October 2014

Briefing

An environmental and socially just agenda for housing

“This is an important and robust briefing that shows caring for social justice and the environment can and must go hand in hand”. Professor Danny Dorling, Professor of Geography, University of Oxford.

Why does Friends of the Earth have a view on housing?

Friends of the Earth exists to create a just world where people and nature thrive. For people to thrive it is essential that they have a good quality and affordable homes. It is also essential that the services that nature provides to people are maintained – climate stability, food production, flood protection, etc. (so-called ecosystem services). Without these services people cannot thrive. It is therefore necessary to ensure that housing policy not only focuses on providing quality, affordable homes but in doing so it does not damage critical ecosystem services.

Currently housing policy is neither providing affordable quality homes, nor protecting ecosystem services nor ensuring homes are built to the right standards in the right locations.

For example, housing is already far too expensive for vast numbers of people and getting more expensive. To pay the rent or service the mortgage often requires two full-time incomes, severely restricting time available for volunteering, caring for children or the elderly, or enjoying nature. And according to research by the Resolution Foundation, around 1-2 million people could be spending more than half of their disposable income servicing debt by 2018¹. Much of the UK’s housing stock is poorly insulated with the result that greenhouse gas emissions from homes are extremely high and contributing to the already high risk of dangerous climate change.

We need a completely different approach to housing. One that recognises that quality housing is as important to wellbeing as food and water. But also one that sees that transforming housing is an opportunity to create new jobs, to protect and make space for

¹ For more than 40 years we’ve seen that the wellbeing of people and planet go hand in hand – and it’s been the inspiration for our campaigns. Together with thousands of people like you we’ve secured safer food and water, defended wildlife and natural habitats, championed the move to clean energy and acted to keep our climate stable. Be a Friend of the Earth – see things differently.
nature, to create neighbourhoods where people want to live, and to transition to a low carbon economy.

Friends of the Earth’s vision for housing in the UK

Our vision is for homes that are energy and water efficient, for example with embedded renewable energy generation and ‘grey water’ recycling; homes with decent space for people living in them, including a spare room for home working or for visitors to stay; where homes are located in densities which enable people to easily access amenities such as shops, entertainment, sports facilities and schools; close to services and jobs; designed so that resources such as books, bikes, tools, meeting places, etc. can be shared easily; places where nature thrives through well-managed shared parks, allotments, and green infrastructure such as green roofs and walls; places with clean air; places where people can have a say in how their community is run and look out for each other. Homes that are affordable to all with the security of tenure that people need in order to plan their family and work lives. Homes through which communities begin to take control of their lives again through ownership over energy, a sense of space and place, of community and belonging, of pride and wellbeing.

This vision is as much a vision of community building and social justice as it is environmental sustainability.

Our vision is very different from most of the reality in the UK today. But it is possible. To achieve it will however require radical changes, not tinkering with policies at the edges.

For example, it will require:

- renovating the UK’s dilapidated housing and future proofing it;
- making our homes green with much more renewable energy generation and water recycling
- introducing policies to ensure affordable homes;
- making the best use of the larger homes we already have;
- improving people’s access to well-managed and safe green spaces, which include spaces for nature (e.g. areas of unmown grass), and integrating nature into our buildings and communities through green roofs, green walls and green streets;
- building millions of new homes in our towns and cities (see box), designed to garner the rewards that greater density brings (learning from excellent examples overseas);
- and it will require putting local government and local people at the heart of achieving change, including most importantly enabling local government to borrow billions of pounds to build, together with Housing Associations, mixed community housing, with a high proportion of affordable homes. The current Government and opposition Labour Party are set against allowing local authorities increased borrowing which, if unchanged, will leave building rates far below necessary rates, particularly affordable homes.

In this briefing we identify the 17 policy changes that we believe are necessarya.

---
a The recommendations in the briefing apply to England, with many but not all relevant to the devolved nations.
Box – how many new homes and where to locate them?

The Office of National Statistics produces a range of projections of future population growth. Their latest central-range projections said that the UK population could rise from around 63 million now to 70 million in 2030 or 69 million in 2030 with low immigration projections (even zero net migration - not advocated by the major political parties or even UKIP - would still see population rise to around 67 million in 2037 according to the ONS). In addition, as we show in this briefing, millions of young people are trapped at home, over 600,000 people are living in overcrowded homes, and around 200,000 people are homeless.

