

Housing Sprint

How to Solve the Housing Crisis

March 2020



CLARION
HOUSING GROUP



The Housing Sprint was devised and managed by the Saïd Business School, University of Oxford, which is the publisher of this report.

March 2020

THE HOUSING SPRINT REPORT

In 2019 the project sponsors, representing a cross-section of Government, industry, and academia, agreed to work together to support a “Housing Sprint” to look intensively at potential solutions to the Housing Crisis.

The Housing Sprint adapted idea-development techniques pioneered for the tech industry to investigate potential solutions to the Housing Crisis, including how to:

- **Help accelerate delivery of more new homes** to meet the Government’s target of 300,000 homes per year for the next twenty years;
- **Ensure that housing was looked at holistically** along with the provision of communal infrastructure and economic growth; and
- **Encourage greater support for new development** from residents of existing communities and their elected representatives.

THE SPRINT PROJECT

First, we broke the problem down into three key areas for in-depth academic study:

Land: the availability of land suitable for housing;

Finance: the sources of potential finance for new development; and

Community: how to build enduring communities that people will actively support for their area.

Academic papers on each area were then written by representatives of (i) The London School of Economics (on Land), (ii) the Saïd Business School at Oxford University (on Finance) and (iii) the Bartlett School at University College London (on Community).

Then we convened a three-day workshop (the “Sprint”) curated by the Saïd Business School of Oxford University. It brought together 50 industry experts, presented them with the latest academic information and asked them to work collaboratively in a time-pressured environment to generate and test potential solutions. This process formed more than twenty ideas that could contribute to solving the Housing Crisis.

This report is the culmination of the findings of the papers and the discussions held at the Sprint Workshop.

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Note: MHCLG and Homes England co-sponsored the Housing Sprint project as part of their wider aim to support innovative approaches to research and policy development. However, the conclusions in this report arise from a Steering Group of the Sponsors and Academic Advisers and do not necessarily represent the views of the department or agency.

HOUSING SPRINT FINDINGS

- The 6 million new homes we need over the next 20 years would require, at most, some **1.5% of England's undeveloped land**.
- **Building 300,000 homes each year would require an annual investment of £100bn** to finance the construction of the homes themselves and the required new or improved roads, schools, doctors' surgeries, parks and landscape in areas taking more housing.
 - **This amounts to a £2 trillion investment over the 20-year development period** to pay for 6 million homes and the social and physical infrastructure to ensure that both new and existing residents are well served.
 - **Only a very small proportion of the £2 trillion would require additional funding from the State.**
- **Communities with the right mix of amenities, whether active villages or major cities, offer real benefits.** If new development did more to deliver facilities and support communities, opposition to new housing could be much reduced.

The Sprint proposed solutions covering tax, sustainability, strategic planning, land value capture, Compulsory Purchase Orders ("CPOs") and the green belt.

Parts Two, Three and Four of this report summarise these ideas and make suggestions for further investigation.

Part One sets out the main recommendation of this report, which is intended to ensure these potential solutions stand the best chance of effecting positive change.

MAIN RECOMMENDATION

We Propose: The Government should establish a new, permanent, cross-party, multi-disciplinary "Housing Advisory Committee", to advise the nation on ways to tackle the Housing Crisis.

We expect the Housing Advisory Committee to be an independent non-departmental body similar to the Committee on Climate Change, the Migration Advisory Committee, the National Audit Office, or the Office for Budget Responsibility. It would bring together stakeholders and experts to assess the effectiveness of enacted policies and present a menu of options for achieving the Government's stated housing goals.

In this way the new body could support the Government in meeting this housing challenge by helping it:

- Improve the quality of life for those moving into well-designed new homes;
- Bring benefits to the wider community from better designed places;
- Deliver social and environmental benefits by bringing more people within an easy walk, cycle or bus journey of schools, workplaces, health and leisure facilities; and,
- Improve public health and save enormous sums for the NHS.

We estimate a fully staffed Housing Advisory Committee to cost around £8-£10 million per annum. A cost which must be set against the £100bn that must be invested each year in new housing and the £20.7bn a year spent each year on Housing Benefit¹. We would also expect that upfront expenditure on improving housing delivery would bring considerable incremental social and economic benefits².

This report will demonstrate why we believe there is sufficient land and finance to meet the Government's commitment to house building. However, the history of the last 20 years has shown that the potential supply of land and finance alone cannot be expected to turn into a reality without a paradigm shift in public attitudes and policy. The Housing Advisory Committee could help the Government to achieve this. The immediate creation of a Housing Advisory Committee would demonstrate the current Government's commitment to turn the need for new homes into an opportunity for broader support of communities, healthy living and economic growth. Ensuring that constructing 6 million new homes becomes a legacy that benefits the nation as a whole.

CONCLUSION

Most of us yearn for unspoilt green spaces; for clean air; and for traffic-free roads. But we also want abundant local schools, doctors' surgeries, and leisure facilities; we want faster trains, more buses, and the flexibility of car use; we want a growing economy that supports our jobs; but most importantly we want a decent chance to find a home where we choose and at a price we can afford.

These two wish lists are in conflict. That conflict has created our Housing Crisis.

We have no choice but to build our way out of the current Crisis. In doing so, we are likely to spend £2 trillion over the next twenty years. Spent without careful thought and consultation, that money will fuel arguments in every corner of the country. Spent considerately, it could help build Jerusalem in this green and pleasant land.

At the root of all the recommendations in this report are ways to allocate and deliver homes alongside jobs, schools, health and leisure services and parkland in a way that leaves England a better place than we found it. The hope is that success breeds success and that good development will expand the common ground between those who are reluctant to see change and those who champion it.

We believe that an independent, expert Housing Advisory Committee with a clear remit and authority would make a great contribution to seeing that the homes are delivered in a way that strengthens our countryside, our communities and our economy.

¹ DWP 2018/19 forecast <https://www.gov.uk/government/publications/benefit-expenditure-and-caseload-tables-2019#history>

² For the comparable investment in bricks or benefits and resultant beneficiaries see Capital Economics (2019) *Increasing investment in social housing: Analysis of public sector expenditure on housing in England and social housebuilding scenarios* https://england.shelter.org.uk/_data/assets/pdf_file/0007/1641175/Capital_Economics_Confidential_-_Final_report_-_25_October_2018.pdf

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Note the three academic reports (Appendices 4, 5, and 6) prepared for the Housing Sprint are only available online.

The Structure of the Report

Part One provides detail on the **remit, funding and constitution of the Housing Advisory Committee**.

Part Two looks at the **availability and allocation of land** and the application of land value capture mechanisms.

Part Three considers **finance and ownership** including:

- The need to bring in more, lower-cost, “patient capital” (institutional finance) to development, infrastructure and the rental sector;
- The concern that frequent changes to property-related taxes and incentives cause instability and uncertainty with consequent adverse effects on delivery, price and quality. Part of the role of the Housing Advisory Committee should be to ensure broader consideration of the knock-on effects of proposed changes in advance. This will increase the likelihood that policies will last for the long term, giving confidence to planners and investors;
- The need to improve our methods of land value capture in order to meet its competing objectives.

Part Four explores:

- What a community, from a small village to a metropolis, needs to thrive; and
- How site allocations and planning applications are decided; and how the system could encourage developers and landowners to provide greater benefit to the community.

Appendices

Appendices 1, 2 and 3 list the 18 Housing Ministers in the last 21 years; 36 of the many major housing reports written since 2004; and a number of the bodies intended to implement housing policy, some of which have been disbanded. Together they highlight the lack of an institutional memory and continuous informed decision-making for housing policy. Appendices 4, 5 and 6 (online only) contain the full reports on Land, Finance and Community from the three academic teams. Appendix 7 provides their biographies. Appendices 8 and 9 explain the Sprint process and lists the participants.

Ideas for how Government, along with all stakeholders in the housing sector, could work better to achieve our shared goals appear throughout this report. The **suggestions** in Parts Two to Four should be subject to further examination and debate. The **recommendation** in Part One to form a Housing Advisory Committee is intended to be immediate.

Prior to describing the Housing Advisory Committee, the next two pages emphasise first the complexity and scale of the Housing Challenge and then the diversity of our national goals for housing. By forming a Housing Advisory Committee now, with expertise and a long term institutional memory, future changes to these complex issues can be managed holistically to everyone’s benefit.

With appropriate changes, opposition to development can be reduced, making the politics of planning and land allocation more practical and less controversial.

THE COMPLEXITY AND SCALE OF THE HOUSING CHALLENGE

Why is housing so different from other business sectors and manufacturing processes?

Overall Value

The value of housing stock in England is £7 trillion, three times the value of the FTSE 100. It is therefore critical to the economic wellbeing of the country as well as the 64% of occupiers who own their own homes³.

Long Term Use

Unlike most goods that are designed, manufactured and shipped within months, housing takes far longer to design and build and then endures for the long term. A third of England's housing is over 100 years old and seventy-five per cent is more than 40 years old. So we live for the long term with the consequences, good or bad, of decisions on where to place and how to design homes. We admire the best homes for their place-making. We regret, for a long time, the worst of our housing, much of it built in the last sixty years.

Essential Place to Live – not a consumer product superseded by fashion or technology

Not everyone needs or wants a car, a trampoline or a barbecue. Everyone needs a home. Many standard products like bowler hats or printed encyclopaedias, land lines or petrol cars become redundant with changes in technology and fashion. Homes endure because we need a base as individuals, and for our families, that is secure and gives an opportunity to put down roots and grow a life.

Immoveable

Most products are relatively small and easy to move. They have little visual impact on the environment and are confined within buildings out of sight. Homes, for better or worse, have a dramatic continuing impact on the landscape and cannot be relocated.

Networked – Community

A few people may enjoy a remote lighthouse or croft detached not only from mains electricity, water and drains but also from schools, shops and workplaces. Most people, however, want homes that plug into a full network of services, opportunities and amenities; utilities, doctors, schools, jobs and leisure.

Energy and Climate - Sustainability

The design, operation and location of homes must make a major contribution to the climate change challenge.

Local Government – Need for Co-operation

English planning is controlled by 192 district councils working loosely under: 26 upper tier county councils; 32 London Boroughs and the GLA; 36 metropolitan boroughs; 55 unitary authorities and nearly 12,000 town/parish/village councils potentially capable of publishing their own Neighbourhood Plans. Long term planning of infrastructure and homes often impacts on more than one of these. A Housing Advisory Committee would explore ways to achieve greater co-operation.

³ MHCLG (2020) *English Housing Survey Headline Report 2018-19*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/860076/2018-19_EHS_Headline_Report.pdf

OUR HOUSING GOALS FOR THE NEXT TWENTY YEARS: WHAT GOOD LOOKS LIKE

Affordability

Ensuring access to a suitable home for all people.

Communities

Housing delivery should strengthen local communities by helping provide community assets, activities and governance.

Amenities

Large housing allocations should be in places well provided with community facilities or come with the certainty that the developer or Government will provide them.

Sustainability

New buildings should incorporate the best standards for energy efficiency, zero carbon, recycling, etc. As importantly, homes should be close to schools, shops and public transport to make more journeys practical without cars to reduce traffic congestion and pollution while encouraging exercise and social interaction.

Design

Attractive materials, elevations and environmental standards are vital.

Place-making

The siting and elevations of new homes and the creation of landscaped streets, footpaths and parks to unite them as meeting places should be central to housing delivery.

Variety

One size does not fit all. Depending on family circumstances, age, health, wealth, work and pure personal preference, we need to provide a wide variety of homes in a variety of urban, suburban and village contexts. Detached, semi-detached, terraced, flats and high-rise; starter homes, family homes, retirement homes and special homes for the frail or elderly. Homes to buy and homes to rent and intermediate tenures. Homes in every part of the country that offers employment. The planning system needs to put more emphasis on the full range of types and tenures.

Parks and Countryside

More of the increase in land value from greenfield development must be channelled into investing in community-supporting infrastructure and services, including acquiring a much greater area of land into community ownership to conserve the countryside, encourage biodiversity and public access.

Part One – The Housing Advisory Committee

1 Remit

We propose that the Government should establish a new, permanent, cross-party, multi-disciplinary “Housing Advisory Committee”, to advise the nation (Government, local authorities, private developers, social landlords, conservation groups and other stakeholders) on ways to tackle the Housing Crisis. The lack of a body with a remit to look at all the issues relating to housing has left the Housing Crisis unresolved.

These complex, inter-related issues include the mix of house types and tenures; the availability of suitable land; public and private finance; land value capture; tax and grants; sustainability; transport; health; education and, importantly the creation of vibrant communities, not just homes.

We envisage the Housing Advisory Committee to be a non-departmental body similar to the Committee on Climate Change, the Migration Advisory Committee, the National Audit Office, or the Office for Budget Responsibility.

It should have a permanent staff, remit, and institutional memory, giving it the ability to speak with authority on housing and the issues and policies that surround it. We propose it is established for an initial period of 12 years so that it extends beyond the life of two Parliaments.

What is it expected to do?

The Housing Advisory Committee will advise the nation on how best to:

- **Encourage cohesive, sustainable communities** that meet the forecast growth in households in the right places across the nation while preserving and enhancing the countryside;
- **Meet the housing needs of under-provided sections of the community**, including;
 - Households with low and moderate incomes;
 - Young people with poor access to credit or no access to the “bank of mum and dad”;
 - Older homeowners looking to downsize and stay independent; and
 - Older renters worried about paying their rent when they retire.
- **Deliver houses and communities** to meet the full range of needs and aspirations of all sections of society;
- **Reduce risk and uncertainty** to support the investment needed to deliver this new housing, infrastructure and community facilities;
- **Plan long term** for how housing will help the UK accelerate progress towards a zero carbon economy, how we make our communities fit for the second half of the 21st Century, and identify land most suitable for the nation’s longer term development needs;

- **Balance taxes and grants** on housing to be effective, transparent, easy to operate and widely seen as fair. This will help them persist for the long term and ensure planning allocations and investment can be made with confidence; and
- **Promote co-operation** between the hundreds of local authorities and thousands of town and parish councils.

We envisage that the Housing Advisory Committee will be able to **speak with the authority needed to encourage change** where change is required, as well as encourage long term decision making and the steady evolution of policy.

Huge amounts of research, thoughtful analysis and time have already been spent addressing many of the above questions but the country has lacked a consistent body with the skills and status to curate and assess this information for Government.

2 Structure and Budget

The Housing Advisory Committee is conceived of as an independent body, accountable to Government, with the chair, deputy chair and chief executive appointed by the Secretary of State, and with a responsibility to report regularly on its activities to a Parliamentary Select Committee.

It is envisaged that the Housing Advisory Committee will initially be constituted for a significant period of time to allow it to establish itself as an independent and objective body and enhance one of its core tasks of incremental policy improvement and knowledge retention. We suggest this should be for an initial period of 12 years to cover at least two Parliaments.

2.1 Main Board

The chair and deputy chair should be appointed for at least five years. Other non-executive Board members should serve three or four years, to achieve a balance between fresh ideas and consistency.

It is important that appointments be seen to be representative of all stakeholders and experts in housing. These appointments should be neither party political nor a narrow industry lobby group.

There should be 10-12 directors whose responsibility is to assist Government meet the nation's housing goals set out on page 11 and the remit set out above.

2.2 Subsidiary Boards

Under the Main Board there will be a number of focussed sub-boards whose membership will include at least two main Board directors and five or more further directors with a specialist understanding of the sub-boards' areas of responsibility.

By way of example, we suggest below the range of skills and viewpoints needed for membership of three of the sub-boards:

- **Planning:** People with expertise as planning officers, planning lawyers, planning consultants, masterplanners, local Councillors, house builders, environmental groups, academic urbanists;
- **Finance:** Finance directors from house builders and housing associations, local authority finance officers, Treasury and Bank of England, bank lenders, economists;
- **Demand and Location:** Academics and professionals with demographic expertise; understanding of transport capacity and improvements; representatives of employment (trade and industry); and the views of city regions.

