# 100 Years of Council Housing

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# 1 Executive Summary

The 100th anniversary of the 1919 Housing and Town Planning Act occurred in 2019. This introduced the concept of 'council housing' and also led to the creation of the Building Research Station (now BRE), which was established to ensure that new housebuilding was undertaken in the most effective and efficient way using modern building materials and techniques.

Using data, predominantly from the English Housing Survey, the focus of this report is 'council housing', defined as that which is 'owned and manged by local authorities'. However, as many of these homes are now managed by housing associations, these, and indeed all social housing is sometimes still referred to as council housing.

Over the years, council housing has removed millions from the threat of poverty and provided healthy and safe places to grow up in. It has contributed to improved educational attainment, productivity and ultimately the economic performance of the country. It has improved people's life chances.

Unfortunately, over the last generation council housing has not always kept pace with people's aspirations. Much has been sold off and not replaced. Because of the pressure on the remainder, it is most commonly allocated to the most vulnerable and disadvantaged leaving others who would like to live in it without the option. Many households are living in poverty and feel stigmatised[1]. Their social mobility may be limited by their very address.

***"It's not just about creating a safety net to prevent homelessness. By providing homes based on individuals' needs rather than solely their ability to pay, social housing helps to keep neighbourhoods diverse and integrated. And it provides the stability people need to build lives and strong communities"[2]***

We are now left with a residual council housing stock of some 1.6 million homes. There is virtually no new council housing being built while the remainder needs a massive investment to make it fit for the future.

As the Decent Homes programme draws to a close, homes are falling back into non-decency and disrepair. There were still an estimated 239,000 non-decent council homes in 2017, with an estimated cost to make them decent of £800million. A new 'Decent Homes 2' scheme is desperately needed to inject momentum back into the improvement of the council housing sector. Refurbishment should to be carefully planned and executed to avoid some of the problems that have occurred in the past and to learn from good practice. Councils have the opportunity to lead the way and deliver high quality, sustainable and environmentally friendly improvements which will ensure the health and wellbeing of their tenants.

The economic and social benefits in providing affordable council housing form part of the argument against the continued sale of it. The council housing stock is a national asset, worth some £250 billion at current market prices. In looking forward there are strong arguments to invest in the best quality social housing possible, which will retain its value and provide equable housing for all.

[1] Chapter 4, MHCLG "A new deal for social housing" (August 2018) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733605/A_new_deal_for_social_housing_web_accessible.pdf

[2] Foreword from the Prime Minister, MHCLG "A new deal for social housing" (August 2018), Ibid.

There is currently a council housing waiting list of over 1.1 million households[3]. The biggest challenges include: how to provide new homes for these households, who should build them, who should finance and manage them and what they should look like?  We should review the successes and failures of the past when designing and delivering top quality social housing that is aspirational, rather than purely functional and/or temporary. In addition, looking at the experiences of other countries, such as the Netherlands and Denmark, help us to understand how these nations can deliver high quality housing to all regardless of their tenure and personal circumstances.

Finally, working with organisations like Chartered Institute of Housing (CIH), National Housing Federation (NatFed), Royal Institute of British Architects (RIBA), Royal Institution of Chartered Surveyors (RICS), Royal Town Planning Institute (RTPI), BRE, and the building industry can assist government in delivering the best quality new and refurbished social housing possible.

[3] https://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies

## Table of Contents



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## Introduction

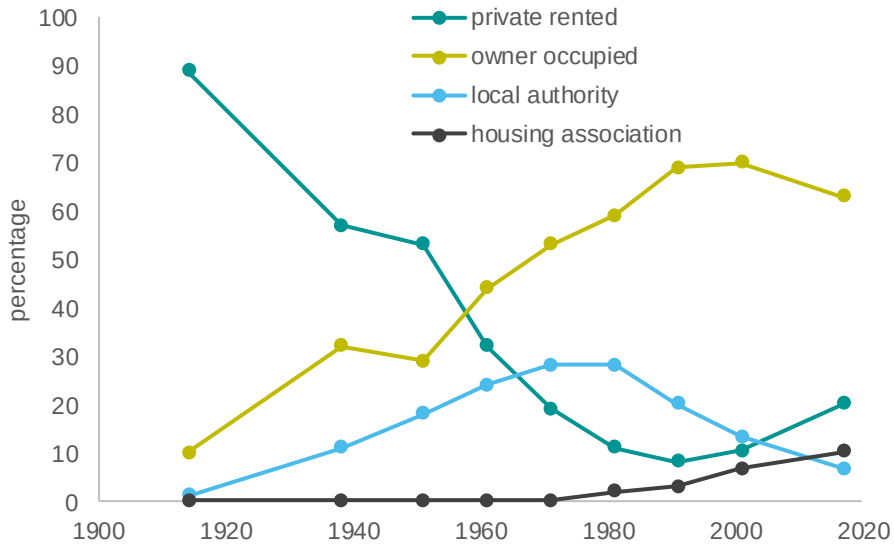
The 100th anniversary of the 1919 Housing and Town Planning, &c Act 1919 occurred in 2019. This Act introduced the concept of 'council housing' to the United Kingdom and also led to the creation of the Building Research Station (now BRE), which was established to ensure that new building was undertaken in the most effective and efficient way using modern materials and techniques.

This report looks back over the changing face of publicly owned housing in England over the last 100 years and the people who lived in it. It also looks at the possible next steps for future social housing.