So regardless of ones view of immigration these projections – 6-7 million more people plus almost a million trapped at home or homeless - imply that over the next 15 years at least 2 million new homes, and probably many more, are needed.

Providing these people with homes will require using existing homes and properties more efficiently, as well as building millions of new build homes. We believe that the new-build homes need to be predominantly built in our existing towns and cities. According to the former Commission on Architecture and the Built Environment (CABE) the average density in London is around 42 homes per hectare with 168 people, whereas a “sustainable urban density” is 69 homes per hectare and 275 people. They provide guidance on how this density can and is being delivered to very high standard in the UK and overseas in much-sought-after developments. This implies many more people can fit into our towns and cities. The winners of the Wolfson Prize (‘Uxcester’ by Urbed) suggested that 3-3.6 million new homes could/should go in existing urban areas.

The population is forecast to increase by 10 million over the next 30 years, implying that, if this forecast is accurate, at least some homes will in the future need to be built outside of existing towns and cities. However we suggest that, at least over the next 10-15 years, the vast majority of new homes should be within existing towns and cities, but to high design standard as described by CABE, not shoddy urban cramming.

Where expansion of existing towns and cities is genuinely needed it should be on a ‘compact’ city not the traditional low density approach. These compact city/town extensions should be served with tram and bus rapid transport systems no more than 5 minutes’ walk away from homes with rapid journey times to the centre. Services such as schools, shops, public transport, and managed green space should be built before the homes. This is the approach suggested by Wolfson Prize winner ‘Uxcester’ by Urbed.

In short, new homes should be located first in our towns and cities then, if necessary, through urban extensions like Urbed’s ‘Uxcester’. Local authorities need to be put in the driving street for this transformation, including providing them with the freedom to raise capital to provide many of the homes and services, together with the ability to raise revenues for running the services, such as high quality public transport.

Clearly some limited growth in villages in rural areas will also be necessary but this is not the focus of this briefing.
Quality homes in compact towns and cities

Some see environmental measures as a luxury for the middle-classes yet it is the poorest who suffer most from poorly insulated homes, flooding from climate change, and homes with poor access to jobs, services and amenities. Quality homes in well-designed resource efficient compact towns and cities is the way forward. We need to:

1. **Renovate our homes to make them water and energy efficient in order to cut carbon pollution and eradicate fuel poverty** – most of the homes that people will live in over the next 50-100 years have already been built. Many are poorly insulated, much worse than in countries such as Sweden, Denmark and the Czech Republic. Over 1.5 million private-rented sector homes do not even meet the basic ‘decent homes standard’ set by the government. Friends of the Earth is campaigning with a large number of poverty groups and businesses for a publicly-funded energy efficiency programme which should by 2018 be insulating one million homes per year to a high Energy Performance Certificate band C (including at least 500,000 low-income homes). The programme should ensure the UK is on track to achieving a target of bringing all low-income homes to EPC C by 2025, and all UK homes by 2035. Such a programme would create over 100,000 jobs, provide a net return to the Treasury, save the NHS considerable sums and save the average home £300 a year in energy bills (millions of householders are struggling to pay for the energy they need). Such a programme should be in addition to a robust and enforceable minimum standard in the private rented sector to achieve EPC C by 2026. And our homes need to be water efficient, particularly in areas of water stress (e.g. London, the South East and the East of England) with water efficient appliances and where possible grey water recycling. Only through this can we protect our rivers, streams and aquatic wildlife habitats.

2. **Redesign our towns and cities to be ‘compact’ places to live** – climate change is a threat to everyone in the world, and for this reason the UK has a legally binding carbon pollution reduction target of at least 50 per cent by 2025 supported by all the main political parties. At the same time the UK population is set to increase by around 7 million over the next 15 years. It is essential that we avoid urban sprawl to accommodate a rising population as this would lock-in higher carbon emissions. Compact cities and towns designed for walking, cycling and public transport, with easy access to amenities, services and jobs are internationally recognised as necessary for addressing climate change. They can also be more liveable. Cities and towns designed for sharing of resources such as books, bikes, green spaces, tools, meeting places, food growing, etc. are more resource efficient, help build communities and are better for social inclusion. Accessible and nearby quality green spaces, allotments and streets designed for playing, relaxation and thriving biodiversity are critical for wellbeing. Higher density locations work better with reduced car ownership, and people will choose to be car-free if there is quality and affordable public transport, quality cycling and walking routes, and accessible car clubs for when a car is needed. Our cities and towns can accommodate many more