2.3 Reporting Lines: Secretary of State - Parliamentary Housing Committee

The Commission will be required to report formally to a joint Parliamentary Committee with memberships drawn from the MHCLG and HMT Select Committees.

This will provide the ability for Parliamentarians to scrutinise the work of the Housing Advisory Committee and ensure its work is open and available to policymakers on a regular basis.

2.4 Secretariat

The Housing Advisory Committee will be led by a CEO whose appointment will be made by the Secretary of State.

The Committee must have sufficient funding for a core secretariat and research function. At a minimum, this is a full time staff of about 30 people and a significant ability to commission or co-commission in-depth, original research.

The initial budget for the secretariat and the research programme will together be in the region of £8-10 million a year.

3 Potential Responsibilities

We set out below five principal tasks the Housing Advisory Committee might take up. The first four are to generate general improvements in research, data and policymaking. The fifth is to assist local authorities directly with additional expertise in looking at land allocation and land value capture.

3.1 Research - Policymaking

The Committee would collate, make available and report on all housing-related research and data being prepared by Government, Homes England, academics, think-tanks, professional bodies, charities and lobby groups and publish quarterly summaries of new findings⁴. Where appropriate, the Committee would also commission, or co-commission, independent research.

The Committee would use this new research and its members' knowledge of all aspects of planning, housing delivery and finance, and close working relationship with Government, to make appropriate policy recommendations. Appendix 2 sets out a selection of the better-known reports published since Barker's in 2004. The number,

⁴ For example engaging with the extensive housing evidence reviews, policy analysis and new research undertaken by the UK Collaborative Centre for Housing Evidence (CaCHE) <https://housingevidence.ac.uk/>

scale and overlap of these reports confirm our view that a single trusted body, like the proposed Housing Advisory Committee, is needed to help Government absorb and address so many inter-related ideas.

3.2 Training and Education

Building better understanding between local authorities, developers, landowners and local communities is critical to changing the binary conflict surrounding planning applications. Once the Housing Advisory Committee is established we would recommend funding a training and engagement programme on a national basis, with regular workshops in all regions. An indicative budget, assuming engagement with 25 people per year from each local authority area at £400 per person, would be £5m.

The training meetings would bring together not just planning officers, developers and architects but also members of the planning committee, heritage and landscape trusts and residents concerned about local development proposals.

3.3 Mapping – Spatial Planning

The Housing Advisory Committee should make recommendations (see Part Two page 24 on Land) on improvements to the way land records, including ownership, topographical and land use data, are held by Government to assist in land allocation. Without this information, proper forward planning is currently not possible. At the moment, local authorities are required to demonstrate a five-year land supply. While this may be sufficient to meet the needs of the housing industry and short term demand, it does not allow for planning in step with infrastructure, which has a far longer life.

By contrast to England's short term approach, Holland has a 300-year spatial plan⁵. We believe that responsible planning requires at least a twenty-year view. Without that it is hard to form a properly informed plan for major infrastructure provision. The Housing Advisory Committee could play a significant role in co-ordinating land allocation and infrastructure provision to optimise community benefits and economic growth.

3.4 Assessing Performance against Stated Goals

The Committee will assist MHCLG in measuring progress in achieving its goals nationally and locally and in suggesting adjustments to policy, guidance, incentives and training to achieve those goals. The Committee will present a menu of options where multiple approaches to solving an aspect of the Housing Crisis apply.

3.5 Professional support for housing allocation, particularly major applications

An annual programme with an end value of £100bn is likely to have a construction cost of at least £40bn and fees paid for by developers on design and impact studies (traffic, environment, etc.) of at least £4bn. In order to ensure that money is spent on the right projects in the right places, Government could provide additional, early stage expertise and funding to analyse proposals before allocations are made. This support should not only be directed to site allocation but also to assessing the necessary infrastructure.

This additional, upfront professional expertise can help ensure that, as far as possible, infrastructure is funded by land value capture where land values mean this is possible, leaving the Government free to focus its own expenditure on those areas of the country where state support is necessary to facilitate new development.

⁵ For the practical impact of national long-term spatial planning see the Dutch VINEX policy for strategically designated sites for delivering housing over numerous decades.
<https://www.centreforcities.org/reader/delivering-change-building-homes-need/can-cities-make-opportunities/national-strategic-planning-enforce-co-operation-vinex-netherlands/>

To collate comparable information to properly support local authorities in land allocation, preparation of studies on transport, environment and employment in several hundred locations is essential, not only to achieve the extra 100,000 homes needed each year, but to create exemplary new communities. The process should be both reactive and proactive. Where insufficient appropriate proposals are coming forward, Government should help identify rather than merely approve locations.

The additional expertise and cost for this work could either be contained directly within MHCLG, the Housing Advisory Committee or within local authorities. We believe that the Committee's expertise and independence will allow it to speak with authority and objectivity in this area and so it would be best placed to house this store of professional skills. Whichever route is taken, it would be best to have a small central pool of expertise with regional hubs (about ten, each covering the areas of two or three Local Enterprise Partnerships or centred on one major city or conurbation) each with a group of "client" local authorities. Each hub would have a base budget for a core group of "staff", professionals and project managers with the technical expertise to take an overview of any proposals. Each regional team would also have the ability to draw down further funds to pay consultants in relation to specific proposals that they considered deserved deeper exploration and, potentially, support. (See Appendix 3 for a list of former agencies such as ATLAS or CABE that have, in the past, usefully provided direct intervention and support for housing projects.)

We would suggest a total budget for staff and external consultants of c. £100m p.a. equivalent to, c. £500,000-1,000,000 average for each local authority where demand exists for considerable housing growth. The money would be allocated in relation to the consideration of specific proposals and the allocation of more land not simply added to local authority budgets. Perhaps a third of the budget would fund the regional hubs and two-thirds be spent on consultants and secondees to consider specific land allocation. £100m is a large sum but an essential cost. It would only be one thousandth of the £100bn to be spent per year to deliver 300,000 homes and their supporting infrastructure.

Although it is likely that a significant portion of the land needed to provide 6 million homes will be previously undeveloped, it is important to emphasise that the Housing Advisory Committee will also focus on opportunities to develop brownfield land and intensify housing where appropriate within urban areas.

The underlying driver in all cases would be to meet the long term, national goals for a broad, integrated offer of housing, communities and employment, reflected in the list on page 11.

4 The Housing Advisory Committee and Homes England

We see the Housing Advisory Committee as fundamentally different from Homes England. Homes England is carrying out an essential job directly providing capital and expertise into delivering homes. Homes England can unlock large numbers of specific sites with the financial resources and skills it can direct towards CPO powers, loans, grants and construction contracts. We do not propose that the Housing Advisory Committee should have those powers.

Summarised in Homes England's own words:

“Our role is to ensure more people in England have access to better homes in the right places. To make this happen, we intervene in the market to get more homes built where they are needed. We accelerate delivery, tackle market failure where it occurs and help to shape a more resilient and diverse housing market. We work in collaboration with partners who share our ambition. These include:

- *Local authorities*
- *Private developers*
- *Housing associations*
- *Lenders*
- *Infrastructure providers.*⁶

Homes England's strategic plan is powerfully illustrated in the following capital intensive activities.

- Its ownership of the residuary estate that came to English Partnerships, and from there to Homes England, from the Commission for the New Towns;
- By buying additional land to unlock situations like the 3,000 homes north of Burgess Hill where protracted negotiations between landowners and a number of developers delayed implementation of a strategic site favoured by the local authority;
- By acting as master developer on new settlements like Northstowe in Cambridgeshire;
- By being the Government's conduit for grants and long term loans to other private and public sector bodies to help them fund infrastructure needed to service housing land; and
- By acting as the Government's conduit for Help to Buy.

By contrast, we do not suggest any capital delivery role for the Housing Advisory Committee. It should focus on research, policy, training, land allocation and driving stakeholders in the housing sector towards greater and better output and collaboration.

⁶ <https://www.gov.uk/government/publications/homes-england-strategic-plan-201819-to-202223/homes-england-strategic-plan-2018-to-2023>

5 The Housing Advisory Committee and other Government Agencies

There are a number of other agencies such as the Valuation Office Agency (“VOA”), the Commission for Architecture and the Built Environment (“CABE”), the Infrastructure and Projects Authority (“IPA”) and the Building Research Establishment (“BRE”) with specific remits in assessing value or driving better design. The Housing Advisory Committee would collaborate with these and not seek to replicate their specific function.

The Housing Advisory Committee’s primary aims, in order to meet the Government’s stated aspirations, would be advising on how to:

- Allocate land in the right areas more effectively and in a way that will also deliver housing accompanied by the amenities and opportunities (schools, surgeries, employment space, improved transport) that improve the quality and sustainability of communities;
- Remove hurdles that prevent longer term, lower cost institutional finance being invested in housing and infrastructure

Part Two - LAND

1 Data and Insights from Cheshire and Carozzi’s “Housing Sprint Land Report”. Is there enough land without England being concreted over?⁷

Britain has a long history of painting a grim picture of the march of development. William Blake wrote of “Dark Satanic Mills” 200 years ago. Punch published the cartoon below 100 years ago. It shows Mr. Smith leaving an idyllic village in 1914 to join the army “to preserve his native soil inviolate” only to return to a landscape of smoke and factories in 1919. The Council for the Preservation of Rural England was founded in 1926. And the acronym NIMBY became common 30 years ago as local residents’ groups began to fight back to stop England “being concreted over” and, by doing so, cemented the belief that it was.

Fig. 1

The strength of this belief is shown clearly in the answers to a questionnaire prepared for the Barker Report in 2006, asking members of the public “What percentage of land in England is developed?”

Table 1

Perceived % land developed	All responses	Excluding don’t knows
75% or more	10%	12%
50 to 75%	21%	25%
About 50%	23%	27%
25 to 50%	19%	22%
25% or less	13%	15%
Don’t know	15%	

Source: Barker (2006) *Barker Review of Land Use Planning; Interim Report - Analysis*

The survey shows that more than half of those questioned (and expressing a view) thought that 50% or more of the country was covered in buildings. 12% thought that 75% or more was built on. These are enormously powerful beliefs but they are not supported by the facts. The reality is that less than 5% of England has buildings on it. This increases to 8.5% when all roads and railways and like infrastructure are included. This leaves 91% of the country unbuilt. A massive 12 million hectares.

A typical density for new suburban housing is 35 homes per net hectare. In town centres 100-200 is not uncommon and occasionally 500+. So how much land would be needed to build 6 million new homes? Assuming most homes continue to be low rise with their own gardens, and an average density of only 50 per hectare is achieved – that’s 120,000 hectares of land, including gardens for 6 million new homes. It is only 1% of England’s

⁷ Cheshire and Carozzi *Housing Sprint Land Report* LSE available at Housing Sprint website

unbuilt land. By comparison, England's ten National Parks and 33 Areas of Outstanding Natural Beauty take up 1.3 million and 1.9 million hectares respectively - together nearly 25% of England's unbuilt land. So preserving these large and important areas of special landscape designation is no barrier to delivering 300,000 homes per year for 20 years.

It is easy to see, then, that the perceived shortage of land is, even if heartfelt, not based on facts. These statistics offer some reassurance to the public but can only go so far in combatting the popular sense of loss of green spaces. To address this concern properly, new development needs to make a real contribution to financing both the preservation and creation of public green spaces that offer genuine benefit because of the facilities they offer for fresh air, leisure, agriculture and biodiversity.

2 Development can deliver more public open space

If the land taken for new housing were increased by a quarter to allow for roads and utilities, and a further quarter to allow for employment space, schools, shops and medical facilities, and then by a further 50% in order to provide generous public open space, far from having concreted over England the entire development programme will have affected less than 2% of England and delivered a further 60,000 hectares of accessible, green and socially valuable public open space.

Table 2

Hectares		% of undeveloped England
120,000	Housing	1.00%
30,000	Infrastructure	0.25%
30,000	Employment/Education, etc.	0.25%
60,000	Public Open Space	0.50%
Total	240,000	2.00%

Calculation based on Cheshire and Carozzi land figures

Comparing that 60,000 hectares of additional public open space with the size of the existing popular green lungs of our towns and one sees the massive contribution that new housing can make by creating a further 60,000 hectares of attractive public open space. That would surely help convince the public that development can bring benefits.

Table 3

How Much Parkland Makes a Difference?	
Less than 50 Hectares	More than 50 Hectares
Pavilion Gardens, Brighton (2 hectares)	Battersea Park (83 hectares)
Valley Gardens, Harrogate (7 hectares)	Sefton Park, Liverpool (95 hectares)
Horsham Park (24 hectares)	Cannon Hill Park, Birmingham (101 hectares)
St. James's Park, London (23 hectares)	Hyde Park, London (142 hectares)
Dunorlan Park, Tunbridge Wells (27 hectares)	Stanley Park, Blackpool (152 hectares)
University Parks, Oxford (30 hectares)	Heaton Park, Manchester (243 hectares)
	Richmond Park, Richmond upon Thames (955 hectares)

Area of each park taken from Council web sites or Wikipedia

Table 3 illustrates the relative advantage to the public of small areas of space dedicated to public amenity compared with the infinitely larger areas of privately owned land. In our view, a key part of a new paradigm is that new housing development leads to the creation of many more much-loved parks⁸.

3 Planning Gain – Land Value Capture

Transferring private land, at no cost, into public park is one form of “*land value capture*”. By that we mean one of a number of methods that ensure some of the increase in value from a change of designation of planning use (particularly from greenfield to housing) should be used to provide local public benefit. A feeling that it is wrong that land uplift should accrue solely to the landowner is hardly revolutionary. Winston Churchill expressed his views clearly in 1909:

*“Land....is by far the greatest of monopolies. Consider the enrichment which comes to the landlord who happens to own a plot of land on the outskirts or at the centre of one of our great cities. All the while, the land monopolist has only to sit still and watch complacently his property multiplying in value, sometimes manifold, without either effort or contribution on his part; and that is justice!”*⁹

Various attempts have been made in the past, such as Betterment Levy and Development Land Tax, to apply specific high taxes on this uplift. However, those taxes have all been repealed because they raised little money net, after high administrative costs, and they deterred proprietors from making land available for development.

A wide range of views on land value capture were expressed by the steering group and at the Sprint event itself. These included different opinions on the best way to calculate uplift; likely amounts available in different locations; what level of tax/community benefit was sustainable without reducing the supply of available allocated land; and how any land value capture benefit should be divided between cash payments, works carried out by the developer or land made available for social housing or other uses generating little or no value.

Different views were expressed on whether one simple overriding method was better or whether several ways of land capture were needed to address different circumstances. Principally, the reality that the economics of each site vary significantly, so that a working assumption that all potential sites are virgin fields next to towns in the home counties, is outdated and unhelpful. The reality is that many sites contend with the costs of contamination or being in areas of low land value and in both cases have little or no land value to capture.

The interrelation between the allocation of development land and the public benefits it can generate are complex. An independent review of the effectiveness of different methods of land value capture may therefore be a prime topic for a future Committee. It

⁸ The GLA's Natural Capital Account for London (2017) measures the economic value of health benefits that Londoners get from the capital's public parks and green spaces
<https://www.london.gov.uk/what-we-do/environment/parks-green-spaces-and-biodiversity/green-infrastructure/natural-capital-account-london?source=vanityurl>

⁹ Winston S. Churchill (1909) *The Mother of all Monopolies* From a speech delivered at King's Theatre in Edinburgh on 17 July 1909

would consider how land value capture can be maximised while: (i) keeping the system as simple and transparent as possible to ensure the largest possible proportion of land value uplift is used for positive purposes – not running the system; and (ii) ensuring that there is minimum discouragement to bringing land forward for residential development.