The report uses data mainly from the English Housing Survey (EHS) and its predecessor the English House Condition Survey (EHCS), which define four types of tenure: owner-occupied; private rented; local authority; housing association (Figure 1). The first two tenures are often referred to as private housing, while the last two are referred to as social housing. The focus of this report is 'council housing', namely homes owned and manged by local authorities[4].

While the focus is on England, figures related to the United Kingdom are sometimes quoted, particularly when making comparisons with Europe. Some 84% of UK housing is found in England.

**Figure 1: Tenure of the English housing stock, 1914 - 2017**




*Sources: EHCS 1991, 2001 and EHS 2017*

[4] includes Arms' Length Management Organisations (ALMOs) and Housing Action Trusts

# Findings

## Historical background

### Homes fit for heroes

The origins of social housing can be traced back to philanthropic concerns regarding labourers' living conditions in the 19th century. However, local authorities developed the mandate to build council houses for general needs following the Housing of the Working Classes Act of 1890; by 1914 around 24,000 council houses were built in England [1].

At the end of the First World War in 1918, there was a huge demand for working-class housing throughout Britain. There had been stagnation of construction over the war years and a need to clear existing slums. An expectation for better living conditions was raised through a speech by Lloyd George on the day following the armistice where he said there would be "habitations fit for the heroes who have won the war", commonly shortened to "homes fit for heroes". The term itself implied a home of a standard that was deserving of servicemen's war effort.

The Housing and Town Planning Act 1919 was ambitious; it is often referred to as the 'Addison Act' after its author, Dr Christopher Addison, the Minister of Health at the time. Before the Addison Act, virtually all of the English housing stock was privately owned, with around 75% of homes estimated to be privately rented [2]. The Addison Act promised government subsidies to help finance the construction of 500,000 new houses within three years. While mass housebuilding did happen, changing economic circumstances meant that funding had to be cut, and only 213,000 homes were completed under the Act's provisions[5]. Nonetheless this was a significant step in making housing provision part of the state's responsibility and local authorities were tasked with developing new housing and new rented accommodation where it was needed by working people. ***The Addison Act marked the start of the nationwide provision of council housing that lasted for most of the 20th century.***

### The role of the Building Research Station

There were concerns that new housebuilding was still a 'cottage occupation' while, in countries like the USA and Germany, it was becoming a massive industry based on scientific principles and economies of scale. Britain was perceived to be getting left behind. To help create the modern industry that the Government sought, the Building Research Station (BRS) was set up in 1921 to help modernise and industrialise the housebuilding process.

The BRS (which was later to become BRE) was first located at East Acton, on the sight of a disused army camp, and had just 12 staff. In 1925 it moved to its current site at the Bucknalls Estate, near Watford in Hertfordshire. BRS was very much about building science and the early research focused on developing and testing new materials and processes. The input of BRS influenced the building systems and materials used in council housing right up to the 1970s.

[5] https://www.parliament.uk/about/living-heritage/transformingsociety/towncountry/towns/overview/councilhousing/ *(last accessed 17.08.2020)*

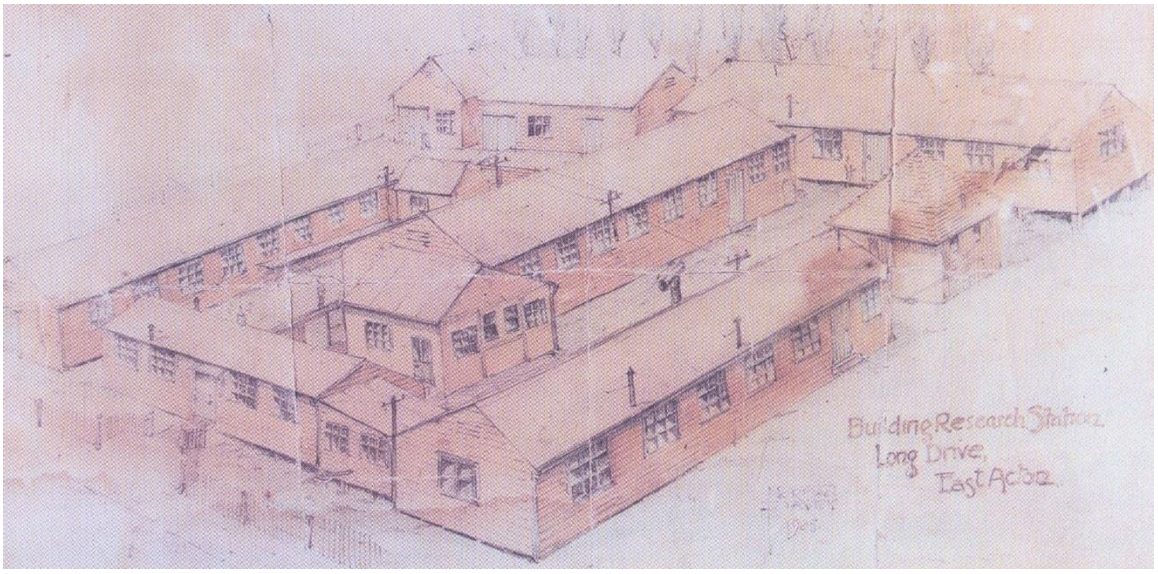



*Photo: BRS East Acton 1921*

*Photo: The full staff complement at BRS Acton, 1921*

The design and planning of the new council estates was heavily influenced by the principles of the Garden Cities movement of the Edwardian period.

