

1901 to 2020: RETROSPECT

Looking back across 120 years of housing policy demonstrates how some issues have persisted. Land — its ownership and use — stands out. Stigma has endured and the very poor housing conditions of those at the base of the housing market have continued with entrenched structural inequality underpinning these outcomes. Over the 120 years council housing has ascended and faded with owner-occupation becoming the dominant tenure. In the 20th century private landlordism was in freefall but has advanced in recent years at the cost of a reduction in homeownership.

The Land Issue

Land was perhaps the most important domestic division between the political parties from 1901 to 1914 but Lloyd-George's interest in the land issue was related to his distaste for the 'landed aristocracy' rather than a strong desire to provide cheaper housing for the working class. His land taxes were abolished by the Conservative dominated 1918-1920 Coalition government. Labour took up the issue with land nationalisation as its principal policy. However, its 1945 manifesto ([Labour Party, 1945](#)) put land nationalisation into abeyance in favour of community control of development rights and taxation on the enhanced land value accruing from planning permissions.

The Labour governments of 1945 to 1950, 1964 to 1970 and 1974 to 1979 made attempts to tax 'betterment gain' but the mechanisms were quickly dismantled by subsequent Conservative governments and the community made few gains from land value hikes. Under *Section 106* of the 1990 Town & Country Planning Act local authorities were allowed to negotiate agreements with developers requiring infrastructure and affordable housing contributions in return for planning permission. The Community Infrastructure Levy (CIL) was introduced in the Planning Act 2008 and came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010. It can be used as a replacement for, or adjunct to, Section 106 payments.

Both the CIL and Section 106 have produced useful contributions from land price hikes although, in recent years, 'viability' assessments of developer contributions have limited the payments. The [MHCLG](#) (2018) estimated that, in 2016/17, developer contributions were £6 billion with the highest contributions made through the affordable housing programme (£4 billion) and the Community Infrastructure Levy (£945 million). However, the [MHCLG](#) (2018, p 13) said:

The total amount of developer contributions committed has increased since 2011/12, although the number of houses built has also increased. The value of section 106 planning obligations and CIL per dwelling built has remained broadly the same over this time period... By contrast, house prices in England have increased by 30%. This suggests that the current system of developer contributions can quickly become dated and may

only have captured a small proportion of the increase in value that has occurred since 2011.

In *Who Owns England?: How We Lost Our Green and Pleasant Land, and How to Take It Back* (2019) Guy Shrubsole comments:

It's often very difficult to find out who owns land in England. Land ownership remains our oldest, darkest, best-kept secret. There's a reason for that: concealing wealth is part and parcel of preserving it'.

Despite the information famine there can be no doubt that land ownership is highly concentrated (see [Shrubsole](#), 2019 for the available evidence).

The planning system, introduced in 1947, enhanced rather than limited landowner power. Rather than face a possible glut in land release, perhaps caused by farmers experiencing hard times, as Ferdinand [Mount](#) (2004, p 290), former policy advisor to Margaret Thatcher, has commented, land release under the planning system:

...is strongly reminiscent of the way De Beers keeps up the price of diamonds, by controlling the supply and releasing gems onto the market in carefully calculated batches so that the price is never in danger of collapse.

The Planning System

Until 1947 planning controls in the UK were very limited but, under the 1947 Town and Country Planning Act, any development became subject to planning control. Initially, the planning system had little impact on residential land prices but, in the early 1960s, they began to accelerate.

The 1947 Act allowed green belt designation but a 1955 circular strongly encouraged local authorities to designate green belts. It was a political move, opposed by civil servants (Sturzaker and Mell, 2016), directed to protecting county councils from encroachments by urban authorities anxious to find land to re-house people displaced from the slums. Green belt designations increased rapidly in the late 1950s and 1960s, part of a process aimed at the 'Containment of Urban England' (Hall et al, 1973). Green belt proliferation was accompanied by building flats in the 'fenced in' cities, encouraged by extra subsidies for high-rise.

Sir Frederic James Osborn (1885–1978) a prominent member of the UK Garden City movement and, for many years, Chair of the Town and Country Planning Association commented:

The architects want to go up in the air.... They are supported by the lucky people in country houses and parks who don't want their Arcadia invaded. They have succeeded to some extent, owing to the structure of our democracy. But they are overriding the inarticulate yet vast majority.

(Osborn, 1959, quoted in Kynaston, 2014, p 6)

In 1993, James Simmie said that the planning system:

has created a residential form of apartheid. Existing rural county property owners and the new service class have used Green Belts and other restrictive practices to raise the cost of access to their sub-urban environments. This has confined groups not able to meet these inflated costs... to the older urban cores.

Green belts were not the only constraints on housing production. The 1947 Town and Country Planning Act imposed a requirement on local authorities to develop forward looking planning documents such as structure and local development plans. They took a long-time to prepare, and, when published, were often out of date. By 1988, only a small number of local authorities had an adopted plan ([Allmendinger, 2007](#)) and [Cloke and Little \(2007\)](#) said 'such plans should be regarded as "pious hopes" or "ideal outcomes" rather than as detailed blueprints of what will actually happen'. This plan dearth plus the willingness of councillors to ignore plans (should they exist) meant that granting planning permission was an 'ad hoc' matter, hence subject to local pressure group influence that favoured 'sharp middle class elbows'. The growth in homeownership promoted opposition to new housing development.

By 1997 67.7% of UK households were homeowners with such growth sparking a 'vicious circle between homeownership and housing supply' (Ortalo-Magné and Prat, 2007, p 4). Opposing new development had few downsides for homeowners. Success meant stopping new supply in an area with potential consequences for house prices, preventing disruption and avoiding pressure on local services. ([Whitehead et al, 2015](#)).