---

b These reduction targets are compatible with a high chance of exceeding 2 degrees of global warming, much greater reductions are necessary to give a reasonable chance of avoiding 1.5 degrees warming which is a much safer threshold.
homes through adopting the compact city approach, but attention to design is absolutely critical. A detailed report by the former Commission for Architecture and the Built Environment (CABE) showcases numerous case studies from around Europe of where high density housing works, at densities that are significantly higher than is the norm in the UK. They demonstrate that high density housing doesn’t have to be low quality cramming. Housing should be designed with adequate space for privacy (minimum space standards should be reinstated), low-rise (3-5 stories), in mixed use developments, with mixed community tenancy to high design together with a quality management regime to maintain standards.

3. **Ensure all new build is built to prevent carbon lock-in and drive innovation** – new homes are expected to last for 100+ years and locking-in the production of carbon pollution and unnecessarily high energy and water use costs needs to be avoided. Homes need to be built to ensure that energy requirements for heating, lighting and cooling are extremely low, including considering the orientation of the house to gain energy from the sun (heat and solar pv). They need to, at the very least, meet the fabric energy efficiency standard, and ideally aim much higher. In addition, Friends of the Earth suggest all new homes should include some renewable energy generation (for example, solar PV, solar thermal, heat-pumps, or shared community energy schemes). The last government required developers to also ensure that householders’ use of appliances was also zero carbon (i.e. enough low carbon energy was produced on site or off site to negate this energy use), a position that has been weakened by the current government due to concerns of pressures on house prices. With millions more homes needed, and the necessity to cut total UK carbon pollution by at least 50% by 2030 (and 80%+ by 2050), the most critical need is for new homes not to add to carbon pollution, primarily by generating very little (at least to the 2016 carbon compliance target) and where necessary through offsetting remaining emissions through supporting community-owned renewable energy schemes, thereby benefiting the wider community (other offsetting options bring less certain additional reductions in carbon). In addition, new homes must be built with water conservation in mind, and waste must be minimised during construction and use.

4. **Protect homes from flooding, don’t build on flood plains and tackle urban heat and water shortage problems** – There are 2.4 million homes in the UK at risk of flooding from rivers and the sea, 370,000 of which are classified at ‘significant risk’. And there are an additional 3 million homes at risk from flash floods. Flooding is getting worse because of climate change. Every degree of warming will lead to rain intensity increasing by 5-10 per cent and warming leads to sea levels rising. Yet homes continue to be built on flood plains despite objections from the Environment Agency. Unfortunately the government has delayed the mandatory introduction of Sustainable Urban Drainage Systems (SuDS) which reduces flash flooding in towns and cities, spending on flood defences is £500 million lower than necessary, and the uplands are overgrazed leading to more floods. The poorest people in our society are at greatest risk from flooding and have less capacity to bounce-back after a flooding event. But flooding is not the only challenge from climate change. The Committee on Climate Change said that premature deaths from overheating could triple to 7,000 per year by the 2050s, as average temperatures rise combined with an ageing and more vulnerable population. They said new homes are being designed for yesterday’s climate, and not with the health impacts
of higher temperatures in mind. One-fifth of homes could already be overheating even in a cool summer they say. The Town and Country Planning Association have identified a menu of options for addressing over-heating, including the use of green spaces, green corridors, and green roofs and walls\textsuperscript{21}. More homes are also expected to face water shortages due to climate change\textsuperscript{22}. Houses clearly shouldn’t be built on flood plains, and our homes and urban areas need retrofitting to be resilient to floods, heat and water shortages due to climate change.