*Photo left: Early council housing was inspired by the designs of the Garden Cities movement, as here in Letchworth*

## Council housing through the ages

This section looks at how the number of types of council houses has changed over time. Figure 2 provides an overall summary of milestone developments.

**Inter war period, 1919 to 1944**

Further legislation followed the Addison Act, extending the duty of local councils to address the on-going housing shortage. Under the first Labour Government, the Greenwood Housing Act of 1930 sought to address slum clearance by providing a government subsidy for local authorities to re-house tenants; more slums were cleared than at any time previously, and 700,000 new homes were built[6]. The policy of subsidy was reversed in the 1930s by a coalition led Conservative Government, with new emphasis on the building of cheaper blocks of flats to rehouse those households who were living in slums[7]. Overall, through the provisions of the inter-war Housing Acts, local councils built a total of 1.1 million homes[8]. The outbreak of the Second World War effectively put a stop to all house building.

*Photo:1920s terraced council housing (in 2019)*

*Photo:1930s council 'walk-up' block of flats*

[6] https://www.parliament.uk/about/living-heritage/transformingsociety/towncountry/towns/overview/councilhousing/ (ibid)

[7] The Cabinet Papers, 'Wartime housing' https://www.nationalarchives.gov.uk/cabinetpapers/themes/wartime-housing.htm *(last accessed 17.08.2020)*

[8] https://www.parliament.uk/about/living-heritage/transformingsociety/towncountry/towns/overview/councilhousing/ *(last accessed 17.08.2020)*

**Figure 2: Milestones in the history of council housing 1919 – 2019**

1918: Prime Minister David Lloyd George promises “homes fit for heroes”, following the end of the First World War. At the time it is estimated that the stagnation of construction over the war years has resulted in a shortage of some 900,000 homes, and this is without clearing existing slums.

1919: The Addison Act introduces generous subsidies for local authorities to build social housing for tenants at fair rents, with an additional financial carrot for houses that embodied new forms of construction, which might speed up delivery and reduce costs. The immediate aim was to build 500,000 homes over three years.

1921: The Building Research Station is set up, with the aim of applying building science to the design and delivery of innovative construction methods and materials.

1919-1939: Over 1 million council houses are built (averaging some 50,000 a year). These are targeted at working families rather than the impoverished.

1939-1945: 450,000 homes had been made uninhabitable or were destroyed due to bombing, while only temporary homes were built to accommodate the displaced.

1946: The Housing Act raised subsidies and contributions for council housing, to increase the total number of homes. ‘Pre-fabs’ and system-built homes promoted successfully as a short-term solution. The New Towns Act 1946 leads to large-scale social and private housing development in planned communities across the country.

1946-1960: Nearly 2 million new council homes built in a decade. Many factory systems with intended short lifespans.

1960-1970: High levels of council building maintained, move to high rise accommodation in urban areas and open plan estates in suburbs. Parker Morris space standards introduced. High levels of private housebuilding, as working families aspire to ownership, which is associated with social mobility.

1970-1980: 1974 Housing Act introduces General Improvement Areas and Housing Action Areas. Housing associations rise in importance with expansion of Housing Corporation in 1974. Capital grant (HAG) to housing associations to finance acquisition and rehabilitation of private dwellings. Completions of housing association homes rises from 8,300 per year in 1973 to 24,000 per year in 1977. Decline of council house building to around 100,000 units a year, on average.

1979: New Conservative Government introduces Right to Buy (RTB) to encourage tenants to purchase their own homes. Introduction of Priority Estates Project targets funds on poor public sector estates. Parker Morris standards dropped to save cost.

1980-1990: Sales of council homes averages 110,000 per annum in the 1980s, while new construction falls to around 32,000 units per annum.

1990-2000: Following the 1986 Housing Act, Housing Stock Transfers (Housing Action Trusts and Large-Scale Voluntary Transfer) are promoted from local authorities to housing associations (Registered Social Landlords), while levels of RTB fall. Most new social housing built by housing associations. By 1993 new council house building has practically fallen to zero.

2001 New Labour Government introduces the Decent Homes programme to aim to provide all social housing tenants with a decent home within the 10-year intended life of the programme.

2010 - 2018 – Levels of social housing in England lower than ever (4.1 million homes in 2018 compared with highest level of 5.2 million in 1979). Most now owned or managed by housing associations. Still 13% social rented homes non-decent.

### Non-traditional homes in the immediate post WW2 period

During the 1939-1945 hostilities, some 450,000 homes were made uninhabitable or were destroyed due to bombing[9], while only temporary structures were built to accommodate the displaced. Traditional methods of construction were unable to remedy the vast housing shortages and so after the war, the new Labour Government tried to address the immediate housing shortage through different strategies. In addition to repairing existing dwellings and building new 'planned' communities, 'short-life' housing was provided through the construction of factory prefabricated homes ('pre-fabs').

*Photo: In 1945, 40,000 Arcon 'prefab' council bungalows were built from a steel frame clad with asbestos*

These 'pre-fabs' used spare capacity in steel, wood and other industrial materials from factories that were set up to support the war effort, instead of the traditional 'bricks and mortar', which was in short supply. Over time, these led to a generation of more permanent system-built forms of council housing, which are often referred to as 'non-traditional' homes. The next section examines these non-traditional homes in more detail.