From the middle 2000s central governments engaged in protracted tussles with local government on land release. New Labour introduced Regional Spatial Strategies to set new house construction targets for local government but they encountered antagonism with both the Conservatives and the Liberal Democrats promising to axe them. The Coalition government duly stopped Regional Spatial Strategies allowing local authorities to make decisions on land release in their areas but a drop in land availability prompted the Chancellor of the Exchequer to announce in 2011 that there would be a 'presumption in favour of sustainable development'. The mechanisms for achieving this were finally announced in the *National Planning Framework* ([DCLG, 2012](#)) contained robust measures to promote land release: a requirement on local authorities to produce up to date local plans based on evidence

with a rolling programme of specific, deliverable sites that had to be approved by the National Planning Inspectorate. In the absence of a 'fit for purpose' plan planning applications there should be a 'presumption in favour of sustainable development' when planning applications were considered. There followed a meandering process whereby central government tried to persuade local authorities to produce plans — without the ultimate sanction of permitting 'sustainable development' — with many local authorities not complying. In 2017 central government abandoned this process in favour of a national formula, announced in *Planning for the right homes in the right places: consultation proposals* ([DCLG, 2017](#)). This formula would set an objective — dwellings delivered (without an 'affordable homes' target). Non-compliance with this 'Delivery Test' would result in graded sanctions depending on the degree of failure with the ultimate penalty being automatic planning approval.

The 2019 Conservative Party Manifesto ([Conservative Party, 2019](#)) stated that the aim was to build 'at least a million new homes during the next parliament', which implied a target of 200,000 homes a year. This is lower than the current new housebuilding rate — 213,660 new homes a year — and a lot lower than the 247,000 on the 'net additions' measure. Other manifesto declarations such as a promise to provide infrastructure before development takes place and the usual strong Conservative commitment to Green Belts indicated that Theresa May's enhanced building programme was causing problems in the Tory heartlands (and beyond) so would be scaled back. Suspicion that the answer to the 'housing crisis' is being promoted as outside supply is reinforced by the [Building Better, Building Beautiful Commission's report](#) (2020). It is a ringing endorsement of the present planning system with 'beauty' promoted.

[Planning for the Future](#) (MHCLG, 2020), an indication of policies to come in 2020, stated that there would be more building in urban areas (meaning a review of the formula for calculating local need), greater use of brownfield sites, higher densities and adding up to two storeys to existing residential blocks. The deadline for all local authorities to have an up-to-date local plan was extended to December 2023.

Following the Van

In the 1900s tenure security for the 80%-90% of households renting from a private landlord was minimal — a notice of a week in England. As the words of the popular music hall song 'My Old Man Said, Follow the Van' proclaimed 'We had to move away cause the rent we couldn't pay.' Flitting — often 'moonlight' — was common. Rents were at market level. Homelessness and overcrowding were the outcomes of 'cause the rent we couldn't pay'.

Homelessness

The workhouse housed the majority of homeless people. Most people living in the 'permanent' workhouse wards were elderly, partially because the workhouse also operated as a long-stay hospital. Overall 5% of men and 2% of women over 65 obtained indoor relief in an institution ([Vision of Britain](#), 2020) with the percentage rising rapidly with age. Unemployed men with an attachment to the Poor Law unions could apply for accommodation in the 'permanent' workhouse wards but they were usually separated from their wives and children.

In the 'casual' wards, short-term accommodation was available to 'tramps' in return for a work task — often breaking stones for use on local roads — hence the term 'spike' named after the stone-breaking tool. At the beginning of the 20th century it was estimated that between 30,000 and 80,000 people used the workhouse casual wards from time to time (Royal Commission on the Poor Laws and Relief of Poverty, 1909) but many people 'on the tramp' preferred to use Common Lodging Houses. These 'dosshouses' provided accommodation on a nightly basis, the cheapest being the 'two-penny hang' — sleeping hanging over a rope strung across a room.

The system operating in 1901 continued until the 1948 National Assistance Act. Post 1948, homelessness was divided into two categories. Single homeless people were regarded as an employment problem, the responsibility of the National Assistance Board and Circular 136/46, envisaged a system of 30 reception centres positioned around the country wherein 'rootless' men would be offered accommodation, 'casework' and referral to resettlement centres to change their work habits. Local authorities were responsible for households with children, a power discharged under Part III of the 1948 National Assistance Act. The drama/documentary *Cathy Come Home* (1966) revealed the dire conditions in Part III accommodation and, eventually, the 1977 Housing (Homeless Persons) Act made the provision of accommodation for homeless households with children and other households in 'priority need' the responsibility of Housing Departments with households deemed to be in priority need and unintentionally homeless given a high priority in access to local authority housing.

Since 1977 there have been several changes to the homelessness legislation and, under devolution, the four 'home nations' have developed different approaches to the issue albeit with 'prevention' a common theme. 'Prevention' often involves 'housing options' interviews prior to a formal homelessness application aimed at, for example, promoting family assistance measures to prevent eviction. Initially the prevention strategy reduced the official homelessness statistics but, post 2010, homelessness has increased. In England, for example, there were 93,910 households in temporary accommodation in 2006, 51,300 in 2010 but 87,340 in 2019. Of these 18,500 were couples with dependent children and 41,210 single parent households. In 2019, 127,000 children were living in temporary accommodation in England ([MHCLG](#), 2020).