4 LAND – Ideas Arising from the Housing Sprint to Explore Further

4.1 Data and Technology – GIS Inspired, National Smart Planning Framework

4.2 Green Belt

4.3 Land Capture – S.106/CIL – Viability – Professional Skills

4.4 Compulsory Purchase Orders

4.5 Suburban Intensification

We investigate below five areas where a Housing Advisory Committee could help drive the debate on how best to use our land more effectively and to generate not only more homes but more community benefit. At this stage, however, suggestions on how changes would be made to, for example, the use of CPO's are tentative. The central purpose of the Housing Advisory Committee is to ensure that tentative proposals are objectively examined and developed on an ongoing basis so that they are thoroughly tested, selecting the best for implementation.

4.1 Land Recommendation – Data and Technology – GIS Inspired, National Smart Planning Framework

We believe that better data, training and analysis is essential to optimise the economic, social and environmental impact of a 20-year, £100bn p.a. development programme.

One of the first tasks for the Housing Advisory Committee should be to prepare the brief for the National Mapping Programme. It would not be the first such effort. The Anglo-Saxon Chronicle, written nearly 1,000 years ago, records the detail into which the Domesday Book went. It says William the Conqueror “*sent his men all over England into every county and had them find out how many hundred hides there were in the shire – what or how much everybody had, who was occupying land in England, in land or in cattle, and how much money it was worth.*”¹⁰ If it was right to make an accurate survey in the eleventh century, it is essential to do so now when the use and ownership of land is so varied; many factors including transport, environment and demographics are relevant; and the technical tools for collecting and managing data have grown astonishingly.

The data collected would form the evidence to answer these questions. Where should the buildings go? On brownfield or greenfield sites? In the south east or the north west? In new towns or small parish scale development? What infrastructure is needed to support them? What is the right mix of units between market sale, social rented, private rented, family units, starter homes, retirement homes, city centre flats, suburban homes?

Although much of the information exists through the Office of National Statistics, Land Registry, the Rating Agency or the Ordnance Survey, it is not collated in a transparent or easily comparable way nationally, nor is it readily accessible. Local Planning Authorities use their own systems and methods to define their local plans and do not store planning data in a common format that can be entered into or read by common GIS systems. As a result, it is not possible to get comparable information across local authorities to identify how much land is allocated for what purposes. It is certainly not easy to compare what land might best be developed from one district council to another and which local authority is better placed to accommodate growth. An important task, therefore, would be

¹⁰ <http://www.domesdaybook.co.uk/compiling.html>

to identify a common set of data to be provided by all local authorities and a common GIS system into which all mappable data, such as land allocations, should be entered. The minimum requirement for effective policy is that policy makers have a clear picture of what is happening. This applies as much to the availability of brownfield land and areas where densification could be increased as to the suitability of greenfield land for development.

Better statistics on movement patterns are also important. An analysis of Census 2011 migration data by Savills indicated that 69% of households moved less than ten miles. The figure for less than five miles is 58%. This would have included old as well as new housing stock. Knight Frank made a similar study of how far purchasers moved based on the private sale records of a few house builder clients. These statistics suggested slightly greater travel distances reflecting the car-borne suburban/commuter mix of most new housing at that time. The evidence is clear: the majority of households do not move far. A choice of types and tenures of homes in a wide variety of locations is, therefore, essential.

Improvement to the information currently available is needed to decide the scale of demand/need in any travel isochrones (an area measured by equal travel time rather than equal distance as the crow flies). It is critical to understand that the nature of demand relates to travel time and ease of access by different modes of transport. Staying close to work or family matters. Staying within a specific local authority boundary is unlikely to matter to a resident. Only armed with information that properly combines ownership, topography, transport, demography and employment, can a better allocation of land be made, either through the “duty to co-operate” imposed by the Localism Act and the NPPF or across regions.

Only by knowing in a common format and to standardised definitions what local authorities have planned can judgements be sensibly made as to how well policy is working, and how or if it needs to change.

4.2 Land Suggestion - Green Belt

There are green belts around 14 of England’s cities. They total 1.6 million hectares – 12% of England of which a significant percentage is also protected by an “Area of Outstanding Natural Beauty” (“AONB”) designation¹¹. The total amount of land designated green belt grew significantly in the 35 years from 1955 but has remained fairly static since 1997, when detailed data became available.

When the first Green Belt was designated in 1955, it was explicitly designed as a way of restricting urban extension and of preventing settlements gradually coalescing. This was partly motivated by the perceived detrimental effects of 1930s ‘ribbon development’, along the edge of existing roads, aided by the growth in car ownership.

By restricting urban extension, green belt designation over time pushed new housing much further out from the largest towns, increasing commuting distances. Unlike policy for National Parks and AONB, green belt policy did not specifically seek to protect attractive landscape or provide public access. Since most green belt land outside AONBs or other specific amenity or environmental designations, lacks these benefits and is often conveniently located for development, it would be helpful to consider whether a tiny proportion of green belt - perhaps 2-3% (32-48,000 hectares) - could make a contribution of 18-27% to the land needed for housing over the next 20 years.

¹¹ Cheshire, Carozzi (2019) *Housing Sprint Land Report* LSE

Removal of green belt status is, of course, highly contentious. The participants at the Housing Sprint made three suggestions for limited green belt releases in specific circumstances:

- Where it makes an important contribution to placing housing near existing demand and services.
- Where it would finance the delivery of much more land as a public amenity.
- Where it makes an exceptional contribution to the environment in the design of new buildings and their associated landscape improvements

All of these ideas should be investigated further by the Housing Advisory Committee before any recommendation was made as to their appropriateness.

a) Green Belt and Transport

Consideration should be given to development in the green belt where the following criteria apply:

1. Employment Available

The land is within a 750 metres radius of a railway station that connects to a regional employment centre in less than 40 minutes; OR the land is within 5,000 metres of a significant employment area that currently has to draw a large proportion of its employees from further away; and

2. Education Available

The land is within a 750 metre radius of a primary school capable of being expanded to meet the demands from the new housing; and

3. Landscape Designation

The land itself is not of special landscape, recreational or environmental interest. This will protect land with exceptional natural or amenity interest even where the land is close to a station, school or significant employment area.

b) Green Belt and Public Access to Enhanced Landscape

Much green belt land offers little public access or landscape value. It is often on the edge of intensely developed, urban land with limited provision of parkland and playing fields. The Government, working with environmental, heritage and sporting organisations should create templates whereby local charitable groups can become the owners of private green belt land as a part of the development process.

For example, a developer seeking to obtain the release of five hectares of housing on the edge of one of the many green belt, commuter towns such as Watford or Hale, could be required, as a condition of the green belt release, to deliver an approved area 10 times the size (remember a magnificent space like St. James's Park is only 23 hectares) to a local charitable trust and to finance works to the land to improve its landscape and leisure amenity for the local community.

Such a transfer of land is economically viable where the current use value of the green belt land is likely to be £8,000 - £20,000 per acre for

agriculture/horseculture/amenity land but with development may increase to £0.5 - £1.0 million per acre or more in the best locations. Transferring private land to public park is an immediate gain to a large number of local residents who benefit from the use of the new public open space nearby. Transfer of the ownership to a community trust also offers guarantees of its future use.

c) Special Relaxation for Green Buildings in Green Belt

Reflecting the green role of the greenbelt a further suggestion from the Sprint was for eco-friendly homes, where biodiversity and greater community access could also make a positive contribution to local wellbeing and global climate change. Starting small with pilot studies to allow parishes to opt-in to a share of landowners' value uplift from development, they could eventually create a nationwide 'green web' to capture the public desire for action on the climate emergency.

Parish Councils could be given the right to release plots for up to, say, 20 houses in the green belt on the edge of settlements large enough to still have a primary school provided:-

- The buildings meet a set of gold standards in terms of net zero carbon and other features published annually by the Housing Advisory Committee. Because green belt land currently has almost no "hope value", any additional costs of innovative design and specification could be absorbed by reduced land price. The experimentation on these plots may well prove technical ideas to be rolled out as standard later.
- The buildings help finance significant landscape improvements both on plot and within 500 metres of plot.

4.3 Land – Suggestions for Further Examination - S.106/CIL – Viability

"Land Value Capture" is a term used increasingly widely to denote some of the uplift in land value from planning being used to bring wider benefits to existing residents in the local area or to the wider public. It addresses the problem Churchill identified more than 100 years ago (see page 22). Suggesting constructive ways in which taxes and grants could be better balanced to meet the competing needs of housing delivery and land value capture could be a central role of the Housing Advisory Committee. These competing objectives include that:

- Land value capture be simple, easy to collect, and predictable;
- Sufficient land is brought forward to meet the nation's housing needs;
- Green Belt and open space is protected and enhanced;
- The land value capture regime is stable over the medium to long term so that planning allocations and investment can be made with confidence;
- Land owners are fairly compensated for the improvement of their land; and
- The needs and expectations of local communities are met as part of new development.

Land value capture is currently achieved in two ways - S.106 Agreements and the Community Infrastructure Levy ("CIL"). Both systems have shortcomings. Both are highly dependent on professional expertise and skills which are patchy and uneven across the country, and further hampered by a lack of transparent, comparable information. The Housing Advisory Committee should be tasked to explore better ways to balance the issues of fairness, commercial incentive and administrative difficulty highlighted above. However, until a better methodology can be established, we support continued use of s106 and CIL.

S.106 Agreements

Agreements under S.106 of the Town and Country Planning Act 1990 (and similar ones under S.278 of the 1980 Highways Act) are binding contracts that commit both the owner of land for which planning is granted and, importantly, subsequent purchasers of the land. They are negotiated between the local authority and the applicant. They require a mixture of legal and valuation expertise and often additional input from highways engineers, education departments, clinical commissioning groups and the like.

Planning agreements can take many months to negotiate and are sometimes only resolved after land has, in principle, already been allocated under Local Plans. This can lead to delays in delivery and reduced trust in the system on the part of local authorities, developers and residents where it is not clear whether a package is viable.

Cases of Councils' aims being "shown" to not be financially viable include the failure of many schemes to deliver the Councils' target percentage of affordable housing. Other promised benefits that fail to materialise include, by way of example, new railway stations, where even if the developer is willing to put up some or all of the costs, the railway operator will not accept a new station.

Community Infrastructure Levy (CIL)

CIL is, in principle, less complicated to manage than bespoke S.106 Agreements. However, despite this, as of July 2019 only 48% of local authorities have implemented CIL. CIL is, in effect, a local tax to help fund the general provision of local services. Some local authorities also allow the affected Parish Councils to spend 15-25% of the CIL so it may go towards funding a truly local wish list of projects and thus garner local support (or at least reluctant acceptance) for otherwise unpopular development.

Each Council sets different rates for different uses (residential, office, retail, etc.). Once the level has been set, CIL was intended to be easy to operate - just a cash payment based on a measured area. There should be no argument about the specific impact of each development and the special works needed to mitigate it. No need to negotiate sophisticated legal agreements or to have detailed financial viability assessments. However, in practice, because of technical exemptions and reliefs (e.g. for self-build, social housing and charities) the application of CIL can be complex.

CIL is typically set at a rate per sq.m. that equates to £5,000-£20,000 per home. Each Council sets its own rate, subject to examination, and the rate can vary in different zones within a local authority. In the Royal Borough of Kensington & Chelsea, for example, there are eight zones. The highest rate is £750 per sq.m. (c.£70,000 on a 1,000 sq.ft. home) and the lowest chargeable rate is £110 per sq.m. Two of the eight zones are actually exempt from CIL.

Table 4 below, created by MHCLG in 2018, reflects the frequency with which some planning gain is achieved by either CIL or S.106. CIL is only applied on 4% of the huge number of applications by householders for alterations, additions within their own property. That is understandable because of the limited impact of such changes and the desire not to burden ordinary householders with costs. What is more surprising is that 26% of substantial developments (100-999 units) make no contribution. Even 7% of the largest developments, over 1,000 units, make no contribution to CIL or s106. Although land values are low in some parts of the country, it seems unlikely that no land uplift is capable of being achieved on so many large schemes. It is also likely that all developments of 1,000+ units will have substantial impact on local transport or education or health facilities that ought to be mitigated for the benefit of existing and future residents. An early task for the Housing Advisory Committee would be to investigate how best to be certain that all projects of more than 50 units make a contribution unless it is clear that there is no land uplift.

Table 4**Percent of Residential Planning Permissions with Developer Contributions 2016/17**

Type of contribution	Number of Residential Units							
	0 Units (Householder applications)	1-9	10-24	25-49	50-99	100-999	1,000+	ALL
No contribution	96%	64%	45%	28%	26%	26%	7%	89%
S106 only	2%	6%	35%	48%	52%	53%	76%	3%
CIL only	2%	24%	10%	5%	5%	4%	0%	7%
SIL & S.106	0%	6%	10%	19%	17%	17%	17%	1%

Source: *The Incidence, Value and Delivery of Planning Obligations and Community Infrastructure Levy (CIL) in England in 2016-17*, MHCLG, March 2018

Notes:

- Data in above table derived from a survey of all Local Planning Authorities in England. The response rate to the survey was 46%.
- At the end of 2016/17, 133 out of a possible 339 LAs (39%) were charging CIL

4.4 Land – Suggestion for Further Examination - Compulsory Purchase Orders

Existing legislation provides Government, local authorities, utility companies and others, widespread powers to use compulsory purchase orders to acquire land needed for a project of significance. The powers require the acquirer to first make the owner an offer to buy that covers both (i) Current Use Value (“CUV”) and (ii) some other, normally modest, payments for disturbance/ inconvenience/ replacement cost of buildings knocked down or no longer accessible.

These powers tend to be used sparingly and mostly for major infrastructure works e.g. motorways, HS2. In the post-war period up until the 1970s, these powers were also used to assemble large sites for shopping centres, social housing in town centres and for the new town programme that culminated in Milton Keynes.

Today, CPO’s are very rarely used to help assemble land for housing or commercial space. Underlying the reluctance to use them is a fear of legal challenge combined with a social and political sense that they are expropriating a private citizen’s property since “An Englishman’s home is his castle.” Reluctance to use CPO’s makes delivery of holistic, large scale masterplans very difficult and sustains high prices that leave little room for land value capture. We believe that the use of CPO’s should be re-examined with a view to making two changes that would see them resented less and consequently applied more frequently:

- Someone being forced to sell their home or farm deserves some benefit beyond Current Use Value and a disturbance payment. So, the compensation above CUV should be more generous at the lower end (e.g. a minimum of c.£50,000 for any landowning to encourage co-operation and perhaps 50% uplift on CUV up to c.£250,000 compensation).
- At the other extreme, if the land is potentially a ransom strip or large part of a significant housing development, then only a fair quantum sufficient to incentivise development should be payable. The Housing Advisory Committee should review existing comparative studies between England and other countries on CPO

regulations to discover what measures have succeeded elsewhere, in speeding up the CPO process by creating a greater sense of both fairness and certainty.

- Second, where a private sector development is of sufficient scale to form a significant plank of a local authority's plans for housing or employment space, the local authority should be willing to support a private sector CPO.

These two changes would together increase the supply of land and the delivery of public benefit through land value capture and foster a more equitable division of land uplift.

Optimising the use of CPO's is an area where a combination of research and experiment with the help of a few local authorities could, within a few years, provide the evidence for better guidance and regulation. The Housing Advisory Committee could work closely with a number of local authorities to establish the outcome of different approaches.

Some of the questions that could be answered include:

- How far should it be in the particular local authority's discretion whether to use CPO or could there be a more centralised approach?
- Is there a minimum size of housing project (e.g. 100 units) for which CPO should be applied so as to prevent an excessive interference in private ownership or too great an imposition on public administration?
- Would that number be lower if a Parish Council supported the proposal reflecting local popularity rather than imposition?
- If the CPO acquisition was to support a private sector applicant, what minimum percentage of land assembly should the applicant need to have achieved before seeking a CPO – at least half, perhaps 75% or more?
- Would the guidance be different if the CPO required the acquisition of someone else's home as well as part of their land?
- How is existing "pre-scheme" hope value treated?