#### *Non-traditional housing*

Traditional housing is defined as that which is constructed on-site from brick, stone or other local materials. Non-traditional housing is that in which the main components are assembled on site from a kit of components that come from a factory. Overall, some 1 million non-traditional homes were built for local authorities between 1945 and 1975 [3]. For convenience, types of non-traditional housing fall broadly into four forms:

***Metal framed houses***; used factory assembled, typically steel, frames, clad with a variety of materials;

***Pre-cast concrete houses***; assembled from frames and panels, brought in from factories;

***In-situ concrete houses***; forms and moulds were factory made but the concrete was made on-site;

***Timber framed houses***; used factory produced frames, but in wood, and a variety of claddings.

These systems were built in large numbers and had names, rather like cars. So, tenants would refer to living in their 'Cornish', 'Airey', 'BISF' or 'Bison' home.

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[9] RIBA
https://www.architecture.com/image-library/features/british-social-housing-1920s-1980s.html
*(last accessed 17.08.2020)*

*Left photo: Experimental in-situ concrete frame house, built by BRS, Hertfordshire 1946 (as it appears in 2020)*

*Photo right: 'BISF' steel frame and cladding system, of which 35,000 were built between 1945-1950. Photos below: Local children playing outside their steel framed homes (1960s)*

*Left photo: 'Cornish' concrete frame/panel system, of which 30,000 were built between 1946-1960*

*Right photo: 'Cornish' frame/panel system, used for 'walk-up' flats*

*Left photo: 'Wates' large concrete panel system, of which 22,000 were built between 1947 and 1956*

While these were generally built as a short-term housing solution, most were still standing in the 1970s and had become eligible for 'Right-to-Buy' (RTB)[10]. However, in the early 1980s, defects in design and construction were discovered in a number of system-built homes and, following research at BRE, a number of these were designated inherently defective under the Housing Defects legislation. This gave new owners the right to sell these homes back to the local authority if they so wished, and also required councils to attend to defects which were rendering their own 'defective' homes unsafe.

*Photo: A pair of 'Airey' houses built with pre-cast concrete systems, which are designated 'defective'. The RTB semi on the left has had the structure replaced by traditional cavity brickwork, while the semi on the right has been repaired by the council but retains the original design.*

Overall, some 450,000 system-built council houses were built between 1945 and the late 1950s under the 'temporary and permanent pre-fabrication programme' [3]. An analysis of EHS data suggests that some 160,000 still remain in council ownership in 2017.

**Longer term post-war housing strategies**

Longer-term strategies were centred around local councils undertaking planned housing developments. The 1946 Housing Act[11] greatly increased the government subsidy available to councils for house building, and councils could also borrow from the Public Works Loan Board. Furthermore the 1946 New Towns Act provided for the creation of new towns by means of development corporations. Stevenage, in Hertfordshire, was the first new town created under the Act, with ten others following by 1955.

A further Housing Act in 1949 enabled local councils to acquire homes for improvement or conversion assisted by government funding and, critically, this Act removed the restriction placed upon local authorities by previous housing legislation to provide social housing for working-class people only. The

**10** Right to Buy was introduced in the 1980 Housing Act. See section on Right to Buy and Large-Scale Voluntary Transfers

11 The Housing (Financial and Miscellaneous Provisions) Act 1946

purpose of this change was to encourage more mixed housing estates of more varied types for all income groups. Between the end of the war and 1960, nearly two million new council homes were built, Figure 3.

Photo left: 1950's terraced council housing, Welwyn Garden City. The majority of council housing built in the early post war period consisted of traditionally built 'garden city' inspired estates, with plots which promoted the cultivation of vegetables and fruit.

The Parker Morris Standards were introduced in 1963 by the Ministry of Housing and applied to all council housing from 1969 to ensure that all new homes met minimum space and design requirements (Appendix B).

During the 1960s, the drive for slum clearance and new social housing was increasingly being met by the construction of tower blocks, as well as suburban estates. While living in a tower block was initially considered to be 'futuristic' and exciting for council tenants, and their landlords, by the 1970s it was becoming apparent that these were not always popular, particular with families, and were difficult to manage and maintain.

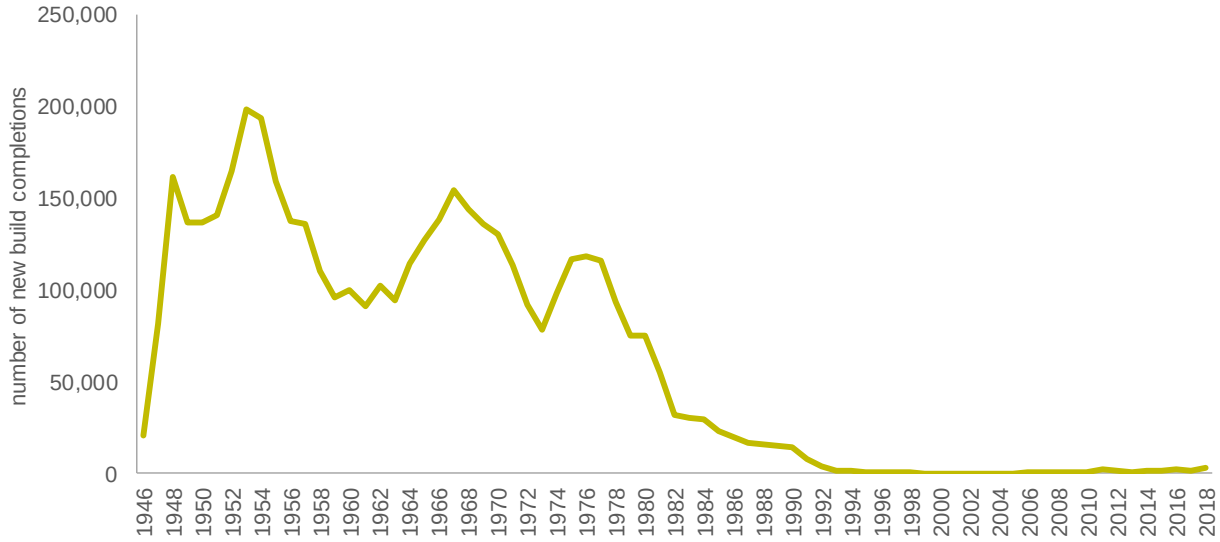
*Photo: 'Brutalist' style high-rise social housing, London 1967*