In the early 1980s, the number of people on the streets was increasing and they seemed younger than in the past. The initial Conservative response was to stop the payment of HB to people aged under 18 and reduce the amount paid to 18 to 25 year olds but the problem accelerated. A *Rough Sleepers Initiative* was started consisting of a programme, to contact rough sleepers in central London, allocate them to emergency hostel places and then offer more permanent, 'move on' accommodation. New Labour extended the initiative nationwide and the post 2010 Coalition government and subsequent Conservative governments have introduced measures to tackle rough sleeping.

The official rough sleeping 'snapshot' records the number sleeping rough on a specified night. The 2019 figure was 4,266 but reservations on the accuracy of this count have been voiced (see Barton, 2020). Of course the figure does not include sofa surfers, people in night shelters, people in hostels etc.

Overcrowding

In 1901, 8.2% of the population of England and Wales lived in *overcrowded* conditions (two or more people per room with children under 10 counted as half an adult) but the room definition was vague and some dwellings were not included in the overcrowding calculations. Of course, there were wide variations across England and Wales in housing conditions with overcrowding ranging from 36% in Jarrow to 0.5% in Bedford. Overall housing conditions in Scotland were far worse than in England and Wales with 45% of Scots lived at a density of more than two people per room (Knox, undated), albeit that the rooms were somewhat larger than in England.

The 1931 General Election, contested on the 'financial crisis', masked the housing issue but Labour made large gains in local elections between 1932 and 1934. The Conservatives needed to respond on the housing issue that came by associating overcrowding with the sanitary idea. Hilton Young (1934) stated that 'where people are improperly crowded together, especially at night, their disease flourishes'. The 1935 Housing Act granted extra subsidies to local government for the relief of overcrowding.

The 1935 Housing Act set out a complex but very stringent overcrowding definition aimed at minimising the problem (White, 1977). Larger kitchens and living rooms were counted as available for sleeping and children aged less than one were not counted. This definition was used in a comprehensive survey revealing that 341,000 households (3.8%) were overcrowded with of course, wide area variations. 20.6% of households in Sunderland were overcrowded and 43.1% in Coatbridge, Scotland. The survey estimated that 200,000 extra houses were required to eradicate overcrowding but, despite extra central subsidies being made available, very little action was taken. A less austere

overcrowding definition, excluding living rooms and larger kitchens as sleeping accommodation, would have increased the overcrowding figure to 853,119 (Bowley, 1946).

After the Second World War specific measures aimed at overcrowding relief were abandoned in favour of increasing overall housing supply, but, the 1935 Housing Act overcrowding definition remained in operation and was often used by local authorities to determine eligibility for council housing (the 1957 Housing Act listed overcrowding as one of the criteria to be taken into account in allocating council housing). Despite several attempts to change the 1935 definition it remains the basis for statutory action to prevent overcrowding.

The 'bedroom standard' — far more generous than the 1935 criteria — is used by the English Housing Survey to measure overcrowding in England but reservations must be recorded on the accuracy of the count. The English Housing Survey's sample size is quite low leading to overcrowding figures being presented as three year moving averages and its 54.4% response rate raise questions on whether the survey includes 'difficult to reach' households. For example, in 2017 a former public house in Oldham was found to be housing 17 men with only one electric light. I doubt that this, or its equivalent, formed part of the English Housing Survey.

In 2003, 1.4% of owner-occupiers were overcrowded, 5.3% of social housing tenants and 4% of private tenants. By 2018 the figures were 1.2% owner occupiers, 7.8% of social housing tenants and 5.7% of private tenants. However, the shift from owner-occupation to private renting has meant that the number of overcrowded households in the private rented sector increased from 101,960 in 2003 to 274,056 in 2018.

Rent Control

Rent control, alongside tenure security, was introduced in 1915. Despite Conservative attempts to roll back control between the wars, the homes with the lowest rateable values — housing households with the lowest incomes — were never fully taken out of control or tenure security and, after the Second World War, strict restraint was imposed on the private rented sector until the ill-fated 1957 Rent Act led to the introduction of 'fair' rents in the middle 1960s.

Rent control had mixed consequences. It helped to reduce repairs — albeit that many 'house farmers' would not maintain their properties regardless of rent levels — and it contributed to a large reduction in privately rented properties. However, many rented properties were sold to owner-occupiers (often sitting tenants). Rent control was the best low-cost homeownership scheme ever!

The 1988 Housing Act, making provision for market rents on new lets with limited tenure security, was a slow-burning fuse that exploded in the 2000s. The introduction of Buy to Rent by mortgage

lenders in 1996, hikes in house prices and increases in net migration produced a private renting explosion in Great Britain from 2,834,000 in 2003 to 5,414,000 in 2017.

Rent levels started to increase rapidly in the 1980s. In 1980 local authority rents were 7% of average earnings, housing association rents 10.4% and private landlord rents 10.3%. By 2010 the figures were 11.1% local authority, 12.7% housing association and 26.6% private landlord and, in 2017, 12.9% local authority, 13.2% housing association and 28.5% private landlord. Of course, a disproportionate number of tenants, especially social housing tenants, earn well below the national average.

Higher rents are reflected in the poverty statistics. Despite Housing Benefit payments, in 2017, the per cent of children living in relative poverty (60% of median equivalised income) in the social housing sector increased from 40% (before housing costs) to 56% (after housing costs), in the private rented sector from 24% (before housing costs) to 44% (after housing costs). For households with mortgages child poverty before and after housing costs remained static at 12% ([Francis-Devine et al, 2019](#)).

In 2015 Chancellor George Osborne announced measures to curb private landlordism including reducing tax allowances and an extra 3% Stamp Land Duty tax on second home sales. Assisted by Help to Buy, these measures appear to be having a similar impact as rent control. Since 2016/17 private landlordism has declined slightly and there has been an increase in the number of households buying with a mortgage ([MHCLG, 2020](#)).

