a housing crisis is no exaggeration. I have seen the consequences with my own family and how hard it has been for my children to find a decent home.

It is easy to focus on the bricks and mortar side of the problem and to see a home merely as an asset. But the effects of the crisis go much deeper. For individuals, having a secure home determines the most important choices you can make, like whether to start a family. Also the knock-on effects on education, health and even life expectancy are well known.

Equally, the housing crisis is shaping the country and society itself. Whether you own a home is a major driver of inequality and there are swathes of cities in which the vast majority of working people in this country now simply have no place.

There is no doubt in my mind that housing is an issue trade unions should see as one of their own. CWU members, particularly those who are young and starting out in life, are clear that housing should be a key issue they want the union to give them a voice on politically.

We are therefore very pleased to sponsor this paper from Alex Hilton. He has produced a wide-ranging document which illustrates the failure of current policies and proposes novel solutions to overhaul a housing market that is failing working people and our members so badly. We believe this is an important contribution to the debate that we need to have as a country.

Alex puts forward a number of bold policies, which is what we need to start seeing from government in order to deal with the crisis we face. More than that, with the support of opinion pollsters Survation, we can show that policies like Rent Control and increased investment in public housing are popular with the public.

It is beyond doubt that there is a crisis in housing and it is clear this is something that is in our power to solve. The question now is simply one of political will to act on this.

Dave Ward

Dave Ward
General Secretary

July 2016

INTRODUCTION

This paper aims to explain the dysfunction of the UK housing market and to illustrate the scale of impact of this dysfunction. Furthermore, it draws together a package of measures that, taken together, would rapidly bring the housing market back to a beneficial function while harming the interests of as few people as possible, and as lightly as possible.

This could be put more succinctly. This is a plan to repair the housing market at the greatest speed possible.

To my knowledge, this is the only comprehensive plan to tackle the housing crisis in a timescale that is meaningful to the average person. In the course of drafting this paper, Housing Associations have voted overwhelmingly to support a voluntary implementation of Right-to-Buy in HAs, funded not by HAs themselves but by a further assault on Council Housing assets. I haven't addressed this horrific and short-sighted course of events, but like every vandalism of public policy, it can be rectified.

Unusually for a policy paper, I have invited someone who almost wholly disagrees with my proposals, philosophy and approach to write a response. I am very grateful to Dr Kristian Niemietz of the Institute of Economic Affairs for doing so.

Dr Niemitz is not just an unashamed neoliberal but he is proud of being such. He is hopelessly ideological in his faith in markets and opposition to state intervention, however, he has two outstanding qualities. Firstly, he accepts the housing crisis exists and is as genuinely concerned as I am about its economic and social impacts. Secondly, he is one of the brightest neoliberal thinkers working in UK public policy today.

This does of course beg the question of why I should have invited his contribution at all. In short, it is because this is what we are up against. We have a neoliberal government with strong neoliberal ideology within the opposition. We have a neoliberal civil service – particularly in the Treasury - and we have neoliberal media owners telling people every day that the state is bad and that unfettered markets are good.

It has been my choice to include the very best arguments *against* my proposals that I could find. The truth is that markets are sometimes best and that state intervention is sometimes better. Sometimes there's a case for a bit of a mixture. However, in the UK today it is clear that no meaningfully-speedy resolution to the housing crisis can be delivered without assertive and intelligent market intervention. I believe the inclusion of Dr Niemietz' viewpoint only highlights how little and how slowly a neoliberal approach would provide any benefit, if at all.

The final point I would raise here is that there is a connectedness to land and housing policies. This is a package of proposals where I have highlighted many of the connections, not a tapas to be picked from selectively. Furthermore, the nature of a crisis is that it necessitates a crisis response. The benefits of this package decline if implemented half-heartedly or in pilot form. The last twenty years were the time for pilots. Now, we desperately need bold action.

This paper is, more than anything else, an invitation. I would ask anyone with appropriate expertise to help refine the details of these proposals. I invite those who oppose the measures to explain the flaws so that they can be addressed. I have not explored, for example, how a policy shift to reduce the price of residential land and property would interact with other classes of land use and I would be interested in hearing from people with this expertise.

There are winners and losers in almost all large-scale policy proposals. In this case it is clear that the losers would be landlords, who I propose should be the major funders of the rectification of the crisis from which they profit. But even there, I don't propose a punitive assault. Landlords won't like anything in this paper, not even taking away from them the interest on their tenants' deposits – which isn't even their money. But my message to them is this; yes, these measures will normalise landlord profits for a while, but once everything is in balance, the proposals allow for a sustainable, profitable PRS. Crucially, they aim to head off a property price crash that would ruin many landlords and a lot of other people besides.

Having said that, land and property are the principle vehicle driving inequality in the UK. By leaving this unchecked, we are creating a society made up of a property owning elite and their rent slaves, whose entire income is spent on survival. The interests of profiteering landlords are not sufficient to make this dystopian vision an acceptable future for our children.

Alexander Hilton

EXECUTIVE SUMMARY

- The economic and social consequences of a lack of action to counter our dysfunctional housing market are extreme. Rapid and effective steps must be taken to bring about a fairer and more effective distribution of housing.
- The overarching objectives to housing policy should be
  - a radical increase in the supply housing – in particular public housing,
  - the weaning of Britain off its seeming addiction to ever rising house prices, and
  - tough regulation to improve housing standards.

The proposals below deliver these objectives at speed.

- **Regulation to protect tenants and enhance the function of the private rented sector**
  - **Abolish Section 21 "No Fault" eviction**
    Implement instead a mandatory "buy-out" framework with set levels of compensation that landlords must pay if they ask a tenant to leave without a breach of the Law or the tenancy agreement.
  - **Standardise tenancy**
    Update the Law so that all tenants receive adequate protection, including those in caravans, boats and property guardianship etc.
  - **A national register of tenancies**
    Registering details of tenancies and landlords to protect tenants and provide statistics on housing conditions and costs.
  - **Transparency in tenancy**
    Requiring landlords and agents to supply information such as habitable area, Council Tax costs and utility usage, as well as landlord related information, such as their history of housing related prosecutions and deposit return history.
  - **Banning of all agents fees to tenants**
  - **Enhanced housing-related fines**
    Environmental Health and Trading Standards fines should be uprated and made payable to local authorities, which will incentivise and fund Councils to enforce.
  - **A single, national minimum standard for housing**
    This should provide a level playing field between the social and private sector and homes for sale. Owners of homes below this standard should be barred from receiving financial benefit from that property.
  - **Landlord Compulsory Purchase and Management Orders**
    Unfit landlords should have their properties removed from their control through Management Orders or, in extreme cases, Compulsory Purchase. Such properties should be released to the market once the costs of bringing them up to standard are recouped through rental income.

- **Funding new housing and Rent Control**
  - **A Housing and Infrastructure development bank capitalised through tenancy deposits**
    This would require all tenancy deposits to be held in a single custodial deposit scheme. Tenants would receive interest on their deposits proportionate to the profits of the bank.
  - **A cost price housing market**
    A new form of intermediate tenure where there is no significant house price inflation. Buyers get to buy homes at cost price – enabling the building of replacement homes – but they can only sell them again at a regulated price. Help-to-Buy should only be available for cost price homes so that it doesn't pervert general house prices. Right-to-Buy sales of social housing should be exclusively sold into this cost price market, effectively banning profiteering from the opportunity. Additionally, RTB discounts should be capped so that the Council or HA fully recoups the replacement cost.
  - **A long term, consistent framework for delivering social housing funding to providers, with equal treatment of HAs and Councils**
  - **A Rent Control framework that funds new housing**
    For about £10 billion the taxpayer pays in Housing Benefit in the PRS, approximately one quarter of the housing is provided compared to if that money were spent on social housing. This is a proposal for a revenue-generating rent control, designed to recoup that excess HB and return it to funding public housing.
    - Every home rented out must have a licence permitting the landlord to do so.
    - A limited number of licenses are auctioned by the government in tiers allowing the maximum rent at different levels, including one unlimited rent level.
    - A rental income tax is applied to all rental income above a "Living Rent" level.
    - The Rental Income Tax rate is calculated to recoup the excess HB, less the sums recouped from issuing licences.
    - Receipts from licences and Rental Income Tax are hypothecated for new housing, meaning that as the housing is built, market rents will reduce, theoretically abolishing the Rental Income Tax and reducing licence fee income once there is enough available housing.
    - This system means that no home has to be valued, cutting out the huge bureaucracy implicit in many forms of rent control. The landlord decides how much rent can be reaped from a property and decides accordingly which licence to bid for and how much to bid.
  - **Capital Gains Tax Reform**
    - Abolish CGT Lettings Relief
    - Apply CGT on the remortgaging of a non-primary home
    - Apply CGT on non-primary homes when they become part of a legacy, prior to the application of Inheritance Tax.
    - Past payments of CGT on remortgaging or inheritance to be offset against CGT due on the ultimate sale of a property.

- **Planning Reform to deliver Town-to-City Transitions**
  - Rather than half-heartedly attempting to implement planning reforms across the whole of England, while simultaneously battling NIMBYs everywhere, create a framework where individual or groups of Local Authorities can adopt a new, lighter framework – including the abolition or redefinition of the Green Belt. This should be adopted by a resolution of the Council or through a local referendum, however, doing so should come with significant investment, proportionate to the number of new homes and jobs planned to be delivered in the area.
  - Developers should be free to fund Council Tax holidays for people whose amenity is impaired by a development.
  - Local Government funding formula should incentivise increased population densities.

PART 1:
THE PLAN TO END THE HOUSING CRISIS

THE CONTEXT

One of the shocking moments of my tenure heading up the pressure group Generation Rent was being told categorically that Rent Control doesn't work by a senior Labour figure. When I mentioned that it works just fine in Germany, she rebutted that they have a different culture there where there's no expectation of capital gain in housing. I explained that rent control was one of the reasons why they have that culture but she reverted at that point to telling me that Labour was better than the Conservatives so I should support them regardless of their opposition to rent control, an argument I found logically-flawed.

More recently, homelessness charity Shelter published a report opposing rent control[1] and, in common with most of such analyses, the research looks at theoretical effects but on a limited range of factors, and posits that landlords would behave in a real world situation just as they said they would in a survey about something that they are actively, politically opposed to. Shelter did not for example survey the people who might become landlords or owner occupiers if house prices were cheaper.

This underlined to me just how deeply the free market propaganda has penetrated progressive thinking, to the point that well intentioned people and organisations are willing to see millions of people exploited in perpetuity so that there wouldn't be limits on the profits of landlords and property owners. Even Shelter is duped into thinking high rent stimulates supply and improves housing conditions when the evidence of today's housing market is demonstrably opposite. We have extraordinarily high rents today with a supply problem and poor housing conditions in the PRS.

Over the past couple of years I have spent time with a great team of LSE economists who are studying the housing market and the PRS in particular, and despite the plentiful availability of evidence, even they are ideologically incapable of diverging from an instinctive neoliberal stance on Rent Control. And I mean neoliberal in the sense that they seem at one with Friedman and Hayek on the matter[2].

Rent Control isn't one policy. There are a range of policy tools that could be used to control rents and they have different effects. But one way or another they can all be said to work, depending on what it is you are trying to achieve. The criticisms of Rent Control should differ depending on which model is being proposed for its implementation.

1 http://england.shelter.org.uk/professional_resources/policy_and_research/policy_library/policy_library_folder/making_renting_fit_for_families_the_impact_of_different_forms_of_rent_regulation

2 http://www.walterblock.com/wp-content/uploads/publications/RentControlMythsRealities.pdf

However, there are commonly repeated myths – unfounded in evidence – that are used to attack rent control. These are principally that "Rent Control restricts housing supply", "Rent Control disincentivises landlords from maintaining properties properly" and "Rent Control creates an opportunity for corruption in tenancy".

All of these allegations against Rent Control are false. This is not to say that none of these things has occurred in a system where there is Rent Control, but there is ample evidence that they also occur in free rental markets, such as we have in the UK today. Rent Control is a name that can apply to many variations of a policy, yet attacks on any variation always state the drawbacks as being those of the least effective variation, which is often described as being Britain's rent control system until the era of Thatcher. Critics forget that this coincided with by far the greatest delivery of new homes - over multiple decades - that Britain has ever seen.

The UK, according to the Lyons Review of Housing, currently has a shortage of one million homes, with demand increasing at a rate of about 250,000 homes per year[3]. This is pretty well accepted as a consensus opinion, though some economists – notably Danny Dorling – argue that there is no shortage of homes but extreme inequality in the occupation of homes, underoccupation by some people leading to a shortage for other people[4]. Dorling is strictly correct, but the outcome is the same. One can say that on the basis of current human behaviour there is a shortage of a million homes today.

The effect of this is not uniform throughout the country. There are people living with their parents in unsatisfactory circumstances, people living in houseshares long after they would have preferred independence. There are couples moving in together before they are ready. Overwhelmingly renters are paying large proportions of their incomes on rents, undermining their quality of life and their ability to save.

High rents are a particular phenomenon wherever there is a thriving jobs market, and London – as one of the premium city economies in the whole world – has a rent-inflating effect across the South East and beyond.

The failure of the free market in private rented housing in the UK is threefold. Firstly there is insufficient supply to the extent that it is a crisis. Secondly, the standards of conditions and maintenance in the PRS are poor compared to other tenures of housing[5]. Thirdly, there is a corrupt, exploitative relationship between landlords, tenants and agents, where tenants are exploited to pay unjustified fees, waive many of their housing rights in Law, and are routinely exposed to unjustified deductions from their tenancy deposit.

All of the allegations against rent control are found to be the case *in extremis* in Britain's currently free private rental market.

Furthermore, between Capital Gains Tax avoidance, Mortgage Interest Relief, Business Rates rules and a range of other benefits, landlords in the UK are recipients of something like £27 billion a year in taxpayer support (including Housing Benefit), indicating there is very little efficiency in the PRS market.

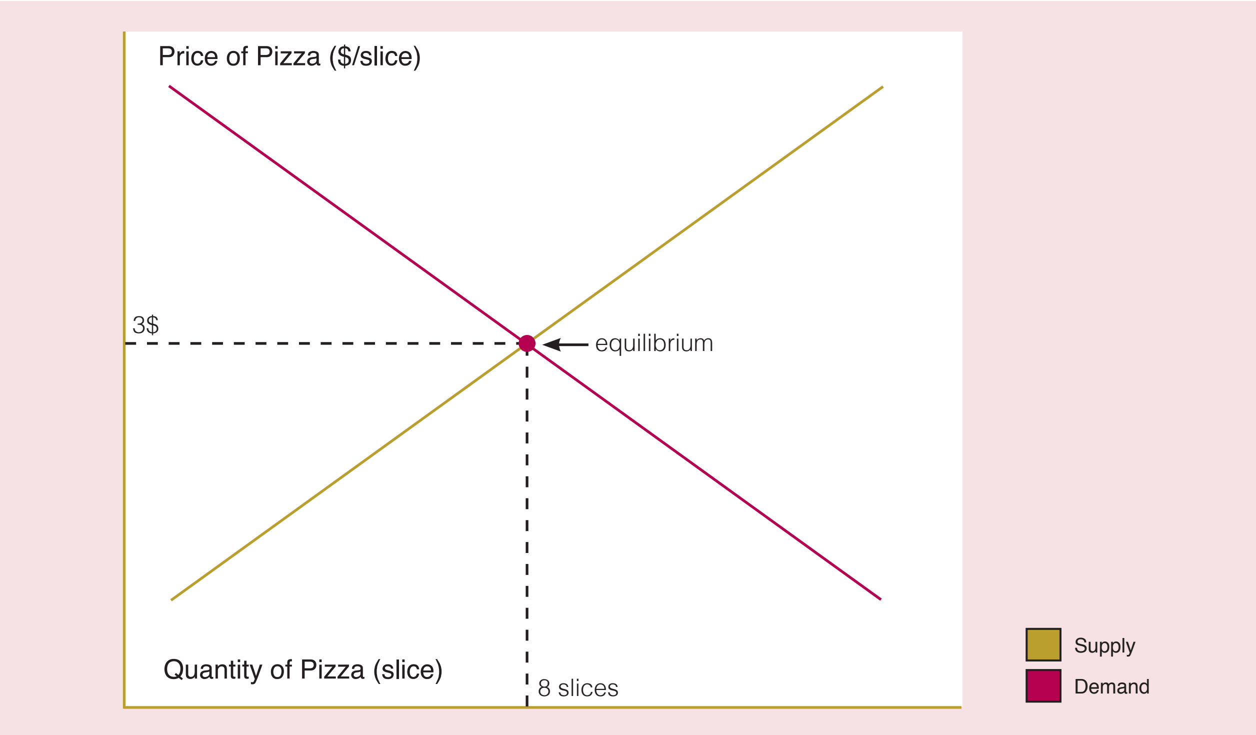
To get an idea of the scale of the PRS in the UK, each year landlords receive about £42.3 billion in rents and about £35 billion in capital gains. If British landlords were an economy they would be the 61st largest

3 http://www.yourbritain.org.uk/uploads/editor/files/The_Lyons_Housing_Review_2.pdf

4 *All that is solid*, Danny Dorling http://www.amazon.co.uk/372/dp/1846147158

5 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/406740/English_Housing_Survey_Headline_Report_2013-14.pdf economy in the world, somewhere around the GDP of Morocco. And most landlords don't even have to give up their day jobs, again underlying the huge inefficiency of the market.

The "*coup de grace*" in most arguments against rent control is the following graph that can be found in all GCSE Economics textbooks.



According to this graph, prices are set according to an interaction of supply and demand. If you increase supply of pizza slices, prices reduce and if you increase demand, prices increase. The argument is that if you force prices down, the supply will reduce to match, usually accompanied with the Assar Lindbeck quip, *"next to bombing, rent control seems in many cases to be the most efficient technique so far known for destroying cities"*. Interestingly, Germans who have experienced both intensive bombing and rent control are universally more favourable towards rent control.

There are a number of flaws in the pizza sales model when it comes to housing. The first problem is this; if there were an inexplicable shortage of pizza leading to a surge in prices, a consumer can opt to switch to calzone instead or even forego eating out for a while, until the market corrects. Renters cannot do that.

A renter cannot consume an alternative product or cease to consume housing altogether. You can't buy a house – even though it's £1,000 cheaper annually on average than renting - because the tenure is inaccessible to you… because you're spending what would be your deposit savings on rent. You can't leave the PRS and go into social housing because availability of social housing is insignificant. You cannot tell your family that you're all going to go and live in a tent until the housing market calms down.

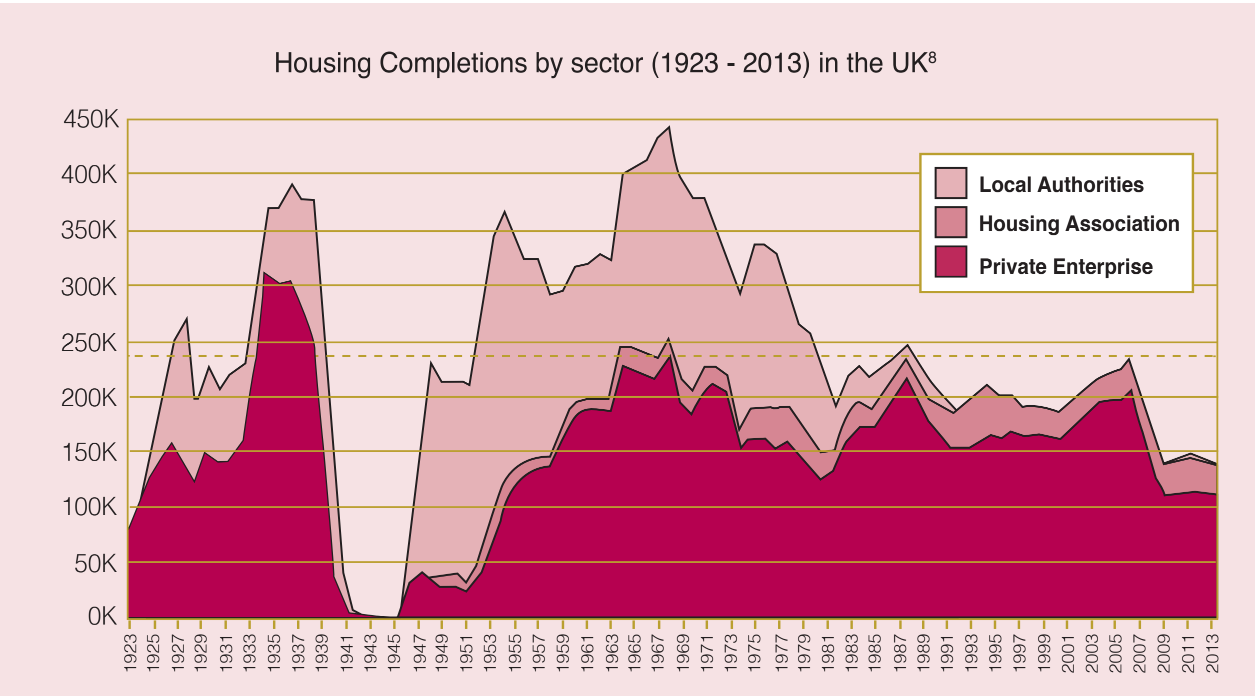
As a private sector renter you are a captured consumer and there is very little elasticity of demand from your perspective. Similar to drug dealers, who cut addicts' supply with all sorts of crud, because their addicts will continue to purchase it, tenants put up with poor conditions, poor behaviour and unreasonable fees and deposit deductions, simply because they are captured consumers – because of their fear of an even worse situation. This capture lies at the heart of the systemic exploitation of tenants.

The error anti-rent control ideologues are making is that they are conflating PRS housing supply with overall housing supply. Policymakers are intent on increasing housing supply by throwing money at landlords even though the sums are now so big they dwarf the International Development budget.

So in reality the supply and demand curve isn't stable but interacts with the curves for owner occupation and public housing. Furthermore, the supply and demand dynamics shift over time as the market adapts to changing circumstances.

This has to be explained. Shelter's anti-Rent Control paper was based largely on survey responses from landlords, letting agents and lending banks and unsurprisingly they were largely keen to say how the sky would fall in if they had to bear rent controls or extended security of tenure. Depending on the method of rent control, between 40-90% of landlords said they would leave the sector if controls were implemented.

Not only would this *not* reduce housing supply, but there are significant opportunities for an increase in supply based on this. Bear in mind that between 1915 and the Thatcher government, the UK had Rent Control and, barring world wars, record numbers of homes were built. Conversely, new supply has sharply diminished since the abolition of rent control.



National Housing Federation

While I argue there are peripheral reasons why Rent Control can aid additional housing supply, I am not arguing that this was the major cause of the housebuilding boom, which can principally be attributed to state investment. I am however arguing that any collapse in housing supply that is theorised to result from Rent Control didn't happen, and any supply-suppressing effect was not overriding if it did exist.

Take the most extreme scenario put by Shelter, where a 33% cut in rents were applied across the board and increases thereafter were capped at a minimal level. In this case 90% of landlords said they would disinvest all or part of their portfolios. This could mean four million homes being sold at once. Considering that currently about 1.2 million residential property sales are concluded each year[6], this would be a massive increase in supply in the owner occupation market, which would radically reduce house prices.

Such a large shift would mean many PRS tenants would be able to get mortgages to move into owner occupation, an aspiration 60% of tenants say they have. So yes, a reduction in supply in the PRS would potentially occur, but there would be a broadly equal increase in supply in the owner occupation sector and a significant shift of demand from the PRS to owner occupation.

However, there are further supply benefits. Such a collapse in house and residential land prices would increase the viability of housing developments through social housing providers, self-build enthusiasts and community land trusts. Furthermore, it would radically lower the cost barrier to entry for new, small scale private sector developers. There are several vehicles for increased housing supply that are only unlocked if you can reduce land prices, which is a crucial effect of Rent Control. Arguably, the lowering of land prices is more beneficial an effect than the lowering of rent.

In reality the effect would not be this dramatic. While landlords and letting agents generally quote a modest 4% annual return on investment or yield, this doesn't include double digit capital gains. Furthermore, it factors in mortgage payments, which typically take up 35% of rental income, when over half of landlords don't even have a mortgage. According to the Council of Mortgage Lenders, in 2013 there were 1.46 million Buy-to-Let mortgages, meaning only a minority of the 4.9 million PRS homes are leveraged.

So an un-leveraged landlord, instead of a 4% yield, is looking at a significantly higher yield, still without accounting for capital gain, which in London has been in the 15-20% range in recent years. This is the point at which you have to consider the cost of capital. Which other investment could a landlord make if they got out of the rental market that would return to them a yield of this scale with such little risk?

The reality is that there is no such investment. This is exactly the reason why international investors have been so keen to snap up London property. There is no investment in the world that offers such an attractive reward for such a low level of risk. And there is a fundamental reason for this. We've stopped building meaningful numbers of homes.

From census data, between 1901 and 2011 you can calculate that there has been roughly a 220,000 increase in population in the UK each year. However, since the introduction of the Right-to-Buy council homes, housing supply numbers have collapsed. According to NHBC[7], over the last four decades Britain has built an average of 153,000 homes a year and every year since 2007 has been lower than that average. For many years the public sector has failed to build more than a measly 40,000 of those homes annually, when the post war governments were building hundreds of thousands of homes.

THE INTERGENERATIONAL DIVIDE

The generation that bought their homes cheap were able to do so, not because they worked harder than the younger generation today. Private housing for sale was cheap because of two major factors. Firstly, because the state had built many hundreds of thousands of council houses; which massively reduced

6 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446751/UK_Tables_Jul_2015__cir_.pdf

7 http://www.nhbc.co.uk/cms/publish/consumer/NewsandComment/Stats/Q4_2014.pdf the demand for private housing. Secondly, Rent Control reduced the attractiveness of housing as an investment, meaning owner occupiers were rarely competing with landlords when purchasing property. Therefore it is fair to say that housing was cheap due to regulation and a huge taxpayer subsidy.

I recently asked a couple in their early 60s about their first house purchase 40 years ago. Their first home cost them £3,000 and the deposit was £150. At the time both of them worked in modest jobs and I asked how long it took them to save that deposit. The answer was that, after tightening their belts, it took them 15 months to do so.

Can you imagine a couple today in that situation? According to the Institute for Fiscal Studies, the median income for a childless couple in 2014/15 was just under £2,000 per month[8]. After taxes, transport, utility bills, food and above all, average rents standing at £874 are taken into account, it's hard to imagine how such a couple can save anything at all.