**Affordable homes**

5. **Set fair rents** – the lack of any rent controls and spiralling house prices has led housing benefit payments to rocket from £5 billion in 2009 to £23 billion today. Much of this is for one million low income workers, in effect subsiding employers paying minimum rather than ‘living wages’\textsuperscript{23}. Caps on housing benefits have forced people into debt or arrears. Almost 70,000 households are now said to be in serious rent arrears in England & Wales\textsuperscript{24} and tens of thousands have been evicted. In almost a half of local authorities the rental price now exceeds mortgage costs\textsuperscript{25}, making renting more expensive than buying. On average private renters now spend more than 40% of income on rent\textsuperscript{26}, and rental costs are predicted to soar further\textsuperscript{27}. Before the 1988 Housing Act local authorities had some controls on rents, for example for those claiming benefit, and they generally set fair rents below the market rent. Fair rents no longer exist in the UK, except for those who were tenants prior to the 1988 Housing Act. In France, Spain and Germany rents are regulated, albeit tied closely to market prices\textsuperscript{28}. But in the UK, with rental costs above mortgage costs, there is surely a case to be made for introducing fair rents for all private rented accommodation which reflects a landlord’s need for a reasonable return on what is a very safe investment but which curtails excessive profit? A reluctance to intervene in the market seems at odds with a willingness to do so in other areas of essential services such as water and train prices (where prices are capped) and food (the production of which is heavily subsidised).

**Reduce drivers of house price inflation**

6. **Stop excessive lending** – the deregulation of the finance sector, including deregulating mortgage credit controls in the early 1980s, has led to excessive mortgage lending. This excessive lending has contributed to soaring house prices, for example, in 1983 the average first-time buyers’ house price to earnings ratio was 2.7 (London 3.7), now it is 4.9 (London 8.8)\textsuperscript{29}. It has also contributed to homes being too expensive (the OECD said the UK’s house prices are on average a third above their true value\textsuperscript{30}, and they are much more expensive than in other densely populated countries such as the Netherlands\textsuperscript{31}). Over one million house-buyers now pay more than 35% of their income on mortgages and according to the Bank of England that could increase to over two million at even modest increases in interest rates\textsuperscript{32}. The Bank of England has belated re-introduced controls on lending, with a cap that prevents no more than 15% of a Bank’s loans exceeding the ratio of 4.5:1 loan to income. But this cap is far too weak, with one critic describing it as “a chocolate fireguard” that will not reduce house inflation or reduce risks\textsuperscript{33}. A much tougher cap restricting all lending to no higher that 4.5:1 is necessary in order to reduce house price inflation. But banks can be further incentivised to avoid excess lending by being forced to cancel part of the debts some householders have if
they were lent too much money without adequate checks on their ability to pay. The Financial Conduct Authority has forced payday lender WONGA to cancel debts due to poor attention to the ability of borrowers to repay. The Banks should be forced to do the same. This would incentivise the banks not to lend excessively again in the future. Controls on lending are critical for reducing house price inflation and to bring house prices down to more reasonable levels so that home ownership becomes affordable for the majority and people have greater choice where to live.

7. **Reduce inflationary pressures through introducing a Property and Land Tax** – in the context of low returns from savings, pensions and shares, investors have poured into the housing market buying both housing and land in order to generate higher returns on investment. Some land, and remarkably sometimes housing, is even left idle as they profit from rising prices. House prices rose six-fold between 1983 and 2007 whereas land prices increased an astonishing 16 fold. Professor Danny Dorling from Oxford University has suggested that the regressive Council Tax – regressive because smaller households pay proportionately much more than very big house owners - should be morphed into a Property and Land Tax to discourage hoarding and speculation (a land value tax already exists in New Zealand, Denmark, Sweden and other countries\(^3\)). This, he argues, would reduce inflationary pressures on lands and homes. This progressive tax, he says, would mostly hit the 0.6% of the population that own 70% of land and the 2% of people who own more than one home\(^3\). A Property and Land tax should be introduced, at least in areas which are suffering excessive house price inflation.

8. **Reduce the over-heating of London and the South East through developing the other regions** – the UK economy is skewed towards the London and South East creating enormous pressures on houses and limited environmental resources such as water. The economy could be rebalanced across the UK. Although it will take many years to do so this is not a reason not to begin to address the issue seriously. For example, should High Speed 3 which is intended to improve rail links across the Pennines be a higher priority than HS2? And how can the development of offshore renewable energy boost manufacturing and services in the north east? Could much of Government be moved out of London, following the example of public institutions such as the BBC? The development of digital communications surely makes this more possible than ever before. Rebalancing the economy across the UK is also about boosting the freedoms, political and economic powers in the cities and city regions outside of London (an issue that is very live following the Scottish referendum result). This is no panacea, nor is it anti London and the South East, but over time it could lessen the pressure on house prices in London and the South East, as well as reduce pressure on environmental resources.