Social Housing

Until the 1980s local government was the dominant supplier of homes let at below market rents. In 1979 there were 5,187,000 local authority homes and 383,000 housing association homes (England). By 2018 — mainly the outcome of stock transfer and a rapid decline in local authority new build — there were 1,592,000 local authority homes and 2,452,000 belonging to housing associations England

The term 'social housing' seems to have entered the housing lexicon in the middle 1990s. In the UK council housing and housing association supply were bracketed as 'social housing' as an element in stock transfer from local government to housing associations. Rents were aligned and some commonality was introduced into allocation systems. However the meaning of 'social housing' is opaque. Not-for-profit might be an appropriate distinguishing feature but, in England, for profit organisations can claim government grants for social housing supply. Rents below market level might be another mark of social housing but up to 80% of market rent is now allowed and, in some parts of the country, social housing rents are at market level. Allocation according to need is a possible hallmark but there is good evidence that some providers are using ability to pay the rent in their rationing process (Greaves, 2019). New lets in the social housing sector have been declining rapidly, down by 120,000 per year since 2002/3 ([Stephens et al, 2019](#)).

Housing Standards

The Slum

The slum — either an individual dwelling or an entire area characterised by crime, immorality and disease — was regarded as a public health and public order issue hence slum eradication was not necessarily aimed at promoting the welfare of the slum inhabitants.

In the late 19th century the issue was tackled via the 1868 Artisans' and Labourers' Dwellings Act (known as the Torrens Act) and the 1875 Artisans' and the Labourers' Dwellings Improvement Act 1875 (known as the Cross Act). The Torrens Act was aimed at removing the 'nuisances' of individual unfit properties, without any obligation to replace the demolished properties whereas the Cross Act focused on the demolition of entire slum areas. In clearance areas the dwellings would be bought and demolished by the local authority at public expense and the cleared land sold to philanthropic, 'model dwelling' housing associations. The Act placed a duty on local authorities to arrange for new dwellings to be built on or nearby the cleared site, sufficient to re-house all — reduced to 50% in 1882 — the displaced persons. Compensation to slum landlords was at full market value

Clearance was a 'win, win, win' for private landlords. It reduced the number of properties available for rent — it was rare for new housing schemes to meet even the 50% requirements — and the 'model' houses, built to sanitary standards were expensive so rents around clearance areas increased. Knowing that compensation would be at full market value landlords rented a room rather than rooms. Returns from renting a single room were almost double the returns from letting multiple rooms thereby boosting current rental flow and enhancing compensation following compulsory purchase. The impact of the Torrens and Cross Act tarnished private landlordism's reputation. Landlords bought large numbers of house leases in clearance areas with Thomas Flight acquiring 18,000 dwellings. Terms such as 'house farmer', 'house knacker' and 'house jobber' entered the housing discourse.

Clearance was put into abeyance after the First World War but plans were devised for a clearance and improvement programme and Labour's 1930 Housing Act introduced a local authority subsidy specifically directed at clearing slums and intended to run in parallel with other Acts aimed at building for 'general' needs. It also included provisions for local authorities to declare 'improvement areas', where local authorities could use the clearance subsidy to upgrade an area. Local authorities

stepped up action to upgrade individual houses. According to Moore (1980), 123,000 dwellings were made fit by statutory measures between 1930 and 1936 and 332,000 made fit by other action.

'General needs' subsidies were abolished in 1933 in England and Wales and severely reduced in Scotland leaving only the 1930 Act's slum clearance subsidy to which higher grants on flats on 'expensive' sites were added. Most of the flat blocks built were austere with communal washrooms/bathrooms shared between every two or three flats.

Post 1945, policy followed the inter-war pattern. Initially slum clearance was put on the backburner but, in the middle 1950s, 'general needs' subsidies to local authorities were abolished and slum clearance and high-rise subsidies increased. Between 1955 and 1985 clearance affected about 3.70 million people with about 1.5 million properties demolished ([Tunstall and Lowe, 2012](#)).

In the early days of the slum clearance drive there is no doubt that the houses demolished were grossly unfit for human habitation. I worked in a clearance area in Hull. The houses were black inside from damp, the bricks were crumbling and none had a water closet, inside or outside. However, as the drive gained momentum in the late 1960s/early 1970s more homes on the verge of unfitness were taken and doubts were expressed about the programme (Dennis, 1972; Gower Davies, 1974). Clearance dispersed local communities; many 'decanted' households could not afford the new properties available; the clearance process was long, uncertain and disruptive and the quality of replacement homes questionable.

Following the recommendations of the [Dudley Committee \(1944\)](#) and the [Parker Morris Committee \(1961\)](#) the new local authority dwellings were built to high standards of amenity within the homes. However, post 1954, when central government subsidies were switched from 'general needs', that is, housing for all, to the needs arising from slum clearance, with extra support for building high-rise flats, the building quality and environment was often poor.

Although general needs subsidies were reintroduced in 1961 and subsequent governments increased the assistance, a high proportion of local authority new build was focused on the needs arising from slum clearance.

High-rise flats for people displaced by slum clearance were part of what Hall et al (1973) called the 'Containment of Urban England'. Sir Frederic James Osborn (1885–1978) a prominent member of the UK Garden City movement and, for many years, Chair of the Town and Country Planning Association commented:

The architects want to go up in the air.... They are supported by the lucky people in country houses and parks who don't want their Arcadia invaded. They have succeeded

to some extent, owing to the structure of our democracy. But they are overriding the inarticulate yet vast majority.