4.5 Land Suggestion for Further Examination – Suburban Intensification

Much of Britain's housing stock is in "green and leafy" suburbs. They were originally conceived as an escape from intensely occupied towns where the smoke of domestic coal fires and emissions from factories made life unpleasant and unhealthy. These suburbs, whether directly on the edge of major towns, or in smaller towns with good rail services to the local metropolis (Woking to London, or Altrincham to Manchester) are often cited as cases where intensification is one obvious means to increase housing numbers with the following advantages:

- The land is already perceived as developed so increasing density from 5-20 homes per hectare to perhaps 40-100 per hectare makes a meaningful contribution to providing new homes without the need to release green fields.
- There are already likely to be core services (schools, doctors' surgeries, shops) within a reasonable distance. Some of these services would be more likely to survive or improve if the local catchment population increased.

We suggest that each local authority seeks to identify suburban areas (typically of 10-100 hectares each) that already have access within a kilometre of a train station or town centre and invite intensification proposals within those opportunity areas. Suitable national criteria for suburban intensification would be set out by a panel under the Housing Advisory Committee. Public funding would then be available for a local panel to revise the criteria for particular areas under Neighbourhood Plans.

The criteria would focus on both design and land assembly. They would encourage landowners and residents (normally themselves house owners) to join forces in promoting schemes where the outcome of a land assembly process produced better design, landscape and accessibility than simply intensifying one or two plots in isolation. The recent exhibition curated by architects Metropolitan Workshop reflected the attractive and creative ideas coming forward for imaginative placemaking and intensification while keeping to low rise, people friendly formats¹².

¹² *A New Kind of Suburbia* by Sookhoo D, Deely N, & Bangor G (London: Metropolitan Workshop, 2019)

Part Three – FINANCE, OWNERSHIP, TAX AND GRANTS

1 Data and Insights from Baum and Xiong Report

On the following pages we present some key tables principally extracted from the Saïd Business School's paper on finance for the Housing Sprint¹³. Between them they give a vital statistical insight to ownership and delivery patterns in England's housing market over the long term. The familiar key points to note are:-

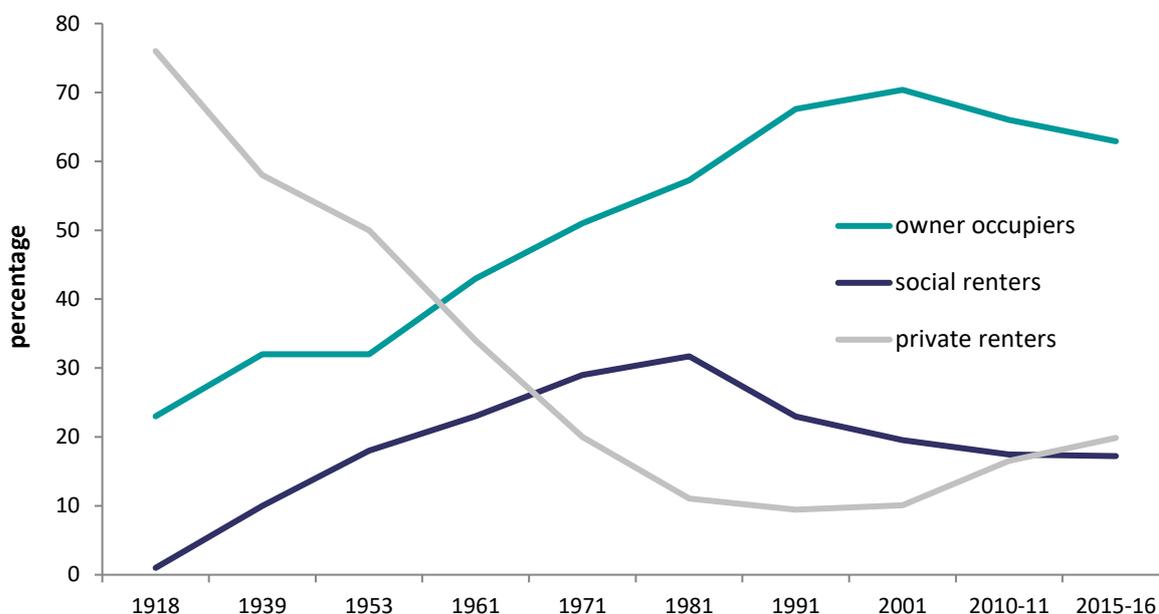
- The continual increase from 20% to 70% in owner-occupation from 1918 to 2000 and the steady decline since then to 64% (Table 5);
- The enormous contribution of Council homes to new homes from 1948 to 1979 compared to the current low contribution, indicating the potential to scale up (Table 6);
- The decline of social landlords and the increasing role of private landlords from 1980 onwards (Tables 5 and 9);
- The relatively modest increase in Housing Association new homes when compared with the decline in Council homes (Table 6);
- The overall decline in average annual numbers of new homes from around 300,000 p.a. from 1952-1979, followed by a sudden drop to 200,000 up until 2008 and then a further drop to below 150,000 p.a., with a more recent recovery back to 200,000 (Tables 6 and 7);
- The relatively small role of institutional investors as private sector landlords compared with other developed economies (Table 10);
- The extraordinary change in the last 20 years from a previous long term trend where house prices generally stayed in a price range of +/- 3x salaries, to a current level averaging 7-8x, with high spots well over 10x (Table 11); and
- The increasingly dominant share of new housing provided by the top ten house builders (Table 12).

¹³ Baum and Xiong *Finance for Housing in England: money and the market, investment, affordability and tenure* available on Housing Sprint website

Table 5

Trends in Housing Tenure, 1918 to 2016

Note: Owner-occupation was just over 20% in 1918 and peaked at 70% in 2001. It is now down to 64%



Source: 50 years of the English Housing Survey

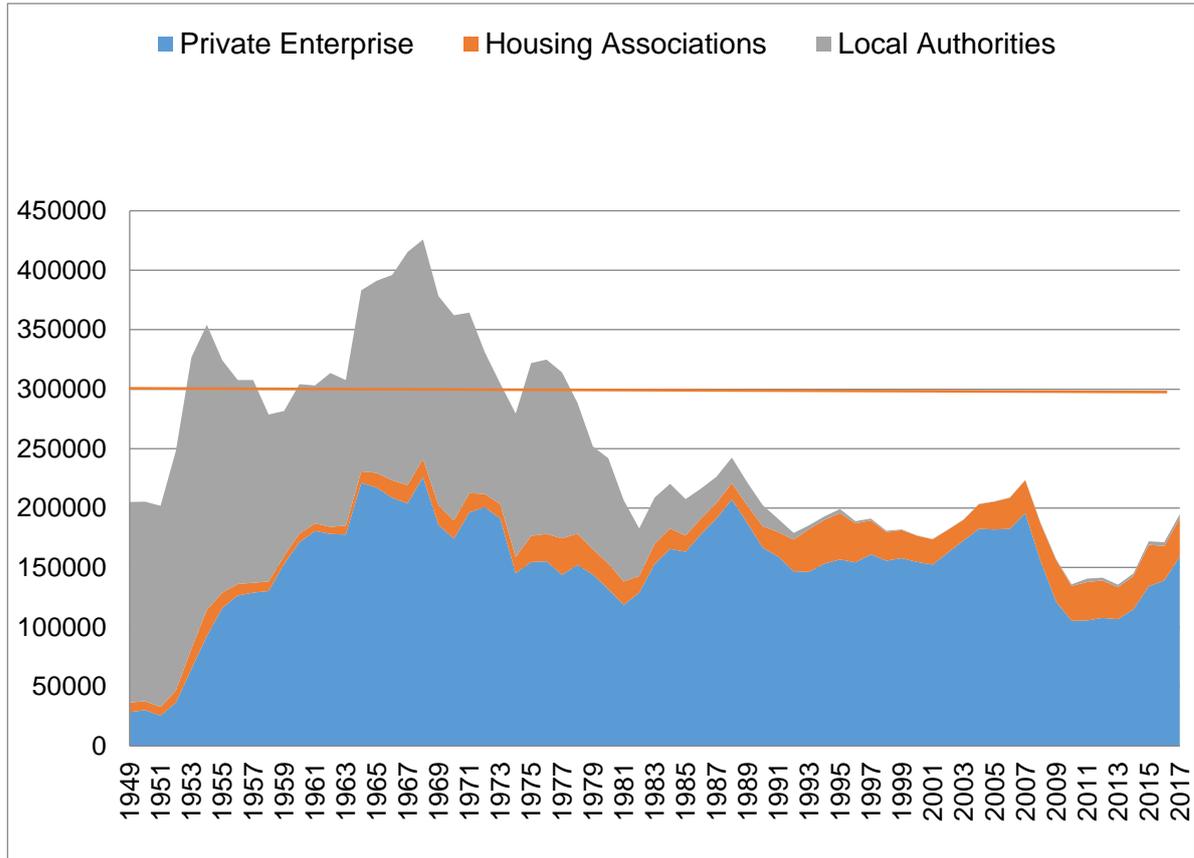
Recent Government incentives have primarily supported supply growth in the sales market but there is great demand pressure in sub-market housing, where there is the highest potential Value for Money in taxpayer spend. Rebalancing government incentives to increase focus on social and affordable rental products reduces the strain on Housing Benefit and delivers a rental housing product that delivers reliable returns in the event of a market downturn. Supply side subsidies need to be targeted to ensure they deliver the right kinds of housing in the places they are most needed. Designing homes to be tenure neutral and increasing flexibility of mix and tenure would both increase delivery, absorption and occupancy rates. Even with diversification of tenure, building homes for social rent levels requires significant subsidy, or a reduction in the overall number of homes that are built. Evidence from the G15 group of Housing Associations, NHF and the Housing Finance Network¹⁴ suggests grant levels for social housing would need to return to pre-2008 levels to meet targets, but the extension of future grant programmes towards a longer, more certain investment is as important as its total value. A ten-year settlement would unlock greater impact than two five-year programmes, allowing scaling up activities to embed, maintaining growth in the pipeline, and smoothing peaks and troughs in site acquisition and delivery.

¹⁴ Savills Research Report to G15, NHF, HFN (2019) *Additionality of Affordable Housing* <http://s3-eu-west-1.amazonaws.com/pub.housing.org.uk/Additionality-of-Affordable-Housing-Published-April-2019.pdf>

Table 6

Housebuilding Permanent Dwellings Complete

Note: Major role of Local Authorities as house builders from 1949-1982 and a negligible contribution today despite the rapid rise in local housing companies and increase in Local Authority direct provision of housing.¹⁵



Source: 50 years of English Housing Survey (UK government, 2018)

¹⁵ For potential constraints to the growing trend in Local Authority direct provision of housing see <https://www.rtpi.org.uk/knowledge/better-planning/better-planning-housing-affordability/local-authority-direct-provision-of-housing/> or <http://www.smith-institute.org.uk/book/delivering-renaissance-council-built-homes-rise-local-housing-companies/>

Table 7

Long Term Trends

Seasonally adjusted trends in quarterly new build dwelling starts and completions, England.

MHCLG (2019) Live table 222 <https://www.gov.uk/government/statistical-data-sets/live-tables-on-house-building>

Note: From 2007-2017 seasonally-adjusted quarterly completions have never exceeded 45,000 since 2003.

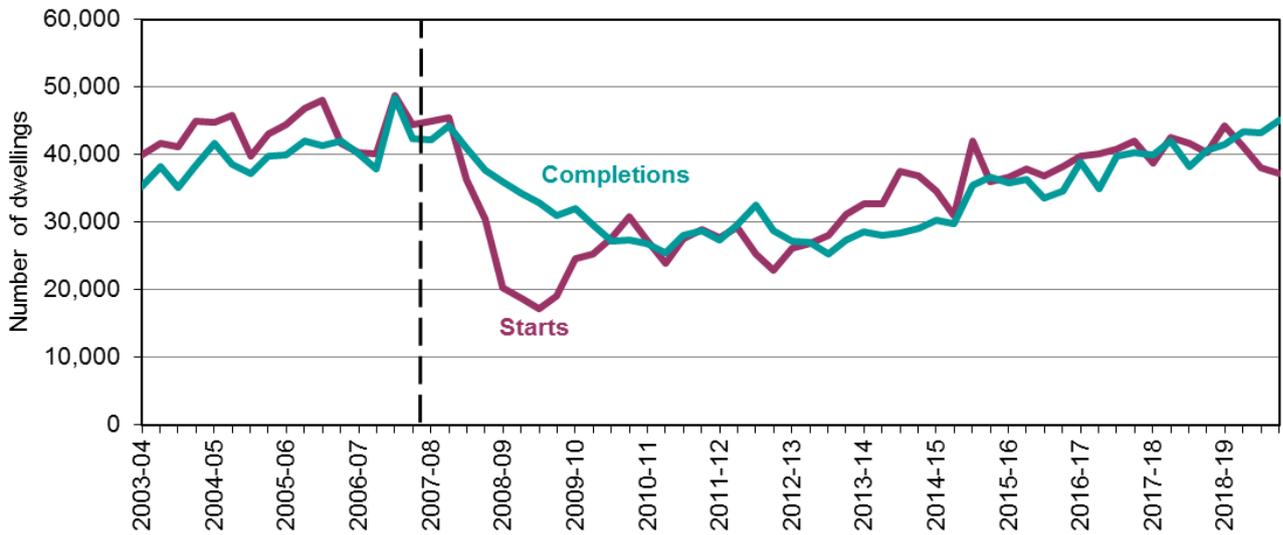
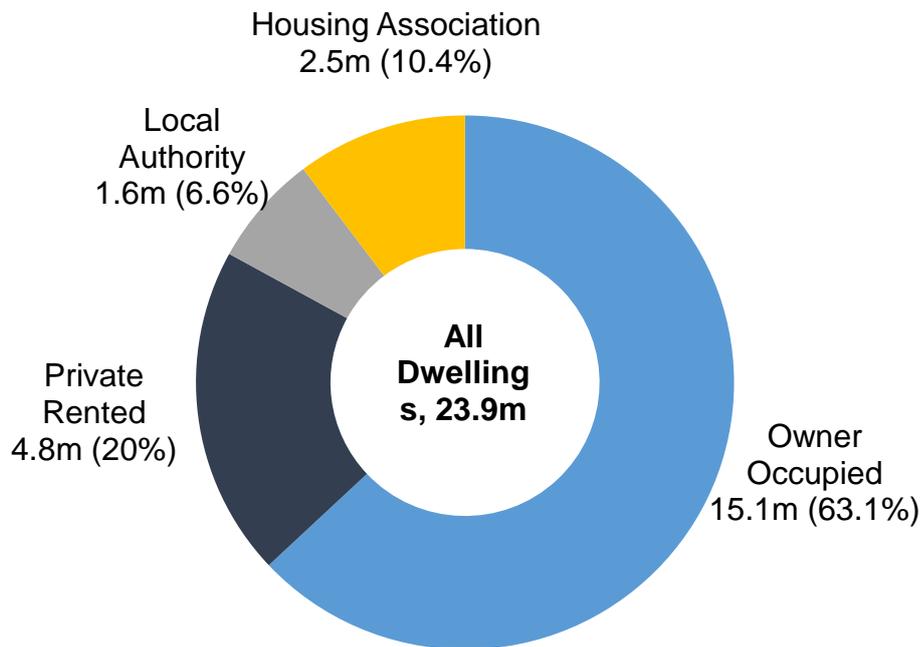


Table 8

Who Owns England's Homes?

Note: Private rented homes (4.8m) now exceed the total of Housing Association and Local Authority homes (4.1m).