Social mobility began to increasingly push council tenants towards home ownership into the 1960s and 1970s. So, far from the desired effect of a wider variety of households living on social housing estates, the least popular estates were being occupied largely by those who could not afford to live anywhere else. This is termed 'residualisation'.

With the perceived ‘failure’ of many of the new high-rise estates and a realisation that clearing people from private slums and putting them in council housing was not necessarily the best housing solution, government introduced a series of initiatives to improve private sector dwellings in the 1970s. The 1974 Housing Act introduced General Improvement Areas and Housing Action Areas, which were supported by generous improvement grants to private owners, and Capital Grants (HAG), which were made available to housing associations to finance the acquisition and rehabilitation of private dwellings.

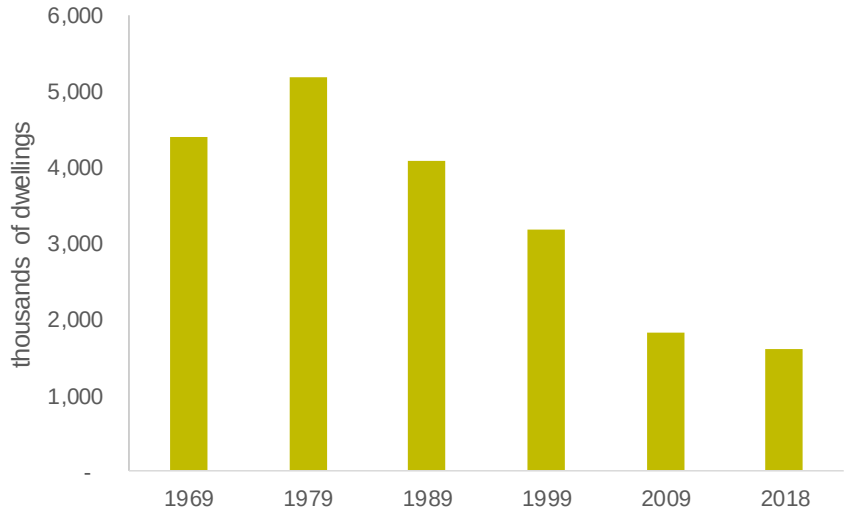
The construction of new council homes declined to around 100,000 units a year on average through the 1970s, slum clearance fell dramatically, and new housing association housebuilding rose from 8,300 per year in 1973 to 24,000 per year in 1977.

**Figure 3: Housebuilding completions by local authorities, 1946 - 2018**




*Source: MHCLG, House building: permanent dwellings started and completed, by tenure, Live Table 244*.

**Figure 4: Number of local authority owned homes, 1969-2018**




*Source: MHCLG, Table LT104, Dwelling stock, by tenure, England (historical series). The number of council homes reached their peak in the 1970s (1979 / 5.2 million)*