(Osborn, 1959, quoted in Kynaston, 2014, p 6)

The system built flats often allowed water penetration, lifts and waste chutes were unreliable and the 'estates' lacked 'defensible space', helping to make crime and anti-social behaviour frequent, As [Dunleavy](#) (2017) has commented, the tower blocks were often built:

with one staircase, poor weatherproofing, ill-fitting internal doors, high heating costs and tiny lifts that could not take furniture or even coffins. Children were increasingly marooned in higher storey flats.

In the 'clearance era' the availability of improvement grants, aimed prevent homes from becoming slums, was not neglected. Conditions on awarding improvement grants were relaxed in the early 1950s with only a 15-year rather than a 30-year life required, and, in 1959, grants for basic amenities became mandatory. Mandatory improvement grants were accompanied by central government loans to building societies in order to encourage them to lend on pre-1919 houses. This policy had a significant impact in improving minimum housing standards as homeowners bought privately rented property and used mandatory grants to improve their homes. The improvement grant programme became more selective from the late 1960s with 'General Improvement Areas' and 'Housing Action Areas' focusing on the spatial dimension of unsatisfactory housing.

Clearance was scaled back in the late 1970s and, under the Thatcher governments, almost eliminated. The Thatcher/Major governments also reduced improvement grants with *Home Improvement: A New Approach* stating 'home ownership offers opportunities for individuals to alter and improve their homes as they wish; they must carry the primary responsibility for keeping their property in good repair' (DoE, 1985). In future, improvement grant eligibility would be determined by property fitness and the occupiers' income. Housing Action Area and General Improvement Area declarations were abolished but local authorities were allowed to undertake group repair schemes such as 'enveloping', involving making sure an entire terrace street was sound, and to designate renewal areas. Clearance area declaration was permitted only when a local authority had carried out a detailed cost/benefit option appraisal.

Housing Market Renewal Initiative

New Labour continued the Conservative reduction in private sector improvement grants concentrating resources on upgrading local authority homes via stock transfer to housing

associations. In addition Housing Market Renewal Initiative (HMRI) was started in 2002 spending £2.51 billion in an attempt to restructure housing markets in 'low-demand' areas.

Most of the money was spent on acquisition for demolition rather than improvement; boarded properties blighted the areas; private landlords bought property to benefit from compensation and, on average, there was a gap of £35,000 between the amount of compensation existing homeowners received for their home when subject to a Compulsory Purchase Order and the cost of buying a suitable alternative property (National Audit Office (2007). MPs protested that the scheme was costing Labour votes (Telegraph, 2005). As [Foye](#) (2020) has commented: the evaluative framework applied to the HMRI 'did not consider the financial wellbeing of renters and aspiring home-owners who would, if anything, have suffered from increased house prices (or associated rents). Nor did it consider the financial well-being of those owners whose homes were demolished....'

The Housing Market Renewal Initiative was similar to the action taken by local authorities under the 1875 and had the same adverse outcomes for the working class communities. When terminated by the Coalition government. Grant Shapps, the Housing Minister called the scheme a 'national scandal', saying:

I have the figures with me. It destroyed 10 times more homes in this country than it built. Nothing—no programme—did more to destroy homes and communities in this country than the Luftwaffe in the Second World War, but the housing market renewal programme did more housing destruction and community destruction than there has been at any time since the war.

(Shapps, 2011)

Home Improvement

Under the Coalition government and subsequent Conservative administrations home improvement became an almost entirely market activity. As viewers of *Homes under the Hammer* will know, buying a run-down property and improving it to basic standards before letting, became a popular activity.

Legislative 'unfitness for human habitation' definitions have always been vague and have left local government considerable discretion when designating 'slums', meaning that valid statistics on housing conditions have been scarce. None the less, of course, there is no doubt that, over the last 120 years, the housing conditions of the working class have greatly improved.

Local government statutory action on poor quality houses is now governed by Housing Health and Safety Rating System (HHSRS) introduced under the 2004 Housing Act. Under this system property

'hazards' are given a score by an environmental health officer based on the likelihood of an occurrence and the probable harm to the most vulnerable potential occupant. If the assessment produces a high score, labelled category 1, then the local authority has a duty to take action. Action can take the form of hazard awareness advice, improvement notices requiring repair and/or improvement, making a demolition order, declaring a clearance area or issuing a prohibition notice prohibiting the use of all or part of the dwelling. A lower assessment score, category 2, gives local authorities the power but not the duty to take action. HHSRS can be regarded as a minimum standard — contravention can involve legal action. Unfortunately, a shortage of Environmental Health Officers necessary to enforce HHSRS has made it impotent in addressing the problem.

In 2018, 11% of the housing stock had a HHSRS Category 1 hazard, down from 23% in 2008. Such hazards are more common in the private rented sector (14%) than owner-occupied stock (11%) and the social rented sector (5%).

After several unsuccessful attempts, Karen Buck's Homes (Fitness for Human Habitation and Liability for Housing Standards Bill) became law in 2018. Under the Act individual tenants can take legal action if a house is unfit for human habitation under amendments made to the unfitness definition in the 1985 Housing Act. This could make a significant contribution to reducing the number of unfit houses.

The Decent Homes standard was introduced in the early 2000s. It is an aspirational threshold — a measure of progress — not legally enforceable by tenants or owners.

To be classified as decent a home must meet each of the following criteria.