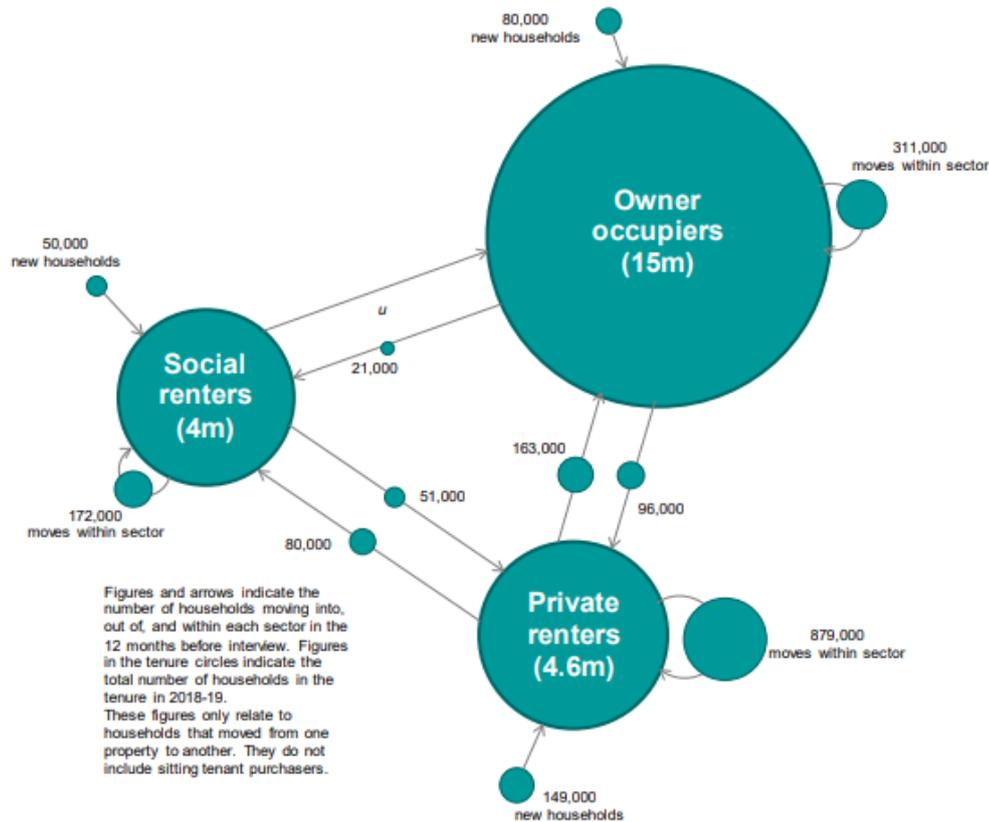


Source: English Housing Survey 2017/2018

Table 9

Note: The private rented sector is now larger than the social rented sector and housing tenure has shifted substantially further since the early 2000s, driven in particular by age groups moving into and out of categories¹⁶.

Figure 1.10: Household moves, by tenure, 2018-19



Base: household reference persons resident less than a year

Notes:

- 1) underlying data are presented in Annex Table 1.20
- 2) a small number of cases with inconsistent responses have been omitted
- 3) survey cannot identify the number of households which have ended
- 4) u indicates sample size too small for reliable estimate

Source: English Housing Survey, full household sample

Source: English Housing Survey 2018/2019

¹⁶ The Resolution Foundation has traced the interaction of housing tenure and inter-regional mobility rates <https://www.resolutionfoundation.org/app/uploads/2019/09/Mapping-millennials-living-standards.pdf> <https://www.resolutionfoundation.org/app/uploads/2019/11/Inequality-street.pdf>

Table 10

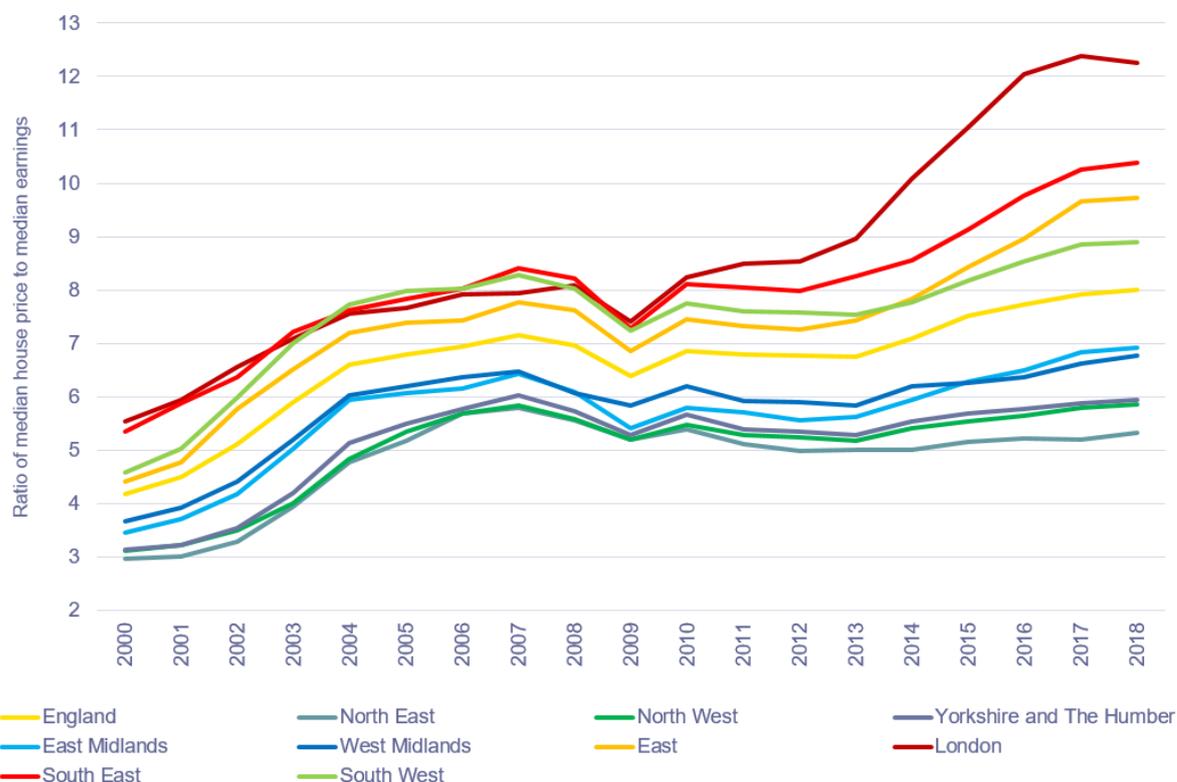
Note: UK institutional investors had negligible holdings in residential property in 1990. These have grown to 7.5% today but are still significantly below global norms of 20% or the US level of 25%. In any event, a significant part of the 7.5% “residential” held by institutional investors is in student housing, so the net amount held by institutions in ordinary residential is even lower.

MSCI real estate allocations to residential (%)

Netherlands	58.6%
Switzerland	46.8%
Denmark	31.2%
Austria	30.4%
US	25.1%
Japan	19.5%
Sweden	18.7%
Germany	16.9%
Canada	10.9%
France	9.7%
UK	7.5%
Italy	6.8%
South Africa	5.6%
Spain	3.4%
South Korea	1.7%

- Source: MSCI (2018)

Table 11: UK Urban Regions: Housing affordability expressed as ratio of median house prices to median earnings



Source: Savills analysis of data of Office for National Statistics

Region	2018 Median house price	2018 House price to earnings ratio
London	£467,500	12.25
South East	£320,000	10.38
East	£283,000	9.72
South West	£249,000	8.90
England	£239,000	8.00
East Midlands	£185,000	6.92
West Midlands	£188,000	6.78
Yorkshire and The Humber	£160,000	5.95
North West	£160,000	5.86
North East	£139,000	5.32

Table 12

House building: permanent dwellings completed

Note: The top ten house builders account for c.50% of all new homes. The average house price for the top ten house builders (including affordable homes they developed) was £334,000 or £292,000 excluding Berkeley Homes, which is an outlier.

Housebuilder	Average selling price (£)	Homes sold	Pre-tax profit per home sold (£)	Average Cost per home (£)
Barratt Developments	313,100	17,395	47,387	265,713
Taylor Wimpey	264,000	14,541	57,328	206,672
Persimmon	213,321	16,043	60,219	153,102
Berkeley Group	715,000	3,536	220,475	494,525
Bellway Plc	260,400	9,644	59,265	201,135
Redrow Group	309,800	5,416	59,453	250,347
Galliford Try	354,000	3,890	47,609	306,391
Crest Nicholson	340,000	2,935	72,095	267,905
Bovis Homes	272,400	3,645	35,125	237,275
Bloor Homes	300,000	3,023	52,002	247,998

Source: www.building.co.uk

2 Finance – Suggestions for Further Examination

2.1 Attracting Long Term Institutional Capital

2.2 Not for Profit – State Delivery

2.3 Fair Share Flexible Housing Fund

2.4 New Settlement Finance – Master Developers

2.5 Institutions as Development Facilitators

2.6 Early Mortgages

2.1 Attracting Long Term Institutional Capital

An additional 100,000 homes will include some that are built for sale to owner-occupiers, some that are owned by Housing Associations that may rely on debt and the benefits of S.106 Agreements, and some private landlords. Potentially, local authorities could also once again play an increasing role as deliverers and owners. Baum's and Xiong's report gives particular attention to the availability of institutional money for the emerging Build to Rent sector. This focus is important in showing that England is currently out of line in having such a small level of institutional investment in homes (see Table 10). We agree that increasing the role of institutional finance is significant to solving the Housing Crisis for the following reasons:

- Institutions are a source of low cost, long term money;
- Institutions are likely to act responsibly as landlords towards tenants;
- For flexibility as well as affordability, the attractions of renting compared with buying will appeal to more people than previously as more live alone or change location more frequently because of work. The pressure group Generation Rent is focussed on a fair deal for renters rather than on making ownership in everyone's reach. Government should question the sense in which ownership is too often prioritised over rent; and
- Build to Rent at scale can offer tenants shared facilities (e.g. maintenance, drop-off, security, gyms, concierge services, reception and outdoor areas) within a building, or group of buildings, that can provide greater ease and quality of life than renting a single room within a house or a whole flat within a poorly-managed building. Indeed, properly managed Build to Rent projects can themselves be community hubs with all the benefits of belonging and quality of life.

So who are the "Institutions" and what do they look for? They manage enormous sums of money. Many of the largest, like L&G, are responsible for more than a trillion dollars each, and in BlackRock's case nearly seven trillion. The funds are controlled by teams with specialities by region (USA, Europe, Asia Pacific, etc.) and by sector. Originally just equities, bonds and property but now also includes hedge funds, corporate debt, infrastructure, and private equity.

Money gets allocated to these teams based on a number of factors:-

- Prospective performance (largely influenced by past performance);
- The need to overcome risk and volatility by asset diversification;
- Liquidity;

- Ease/cost of management;
- Transparency of information/valuation; and increasingly,
- The environmental and ethical qualities of an investment. Larry Fink, for example, the founder of BlackRock, in setting out his most recent vision, has set a target of planning a seventh of their money in distinctly sustainable/green investments within a decade¹⁷.

Every investment involves a compromise between these different characteristics. For tech start-ups, specialist investors require (because they know how many will fail without any of their investment being recovered) a target return of at least five times the money invested. At the other end of the spectrum infinitely greater sums are being warehoused in bank deposits and government bonds where returns are, after inflation, likely to be only +/- 2% p.a.

Target returns around the UK property industry are in the following ranges for providers of capital:

- Long term residential mortgages c. +/- 3% fixed;
- Institutional investors in commercial real estate c. 5-7% p.a. made up of rental income PLUS capital growth LESS an allowance for depreciation/refurbishment/rebuilding;
- Investors in infrastructure projects, taking construction delivery risk, look for IRR's 10-20%; and
- IRRs to house builders, leveraged partly by debt but largely determined by the speed with which sales follow the start of construction are often 15-25%.

If housebuilding is to deliver social and physical infrastructure in order to create communities, prosperity and wellbeing and propel a YIMBY cycle, Government and developers need to look at how to attract more capital at lower cost for the infrastructure and development stages of the housing market.

The housebuilding equivalent for the risk and failure rate of a tech start-up are the uncertainties, costs and delays associated with obtaining consent for unallocated land. These barriers help explain why so few developments are planned on a scale to create integrated communities or to play a meaningful part in enhancing adjacent existing communities.

Land allocations for all but relatively small schemes (50-100 homes or fewer) frequently take 10-15 years from initial discussions with a planning authority. Even when the size is relatively small, planning can still take 12-18 months and cost well over a hundred thousand pounds. A major scheme could cost millions of pounds in professional design and survey fees, ignoring any costs of land assembly.

As Tony Pidgley and Steve Morgan have both commented, it is a far cry from the days when, as young entrepreneurs, they established Berkeley and Redrow on a shoestring, looking to start building within a few months of agreeing to buy a site. So, just as the

¹⁷ *BlackRock shakes up business to focus on sustainable investing*
Chief executive Larry Fink warns of risks posed to markets by climate change
Financial Times January 14 2020 <https://www.ft.com/content/57db9dc2-3690-11ea-a6d3-9a26f8c3cba4>

delays and difficulties and costs of planning small schemes are a barrier to entry to the next generation of small builders, so are planning and site assembly to major investors and house builders capable of taking on the largest schemes with many hundreds or thousands of homes.

Risk, delay and uncertainty in planning and land assembly have three adverse effects on delivery. The most immediate, but in the long term the least important, is direct delay. The second is it deters many potentially creative developers and investors tackling complicated schemes at all. The third is that where they do, the challenges and the lack of competition mean returns of 15-25% are required rather than the 3% of long term lenders or the 5-7% of long term owners of completed, rent-providing buildings.

For a project that takes 10-20 years the compounding effect of different target rates of return has profound consequences, as shown in Table 13 below.

Table 13 TABLE OF COMPOUND RETURNS
(Showing profit required as multiple of initial investment)

Years	Target Rate of Return			
	3%	6%	15%	20%
10	0.34	0.68	3.0	5.2
15	0.56	1.40	7.1	14.4
20	0.81	2.20	15.4	37.34

The levels of returns in the bottom right hand corner are prohibitive. They explain the reluctance of investors to take on major, long term schemes that have large risks on planning and site assembly and where top quality management time is required for years before delivery begins. Reducing risk in planning and land assembly is essential to attracting capital and skills to deliver major developments, particularly those that fund amenities and a sustainable mix of uses.

2.2 Not for Profit – State Delivery

The Government has new settlements (garden communities) firmly in its sights as one of the ways to meet housing need. In one area alone, the Cambridge/Milton Keynes/Oxford corridor, Government aspires to create up to 1,000,000 more homes, many of them in new towns. However, even the smaller settlements - garden villages - of 2-3,000 homes, may take 15+ years to build out and consequently require returns that cannot be achieved off the level of land prices landowners have come to expect. There are several ways to address this situation, which need to be used in combination to help achieve major developments that not only make a vital contribution to the 300,000 homes a year but also deliver social and physical infrastructure.

A number of the ideas promoted vigorously during the Housing Sprint concerned increasing the role of the state, or other not-for-profit institutions like Housing Associations, in the delivery of homes. Behind these ideas lay a number of recurring themes:

- Recognition that when England last developed 300,000 homes a year at least a third were Council homes;
- Local authorities have greater powers than private sector developers to assemble sites on a comprehensive scale;
- The State has the lowest cost of money and major housing associations have a lower cost of money than private sector developers;
- The need for major schemes to provide other uses (retail, employment, education, etc.) and the limited interest from house builders in taking these on; and
- A focus on social values rather than maximum profit.

These are important considerations and reflect real concerns about an increased polarisation between those who own homes and those who do not. A new “one nation”, post-austerity Government may want to give greater direct spending power to local Councils or find ways to encourage joint ventures between local authorities, house builders and housing associations. Either way, a greater level of trust and co-operation between these parties is essential.

2.3 Fair Share Flexible Housing Fund

Home ownership may have been excessively prioritised compared with renting. This may lead to too many incentives (e.g. Help to Buy and CGT exemptions on a primary residence) relative to rented property and to renting, especially social housing, being, at some level, stigmatised. One suggestion from the Sprint was, therefore, that “social” or “affordable” housing should be re-branded “community housing”¹⁸. The financial co-ownership suggestion below offers renters some of the ownership benefits, including building up equity tax-free, that are currently only available through outright ownership or shared equity on a specific property.