## Right to Buy (RTB) and Large-Scale Voluntary Transfers (LSVTs)

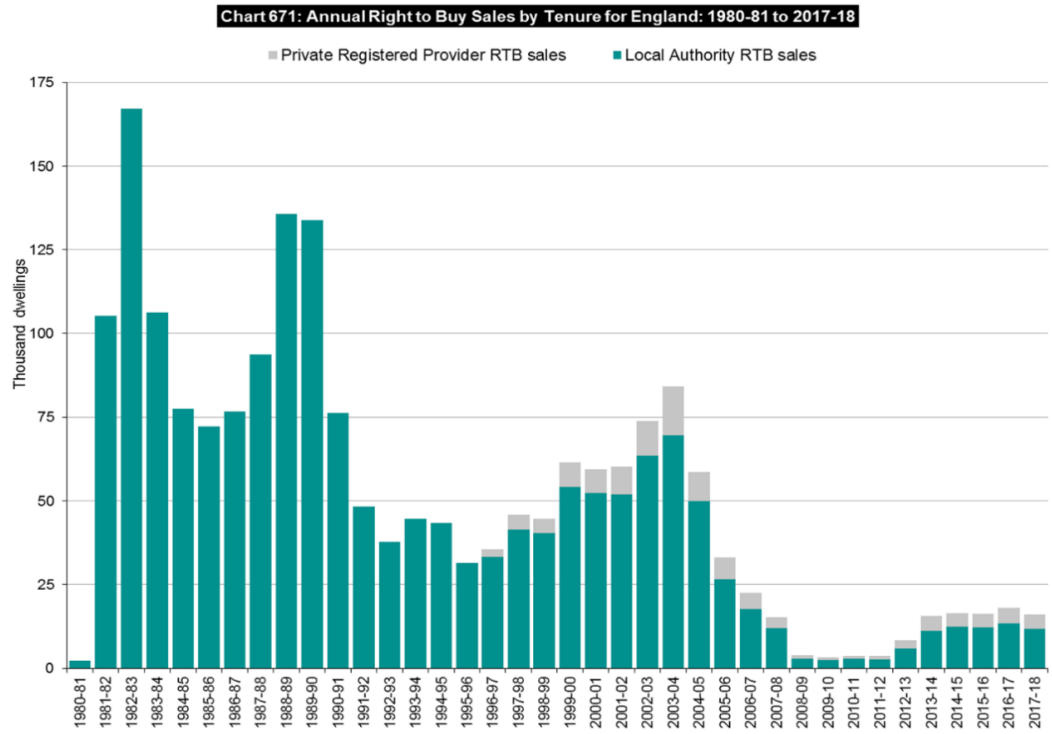
*RTB*

Through the Housing Act 1980, the new Conservative Government introduced RTB to encourage social housing tenants to purchase their own homes. Although local councils had powers to sell their housing prior to the Act, sales were relatively uncommon. Through RTB a heavy purchase discount was available, on a sliding scale according to how long tenants had lived in their homes. Mortgages were also made available for suitable properties. At the same time, the Priority Estates Project fund was created to target improvements towards poor public sector estates.

RTB was very popular with tenants who lived in traditionally built houses, and who could afford to pay the mortgages. It was more problematic for 'defective' system-built houses and flats. Sales were highest in the early years of RTB, peaking in 1982-83 (167,000) and then fluctuating up and down, largely reflecting the wider economic climate in different periods. RTB discounts were reduced in 1998 and 2003 but in 2012, following the so-called 'financial crisis', RTB was reinvigorated with the Government increasing the discount available to council tenants wishing to buy their council home.

Since the introduction of the RTB, around 1.8 million council homes have transferred into home ownership (Figure 5), although a proportion of these homes have subsequently entered the private rented sector. During the same period, new council housebuilding fell from an average of 33,000 units per year in the 1980s to virtually zero by 1993.

**Figure 5: Number of social housing sales under right to buy, 1980/81 – 2017/18**




*Source: MHCLG Table LT671: Social Housing Sales: Annual Right to Buy Sales for England: 1980-81 to 2017-18*

*Photo: RTB has proved to be a good investment for many former council tenants. The value of this extended 1950s traditionally built house is currently around £700k.*

RTB had a marked impact on the profile of council housing as houses and bungalows[12] have been overrepresented in RTB sales. As the sales of flats lagged behind houses, this contributed to the decision to introduce differential rates of discount through the 1986 Housing and Planning Act [4]. The proportion of RTB flat sales has increased particularly since the new millennium, Figure 6. This raises several issues for local authorities and the owners of ex council homes including;

1. The more limited availability of family council housing, adding pressure to some local authority housing waiting lists.

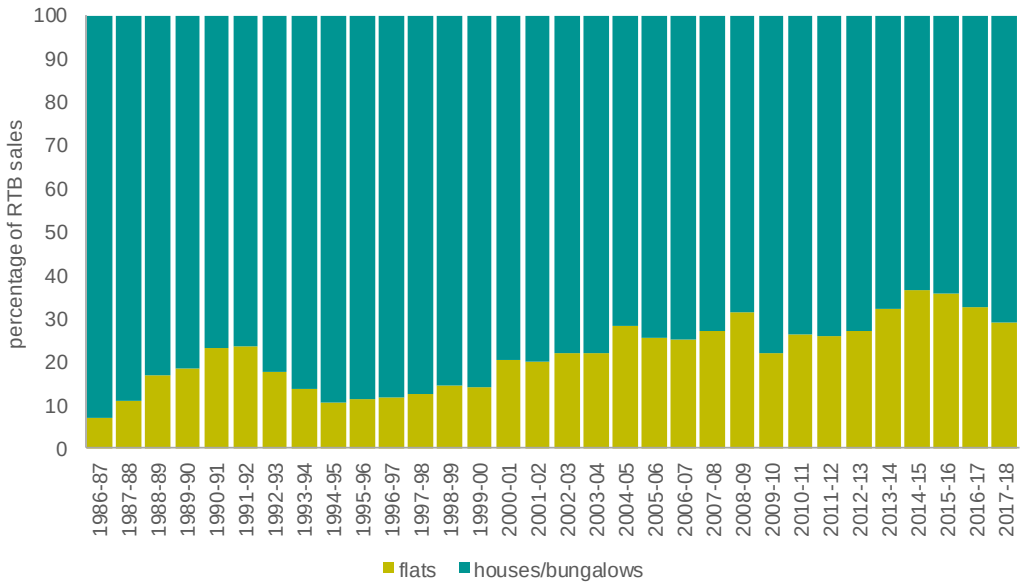
2. The growth in flat sales poses challenges in the management of mixed tenure flat developments, for example, delivery of on-going maintenance and larger programmes of investment due to permissions and monies needing to be sought from leaseholders.

3. Maintenance costs. Council landlords have been increasingly needing to repair flats as opposed to houses. The cost of maintenance and the breadth of the maintenance tend to be higher for flats due to the required upkeep of roofs, kitchens, communal areas, and the block/environments.

4. The repair costs for older (pre 1965) former council houses are generally higher than homes built after this period; for RTB households that could only just afford to buy their council home, some houses may represent a liability to the home owner, especially if they are unable to sell and move.