- It is above the current statutory minimum housing standard, that is it does not meet one or more of the hazards assessed as serious (category 1) under HHSRS.
- It is in a reasonable state of repair: dwellings failing on this point will be those where either:
 - one or more key building components are old and need replacing or major repair; or
 - two or more of the other building components are old and need replacing or major repair.
- It has reasonably modern facilities and services: dwellings failing on this point are those that lack three or more of the following:
 - a reasonably modern kitchen (20 years old or less);
 - a kitchen with adequate space and layout;
 - a reasonably modern bathroom

In 2006, 30% of dwellings in the social rented sector failed to meet the Decent Homes Standard, 46.8% in the private rented sector and 34.6% of owner occupied dwellings. By 2018 the figures were 12% (social rented) 25% (private rented) and 17% (owner occupied) but, as the English Housing Survey ([MHCLG, 2020](#)), noted progress 'has stalled in recent years'.

Climate Change and Energy Efficiency

Estimate of carbon dioxide emissions from the domestic housing sector vary but it supplies around 20% % of all UK greenhouse gas discharges.

New Labour was committed to a substantial reduction in carbon emissions through its acceptance of the Kyoto Protocol ([United Nations, 1997](#)), setting binding obligations on industrialized countries to reduce greenhouse gas emissions and Blair's government under the 2008 Carbon Act, set an 80% reduction target.

The Green Paper *Homes for the Future: more affordable, more sustainable* ([DCLG, 2007](#)) proposed to phase in enhanced building regulations so that, by 2016, all *new* homes would be 'zero carbon', defined as 'over a year, the net carbon emissions from all energy use in the home would be zero'. The building industry was resistant to the 'zero carbon' target claiming that the costs associated with achieving the target made it more difficult to sell new homes in an economic recession. New Labour tried to improve energy efficiency in existing homes through requirements to upgrade energy efficiency when a house was extended, special deals to owners for micro-energy generation such as solar panels, Home Information Packs requiring a declaration of energy efficiency and assistance to low-income households via the Warm Front programme. In 2008, The Carbon Emissions Reduction Target (CERT) came into effect, obliging electricity and gas suppliers in Great Britain to help reduce carbon dioxide emissions from homes and including an obligation to offer subsidised or free insulation to groups likely to experience fuel poverty.

According to press reports, there were disputes between the Liberal Democrats and the Conservatives about energy policy. The Liberal Democrats, in charge of the Department for Energy and Climate Change, favoured higher standards to eliminate carbon emissions but the Conservatives concerned about the costs that higher standards would add to new house prices.

With regard to existing homes, the requirement for a Home Information Pack for property sales was axed by the Coalition government but the Energy Performance Certificate — rating homes on a scale of A-G with A being the most efficient — was retained. The Coalition government's 2011 Energy Act had all party support and made provision for the 'Green Deal' that started to operate in early 2013. If

owners installed new green technology via an approved installer they would pay nothing up-front but pay back the costs through their energy bills over a period of time with an interest rate set at just below than 7%. The 'Green Deal' replaced 'Warm Front' that had been targeted on low-income households but the Energy Company Obligation (ECO) placed a requirement on the energy companies to help people with low incomes and/or hard to treat homes. The Green Deal had a very low take-up with only 10,000 plans complete in 2015. It was terminated by the 2015 Conservative government that also procrastinated on making new homes more energy efficient and reduced the obligations under ECO.

The [Clean Growth Strategy](#) was published in October 2017 and set out the May Government's decarbonisation policies. The Strategy included several targets to improve energy efficiency; to upgrade all fuel poor homes to Energy Performance Certificate (EPC) band C by 2030; to upgrade as many homes as possible to be EPC band C by 2035 (where practical, cost effective, and affordable) and to improve business energy efficiency by 20% by 2030

However, past Government action has been criticised by the Committee on Climate Change in their 2019 report to Parliament. It noted:

Policies are not in place to deliver the Government's ambitions on energy efficiency (i.e. to improve all homes to at least 'EPC band C'). Building standards are not sufficiently enforced across the building stock and will need to be strengthened to make UK homes fit for the future. Regulations for the private rented sector prioritise costs for landlords over running costs for renters. MHCLG must play its part, including minimum standards for social housing.

([Committee on Climate Change](#), 2019)

Energy Efficiency is improving. In 2006 the average Standard Assessment Procedure (SAP) rating was 48.9 (owner occupation) 47.1 (private landlord sector) and 62.3 (social sector). In 2018 the figures were 62.1 (owner occupation) 62.3 (private landlord sector) and 68.4 (social sector) but the private rented sector contains a much higher proportion of homes in the lowest energy efficient bands (E, F, G).

Devolution

This post has focused on England but the posts covering specific decades on [Brian Lund's Housing Blog](#) include consideration of Scotland, Wales and Northern Ireland. Contrary to deterministic explanations of housing policy devolution has made a difference especially in Scotland when under Scottish National Party control

Inequality

The housing system is a major inequality generator with land at the heart of inequality production.

During the 1930s building boom land cost was about 10% of the price of a house. After the Second World War land costs increased slowly but accelerated in the 1960s as more and more local authorities designated green belts under Duncan Sandy's 1955 circular. This land price acceleration, with a few bumps, continued from the 1970s.

In 1994 residential land price in England was £ 731,168 per hectare and £ 1,912,127 in London. By 2008 residential land price was £ 3,993,961 per hectare in England and £ 10,497,978 in London with residential densities increasing from 24 per hectare in England and 44 in London in 1994 to 44 in England and 122 in London in 2008. By 2010 residential land price had fallen to £ 2,360,338 per hectare in England and £ 6,283,593 in London ([DCLG, 2016](#)). The coalition government stopped publishing residential land values alongside mean housing densities in 2010. Savills Residential Land Index (Savills, 2016) indicates that, in London, values are now about 20% above their 2008 level whereas, in the rest of England and Wales, they are 20% below the 2008 peak for green field sites but, in many areas outside London, land prices have been increasing rapidly.