Could there be social and economic virtue in a substantial amount of housing stock passing over time into a hybrid landlord that was part social/part corporate? A cross between a housing association; a Build to Rent REIT and a Victorian co-operative or Friendly Society. The aim would be for tenants also to have the opportunity to be shareholders and for certain benefits/discounts to be available to shareholders. This would give everyone a chance to be a part-owner in well-managed housing stock where they were not elsewhere an owner, even on a staircased basis. To help create housing equity in this group, individual investors could be given CGT-free status to match that of home owners as long as they are not also a home owner.

It could begin with a pilot in one area with several thousand homes of different sizes and types by listing one of the medium-sized housing associations with a narrow geographic focus. Once listed it could acquire a wider range of existing homes in the area. If the pilot scheme worked and was rolled out nationally, it would make sense for separate local funds with 10-50,000 homes each to be created to achieve the best combinations of economies of scale and local knowledge and concern. Some stock could be acquired by exchanging ownership of homes for units in the fund. This might be a better way for people to unlock equity than re-mortgaging. To ensure adequate administration, economies of scale, financial security, etc. we would suggest a minimum sized pilot of,

¹⁸ See the Affordable Housing Commission’s definition of ‘affordable’ rental levels as local income related rental. AHC (2019) *Defining and measuring housing affordability – an alternative approach* <https://static1.squarespace.com/static/5b9675fc1137a618f278542d/t/5cf55923f41ae70001170311/1559583017920/Defining+and+measuring+housing+affordability.pdf>

say, 5,000 homes and a maximum level of debt, say 20%.

2.4 New Settlement Finance – Master Developers

There are few examples of private sector providers like Urban & Civic willing and able to make a business of creating the infrastructure for substantial new settlements of +/- 5,000 homes. Urban & Civic's success has in part been by a practical acceptance of land ownership issues.¹⁹ Most of their nine projects, like Alconbury and Rugby, were based on the acquisition of one major land ownership rather than dealing with the fragmented tapestry of ownership present in most areas of high demand. The limitations on assembling sites large enough to create a town and to finance the necessary infrastructure may suggest that this is a key role for Government through Homes England or specific Development Corporations solely focused on new towns, if Government wishes to encourage them.

Recognising that new towns are projects that take a minimum of 20 years to create, even with Government support – Milton Keynes is still growing after 50 years – it would be worth Government helping a number of pilot schemes off the ground quickly – some Government (Homes England)-led and some private sector-led. In either case, the lead body will need to focus on the physical and social infrastructure and a wide variety of house builders, housing associations and local authorities can deliver the homes as long as their overall setting is being co-ordinated by a Master Developer.

In practice, the Master Developer may be a consortium brought together specifically for one project worth several billion pounds. Investors in the Master Developer might well be a mixture of Central and/or Local Government, house builders, housing associations, financial institutions, major contractors, utility companies and local landowners and residents. The scale of these projects requires dedicated management and can withstand the complexities of more than one stakeholder (and may even benefit from the diversity) as both shareholders and directors.

2.5 Institutions as Development Facilitators

We note a variety of transactions where L&G is ahead of comparable institutions in providing the finance (and expertise in many cases) to allow organisations with long term perspectives, like Croydon Council and Oxford University, to fund ownership of buildings on amortising mortgages over 30-40 years. We applaud the imaginative nature of these funding/delivery co-operations, which work well for both parties. Because the returns to L&G are relatively low risk as high quality covenants with institutions such as Croydon Council and Oxford University, are amortising the capital in pre-agreed instalments, L&G can look to a return of about 3.5% as sufficiently ahead of gilts to justify investing management expertise and capital in illiquid projects.²⁰ From the long term owner's point of view, L&G's charges are nevertheless far lower than the returns a normal developer or property investor would seek, whose outlook is more short term and who are taking a full equity risk – whereas L&G's return is underpinned by a local authority or university covenant.

¹⁹ <https://www.urbandcivic.com/sustainability/>

²⁰ Legal & General in £4bn housing deal with Oxford university
Insurer plans to deliver 'science and innovation' districts as part of arrangement
Financial Times June 27 2019 <https://www.ft.com/content/936df74e-98a3-11e9-9573-ee5cbb98ed36>

2.6 Early Mortgages

At the moment it is difficult for purchasers to obtain a mortgage for a home that is not already under construction. Encouraging lenders to provide mortgage offers at an earlier stage would assist buyers in committing earlier. This would have two connected, positive effects on housing delivery.

First it would increase housing delivery, by de-risking speculative development. Earlier pre-sales from customers now able to get a mortgage more than 6 months in advance would make it easier for small developers to obtain project finance from banks and other lenders. It would also allow larger developers to take on the more complex, capital intensive, urban regeneration projects the country needs to meet its housing goals that often require years of remediation of brownfield land.

Second, by being able to buy earlier in the development cycle, UK owner occupiers would be able to take advantage of the full range of properties being built and the potential off-plan price discounts available. These discounts are often driven by developers who will accept lower prices, if these reduce the financial risk of a development, and/or unlock development finance. Currently these discounts are only available to wealthy investors willing and able to risk not being able to obtain a mortgage.

3 Finance – Making Taxes and Incentives Fair and Efficient

There is no perfect tax or entirely fair incentive or exemption. Without variable rates of CIL or SDLT they may seem blunt instruments. If a single rate is too high, it will reduce transaction volumes. If it is too low, it may not raise enough tax, especially from those thought most able to pay. If the top variable rate is seen as too high some will call it a “mansion tax”. If it is too low, others will complain of regressive taxation. Exemptions created as incentives or for fairness add to the administrative burden.

We make brief observations below on seven areas of tax incentive or financial regulation where some of the Housing Sprint participants consider the current arrangements not entirely fair and efficient. We are not making any specific recommendation for their change but believe that a consistently-formed, impartial Housing Advisory Committee, that understood the many complex connections between land value, planning, development risk, finance costs, market demand and community and sustainability issues, could help the Government test and examine each of these issues in search of optimum results. The very existence of an independent Committee could help Government either defend current taxes and incentives or promote revised taxes, grants and incentives as fair and effective.

- **SDLT:** It was suggested this was too high. A flat rate of 1% until 1997, has been increased to up to 12%, with a further 3% surcharge for second homes and offshore purchasers. SDLT rate increases act as a disincentive to moving homes. This impacts people selling in order to buy a house that is more suitable to their needs (size or location). It, therefore, affects job mobility and/or commuting distances. Older people may delay downsizing, blocking younger people trying to climb the housing ladder. Because the number of transactions is reduced, the increase in overall SDLT received by the Government is modest. The Government has introduced a welcome SDLT relief for first time buyers but it would have to go further to restore the functioning of the market.
- **Council Tax:** It was suggested this was too low. In places like Westminster and Kensington & Chelsea, where many properties are worth more than £5m, the top bands of tax are £1,507.70 and £2,381.10 respectively. A fivefold increase in Kensington and Chelsea from £2,381 to £12,000 would still only be 0.25% of the value of a £5m property. Whereas the lower bands of Council Tax may be a much higher percentages of value.
- **Tax on Landlords:** This may discourage new rental properties when these are increasingly essential for younger people. The set-off between rental income and interest for private residential landlords, is being phased out so they will be taxed on the gross income not the net from residential lettings. The withdrawal of interest relief discourages private landlords at a time when more private rented accommodation is needed to meet the needs of “Generation Rent”.

- **Help to Buy:** £13.5bn has been provided as “Help to Buy”, “soft” equity loans to support buyers to get on the housing ladder.²¹ Although Help to Buy has provided some of the deposit for 236,313 new homes, it appears to have driven up house builders’ profits but not to have increased supply in high demand areas.²²
- **Grant Funding:** Housing Associations have been financially impacted by substantially reduced grants, mandatory rent cuts and the introduction of welfare reforms such as the removal of the spare room subsidy.
- **Local Authority Borrowing:** Inconsistent approaches to local authority borrowing via Housing Revenue Accounts, imposed obligations to sell units, have combined with chronic underfunding of planning capacity to undermine the speed of council housing delivery aspirations.
- **Lending Regulations:** Bank of England imposed limitations on mortgages, mandating no more than 15% of new mortgages can be at more than 4.5x loan to income, and that all loans must be affordable to customers even if interest rates rose by 3%. This limits first time buyer’s ability to get on the housing ladder without the “bank of mum and dad”, particularly in the south east.

²¹ £13.5Bn billion spent at June 2019 <https://www.gov.uk/government/collections/help-to-buy-equity-loan-and-newbuy-statistics>

²² Carozzi, F., C Hilber and X Yu (2019). *The Economic Impacts of Help to Buy*, LSE

Part Four – COMMUNITY, POLITICS AND PLANNING

1 What Makes a Community - Insights from Bishop and Timmerman

Most of the cost of a home is in creating secure, weatherproof, private space and most of the benefit of that home is enjoyed by the individual(s) living in it, whether as tenant or owner. However, a solution to the Housing Crisis that just focuses on more homes may fail to deliver the many advantages of residents having a home that forms part of a vibrant community. A place where people recognise neighbours, can access a wide variety of services and amenities nearby and are likely to be part of a wider network offering support, friendship and employment. **The more effort planners and developers give to new development improving community life and future stewardship, the less unwelcome development proposals will be.** The Housing Advisory Committee could assist in devising scoring systems to assess which developments provide significant community benefit and can act as exemplars.

Bishop and Timmerman's Housing Sprint paper, *Increasing Housing Supply and Affordability – Designing Successful Communities*²³ provides some important insights into “the influence of urban form, planning and community infrastructure on the development of strong and lasting communities”.

- Successful places are ones that foster a sense of wellbeing and belonging.
- Key factors that impact the formation of resilient and sustainable communities are:
 - Intelligent urban design
 - Access to social and community facilities through sustainable transport
 - Effective and proactive planning
 - Urban management and local governance
- In 2000 CABE (Commission for Architecture and the Built Environment) set out seven principles for successful places:
 - Character (identity)
 - Enclosure (differentiation of public and private spaces)
 - Quality (public realm)
 - Ease of movement (accessibility)
 - Legibility (clarity of image)
 - Adaptability (flexible to change)
 - Diversity (richness of experience)

²³ Bishop and Timmerman's Housing Sprint paper, *Increasing Housing Supply and Affordability – Designing Successful Communities* available on Housing Sprint website

- These have been reinforced and slightly restated in MHCLG’s National Design Guide published in October 2019 as:
 - context
 - identity
 - built form
 - movement
 - nature
 - public spaces
 - uses
 - homes and buildings
 - resources
 - lifespan”.²⁴
- There is a clear relationship between the size of a settlement and the range of amenities available. See Fig 2 / Table 14. The more amenities including education, health, retail, leisure and, importantly, jobs located nearby, the more sustainable travel arrangements can be and the more complete the community can be. This is seen in relationships between the smallest villages with populations of less than 500 that are unlikely to be able to maintain a pub and a corner shop; up through villages of several thousand people likely to still have a primary school and several shops; up to small towns of 15,000+ people likely to provide more choice, some secondary education and employment. At the pinnacle is the metropolis, home to an international airport, government, universities with teaching hospitals and a diverse offer of employment, leisure and cultural activity. En route to the metropolis are the towns of 250-500,000 people where all but the most sophisticated needs of residents and employers can be met locally.
- In assessing where to allocate housing and how to masterplan its connections to the immediate neighbourhood and wider community, it is essential to think about distance and journey type. By giving greater consideration to these issues, residents’ lives and travel patterns become less stressful, more sustainable and more anchored in their communities. For 60 years, the presumption has rested too heavily on the ability of the private car to offer choice and flexibility, to the detriment of local services and the environment.
- Some authorities, e.g. GLA, recognise that the density of permitted development should be relative to the Public Transport Access Level (PTAL) scores. So, for example, earlier versions of the London Plan contained recommendations that where there is excellent access to public transport, a maximum density of 405 units per hectare is suitable, but only 110 units per hectare in an area of poor access.²⁵
- Socially mixed neighbourhoods appear to offer greater opportunities for creating a diverse community life and mixed housing typologies are required to cater for a diverse workforce. More research is required on the best way to integrate the mix.

²⁴ <https://www.gov.uk/government/publications/national-design-guide>

²⁵ The current 2019 intent to publish version of the London Plan replaces a proscribed PTAL / density relationship with a broader approach of design-led density
<https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan/intend-publish-london-plan-2019>.

- Best practice is currently not being effectively shared. There is no central repository of research and case studies for practitioners and planners to help reference and share good practice. Nor is there a single agency responsible for monitoring new housing in England.

There is also no universal methodology or repository for post-occupancy surveys or resident satisfaction that might be used to assess and spread the lessons of best practice.

- It is difficult to conclude that the present model of housing delivery through the planning system is working effectively. The system is increasingly burdened with extracting contributions from developers, development land is scarce, values are high, and most developers lack any long-term commitment or stake in the community.

There is no national spatial plan for England, nor are there any coherent regional planning processes or mechanisms. In the absence of this, key decisions regarding the allocation of land for new housing (location and quantity) are constrained by existing administrative boundaries. This leads to a sub-optimal allocation of land for development.

The consequences of using the planning system to deliver both infrastructure and to subsidise the delivery of social housing is deflecting it from its original purpose: the planning and control of new development. Despite the recent resurgent interest in good design as an enabler for new development, current approaches also relegate the crucial debate about design quality and place-making to a secondary consideration.

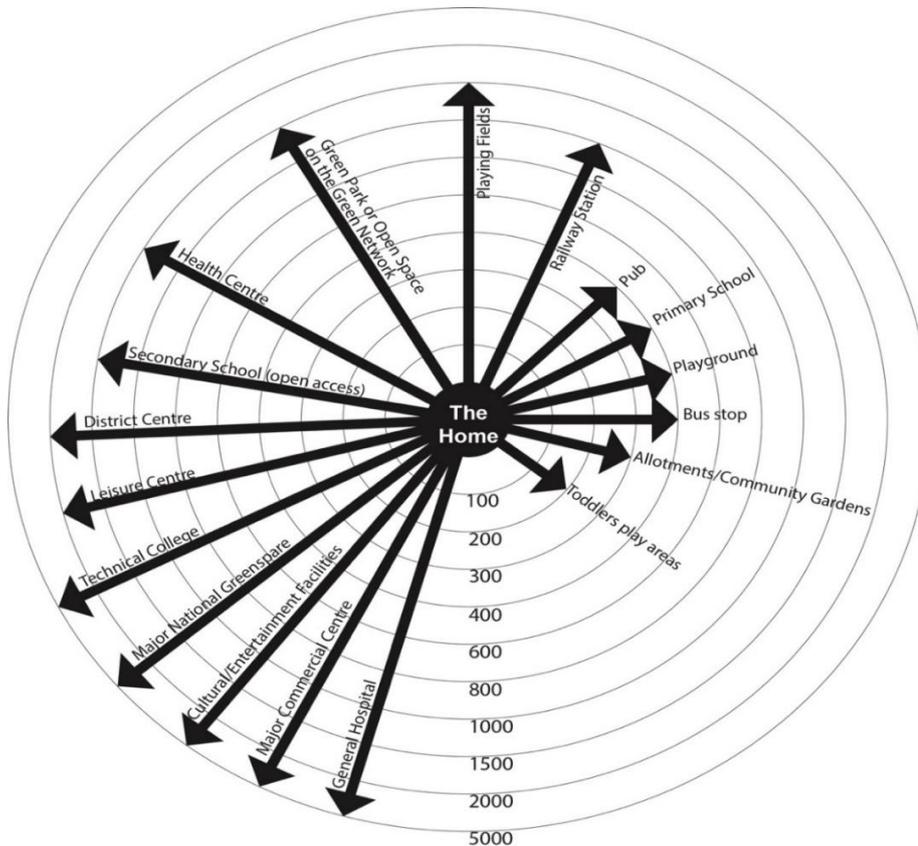
- A number of examples of assets, such as open space and village halls, passing into “community” ownership exist, where a planning agreement has been the catalyst for the transfer. Lack of clear precedent and template makes the process of engaging the community difficult. Resource should go into examining and comparing models for the scale and governance of community ownership. From the Letchworth Heritage Trust, which employs full time staff and owns significant parts of Letchworth Garden City, down to small local groups run by volunteers. Guidance should be available on where it might be better for land to be managed by an entirely independent local group or better, by a local branch of a larger organisation like the National Trust or a local authority or the Parish Council.