But what is the scale of the challenge for young people? The average starter home is now priced at £211,000 and average deposit at 17%[9], which implies a deposit of almost £36,000. To save that in 15 months, the couple on median earnings would have to save almost £2,400 a month, 20% more than their combined income. If they could save £200 a month it would take 15 years to save for a deposit rather than the 15 months it took a past generation. The young are not feckless and frivolous, spending their money on iPhones and socialising. Saving for a deposit is simply an unrealistic goal for most people. There has been a fundamental collapse in the fairness of the housing market.

This point is not yet a matter of clarity in the public mind. But when it becomes well understood, it threatens society's generally cohesive nature. The generation that got cheap housing also got free higher education and were expected to pay for their older generation's pensions and social care. Younger people have expensive housing, expensive education, and are expected to pay for their own pensions and social care in older age as well as the current cohort of older people. Older people have not only been protected from the welfare cuts of recent years but they even have had access to taxpayer subsidised interest on their savings.

This is a recipe for intergenerational animosity. If older people don't start to share their taxpayer-enhanced wealth, then those people shut out from those advantages, once they become a voting majority, may no longer necessarily have the sympathy and care for older people that has traditionally been the culture in Britain.

Older people are ready to hear the arguments for intergenerational fairness. They are generally concerned about the cost of housing for younger people and, when it comes to their own families, are now often willing to liquidate their capital gain so their adult children can get on the housing ladder[10]. But that doesn't help those people whose parents don't own property, which is now 40% of households and growing rapidly. There is a prevailing attitude that anyone who doesn't own their own home hasn't worked hard enough, yet increasingly, careers have wage profiles that would mean you would never be able to save for a home.

Social care is a great example of a sector where a tiny proportion of employees are earning wages that could facilitate the realistic saving of a deposit for a home. And yet would anyone say that this sector

8 http://www.ifs.org.uk/uploads/publications/bns/BN165.pdf

9 http://www.thisismoney.co.uk/money/mortgageshome/article-3184763/Young-homebuyers-st.html

10 http://www.lloydsbankinggroup.com/Media/Press-Releases/2015/lloyds-bank/lloyds-bank-family-savings-report/

shouldn't exist? That people working in social care should work harder to get jobs in banking instead? Do people want the costs of care to rise, whether that be paid direct by the consumers or through taxation? Do they want social care to become a sort of "loser" profession characterised by the lack of talent enough to get a better (paid) career rather than by a commitment and passion for care?

This is just one of many areas of work where the housing market is forcing people to take a career path that makes them more money rather than focusing on where their talents might lie, even if those talents are worth far more to the public good. We cannot have an economy that drives people out of essential industries and services simply so that landlords and bankers can have unlimited profits.

Ever increasing house prices have been an explicit policy objective for several governments, and yet this is driven more by the demands of newspaper publishers than by the public good. A homeowner may benefit from rising prices, but not as much as they think they do – because to sell their home means they have to buy another, comparably-overpriced asset. Furthermore, if they need to liquidate capital gain in order to pay for an adult child's deposit on a home, then they have lost that benefit.

They do get to retain the advantages if they significantly downsize or even leave the country to live somewhere less overpriced, but again, if they have children and are focused on leaving them enough money not to be disadvantaged by the housing market, then they are inhibited from spending that money. The benefits to them are largely illusory.

WHO BENEFITS FROM THE HOUSING CRISIS?

There are real winners in the housing crisis and they come in three classes. Firstly, there are landbankers and property developers; people who can buy land when it is less expensive and sell it when it is more expensive. If you can buy a site knowing the price will go up by 10-20% per year, then developing homes simply becomes a means for increasing the number of potential buyers for that land. In the most overheated markets, apartments are now being sold off-plan before many construction costs have even been incurred.

This outlines two vehicles of advantage to property developers that they get from operating in a market where demand massively outstrips supply. The risk of land prices going down and the risk of having to pay all of your costs up front are reflected in decisions property developers make when they choose sites and plan developments. This risk management confounds the liberal capitalist theory that the free market will meet demand, because developers stop building long before they get to that level of risk.

Landlords are a second major beneficiary. There are different sorts of business model for landlording but the two most common are so-called "accidental" landlords and small portfolio landlords. A relatively small proportion of homes are in the hands of professional, commercial landlords. Accidental landlords often own their own home plus one that they have either inherited without debt or, also commonly, belongs to their husband or wife, purchased before they got together. In either case you are looking at a total asset wealth where the debt is low or even absent - or decreasing because they are paying off their mortgages.

However, due to the captured nature of the private rented sector consumer, the market prices are high and increasing, even though the costs are low and, in the case of mortgages, decreasing.

Small portfolio landlords are generally the most unpleasant. These are the landlords who, even though they may have started out "accidentally", they have understood the true potential of their business. In this case, you typically have a property owner with a 75% interest-only mortgage, receiving rent on that property until they can remortgage with sufficient clearance in their loan-to-value ratio to put a 25% deposit down on a further property, continually building their portfolio while never actually selling their property and incurring Capital Gains Tax. And these are not insignificant sums. According to the Council of Mortgage Lenders, Buy-to-Let remortgaging currently stands at about £2.1 billion a month[11].

While a number of landlords operate this business model while being reasonable to their tenants, this has been ripe territory for the worst exploiters. Large tracts of London now contain landlord empires built on rinsing every last penny out of tenants. This often means purchasing family homes and cramming in house-sharers or chopping it up into bedsits. In this case, a communal living room is often converted into an additional bedsit to increase radically the revenue drawn from the home.

These so-called "HMO Daddies", named after the Homes of Multiple Occupation they operate, are the very worst landlords. By law, certain HMOs are required to be registered with local authorities and to maintain minimum housing standards. However, this only covers some HMOs and councils estimate that only a quarter of those that should be registered actually are[12].

Someone willing to turn a three bedroom house in Walthamstow into a five bedsit HMO is looking at a revenue of over £3,000 month. Between this profiteering and the 25% deposit they will be able to put up, they are able to outbid first time buyers whenever they want to. According to the CML there are around 20,000 new Buy-to-Let loans taken out each month.

These are Britain's new slums and are where renters are increasingly finding themselves. These are the homes where landlords will evict you rather than undertake maintenance, where the rents will always be as much as the landlord can charge, where your deposit will always be deducted at the end of your tenancy and where the conditions will always be most depressing. A survey by London's South East London Boroughs in 2014 found that something like 13% of HMOs have children living in these utterly inappropriate conditions.

These tenants, living in a free rental market, suffer the very worst living conditions, in direct contradiction to the liberal capitalist position that a free rental market will result in better housing conditions and that rent control will diminish the money landlords will spend on maintenance.

The third class of winners from ever increasing house prices and the disparity between supply and demand in housing are those who act as intermediaries or agents in the system. Principally this is letting and estate agents and lending banks.

Lending banks do not lend their own money. They either lend the money of depositors or money they have created under regulated conditions, which is roughly about 12 times the liquid assets that they hold. Higher house prices means only one thing in the banking sector, and that is more debt. More debt means bigger profits. Risk is an important element of banking, and ever increasing house prices means that landlords are a very low risk investment, particularly when they are typically putting up larger deposits than owner occupiers – so that in the event of a decrease in house prices, the asset is more likely to remain greater than the debt.

Letting and estate agents are able to make increasing amounts of money as the market rises even where they add nothing to supply or demand in the system. Their parasitical relationship with the market means

11 http://www.cml.org.uk/news/press-releases/septembersecond-quarter-press-release/

12 https://www.gov.uk/government/statistical-data-sets/local-authority-housing-statistics-data-returns-for-2013-to-2014 they profit from the disparity of supply and demand and make smaller profits when demand is being met satisfactorily.

Thinking again about what the housing market is doing to our economy and our society; we are making it less logical to become, for example, a speech and language therapist, and more logical to become a letting agent. When you impose a financial imperative on a population it undermines decision factors such as talent, passion or philanthropy, particularly when deciding on career options.

Renters are not the only losers from the UK's ever increasing house prices. The wider economy is at threat. This is because of the over-arching failure of the housing market. It's actually two markets overlapping.

THE TWO HOUSING MARKETS

Sustained policies to support ever-increasing house prices have created an environment that has muddled the economics. Housing demand is no longer a balance between the suppliers of housing and the consumers. The market is warped by a third class of actor, the investors. The entire housing market is a single commodity class within the global investment market.

The returns offered by housing, particularly in and around London, are so great that, as stated earlier, there is possibly no better investment in the world today for the low level of risk. This is not unique to London and many major cities in the world are seeing this to a degree – but in London these factors are at the extreme.

This means that there is a broadly consistent and predictable baseline demand for housing from people who want to live in it, but a highly variable surplus demand from investors who could just as happily put their money into tech start-ups or pork belly futures if they offered a better return for the investor's risk appetite.

By creating the conditions for ever increasing house prices, successive UK governments have radically reduced the risk of property as an investment, creating a rush to this investment class to the detriment of other investment opportunities.

This has two major effects. Firstly, it increases the land costs for all businesses (that operate on land) through direct and indirect mechanisms. Directly because a business simply has to pay a greater proportion of its revenues on the rent or purchase of land from which to operate[13]. Secondly, the indirect effects are reflected in the increased wage demands of employees with overbearing housing costs and increased costs passed on by suppliers under the same pressures[14].

This can be illustrated through the costs of goods and services in different places in the UK with different housing demand. You will find a pint of beer in a pub or a cinema ticket can cost 300% more in a place of high housing demand compared to a place of low demand, the only differentiating factor being the cost of land in those markets.

The other major harm to the economy of the property market is that it doesn't make sense to invest in anything else if you can invest in London property.

The problem of land as an asset class was well understood by economists going back to Adam Smith, and even Winston Churchill warned of the dangers. The quote at the beginning of this paper comes from a 1909

13 This is mediated through the partly permeable interchange between commercial and residential land.

14 For the sake of consistency, I am not suggesting that suppliers pass on higher prices due to higher costs, but that higher costs can drive suppliers out of the market, reducing supply and competition, resulting in higher costs to their customers.

speech[15] that Churchill made in which he details the harmful nature of land investment in comparison to any other form of investment. And yet, over a hundred years later, we are subject to deliberate policies to encourage land investment over and above any other industrial investment.

The Help-To-Buy policy, in subsidising mortgage deposits for a small number of people, has driven up house prices for all other potential buyers[16]. The reform of Stamp Duty, while welcome in its removal of perverse "slab" thresholds, quietly included an overall reduction of tax take[17], which any economist will tell you can only be reflected in higher house prices, benefiting house sellers rather than house buyers.

The November 2015 Spending Review saw Chancellor George Osborne commit £2.3 billion to pay property developers to build more homes. While this should provide that effect in part, it is equally a demand stimulus for the residential land market, meaning the price of land will rise. Upon this announcement shares in the top three housebuilders increased in value by £750 million[18], indicating that the markets believe the bulk of this investment will actually be realised as company profits.

Perverse demand side incentives are not limited to Conservative and LibDem ministers. In 2008 and 2010 Labour introduced temporary Stamp Duty relief for first time buyers. The second tranche of this relief was assessed by HMRC for its effectiveness in 2011[19] and its findings were unsurprising. HMRC found that for a reduced tax take of £150 million, only 2.5% of the benefit went to the home buyers, the remainder simply raising house prices throughout the whole housing market. In fact the report states, *"The… FTB relief of 1% is… estimated to have increased FTB prices by 0.5-0.7% on average implying that the majority of the relief was capitalised in higher prices"*. All demand stimulus in the housing market follows the same dynamics and can be expected to deliver the same effects.

Theory and evidence agree and yet demand stimulus remains a surviving policy. The Office of Budget Responsibility is predicting a 5% year on year increase in house prices through 2020[20], indicating the increase in demand will continue to outstrip supply increases as a matter of policy.

The major driver of increasing house prices is the refusal of Labour, Conservative and Conservative/LibDem governments to invest in building public housing and to significantly reform planning law to make it easier to build homes and related infrastructure. This has been largely ignored.

LONDON'S CENTRAL ROLE

London is the dynamo at the heart of the British economy. This hasn't always been the case; there have been times when London has been a depressed part of the economy, but largely due to an agglomeration effect and the financial sector, jump-started in the 1980s, it now dominates the nation.

This effect, bringing together enough people to make large scale infrastructure financially viable, while at the same time benefiting from the creative, cultural and entrepreneurial connections made in a big city,

15 http://www.grundskyld.dk/pdf/Winston-Churchill-Land-Monopoly.pdf

16 http://moneyweek.com/merryns-blog/help-to-buy-a-terrible-policy-doing-exactly-what-we-thought-it-would/

17 http://www.ft.com/cms/s/0/225cc2ec-cf0d-11e4-b761-00144feab7de.html

18 http://www.theguardian.com/business/2015/nov/25/autumn-statement-housing-plans-boost-building-stocks

19 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/331717/sdlt-ftb-workingpaper.pdf

20 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/479749/52229_Blue_Book_PU1865_Web_Accessible.pdf has made London not just the dominant economy in Britain, but also one of the major city economies in the world[21].

But people are making individual decisions that are breaking that dominance. Individuals are beginning to choose to move away from London in order to escape the housing market, even if that involves earning less money. Some individuals are taking their labour to other countries altogether.

A liberal capitalist would say this is a shocking, voluntary decision to be less "productive", where productivity is measured by the amount of money you earn. But the effects of this are far more profound. Each time a person leaves London because of housing costs, wage pressure is increased. Employers notionally have to increase wages to keep that person in London.

Recently, business organisation London First published an analysis calculating the multiple economic blows to London's economy of a dysfunctional housing market. This included the loss of 11,000 jobs a year, £2.7 billion in consumer spending and £1 billion a year in economic growth[22].

This has a direct, detrimental effect on London's competitiveness. Jobs don't automatically follow workers in this manner. 3-4 million people would have to move to Liverpool in order to make London-style infrastructure investment worthwhile. But people are moving to all sorts of places, so no single destination becomes an alternative economic driver due to a growing agglomeration effect, therefore the business case for infrastructure investment is diluted and overall, Britain becomes less economically efficient.

And as London gets less competitive, employers have to decide where to base their operations. The truth is that while it's not so bad if some of those companies were to move elsewhere in Britain, many companies would take themselves to other major cities in the world. London is not competing with Leeds, Liverpool, Sheffield and Manchester. It's competing with Paris, New York, Frankfurt, Singapore, Shanghai, Dubai and Hong Kong. These are the places much of London's economy will disappear to if the housing market continues along its current course.

Furthermore, there's a hollowing out effect in the cultural life of London. As described earlier, any economic activity that has to be conducted on overpriced land, or is dependent on staff that have to live on overpriced land, gets more expensive. Almost any form of entertainment becomes more expensive, whether it be sports, theatre or just going to pubs and restaurants. It no longer becomes viable to supply lower cost entertainment, and the leisure industry of London is increasingly catering exclusively for its most wealthy denizens.

Not only does this make London a less "fun" place to live if you don't have much money, but if you have some disposable income, any grasp at some quality of life today – like a holiday once in a while - undermines your meagre opportunity to save for a deposit to buy a home in the future. It reinforces the "anti-productive" motivation to leave London.

Quite frighteningly, London is becoming a society of Eloi living a life of ease and Morlocks, rent and mortgage slaves who have little other than work and struggle in their lives, with little security in their work or their accommodation. This division in no way reflects the work rate of the individuals involved and seems to have little to do with talent either. Because the housing market is also a barrier to social mobility.

21 *Why distance doesn't die: Agglomeration and its benefits,* P Ormerod http://london.gov.uk/mayor/economic_unit/docs/wp17_agglomeration.rtf

22 http://londonfirst.co.uk/housing-crisis-the-economic-impact-revealed/

HOUSING AND SOCIAL MOBILITY

Many people have written about wealth inequality as a barrier to social mobility, and this is generally accepted as true, even by those who don't consider inequality to be an unattractive trait in an economy or a society. The UK housing market as it is today exacerbates this social immobility immensely.

Imagine one of those children living in a bedsit in South East London. You probably have a single parent supporting you, either on benefits or in work, but either way with little or no disposable income. It's likely that you have no quiet peaceful space in which to do homework and your parent is likely to be living with a great deal of stress most of the time. Your living conditions are commonly insufficiently heated or ventilated and once every year to 18 months, you are having to move to another bedsit and possibly another school.

Every time you move, you and your parent are re-entering the housing market, and rents are 5-20% higher than the last time you moved, while your household income is static if your parent is in work or decreased if they are on benefits. Furthermore, house prices and rents are disproportionately higher near public transport, decent state schools or other amenities.

For your whole life you will go to the worst schools and your parent in work will spend more and more time commuting as the housing market prices him or her further away from their place of work. You are unlikely to do as well at school. You will be less healthy, you will eat less nutritionally beneficial food, you will not have money for holidays and other horizon-broadening experiences. You will not be able to afford to take part in sports that requires any specialist equipment, and your school will be less likely to have any such equipment to lend. You will probably be barred by your landlord from having pets or learning musical instruments. And, of course, when you reach 18, you will need to get a job, a home and your parent will never in their life be able to help you with a rental deposit, let alone with a mortgage deposit.

The only savings your parent has is effectively what they have had to save repeatedly for a rental deposit, it having been unfairly deducted at the end of each tenancy. This will amount to many thousands of pounds over their lifetime but not only has the money been taken but they also will never have received any interest on that money. Because of the lack of any savings, your household will be at risk of problem debt[23].

You won't socialise with people who own their own homes, you won't be a peer with them in the workplace. If you do manage to get into university, it will be one of the poorest performing universities, proximity to your home being an overriding factor in your choice of educational institution. Consequently, you will make few personal connections that will support your career advancement in later life.

For as long as anyone can remember, each generation has been surpassed in wealth and achievement by its successor generation. For the first time, Britain is empoverishing a generation, both in terms of opportunity and wealth, in favour of its predecessors. For the first time in the modern era we are stepping backwards in social mobility, and the obsession with an ever-rising housing market is at the heart of this change.

A free rental market has not delivered sufficient housing supply, it has failed to deliver housing that is affordable, it has failed to deliver incentivise landlords into maintaining property to decent conditions and it has engendered corrupt opportunities for the exploitation of tenants by landlords, agents and indirectly, by mortgage lenders. A free rental market has degraded the opportunity to be socially mobile through hard work in favour of the lottery of being born into a family that owns property or not.

23 http://www.stepchange.org/Mediacentre/Researchandreports/LifeontheEdge.aspx

Every allegation levelled against a hypothetical introduction of rent control has in fact been proven in the case of a free rental housing market. Not only is the current housing market dynamic unjust, but it is damaging to the UK economy, and not even supported by the idols of right-wing economic thinking, Adam Smith and Henry George.

Support for the free market in housing has no logical basis; it is based on the belief that banks, landlords and agents should make unlimited amounts of money, even if the cost of that is individual exploitation, social misery, intergenerational antagonism and the collapse of Britain's sole global city economy.

The housing market works wonderfully; but only if you are a lending bank, a landlord or an agent.

REPAIRING THE HOUSING MARKET

The housing market can be fixed, but the policies that will deliver sufficient high-quality and affordable housing have to be co-ordinated together, as there is the possibility that policies can support or counteract each other.

There are three major policy objectives that should pursued. Firstly, Britain must be weaned off its addiction to ever-increasing house prices. "Weaned" is a word I am using carefully, with the implication that it isn't done suddenly. But that also doesn't mean slowly.

When implementing high-impact policy changes, you have to be careful to be fair, but this isn't a bald measure of ensuring the quantum of harm against benefit is neutral. If 60% of people lost a billion pounds and 40% gained it, the quantum would be in balance but you may not have achieved your goals. The measure of fairness should not be in terms of harm and benefit, but in terms of the number of people taken out of hardship and the number of people placed into hardship. If some people experience lower house prices, but are not pushed into hardship as a consequence, that could still be fair if others are removed from hardship.

By this measure, no-one who has paid off their mortgage would be in any hardship if house prices decreased. In England alone, of 14.3 million homes in owner occupation, 7.4 million of them are owned outright[24]. These people could be said to be "harmed" by a decrease in house prices but not put into, or anywhere near, hardship. Many of the remainder will have low levels of debt in comparison to their equity unless they purchased their property in about 2005-2008 or 2012-2015, or have heavily remortgaged their properties in those periods.

The two thirds of landlords who don't have mortgages, equally, would not be placed into hardship from a decrease in house prices. Heavily leveraged landlords could well lose their portfolios in the event of a drop in house prices, but as the principal beneficiaries of housing injustice, that may well be outside of any assessment of "unfairness". Lending banks would also be harmed by a drop in house prices, but under new prudential management rules this would be a temporary hit in profitability rather than a catastrophic collapse. An effect that should perhaps be monitored should there be a secondary impact on pension fund performance, but which is bearable.

Overall, in delivering a reduction in house and land prices, this could well be accompanied with a series of grants, loans and loan guarantees for limited cohorts of people and companies that could eradicate the

24 https://www.gov.uk/government/statistics/english-housing-survey-2013-to-2014-headline-report https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/406740/English_Housing_Survey_Headline_Report_2013-14.pdf creation of hardship at very low cost compared to the concurrent alleviation of hardship. This would be a fair approach to reducing house and land prices, whichever mechanism were used.

The second policy objective should of course be a massive increase in supply. Not only does increasing housing supply support the first policy objective of lowering house and land prices, but it provides for the homes that people need. It must be recognised that at no time in the last 100 years has housing demand been met, except for the intervention of the state as a major housebuilder.

There is no market mechanism that will or can result in housing demand being met, because too much money is made from there being a lack of supply. The supply and demand curve that makes up private sector developer risk profiling is the demand from investors, not from occupiers, and that demand reduces radically, long before occupier demand is met. Therefore the state has to become a major financial backer of housing supply, meaning revenues have to be raised to meet these obligations.

In terms of supply, the prevailing orthodoxy is that “the housing crisis took thirty years to create and will take just as long to fix”. Anyone with this attitude really ought to retire from public life. It is inhuman to “accept” with a shrug of the shoulders the exploitation of millions of people for decades. The supply side is a challenge but the plan should be one where the housing problem is solved sustainably within a decade, or two parliamentary terms.

The third objective is one of regulation. Housing conditions in the private rented sector should not be up to the whims of landlords deciding whether to spend that money on a new boiler for a tenant of a holiday for themselves. Decent housing standards should be a core cost of being a landlord that is regulated and enforced.

This enforcement necessitates the implementation of a national register of landlords (strictly a register of tenancies), which was opposed by Labour, the LibDems and the Conservatives in Government. In fact, the last time it was even considered in Government it was vetoed by Yvette Cooper, who was Labour’s Housing Minister at the time.

But regulations should also be brought forward to help the market work where it can work. Transparency is an essential tool for tenants to use their market power, little though it is, on those occasions where they have some. This can be data such as the size of a home, which commonly accompany lettings advertisements in other countries, utility and council tax exposure, the landlord’s history of prosecutions and deposit deductions and even the degree to which the landlord is leveraged. All of this information would help tenants choose better landlords and make business harder for the exploiters.

As with all regulation, there is an argument that it increases the costs on landlords. However, this is an acceptable side-effect as such an increase in cost should be reflected in a reduction of house prices, which is a desired policy outcome.

Another utterly false assumption is that landlords need the right to evict tenants after six months of tenancy. The market would work much better if the Section 21 “no fault” eviction were abolished altogether, with landlords only able to evict in the event of a breach of contract or the Law.

Most landlord representatives state that this is the cornerstone of PRS investment. But while it exists, the consumer has little consumer power and can be exploited. To illustrate, a tenant is an actor in a market when they are looking for a place to rent. But if they are settled and are not looking for somewhere to live and are at that time told to pay an extortionate rent increase or face eviction, then they are not actors in a market; they are being exploited because they can't afford to move home at an unplanned time.

In abolishing Section 21 landlords do not lose the ability to get rid of tenants without fault, they simply have to pay to buy them out of their contractual right, and this can be facilitated through regulation that ensures a fair balance of power between tenant and landlord. As such, permanent security of tenure can be calculated to have a finite and calculable cost to landlords which, again, only serves to lower land and housing prices.

These three policy objectives, of lowering house and land prices, decent regulation of housing standards and market conditions, and a radical increase in supply are all deliverable and at speed. The necessary measures are laid out below.

POLICIES

ABOLISH SECTION 21

So called "no-fault" eviction should be abolished immediately for all residential tenancies and banned as an unfair tem in all existing contracts. Instead there should be a scale of "buy out" fees to tenants where a landlord can obligate a tenant to leave on payment of appropriate compensation, varying according to the length of notice given.

Through the use of this mechanism, landlords who have the intention of being a landlord for the long term will have a lower cost base than those with sketchier plans. Tenants should have a standard right to leave a tenancy at any time after six months as long as they give one month's notice.

This policy could be prepared and consulted on over a three month period, being implemented swiftly thereafter under amendments to existing legislation. The sale of a tenanted property should not afford a landlord any further rights as they will be able to evict the tenant on payment of compensation.

Cost to Treasury: nil. Furthermore, there would likely be a reduction in housing cases reaching the courts.

STANDARDISE TENANCY

Because of the pressure cooker of the housing market, all sorts of living arrangements are being used as proxies for tenancy, without many of the rights afforded through tenancy. These include living on boats, caravans, in property guardianship and a range of other marginal living arrangements. The Law should be clarified to ensure a standardisation of rights for people forced into these arrangements through the cost of more normal accommodation.

This would take a more complex process of analysis and consultation of perhaps six months and the legislation would be delayed accordingly. The cost to Treasury: nil, though a possible increase in costs to local authorities using property guardianship companies.

A NATIONAL REGISTER OF TENANCIES

There should be a requirement of every letting agent, lettings manager and landlord to register details of every tenancy, including details of rent, deposit and a register of interests in other individuals or companies who are engaged in residential lettings.

Non-compliance should be punishable with severe fines and in the worst cases banning as a landlord and letting agent.

Cost to Treasury: nil. Paid for through registration fees and fines. Legislation should explicitly enable fees and fines to raise funds for enforcement, which would be disbursed to local authorities, which is detailed below.

TRANSPARENCY IN TENANCY

Tenants seeking a home should have automatic access to the prosecution and deposit return history of their putative landlord and related entities, together with any explanatory statement the landlord wishes to have accompany that history. All advertised tenancies should include details of size of the accommodation in square metres, the amount of debt held against the property, utility usage and Council Tax banding. Utility companies should be obliged to provide relevant information. This will create a distinct market advantage to those landlords who offer decent, professionally-managed accommodation.

Cost to Treasury: nil. Easily implemented through trading standards regulations. All these conditions could be made mandatory elements of the Codes of Conduct of the newly-created redress schemes, giving Trading Standards teams instant powers to enforce. The redress schemes could be told to implement the addition to the code of conduct or to face an amendment to the legislation forcing them to do so – or indeed to face the loss of their contract allowing them to be a redress scheme at the end of their term.