[Knoll et al](#) (2015) estimated that, between 1950 and 2012, 74% of house price increase could be attributed to changes in land prices and an investigation of the land market by the [Institute for Public Policy Research Commission on Social Justice](#) (IPPRCSJ, 2018a pp 2-3) stated:

The broken land market is the driving force behind England's broken housing market. In 1995, the price paid for a home was almost evenly split between the value of the land and the property. In 2016, the cost of the land had risen to over 70 per cent of the price paid for a home.... The land value uplift that arose from the awarding of planning permission in 2014/15 was £12.4 billion, but the combined receipts captured by development measures were less than a quarter of that at £2.7 billion. It is estimated that the amount lost could accumulate to £185 billion over the next two decades.

Land prices respond to the finance injected into the housing market by the financial institutions and the desire to own property but the large hike in land as a proportion of house price has benefited existing landowners and it is a scandal that such a large part of housing cost is related to exorbitant land prices.

Owner-occupation

Owner-occupation in Great Britain reached its peak at 69.2% in 2002, dropping to 62.6% in 2015 before recovering to 63.4% in 2018 ([Stephens et al](#), 2020).

Although homeownership is often regarded as a uniform tenure there are deep social divisions within the tenure related to interacting variables such as age, place, class, gender ethnicity and income although data is scarce on such variables.

The age dimension in *access* to home ownership, with the emergence of 'generation rent' has been well documented but less attention has been paid to the class dimension in this changed access with the different opportunities to use 'the Bank of Mum and Dad' an important factor. Moreover, there has been limited focus on the difficulties of those who have managed to become homeowners in recent years such as poor quality new-build and the increasing use of leasehold. In addition, the problem of potential 'second steppers' — people requiring more space for a growing family — has emerged.

Many first-time buyers have stretched their resources to get onto the first rung of the homeowner ladder and, in relative terms, it is likely that the larger house they want to buy has increased by more than their present home. Moreover, in many parts of the UK house prices have declined in real terms since 2007 ([BBC News, 2017](#)) with the homes bought by first-time buyers declining by relatively more than the houses they want to move into thus leaving potential movers short on equity. [Lloyds Bank](#) (2018) reported that the average price gap between the existing residence of potential second steppers and the required property to accommodate an expanding family was £135,985. An average of £85,877 equity in existing homes reduced the standard cost of a move. The problem has been compounded by the Financial Conduct Authority's affordability test that was stepped up after the 'credit crunch' and is now codified in the Financial Conduct Authority's Handbook ([Financial Conduct Authority](#), 2018). The test compares income and expenditure (including child care costs that can be high) and involves an assessment of the mortgage applicant's ability to afford possible future interest rate increases.

Mortgage availability also restricts finance for extensions. To acquire extra space, more households with children have had to live in the rented sector, that, although more expensive in the long-run, is

easier to access and offers the opportunity to claim HB — now called Local Housing Allowance when claimed by privately renting tenants — that is unavailable to working owner-occupier households. Thus whereas, after a long decline, the proportion of younger people becoming homeowners has started to increase — up by 3% for 25-34 year olds since 2016 ([Tomlinson, 2018](#)) — potential ‘second steppers’ are dropping off the owner-occupation ladder.

Generation rent is getting older as private renting moves up the age scale. In 2003/4, 8.6% of 35/44 year olds in England were renting privately as were 5% of those aged 45-54 and 4% of those aged 55-64. By 2016/7 the figures were 28.5 (35/44); 16% (45/54) and 9.6% (55-64). By 2017 — labelled ‘silver renters’ — almost half of all UK private renters were aged over 46 ([City AM, 2016](#)). In the past, those aged 40-65 would have been securely locked into owner-occupation with about 78% being homeowners in 2001, partially the outcome of Margaret Thatcher’s Right to Buy. However, marked differences within the cohort are emerging. In 2015 74% of those aged 60-64 were homeowners but only 60% of those aged 40-44 ([Brinded, 2016](#)).

There is a tendency to amalgamate all older people in a 65+ category but ‘old age’ includes a wide age range and disaggregating the ‘old age’ category reveals substantial inequality. Although the Gini Coefficient has declined in the working age group it has increased amongst older people. Between 2009/10 and 2015/6 the Gini Coefficient for retired households moved from 24.3 to 27.1, a reflection of a division between the ‘baby boomers’, now entering old age, and the cohorts born earlier.

Living in a non-decent home increases within old age reaching 29% for households where the oldest household member is over 85 ([DCLG, 2016](#)). As age increases, so does the likelihood that the household contains at least one person with a long-term illness or disability — 40% (65-74) and 50% (75-84). Almost two thirds of households where the oldest person was 85 or over had at least one person in their home with a long-term illness or disability. A lower proportion of older people lived in homes with an energy efficiency rating A-C but a higher proportion (6.5% for those aged over 60 and 3.5% for those under 60) lived in homes rated F-G ([MHCLG, 2018](#)).

Place is an important house price determinant but, unsurprisingly, the type of home in each locality and the space within it also affect house prices. Between 2007 and 2017 detached houses increased in price by 21.7%, semi-detached houses by 22.5%, terraced houses by 18.8% and flats by 15.6% ([Zoopla, 2017](#)), albeit that these changes were influenced by the housing market in London. Between 2007 and 2015, in the North West, flats declined in price by 19%, terraced by about 10% and semi-detached houses and detached houses by 5% ([Nationwide, 2017](#)).