**Security of tenure**

*Millions of people are living precariously without confidence that they will have a roof over the head in the near-future due to lack of security of tenure in renting (driving them to buy homes, driving-up house prices) or the impact of potential increases in interest rates*\(^3^\). *We need to:*

9. **Give people renting much greater security of tenure** – In the UK the minimum security of tenure in renting is just 6 months, in France it is 3 years, in Spain it is 5 years
and in Germany it is indefinite. Tenants need to give 3 months’ notice in Spain and Germany, and just 1 month in France. In Spain tenants can be evicted for non-payment, anti-social behaviour or immoral use. The UK has the worst level of tenant security of tenure in the OECD. Shelter has called for the introduction of five year contracts. This is below the OECD average but would be a very welcome step-forward for the UK. Obviously landlords need to be able to evict due to rent-arrears or anti-social behaviour, and some may need help when challenged by tenants with financial or social problems.

10. **Introducing a ‘Right to Sell and Stay’ for homeowners** – Professor Danny Dorling has suggested that security for home-owners could be increased through the introduction of a ‘right to sell’ and ‘right to stay’, so that those who can no longer meet mortgage repayments can sell their properties (for example to local authorities or housing associations or non-profit regional agencies) but remain as tenants paying fair rents. This would not only assist people struggling to pay mortgages but would also over time increase public housing stock. In the UK we spend more of our income on housing than almost other country in Europe and have one of the highest proportions of population at risk as a result.

**New homes**

M**illions of young adults are trapped living at home unable to afford their own place to live**, over 600,000 people are living in overcrowded homes, and around 200,000 people are homeless. This and demographic changes - such as more single occupancy homes, people-living longer and increased population - suggests millions more homes are needed in coming decades. Whilst new homes are necessary much ignored in the debate are the opportunities from using existing housing much more efficiently, particularly as around a half of homes are classified as under-occupied. **We need to:**

11. **Bring empty properties and unused land into use through taxation and compulsory purchase** - according to the Empty Homes Agency there are 232,600 homes that have been empty for more than six months, with many of these in and around London. In addition, the Government has said converting just 5 per cent of empty offices would create 140,000 new homes (although the approval of these should rest with local authorities to ensure they are appropriate for homes in terms of quality, services and amenities, and that they don’t restrict employment possibilities near where people live). The last government introduced laws to enable compulsory purchase of homes if left empty for more than 6 months but the powers were rarely used; the Coalition government extended the period to 2 years. The power to compulsory purchase after 6 months should be reintroduced and used vigorously. There are also over 500,000 sites with planning permission, with around half with no building activity, and the top 5 builders have 12 years of land available for building. Compulsory purchase powers should be extended to unused land which has planning permission but where house-building is not happening without good reason (at the price of purchase not current price). In addition, there are also 1.6 million second homes in England and Wales, a proportion of which may become available to provide homes for people if council tax subsidies for these were abolished and they were to be taxed more heavily (recognising that these homes are not always located where demand is). Powers to require planning permissions to change a residential property into a second home could
also reduce the growth in second-homes\(^{44}\). Using existing housing stock and unused land won’t solve the housing crisis but could rapidly increase the available housing stock.

12. **Help those living in homes that are too big to move to more suitable accommodation** – a century ago more than half of the population had less than one room per family member. The median is now almost two rooms per person; although the wealthiest 10 per cent have four rooms per person and the poorest ten per cent just one\(^{45}\). Adequate space and privacy are important for well-being, and in the 21\(^{st}\) century a spare-room in a property for guests or home-working should be viewed as a reasonable need, not a luxury (as the Coalition government’s so-called Bedroom Tax implies). But many people are living in homes with more space than they want or need. The government says around half of owner occupiers were under-occupying their homes in 2012-13\(^{46}\), and the think-tank Demos said over three million over 60s wanted to move to smaller more suitable retirement properties. There is an acute shortage of retirement properties, with only 100,000 available, said Demos. We need to build millions of quality smaller homes in mixed-use, mixed community developments (as described earlier) so people can down-size homes within their own neighbourhoods when it suits them to do so, without having to move away and lose social connections. A good proportion of these should be designed to be appropriate for elderly people with mobility issues. This will allow those wanting to sell off their bigger homes the possibility to do so, while also improving the wellbeing and care of people in their later years.