BANNING OF ALL FEES TO TENANTS

No fees at all, including inventory checking and credit referencing, will be chargeable to tenants. Agents will be obliged to only to landlords and to publish a register of their related party transactions with other suppliers that could be a conflict of interest.

Cost to Treasury: nil. Easily implemented through trading standards regulations, or again through the redress scheme Codes of Conduct.

HOUSING RELATED FINES ENHANCED

At the moment most fines levied by housing authorities are paid to the Courts Service. Authorities may in general claim costs but these are the costs of prosecution rather than the investigation. Environmental Health and Trading Standards prosecutions should bear a levy in addition to costs payable to the local authority. This would mean that the costs of enforcement are borne principally by non-compliant landlords and letting agents rather than by taxpayers. This would also reduce the enforcement element of the costs of national registration.

Cost to Treasury: nil. Increase in revenue to local authorities based on their effectiveness in prosecuting non-compliant landlords and agents. No revenue to be gained from heavy handed enforcement of compliant landlords and agents so you would expect this to scale back over time as a new, professional culture among landlords and agents is engendered. Can be implemented through amendments to existing legislation.

IMPLEMENTING MINIMUM STANDARDS

Currently a major disadvantage a social landlord has in comparison to a private landlord is that the PRS has much lower legal standards for conditions and that those standards are negligibly enforced. The measures above on funding enforcement will help but with lower standards, residential property is fundamentally more profitable in the PRS than in social housing; more so than is accounted for by the lower rental yield in the social sector.

A single, national homes standard should apply across tenures, with landlords able to access loan funding to make necessary improvements. Landlords should self-certify compliance at the beginning of every tenancy, with tough penalties for false certification. Throughout the tenancy these standards should be maintained, with proactive enforcement and investigation.

Cost to Treasury: Depends on the standards that are agreed, but presuming one half of all PRS properties (2.5 million) will need to be upgraded at a (guessed) £2,000 per property, that would cost £5 billion. Loans and loan guarantees could cost the Treasury about 0.6% (also an estimate) of this figure, meaning a Treasury exposure in the order of £3 million.

Defining the standards would require an extended period of planning and consultation prior to implementation.

LANDLORD CPO AND MANAGEMENT ORDERS

A power that already exists, but which is rarely used, is the power of a Council to take over the property of a landlord who is unfit, either temporarily, through a Management Order, or through a Compulsory Purchase Order. The barriers to the use of this process are primarily financial, where the cost of the CPO or the raising of standards to legally compliant levels would take a long time to recoup in rental income. While there is scope for streamlining the legislation, the key assistance would be the provision of a revolving equity fund for this purpose, together with expert teams around the country to be the “intervention landlord”.

This is the first time I am mentioning the need for a Housing Development Board (HDB), which could be evolved from the Homes and Communities Agency and which should take on these responsibilities, effectively subcontracting intervention landlord services to RSLs.

Cost to the Treasury: Technically nil, however this is over a period of time, during which all costs are covered by rents received by the intervention landlord. That said, presuming 10% of the PRS is in the hands of unfit landlords, this represents up to £100 billion of upfront capital need. This presumes a lower than average cost of property but with a higher than average cost of essential upgrade.

Varying the ratio of CPO to Management Order interventions significantly affects the costs. If 10% of intervened landlords are subjected to CPO and 90% are subjected to Management Orders, we can presume the following:

- CPO costs: 50,000 properties at £10 billion
- Immediate upgrade costs (after MO): 500,000 properties x £5,000 = £2.5 billion

CPO costs can be reduced potentially by 10% by passing in CPO law a penalty clause for unfit landlords, however, this remains an £11.5 billion cost. If the entire process is merely facilitated by the HDB and the ownership of CPO subject properties resolves into the hands of the subcontracted landlords, this could be facilitated through loan guarantees rather than cash upfront. The banking regulator could be urged to ensure that lending banks provide sufficient lending for this.

The loan guarantee option reduces the Treasury cost to 0.6% (as above, the loan guarantee exposure is estimated), totalling £69 million. Presuming this is a five year programme rather than being tackled in year one, that leaves the total Treasury exposure at about £50 million per year for five years. However, all costs can be recouped, including the Treasury's borrowing costs, if there is a requirement to repay from rental incomes before divesting the property.

Some unfit landlords could well divest their assets or improve their operations, potentially reducing the costs by 20%.

The measures above should, in a very short space of time, increase both the standard of living conditions for tenants and provide additional tools to chase out of the market altogether the worst landlords and agents. A minor part of the cost of this would be borne by the taxpayer, a greater part by landlords and agents in general and a still greater part by the worst landlords and agents, who would be subject to disproportionate fines and the loss of property rights.

This rapid change would create an opportunity for a new relationship of trust and respect between tenants and landlords that would benefit both parties in the longer term.

A HOUSING AND INFRASTRUCTURE BANK CAPITALISED THROUGH TENANCY DEPOSITS

£3-4 billion of tenant deposits is held by landlords and deposit protection schemes. These schemes compete for landlords' business and so, even with the best of intentions, tend to provide benefits to landlords rather than to tenants.

Clearly the regime is a vast improvement on the absence of deposit regulation that went before, but in practice almost no tenant receives interest on their deposit and the schemes' operations enable landlords to hold deposits "hostage", meaning tenants who need their money to pay the costs of moving home are under pressure to accept an unfair deduction and get some of their money quickly or enter a dispute process that is not even handed and can take three months to conclude.

This proposal is to collect all tenancy deposits into a single custodial pool and to utilise the funds as a housing and infrastructure development bank. Put in simplified terms, under banking rules a bank is allowed to lend about 12.5 times more than it actually holds in cash. This means such a bank could lend up to £40 billion to support housing and infrastructure.

The structure should be separate from government but the terms laid down by government before the bank is spun off as an independent entity. The bank should be a trust for the benefit of current and future private rented sector tenants and its aims should be to;

- Optimise interest returns to tenants on the basis of their held deposits
- Maintain the ongoing stability and security of the bank
- Use the lending facility to support housing and infrastructure development and enterprises that will increase demand and create jobs in areas of low housing demand.
- Provide residential mortgages
- Provide lending for intervention landlords (described above)

- Resolve tenancy deposit disputes fairly and speedily

This could be a standalone institution, be absorbed into the responsibilities of National Savings & Investments or the fund and its obligations could be tendered to existing private lending institutions to operate, evading any claims against the Government for state aid to a single market operator.

Furthermore, tenants should receive an ISA-style tax break on their deposit savings and the freedom to top-up their tax-free deposit savings.

The move to a single custodial deposit scheme would take at least six months and the development of the bank could take up to two years. The costs would be borne by tenants through the profits of the lending bank, however, there would be a cost to the Treasury for the tax free liability. Presuming current holders of deposit monies (landlords, agents and deposit schemes) are receiving interest and paying taxes on it in full, this would represent a maximum reduction in Treasury revenue of £20 million per year compared to the current arrangements.

COST-PRICE HOUSING MARKET

Part of the task of weaning the nation off capital gain in housing assets requires providing an opportunity to purchase housing on a basis where there is no capital gain. This cost-price housing market would provide for an intermediate tenure for those people wanting to transition from renting to free market home ownership, or it could be a final tenure for those people who don't want to invest in the free market at market prices.

The core of the proposal is a revolving equity fund of significant size, perhaps in the region of £10 billion, managed by the Housing Development Board. This equity is invested in property developments where a proportion of the development is returned to the fund on completion, with those homes sold at cost price.

The conditions of sale are that the owner may only ever resell the home at the same price, subject to annual interest increments equivalent to a bank savings rate. Furthermore, the owner would not be allowed to select the buyer, necessitating the creation of a "market maker" service and they would be limited to a strict annual cap on rental income (with punitive penalties for breach) in the event that they rent the property out or use a holiday lettings service.

The principle is that because a person has not paid the market rate for the home, they should not be able to receive a market return. Apart from the minimal interest rate, which would give comfort to lenders, they receive no capital gain, but they have an advantage over renters in that they are able to accrue capital rather than paying rent.

Furthermore, the Help-to-Buy scheme should be exclusively available for secondary housing market homes, meaning there is no longer an adverse impact on the free housing market as a whole. By focusing Help-to-Buy on the secondary, cost-price housing market, there is no counteracting effect on prices (because prices are fixed) so only the beneficial side of the equation exists.

There is an additional, major benefit from this programme, beyond the increased supply of homes, the creation of capital gain free home ownership and the creation of a scalable intermediate tenure out of the rented sector. As an equity fund (rather than a loan pool) the sums provided are not loans, they are co-investment. This makes them relatively unattractive to private sector developers because they don't want to share the profits of a development.

Conversely, local authorities or housing associations that are nearing their borrowing limits would be free to draw from the fund as co-investment without concern for borrowing limits. As co-investment the equity fund would bear its own share of the risk.

To give an example, a council may have a £50 million plot of land, a desire to build homes and no ready access to cash for that purpose. By drawing on the equity fund, for example to the tune of £50 million, they could potentially build 1,000 homes. Because 50% of the funding had been provided by the HDB, 500 homes would be sold at cost price and 500 would remain as council-managed housing.

The scheme not only provides for housing supply in itself but it leverages the creation of new social housing by councils and housing associations.

While the legislation to provide for this programme is relatively simple, it would require extensive consultation to get the details right. The costs are variable depending upon the scale of the programme, however, this programme, as a revolving equity scheme, is mostly self-funding through the mortgages of private individuals purchasing secondary housing market homes. Access to cost-price housing would not be means tested, meaning all people could aspire to live in these homes and nullifying the bureaucracy that means testing would require.

A one-off £10 billion revolving fund would deliver 100,000 additional homes per year directly and potentially increase social housebuilding by a further 50,000 homes per year. Presuming the management functions can be resourced from within this fund and through reasonable fees, and that there is a 0.6% Treasury exposure to the debt, this would mean a Treasury cost of £60 million per year.

Having said that, there is no need for such a scheme to actually hold £10 billion at once and the Treasury could borrow as needed rather than up-front within the year. This could reduce the £60 million cost significantly in the first year.

COMPETITION BASED SOCIAL HOUSING FUNDING

The funding of housing through the HCA is getting increasingly complex in terms of the variety of contractual obligations being imposed on housebuilders.

Between the number of housing associations and councils, there are sufficient actors for a market vehicle to create the best value for the taxpayer. Instead of complex funds that regularly change for which providers cannot plan, there should be a consistent, long term funding approach. The Housing Development Board, superseding the HCA, should put up one quarter of its available funding every three months and providers should bid for that funding on a consistent basis.

Given the housing association sector's recent collaboration with the government to undermine the provision of affordable housing by Councils, it is essential that Councils and HAs can bid for funds on a level playing field.

The criteria and their weightings should be consulted on but may include;

- Scale of need met (disproportionately benefiting bids that provide affordable housing for the poorest and most vulnerable people)
- Number of homes built

- Leveraging of external funding
- Quality and placemaking
- Demand stimulation in areas of low housing demand and empty homes brought into use
- Long term sustainability, for example, what is the likelihood of the affordable home being lost to the affordable sector or for there to be a consequential loss of affordable housing elsewhere.
- Community support

The HDB would provide funding for the top bids each quarter, with a correction to ensure funding is reasonably distributed around the country over time.

This consistent, transparent process would give an equal footing to Councils and HAs to bid for funding while giving all providers, and their lenders, a long term understanding of their expectations and the opportunity to plan their housing portfolio growth.

Cost to Treasury: nil. Possible savings that should be passed to an increase in housebuilding.

THE RIGHT TO BUY REFORM

> *"Every tenant… will have a chance first to buy from the Council the house he lives in"*
>
> - The Labour Party Manifesto, 1959

The Right-to-Buy in council housing, now to be extended to all social housing, is the subject of visceral hatred among many housing professionals, policy experts and political enthusiasts. Therefore it is worth reminding people of the quote supporting the Right-to-Buy in Hugh Gaitskell's 1959 Labour Party general election manifesto.

Selling social housing is not ideologically right wing. However, subsidising these sales and preventing the building of new social housing is. In recognising this, policymakers should accept the value of facilitating people's transition out of social housing where that is what they wish. Right now it would make no sense at all for a person in social housing, with low rents and permanent security of tenure, to take a job in a location that would require them to move out of social housing into the private rented sector with high rents and little tenure security. Facilitating the transition into and out of social housing, private renting, homeownership and novel tenures is essential in creating market fluidity and enhancing consumer power.

The Right to Buy should continue, but under radically reformed conditions. All right to buy sales should be at that home's notional cost price (to replace) and they should accordingly be sold into the secondary, cost-price housing market proposed above. The major changes to Right-to-Buy that this entails are firstly, that the buyer has to pay for a replacement, meaning there is an absolute limit on the size of the discount. Secondly, that they won't be able to sell the discounted property on for a profit. That affordable home remains permanently affordable, even if the purchaser resells.

The receipts should be used by councils and housing associations either as funding to build replacement homes or to be held as a "buy back" fund in the event that the purchaser subsequently resells. The secondary housing market framework, while in most cases taking over the market maker function to neutralise the possibility of corruption, should allow such buy-backs in priority to random selection of buyers. By this stage the property has been replaced so there is no net loss to the public housing stock.

In this manner, the total stock of permanently affordable homes is not denuded by Right-to-Buy, and potentially funds the extension of social housing. In the event of a buy back (which currently exists as a right of first refusal), this would be at the cost price (plus minimal interest) rather than the market price, meaning such buy backs are significantly more feasible.

This buy back option for social housing providers should be a perpetual right rather than concluding the first time they decline the first refusal, so all subsequent transactions could potentially revert the home to Council or HA ownership.

Cost to the Treasury: nil. This actually represents a complex, partial abolition of the discount on Right–to-Buy, which has varied from 33-70%. However, while the sale at cost price represents a discount against the market price, the buy-back and secondary housing market interface essentially means the council or housing association retains a valuable option on the home that notionally returns that discount at some point in the future. This can be a guaranteed notional return over a long period through a sale via leasehold, which would be the case for most properties, in that the lease ultimately expires.

In this manner you could calculate the discount as "abolished" in the longer term, however, it would be complex to work out what saving this represents, and whether that is a saving to the Treasury or to social housing providers. However, if one calculated the total cost of right to buy discounts in today's prices, using house prices as the index for inflation, you would be looking at a total cost of Right-to-Buy as almost 2 million homes[25], multiplied by a (guessed) average house price of £200,000, multiplied by an (also guessed) average discount of 50%, divided by a period of 25 years. This would come to about £8 billion a year at today's house prices, though at the current rate of Right-to-Buy sales[26] these discounts add up to about £1 billion a year.

This £1 billion is the best estimate of the saving that would be made annually, though this is equally offset as this is theoretically already how the government funds its existing housebuilding budget.

PLANNING REFORM, GARDEN TOWNS AND TOWN-TO-CITY TRANSITIONS

As land is a monopoly, creating more of it is quite difficult. While some countries, for example the Netherlands, have literally created it through reclamation from the sea, in practice "new land" can mostly be found through planning reform.

Reforming planning has been one of the stickiest political challenges, largely because homeowners generally oppose the building of homes – or in most cases anything at all - near them. In the 2010-15 Parliament there was a perverse situation of Chancellor George Osborne simultaneously pressing for planning reforms in Government while actively campaigning against developments in his Tatton constituency.

This has led to a focus on micro-advancement on planning reform which, under Labour, was the ineffective "Ecotowns" programme, rebirthed under the Conservative/LibDem coalition as an equally ineffective "Garden Cities" programme.

If you are seeking to build 250,000-350,000 new homes a year, spending five years trying to get one Garden City off the ground to provide 10,000 new homes can only be described as insufficient. In policy

25 http://www.historyandpolicy.org/policy-papers/papers/the-right-to-buy-history-and-prospect Prof. Alan Murie

26 http://www.theguardian.com/money/2015/jun/25/right-to-buy-sales-seven-year-high terms it's the equivalent of the Ministry of Defence marshalling legions of butterflies in the Pennines in the hope creating hurricanes at ISIS positions in Iraq.

The Garden Cities programme should not be shut down, but it should be regarded proportionately as a peripheral strategy. It should also perhaps be renamed the "Garden Towns" programme as a more accurate reflection of the scale.

Firstly there should be legislation passed for a new, radical, streamlined planning regime that is available to any local authority that wants to adopt it. Therefore any local authority that wants to, and is prepared to be accountable for it to their voters, can simply implement a wide range of measures to allow building on the greenbelt, raise tall buildings and CPO land easily, among other technocratic measures that are well understood, many of which were detailed in the Lyons Review of Housing. Importantly, this should include the mechanisms to capture the uplift in land values associated with large scale investment.

In reality, almost any party would lose control of almost any council that took this step, therefore, further measures are needed. I propose the implementation of a "Town-to-City" transition programme.

Any town or partnership of municipalities that wants to become a city will be able to access the new planning reforms alongside the funding to deliver it. To win a bidder will be required to provide the following;

- A commitment to build at least 100,000 new homes
- A broad costing of what it would take to bring all existing public services to the very highest standards, and how they would be expanded to provide for the new residents.
- A broad costing of the additional operational, transport and social infrastructure that would be required for the new city.
- A feasible plan for creating sufficient jobs for the entire population of the new city (limiting the creation of "dormitory" cities).
- A broad costing of infrastructure required to link the new city into the regional and national economy
- Commitment to maintaining an on-going, visionary town planning resource
- An environmental impact minimisation plan
- A design standards scheme
- A commitment to bring forward plans through a Community Land Trust, ensuring the community receives the benefits of improved land use in perpetuity.

The purpose of this plan is to excite residents of towns so that they want to become cities. Towns will be able to access funding to develop these plans as well as conducting referendums on the plans if they wish to before issuing a final bid.

Winning towns will receive;

- Guaranteed city status on delivery of the programme.
- Significant development funding priority from national capital budgets.
- Large scale investment through the Housing and Infrastructure Development Bank.
- The support of government in attracting commercial investment within the UK or from overseas.

- Up to five years of freedom from Council Tax payments for homes in the municipality that exist on the day of the referendum.

In short, people will be offered top class public services, top class infrastructure and an extended Council Tax holiday.

Having said that, a town of 50,000 people that chooses to become a city of 150,000 would find it is receiving increased Council Tax Revenue from new households long before the tax holiday ends for "legacy" households. Furthermore, the opportunity and funding to reformat public services to operate at a larger scale would provide on-going savings, as would the requirement to ensure a jobs plan that meets the needs of the new city.

Shelter studied the effect of direct payments to people affected by development and concluded that such payments would have to be in the region of £10,000 to be effective[27]. While a 5-year Council Tax holiday approaches that level, their focus groups concentrated on the effects on people who opposed development. By stepping up the scale to a grander project; for these new cities to be attractive places in their own right rather than mere commuter dormitories, and by offering people not just a cash incentive, but a vision of a modern city with modern transport, schools, medical services and amenities, and by locking in attractive and environmentally sustainable design standards at the outset, you create a package that may not reduce opposition from people who oppose at the outset, but could significantly increase support from people who would otherwise be unengaged.

The costs to the Treasury are notionally minimal, relying on the prioritisation of existing budgets, not least through the policies already costed in this paper. However, you could expect each successful bidding town to need in the region of £2 billion of investment over and above the reprioritisation of budgets, of which the cost of borrowing at 0.6% would be £12 million a year for the length of the debt.

A TAX ON PRS RENTAL INCOME

Logically, Land Value Taxation would be an ideal method of addressing Winston Churchill's concerns. However, with 60% of the population owning land, implementation could be challenging in a short timescale. Furthermore, this paper proposes a series of measures to tackle the overpricing of land and property, meaning an implementation of LVT would reap little revenue until that devaluation had stabillised. However, a tax on private sector rental income would provide a useful and fair proxy for LVT.

It is essential that any new tax is widely seen to be fair. A tax on PRS income should be applied as a recoupment of excess Housing Benefit paid to PRS landlords. The typical Housing Benefit paid in the PRS is in the region of four times that paid in the social sector, however, you can't limit the HB to the social sector rate as it would result in landlords refusing to house tenants on benefits.

Therefore, a blanket recoupment of three quarters of the PRS Housing Benefit bill across all landlords would be delivered through a tax on rental income of 21%. The redistributive effect could be enhanced by charging a higher percentage on rents above a certain level, for example £100 per week. The rate of avoidance of this tax could be reduced to zero by using the register of tenancies (proposed above) and secondly by legislating for payment orders to tenants in the event that their landlord is under-reporting rental income, effectively turning tenants into a free policing of this tax.

27 http://england.shelter.org.uk/__data/assets/pdf_file/0005/941324/SHELTER_WolfsonPrize_WEB.pdf

In practice, avoidance of this tax would not have an effect on receipts because of the nature of recoupment. 75% of the HB bill will be recouped and if the tax rate is too low to recoup it a correction will be made the following year. 75% is an appropriate initial target for recoupment because HB-supported rents in the PRS are, on average, roughly four times the price of social rents. In practice you would change the recoupment percentage each year as PRS rents lowered.

However, that isn't enough to make such a tax fair. To achieve this fairness, the £7.5 billion revenue must be hypothecated to fund the building of public housing. In doing so, not only is significant social housing being funded by the principle beneficiaries of the lack of such housing but the HB bill in the PRS would be reduced annually, first because of the transfer of tenancies from the PRS to new social housing, and secondly because of the lowering market rents due to the increase in supply.

By following a principle of recoupment and hypothecation, you would expect the PRS rental income tax rate to reduce annually from a height of 21% by about 2% per annum, though this would need to be adjusted to take into account underlying trends and the lead time on building new homes. The tax rate may actually increase in the first two years. It is the recognition of a problem and the beneficiary of the problem and the exacting of a tax on the beneficiary only to fix the problem that makes it demonstrably fair. If landlords simply became a permanent cash cow for the Treasury, that would not feel fair. When rents are high, the tax take should be high, but as rents lower, the tax take should reduce, finally hitting zero when they reach social rent levels.

This is the answer to the "benefits to bricks" dilemma to the tune of £7.5 billion of bricks each year. It is not a redistribution from landlords to tenants, but a redistribution from landlords to taxpayers.

Cost to Treasury: nil.

CAPITAL GAINS TAX REFORM

As any homeowner knows, you don't pay Capital Gains Tax on the sale of your principal residence. This gave rise to the CGT "flipping" scandal among MPs, an avoidance technique that is now eradicated in Parliament but which remains common among landlords. They can radically reduce their CGT exposure by purporting to have lived at an address for 18 months. Furthermore, for the period during which the property was let, landlords may claim relief for up to £40,000 of capital gain[28,29] if it has at any time been the landlord's main residence.

You also don't pay CGT when you remortgage your home, however, this applies equally to additional homes as it does to your first homes. Through this means, in a perpetually rising market, landlords are able to continually remortgage their assets, building extensive, profitable portfolios without ever paying CGT.

The sums involved are not insignificant. A recent study showed that landlords have made £177 billion in capital gains in the past five years alone[30]. Landlords argue that they do pay CGT in full when they ultimately liquidate their portfolios, however, this almost never happens.

A further quirk is that CGT is not paid on death. A landlord who leaves their portfolio to an inheritor is not deemed to have realised the capital gain. Furthermore, the inheritor is deemed to have acquired the assets

28 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/323679/hs283.pdf

29 http://www.if.org.uk/wp-content/uploads/2013/11/Why-BTL-Equals-Big-Tax-Rip-off.pdf

30 http://www.ft.com/intl/cms/s/2/b94cd0d2-95a8-11e4-a390-00144feabdc0.html#axzz3hjPKenyy at the prevailing market rate on inheritance, meaning that if they dispose of the asset straight away, they don't pay a penny of CGT.

Given the interactions of CGT and Inheritance Tax, presuming a property portfolio were taxed as a whole at 40% (that the IHT threshold had been met elsewhere in the legacy), no less than 16% of the portfolio's capital gain is lost to the Treasury through the failure to apply CGT in addition – for example, had the owner sold the properties a week before dying and the asset were held in cash. It should be remembered that the justification for raising the IHT threshold in recent years was because of the increasing value of a primary home. It was never anyone's intention that second homes and landlord portfolios should be insufficiently taxed upon death at the expense of ordinary taxpayers.

The reforms to CGT that would ameliorate this loss would be;

- To extend the period in which a landlord has to reside in a property before being able to declare it a primary home to 5 years, with the national register of tenancies as an evidence base.
- Abolish CGT lettings relief.
- To apply CGT when remortgaging a second home.
- To apply CGT on death, deducting previous payments made on remortgages of the portfolio, and apply IHT to the remainder of the asset value.

This proposal would apply to all legacies, not just those passed on by landlords. Given the extension of IHT relief over the years to attempt to keep pace with the average cost of a single home, it is perverse that there is a loophole that allows a significant tax avoidance on the capital gains of subsequent homes, particularly when those capital gains, in many cases, far exceed the actual price paid for a property.

In terms of the public response to this policy, it wouldn't impact the IHT/CGT of anyone who owns only a single home. Applying CGT on remortgaging and on inheritance (in addition to IHT) would only apply to additional homes. The 5-year primary home test would be to prevent "flipping" of the primary home designation.

RENT CONTROL

Rent Control is a contentious policy to bring forwards. The only honest way to do so is to thoroughly explore the effects of the system you propose to implement and ameliorate those effects that are not beneficial while protecting the beneficial effect.

However, critics of Rent Control rarely consider all the effects, often limiting the scope of their analysis to the effects on the private landlord sector. A broad range of effects should be considered, such as;

- The effects on tenants
- The effects on the landlords
- The effects on overall housing supply (not just in the private rented sector)
- The effects on the Treasury
- The economic effects

There should be a number of benefits to tenants from Rent Controls and the first should be that they pay less rent. This shouldn't have to be said but rent policies are put forward that don't have this effect. The

Labour Party's 2015 manifesto commitment on capping rents was perversely framed in a manner that wouldn't have limited the amount of rent tenants pay. The crucial element of an effective Rent Control in this regard is that rent rises are limited between tenancies as well as during them.

There is a concern that limiting the rental revenue to landlords would prevent them from undertaking maintenance on a property. The regulatory measures outlined above would obviate this fear, making it impossible for landlords to evade their maintenance obligations.

A further concern is that landlords will leave the market, reducing housing supply. This is possible but as I have explained earlier, this isn't necessarily a bad thing as it reduces residential land and property prices, increasing the supply of homes for sale and the financial viability of social housing. It should be remembered that 75% of tenants in the PRS assert that they don't want to live in the PRS[31], yet at the same time the sector is growing rapidly. This is not a growth driven by consumer demand, but by consumer capture.