Charitable status should be available for local groups conserving the countryside and promoting community engagement.

The established system of local government still provides most local services and is democratically accountable. For many people this is acceptable as they may not be interested in becoming personally involved in their area. That said, most people want their area to work, to be safe and well-maintained and they want to be consulted on matters that directly impact their lives.

The overwhelming evidence is that the neighbourhood level is the best area for engagement and that this engagement is likely to build social capital. The key challenges are over ways in which this can be fostered in the early stages of a development. Where new facilities and income streams can be established there is a greater likelihood of ‘buy in’ from adjacent communities.

Fig. 2 Appropriate distances from a home to a range of services that define extending communities



Access standards for local facilities in urban areas (all new dwellings in urban areas should achieve this standard) – Source: Richard Timmerman, based on Barton et al (1995) featured in Greed and Roberts (1995, p. 148)

Table 14

AMENITY	DISTANCE IN METRES
Toddlers' Play Area	200
Allotments/Community Gardens	300
Bus Stop	400
Playground	400
Primary School	400
Pub	400
Railway Station	1,000
Playing Fields	1,500
Green Park or Open Space on the Green Network	1,500
Health Centre	1,500
Secondary School (Open Access)	1,500
District Centre	2,000
Leisure Centre	2,000
Technical College	5,000
Major National Green Space	5,000
Cultural/Entertainment Facilities	5,000
Major Commercial Centre	5,000
General Hospital	5,000

2 Politics, Planning and Community Recommendations

The reports on land and finance prepared for the Housing Sprint, demonstrated that there was no shortage of available land – we are not a tiny, overbuilt island. The essential problems are:

- The popular misconception that England is being concreted over; and
- The failure on the part of the planning system and developers to ensure development makes a real contribution to local benefits, to integration into, and support for, local communities.

This final section contains a number of ideas tabled at the Housing Sprint to help create a virtuous circle:

- Where land is allocated if it can bring benefits;
- Where a social contract is implicit in the “offer” underpinning substantial planning applications and delivery commitments under S.106 and CIL;
- Where local institutions (district councils, parish councils; town councils, heritage trusts and community land trusts) become proponents of developments and owner-managers of public open space and community buildings; and
- Where local residents increasingly regard development as an essential service rather than an unwarranted intrusion.

These are the essential aims that can change a knee-jerk NIMBY into a conditional YIMBY. The condition is that politicians, developers and architects all look to mix public-minded responsibility with reasonable self-interest rather than to contest applications in a binary way. We need to move from success for a developer being defined by a large housing allocation on a housing numbers case with little eye to providing local benefits; while success for the residents is the planning committee refusing an application or allocation without an Inspector overturning this decision. Instead, success for both parties should be judged by whether creativity and compromise lead to well-designed schemes that support local services and create places in which community interaction grows.

3 Suggestions for Further Examination - Politics, Planning and Community Recommendations

3.1 Training and Dialogue

3.2 Future Gazers

3.3 Exemplary Schemes

3.4 Increasing Perspective – Detached View - Committees Drawn from a Wider Area

3.5 Local Taxation

3.1 Training and Dialogue

Planning committees are made up of elected representatives with no specific training. Generally, their route to being elected is via a political party and the decisions at committee are often political. The politics of many councils in areas where intense demand has led to very high house prices is to resist development as far as possible.

Sadly, the corollary is also true. Many planning applicants are primarily thinking in terms of a largely binary outcome – either their land is allocated because of adjacency to existing settlements and transport links and a numbers “need” argument that the Council has not allocated sufficient land or it is not allocated. Success or failure. Too little negotiation, give and take, compromise about the amount of development and how some combination of better design, higher or lower density and a menu of benefits might win local politicians over.

These two camps with their binary aspirations do not bode well for a constructive dialogue between residents, councillors, landowners, promoters and developers. Between the two sets of principals sit the district planning officers. Often in a tight spot intermediating between their political masters and the applicant. Normally under-resourced too. To help encourage better understanding and dialogue, we make the following recommendations:

- Government should fund preparation of more printed and online training manuals to explain the importance of proactive planning; the duties of committee members; the relationship between an application and the wider area; and what can and cannot reasonably be asked of the applicant by way of S.106.²⁶
- These written and online training manuals should be supplemented by short, half-day to two-day conferences run out of a wide spread of locations where councillors, officers, developers, planning consultants and environmental groups can all take part and understand the others’ approach, away from the details and heightened emotions of a specific application. See Part One, 7.2 on page 8 for suggested budget. Training programmes could be delivered by a Government agency, similar to the now disbanded ATLAS or by “kitemarked” private contractors.

²⁶ See recently updated guidance on planning for well-designed places www.gov.uk/guidance/design

3.2 Future Gazers

One of the roles of the Housing Advisory Committee will be to help conservation-minded organisations (e.g. CPRE and the National Trust) enter into a more constructive dialogue with organisations (e.g. Shelter, Joseph Rowntree, YIMBY, the Home Builders' Federation and Housing Federation). It is an extension of the training programme referred to at 3.1 above.

The formation of groups should also be encouraged at local level to bring together local people and design professionals to look at options for how their area might change over the years. These organisations would be focused on embracing positive change rather than being committed to fighting it. If more ideas for development sprang from the grass roots rather than local authorities or developers, new developments would be more welcome. PEACH (People's Empowerment Alliance for Custom House)²⁷ are a truly local community organisation doing invaluable regeneration work supported by the Government's Big Local programme. PEACH's work operates in an area that recognises itself as a community outside the rigid boundaries of parish, town or district. It reflects the possibility for communities to unite not just to resist change but to promote positive change.

3.3 Exemplary Schemes

News of schemes that have been disappointments to local communities spread easily. Less is said about those that have set exemplary standards in the design of buildings and their landscape; or a mix of tenures that has addressed real local needs for older people or starter homes; or have improved health and leisure services. Many of these may win housing awards but they do not become widely-used templates for other schemes.

The Housing Advisory Committee should work with the Building Better, Building Beautiful Commission, LGA, the RIBA, the TCPI, the UK Green Building Council and house builders to encourage the use of best practice and the dissemination of ideas set out in, for example, David Levitt's "Housing Design Handbook – A Guide to Good Practice".²⁸

3.4 Increasing Perspective – Detached View - Committees Drawn from a Wider Area

The Localism Act severely reduced top-down planning. In doing so, it gave locally-elected politicians greater freedom to make their own decisions but also left them with a greater responsibility. On the one hand, to protect local residents from what they perceived as excessive development. On the other, to ensure the needs for growth of their own district and neighbouring districts were met.

Returning to top-down, regional planning would be a serious political decision on which we do not make a recommendation²⁹. It will be politically sensitive but may contribute to speeding up delivery and integrating it with wider infrastructure. The following suggestions may be politically less sensitive.

²⁷ <http://www.peach-e16.org.uk/>

²⁸ <https://www.levittbernstein.co.uk/research-writing/housing-design-handbook-a-guide-to-good-practice-second-edition/>

²⁹ *Planning 2020, the final report of the Raynsford Review of Planning* (2018) contains a critique of the long term failings of crude top-down planning and the need to integrate the differing spatial challenges into a coherent framework which can help guide decision-making in all sectors <https://www.tcpa.org.uk/raynsford-review>.

A typical local authority has 40-100,000 homes; 100-250,000 population. A new development of less than 500 homes seems reasonably to be in scale with local needs and impacts – a decision naturally to be taken by an entirely local planning committee. However, when an application is far larger, there is a case for it to be heard by a special committee, comprised of locally-elected councillors, not just from the immediate local authority but from districts in the region, and potentially one or two experts. This would, in effect, be an extension of the duty to co-operate.

If the decision was taken to create sub-regional planning committees for major applications, then it might also be that the recommendations to that committee should come from a specialist regional team of planning officers. Referring up to a committee with a wider geographic/economic remit is the natural corollary of the Localism Act in delegating down to Parish Councils for small schemes. It is still democratic, it just recognises that the scale of a large project has impacts (positive and negative) on a wider area than a single district authority. In effect there would be three democratically elected tiers of decision making relating to the scale/impact of a development; parish, local authority and sub-regional.

3.5 Local Taxation

A decade of austerity has left local authorities short of funding. We support initiatives that offer financial incentive to local authorities. In some areas with high land values, a large contribution to funding local improvements can be made through CIL and S.106 or some new form of land capture. In areas of lower land values the contribution from S.106 and CIL will be modest and the case for Government grants will be greater.

Beyond these routes to land capture and planning gain, the Housing Advisory Committee could explore measures that enable local authorities to:

- Retain additional income from commercial rates;
- Get back some of the CGT, Income Tax or Corporation Tax paid in respect of land developed in their district; and
- Potentially benefit from some form of value guaranteed Development Land Tax

All of these could play a part in making local authorities and residents' groups become more supportive of development as a way to fund amenities, rather than seeing development as a burden.

CONCLUSION

Most of us yearn for unspoilt green spaces; for clean air; and for traffic-free roads. But we also want abundant local schools, doctors' surgeries, and leisure facilities; we want faster trains, more buses, and the flexibility of car use; we want a growing economy that supports our jobs; but most importantly we want a decent chance to find a home where we choose and at a price we can afford.

These two wish lists are in conflict. That conflict has created our Housing Crisis.

We have no choice but to build our way out of the current Crisis. In doing so we are likely to spend £2 trillion over the next twenty years. Spent without careful thought and consultation, that money will fuel arguments in every corner of the country. Spent considerately, it could help build Jerusalem in this green and pleasant land.

At the root of all the recommendations in this report are ways to allocate and deliver homes alongside jobs, schools, health and leisure services and parkland in a way that leaves England a better place than we found it. The hope is that success breeds success and that good development will expand the common ground between those who are reluctant to see change and those who champion it.

We believe that an independent, expert, Housing Advisory Committee with a clear remit and authority would make a great contribution to seeing that the homes are delivered in a way that strengthens our countryside, our communities and our economy.

APPENDIX 1 - Ministers for State for Housing

Date	Months	Minister	Party	Title
29 July 1999 – 7 June 2001	22	Nick Raynsford	Labour	Minister of State (Department for Environment, Transport and the Regions)
11 June 2001 – 29 May 2002	11	Lord Falconer	Labour	Minister for State for Housing and Planning
29 May 2002 – 13 June 2003	12	Lord Rooker	Labour	Minister for State for Housing and Planning
13 June 2003 – 6 May 2005	22	Keith Hill	Labour	Minister for State for Housing and Planning
10 May 2005 – 24 January 2008	32	Yvette Cooper	Labour	Minister for State for Housing and Planning
24 January 2008 – 3 October 2008	8	Caroline Flint	Labour	Minister for State for Housing and Planning
3 October 2008 – 5 June 2009	8	Margaret Beckett	Labour	Minister for State for Housing and Planning
5 June 2009 – 11 May 2010	11	John Healey	Labour	Minister for State for Housing and Planning
13 May 2010 – 4 September 2012	27	Grant Shapps	Conservative	Minister for State for Housing and Local Government
4 September 2012 – 7 October 2013	13	Mark Prisk	Conservative	Minister for State for Housing and Local Government
7 October 2013 – 15 July 2014	9	Kris Hopkins	Conservative	Minister for State for Housing and Local Government
15 July 2014 – 16 July 2016	24	Brandon Lewis	Conservative	Minister for State for Housing and Planning
17 July 2016 – 9 June 2017	10	Gavin Barwell	Conservative	Minister for State for Housing and Planning
14 June 2017 – 9 January 2018	6	Alok Sharma	Conservative	Minister for state for Housing
9 January 2018 – 9 July 2018	6	Dominic Raab	Conservative	Minister for State for Housing and Planning
9 July 2018 – 24 July 2019	12	Kit Malthouse	Conservative	Minister for State for Housing and Planning
24 July 2019 – 13 February 2020	6	Esther McVey	Conservative	Minister for State for Housing and Planning
13 February 2020		Chris Pincher	Conservative	Minister for State for Housing and Planning

APPENDIX 2 - Selection of Housing-Related Reports since Barker 2004

Title	Author / Publisher	Date
Barker Review of Housing Supply: delivering stability: securing our future housing needs	HM Treasury	March 2004
Egan Review: Skills for Sustainable Communities	ODPM	September 2004
Barker Review of Land Use Planning	HM Treasury	December 2006
Hills Review: Ends and means: the Future Roles of Social Housing in England	DCLG / ESRC / LSE	February 2007
Callcutt Review of Housebuilding Delivery	DCLG	November 2007
Making Housing Affordable	Policy Exchange	August 2010
Laying the foundations: A housing strategy for England	DCLG	November 2011
Unfreezing the Housing Market	CBI	November 2011
We must fix it: Delivering reform of the Building sector to meet the UK's Housing and Economic challenges	Institute for Public Policy Research	December 2011
Financing new housing supply (Report and minutes)	House of Commons CLG Committee	April 2012
Together at home: A new strategy for housing	Institute for Public Policy Research	June 2012
The Politics of Housing	National Housing Federation / Social Market Foundation	November 2013
Building the Homes We Need	Shelter / KPMG	April 2014
Central Executive Council Special Report on Housing	GMB Union	June 2014
Freeing Housing Associations: Better financing, more homes	Policy Exchange	November 2014
Lyon's Housing Review: Mobilising across the nation to build the homes our children need	Labour Party	October 2014
Rethinking Planning Obligations: balancing housing numbers and affordability	Joseph Rowntree Foundation	July 2015
Building better places	Select Committee on National Policy for the Built Environment	February 2016
Going to Scale: How a National Housing Fund Can Unlock Britain's House Building Capacity	ResPublica	November 2016
Redfern Review into the decline of home ownership	Labour Party	November 2016
Building a new deal for London: Final report of the London Housing Commission	IPPR	March 2016
Fixing our broken housing market	DCLG	February 2017

Housing: State of the Nation	House of Commons Public Accounts Committee	April 2017
Scale to Change: Building inclusive neighbourhoods through London's largest new housing developments	RSA / British Land	April 2017
London Housing Strategy	GLA	May 2018
Rethinking Social Housing	Chartered Institute of Housing	June 2018
Land Value Capture (Report and minutes)	House of Commons HCLG Committee	September 2018
Independent Review of Build Out: Final Report	Sir Oliver Letwin / MHCLG & HM Treasury	October 2018
Ten Characteristics Of Places Where People Want To Live	RIBA	October 2018
The Raynsford Review of Planning	Nick Raynsford / TCPA	November 2018
UK Housing: Fit for the future?	Committee on Climate Change	February 2019
A Vision for Social Housing	Shelter	January 2019
Planning and the broken housing market	House of Commons Committee of Public Accounts	June 2019
Affordable housing commission: defining affordability	Lord Best / The Smith Institute	June 2019
Raising The Roof	Jacob Rees-Mogg, Radomir Tylecote / Institute of Economic Affairs	October 2019
Building Better, Building Beautiful Commission	Sir Roger Scruton / MHCLG	January 2020

APPENDIX 3 – Agencies working to improve housing quality and delivery

It is key that the proposed National Housing Committee is seen to be complementary to existing bodies working to improve housing quality and delivery, while performing a distinct and essential coordinating role. One part of this is the collating, signposting and where necessary, devising a trusted body of housing knowledge and data. This implies some overlap with others' work. To do this the NHC would learn from the variety of similar organisations that have existed in the recent past.