13. **Remove borrowing caps and allow local authorities to borrow billions to build affordable housing** – the decline of local authorities building social houses is well-documented, with less social housing homes now than in the private-rented sector. Borrowing caps are preventing many local authorities building social housing. These caps were marginally relaxed by the current Coalition Government, allowing £300 million of borrowing in order to build 10,000 affordable homes. Instead billions of pounds are needed to build 100,000+ homes each year. The Labour Party has also said that, if elected, it would not allow increased borrowing\(^{47}\). Borrowing to build homes that then brings in revenue is a good investment and shouldn’t be caught up in deficit reduction programmes. Although the UK has a similar proportion of social housing to other EU countries\(^{48}\), local authorities in the UK are much more restricted in terms of financial freedom despite localism rhetoric from successive governments. Local authorities need much greater economic freedoms. They should be able to borrow billions of pounds to build - including in partnership with Housing Associations - mixed community housing with a high proportion of affordable homes. Local authorities should be at the forefront on building the new homes the country needs.

14. **Use strong local land-use planning to ensure private developers are focused on building the right homes in the right places** – private developers have a role for building some of the new homes that are needed, but the land-use planning function of local authorities needs to ensure they build the right homes of the right quality in the right locations with the right services. And local authorities need to have the responsibility to ensure enough homes are built in the right places – within existing towns and cities, not on flood plains or places of high water stress or on land with high biodiversity value. The National Planning Policy Framework (NPPF) in England has undermined local planning authority control over development, for example through the introduction of a “viability policy”\(^{49}\) which has resulted in cuts to the delivery of affordable homes\(^{50}\), and the removal
of the 60 per cent brown-field building target for building in urban areas. The current 'market knows best' approach to policy fails to adequately reflect the social and environmental needs of housing now and in the future, and leaves the public purse to pick-up much of the bill for infrastructure such as roads, cycle tracks, extra school spaces, etc. The NPPF treats homes as a commodity as opposed to an essential need for wellbeing. Local authorities need to actively use land-use planning powers to direct private house builders to provide homes matched to different needs in the right location in well-designed compact towns and cities. And there must be much greater public participation in the design, layout and provision of types of homes. And in doing so, in their Local Plan local authorities must protect and enhance valuable green space (e.g. improve accessibility, safety and biodiversity), including at times brownfield land that has evolved into important urban biodiversity hotspots providing valuable ecosystem services. And local authorities should support a greater diversity of builders, for example social house building could show a preference to local SMEs in order to keep money in the local economy and support job opportunities (for example, apprentices) for local people.

15. **Encourage community, self-build and modular building for diversity and innovation** – there are increasing numbers of people, communities, cooperatives and social enterprises who are looking to providing housing solutions, including self-build or modular design houses and co-housing solutions. This could bring diversity and innovation into a sector which is, as described earlier, increasingly dominated by a relatively small number of big firms far behind many continental builders in terms of sustainability. Pre-fabricated modular build also allows for much faster building, more efficient use of resources and lower costs. This approach should be championed and supported by local authorities even though, for some time at least, it is likely to be a marginal player in the provision of new housing stock.

**Rebalance the economy**

*The UK economy is in a fix. Reducing house-prices to make them more affordable is essential, yet it would also leave millions in negative equity. Waiting for wages to increase enough to make houses affordable is seemingly impossibility as house prices increases continue to outstrip wage increases*.⁵¹ The high levels of debt people have in order to buy a house constrain the ability of the Bank of England to increase interest rates. We need to:

16. **Rebalance the economy so it is less dependent on increasing house prices and consumer spending** – an astonishing 60+ per cent of the UK’s total wealth is tied up in (over-priced) housing. The UK also has one of the highest levels of household debt in Europe, at greater than 140% above disposable income (largely due to housing costs). If interest rates were to rise by only 2% around half of homeowners may need to cut consumer spending according to the Bank of England⁵². Given that, according to the CBI, the UK economy is more dominated by household and government spending than other nations - accounting for almost 90 per cent of GDP⁵³ - a reduction in consumer spending would clearly have a significant negative impact on the UK economy⁵⁴. The CBI calls for a rebalanced economy with much greater focus on manufacturing and less on

---

⁵¹ Whilst excessive consumption clearly brings significant environmental downsides, many of these households may need to cut consumption of essentials such as food and heating.
consumer spending, including for example the development of the green economy (for example, offshore wind development to boost economic development in Yorkshire and the Humber, and the North East). The current focus on consumer spending, with debt secured against ever-increasing house prices, is economically and environmentally unsustainable. It also leaves no space for policies to prevent further house-price inflation or to achieve slow and steady house-price deflation which, if coupled with reduced inequalities, could over time make houses affordable again.