Therefore there is a strong argument that there should be a reduction in the supply of PRS housing. However, measures to improve affordability, security of tenure and decency of conditions could provoke an uplift in consumer desire to live in the PRS for the longer term.

As far as the Treasury – or the taxpayer – is concerned there is a strong parallel between Rent Control and the Minimum Wage. With 35% of PRS tenants receiving Housing Benefit, Rent Control reduces this spend in exactly the same way that the Minimum Wage reduces the overall claims for in-work benefits. This becomes a supplementary cash benefit to the Treasury that can add to the "Benefits to Bricks" solution if it is spent on providing public housing. Equally this ameliorates any theoretical reduction in housing supply argued by opponents of Rent Control.

However, it should be remembered, that while building a home is a one-time cost, getting someone off benefits (or onto a reduced level) is an annually recurring saving.

Economic productivity is enhanced by Rent Control. Firstly, it enables people to work in the most productive jobs, increasing tax payments relative to that money going to tax efficient landlords. Furthermore it raises consumer demand across the economy because of the increase in average disposable incomes.

This year's IMF report *Causes and consequences of income inequality: a global perspective*[32] soundly illustrated how a nation's wealth inequality impedes its economic growth. The two mechanisms that seem obvious causes of this are firstly that poorer people pay higher marginal tax rates, meaning the per-person tax burden reduces when poorer people have money. Secondly, that poorer people spend their money in the local economy, creating consumer demand, where richer people to other things, for example investing in housing, spending abroad, or on high cost luxury goods that have relatively little local economic value.

Rent Control is a clear policy vehicle for reversing wealth inequality to provide an economic boost, raising tax receipts and stimulating the consumer economy. Furthermore, it enables people to be more "productive" in the workplace, reducing incentives to lower cost/lower wage geographies.

A major economic boost comes from the depressive effect Rent Control has on the attractiveness of residential land and property as an investment. There is, overall, a broadly fixed sum of money that can be invested, and while it is in land and property it is not being invested in productive industries. Even current

31 http://www.generationrent.org/heating_eating_or_paying_rent

32 https://www.imf.org/external/pubs/ft/sdn/2015/sdn1513.pdf investments in such industries include overpriced charges for land and land-driven wage pressures, which makes life harder for businesses.

There's an additional, less tangible economic benefit. Today, a young Londoner generally has to work like a dog to survive. Rent Control doesn't just give such a person money, it also gives then the option to convert that money into time. People with creative passions or entrepreneurial drive will be able to pursue them, which adds to the economic output of the nation, while making it a more interesting place in which to live. Rents today are impeding creativity and entrepreneurship. In short, Rent Control is good for business and the taxpayer.

The effect on landlords cannot be ignored. But in this regard, all the measures implemented have to be considered together, on a macro level, rather than Rent Control in isolation.

You have to consider the damaging effect of the hyper-attractiveness of land and residential property as an investment while, at the same time, considering whether there would be damaging effects if it were unattractive.

The answer is to monitor honestly the overall attractiveness of landlording and to adjust the details in the policies implemented to keep it at the desired level.

So today, Landlords UK are making £42 billion annually in rent, £10 billion of which is Housing Benefit, and £35 billion in overall capital gains on a portfolio of about £1 trillion. They pay very little tax on this, costs are minimal and could generously be calculated at about £10 billion. Crucially, a single tenancy requires very little work on behalf of the landlord, or in other terms, the unit labour costs are minimal.

Overall, this makes for a UK-wide 6.5% outturn yield, after risk. I say this is after risk because this is what is actually achieved after the effects of every "nightmare tenant" story has been taken into account. Bearing in mind this is significantly variable across Britain, you can see that this is a hell of a return for a low risk investment that won't require you to give up your day job.

The proposed £7.5 billion Housing Benefit recoupment tax would result in a reduction of outturn yield to about 5.75% and Capital Gains Tax reform would reduce the yield by a maximum of 1% to 4.75%. All the other regulatory steps shouldn't have a significant cost impact on landlords but you could generously estimate a reduction of 0.25% (which presumes huge costs of £2.5 billion), reducing the yield to 4.5%, still significantly more attractive a return than buying long term UK Government gilts and in the light of near 0% inflation.

A policy to implement Rent Control, in addition to all the other measures in this paper, could comfortably reduce outturn yields by a further 1% without making the PRS an unattractive investment, however, it would reduce the landlord costs implied by the tax measures proposed in this paper. I would suggest that because of these interactions, a Rent Control policy that cost landlords 1.5% of their return would in effect net a reduction of 1%.

The CGT reforms and Housing Benefit recoupment tax have an additional value in that they are disproportionately drawn from geographies where rents and capital gains are high, meaning they have an evening effect on house prices across the UK.

Bearing this in mind, and presuming all the other measures on tax, tenure security and regulation are also implemented, a Rent Control policy that transferred annually £15 billion from landlords to tenants should not have a significant impact on PRS housing supply (though I have argued that it doesn't matter if there is such a reduction) and will certainly not have a negative impact on overall housing supply.

It's worth reiterating the point that landlord costs cannot be transferred to the tenant. Market dynamics dictate that landlords are already charging what they can charge to tenants and additional costs do not change that. Put another way, there is no evidence that landlords without mortgages charge less rent than those with mortgages, despite having lower costs. Referencing that GCSE supply and demand curve, price is a function of supply and demand, not of cost, and the calculations above are designed to estimate what additional costs landlords can bear without leaving the market.

The question then arises, what is the best mechanism for applying this transfer.

ABSOLUTE RENT CAP

A single, absolute cap is problematic because it means that only low-cost, low quality housing units are viable to build or buy into the PRS, depending on the level at which the cap is set. If the cap is at £500 per month, then that £500, less the landlord's desired margin, is what they are prepared to bear in costs (including the cost of investment).

If implemented at a reasonably low level, and in conjunction with the regulatory standards proposed in this paper, it could radically reduce landlord engagement in the PRS rather than having a dynamically beneficial effect. Without those standards, a low cap could generate PRS slums as landlords claw back maintenance costs into their margins. This is the form of Rent Control that economists broadly argue against.

An absolute cap that is too high isn't beneficial and one that is too low has the illustrated effects, which in territories where it has been applied, has led to subsequent exemptions to the Rent Control. This lack of ubiquity of implementation creates all sorts of transactional problems and corruption[33], and encourages developers only to develop properties that qualify for exemptions.

COUNCIL TAX MULTIPLIER CAP

With this model, a rent cap is imposed that is a multiplier of the Council Tax Band of a property. This has a redistributive effect as local authorities with many high-banded properties typically have lower Council Tax rates than areas with few high-banded properties. The major advantage is that Council Tax levels are democratically accountable, so landlords could lobby for higher taxes if they wanted to charge higher rents as a multiplier, which would potentially help Councils to resource the building of more homes. Furthermore, Council Tax bands are a well understood concept among landlords and tenants so implementation would be relatively simple.

This would create an utterly novel dynamic of living patterns and it is hard to predict what the effects would be. House prices are notably high in the boroughs of Westminster and Kensington & Chelsea, yet they also have extremely high rates of PRS residence. Clearly such a policy would knock house prices in central London to the degree that they would be attractive to luxury homebuyers rather than for luxury renters, but increased accessibility of luxury homes for moderately wealthy people doesn't seem to meet any desired policy objective.

33 http://www.theguardian.com/cities/2015/oct/29/stuyvesant-town-corporate-greed-affordable-housing-new-york

ABSOLUTE RENT CAPS AS A PROPORTION OF PROPERTY VALUE

While generally beneficial, the first challenge is the bureaucratic hurdle of annually valuing all property in the PRS, and trusting those valuations as honest.

Secondly, this could incentivise developers to build more expensive properties to maximise the possible rental yield from a given plot of land.

FAIR RENT TRIBUNALS

This is what we used to have in the UK and it has the advantage of a whole lot of legislation that could be dusted off and re-implemented. The challenge is that it entails a large amount of costly bureaucracy and in the modern housing market it is hard to see how "fair" can be determined for similar properties that doesn't result in vastly different rent rulings, depending on the wealth of the landlord and the tenant. In short, it could work well but it would be complicated and costly to implement.

LICENSE TO LET

This is the option I propose in this paper. The first step is to assess who is living in the PRS and what they can afford. There are two end points, which are people on Housing Benefit and people living in luxury apartments. Licenses are issued periodically by government, strictly limited in numbers so that they reflect the affordability spectrum across the PRS.

Bands could well be as follows:

Band A – Unlimited numbers, absolute rent cap of £500 per month
This would be the baseline rent cap for all unlicensed properties

Band B – Absolute rent cap equal to the minimum Local Housing Allowance for Housing Benefit
These licences would be issued to exceed marginally the number of Housing Benefit Claimants in the PRS

Band Z – Unlimited rent
A limited number of licences would be issued allowing unlimited rent

Other bands would be issued reflecting the range of income brackets of people in the PRS.

However, rather than simply issuing licenses for a fee, the Government should auction off licenses periodically, starting with the small number of unlimited rent licenses and working down the scale to the licenses that allow landlords to charge up to an LHA equivalent (Band A being below this level).

This is a market solution to implementing Rent Control that avoids any supply issues because such issues can be monitored and tweaked through periodic reissuing. Furthermore, there is an automatic market correction if you allow a secondary market in licenses, meaning you don't have to monitor supply and demand to detect supply problems, simply look out for anomalous trends in the secondary market. This is very similar to the method Singapore has for issuing certificates of entitlement to own a motor vehicle.

This is of course an additional cost to landlords, both in terms of the costs of licenses and the reduction in rental income. To guard against tipping the investment attractiveness below a targeted level that would risk a reduction in overall housing supply, I would implement the Housing Benefit recoupment tax so that it recouped 75% of PRS Housing Benefit *less the sum received at licence auctions*, with both revenues hypothecated for housebuilding. Both costs are disproportionately targeted at those landlords who are making the most money and so their application is fair.

In writing this paper, this has come to be my favourite option for implementing Rent Control. I like the proposal because it's a low-cost, low bureaucracy solution to implement Rent Control that doesn't require valuing any properties because the "market" in licenses will associate them with the correct properties for you.

The major criticism of Rent Control is that it places rental property on the market at a non-market price. This proposal, taken in conjunction with the rental income tax and the licence-to-let ameliorates this perceived problem. While the prices are initially set apart from the market price, the supply stimulus actively draws the market price downwards to meet the controlled rent level. Therefore, the rent control is the short term sticking plaster to make the market bearable for the consumer but the supply boost is the longer term cure.

A REVIEW OF LANDLORD COSTS AND MARKET CORRECTIONS

There is a balancing effect with all costs imposed on landlords. If the returns on an investment decrease then the natural effect is that the up-front cost of the investment also decreases proportionately. Subsidies and tax breaks conversely have the effect of increasing the investment cost. This is the balancing mechanism in the market.

In terms of landlord costs, this means that those additional costs are reflected in lower house prices. While this would inevitably harm existing landlords where they are over-leveraged, lower house prices would actually mean it would become easier to become a landlord if you wish to do so, because of the reduced cost of the investment.

A landlord who finds themselves with a depreciating asset base may well exit the market, but a new cohort of landlords would be able to buy property at the lower price, enjoying the rewards of doing so.

PUBLIC OPINION

Public opinion on the housing crisis is unambiguous. For this paper, polling company Survation undertook a survey of 2,017 people in November of 2015, the full results of which are attached as an appendix.

FAIRNESS

I have written about fairness in terms of implementing new policies, but we asked the public about how fair they thought the current housing market is. 54% of people say the housing market today is "unfair" compared to 16% who believe it is fair, and 52% believe the housing market is less fair than it was 30 years ago compared to 19% who say it is fairer.

LIVING COSTS

It is striking that 67% believe renting in the private sector is expensive compared to 32% who feel the same about mortgage payments. Only 3% of people believe that renting is cheap and 16% say rents are at about the right level.

HOUSE PRICES

House prices are constantly on the minds of ministers and certain newspapers with a seemingly unending stream of policy innovations to make them higher. Public opinion on the other hand is that they are too high.

64% of people believe house prices are too high, compared to 5% who believe house prices should rise. This is an enormously clear divide in opinion. Even 61% of homeowners say prices are too high, with only 6% saying they should be higher.

We also asked people how a drop in house prices would affect them and their families. 71% said it would either benefit or have no impact on them, while 20% said it would disadvantage them. Even among homeowners this was 65% compared to 28%.

EXPERIENCE OF RENTING

Of the total sample of 2,017 respondents, 1,000 had experience of renting in the private sector. This was their experience.

- 35% had experienced unfair fees levied by letting agents
- 30% had experienced unfair deductions from their deposits
- 44% had experienced problems getting their landlord to maintain the property
- 38% had experienced chronic dampness
- 37% had experienced chronic cold
- 21% have suffered vermin in a rented home

- 21% have suffered harassment from their landlord
- 29% have had above inflation rent increases
- 16% have been evicted without having breached the tenancy agreement

GOVERNMENT ACTION

We asked the public about some of the policy proposals in this paper.

56% say the Government should spend more taxpayers' money on building Council houses. This includes 52% of Conservative voters. Conversely, 28% say they should not do so, with only 35% of Conservative supporters opposing such investment.

53% of people support new homes being built in their area, with 33% opposing it. This includes homeowners, of whom 48% support and 38% oppose.

While Rent Control is seen as a marginal issue among politicians, a huge 64% of the public supports its implementation, compared to 7% who oppose it. Even 62% of Conservatives supporters back Rent Control compared to 11% who oppose it. For those politicians more concerned with the swing vote, 55% of undecided voters back Rent Control compared to 4% who oppose it.

In terms of the method of Rent Control that could be introduced, 64% believe that it should either stop rents rising or bring them down. Only 33% believe it should merely limit rent increases. Only 30% of Labour supporters back the latter approach, even though that was the party's policy at the last election. 58% of Labour supporters want Rent Control to bring rents down or at least stop them from rising.

On housing policy, the public is extraordinarily clear and well informed. They believe the housing market is unfair and that PRS rents are too high, they understand house prices have to go down, they want taxpayers' money to be spent on building more social housing, they accept that new homes will have to be built where they live and, above all, Britain wants Rent Control.

THE FUTURE WITHOUT HOUSING REFORM

Neoliberal policymakers assert that rent control creates an undersupply of housing, low levels of maintenance and stimulates transactional corruption. Their counterpoint is that all of these problems are resolved in a free rental market.

I have shown that all of these are the case in the current UK's private rented sector, even though tenants have few rights on conditions and security and there are almost no enforceable price controls. Whenever I point this out to an anti-rent control activist, their responses are that tenants still have too many rights, distorting the market, and that there isn't a "free market" in housing because of planning restrictions.

This highlights a fundamental illogicality with their arguments. When arguing against Rent Control, they restrict their analysis of impacts exclusively on the PRS or assert that the problem with supply lies with planning regulations, when that is a whole housing market factor. They are being selective as to their whole market or micro-market analysis depending on what suits them. It's hard to see how there was a post war housing supply boom in the presence of the Town & Country Planning Act (1947) and Rent Control, when both of these measures are asserted to have overriding anti-supply effects.

If Rent Control and the other measures in this paper are not implemented then one of two things will happen. Either the market will continue with the current arrangements or it will get worse. Having said that, there is an on-going stealth deregulation of the Private Rented Sector through annual local government cuts, which are denuding Councils of the resources to enforce housing Laws.

Inevitably London is the crucial housing market to watch. House and land prices, and rents, will continue to rise because there is virtually unlimited demand for housing in London. Not only is it a great jobs market, but London is an attractive place for people all over the world.

Overseas purchasers of London property are inefficient consumers of London housing. Some of those investor are just buying a pad for their families to use when they are passing through, knowing that the asset will appreciate, others are purchasing to rent out, implying occasional periods when the property is empty between tenants or for maintenance etc. Few overseas investors are purchasing to live in London full time.

The second cause of inefficiency as that there is so much demand, and so little supply, that suppliers don't have to meet the whole of demand, they can choose which bit to meet and that is, inevitably, the higher end of the market. I know of no example in London of someone building homes for Londoners below median earnings without receiving some sort of subsidy for doing so. Therefore, the homes that are being built are in some measure "luxury" homes, inefficient in their use of space (and land) and in their production cost per unit.

These inefficiencies will have a masking effect as the market turns. Over time increasing numbers of Londoners will choose to live elsewhere as living costs outstrip wage increases. This will accelerate gentrification, consequently driving up land prices and associated costs further, and through this cycle driving out more Londoners.

However, London is too big to be served by wealthy people alone. Workers in education, health, the arts, the emergency services – even in fast food outlets and bars – will become harder to employ in the capital. In fact, a housing market where homes are affordable to people only on incomes way above median earnings will actively drive away people earning below that level. The housing safety net that would have provided for some workers to stay in London is being actively assaulted with a series of further measures proposed since the 2015 General Election.

But still prices will rise as London's economic productivity begins to hollow out and become more brittle. Decreasing numbers of British students will be able to afford to study in London universities, which will come to serve only those on higher incomes and "education tourists". London will lose its edginess, its creative vibe and will cease to become a place where entrepreneurs can take risks.

A day will come when a major brand-name corporation will decide that it's just too hard to employ the right people in London and that the land charges are unsustainable. And that corporation will move elsewhere, and it won't be in the UK. It will move to Paris, Frankfurt, New York or one of the major cities in the Middle East or Asia. And this will trigger other companies to consider their options on the same basis.

The banks that are making so much money from Britain's inflated housing market will be able to offload thousands of London jobs in the City and Canary Wharf, employ new people in other countries and in doing so increase their profits, while critically undermining London's consumer base.

This will become a snowball that will decimate the London economy. That's understated. Losing one tenth of the London economy is the very least that could happen. One third is more likely.

And that eventuality will suddenly create the conditions for a house price crash in London. The bubble will burst and a great many people will lose a lot of money without any protection at all. But rather than a gentle, organic suppression of house and land prices effected by rent controls and regulations that stimulate economic growth, this will be a catastrophic collapse of the London economy and of jobs in the capital.

Losing one third of London's GDP will be equivalent to losing a tenth of UK GDP, equal to the entire budget of the NHS. London will be served by expensive infrastructure like Crossrail, HS2 and new airport capacity, but too few people will be using it to make that infrastructure viable, becoming an on-going drain on the taxpayer and impeding economic recovery.

Pension values will collapse, again increasing taxpayers' obligations and house purchases will seize up until potential buyers have confidence in the security of both their jobs and that house prices are near the bottom of the market. As house prices fall, landlords and homeowners in debt will face foreclosure as their loan to value obligations stretch to breaking point. And as global demand for housing in London unwinds, Londoners will not immediately return because the city won't yet have the jobs to support their return. Landlords' property values will fall as their rents drop.

All of Britain's economy will be traumatised by the collapse of the London housing bubble. Youth unemployment will escalate rapidly and our young people will escape to other countries to work or study.

The media and politicians will collude to blame immigrants, unemployed people and the EU for the economic catastrophe, leading to social disharmony and hate crime.

This cataclysm of pain, debt, repossession, negative equity, unemployment and the collapse of social harmony will be how the free market's correction of the housing bubble will be characterised. And it's true that once the dust has settled, land will be cheap again and the economy will be more balanced between London and the rest of the nation, but it will take many years to drag ourselves out of that mire.

This boom and bust is the natural action of the free markets at work, and yet no analysis of Rent Control considers the value of such a policy as a tool to adjust the housing market while supporting a growing economy – as a means for evading an economic crash. I would rather see lowered house prices and rent in London through regulation than through a collapse of the economy.

PART 2:
A RESPONSE FROM DR KRISTIAN NIEMIETZ OF THE INSTITUTE OF ECONOMIC AFFAIRS

SCALE AND SCOPE OF THE PROBLEM: WHAT THIS PAPER GETS RIGHT

Britain's housing crisis is nothing less than a full-blown social catastrophe. It is not just a massive social and economic problem in its own right, it also aggravates a whole raft of other social and economic problems. From poverty to the public debt, from social mobility to economic productivity, from wealth inequality to labour mobility – it is difficult to think of a major policy area where the housing crisis does not make existing problems worse. If a government managed to solve Britain's housing crisis – and currently, no political party comes even close to offering a solution – it would kill a whole flock of birds with one stone.

Alex Hilton does not exaggerate the scale of the problem. Alex is right, of course, that *"renters are paying large proportions of their incomes on rents, undermining their quality of life and their ability to save."* To be precise, British tenants are paying the highest rents in Europe, both in absolute terms and as a proportion of their incomes. Average rents in the UK are between 40-50% higher than average rents in the Netherlands, Belgium, Germany and France. They even exceed those of Luxembourg and Switzerland, two countries that are vastly richer than Britain.[34] In most of Europe, rent payments account for between a fifth and a third of tenants' incomes; in the UK, they account for around 40%.[35]

It is only when Monaco is included in the rent level rankings that the UK is pushed into second place, although parts of London are in Monaco's league. South Kensington, Marylebone, Belgravia and Chelsea have overtaken some Monegasque wards; Mayfair is only marginally less expensive than Monaco's famous Monte Carlo district, and Knightsbridge has actually overtaken Monte Carlo.[36]

A lot of middle-class families are feeling the housing crisis, too, but broadly speaking, it is those on below-average incomes who are worst affected. Better-off renters can adjust by renting smaller properties than they otherwise would, but low-income renters, who already live in the tiniest flats, do not have that option. For them, the housing crisis has meant rent payments eating further and further into their budgets, leaving them with less disposable income to spend on other things. This, in a nutshell, is how the housing crisis has become the main driver of poverty in the UK.[37] Alex once summarised this aptly by saying that

34 'Revealed: The most expensive rents in Europe', Daily Telegraph, 24 June 2015. Available at http://www.telegraph.co.uk/finance/property/11694273/Revealed-The-most-expensive-rents-in-Europe.html

35 'UK tenants pay more rent than any country in Europe', The Guardian, 24 June 2015, available at http://www.theguardian.com/money/2015/jun/24/uk-tenants-pay-more-rent-than-europe

36 Pastor Real Estate (2014): London vs Monaco: A tale of two cities, London: Pastor Real Estate, p. 14. Available at http://www.pastor-realestate.com/wp-content/uploads/2014/09/Monaco-v-London.pdf

37 Niemietz, K. (2012) 'Redefining the poverty debate. Why a war on markets is no substitute for a war on poverty', London: Institute of Economic Affairs, pp. 56-90. Available at http://www.iea.org.uk/publications/

"people aren't queuing up at food banks because of the cost of food, they're queuing up at food banks because of the cost of housing"[38], to which one might add that food banks are just the extreme end of a spectrum. The people who have to cancel a family holiday, or a membership in a sports club, in order to offset a rent increase, are not destitute, but it is still fair to say that spiralling rents undermine their living standards and their ability to participate in society.

The housing crisis is more than a financial problem. It has hidden social costs. As Alex correctly points out, it is also the reason why there are far too many *"people living with their parents in unsatisfactory circumstances, people living in houseshares long after they would have preferred independence […] [and] couples moving in together before they are ready"*.

Alex is also right in saying that the current system leads to an excessive concentration of market power in the hands of landlords, and that this allows a lot of them to get away with all manner of dodgy practices: *"Similar to drug dealers, who cut addicts' supply with all sorts of crud, because their addicts will continue to purchase it, tenants put up with poor conditions, poor behaviour and unreasonable fees and deposit deductions, simply because they are captured consumers"*.

A housing crisis does not just raise house prices and rents. As Alex explains, *"it increases the land costs of doing business through direct and indirect mechanisms […] a business simply has to pay a greater proportion of its revenues on the rent or purchase of land from which to operate […] any economic activity that has to be conducted on land, or is dependent on staff that have to live on overpriced land, gets more expensive"*. Exactly. What raises the cost of real estate raises the cost of almost everything. The sector where this effect is most pronounced has to be retail. Grocery prices in the UK are about one fifth higher than in comparable countries, despite the fact that the British retail sector is one of the most competitive in the world, so it is more than plausible that the price differential is really a property price premium.[39] Inflated grocery prices are thus a second-order effect of the housing crisis, and again, it is a highly regressive effect, which hits low-earners hardest.

Alex raises another important point by saying that sky-high rents are not a symmetric problem, but one that is especially pronounced in the most prosperous parts of the country: *"Individuals are beginning to choose to move away from London in order to escape the housing market, even if that involves earning less money. Some individuals are taking their labour to other countries altogether. […] This has a direct, detrimental effect on London's competitiveness. Jobs don't automatically follow workers in this manner."* Quite – and I would add that for every person driven out of places like London, there are many more who are prevented from moving there in the first place. This is by no means limited to London. The labour markets of places like Oxford, Cambridge, Bristol or Brighton could absorb many more people, including in relatively well-paid positions, but their housing markets act as a bottleneck. These places are effectively pulling up the drawbridge, locking out those who would be able, and willing, to improve their economic situation by relocating. This is detrimental to the economy as a whole, because like any measure that curbs labour mobility, it prevents people from putting their skills and talents to the best use. But more importantly, it is detrimental to these people themselves. They are, quite literally, being prevented from moving out of poverty.

research/redefining-the-poverty-debate-why-a-war-on-markets-is-no-substitute-for-a-war-

38 'How can business reduce poverty? The Webb Trust essay prizewinner offers an answer', New Statesman, 23 January 2015. Available at http://www.newstatesman.com/politics/2015/01/how-can-business-reduce-poverty

39 Niemietz, K. (2015) 'Reducing poverty through policies to cut the cost of living', York: Joseph Rowntree Foundation, pp. 11-12. Available at http://www.jrf.org.uk/sites/files/jrf/reducing-poverty-cost-living-summary.pdf

The housing crisis has also undermined people's ability to save and prepare for a rainy day, which means that in the medium term, a lot of people will be far more vulnerable to income shocks than they would otherwise have been. The magnitude of this effect is unknown, but it is striking that the savings ratio of private households began to fall just as housing costs began to skyrocket. Between 1975 and 1995, the savings ratio stood, on average, at a solid 13% of incomes. Today, it has fallen to about 6%.[40]

As Alex also makes clear, the housing crisis is a crisis which hurts many and benefits few. Suppose you are a homeowner. You have bought your house at just the right time, and since then, you have been able to lean back and watch your property wealth explode. You have now paid off your mortgage, and you have no children trying to get on today's housing ladder. Your house has earned far more than you ever could. You are living the dream.

Or are you? It really depends on the net effects. The number of people who saw their property wealth explode is huge, but the number of *net* beneficiaries is much smaller than that. Presumably, your 'homeowner hat' is not the only hat you wear. Being a homeowner is not your only role in economic life, you may also be a taxpayer, a consumer, an employee or an employer, and while the housing crisis works for homeowner-you, it does not necessarily work for taxpayer-you, employee-you or consumer-you.

