

Minutes of the Roundtable between parliamentarians, housing and regeneration leaders & Samuel Hughes, Research Fellow at Oxford University

Tuesday 18th January 2022 (online meeting)

Members

Ben Everitt MP (BE) - Chair

In attendance

APPG Secretariat

Guests

Samuel Hughes (SH) - Oxford University

LPDF

Barratt

JLL

Curo

Trent and Dove

RPS

Aster Group

Karbon Homes

Sanctuary

Meeting Started at 3pm

1. Introduction

BE welcomes and asks the participants to introduce themselves.

BE introduces SH as a Research Fellow at Oxford University.

- SH states that he is most known for his work on community led suburban intensification, otherwise known as the 'street vote system'.
- One of the main drivers of housing shortage is the shortage of commissions. Commissions are in low supply and Local Authorities (LAs) are not allocating enough land. This is partially due to impact on local communities, which some members of that local community might see as negative. There is an instinctive risk-aversion people have to changing the area which they call home.
- There are many upsides to development. More homes being built tends to lower the prices of homes in the area, increasing affordability. Few people recognised that LAs allocating planning permission can have that direct effect. Part of the problem is that benefits like these are not being explained or 'sold' to the local community. That might be because these benefits are diffused, while problems will tend to be localised.
- The way the planning system is set up therefore means that LAs have the incentive to under deliver and build in the wrong places.



- Planning history repeats itself. Governments try to come back to planning reform and build more houses almost every election cycle. But they often do it in places where there is a lot of pushback and receive a response like the electoral push back in Chesham and Amersham
- It must be noted that the current planning system was not designed to deliver new homes but to maintain the old ones.
- SH is sceptical of the idea of just 'ramming things through', which is politically not viable due to a lack of support. Instead, the aim should be trying to create win-wins and bringing the local community on-side of development.
- Part of this is the quality agenda. One reason people oppose developments is because they think it will be ugly, damage the area, lower house prices and put strain on local infrastructure.
- The idea with street votes is that you have some urbanised areas where planning permission to densify up to European levels is very valuable to people doing it, but their neighbours would likely oppose it due to not wanting construction around them for two years. Street votes are a way of securing local support, street by street, through collective action. The idea is to buy-in local communities by demonstrating the gains for the LA, developers and builders can also become shared local gains for those who are most likely to oppose such developments.

2. Questions and discussion

Q: I have concerns that street by street votes would delay the building process in practice. How do we channel this into delivery of residential developments at a large scale? How would this play out in different regions?

SH: I am not proposing introducing this type of voting on large sites. They would run in addition to the existing allocation system. There are other mechanisms to build local support. Street votes are more for small to medium scale developments.

Q: We have been using community land trusts. In rural areas, we can promote developments and building because of the narrative that it allows people who grew up there to stay in the area, and sustain it through schools and shops. How do we transfer this to urban centres? How can the money be spent for the local community?

SH: Community land trusts are inspiring. It is a bit like do-it-yourself government. You are right that it is easier to make it work in rural, rather than urban areas because of the existing local parish tier of government and closely knit small communities. There is a higher uptake in neighbourhood planning. Neighbourhood forums in urban areas aren't really intuitive areas. One solution is creating closer knit areas (like streets and blocks). One example of this is in South Putnam (Haringey). It is a Hasidic Jewish area which they can't leave for religious reasons, and it suffers from severe overcrowding. They worked with the local authority, creating a high uptake and large amount of support. It is all about mitigation of the negative, and positive transformation for the neighborhood.

Q: The idea that the planning system was not designed to push through large numbers is a good point. I am concerned that street votes harken back to back garden developments, which created lots of angst in communities, like the knocking down of a bungalow to deliver 4 houses with

little benefit for communities. On the issue of development gain land value capture, I believe it is already allayed within the current planning system through the planning process. It is unfair on communities in Surrey or Sussex to try and transfer land value from development to areas where land value doesn't support development gain. There is clearly a big need for affordable housing but the community doesn't recognise it as a community benefit.

SH: We need to look at a variety of different mechanisms for a solution. In urban densification, the question is: can you really get numbers out of it? It creates maximum controversy so is it worthwhile? The answer, to some extent, is that we don't know yet. Historically, urban densification was very normal. We gradually built upwards. If you can get there at scale the numbers really are there. There are opportunities for a kind of development that people think is positive environmentally. We are out of the habit for urban densification culturally and in the planning system. It is hard to change the cultural norm. It is trial and error to find a way of not imposing from top, and not using compulsory purchase. Think of it as a right to say no but a reason to say yes.

Q: Are there any international examples where hyper local development gain occurs? When you talk about everyone benefiting, is this about asset growth, or is it actual money in the pocket?

SH: Yes, there are a few international examples, though none are a perfect parallel. Huston is the best example. It is a different style of building (big detached houses with large gardens). They created an opt out system instead of opt in system and held street voting on minimum plot sizes. Plot sizes can be as small as they want. It looks good and quite popular. In Israel, it began with retrofitting buildings for earthquakes. It was not a means of adding density but adding safety, and people just saw it as a benefit. It has been tried in South Korea in a radical version. In Japan and Singapore. Vote based mechanisms have been tried in lots of places and can work but, can also produce weird side effects. If you give the same permission for each plot on street, it creates homogenous streets, so everyone gets a similar uplift in asset value. Cash in pocket would require striking a deal with the developer where they can develop the area, rehouse the residents for 2 years and then give them a penthouse at the top of the newly developed building, for example.

Q: How do we work with demographic changes? We have an older and more frail population.

SH: Housing stock is disproportionately weighted towards family housing. Our housing stock is old and was built at a time when there were more nuclear families. We have a shortage of homes for the old, single, unmarried, etc. The advantage of street votes is that they can adapt to those needs. We can use street votes for modest changes where the existing population stays and we add space for the elderly or mature children or build semi-detached housing which is more likely to meet varying housing needs.

Q: With land value capture, you said that some people could become asset millionaires overnight. Would that increase the inequality problem or not? In terms of the beauty agenda, if we make it more zonal it becomes more problematic, so how do we increase actual engagement? Finally, how do we allow space for development and innovation of housing types? The idea of beauty is often backward looking, so how do we square beauty being backward looking vans identify what will be considered beautiful in the future?



SH: Street voting is less likely among the rich because they tend to live in large, pre-1918 housing, and they have less motive to accept lots of destruction and disruption on their street. They are not likely to say yes because they want stability more than an increase in assets. We are more likely to see it in areas where people want more economic opportunities. It won't enrich the richest, but would oddly distribute asset gain. If really successful, it could reduce house prices and slow down price growth, reducing pressure on the rental market. On the beauty question, I am in favour of innovation. Street votes are in competition with volume building. If really successful, they can relieve pressure on green field building. But the green field is not where architectural innovation is happening. Architects are interested in densification because it poses an interesting and complex problem.

Q: For social landlords and councils there is more opportunity for densification.

SH: This is true. There is lots of interest from housing associations. They have low density stock that can be improved by intensification. There is lots of scope for housing associations. The use of densification in urban areas that declined during periods of outward growth over the 20th century is particularly of interest.

Q: Many places we know that are not as beautiful as we might like them to be, like large swathes of existing housing stock. How does this apply in those circumstances?

SH: This policy doesn't help all problems. Street vote uptake is likely to be high where floor value is high.

Q: Regeneration can be helpful where buildings are not appropriate for modern society. There intensification is both to make the buildings fit for purpose and to make them more beautiful. This is why we need a more flexible planning system.

SH: I agree. The planning system has a tendency to entrench the status quo.

BE thanks SH for his time.

Meeting ends 16:00