[12] Homes designated as suitable for older people or people with disabilities are exempt from the RTB.

**Figure 6: Types of homes purchased under RTB, 1986/87 – 2017/18**




*Source: MHCLG Table LT681: Social Housing Sales: Annual Right to Buy Sales for England: 1980-81 to 2017-18*

*LSVT*

Following the 1986 Housing Act, Housing Stock Transfers (through Housing Action Trusts and LSVT) were promoted to change ownership and management of social housing from local authorities to Registered Social Landlords now more commonly known as housing associations. The first transfer took place in 1988 when homes owned by the Chiltern District Council were transferred to a newly formed housing association after a ballot of tenants.

The growth of LSVTs developed rapidly under several governments against the backdrop of the devolution of housing policy in the late 1990s; the policy rapidly increased the size of the housing association sector, which was now taking over whole local authority housing portfolios, as well as being the only source of new social housebuilding. By 2008, some 1.4 million tenanted council homes had been transferred over to new landlords under the stock transfer process [4].

**Modern social housing**

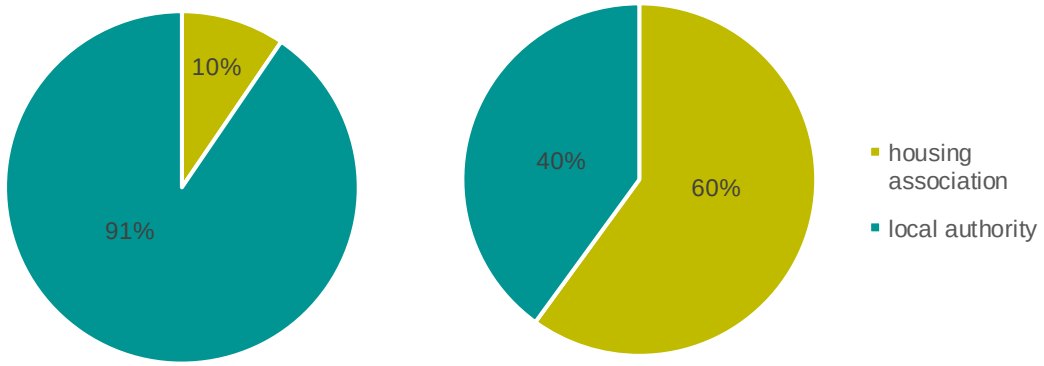
In 2001, the new Labour Government introduced the ‘Decent Homes Standard’, which aimed to provide all social housing tenants with a decent home within the 10-year intended life of the investment programme. The initiative recognised that this ‘residual’ social housing stock was getting older and was not being replaced.

By 2018, the remaining social housing stock had fallen to just over 4 million, compared with 5.2 million at its height in 1979. Some 60% of social housing was now being managed by housing associations, Figure 7, with only around 1.6 million homes still left in local authority ownership. Furthermore, many of these 1.6 million local authority owned homes were being managed, not by the council, but by Arms-Length Management-Organisations (ALMO’s).

Despite considerable investment, some 13% of social rented homes were still considered to be ‘non-decent’ in 2017. These are explored further in the section on ‘Investment in council housing’.

*Photo: New social housing, managed by a housing association and promoting mixed tenure/shared ownership*

**Figure 7: Social housing stock by landlord 1986 and 2017**




*Sources: 1986 EHCS Annual report and EHS 2017 Headline report*

## Historical profile of council housing

Using published English House Condition Survey (EHCS) and EHS data, this section examines:

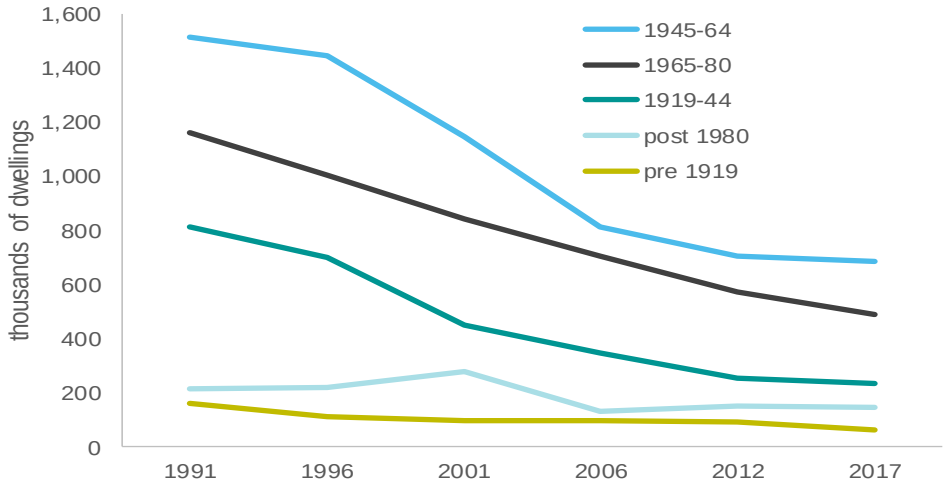
- how the dwelling age and dwelling type profile of the council housing has changed over time;
- how the profile of council tenants has changed over time;
- the quality of council housing and the benefits of housing investment through Decent Homes.

A summary profile of council homes and other tenures is provided in Table 1.

### Age, type and location of council housing over time

Since 1991, RTB and LSVT have resulted in a marked fall of 2.2 million council homes with around 1.5 million of these built in the 1945-1980 era when the largest council house building programmes occurred, Figure 8. Overall, the distribution of the stock has not markedly changed for most age bands, but the proportion of homes built between 1919-44 has fallen from 21% to 15%.