A housing crisis of British proportions has ripple effects on the whole economy, and the economic distortions it causes are colossal. As Alex explains: *"By creating the conditions for ever increasing house prices, UK governments have created a rush to property as an investment class, to the detriment of other investments"*. Precisely. There is a finite amount of loanable funds to go around, and funds that are tied up in bricks and mortar can no longer be channelled into productive avenues – production facilities, new technologies, research and development, staff training etc. Homeowner-you may not mind that, but in one role or another, you will feel the effects of living in a distorted economy; it may, for example, mean lower wages for employee-you.

And then there is the cost to taxpayer-you. As Alex correctly points out, the better part of Housing Benefit represents a redistribution from taxpayers to landlords. Housing Benefit now costs the taxpayer two and a half times as much (after inflation) as it did in the early 1990s.[41] This redistribution stream is, of course, opaque. There is no item on our payslip that says 'Housing Crisis Surcharge', even though a substantial part of our tax bill is precisely that.

If anything, I would argue that the housing crisis is *worse* than Alex describes it, because it has additional pernicious effects that Alex does not go into. Take the position of a Housing Benefit recipient in part-time employment. Suppose that their employer offers them a full-time position, and that this would increase their net salary by £100 per week. If they accept the full-time position, they will only be £35 per week better off, because Housing Benefit is withdrawn at a rate of 65% of net income. So unless this person enjoys the work in its own right, and sees the financial benefits merely as an added bonus, it would be quite rational to turn down that offer (especially when keeping in mind travel and other work-related costs). In this way, the housing crisis also discourages work, trapping people who are willing and able to work a full workweek in unemployment and underemployment. This problem cannot be entirely avoided, but if rents were lower, fewer people would need Housing Benefit, and fewer people would be exposed to its withdrawal rate. In the UK, unsurprisingly, the share of the population requiring financial assistance with housing costs is

40 ONS (2015): Savings ratio, Households & Non Profit Institutions Serving Households Sector, Quarterly National Accounts. Available at http://www.ons.gov.uk/ons/datasets-and-tables/data-selector.html?cdid=NRJS&dataset=qna&table-id=J3

41 Ibid. p. 12-13

higher than in any other developed country. Almost one in five people in the UK receive Housing Benefit. In Germany, about 13% receive the national equivalent; in Denmark and Finland, it is about 10%, in Norway and Austria, it is about 5%, and there are quite a few developed countries where hardly anybody requires that kind of assistance.[42]

And, of course, Alex is completely right to lambast Help to Buy, that unhappy marriage of economic illiteracy and political cynicism. The current housing market resembles a game of musical chairs, and while measures like Help to Buy enable some people to grab a chair, as long as there are more players than chairs, this must come at the expense of somebody else.

THE REAL CAUSES OF THE HOUSING CRISIS

So taken together, this paper accurately describes the housing crisis and many of its adverse effects. The policy solutions are where I part company with Alex. Before we can develop a workable solution, we need to get the causes right. Why do we have a housing crisis?

Fortunately, we do not have to speculate about the reasons. The drivers of housing costs are a very well-researched topic in economics, and there are dozens of empirical studies on the subject. With some difference in emphasis, they all come broadly to the same conclusion: The main driver of housing costs is planning restrictions, i.e. regulatory controls that make it harder to build new homes.[43] Already in 1990, a review of the relevant literature concluded:

"There is now a large empirical literature documenting the effects of growth controls on housing and land markets. The evidence to date conclusively establishes that growth controls raise housing prices".[44]

Subsequent studies have only strengthened this verdict.

The most thorough study on the English housing market estimates that 35% of the average house price can be directly attributed to planning restrictions, and far more than that in London and the Southeast.[45] These figures are almost definitely an understatement, because the study errs on the side of caution in a lot of respects. It is worth noting that the study's counterfactual is not a free-for-all system in which anyone can build anywhere: The authors merely posit that their counterfactual planning system would not limit the overall amount of development, but this does not preclude communities deciding what type of development they want, and where exactly it should go. So solving the housing crisis is very easily compatible with democratic participation and community involvement, just not with crude Nimbyism.

The UK has the very unfortunate combination of a highly restrictive planning system, and well-organised Nimby groups who are willing, and able, to exploit that system in their favour. The problem goes back to the 1947 Town and Country Planning Act, which nationalised development rights, and the introduction of greenbelts in the 1950s. Initially, these constraints did not matter much. There was enough undeveloped land within existing towns and cities, and 'New Towns' accommodated some of the spillover demand.[46]

42 Andrews, D., A. Caldera Sánchez and Å. Johansson (2011): 'Housing Markets and Structural Policies in OECD Countries', OECD Economics Department Working Papers, No. 836, Paris: OECD Publishing, pp. 54-55.

43 Niemietz, K. (2015) 'Reducing poverty through policies to cut the cost of living', York: Joseph Rowntree Foundation, pp. 14-16. Available at http://www.jrf.org.uk/sites/files/jrf/reducing-poverty-cost-living-summary.pdf

44 Brueckner, J. (1990) 'Growth controls and land values in an open city', Land Economics, Vol. 66, No. 3, pp. 237–248.

45 Hilber, C. and W. Vermeulen. (2010) 'The impact of restricting housing supply on house prices and affordability'. Final report. London: Department for Communities and Local Government.

46 Bourne, R. and K. Niemietz (2014) Smoking out red herrings: The cost of living debate, Briefing 14:04, London: Institute of

So the planning system was what economists call a non-binding constraint. But as those low-hanging fruits were slowly eaten up, planning restrictions were gradually tightened, while the Nimby opposition to development became more entrenched and more skilled in capturing the planning process. Nimbyism has since become the driving force (or rather, the braking force) of British housing policy, which now mainly revolves around the sensitivities of those who feel offended by the sight of houses (other than their own).

The results speak for themselves. Housebuilding rates per 10,000 inhabitants have been declining in the UK since the end of the 1960s, and for more than three decades, the UK has been building fewer new housing units per 10,000 inhabitants than any other country in Europe.[47] As a consequence, the British housing stock (expressed as total residential floor space divided by the number of households) is now the smallest in Western Europe.[48] The reason why housing is expensive in the UK is simply that *there is not a lot of it*, be it for buying or for renting.

Alex does mention planning reform, but those sections are so tangential to his argument that he might as well have left them out. This paper is not quite Hamlet without the prince. But it is a version of Hamlet in which the prince is reduced to the role of a spear-carrier, and even then, he only appears as part of a large crowd, barely individually noticeable.

Alex has got his priorities wrong. If we are interested in solving the housing crisis, planning reform cannot be a footnote in a paper about rent control; if anything, it would have to be the other way round. This is not because the other issues that Alex raises are not important, but because directly or indirectly, they can all be traced back to our dysfunctional planning system.

Take the issue of land hoarding which Alex raises. Speculative hoarding is a practice that we usually only see in markets where supply is naturally constrained, such as the markets for rare artworks or precious metals. In markets where supply is more flexible, hoarding is an extremely risky business strategy, because it is more than likely that a competitor will step in, expand their supply, and ruin the hoarder's prices. Our planning system has turned residential land into a good which is quite similar to Rembrandt paintings or gold, and this is why it is being traded in similar ways. Thus, hoarding is ultimately just another symptom of a dysfunctional planning system.

Or take Alex's point that developers themselves have an interest in restraining new housing supply, because it enables them to keep prices high. Again, this is true, but this is what *any* supplier in *any* market aspires too. If a brewer could restrain the supply of beer, and sell the remaining units at exorbitant prices, they would do it. But since they operate in a competitive market, and since they cannot control their competitors' supply, they do not have that power. The solution is to break the market power of big developers – and further down the line, break the market power of landlords – by re-establishing a competitive land market.

Or take the whole raft of quality regulations that Alex proposes, overlooking the fact that a lot of the more roguish practices we observe in the rental market are already at the fringes of legality. But as the German

Economic Affairs, p. 23-26. Available at http://www.iea.org.uk/sites/default/files/publications/files/Briefing_Smoking%20Out%20Red%20Herings_web%20V03.pdf

47 Eurostat (2010), 'Housing statistics in the European Union 2010', available at http://abonneren.rijksoverheid.nl/
See also Niemietz, K. (2012) 'Redefining the poverty debate. Why a war on markets is no substitute for a war on poverty', London: Institute of Economic Affairs, pp. 56-90. Available at http://www.iea.org.uk/publications/research/redefining-the-poverty-debate-why-a-war-on-markets-is-no-substitute-for-a-war-
Niemietz, K. (2015) 'Reducing poverty through policies to cut the cost of living', York: Joseph Rowntree Foundation, pp. 14-16. Available at http://www.jrf.org.uk/sites/files/jrf/reducing-poverty-cost-living-summary.pdf

48 ibid

proverb goes, *Wo kein Kläger, da kein Richter* – where there's no plaintiff, there's no judge. Tenants are currently not insisting on their rights, because they know that it is their landlord who holds the whip hand, due to the market power they possess in a supply-constrained market. The solution is to break that market power, and expose landlords to vigorous competition, a much more effective disciplinary force than legislation.

Last but not least, take Alex's argument that *"There are several vehicles for increased housing supply that are only unlocked if you can reduce land prices, which is a crucial effect of Rent Control",* and that this would *"increase the viability of housing developments through social housing providers, self-build enthusiasts and community land trusts. Furthermore, it would radically lower the cost barrier to entry for new, small scale private developers."* Here, Alex has the wrong end of the stick. Land is cheap in the UK. You read that correctly. Let me say it again: Land is cheap in the UK. More precisely, land *without planning permission* is cheap in the UK. Even when house prices stood at their peak level, a typical hectare of land in the South East of England cost less than £7,500. However, the very second a slip of paper with the imprint 'planning permit' was issued for that land, its price instantaneously shot up to £3.32 million.[49] This means that 99.78% of the price of land is explained by that slip of paper. The solution, then, is to print more of those paper slips. That is the way to help self-build enthusiasts, community land trusts and small-scale developers. Destroying the rental market is not.

RENT CONTROLS: LIKE SHOOTING THE MESSENGER, JUST WORSE

Which brings us to rent controls. As mentioned, the reason why housing (be it for renting or buying) in the UK is so expensive is that there is not enough of it. High rents (and high house prices) are just messengers who inform us about this fact. A high price is a messenger who tells consumers: "There is very little of this good, and lots of people want it, so use it as sparingly as you possibly can", whilst telling (potential) suppliers: "There is very little of this good, and lots of people want it, so if you can possibly spare some of it, please do." But imposing a price control is worse than just shooting the messenger, it means forcing the messenger to tell a lie. A controlled price is a messenger who, at gunpoint, is made to tell consumers: "Everything is fine! There is great abundance of this good! So don't hold back, don't be shy, please help yourself to some more." Its message to (potential) suppliers is: "This good is available in great abundance, so even if you can spare some of it, don't bother too much." But no matter what you force the messenger to say, the underlying reality has not changed, it will just manifest itself in other ways.

Alex claims that the conventional supply-and-demand schedule, whilst fine when applied to the market for pizza, cannot be applied to the rental market, because unlike pizza, a place to live is a necessity. However, the supply and demand schedule is just a way to illustrate a market mechanism. Whether or not we 'need' the good in question is irrelevant, the mechanism is exactly the same.

So let's illustrate what happens behind those curves via two anecdotal examples. For a couple of years, I lived in a basement flat, with the landlord's family living in the house above. The house was not overly large, but they were a large family, who, I am sure, would have loved to use that space for themselves. Ceding the basement to me meant a huge inconvenience to the family. It significantly reduced the amount of living space available to them, with the loss of privacy and the stress that this entails. I doubt that they would have done it for much less. Had the rent been capped at a level noticeably below what I was paying, would the family have kicked me out? No. But would they have thought twice about reletting the flat after I moved out? Almost definitely yes.

49 Leunig, T. (2007) 'In my back yard: Unlocking the planning system', Policy Paper, London: Centre Forum.

Around the same time, I had a colleague at university who still lived with his parents. He would have liked to get a place of his own, and he had the money to do so. But he felt that it would be stupid to spend so much on a roof over his head when he did not have to. Had rents been capped, he would almost certainly have moved out a few years earlier. But given the overall shortage, this would have meant taking a flat away from somebody else; and presumably from somebody who would not have had a convenient fallback option like 'Hotel Mum'. Rent controls benefit *some* people, but not necessarily the ones who need it most.

Neither my former landlord nor my former colleague are especially unusual examples. They represent the 'marginal seller' and the 'marginal buyer', the people for whom the decision to buy/sell or not to buy/sell is a borderline decision, and who could be swayed even by a small change in price.

But how important are such effects? Alex claims that *"there are commonly repeated myths – unfounded in evidence – that are used to attack rent control. These are principally that "Rent Control restricts housing supply", "Rent Control disincentivises landlords from maintaining properties properly" and "Rent Control creates an opportunity for corruption in tenancy"*.

'Unfounded in evidence', is it? Let's have a quick look. Perhaps the most comprehensive review of the economic evidence on the subject is the paper 'Rent Control: Do Economists Agree?' by Blair Jenkins, which discusses over sixty different studies on various forms of rent control, most of them published in peer-reviewed journals.[50] She concludes:

"[E]conomic research quite consistently and predominantly frowns on rent control. My findings cover both theoretical and empirical research on many dimensions of the issue, including housing availability, maintenance and housing quality, rental rates, political and administrative costs, and redistribution. As Navarro (1985) notes, "the economics profession has reached a rare consensus: Rent control creates many more problems than it solves"".

This puts Alex's following statement into context: *"Over the past couple of years I have spent time with several LSE economists who are studying the housing market and the PRS in particular, and despite the plentiful availability of evidence, even they are ideologically incapable of diverging from an instinctive neoliberal stance on Rent Control."*

It is, of course, extremely fashionable to bandy the word 'neoliberal' about, and it always guarantees a round of applause. However, it is not '*despite* the plentiful availability of evidence', but precisely *because* of it, that these economists oppose rent controls. Sorry, Alex, but reality has a neoliberal bias.

Alex also points out that Milton Friedman was against rent controls. I am aware that invoking the name of The Great Satan counts as an 'argument' nowadays ('Milton Friedman opposed rent controls, so they must be good'), but while Friedman did indeed oppose rent controls, he was not exactly alone in this. Let's hear it from that arch-Friedmanite, Paul Krugman:

"The analysis of rent control is among the best-understood issues in all of economics, and - among economists, anyway -- one of the least controversial. In 1992 a poll of the American Economic Association found 93 percent of its members agreeing that ''a ceiling on rents reduces the quality and quantity of housing.'' […] Bitter relations between tenants and landlords, with an arms race between ever-more ingenious strategies to force tenants out - what yesterday's article oddly described as ''free-market horror stories'' - and constantly proliferating regulations designed to block those strategies? Predictable. […] [T]

50 Jenkins, B. (2009) 'Rent Control: Do Economists Agree?', Econ Journal Watch, Volume 6, Number 1 January 2009, pp 73-112 *he pathologies of San Francisco's housing market are right out of the textbook, that they are exactly what supply-and-demand analysis predicts. But people literally don't want to know. A few months ago, when a San Francisco official proposed a study of the city's housing crisis, there was a firestorm of opposition from tenant-advocacy groups. They argued that even to study the situation was a step on the road to ending rent control - and they may well have been right, because studying the issue might lead to a recognition of the obvious.'*[51]

Alex mentions that the outcomes which 'neoliberals' ascribe to rent-controlled markets – undersupply, low quality, corruption – are exactly the outcomes that we already observe in the UK, without rent controls. This is correct, but it proves nothing. Let's put it this way: If you drink large amounts of alcohol, you are very likely to have a headache the next morning. This does not mean that *not* drinking alcohol is a guarantee for *not* having a headache. Many other things can cause headaches as well, and you can get very nasty headaches without touching a drop of alcohol, but this does not disprove the point that bingeing causes hangovers.

Studies on rent control often try to compare rent-controlled markets to a 'control group', that is, they try to identify uncontrolled rental markets that are otherwise as similar as possible to the rent-controlled ones. Alex refers to the example of Germany, which is about as far away from a suitable counterfactual as you could possibly get. Germany has a vastly more liberal planning regime than the UK, which is why German housebuilding rates have dwarfed British rates for decades. In the mid-1990s, when the most serious phase of the British house price explosion started, Germany was building more than twice as many new housing units per 10,000 inhabitants than the UK.[52] This is why German house prices have remained almost identical in real terms since 1970, whilst British house prices have increased four-and-a-half fold. In both countries, prices, quality and availability in the rental sector reflect prices, quality and availability in the overall housing market. The rental market is a downstream market, the planning system determines what happens upstream. A country which gets things right upstream (as Germany does) can cope with a few socialist follies in the downstream market. A country which messes things up upstream cannot.

But even with that in mind, Alex's statement that rent control works 'just fine' in Germany is, at the very least, premature. Until June 2015, rents between tenancies were completely unregulated in Germany. There have long been restrictions on rent increases during a tenancy, but when putting a flat on the market, a German landlord could ask for any price they saw fit. They could have tried to charge British-style rents any time – this would have been extraordinarily stupid, because it would have meant pricing themselves out of the market, but it would have been perfectly legal. It was only in June 2015 that German states have been given the option of restricting that right in designated cities (the *Mietpreisbremse*), and it is only the city state of Berlin which immediately made use of that option.[53] Other states have since followed suit, but it is still far too early to claim that rent control 'works just fine'. For what it's worth, my best guess is that the following will happen: In about five years from now, the first empirical evaluation of Germany's *Mietpreisbremse* will be published. It will compare states that were quick to make use of their new powers to states that were more hands-off, and perhaps to states that used them initially but then stopped. The study will conclude that the restrictions were not severe enough to have a large impact, but that the *Mietpreisbremse* still reduced the

51 Krugman, P.: Reckonings; A Rent Affair, New York Times, 7 June 2000. Available at http://www.nytimes.com/2000/06/07/opinion/reckonings-a-rent-affair.html

52 Niemietz, K.: 'Why 'second generation rent controls' are not a solution to the affordability crisis (Part 2): beware false comparisons', 27 March 2014, Institute of Economic Affairs blog. Available at http://www.iea.org.uk/blog/why-%E2%80%98second-generation-rent-controls%E2%80%99-are-not-a-solution-to-the-affordability-crisis-part-2-bew

53 Das müssen Sie über die Mietpreisbremse wissen', Die Welt, 7 May 2015. Available at http://www.welt.de/finanzen/immobilien/article138840347/Das-muessen-Sie-ueber-die-Mietpreisbremse-wissen.html availability and perhaps quality of rental units. I will write an article somewhere saying 'I told you so', Alex will write an article somewhere saying that the researchers had been 'blinded by neoliberal dogma'.

REFORMING PLANNING

But if rent control is not the answer – what is? What would it mean to 'get things right upstream'? First of all, the default option for development rights should be reversed. At the moment, you are not allowed to build on your own land, unless you are explicitly given permission. It should be the other way round: Ownership of land should generally include the right to build on it, unless it is specifically prohibited or restricted. On its own, this would not change much: Planning authorities would simply respond by issuing lots and lots of development bans. But it would at least shift the burden of proof, and it would frame development disputes in a more appropriate way: The fact that you personally dislike the sight of houses does not give you an automatic right to prevent other people from using their property as they see fit. Landowners should not have to beg for permission to build houses on their own land. Rather, it is the opponents of housebuilding who should have to explain why they think they have a right to tell other people what to do with their own property.

Secondly, greenbelt status should be abolished, and replaced with a system in which land is protected selectively, on the basis of its environmental quality and amenity value. The greenbelt is considered a sacred cow in British politics, but it owes its popularity to a misunderstanding: People appear to conflate greenbelt designation with a completely different type of land designation, namely that of the Area of Outstanding Natural Beauty (AONB).[54] These two designations have nothing in common. Greenbelt status has nothing whatsoever to do with either the environmental quality or the amenity value of the land in question. The greenbelt has only one single purpose, and that is to prevent the cities contained within them from growing outwards. It has nothing to do with protecting wildlife, it has nothing to do with protecting biodiversity, it has nothing to do with protecting areas with a high recreational value, and it has nothing to do with protecting scenic beauty. Supporting the concept of the greenbelt only makes sense if you take the view that any outward expansion of a town or city is always and everywhere a bad thing. The greenbelt is the planning system's equivalent of carpet bombing, when protecting land should be more like targeted drone strikes.

The claim that this is 'not politically feasible' is a self-fulfilling prophecy: It is currently not politically feasible because those who favour reform have written it off as a lost cause, and do not even try to argue their case. But if greenbelt myths and falsehoods are not publicly challenged, reform can never become politically feasible, because the Nimby lobby is given a monopoly over the topic. The way to make it politically feasible is to stop saying that it is not politically feasible, and to start explaining why it is the right thing to do. So the blame here lies not just with the Nimby lobby, but also with the defeatism and the intellectual cowardice of those who should know better.

Thirdly, the economic incentives around housebuilding must change. The UK is one of the most fiscally centralised countries in the world, with 95% of all tax revenue going to the national level. This has implications for housing: In countries with more decentralised tax systems, the regions, towns and cities compete for taxpayers (or at least within limits set by the national level), and under those conditions, permitting housing development can be a relatively easy way to attract new taxpayers. In contrast, in the overcentralised UK,

54 In one survey, people were asked: "Which of the following things, if any, do you think of when you hear the words Green Belt?". It turned out that 54% thought of woodland, 48% of nature reserves, 48% of country parks, 28% of community forests, and 27% of walking and cycling paths. Only 5% thought of derelict land, and 4% quarries. See Natural England (2009): 'A Natural England survey of public attitudes to the Green Belt.'

local authorities can afford to treat potential new residents as hostile invaders to be fought off, and housing development as a threat to be averted.

Imagine local authorities were largely self-funding, receiving most of their revenue from, for example, a local income tax and a local land value tax (LVT). This would mean that the 'planning gain' – the mentioned increase in land value when a planning permit is issued – would be fully retained locally, providing a strong incentive to issue more of them.

This carrot should be accompanied by a stick. Local authorities should have to fund Housing Benefit out of local tax revenue. The rationale is simple: If local authorities insist on driving up local rents by blocking development, they should have to pay for the resulting increase in local Housing Benefit spending. They would then either have to raise local taxes, or cut back on local public services. Nimbyism would come at a price.

CONCLUSION

All in all, Alex's paper is a missed opportunity. It is my conviction that the housing crisis is now so protracted that it can only be solved by a broad pro-development coalition that unites people from various ideological tribes. The opponents of housebuilding are very good at building such coalitions. Nimbyism can be found in ultraconservative and in far-left circles alike, indeed, in a 'blind test', it would be difficult to distinguish between an anti-housing article by Simon Jenkins and an anti-housing article by George Monbiot. When it comes to fighting off a housebuilding project, Nimbys from across the political spectrum are able to put their differences aside, and fight it off together. Shaun Spiers of the anti-development group the Campaign to Protect Rural England (CPRE) explains: "CPRE has members from across the political spectrum, from the Green Party to UKIP."[55] Indeed. At the same time, supporters of housebuilding are hopelessly factionalised, especially along conventional state-versus-market lines.

This paper plays to the trendy-left gallery. Alex could have taken his arguments about supply-side reform a lot further, but I can see why he chose not to. Throughout the paper, he is going out of his way to flaunt his anti-capitalist credentials; he waves the red flag so furiously in the reader's face that he almost pokes their eye out. This is why his case for planning reform remains a splash of oil in a big barrel of water. A plea for deregulation would not fit in easily.

Not that there would be anything inconsistent about this. I suspect that Alex will always have greater faith in Big Government than I have, and that I will always have greater faith in market mechanisms than he has, but Alex is not obliged to defend each and every form of state intervention under the sun, and I am not obliged to attack absolutely everything any government ever does. It is a perfectly intellectually respectable position to take that the state is too interventionist in some respects, and too laisser-faire in other respects. In this sense, had Alex made a twin case for radical planning liberalisation and greater rental market regulation, I would have rejected the latter, but endorsed the paper overall.

But while a more far-reaching case for planning deregulation would have fitted the *substance* of the paper, it would not have fitted the *tone*. Deregulation – how unfashionable is that? We live in the age of trendy anti-capitalism. The cool kids read Naomi Klein, Russell Brand and Owen Jones. Alex's paper will, no doubt, raise his status among the cool kids. But a solution to the housing crisis it is not.

55 Spiers, S. (2014): 'The great housing disaster: time to get radical?', CPRE Viewpoint. Available at https://cpreviewpoint.wordpress.com/2014/10/02/the-great-housing-disaster-time-to-get-radical/

PART 3: ADDRESSING THE CHALLENGES POSED BY DR NIEMIETZ

First I must thank Dr Niemietz for kindly contributing to this paper, even though he opposes many of the recommendations I propose. In particular he knew I would get the "last word" and therefore have editorial advantage. That said, I tasked him to throw at me every argument he has so that I could assess how resilient this policy programme really is. And he hasn't held back.

At the outset, Dr Niemietz fully agrees with me in terms of the scale of the housing crisis, the urgency of its resolution and the consequences should no action be taken. I thought his description of the multiple facets of a person was particularly eloquent, illustrating how even if "homeowner you" benefits from rising house prices, this is at the expense of "consumer you", "taxpayer you" and "employee you", due to the far reaching implications of a housing market modelled as it is in the UK.

Dr Niemietz ascribes the failure of the UK housing market solely to the limits on housing supply growth imposed by regulation, in particular through councils' powers to restrict development and through the existence of the green belt. He describes these flaws as "non-binding constraints" that had no significant impact in the 1950s but which have become an extreme problem as Britain has urbanised.

I don't materially disagree with this analysis except that I would add that regulation is not the only constraint on housing supply. I would add economic growth as a constraint. There is plenty of land that can be developed but not all of it is reasonably near a centre of employment to stimulate housing demand. Economic growth has driven urbanised housing demand and an economic collapse would dampen housing demand, not because there would be fewer people but because those people would be less attracted to cities if there were fewer jobs supported by them.

The other constraint on housing supply growth I would highlight is capital. It costs a lot of money to build a home and increasingly, the price of land is a major part of that cost. Given the increasing capital requirements of the property business, it is unsurprising that each economic contraction in recent decades has led to a consolidation of private sector housebuilders. There are now something like eight major builders who dominate private sector development, which in total can only deliver about 100,000 homes a year. Housing Associations and Councils, despite comprising almost 1,500 institutions, have their own capital constraints and they collectively deliver fewer than 50,000 new homes a year.

These limits are not unlike those experienced by an average private sector renter. Rents are on average about £1,000 a year more expensive than the costs of owning outright, but the capital requirements of a mortgage (the deposit) put ownership out of reach for many people long after they would have liked to settle down.