Empowering local government

Achieving quality homes in the right place at the right density, together with ensuring quality amenities and services, requires a strong planning approach. The last four years have seen a comprehensive effort to dismantle the planning system and disempower local government. But what is most needed is empowered local government playing the central planning role in ‘place-making’; ensuring that we build sustainable communities. We need to:

17. Put local government centre-stage in solving the housing crisis – as mentioned above, local government needs to ensure the right number of homes and the right homes are built in the right places to the right standard through a powerful land use planning system; it needs to build many more social houses; it needs to facilitate a massive energy efficiency programme to reduce fuel poverty, cut carbon pollution and future-proof homes from climate change; it needs to enable the development of sharing initiatives to deliver resource efficiency and social justice; it needs a regulatory role in preventing extortionate rents, ensure housing standards are adhered to, and dealing with issues such as anti-social behaviour; it needs compulsory purchase powers and resources to address empty properties and idle land. These things won’t happen unless there is a significant devolution of power, including much greater financial autonomy in order to borrow very significant funds to embark on a house building programme, and the ability to raise revenue for funding services such as the high quality public transport needed in compact towns and cities. Local authorities also need the staff to deliver, which due to public spending cuts they may no longer have. Local government can’t do everything, but properly empowered they can and should be required to do much more. This is not just a call for greater empowerment of local authorities, but also a call to give them the responsibility for solving housing shortages within their areas. Regional assessments of housing are needed to inform this, ones which take full consideration of environmental limits and EU environmental law. The strategic role of local government, together with transparent, cooperative and democratic regional strategic assessments, is critical to solving the housing crisis. They need the powers and the responsibility to take a lead on this agenda working closely with their communities.

These are our 17 recommendations for changes. We intend to keep them under review, so we welcome feedback on them, please e-mail mike childs@foe.co.uk

Mike Childs, Head of Science, Policy & Research

Acknowledgements - I am indebted to the following for reviewing drafts of this briefing: Danny Dorling, Victoria Harvey, Beth Stratford, Anthony Rae, Gerald Kells, David Powell, Jane Thomas, Naomi Luhde-Thompson, Mike Birkin, Sophie Neuberg, Guy Shrubsole, Simon Bullock, Elaine Gilligan, Paul Steedman, Andy Atkins and Craig Bennett. As always, any errors remain that of the author.
References


4 Steven Wolfie, 2014, Steven Wolfie "UKIP's ethical migration policy", UKIP http://www.kip.org/steven_woolfe_ukip_s_ethical_migration_policy


11 Friends of the Earth, 2014b, Climate Change – ten key findings from the climate scientists: summary of the three reports by the Intergovernmental Panel on Climate Change, http://www.foe.co.uk/sites/default/files/downloads/ten-findings-by-IPCC-climate%20scientists.pdf


14 CABE, 2005, op cit


17 Friends of the Earth, 2014b, op cit


23 http://www.livingwage.org.uk/home
27 Dorling, 2014, All that is solid: the great housing disaster, Allen Lane, p160
31 URBED 2014, op cit
35 Dorling, 2014, p306, op cit
37 Shelter, 2011, op cit
40 Joanna Robinson, 30 May 2012, The generation that can’t afford to move out: 20% more adults into their 30s stuck with mum and dad as house prices soar, This is Money website, accessed 2 Oct 2014, http://www.thisismoney.co.uk/money/mortgageshome/article-2151550/ONS-says-20-young-adults-living-home.html
42 Peter Dominczac, 8 November 2013, Build homes or lose planning permissions, Nick Boles tells developers, Daily Telegraph http://www.telegraph.co.uk/earth/hands-off-our-land/10437114/Build-homes-or-lose-planning-permissions-Nick-Boles-tells-developers.html
Housing – sustainable solutions

44 Western Morning News, June 27 2013. Planners have a role in the second homes crackdown, http://www.westernmorningnews.co.uk/Planners-role-second-homes-crackdown/story-19407735-detail/story.html


49 DCLG, 2012, National Planning Policy Framework, paragraph 173


52 Burn et al, op cit, p356