Owner-occupation in the Indian ethnic group is higher than the 'White British' category and the Pakistani ethnic group has an owner-occupation rate close to the 'White British' but the Bangladeshi, Afro Caribbean and African groupings have much lower owner-occupation rates. A higher per cent of the Indian and Pakistani groupings live in 'non-decent' homes than the 'White British' and for those ethnic minority groups who are owner-occupied overcrowding is five times higher than the 'White British' albeit that these figures are influenced by age-structures.

Renters

Council tenants have always been regarded as second class citizens, a stigma manifest in Oxford where, in the 1930s, homeowners erected the notorious Cuttleslowe Wall, topped by barbed wire, to separate their territory from a council estate. In the 1960s, as local authorities housed a wider section of the community, it became more difficult to stigmatise council tenants, but from the 1970s as local authorities housed more low-income households — a process unfortunately known as 'residualisation' in some academic circles — stigmatisation intensified. Moreover, established tenants who have not bought their homes under the Right to Buy have been deprived of the surplus made from council housing.

The operation of local authority housing has produced inequalities. Jones (1988) noted '... property perceived to be of poor quality will be offered to those least able to refuse, least articulate and least able to enlist effective support. In the 1980s considerable evidence of racial discrimination in housing allocations emerged (Henderson and Kahn, 1987: Commission for Racial Equality, 1984)

The decline in owner-occupation and the rise of private renting are two sides of the same coin. Landlords have competed in the same market as first-time buyers and are increasingly moving their investment towards the larger homes desired by second steppers. More landlords are cash rich and hence unaffected by regulations on mortgage lending. Every time a landlord outbids a first-time buyer or a 'second stepper', the pool of renters increases. This has had an impact on wealth distribution.

In interaction between age and tenure extends into old age.

According to an [Independent Age](#) (2018) report:

- Poverty levels among older private renters are higher than older people in other housing situations. A third of older private renters are living below the poverty threshold after they have paid their rent;
- As many as 4 out of 10 older private renters live in non-decent housing;
- Over a third of people aged 75 and over who required an adaptation to their house didn't have it...;
- Nearly 1 in 3 (32%) private renters felt their accommodation was unsuitable.

A survey by [Scanlon and Whitehead](#) (2016) found that 36% of landlords had portfolios they valued from £200,000 to £499,999, 22% had a portfolio valued from £500,000 to £999,999 and 18% had rental property portfolios valued at £1 million or more. An investigation by [Shelter](#) (2016) disclosed that, on the ACORN Group classification, private landlords were over-represented in the 'lavish lifestyle', 'executive wealth', 'mature money', 'city sophisticates', 'successful suburbs' categories. 82% were from social classes ABC, 29% had an annual income of more than £70,000 per year and 20% between £50,000 and £69,999.

The private landlord profile replicates the ethnicity, class and age dimensions of the owner-occupation divide. The majority (89%) of landlords are White. Over half (59%) of landlords are aged 55 years and third are retired. In 2017-18, 34% of households were outright owners while 30% were buying with a mortgage. Private landlords and outright owners form a large part of the 'baby boom' generation. [Savills](#) (2018), in exploring trends in wealth distribution, stated:

Private landlords and owners without a mortgage have been the big winners: accounting for 95% of the total growth in private housing wealth since 2007...housing wealth is increasingly concentrated in fewer, older hands – notably owner occupiers who own their homes outright and private sector landlords. Together they have seen their housing equity grow by £1.4 trillion over the past ten years.

By 2016, the total housing wealth owned by UK landlords had surpassed that held by mortgaged owner-occupiers and in 2018 private landlord equity had increased to £1.3 trillion, up from £0.6 trillion ten years ago, and a £89bn gain year on year, a result of value growth and a increased number of properties ([Savills](#), 2018),

Following an examination of secondary property ownership in Europe, [Wind, Dewilde and Doling](#) (2019) state:

In liberal welfare states, the recent upswing of buy-to-let landlordism is a manifestation of the concentration of housing wealth and limited access to homeownership for starters, which makes SPO (Secondary Property Ownership) an ever more attractive investment.

Housing Wealth

In exploring total wealth — including housing wealth — A.B. Atkinson (2015) in *Inequality: What Can Be Done?* reached the conclusion that the wealth owned by the UK's top 1% fell by 17% between 1950 and 1975, before increasing by 2% between the early 1980s and 2000s. He states that although 'we need to be cautious in drawing conclusions about any upturn in wealth concentration', we can 'conclude that the trend to less wealth concentration came to an end'. In 2014/16 UK housing wealth had increased by 17% since 2012/4. This was 36% of all UK wealth with the Gini Coefficient reaching 67 for housing wealth compared to 62 for total wealth. In 2014/6, the top decile of housing wealth holders had £1823 billion and the fifth decile £242 billion ([ONS, 2018](#)). The poorest 29% had no or negative housing wealth, with the 10th percentile £480,000 and the richest 1% £1,400,000 ([National Housing Federation, 2018](#)).

Conclusion

The most striking feature that emerges from a recollection on housing policy over 120 years is the huge rise in land costs as a per cent of house price, from around 10% in the 1930s to over 50% today (the precise figure is uncertain). This hike that has benefited landowners and the long-term land price escalation trend needs to be reversed.

Serious mistakes have been made in the supply of 'social housing' have been made but its basic principle — the retention of enhanced value for community purposes — remains strong. Unfortunately social housing still has a serious image problem but hopefully a new generation of quality council housing such as the eco-friendly council estate in Norwich, that won the prestigious RIBA Stirling Prize for architecture, can change the image.

The 20th century demise of private landlordism promoted owner-occupation and its 21st century revival has damaged it

Surely the lockdown imposed to defeat Covid-19 has reminded politicians that a secure, spacious home with access to the outdoors is vital to well-being.

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