The housebuilding sector is now so capital heavy that it is hard for new entrants to break into the market. If a development is going to cost £100 million then your financial backers need some serious confidence about your ability to deliver the project.

So the macroeconomic reality gets broken down into real, day-to-day business decisions by housing developers. They see the housing market as something like the diagram below.

In this diagram, consumers of housing are grouped according to their purchasing power. If as a company you have access to the capital that would let you buy any plot of land regardless of the price, but you had the organisational capacity to deliver against only a small percentage of the available demand, then you have to choose which is the group of consumers for whom you will build.

You don't build for people on low incomes. Pretty much no private sector developer builds homes that are affordable to someone on an average income. These people are provided for through ageing residual housing stock (as wealthier people upgrade), or by social housing providers.

The major advantages of building for rich people is threefold. Firstly, at this level you can tap into global investor demand rather than having to rely on your consumers actually wanting to live in the property. You don't just get the high price because of the premium product – you're also getting a supplemented demand side.

Secondly, wealthier consumers of housing are highly inefficient in their consumption of housing. Not only do wealthy people simply live in less crowded conditions but they are more likely to own a home as a *pied a terre* rather than live in it full time. Therefore, a developer fulfils much less of the outstanding demand supplying this sector than by using the land to house significant numbers of people who actually need somewhere to live. This inefficiency guarantees the capital requirement to enter the property business remains high, impeding the entrance of competitors.

The third major benefit of catering to the upper end of the wealth spectrum is that these purchasers, particularly those investing, are more likely to be able to pay in cash and off-plan, often paying up front, well in advance of the building being completed. These advance payments, often with a financial incentive to the purchaser, radically reduce the risk profile of a development.

According to Hilber and Vermeulen[56] the impact of scarcity in housing supply on house prices is not uniform but is pronounced in geographies where household earnings are higher. This means that "gaming" scarcity through land banking and other measures can deliver significantly greater profits if you are providing for higher earning consumers than if you are supplying lower cost homes.

For all these reasons, it is logical for any developer who can enter the market to do so by supplying the wealthiest purchasers first. This ultimately means that any private sector led housing supply policy proposal is advocating a form of trickle-down, where the building of enough luxury apartments will eventually – in time – lead to a reduction in housing pressures for the poorest. The reality is that those people never receive any of the advantages.

Dr Niemietz' supply proposals are simply to remove most planning regulations and to abolish the green belts, both of which I support in principle, but which are not explicit in my proposed package of measures. My opposition is not to the principal but to the expediency. These two, simple measures are so deeply embedded in the public's perception of its amenity and financial welfare that tackling them head on would trigger a decade of heated public debate with no guarantee of implementation. No government has the political capital to take such a risk.

My planning proposals were not to leave development regulation alone but to harness support for localised deregulation through Town-to-City transitions. The conversion of five towns into cities would not only deliver half a million homes but they would show real world examples of the success of planning deregulation where it is in conjunction with town planning and infrastructure investment. These cities could be built and occupied faster than convincing a government to abolish the greenbelt nationally.

But if planning deregulation alone doesn't create a new, fairer housing market, done well it could still release the pressure back to where it was in the 1950s, but it doesn't change the dynamic that the wealthy get served first when free markets provide the service. Any non-regulatory constraint on supply, such as those I outlined above, or indeed just simple geography, would re-create the conditions for housing bubbles in those areas.

Niemietz doesn't, however ignore issues of fairness, raising the beneficial impact of Land Value Taxation (LVT). Again, I thoroughly support this measure but while 60% of households are in owner occupation, no government is going to propose or implement a new tax on land. My proposal instead, the rental income tax, is as I described, a proxy for LVT that would only be paid by landlords. A tax that is paid by only 4% of the population is far more immediately deliverable and certainly more immediately implementable than LVT.

On one point Niemietz did make me think more deeply. He proposes revenues from LVT should be provided to local authorities with a corresponding obligation for those authorities to pay the costs of housing benefit in their area. He draws as a parallel those countries where local government is incentivised to allow development because of the increase in tax base it delivers.

While the details of this suggestion can be challenged – a council like Westminster could profit by economically cleansing HB claimants to poorer areas while reaping an LVT windfall – the principle can be retained. I'm not going to explore the details of local government funding here, however, I do believe

56 Ibid

this is valuable enough to make an additional recommendation: that the local government funding formula is adjusted to incentivise housing development. Though in doing so, lessons should be learned from the implementation of the New Homes Bonus[57].

It is disappointing that Dr Niemietz was unable to approach the issue of Rent Control with the same sensitivity that he has applied elsewhere in his analysis. He concedes that deregulation provides no immediate solutions for people being crushed by the housing market today. He traces back all the negative impacts of the housing crisis – particularly for renters – and offers only a long distant utopia of a market in balance to rectify issues of conditions and market abuse.

Every argument I have heard against Rent Control sounds exactly like the arguments against the existence of a Minimum Wage, which is a parallel policy in employment terms. And Niemietz doesn't divert from this false narrative.

Britain's National Minimum Wage coincided with the longest period of economic growth in the modern era. While I'm not saying it caused the growth (though I could make a case that it contributed to that growth), I am saying it was at worst, to use Niemietz' terminology, a non-binding constraint on economic growth. Similarly, the period from 1915 until the 1980s when Rent Controls existed in meaningful form also coincides with the largest sustained period of housebuilding the UK has ever seen. Again, even these highly restrictive controls were not a binding constraint to housing supply.

It is profoundly illogical to state baldly that Rent Control limits housing supply without any reference to the means of implementation. A rent cap set at £50,000 a month would have no measurable impacts, either detrimental or beneficial, much the same as if the Minimum Wage had been set at £1 an hour.

It is also false to say that rent control didn't exist between tenancies in Germany before recently. While there was generally no percentage cap on rent hikes between tenancies, there was, in the case of areas of housing shortage, a civil penalty for setting a rent at more than 20% above the prevailing rents and a criminal penalty for breaching 50%. Considering the prevailing rents are constrained by in-tenancy restrictions and permanent security of tenure, this was effectively an absolute rent cap that kicked in whenever the housing market in an area got out of control[58].

Furthermore, rather than benefiting from a benign market creating a balance of power between landlords and tenants, rights to tenure, rent regulation, conditions and deposits are enshrined in Law – even the right to have a pet. Niemietz criticises me for using Germany as a comparator because the market conditions are so different from those in the UK, yet these are the very conditions we are seeking to recreate in the UK.

It is worth addressing Niemietz' assertions regarding the marginal supplier and marginal consumer of housing. His marginal consumer example was a student living with his parents. A survey by Santander suggest that about 14% (322,000) of students are living with their parents because of financial pressures[59,60]. Even presuming every single one of them had their pressures eased to the point where they moved into student accommodation, such accommodation tends to be higher in density than living with parents.

57 http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN05724

58 http://www.tenlaw.uni-bremen.de/Brochures/GermanyBrochure_09052014.pdf

59 http://www.theguardian.com/education/2014/aug/26/rise-live-at-home-student-commuter

60 https://www.hesa.ac.uk/stats

Furthermore, even if this did result in a slight increase in housing demand, it would be a one-off effect (rather than annually compounding) as the number of students is effectively static. In Niemietz' example of a marginal landlord, it sounds like the family he was renting from were forced to live in overcrowded conditions so that they could financially gain from having a tenant. Again, a small reducing effect in supply would be bearable if it resulted in better living conditions. Having lived in a bedsit of 16 square metres I was astounded to read that the average PRS accommodation size in Germany is 70 square metres (or 38m^2 per person). This is clearly less efficient, but an improvement in living conditions should be seen as a policy objective, not a negative consequence.

Trickle-down as an economic theory is simply neoliberal wishful thinking. Even the IMF (as referenced earlier) has warned that income inequality is associated with stunted economic growth[61.] Trickle-up however is real. When the Minimum Wage was implemented, people started to achieve higher wages at levels above the minimum, simply because of the imposition of a floor. Likewise, if you invest in housing supply at the bottom end of the market, everyone above that level experiences the effect of reduced overall demand.

The Rent Control proposals I advocate in this paper are not a return to the systems in place before Thatcher. Neither are they a replication of the German model. In the auctioning of licences to let at differing rent levels you actually create a market in licences while ensuring a full cross section of the population is served by the housing market. A landlord who wants to charge more rent will simply have to bid higher for a licence to do so.

Taken together with a tax on rental income, this comprises both a flexible cap and a revenue stream for investing in housing for the most needy people. The secondary housing market secures funding for investment in intermediate and social housing and the investment bank capitalised by tenancy deposits provides capital across the board, not least for the town-to-city transitions.

All of these measures boost housing supply in the face of intransigent and unwilling private developers, focused not on the delivery of luxury apartments but on housing where it is needed most. It is this supply boost that underpins the success and sustainability of the more direct rent-reducing measures.

A major value in inviting Dr Niemietz to contribute to this paper is that it highlights that, on this occasion, it is the neoliberal position that is undeliverable, impractical and extreme. My proposals in comparison are measured, deliverable and pragmatic.

61 http://www.imf.org/external/pubs/cat/longres.aspx?sk=42986.0

PART 4:
IMPLEMENTING THE END OF THE HOUSING CRISIS

This package of policy proposals can be implemented over a two year period. This section seeks to timetable that implementation and to outline an assessment of the costs and benefits derived.

THE FIRST SIX MONTHS

The first and easiest measure to implement would be Capital Gains Tax reform, implementing CGT on second homes on remortgaging and on transfer via inheritance. As mentioned earlier, the CGT payments made on remortgaging would be deducted from the bill on sale or death.

The sums raised in this manner would not be insignificant, though this is based on a number of assumptions. Presuming the total asset value of the PRS is £1 trillion, it would be a conservative estimate to assume the entire portfolio would change hands every 40 years. Making a further conservative estimate that the gain were about 80%, then the tax recouped (if spread evenly over 40 years) would be £5.6 billion a year. Just to be ultra-cautious, I have halved this to £2.8 billion in my estimates.

In the first six months the system and funding for taking over substandard rented properties through CPOs and Management Orders can be in place. The legislation already exists to allow Councils to do this, they just need capital funding to do so. I propose that the increase in CGT revenues be used to fund this over four years, with the entire sum repaid to the Treasury over the subsequent four years, meaning an absolute zero cost to the Treasury and no requirement to borrow. This fund would also be used to guaranteed low cost loans to landlords for bringing their properties up to standard.

Also within the first six months, Section 21 "no fault" evictions can be abolished, to be replaced with "no fault buy-outs". While there is an implied cost to landlords, the imposition of this cost is aimed at changing landlords' behaviour through the avoidance of that cost. You would expect an uplift in the number of Section 8 evictions through breach of contract (anecdotally, landlords say they use S21 even if there are S8 grounds) but tenants who are not in breach would become significantly more secure in their tenancies. This change would also include a ban on raising rents in the first 12 months or by more than 5% in any 12 month period thereafter.

Banning agents' fees to tenants and imposing transparency of information when advertising a tenancy can both be implemented very quickly, principally by making them mandatory codes within the redress schemes. Breach of these codes means an agent losing membership of the redress scheme, and failure to be a member carries a £5,000 fine under current legislation. The information that should be available, including the size, utility usage, Council Tax and landlord history will help tenants choose homes that are more affordable and pleasant, reducing the number of breaches of tenancy through non-payment of rent.

Simple legislation would be needed to implement a national register of tenancies, enhance Environmental Health and Trading Standards fines relating to housing (in order to fund enforcement), and to standardise the meaning of "tenancy". The national register would be delivered at a minor cost to landlords and agents by founding it on the data already available through the tenancy deposit protection schemes. In fact, the Housing and Planning Bill recently published by the government already contains a requirement for the schemes to share data with local authorities for the purpose of aiding enforcement[62].

There is of course a cost to landlords of enhanced fines, but only if they are non-compliant. Again, the purpose of these additional costs is to create a motive to change behaviour and they should not be expected to raise significant revenue.

AFTER A YEAR

It should not take more than a year to implement a single minimum standard for housing, providing a level playing field for Councils, HAs and private landlords. Equally, reviewing the system of allocating housing grants should also be completed by this time.

By this time landlords should be required to pay the rental income tax, imposed on rents above a "living rent" level. This would be implemented using the national register of tenancies, with tenants paid a rent repayment order if the landlord is in breach. In this manner the tax becomes almost 100% paid, recouping 75% of the Housing Benefit paid into the PRS.

Having said that I would propose a 3-year taper, targeting 25%, and 50% before reaching 75%. The implication is a tax on rental income of about 7%, 14% and 21% in successive years in addition to any other taxes that are paid, raising £2.5 billion, £5 billion and thereafter £7.5 billion in successive years.

As I have outlined above, these funds would be hypothecated to the housing grant and I am presuming a one-year lag between the provision of the funds and the building of social housing. This represents a significant increase in the housing grant, fully funded, without any recourse to government borrowing. I have presumed in my figures that an affordable home costs £100,000 to build.

AFTER TWO YEARS

The most complex elements of the programme in this paper should not take more than two years to implement.

The first element is the licence-to-let rent control. The licences should be auctioned, with a secondary market for the resale of those licences. They could be issued in one, three, five and ten year lengths and they would represent a right to charge rent above the minimum absolute cap. The number of licences issued at each level should be strictly defined by an assessment of housing need.

At one end of the scale an unlimited number of licences would be available for a "Living Rent" level (meaning auction prices would be notionally zero). At the other end of the scale a strictly limited number of licences would be available allowing an unlimited rent. These would attract the highest auction prices.

62 http://www.publications.parliament.uk/pa/bills/cbill/2015-2016/0075/cbill_2015-20160075_en_5.htm#pt5-pb3-l1g87

Given an annual national rental income of about £40 billion, my assumption is that these auctions would raise in the region of £3 billion. However, this should be offset against the target recoupment of 75% Housing Benefit from the rental income tax. This is rent control, implemented neatly and fairly.

By this time it will be possible to commence the secondary housing market for cost price homes on the basis of a £10 billion revolving equity fund. I have calculated a requirement for the fund to grow sufficiently to return £60 million a year to the Treasury to cover the cost of its borrowing requirement.

At this point, the £3 billion of tenancy deposits held in protection schemes can be converted into a Housing and Infrastructure Investment Bank (HIIB). While the terms would be set up by the government, it would be an independent trust operating as a fully regulated bank, able to lend up to 12 times its liquid capital, in excess of £30 billion. One of its founding terms would be to lend mortgages to purchasers of secondary housing market homes. I have assumed that in addition to the homes directly created through this market, a further 20% will be built by using the market to leverage the building of social housing. This could be much higher but I have assumed a significant dampening of the beneficial effect through the increased availability of direct grant.

The Town to Cities transition programme, implemented at this time, would allow municipalities, businesses and community groups to incorporate partnerships to borrow from the HIIB to deliver the transition against a mixture of future council tax revenues, land value capture and commercial revenues. Successful transition bids should also attract conditional grant funding. I have estimated that these grants would cost in the region of £2 billion a year.

Each transition should require around 100,000 homes to be built over the transition period, though a proportion of these would be public housing funded through Housing Grant or secondary housing market homes funded through private individual mortgages. For every 100,000 homes, I have assumed that 20,000 of them would be in addition to those calculated elsewhere. I have assumed a single successful bid for transition each year with a five year lead time on the delivery of new homes. By this time local government funding formulae could be reviewed to incentivise great population and density, creating an additional motive for Town to City bids.

IMPACTS

The table at Appendix 1 show how these assumptions extrapolate into costs, revenues and numbers of homes built. Over ten years, including the planning and implementation period, this would deliver 1.3 million new homes, over and above today's performance, peaking at an additional 200,000 homes per year.

The Treasury costs of these measures are zero, in fact returning £2 billion to the Treasury in increased revenue after costs within the ten year time frame and an on-going uplift in revenue. There is an £11.5 billion borrowing requirement in year four, but it is fully refunded by year nine. This doesn't include a reduction in HB claims, which could total as much as £15 billion in the ten year period.

I am not making fully costed assumptions regarding the economic impact, however, the relevant factors are;

- The boost to the construction industry of funding an additional 1.3 million homes over ten years.
- The significant increase in disposable incomes generated by the uplift

- The saving to the Treasury delivered through the creation of 595,000 Council and HA homes and 600,000 cost price homes, where HB claims will be significantly reduced. A conservative estimate would be half of these people claiming £500 a month less in HB. By the end of ten years this would be reducing the HB bill by £3.8 billion a year, having delivered a £13.5 billion saving on HB within the ten year period (though that would have a partially off-setting effect of reducing the revenue from the rental income tax and licence to let auctions, which I have not calculated within the table).
- A further HB saving is made by a reduction in the size of individual claims in the PRS through a combination of the Rent Control and the market effect on rents effected through the large scale construction of public and cost price housing.
- The enhanced consumer spending of 11 million people who live in the private rented sector, the increase in labour mobility of people living in public housing and the outside-London economic impact of the infrastructure investment included as part of the town-to-city transition programme.
- A drop in land costs and wage pressures on businesses.

CONCLUSION

The measures in this paper, if implemented in full, describe how to solve the housing crisis rapidly. In terms of supply, over 200,000 more homes per year could be built over and above the current numbers through PRS landlord-funded public housing, a self-funding secondary housing market, and an effective mechanism for delivering town-to-city transitions, partly funded through a new housing and infrastructure investment bank capitalised by tenant deposits.

Furthermore, these new cities will have the effect of evening out the British economy, creating new economic hubs outside of London, driven by popular support for planning reforms that successive governments have been too craven to deliver. Between these planning reforms and the scale of the building programme itself, Britain would be looking at many billions of pounds added to GDP, together with tens of thousands of jobs.

The measures proposed in the PRS will deliver decent standards, secure tenure and affordability. And on the implementation of Rent Control, I have illustrated how to do it cheaply, flexibly and effectively, without creating unintended harms. We can implement it with a market mechanism to warn us of supply effects and the levers to fix those problems if they arise.

In implementing this Rent Control, businesses will see an instant drop in wage pressures and, over time, land charges too, as will their suppliers. They will also see the consumer power of eleven million PRS tenants increase, giving a boost to the economy and lightening the dead weight of property wealth.

The secondary housing market will give people choice in their living arrangements. People in public housing will have access to a new form of low cost tenure, releasing public housing for others in need. PRS renters will be able to build their own capital assets base, rather than paying a landlord to build theirs. Fundamentally, we will be able to wean Britain off its addiction to capital gain in property assets, which will increase the productivity of the economy.

Shockingly, all this can be delivered with little cost to the Treasury. And while it may entail a temporary borrowing requirement, packaged and presented as an overarching economic plan – in line with IMF guidance - this debt will not increase the Treasury’s cost of borrowing; it may well increase confidence that a brake on economic growth is being lifted and further lower the interest on UK gilts.

Even more shocking, this plan can be delivered and landlords will still make money. The sky will not fall in and angels will not be seen beating their breasts and wailing, which is the standard response of landlord advocates to any of these measures. All of these measures together must be assessed as a whole and the profitability of landlording optimised at a rate that is attractive, yet not vulgar.

But even if there were some harm to landlords, are we really a nation that puts a small group of people's unlimited wealth before the success of the economy, the value to the taxpayer and the welfare of millions of exploited tenants?

There is only one additional requirement to deliver this plan. We must have the political leadership to take this forward. We must have a Secretary of State for Housing, who also has in their portfolio Housing Benefit, Planning, Building Control and almost any other area where petty ministerial rivalries could otherwise create an impediment to the plan's delivery. This isn't a tenants' rights project, it's a plan for the survival of the British economy.

The homes we need can be delivered. Dignity and affordability for tenants can be delivered. Sustainable growth in our economy can be delivered. A change in our culture around housing can be delivered. We just need a government to get on with it.

APPENDIX 1:
IMPACT ANALYSIS TABLE

	Year									
	1	2	3	4	5	6	7	8	9	10
CGT reform		£2,800,000,000	£2, 800,000,000	£2,800,000,000	£2,800,000,000	£2,800,000,000	£2,800,000,000	£2,800,000,000	£2,800,000,000	£2,800,000,000
CPO/MO fund		-£2,800,000,000	-£2,800,000,000	-£2,800,000,000	-£2,800,000,000	£2,800,000,000	£2,800,000,000	£2,800,000,000	£2,800,000,000	
Secondary Housing Market				-£10,000,000,000	£60,000,000	£60,000,000	£60,000,000	£60,000,000	£60,000,000	£60,000,000
Town to City transition				-£2,000,000,000	-£2,000,000,000	-£2,000,000,000	-£2,000,000,000	-£2,000,000,000	-£2,000,000,000	-£2,000,000,000
Rental Income Tax			£2,500,000,000	£5,000,000,000	£4,500,000,000	£4,500,000,000	£4,500,000,000	£4,500,000,000	£4,500,000,000	£4,500,000,000
Licence to let				£3,000,000,000	£3,000,000,000	£3,000,000,000	£3,000,000,000	£3,000,000,000	£3,000,000,000	£3,000,000,000
Housing Grant Supplement			-£2,500,000,000	-£7,500,000,000	-£7,500,000,000	-£7,500,000,000	-£7,500,000,000	-£7,500,000,000	-£7,500,000,000	-£7,500,000,000
Homes via additional grant				25,000	75,000	75,000	75,000	75,000	75,000	75,000
Homes direct via secondary market					100,000	100,000	100,000	100,000	100,000	100,000
Social housing leveraged from 2nd mkt					20,000	20,000	20,000	20,000	20,000	20,000
Homes via Town to City					4,000	8,000	12,000	16,000	20,000	20,000
Cash impact	£-	£-	£-	-£11,500,000,000	-£1,940,000,000	£3,660,000,000	£3,660,000,000	£3,660,000,000	£3,660,000,000	£860,000,000
Cumulative cash impact	£-	£-	£-	-£11,500,000,000	-£13,440,000,000	-£9,780,000,000	-£6,120,000,000	-£2,460,000,000	£1,200,000,000	£2,060,000,000
New homes impact	0	-	-	25,000	199,000	203,000	207,000	211,000	215,000	215,000
Cumulative new homes impact	0	-	-	25,000	224,000	427,000	634,000	845,000	1,060,000	1,275,000
Treasury savings through HB draw	£-	£-	£-	£75,000,000	£672,000,000	£1,281,000,000	£1,902,000,000	£2,535,000,000	£3,180,000,000	£3,825,000,000

APPENDIX 2: SURVATION OPINION POLL RESULTS, NOV 2015

METHODOLOGY

FIELDWORK DATES

9th-11th November 2015

DATA COLLECTION METHOD

The survey was conducted via online panel. Invitations to complete surveys were sent out to members of the panel. Differential response rates from different demographic groups were taken into account.

POPULATION SAMPLED

All residents aged18+ in the United Kingdom

SAMPLE SIZE

2,017

DATA WEIGHTING

Data were weighted to the profile of all UK adults aged 18+. Data were weighted by age, sex, region, household income, education and past vote. Targets for the weighted data were derived from Office for National Statistics 2011 Census data and the results of the 2015 General Election.

MARGIN OF ERROR

Because only a sample of the full population was interviewed, all the results are subject to margin of error, meaning that not all differences are statiscally significant. For example, in a question where 50% (the worst case scenario as fas as a margin of error is concerned) gave a particular answer, with a sample of 2, 007 it is 95% certain that the'true' value will fall within the range of 2.2% from the sample result. Subsamples from the cross-breaks will be subject to higher margin of error, conclusions drawn from crossbreaks with very small sub-samples should be treated with caution.

QUESTION PRESENTATION

All data tables shown in full below, in order and wording put to respondents, including but not limited to all tables relating to published data and all relevant tables preceding them. Tables for demographic questions might not be included but these should be clear from the cross-breaks on published tables. In all questions where the responses are a list of parties, names or statements, these will typically have been displayed to respondents in a randomising order. The only questions which would not have had randomising responses would be those in which there was a natural order to maintain – e.g. a scale from "strongly agree" to "strongly disagree", a list of numbers from 0 to 10 or questions which had factual rather than opinion – related answers such as demographic information. "Other", "Don't know" and "Refused" reponses are not randomised.

Not all questions will have necessarily been asked to all respondents – this is because they may be follow-on questions from previous questions or only appropriate to certain demographic groups. Lower response counts should make clear where this has occured.

Data were analyzed and weighted by Survation (Director of Research – Patrick Briône).
For further information please contact:
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Housing Poll

17/11/2015

Prepared on behalf of Alex Hilton

Housing Poll

Survation.

Methodology

Fieldwork Dates

9th – 11th November 2015

Data Collection Method

The survey was conducted via online panel. Invitations to complete surveys were sent out to members of the panel. Differential response rates from different demographic groups were taken into account.

Population Sampled

All residents aged 18+ in the United Kingdom

Sample Size

2,017

Data Weighting

Data were weighted to the profile of all UK adults aged 18+. Data were weighted by age, sex, region, household income, education and past vote. Targets for the weighted data were derived from Office for National Statistics 2011 Census data and the results of the 2015 General Election.

Margin of Error

Because only a sample of the full population was interviewed, all results are subject to margin of error, meaning that not all differences are statistically significant. For example, in a question where 50% (the worst case scenario as far as margin of error is concerned) gave a particular answer, with a sample of 2,007 it is 95% certain that the 'true' value will fall within the range of 2.2% from the sample result. Subsamples from the cross-breaks will be subject to higher margin of error, conclusions drawn from crossbreaks with very small sub-samples should be treated with caution.

Housing Poll

Survation.

Question presentation

All data tables shown in full below, in order and wording put to respondents, including but not limited to all tables relating to published data and all relevant tables preceding them. Tables for demographic questions might not be included but these should be clear from the cross-breaks on published tables. In all questions where the responses are a list of parties, names or statements, these will typically have been displayed to respondents in a randomising order. The only questions which would not have had randomising responses would be those in which there was a natural order to maintain – e.g. a scale from “strongly agree” to “strongly disagree”, a list of numbers from 0 to 10 or questions which had factual rather than opinion-related answers such as demographic information. “Other”, “Don't know” and “Refused” responses are not randomised.

Not all questions will have necessarily been asked to all respondents – this is because they may be follow-on questions from previous questions or only appropriate to certain demographic groups. Lower response counts should make clear where this has occurred.