Back in 2008 the Select Committee on Communities and Local Government Committee³⁰ identified multiple housing delivery and advice agencies, governmental and non-governmental, public and private, which provided training and support for planners, local government officials and generally worked to increase the skills of those involved in the delivery of housing. Several of these organisations were disbanded during the 2010 'bonfire of the quangos' or absorbed into other bodies. These include:

Academy for Sustainable Communities (ASC)

Created as an outcome of the 2004 Egan Review, ASC was a national skills initiative which aimed to; provide a high-profile national focus for sustainable community skills development and research; act as a resource and communications hub for individuals, organisations and communities working in the sustainable communities agenda; to help build capacity by giving existing professionals new skills, by encouraging others to take up relevant careers; become a recognised 'kitemarking' body for skills and knowledge related to place-making and sustainable communities; establish programmes for professionals; and improve the understanding between the private and public sectors. In 2008 the ASC was absorbed into the Government's housing and regeneration delivery arm, the Homes and Communities Agency (HCA). *ASC was funded with £12M over the first 2 years.*

Advisory Team for Large Applications (ATLAS)

ATLAS was also created in 2004 to provide local authorities and the private sector with advice on the planning process for major projects involving more than 500 homes. Until 2017 it was funded by Government to help unblock the issues holding up decisions on large planning applications, increase the knowledge and expertise of local authorities, share good practice across the sector via a web-based resource and act as a partner to local authorities and independent reviewer of large applications. *In 2008 ATLAS received £6.5M of Government funding.*

National Housing Planning Advice Unit (NHPAU)

Between 2006 and 2010, this small unit used to monitor affordability, housing numbers, and the location of housing need, producing accessible summary reports, providing reliable objective data to help understand housing supply and affordability.³¹ Its remit was expanded to work closely with local authorities, at local and sub-regional levels exploring housing planning and decision-making.

Commission for Architecture and the Built Environment (CABE)

CABE was the government's advisor on architecture, urban design and public space in England. Its job was to influence and inspire the people making decisions about the built

³⁰ <https://publications.parliament.uk/pa/cm200708/cmselect/cmcomloc/517/51702.htm>

³¹ <http://thinkhouse.org.uk/NHPAU.html>

environment. It championed well-designed buildings, spaces and places, ran public campaigns and provided expert, practical advice. It worked directly with architects, planners, designers and clients. For ten years CABE was a stand-alone body but is now incorporated into the Design Council. *Annual budget in 2008 of £11M.*

Organisations that continue to be funded by government are:

Planning Advisory Service (PAS)

PAS was launched by ODPM in 2004 with the specific goal of helping local government planning departments improve their service. It provides consultancy and peer support, learning events and online resources to help local authorities understand and respond to planning reform impact assessments conducted on its work to date revealed high levels of awareness and satisfaction of its work amongst LAs. Two thirds of those who receive advice or support from PAS reported that they have changed their service as a result.

Improvement & Development Agency for Local Government (IDeA)

Formed in 1998, IDeA continues to be run by the LGA paid for through MHCLG grant. It champions planning sector improvement, data analysis and benchmarking of LA KPIs and delivers a programmes of LA peer challenges, a leadership academy for councillors and a database of innovative practice.

Homes England

HE is the latest incarnation of a unified housing and regeneration agency. It replaced the Homes and Communities Agency (HCA) which itself was created to co-ordinate the different but overlapping roles of English Partnerships and the Housing Corporation. HE has a greater focus on accelerating housing delivery through investment and facilitating access to land. HE retains a role training and promoting good practice, but this is far more limited than either the HCA or Housing Corporation.

Most recently the 2019 *Planning and the Broken Housing Market report*³² highlighted two major concerns to the Public Accounts Committee; oversight and assurance of housing delivery numbers, and the challenges to creating good places to live.

The proposed Housing Advisory Committee would be able to build on the experience of these earlier and existing housing agencies to address both of these concerns by providing the advice on future changes to housing allocation, design, financing and delivery to generate not only more homes but more community benefit.

³²<https://publications.parliament.uk/pa/cm201719/cmselect/cmpubacc/1744/174405.htm>

APPENDICES 4, 5 AND 6 – Academics' Reports

The three academic reports can be accessed online at the Housing Sprint website.

They are:

Baum and Xiong:

Finance for Housing in England: *money and the market, investment, affordability and tenure*

Bishop and Timmerman:

Housing Sprint – increasing housing supply and affordability. Designing Successful Communities.

Cheshire and Carozzi: Land Report

APPENDIX 7 – Biographies of the Three Academics

Andrew Baum

Andrew Baum is Professor of Practice at the Saïd Business School, University of Oxford and Professor Emeritus at the University of Reading. He was Honorary Professor of Real Estate Investment at the University of Cambridge 2009-14, and Fellow of St John's College, Cambridge 2011-4. He is Chairman of Newcore Capital Management, a real estate fund manager focussed on alternatives, and advisor to several property organisations. He has held senior executive and non-executive positions with Grosvenor, The Crown Estate, CBRE Global Investors and others. He was hired as the first director of property research for Prudential in 1987. He founded RES (a property research company) in 1990 and sold the business to Henderson Global Investors in 1997. At that time, he became Chief Investment Officer (Property) at Henderson and later Director of International Property. In 2001 he founded OPC, a property research and investment company that was sold to CBRE Investors to create CBRE Global Investment Partners, which now has around \$30bn of assets under management.

He holds BSc, MPhil and PhD degrees from the University of Reading, and is a graduate of the London Business School investment management programme, a chartered surveyor and a qualified member of the CFA institute (ASIP). He is the author of property-related textbooks with combined sales of over 60,000, over 50 refereed journal papers and book chapters. PropTech 3.0: The Future of Real Estate was the most downloaded Saïd Business School report in 2017, and the most downloaded PropTech report on new platform Infabode.

Baum was voted one of the top three most influential people in PropTech in the 2017 Lendinvest list and was winner of the UK PropTech Association Special Achievement award for 2019. He is founder and former president of the Reading Real Estate Foundation, an educational charity established to support real estate education. He was elected Academic Fellow of the Urban Land Institute in 2001, the first such election outside the USA, and Honorary Fellow of the Society of Property Researchers in 2002.

Peter Bishop

Peter is a Professor of Urban Design at The Bartlett School of Architecture, University College London and a Director of Bishop and Williams Ltd.

For 25 years he was a planning director at four different Central London Boroughs, and has worked on major projects at large and complex sites in the UK, including Canary Wharf and King's Cross.

In 2006 he was appointed as the first Director of Design for London, the Mayor's architecture and design studio, and in 2008 served as the Deputy Chief Executive at the London Development Agency. In 2011 he carried out 'The Bishop Review' on ways in which the quality of design in the UK might be improved. Between 2011 and 2018 he was a director at Allies and Morrison. In 2018 he carried out a review for the Government Architect for New South Wales. He is currently working on a series of major masterplans in Barking – east London on regeneration projects in Korea, on the regeneration of central Riyadh and is curating the London exhibition for the 2019 Seoul Biennale.

Peter has been a design advisor to the Mayors of Bucharest and Zhuhai, on major international competition juries including the Sochi Winter Olympics. He is an honorary fellow of the RIBA, holds an honorary doctorate from the University of Kingston and in 2017 was Distinguished Visiting Scholar at UTS Sydney.

His book, "The Temporary City", explores the origins of current thinking on temporary urbanism (Routledge 2012). He also examined the political processes behind major developments in his more recent book "Planning, Politics and City Making - a case study of King's Cross" (RIBA Publishing 2016).

Paul Cheshire

Paul Cheshire is Professor and Emeritus Professor of Economic Geography at the London School of Economics where he has held senior administrative positions. He is an applied urban economist with a strong interest in policy analysis. He has published extensively, especially on urban growth in Europe, urban land and housing markets and the economic effects of land use planning. He is the author/editor of 12 books including *Urban Economics and Urban Policy: Challenging Conventional Policy Wisdom* (2014) and more than a 100 journal articles.

Paul has acted as consultant to several UK government departments, as well as international organisations including the European Commission, the New Zealand Productivity Commission on land use and housing, the OECD, the UN and the World Bank. He was an advisor to both Barker reviews of planning and the Eddington Commission's enquiry into transport infrastructure and a Board member of the National Housing and Planning Advisory Unit. He was a long-term member of the DCLG's Planning Sounding Board and of the ULI's UK Executive committee. He is an elected Fellow of the Academy of Social Sciences and a Weimer Fellow. He won the Royal Economic Society's Best Paper prize in the *Economic Journal* for 2004 and the EIB-ERSA Prize in 2009. He was awarded a CBE for services to economics and housing in 2017.

APPENDIX 8 – The Housing Sprint Approach - Collaborate, Innovate, Accelerate

We chose the Sprint method to develop breakthrough ideas, because traditional policymaking and innovation is often slow and hampered by organisational inertia or entrenched perspectives. Our aim was to put fast-paced academic insight and business expertise into action.

The Sprint method tackles big problems collaboratively, creatively and at speed. Blending the best of design thinking and agile working, it rests on the notion that the best work often happens when there is a serious challenge and not quite enough time.

Pioneered and widely used in the technology industry, Sprints are now being applied to public policy issues. The Oxford Housing Sprint brought together the best from academia, government and industry to collaborate, innovate and accelerate ideas to tackle the UK's housing crisis.

Following a structured workshop process encouraged teams to unpick and examine the more fruitful ideas, while putting less compelling strands to one side. Summarising and presenting an idea partway, helped articulate both problem and response, and excised ambiguity as well as testing the solutions' validity and realism. Through a process of provocation, reflection, and the power of convening diverse views, we came up with ideas for action.

Systems thinking proposes three steps needed to solve complex problems. First, bring the right people together, identifying a spread of stakeholders including 'doers', influencers and sector disrupters, to share what they know. Second, get everyone to understand the challenge, speak a similar language and agree on ideas with potential. Finally taking the ideas out into practice to disseminate, pilot and evaluate their appropriateness. The Housing Sprint accomplished the first two, and this report is part of the third.

The first step was interrogating available housing data and knowledge. The team of academics and housing thinkers presented their papers, research findings and opinions, and were cross examined by the fifty participants showing where there was collative agreement, or gaps in understanding. The futures scoping was especially useful to expanding our time horizon for consequences and how long rebalancing the housing market might take.

The next step was articulating the challenges. Completing the phrase "How Might We..." resulted in a host of issues to tackle. These included asking how might we; build homes that adapt to the future, create a common understanding of success, give voice to wider society, incentivise local support for homebuilding or capture and extract land value. Restating these critical challenges was in itself helpful to focus on what was most pressing but what also might yield the best results.

Multi-disciplinary groups then devised over a dozen plausible solutions, which the whole Sprint team debated and evaluated against two criteria: the impact of potential benefits and the difficulty of implementation. This was not to identify a single 'winning idea' but to understand the effort required to effect transformation. Many of the solutions are complementary and could co-exist. They straddled a spectrum of change; from radical shifts in comprehensive planning, incremental improvement of current processes, to tweaking existing solutions to work more reliably.

This report describes the wide range of ideas suggested. Some are more difficult to achieve because they require public funding, new legislation or state intervention in local matters. Some are easier because they only need modest investment or behaviour change. We do not claim that any of the questions haven't been considered before.

Housing is complex and knowing how to act can be confusing. Earlier attempts to intervene in the system have added layers of messiness. The Sprint cut through this deadlock applying fast exploratory enquiry to leap towards fresh approaches. Mending the broken housing market is likely to be a long task, requiring constant review as future circumstances change. It was important that the suggestions were framed as clear ways to act now without closing down future flexibility.

The overwhelming conclusion of our two and a half days was that the biggest change we need is of attitude, innovation and improved collaboration. We need to bring the different stakeholders together so that conflict is replaced by co-operation. The Housing Sprint enabled traditional opponents (volume developers and housing associations) to raise diverging views and to work them through.

The solutions are grounded in sector experience, crafted by expert industry professionals. Unsurprisingly, some are more evolved than others and are ready to be tried out in the real world. We hope others will stimulate further discussion and lead to more radical change. Yet if some of the solutions are still emergent, the Sprint process itself demonstrates great potential.

The Sprint was structured to explore levels of support for a number of initiatives rather than seek unanimity, and this report mentions them all. But we returned repeatedly to the theme of diverse housing stakeholders sharing data, knowledge and insight to develop new ways of working together, and importantly tracking and assessing the progress towards our shared goal of better housing. These aims all underpin the recommendation for a Housing Advisory Committee.

We hope that many of the ideas devised might gain traction and also that the Sprint process might be adopted more generally to addressing problems that cross multi-disciplinary boundaries and where political, social and commercial aims may often be thought in conflict. Our experience of the Housing Sprint was that it succeeded in bringing a diverse group together to identify constructive ways forward to address a complex wicked problem. It was a refreshing opportunity to think widely, and to reframe the housing crisis as an opportunity not a threat. Together we were able to shift the focus from a confusingly entangled set of challenges into a more manageable series of tasks, without losing the sense of urgency.

APPENDIX 9 - Housing Sprint Participants

Details of the people who conceived, supported, took part in and made the Oxford Housing Sprint event happen.

Sponsors and Housing Sprint Steering Group

Argent	Peter Freeman
Berkeley Group	Andrew White
Clarion Housing Group	Elanor Warwick
Homes England	Sarah Greenwood
Knight Frank	Charlie Dugdale
MHCLG	Scott Dennison, Charlotte Baker
Savills	Jim Ward, Emily Williams

Professor Andrew Baum	Saïd Business School
Professor Peter Bishop	UCL
Professor Paul Cheshire	LSE

Further Presenters at the Sprint

Dr Trudi Lang	Saïd Business School
Professor Marc Ventresca	Saïd Business School
Professor John Muellbauer	University of Oxford
Professor Danny Dorling	University of Oxford

Participants

Tom Hobrook	5th Studio
Richard Proctor	Arcadis
Daniel Massie	Berkeley Group
Andrew White	Berkeley Group
Becky Worthington	British Land
Mark Edworthy	Burrington Estates
Anthony Breach	Centre for Cities
Dr Lígia Teixeira,	Centre for Homelessness
Paul VeZolles	Chatham Park
Dr Elanor Warwick	Clarion Housing Group
Alexandra Willey	Clarion Housing Group
Julia Foster	David Lock Associates
Callum Williams	The Economist
Yair Ginor	FRAME
Tracey Hartley	Howard de Walden
Charles Dugdale	Knight Frank
Lauren Aitchison	L&G
Pete Gladwell	L&G
John Myers	London YIMBY

Dr Felipe Carozzi	LSE
Lee Newlyn	Mayfield and Ticehurst
Neil Deely	Metropolitan Workshop
Rosie Cornelius	MHCLG
Ben Llewellyn	MHCLG
Tashi Warr	MHCLG
Rosa Payne	Network Homes
Reuben Young	Network Homes
Lizzie Buckle	Property Funds Research
Jim Ward	Savills
Emily Williams	Savills
Andrew Bradley	Sovereign
Nick Jopling	Square House Consultancy
Richard Meier	Stories
Paul Disley-Tindell	Telereal Trillium
Rob Beiley	Trowers & Hamlins
Greg Melly	University of Surrey
James Scott	Urban & Civic
Dr Nicholas Falk	URBED
Rupert Dehaene-Gold	Urbuntu

Sprint Team

Ian Hembrow	Consultant, Originator of the Sprint
Ryan Farrell	FOR Collective
Richard Chapman	Insight Facilitation
Dr. Louise Watts	Saïd Business School
Erin Eltham	Saïd Business School
Charlotte Lines	Saïd Business School
Steve Mostyn	Saïd Business School
Monika Szkudlapska	Saïd Business School
Jack Brougham	Scriberia

Report Authored by

Peter Freeman, Ian Hembrow, Lee Shostak, Elanor Warwick and Andrew White, with continued input from the Steering Group.