Data were analysed and weighted by Survation (Director of Research – Patrick Briône).
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Housing Poll

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Housing Poll

16 Nov 2015

Table 1
Q1. Normal weightings
Q1. Which of these best describes the accommodation you live in?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
Own / mortgage	1284	627	658	249	474	562	460	261	90	150	97	187	489	288	100	130	114	133
	63.7%	63.9%	63.5%	43.1%	66.4%	77.4%	81.1%	53.9%	74.0%	59.9%	55.3%	60.1%	81.0%	58.0%	77.7%	62.9%	58.1%	41.5%
Rent from council	165	80	85	62	59	44	16	59	8	24	19	20	21	55	1	21	22	39
	8.2%	8.2%	8.2%	10.8%	8.2%	6.1%	2.9%	12.2%	6.4%	9.5%	10.9%	6.3%	3.4%	11.2%	1.1%	10.3%	11.3%	12.3%
Rent from private landlord	325	163	161	161	95	69	53	95	14	43	32	61	55	80	16	31	32	88
	16.1%	16.7%	15.6%	27.8%	13.3%	9.5%	9.4%	19.5%	11.4%	17.1%	18.0%	19.5%	9.2%	16.0%	12.7%	15.1%	16.3%	27.6%
Rent from housing association	156	77	78	37	69	50	21	49	5	22	12	33	22	61	6	16	16	29
	7.7%	7.9%	7.6%	6.4%	9.7%	6.8%	3.7%	10.2%	4.3%	9.0%	6.8%	10.6%	3.7%	12.3%	4.3%	7.8%	8.2%	9.2%
Tied accommodation (accommodation provided by your employer)	4	1	3	3	-	1	1	3	-	-	-	-	1	-	-	-	-	3
	*	*	*	0.6%	-	*	*	0.5%	-	-	-	-	*	-	-	-	-	0.8%
Live with parents / family	81	31	49	63	18	*	15	17	5	11	16	11	15	13	5	8	12	26
	4.0%	3.2%	4.8%	10.8%	2.5%	*	2.7%	3.6%	4.0%	4.5%	8.9%	3.5%	2.5%	2.5%	4.2%	3.8%	6.1%	8.2%
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prefer not to say	3	2	1	3	-	*	-	-	-	-	-	-	-	-	-	-	-	1
	*	*	*	*	-	*	-	-	-	-	-	-	-	-	-	-	-	*
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	SEG				Region7 + 1								Housing Tenure		
	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
Own / mortgage	449	495	193	146	168	216	282	419	1084	108	69	24	1284	-	-
	77.3%	67.4%	61.0%	38.0%	65.1%	66.6%	60.9%	64.7%	64.1%	62.5%	58.4%	68.5%	100.0%	-	-
Rent from council	23	39	25	78	25	22	46	35	128	22	15	-	-	-	165
	3.9%	5.3%	7.8%	20.4%	9.7%	6.9%	9.8%	5.4%	7.6%	12.7%	12.8%	-	-	-	51.5%
Rent from private landlord	71	111	63	80	38	52	72	108	270	23	26	7	-	325	-
	12.2%	15.1%	19.9%	20.8%	14.8%	15.9%	15.6%	16.7%	16.0%	13.1%	21.7%	18.5%	-	100.0%	-
Rent from housing association	23	48	27	58	21	21	41	51	134	12	9	1	-	-	156
	3.9%	6.5%	8.6%	15.0%	8.3%	6.5%	8.8%	7.9%	7.9%	6.9%	7.2%	2.4%	-	-	48.5%
Tied accommodation (accommodation provided by your employer)	1	3	-	-	-	-	3	1	4	-	-	-	-	-	-
	*	*	-	-	-	-	0.7%	*	*	-	-	-	-	-	-
Live with parents / family	13	37	9	22	5	13	18	32	69	8	-	4	-	-	-
	2.2%	5.0%	2.7%	5.8%	2.1%	4.0%	3.9%	5.0%	4.1%	4.9%	-	10.5%	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prefer not to say	2	1	-	-	-	-	2	1	3	-	-	-	-	-	-
	*	*	-	-	-	-	*	*	*	-	-	-	-	-	-
SIGMA	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Prepared by Survation

Housing Poll

Page 5

16 Nov 2015

Table 2
Q2. Normal weightings
Q2. Which of the following best applies to you?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
I am currently a private sector landlord	181	82	100	83	60	39	55	44	18	29	17	8	48	46	13	21	21	29
	9.0%	8.3%	9.6%	14.3%	8.3%	5.4%	9.8%	9.0%	14.6%	11.7%	9.8%	2.5%	7.9%	9.3%	10.3%	10.0%	10.7%	9.2%
I am not currently a private sector landlord, but I have been before	208	103	105	73	91	45	56	49	16	23	28	24	54	51	13	19	29	35
	10.3%	10.5%	10.1%	12.6%	12.7%	6.2%	9.9%	10.1%	13.2%	9.3%	16.2%	7.9%	9.0%	10.3%	9.8%	9.0%	14.9%	11.1%
I have never been a private sector landlord	1627	796	831	422	563	642	455	392	88	197	130	279	502	399	103	167	146	255
	80.7%	81.1%	80.2%	73.0%	78.9%	88.5%	80.3%	80.9%	72.2%	78.9%	74.1%	89.7%	83.1%	80.3%	80.0%	81.0%	74.4%	79.7%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	SEG				Region7 + 1								Housing Tenure		
	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
I am currently a private sector landlord	76	55	31	20	45	25	29	58	156	11	9	5	132	22	17
	13.0%	7.5%	9.8%	5.1%	17.5%	7.6%	6.3%	8.9%	9.2%	6.4%	7.3%	14.9%	10.2%	6.9%	5.3%
I am not currently a private sector landlord, but I have been before	75	62	33	37	37	28	47	58	170	23	10	5	124	35	39
	13.0%	8.4%	10.3%	9.7%	14.4%	8.7%	10.2%	8.9%	10.1%	13.6%	8.2%	14.9%	9.7%	10.6%	12.0%
I have never been a private sector landlord	429	617	253	327	176	271	387	532	1365	138	100	25	1028	268	265
	74.0%	84.1%	79.9%	85.1%	68.2%	83.7%	83.5%	82.2%	80.7%	80.0%	84.5%	70.2%	80.1%	82.4%	82.7%
SIGMA	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

16 Nov 2015

Table 3
Q3. Normal weightings
Q3. Which of the following phrases best describes the cost of renting in the PRIVATE SECTOR at the moment?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
Cheap	54	34	20	32	18	3	13	24	3	5	5	1	14	15	*	-	11	9	35	7	9	2	22	4	6	9	41	9	4	-	35	13	5
	2.7%	3.4%	1.9%	5.6%	2.6%	*	2.3%	5.0%	2.7%	2.0%	2.6%	*	2.3%	3.1%	*	-	5.6%	2.8%	6.1%	1.0%	2.8%	*	8.7%	1.3%	1.3%	1.3%	2.4%	5.3%	3.1%	-	2.7%	3.9%	1.7%
About right	320	161	159	135	111	74	96	80	29	39	33	33	106	77	14	24	37	55	128	101	49	42	54	52	73	98	278	23	14	5	214	63	30
	15.9%	16.4%	15.4%	23.3%	15.6%	10.2%	16.9%	16.6%	23.9%	15.6%	18.8%	10.5%	17.6%	15.5%	10.5%	11.9%	18.7%	17.1%	22.0%	13.8%	15.3%	10.9%	21.1%	16.0%	15.7%	15.2%	16.4%	13.4%	12.3%	14.0%	16.7%	19.5%	9.3%
Expensive	1353	658	695	313	490	551	385	322	79	176	111	215	404	344	96	153	125	192	363	521	211	258	169	222	289	461	1141	109	80	23	865	220	224
	67.1%	67.1%	67.1%	54.0%	68.7%	75.9%	68.0%	66.5%	64.7%	70.5%	63.2%	69.2%	66.9%	69.2%	73.9%	74.2%	63.6%	60.1%	62.6%	71.0%	66.6%	67.2%	65.6%	68.5%	62.4%	71.3%	67.5%	63.4%	67.8%	65.8%	67.4%	67.7%	69.9%
Don't know	290	128	162	99	93	98	73	58	11	30	27	63	80	61	20	29	24	64	54	105	48	82	12	46	95	79	232	31	20	7	170	29	61
	14.4%	13.1%	15.6%	17.1%	13.1%	13.5%	12.8%	11.9%	8.7%	11.9%	15.3%	20.1%	13.2%	12.2%	15.3%	14.0%	12.0%	20.0%	9.4%	14.3%	15.3%	21.5%	4.6%	14.3%	20.6%	12.2%	13.7%	17.9%	16.9%	20.2%	13.2%	8.9%	19.1%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

16 Nov 2015

Table 4
Q4. Normal weightings
Q4. Which of the following phrases best describes the cost of renting from COUNCILS at the moment?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
Cheap	278	143	135	80	101	98	111	53	12	34	25	29	114	46	21	24	32	32
	13.8%	14.6%	13.0%	13.8%	14.1%	13.5%	19.7%	11.0%	9.9%	13.7%	14.4%	9.4%	18.9%	9.2%	16.3%	11.7%	16.2%	10.0%
About right	905	451	454	251	312	341	232	241	60	119	80	132	256	258	46	95	95	133
	44.9%	46.0%	43.8%	43.5%	43.8%	47.1%	41.0%	49.8%	49.6%	47.5%	45.7%	42.3%	42.4%	51.9%	35.6%	46.0%	48.1%	41.6%
Expensive	380	183	197	130	133	117	82	104	27	57	32	55	82	100	22	52	37	77
	18.8%	18.6%	19.0%	22.5%	18.6%	16.1%	14.5%	21.4%	22.2%	22.7%	18.5%	17.7%	13.6%	20.2%	17.2%	25.0%	18.7%	24.1%
Don't know	454	204	250	117	167	169	141	86	22	40	38	95	152	93	40	36	34	78
	22.5%	20.8%	24.1%	20.3%	23.5%	23.4%	24.8%	17.8%	18.3%	16.0%	21.4%	30.5%	25.1%	18.7%	30.9%	17.3%	17.1%	24.4%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	SEG				Region7 + 1								Housing Tenure		
	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
Cheap	113	97	39	27	42	38	42	111	233	26	14	5	200	43	25
	19.5%	13.2%	12.4%	7.0%	16.5%	11.6%	9.1%	17.2%	13.8%	15.1%	11.8%	13.1%	15.6%	13.2%	7.7%
About right	265	312	127	201	104	161	218	267	751	79	61	14	555	128	199
	45.7%	42.4%	40.2%	52.4%	40.6%	49.8%	47.0%	41.3%	44.4%	45.9%	52.0%	39.6%	43.2%	39.4%	62.0%
Expensive	96	129	77	78	58	51	97	109	315	36	21	9	227	64	70
	16.5%	17.6%	24.3%	20.4%	22.5%	15.7%	21.0%	16.8%	18.6%	20.6%	17.6%	25.0%	17.7%	19.8%	21.9%
Don't know	106	197	73	78	53	74	106	160	393	32	22	8	301	90	27
	18.3%	26.8%	23.2%	20.2%	20.5%	22.9%	22.9%	24.7%	23.2%	18.5%	18.7%	22.3%	23.4%	27.6%	8.4%
SIGMA	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

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Table 5
Q5. Normal weightings
Q5. Which of the following phrases best describes the cost of renting from HOUSING ASSOCIATIONS at the moment?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
Cheap	225	119	106	68	84	72	76	53	16	27	24	17	96	40	15	15	31	21
	11.1%	12.1%	10.2%	11.8%	11.8%	10.0%	13.5%	11.0%	12.9%	10.7%	13.5%	5.6%	15.8%	8.0%	11.3%	7.2%	15.6%	6.5%
About right	838	406	431	229	282	326	241	208	64	116	70	110	240	225	60	95	84	111
	41.5%	41.4%	41.6%	39.6%	39.6%	45.0%	42.5%	42.9%	52.6%	46.5%	39.7%	35.5%	39.8%	45.2%	46.2%	46.1%	42.7%	34.6%
Expensive	424	209	215	147	152	125	92	119	20	59	36	63	96	118	17	50	44	92
	21.0%	21.3%	20.8%	25.4%	21.4%	17.2%	16.3%	24.7%	16.2%	23.5%	20.4%	20.2%	15.9%	23.8%	13.3%	24.3%	22.4%	28.9%
Don't know	531	247	284	134	194	202	157	104	22	48	46	121	172	114	38	46	38	96
	26.3%	25.2%	27.4%	23.2%	27.3%	27.9%	27.7%	21.4%	18.3%	19.3%	26.4%	38.7%	28.5%	23.0%	29.3%	22.4%	19.3%	30.0%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	SEG				Region7 + 1								Housing Tenure		
	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
Cheap	106	69	33	16	46	29	25	81	181	25	10	8	160	31	26
	18.3%	9.4%	10.3%	4.2%	17.9%	8.9%	5.4%	12.6%	10.7%	14.5%	8.9%	23.5%	12.5%	9.6%	8.1%
About right	258	294	113	172	97	139	205	254	694	68	63	12	532	127	161
	44.5%	40.0%	35.6%	44.7%	37.6%	42.9%	44.2%	39.2%	41.0%	39.7%	53.7%	33.7%	41.4%	39.0%	50.1%
Expensive	97	142	81	104	66	74	97	128	365	35	18	7	246	59	92
	16.7%	19.3%	25.6%	27.2%	25.5%	23.0%	21.0%	19.7%	21.6%	20.0%	14.9%	20.2%	19.2%	18.3%	28.8%
Don't know	119	230	90	92	49	82	136	185	452	44	27	8	346	108	42
	20.5%	31.3%	28.5%	23.9%	19.1%	25.2%	29.4%	28.5%	26.7%	25.8%	22.6%	22.7%	26.9%	33.1%	13.0%
SIGMA	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

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Table 6
Q6. Normal weightings
Q6. Which of the following phrases best describes the cost of mortgage payments at the moment?
Base: All Respondents

	Total	Gender		Age			Voting Intention					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311
Cheap	455	291	164	41	129	285	202	74	29	54	48	39
	22.5%	29.7%	15.8%	7.1%	18.0%	39.3%	35.7%	15.3%	23.5%	21.6%	27.2%	12.6%
About right	563	259	304	180	219	164	174	148	46	52	42	81
	27.9%	26.4%	29.4%	31.2%	30.6%	22.6%	30.7%	30.5%	37.5%	20.8%	24.1%	26.2%
Expensive	654	280	374	265	247	143	123	177	32	106	57	124
	32.4%	28.5%	36.1%	45.8%	34.6%	19.7%	21.8%	36.4%	26.1%	42.3%	32.7%	39.8%
Don't know	345	151	194	92	120	133	67	86	16	38	28	67
	17.1%	15.4%	18.7%	15.9%	16.8%	18.4%	11.8%	17.8%	12.8%	15.3%	16.0%	21.4%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	2015 Past Vote						SEG			
	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE
Unweighted Total	593	502	136	227	176	319	590	766	323	336
Weighted Total	604	497	129	206	197	319	580	734	316	384
Cheap	200	79	38	46	59	28	188	162	68	35
	33.1%	15.9%	29.2%	22.5%	29.9%	8.9%	32.5%	22.1%	21.6%	9.1%
About right	193	146	35	48	53	76	182	209	81	90
	32.0%	29.3%	26.7%	23.1%	27.0%	23.9%	31.4%	28.5%	25.5%	23.5%
Expensive	139	180	32	78	59	138	160	239	108	147
	23.0%	36.2%	25.1%	37.6%	30.2%	43.1%	27.5%	32.5%	34.2%	38.4%
Don't know	72	93	25	35	26	77	50	124	59	112
	11.9%	18.7%	19.1%	16.8%	13.0%	24.1%	8.6%	16.9%	18.7%	29.1%
SIGMA	604	497	129	206	197	319	580	734	316	384
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	Region7 + 1								Housing Tenure		
	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	258	324	463	647	1691	172	118	35	1284	325	321
Cheap	50	70	87	158	366	47	33	9	392	37	22
	19.6%	21.7%	18.7%	24.5%	21.6%	27.3%	27.6%	26.8%	30.5%	11.3%	6.9%
About right	88	95	138	164	485	43	24	10	403	68	72
	34.0%	29.4%	29.8%	25.4%	28.7%	25.1%	20.5%	29.5%	31.4%	21.1%	22.4%
Expensive	87	120	139	218	563	50	31	11	365	135	114
	33.6%	37.0%	30.0%	33.7%	33.3%	28.8%	25.9%	31.8%	28.4%	41.5%	35.4%
Don't know	33	39	100	107	278	32	31	4	124	85	113
	12.8%	11.9%	21.5%	16.5%	16.4%	18.7%	26.0%	11.9%	9.7%	26.1%	35.3%
SIGMA	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

Table 7
Q7. Normal weightings
Q7. Which of the following best describes house prices in the UK today?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
Too high	1295	663	632	358	455	482	348	343	71	161	108	210	381	355	80	136	117	193	382	458	208	247	181	218	261	452	1112	99	67	17	787	229	220
	64.2%	67.6%	61.0%	62.0%	63.7%	66.5%	61.4%	70.8%	58.0%	64.2%	61.4%	67.5%	63.1%	71.4%	61.9%	65.8%	59.6%	60.5%	65.8%	62.4%	65.8%	64.2%	70.4%	67.3%	56.4%	69.8%	65.8%	57.6%	56.6%	48.4%	61.3%	70.5%	68.6%
Too low	95	44	52	40	31	24	26	23	11	8	13	10	25	22	4	8	15	19	40	29	15	10	17	15	24	17	74	10	8	4	74	10	8
	4.7%	4.5%	5.0%	6.9%	4.4%	3.3%	4.7%	4.8%	9.1%	3.3%	7.4%	3.1%	4.1%	4.5%	3.2%	3.6%	7.8%	5.9%	6.9%	3.9%	4.9%	2.6%	6.7%	4.6%	5.3%	2.6%	4.4%	5.7%	7.1%	10.3%	5.8%	3.0%	2.6%
About right	456	213	243	116	171	169	164	84	31	61	39	50	165	80	31	47	54	66	137	174	69	75	50	69	119	131	369	48	30	10	348	50	46
	22.6%	21.7%	23.5%	20.0%	24.0%	23.3%	28.9%	17.3%	25.7%	24.3%	22.4%	16.0%	27.2%	16.2%	24.2%	22.9%	27.3%	20.8%	23.6%	23.8%	21.8%	19.4%	19.2%	21.3%	25.7%	20.3%	21.8%	27.6%	25.0%	28.7%	27.1%	15.4%	14.4%
Don't know	170	61	109	64	56	50	28	35	9	21	15	42	33	40	14	16	10	41	21	73	24	53	9	22	58	47	137	16	13	4	76	36	46
	8.4%	6.3%	10.5%	11.1%	7.9%	6.8%	5.0%	7.1%	7.2%	8.2%	8.8%	13.5%	5.5%	8.0%	10.7%	7.6%	5.3%	12.8%	3.7%	9.9%	7.5%	13.7%	3.6%	6.8%	12.5%	7.3%	8.1%	9.2%	11.3%	12.5%	5.9%	11.0%	14.3%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

Table 8
Q8. Normal weightings
Q8. Which of the following statements is closest to your opinion?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
My family and I would benefit if house prices went down	473	205	269	252	165	56	93	153	30	56	31	84	100	141	21	50	38	105	139	173	71	89	96	81	102	143	422	29	21	2	202	151	86
	23.5%	20.9%	25.9%	43.6%	23.2%	7.7%	16.4%	31.6%	24.2%	22.4%	17.7%	27.0%	16.6%	28.4%	15.9%	24.2%	19.1%	32.9%	24.0%	23.6%	22.5%	23.3%	37.2%	24.9%	22.1%	22.2%	24.9%	17.0%	17.4%	4.7%	15.8%	46.5%	26.8%
My family and I would be disadvantaged if house prices went down	397	189	209	99	132	166	141	76	28	53	33	53	141	81	32	44	41	45	137	153	60	45	42	53	90	143	327	45	18	7	353	20	16
	19.7%	19.2%	20.2%	17.2%	18.5%	22.9%	24.9%	15.6%	23.1%	21.4%	18.8%	17.0%	23.3%	16.3%	25.1%	21.5%	21.1%	14.0%	23.6%	20.8%	19.0%	11.8%	16.3%	16.2%	19.4%	22.1%	19.3%	25.9%	15.3%	21.0%	27.5%	6.2%	5.1%
House prices going down would make no difference to me and my family	943	495	449	149	336	458	297	201	49	122	92	135	320	217	59	97	101	121	268	338	144	194	97	160	220	296	773	83	66	22	633	123	161
	46.8%	50.4%	43.3%	25.8%	47.1%	63.1%	52.5%	41.6%	40.3%	48.7%	52.2%	43.5%	52.9%	43.7%	45.5%	47.0%	51.3%	37.9%	46.1%	46.0%	45.5%	50.5%	37.6%	49.5%	47.5%	45.7%	45.7%	48.0%	56.0%	61.7%	49.3%	37.9%	50.4%
Don't know	203	93	110	77	80	46	35	54	15	19	20	39	43	57	18	15	17	49	36	71	41	55	23	30	51	65	169	16	13	4	96	31	57
	10.1%	9.5%	10.6%	13.4%	11.1%	6.3%	6.2%	11.2%	12.4%	7.5%	11.4%	12.6%	7.2%	11.5%	13.6%	7.4%	8.6%	15.2%	6.2%	9.6%	13.0%	14.3%	9.0%	9.4%	11.0%	10.0%	10.0%	9.0%	11.4%	12.5%	7.5%	9.4%	17.8%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

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Table 9
Q9. Normal weightings
Q9. Which of the following statements is closest to your opinion?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
Overall, the housing market today is fair	312	153	158	105	103	104	123	58	23	46	25	28	130	48	15	37	32	42	109	111	48	42	43	49	66	123	281	13	11	6	238	36	28
	15.5%	15.6%	15.3%	18.1%	14.5%	14.3%	21.7%	11.9%	18.5%	18.4%	14.3%	9.1%	21.5%	9.6%	11.4%	18.0%	16.5%	13.0%	18.8%	15.2%	15.1%	11.0%	16.8%	15.2%	14.2%	19.0%	16.6%	7.4%	9.7%	17.9%	18.6%	11.1%	8.6%
Overall, the housing market today is unfair	1027	533	494	311	373	343	239	298	67	122	86	164	256	295	74	104	108	166	306	364	173	183	154	160	218	332	864	92	58	14	608	199	175
	50.9%	54.4%	47.7%	53.9%	52.3%	47.3%	42.1%	61.6%	55.4%	48.9%	48.9%	52.6%	42.4%	59.3%	56.9%	50.3%	54.9%	52.0%	52.8%	49.6%	54.6%	47.6%	59.7%	49.5%	47.0%	51.4%	51.1%	53.5%	48.8%	38.6%	47.3%	61.3%	54.6%
Overall, the housing market today is neither fair nor unfair	461	210	250	104	155	202	162	76	21	59	43	78	165	88	33	49	36	71	126	177	67	90	50	92	112	131	386	41	28	5	335	61	49
	22.8%	21.5%	24.2%	18.0%	21.7%	27.8%	28.6%	15.7%	16.9%	23.7%	24.4%	25.1%	27.3%	17.8%	25.8%	23.6%	18.3%	22.1%	21.8%	24.1%	21.3%	23.4%	19.5%	28.5%	24.2%	20.3%	22.8%	24.0%	23.9%	15.2%	26.1%	18.9%	15.3%
Don't know	217	84	133	58	82	77	43	53	11	22	22	41	53	66	8	17	20	41	38	82	29	69	10	22	68	60	161	26	21	10	104	28	69
	10.8%	8.6%	12.9%	10.0%	11.6%	10.6%	7.6%	10.9%	9.2%	9.0%	12.3%	13.2%	8.8%	13.3%	5.8%	8.1%	10.3%	12.8%	6.6%	11.1%	9.0%	18.0%	4.1%	6.8%	14.6%	9.3%	9.5%	15.1%	17.6%	28.3%	8.1%	8.8%	21.5%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 10
Q10. Normal weightings
Q10. Which of the following statements is closest to your opinion?
Base: All Respondents

	Total	Gender		Age			Voting Intention					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311
The housing market today is more fair than it was 30 years ago	201	89	112	78	79	43	67	49	18	22	19	12
	10.0%	9.1%	10.8%	13.5%	11.1%	6.0%	11.9%	10.2%	14.5%	8.6%	11.1%	4.0%
The housing market today is less fair than it was 30 years ago	1048	552	496	317	349	381	279	273	74	131	94	154
	52.0%	56.3%	47.8%	54.9%	49.0%	52.6%	49.2%	56.4%	61.0%	52.5%	53.3%	49.5%
The housing market today is no more or less fair than it was 30 years ago	387	184	202	68	135	183	143	78	18	51	33	52
	19.2%	18.8%	19.5%	11.8%	19.0%	25.2%	25.2%	16.0%	15.0%	20.6%	18.6%	16.8%
Don't know	381	155	226	114	149	118	78	84	11	46	30	93
	18.9%	15.8%	21.8%	19.8%	20.9%	16.2%	13.8%	17.4%	9.4%	18.3%	17.1%	29.7%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	593	502	136	227	176	319	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
The housing market today is more fair than it was 30 years ago	56	48	7	16	30	38	77	64	30	27	35	43	35	56	168	17	10	6	143	31	14
	9.3%	9.6%	5.4%	7.6%	15.1%	12.0%	13.3%	8.8%	9.4%	7.1%	13.5%	13.2%	7.5%	8.6%	9.9%	9.9%	8.3%	16.6%	11.1%	9.6%	4.4%
The housing market today is less fair than it was 30 years ago	298	261	84	115	99	170	322	373	165	189	153	167	233	335	888	77	64	19	665	172	167
	49.3%	52.6%	65.3%	55.7%	50.5%	53.1%	55.4%	50.7%	52.1%	49.2%	59.6%	51.6%	50.2%	51.8%	52.5%	44.7%	54.2%	53.1%	51.8%	53.0%	52.2%
The housing market today is no more or less fair than it was 30 years ago	159	88	24	38	39	28	119	153	57	58	44	63	79	144	331	34	19	2	281	53	42
	26.4%	17.7%	18.6%	18.6%	19.6%	8.9%	20.4%	20.8%	18.1%	15.1%	17.2%	19.6%	17.1%	22.3%	19.6%	19.8%	16.2%	6.2%	21.8%	16.3%	13.1%
Don't know	91	100	14	37	29	83	63	145	64	110	25	50	117	112	304	44	25	8	197	69	97
	15.0%	20.1%	10.8%	18.0%	14.9%	26.0%	10.8%	19.7%	20.4%	28.6%	9.7%	15.5%	25.2%	17.3%	18.0%	25.6%	21.3%	24.1%	15.3%	21.1%	30.3%
SIGMA	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 11
Q11. Normal weightings
Q11. Which of the following statements is closest to your opinion?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
The government should spend more taxpayers money on building council houses	1136	602	534	263	390	483	294	321	74	130	106	156	314	332	76	105	127	150	338	387	176	233	156	174	253	361	944	106	64	21	699	188	215
	56.3%	61.3%	51.6%	45.5%	54.6%	66.6%	51.8%	66.3%	61.1%	52.0%	60.5%	50.1%	51.9%	66.9%	59.0%	51.1%	64.3%	47.0%	58.2%	52.7%	55.7%	60.6%	60.6%	53.7%	54.7%	55.8%	55.8%	61.8%	54.3%	59.7%	54.4%	57.9%	67.2%
The government should NOT spend more taxpayers money on building council houses	556	255	301	196	203	157	199	90	36	87	46	80	206	92	31	73	44	96	191	219	83	64	75	94	119	190	478	43	28	7	404	76	47
	27.6%	25.9%	29.1%	33.9%	28.4%	21.7%	35.0%	18.6%	29.4%	35.0%	25.9%	25.7%	34.2%	18.6%	23.9%	35.4%	22.4%	30.0%	32.9%	29.8%	26.2%	16.6%	28.9%	29.0%	25.7%	29.4%	28.2%	25.2%	23.8%	19.7%	31.5%	23.6%	14.8%
Don't know	325	125	200	119	121	85	74	73	12	33	24	75	84	72	22	28	26	73	52	128	57	88	27	56	91	96	270	22	26	7	182	60	58
	16.1%	12.7%	19.3%	20.6%	16.9%	11.8%	13.1%	15.1%	9.5%	13.0%	13.6%	24.2%	13.9%	14.6%	17.0%	13.6%	13.3%	23.0%	8.9%	17.5%	18.1%	22.8%	10.4%	17.3%	19.6%	14.8%	15.9%	13.0%	21.9%	20.6%	14.1%	18.5%	18.1%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 12
Q12. Normal weightings
Q12. Would you support or oppose more homes being built in your area?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
I would support more homes being	1065	575	489	280	373	412	284	299	65	110	107	147	274	309	76	88	127	158
built in my area	52.8%	58.6%	47.2%	48.4%	52.2%	56.8%	50.1%	61.7%	53.4%	44.0%	60.8%	47.4%	45.4%	62.1%	58.7%	42.9%	64.7%	49.5%
I would oppose more homes being	667	276	391	204	242	221	203	125	42	119	50	101	247	123	33	105	50	97
built in my area	33.1%	28.1%	37.8%	35.3%	33.9%	30.4%	35.7%	25.8%	34.9%	47.5%	28.7%	32.3%	40.9%	24.7%	25.7%	51.1%	25.6%	30.4%
Don't know	285	130	155	94	99	92	80	61	14	21	18	63	83	66	20	12	19	64
	14.1%	13.3%	15.0%	16.3%	13.8%	12.7%	14.1%	12.5%	11.8%	8.4%	10.4%	20.3%	13.7%	13.2%	15.6%	6.0%	9.8%	20.1%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	SEG				Region7 + 1								Housing Tenure		
	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
I would support more homes being	320	354	172	217	160	158	246	310	874	112	56	23	625	192	211
built in my area	55.2%	48.2%	54.5%	56.4%	61.9%	48.9%	53.1%	48.0%	51.7%	65.0%	47.1%	65.9%	48.7%	59.3%	65.8%
I would oppose more homes being	203	258	97	109	71	126	128	245	570	41	47	9	490	75	63
built in my area	34.9%	35.1%	30.5%	28.3%	27.7%	38.9%	27.7%	37.9%	33.7%	23.6%	39.6%	26.2%	38.1%	23.2%	19.8%
Don't know	57	122	47	59	27	39	89	92	247	20	16	3	169	57	46
	9.8%	16.6%	14.9%	15.3%	10.4%	12.2%	19.2%	14.2%	14.6%	11.4%	13.3%	8.0%	13.2%	17.5%	14.4%
SIGMA	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 13
Q13. Normal weightings
Q13. Rent Control is a system of administered by a court or a public authority, which aims to ensure the quality and affordability of housing and tenancies on the rental market. To what extent would you support or oppose proposals for the government to introduce a "rent control" system in the UK?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
Strongly support	575	283	292	147	221	207	128	185	42	71	66	58	139	181	30	60	72	81
	28.5%	28.9%	28.2%	25.4%	31.0%	28.5%	22.6%	38.2%	34.1%	28.4%	37.6%	18.7%	23.0%	36.4%	23.0%	29.2%	36.6%	25.5%
Somewhat support	724	358	365	210	225	289	225	159	47	90	57	112	221	168	53	74	72	111
	35.9%	36.5%	35.3%	36.4%	31.5%	39.8%	39.7%	32.8%	38.6%	35.9%	32.4%	36.0%	36.6%	33.9%	41.1%	36.1%	36.8%	34.7%
Neither support nor oppose	445	205	240	136	178	131	129	94	20	57	30	89	150	97	29	45	30	80
	22.1%	20.9%	23.2%	23.6%	24.9%	18.1%	22.8%	19.3%	16.7%	22.7%	17.1%	28.6%	24.9%	19.5%	22.2%	21.8%	15.1%	25.2%
Somewhat oppose	75	43	32	13	28	34	35	12	6	8	4	9	36	13	5	8	5	5
	3.7%	4.3%	3.1%	2.3%	3.9%	4.6%	6.1%	2.5%	4.6%	3.0%	2.4%	2.9%	6.0%	2.7%	3.7%	4.0%	2.7%	1.6%
Strongly oppose	59	40	19	12	22	25	26	12	3	8	8	3	30	13	2	3	8	4
	2.9%	4.0%	1.9%	2.1%	3.1%	3.5%	4.6%	2.4%	2.6%	3.1%	4.4%	1.0%	5.0%	2.6%	1.2%	1.2%	4.1%	1.2%
Don't know	139	52	87	60	40	40	24	23	4	17	11	39	27	24	11	16	9	38
	6.9%	5.3%	8.4%	10.3%	5.6%	5.5%	4.2%	4.8%	3.5%	6.9%	6.1%	12.6%	4.5%	4.9%	8.9%	7.7%	4.7%	11.8%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	SEG				Region7 + 1								Housing Tenure		
	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
Strongly support	148	205	113	108	106	81	113	168	468	56	40	11	332	105	122
	25.5%	27.9%	35.6%	28.2%	41.3%	25.0%	24.4%	25.9%	27.7%	32.4%	33.8%	31.3%	25.9%	32.2%	38.2%
Somewhat support	224	279	88	132	72	121	194	232	618	58	38	10	484	120	88
	38.6%	38.0%	27.9%	34.4%	27.9%	37.4%	41.8%	35.8%	36.6%	33.6%	32.1%	27.3%	37.7%	36.9%	27.6%
Neither support nor oppose	126	155	70	94	53	84	95	139	371	40	27	7	280	61	79
	21.7%	21.1%	22.3%	24.5%	20.7%	26.0%	20.5%	21.4%	22.0%	23.3%	22.6%	19.8%	21.8%	18.8%	24.6%
Somewhat oppose	33	23	13	6	7	11	16	33	66	5	4	-	63	7	3
	5.7%	3.1%	4.1%	1.5%	2.6%	3.3%	3.4%	5.0%	3.9%	2.8%	3.6%	-	4.9%	2.2%	1.1%
Strongly oppose	25	18	11	6	10	9	9	20	49	4	3	4	49	4	5
	4.3%	2.4%	3.4%	1.6%	4.0%	2.7%	2.0%	3.1%	2.9%	2.2%	2.4%	10.4%	3.8%	1.2%	1.6%
Don't know	25	55	21	38	9	18	36	56	119	10	6	4	75	28	23
	4.3%	7.5%	6.7%	9.9%	3.5%	5.5%	7.8%	8.6%	7.0%	5.7%	5.5%	11.2%	5.9%	8.7%	7.0%
SIGMA	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

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Table 14
Q14. Normal weightings
Q14. If a form of rent control was to be introduced in the UK, which of the following types would you most prefer?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
A form of rent control which limited future rent increases	634	319	315	172	233	230	208	145	38	77	50	88	214	148	43	53	65	91
	31.4%	32.5%	30.4%	29.7%	32.7%	31.6%	36.7%	29.9%	31.6%	30.9%	28.4%	28.1%	35.4%	29.9%	33.0%	25.6%	32.8%	28.4%
A form of rent control which kept rents at the level they are currently	312	150	162	84	123	105	107	56	20	48	34	31	105	60	21	45	34	41
	15.5%	15.3%	15.6%	14.6%	17.2%	14.5%	18.9%	11.7%	16.8%	19.0%	19.3%	10.1%	17.3%	12.0%	16.4%	21.8%	17.4%	12.8%
A form of rent control which would bring current rents down	749	377	371	234	239	276	161	226	46	93	70	117	187	223	41	80	78	120
	37.1%	38.5%	35.8%	40.4%	33.5%	38.1%	28.5%	46.7%	37.9%	37.3%	40.0%	37.7%	31.0%	44.9%	31.8%	38.6%	39.5%	37.6%
Don't know	322	134	188	89	119	115	90	57	17	32	22	75	98	66	24	29	20	68
	16.0%	13.7%	18.2%	15.4%	16.7%	15.8%	15.9%	11.8%	13.8%	12.8%	12.3%	24.1%	16.2%	13.3%	18.8%	14.0%	10.3%	21.2%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	SEG				Region7 + 1								Housing Tenure		
	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
A form of rent control which limited future rent increases	236	208	98	90	95	104	154	186	539	60	25	9	429	90	87
	40.7%	28.3%	30.9%	23.4%	37.1%	32.1%	33.2%	28.8%	31.9%	35.1%	21.5%	25.1%	33.4%	27.8%	27.3%
A form of rent control which kept rents at the level they are currently	99	120	39	54	31	48	59	117	255	29	18	10	215	51	40
	17.0%	16.3%	12.5%	14.0%	12.2%	14.8%	12.7%	18.1%	15.1%	16.8%	15.2%	28.5%	16.8%	15.7%	12.6%
A form of rent control which would bring current rents down	181	279	128	161	101	124	166	241	632	55	51	11	413	151	151
	31.2%	38.0%	40.3%	41.9%	39.3%	38.4%	35.7%	37.2%	37.4%	31.8%	43.5%	30.1%	32.1%	46.4%	47.2%
Don't know	64	127	52	80	29	48	85	103	265	28	23	6	228	33	41
	11.0%	17.3%	16.4%	20.7%	11.4%	14.7%	18.4%	15.9%	15.7%	16.3%	19.8%	16.4%	17.7%	10.1%	12.9%
SIGMA	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 15
Q15. Normal weightings
Q15. Have you ever rented a property from a private landlord?
Base: All Respondents

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	2017	958	1059	469	668	880	566	487	121	264	158	316	593	502	136	227	176	319	590	766	323	336	220	341	495	662	1718	160	110	29	1303	309	331
Weighted Total	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
Yes	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	49.6%	49.5%	49.7%	58.9%	50.4%	41.3%	41.8%	56.2%	45.8%	49.2%	53.6%	52.1%	40.7%	51.5%	47.1%	50.6%	52.8%	61.2%	53.6%	47.6%	52.2%	44.9%	59.3%	46.2%	47.3%	49.6%	49.8%	47.3%	53.5%	38.3%	39.9%	96.3%	47.1%
No	1017	496	521	237	354	426	330	212	66	127	81	149	358	241	68	102	93	124	269	385	151	211	105	174	244	326	849	91	55	22	772	12	170
	50.4%	50.5%	50.3%	41.1%	49.6%	58.7%	58.2%	43.8%	54.2%	50.8%	46.4%	47.9%	59.3%	48.5%	52.9%	49.4%	47.2%	38.8%	46.4%	52.4%	47.8%	55.1%	40.7%	53.8%	52.7%	50.4%	50.2%	52.7%	46.5%	61.7%	60.1%	3.7%	52.9%
SIGMA	2017	981	1036	578	713	725	567	484	122	250	176	311	604	497	129	206	197	319	580	734	316	384	258	324	463	647	1691	172	118	35	1284	325	321
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 16
Q16. Normal weightings
Q16. Which of the following have you experienced when renting a property from a private landlord? - Unfair fees charged by letting agents
Base: Respondents who have rented a property from a private landlord

	Total	Gender		Age			Voting Intention						2015 Past Vote					
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote
Unweighted Total	1013	485	528	284	352	377	237	279	58	130	87	164	243	266	65	114	97	196
Weighted Total	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195
Have experienced	348	169	180	158	125	65	67	95	24	40	43	56	66	97	20	39	45	70
	34.8%	34.7%	34.9%	46.5%	34.8%	21.6%	28.5%	35.0%	43.8%	32.4%	46.2%	34.8%	26.9%	38.0%	32.4%	37.1%	43.7%	35.8%
Have not experienced	652	317	335	182	234	235	169	177	31	83	51	106	180	159	41	66	58	125
	65.2%	65.3%	65.1%	53.5%	65.2%	78.4%	71.5%	65.0%	56.2%	67.6%	53.8%	65.2%	73.1%	62.0%	67.6%	62.9%	56.3%	64.2%
SIGMA	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	SEG				Region7 + 1								Housing Tenure		
	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	326	365	170	150	135	167	233	338	873	72	54	14	530	299	162
Weighted Total	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
Have experienced	119	108	59	61	57	54	75	108	295	25	21	7	153	135	51
	38.2%	30.9%	35.8%	35.5%	37.5%	36.4%	34.4%	33.6%	35.0%	31.3%	33.6%	50.2%	29.9%	43.3%	33.6%
Have not experienced	192	242	106	111	95	95	144	213	547	56	42	7	359	177	100
	61.8%	69.1%	64.2%	64.5%	62.5%	63.6%	65.6%	66.4%	65.0%	68.7%	66.4%	49.8%	70.1%	56.7%	66.4%
SIGMA	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

Table 17
Q17. Normal weightings
Q17. Which of the following have you experienced when renting a property from a private landlord? - Unfair deductions charged from your deposit at the end of a tenancy
Base: Respondents who have rented a property from a private landlord

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	1013	485	528	284	352	377	237	279	58	130	87	164	243	266	65	114	97	196	326	365	170	150	135	167	233	338	873	72	54	14	530	299	162
Weighted Total	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
Have experienced	299	148	152	116	134	50	59	96	25	31	32	47	62	91	22	19	31	65	111	83	63	43	54	38	62	102	255	20	18	6	153	80	61
	29.9%	30.4%	29.5%	33.9%	37.1%	16.8%	24.9%	35.4%	44.1%	25.3%	33.5%	29.0%	25.4%	35.5%	35.4%	18.6%	29.5%	33.5%	35.6%	23.6%	38.0%	25.2%	35.3%	25.1%	28.1%	31.8%	30.3%	24.3%	29.1%	46.6%	29.9%	25.6%	40.3%
Have not experienced	701	338	363	225	226	249	178	176	31	92	63	115	184	165	39	85	73	130	200	267	102	129	99	112	158	219	587	62	45	7	359	233	90
	70.1%	69.6%	70.5%	66.1%	62.9%	83.2%	75.1%	64.6%	55.9%	74.7%	66.5%	71.0%	74.6%	64.5%	64.6%	81.4%	70.5%	66.5%	64.4%	76.4%	62.0%	74.8%	64.7%	74.9%	71.9%	68.2%	69.7%	75.7%	70.9%	53.4%	70.1%	74.4%	59.7%
SIGMA	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 18
Q18. Normal weightings
Q18. Which of the following have you experienced when renting a property from a private landlord? - Difficulty getting a landlord to maintain a property
Base: Respondents who have rented a property from a private landlord

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	1013	485	528	284	352	377	237	279	58	130	87	164	243	266	65	114	97	196	326	365	170	150	135	167	233	338	873	72	54	14	530	299	162
Weighted Total	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
Have experienced	442	203	238	181	166	96	91	129	24	50	39	82	99	128	24	39	45	95	131	138	77	94	65	73	94	142	374	31	29	7	208	135	85
	44.2%	41.9%	46.3%	53.0%	46.0%	31.9%	38.5%	47.3%	43.5%	40.7%	41.3%	50.5%	40.3%	50.2%	39.0%	37.6%	43.1%	48.7%	42.2%	39.5%	46.9%	54.3%	42.5%	48.7%	43.1%	44.3%	44.4%	38.3%	46.4%	55.0%	40.5%	43.3%	56.3%
Have not experienced	558	282	276	160	194	204	146	143	32	73	55	80	147	127	37	65	59	100	180	211	88	79	88	77	125	179	468	50	34	6	305	177	66
	55.8%	58.1%	53.7%	47.0%	54.0%	68.1%	61.5%	52.7%	56.5%	59.3%	58.7%	49.5%	59.7%	49.8%	61.0%	62.4%	56.9%	51.3%	57.8%	60.5%	53.1%	45.7%	57.5%	51.3%	56.9%	55.7%	55.6%	61.7%	53.6%	45.0%	59.5%	56.7%	43.7%
SIGMA	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 19
Q19. Normal weightings
Q19. Which of the following have you experienced when renting a property from a private landlord? - Chronic dampness in your home
Base: Respondents who have rented a property from a private landlord

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	1013	485	528	284	352	377	237	279	58	130	87	164	243	266	65	114	97	196	326	365	170	150	135	167	233	338	873	72	54	14	530	299	162
Weighted Total	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
Have experienced	377	160	218	171	134	73	74	119	23	49	33	60	76	112	23	43	33	81	108	121	68	79	63	61	81	114	320	27	25	6	161	137	68
	37.7%	32.9%	42.3%	50.2%	37.1%	24.3%	31.4%	43.7%	40.5%	39.9%	34.5%	37.1%	30.7%	43.6%	37.0%	41.7%	32.1%	41.2%	34.8%	34.7%	41.3%	45.6%	41.4%	40.9%	37.0%	35.5%	37.9%	33.3%	38.8%	46.6%	31.4%	43.9%	45.3%
Have not experienced	623	326	297	170	226	227	162	153	33	74	62	102	171	144	38	61	71	115	203	228	97	94	89	88	138	207	523	54	39	7	351	175	83
	62.3%	67.1%	57.7%	49.8%	62.9%	75.7%	68.6%	56.3%	59.5%	60.1%	65.5%	62.9%	69.3%	56.4%	63.0%	58.3%	67.9%	58.8%	65.2%	65.3%	58.7%	54.4%	58.6%	59.1%	63.0%	64.5%	62.1%	66.7%	61.2%	53.4%	68.6%	56.1%	54.7%
SIGMA	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

16 Nov 2015

Table 20
Q20. Normal weightings
Q20. Which of the following have you experienced when renting a property from a private landlord? - Chronic cold in your home
Base: Respondents who have rented a property from a private landlord

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	1013	485	528	284	352	377	237	279	58	130	87	164	243	266	65	114	97	196	326	365	170	150	135	167	233	338	873	72	54	14	530	299	162
Weighted Total	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
Have experienced	370	162	208	143	154	72	67	98	28	52	40	59	68	101	26	46	42	77	106	124	69	70	57	62	75	111	305	31	27	6	165	122	71
	37.0%	33.4%	40.3%	41.9%	42.9%	24.2%	28.3%	35.9%	49.9%	42.5%	42.9%	36.3%	27.7%	39.4%	42.1%	44.5%	40.2%	39.5%	34.1%	35.3%	42.1%	40.3%	37.2%	41.8%	34.0%	34.7%	36.2%	38.3%	42.7%	46.6%	32.1%	38.9%	47.3%
Have not experienced	631	324	307	198	205	227	170	174	28	71	54	103	178	155	35	58	62	118	205	226	96	103	96	87	145	209	537	50	36	7	348	191	80
	63.0%	66.6%	59.7%	58.1%	57.1%	75.8%	71.7%	64.1%	50.1%	57.5%	57.1%	63.7%	72.3%	60.6%	57.9%	55.5%	59.8%	60.5%	65.9%	64.7%	57.9%	59.7%	62.8%	58.2%	66.0%	65.3%	63.8%	61.7%	57.3%	53.4%	67.9%	61.1%	52.7%
SIGMA	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

16 Nov 2015

Table 21
Q21. Normal weightings
Q21. Which of the following have you experienced when renting a property from a private landlord? - Vermin in your home
Base: Respondents who have rented a property from a private landlord

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	1013	485	528	284	352	377	237	279	58	130	87	164	243	266	65	114	97	196	326	365	170	150	135	167	233	338	873	72	54	14	530	299	162
Weighted Total	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
Have experienced	209	100	110	86	92	31	40	64	11	20	25	37	40	61	14	18	25	45	69	69	39	31	52	20	40	66	178	20	11	1	94	58	52
	20.9%	20.6%	21.3%	25.3%	25.5%	10.4%	16.9%	23.6%	19.0%	16.0%	26.0%	23.0%	16.1%	23.7%	23.3%	17.5%	24.5%	23.0%	22.2%	19.8%	23.7%	18.0%	34.3%	13.5%	18.1%	20.5%	21.1%	24.3%	17.2%	5.2%	18.3%	18.6%	34.4%
Have not experienced	791	386	405	254	268	269	197	208	45	103	70	125	206	195	47	86	78	150	242	280	126	141	100	129	180	255	664	62	52	13	418	255	99
	79.1%	79.4%	78.7%	74.7%	74.5%	89.6%	83.1%	76.4%	81.0%	84.0%	74.0%	77.0%	83.9%	76.3%	76.7%	82.5%	75.5%	77.0%	77.8%	80.2%	76.3%	82.0%	65.7%	86.5%	81.9%	79.5%	78.9%	75.7%	82.8%	94.8%	81.7%	81.4%	65.6%
SIGMA	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

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Table 22
Q22. Normal weightings
Q22. Which of the following have you experienced when renting a property from a private landlord? - Harassment by your landlord
Base: Respondents who have rented a property from a private landlord

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	1013	485	528	284	352	377	237	279	58	130	87	164	243	266	65	114	97	196	326	365	170	150	135	167	233	338	873	72	54	14	530	299	162
Weighted Total	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
Have experienced	205	99	107	100	75	30	27	68	16	26	27	24	35	64	11	20	30	38	68	62	37	37	39	24	45	61	169	20	14	2	90	56	50
	20.5%	20.3%	20.7%	29.3%	20.9%	10.1%	11.2%	25.1%	28.1%	20.8%	28.5%	14.7%	14.1%	25.1%	17.6%	19.3%	28.9%	19.4%	21.8%	17.8%	22.4%	21.6%	25.7%	16.0%	20.6%	19.0%	20.1%	24.8%	22.2%	13.4%	17.6%	17.8%	32.8%
Have not experienced	795	387	408	241	285	269	210	204	40	97	67	138	211	192	50	84	74	158	243	287	128	135	114	125	174	260	673	61	49	12	422	257	101
	79.5%	79.7%	79.3%	70.7%	79.1%	89.9%	88.8%	74.9%	71.9%	79.2%	71.5%	85.3%	85.9%	74.9%	82.4%	80.7%	71.1%	80.6%	78.2%	82.2%	77.6%	78.4%	74.3%	84.0%	79.4%	81.0%	79.9%	75.2%	77.8%	86.6%	82.4%	82.2%	67.2%
SIGMA	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 23
Q23. Normal weightings
Q23. Which of the following have you experienced when renting a property from a private landlord? - Above inflation rent rises
Base: Respondents who have rented a property from a private landlord

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	1013	485	528	284	352	377	237	279	58	130	87	164	243	266	65	114	97	196	326	365	170	150	135	167	233	338	873	72	54	14	530	299	162
Weighted Total	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
Have experienced	287	142	145	126	117	44	48	89	19	44	28	42	51	86	17	39	32	55	94	86	53	53	71	37	52	90	249	19	13	6	123	86	68
	28.7%	29.3%	28.2%	37.0%	32.6%	14.7%	20.2%	32.8%	34.1%	35.7%	29.8%	25.8%	20.8%	33.5%	28.5%	37.2%	30.6%	28.2%	30.4%	24.6%	31.9%	30.7%	46.2%	24.8%	23.6%	28.1%	29.6%	23.0%	20.0%	47.5%	24.1%	27.5%	45.0%
Have not experienced	713	343	370	215	242	256	189	183	37	79	66	120	195	170	44	65	72	140	217	264	112	120	82	112	168	231	593	63	51	7	389	227	83
	71.3%	70.7%	71.8%	63.0%	67.4%	85.3%	79.8%	67.2%	65.9%	64.3%	70.2%	74.2%	79.2%	66.5%	71.5%	62.8%	69.4%	71.8%	69.6%	75.4%	68.1%	69.3%	53.8%	75.2%	76.4%	71.9%	70.4%	77.0%	80.0%	52.5%	75.9%	72.5%	55.0%
SIGMA	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Housing Poll

Table 24
Q24. Normal weightings
Q24. Which of the following have you experienced when renting a property from a private landlord? - Eviction when you have not breached the tenancy agreement
Base: Respondents who have rented a property from a private landlord

	Total	Gender		Age			Voting Intention						2015 Past Vote						SEG				Region7 + 1								Housing Tenure		
		Male	Female	18-34	35-54	55+	CON	LAB	LD	UKIP	Other	Und	CON	LAB	LD	UKIP	Other	Did Not Vote	AB	C1	C2	DE	London	Midlands	North	South	England	Scotland	Wales	NI	Own/ Mortgage	Private Rent	Social Rent
Unweighted Total	1013	485	528	284	352	377	237	279	58	130	87	164	243	266	65	114	97	196	326	365	170	150	135	167	233	338	873	72	54	14	530	299	162
Weighted Total	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
Have experienced	159	84	75	87	60	12	21	59	13	18	17	20	23	57	7	15	19	31	61	39	29	29	42	17	35	40	133	16	9	1	64	45	45
	15.9%	17.4%	14.5%	25.5%	16.8%	3.9%	8.8%	21.8%	24.2%	14.9%	18.5%	12.3%	9.3%	22.5%	11.3%	14.0%	18.7%	16.1%	19.5%	11.2%	17.4%	17.0%	27.3%	11.2%	15.8%	12.5%	15.8%	19.7%	13.8%	8.9%	12.5%	14.5%	29.6%
Have not experienced	841	401	440	254	299	288	216	213	42	105	77	142	223	198	54	90	84	164	250	310	136	143	111	133	185	281	709	65	55	12	448	267	106
	84.1%	82.6%	85.5%	74.5%	83.2%	96.1%	91.2%	78.2%	75.8%	85.1%	81.5%	87.7%	90.7%	77.5%	88.7%	86.0%	81.3%	83.9%	80.5%	88.8%	82.6%	83.0%	72.7%	88.8%	84.2%	87.5%	84.2%	80.3%	86.2%	91.1%	87.5%	85.5%	70.4%
SIGMA	1000	486	515	341	360	300	237	272	56	123	94	162	246	256	61	104	104	195	311	350	165	173	153	149	219	321	842	81	63	13	512	313	151
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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