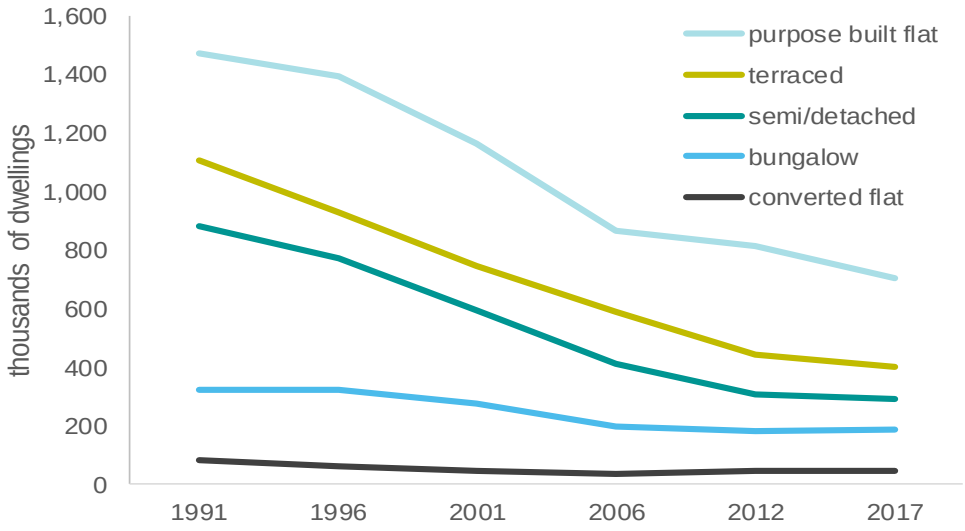
**Figure 8: Age distribution of council homes, 1991- 2017**




*Sources: EHCS 1991 (A3.20) EHS profile of the English housing report 2012-13 (AT1.8) and EHS headline report 2017-18 (AT2.1)*

The proportion of semi-detached/detached houses has fallen most sharply since 1991 (by 67%/ 880,000 to 290,000) followed closely by terraced houses (by 64%/ 1.1 million to 397,000). The number of purpose-built flats has halved from roughly 1.5 million to 702,000, Figure 9.

**Figure 9: Changes in the number of council homes by type of dwelling 1991- 2017**




*Sources: EHCS 1991 (A3.20) EHS profile of the English housing report 2012-13 (AT1.8) and EHS headline report 2017-18 (AT2.1)*

Rural homes have traditionally comprised a smaller proportion of total council housing stock compared with the profile of the private stock. In common with other tenures, however, a growing proportion of the council housing is now situated in suburban areas. Between 1976 and 2017 the EHS estimates that the number of council homes in rural areas fell from around 717,000 to 114,000 although 231,000 rural homes are now owned by housing associations.

Council housing is more likely to be in a deprived area particularly when compared with housing in the private sector (Table 1). However, the most deprived areas do not exclusively comprise of council housing.

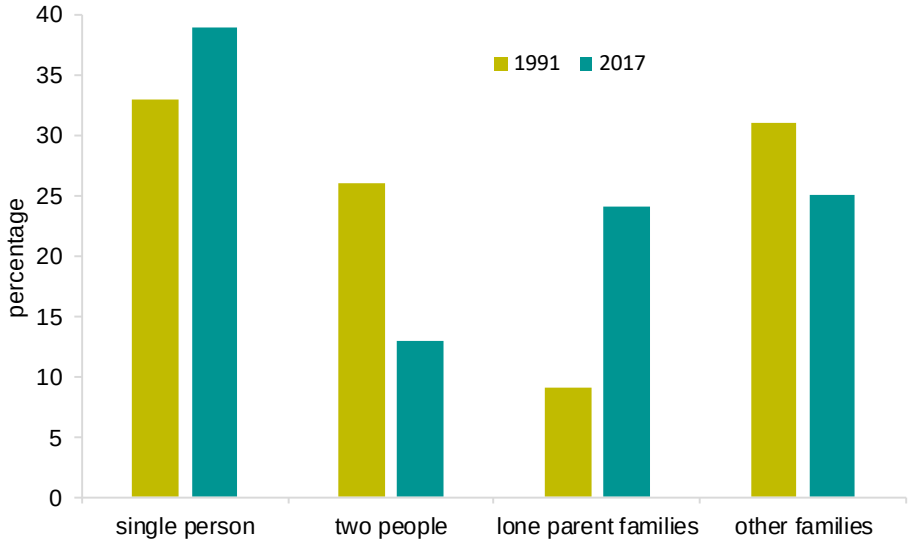
**Council tenants**

Historical data on the profile of council tenants is more limited compared with data on dwelling and construction characteristics and not all data is comparable because, for example, household characteristics are categorised in different ways. The following analysis uses published EHCS/EHS data to illustrate how some household characteristics have changed over a 26-year period from 1991 to 2017. Comparisons between council tenants and households in other tenures are presented in Table 2.

Over the 1991 to 2017 period, the proportion of single people and lone parents renting from local councils increased. Some of these changes are reflective of national trends, for example, the rise in lone parent households, evident in every tenure, particularly rented homes. There are other reasons contributing to the trend including the affordability of home ownership and RTB for couples, who tend to be more affluent than single parents and single people. The shortage of social housing also means that homes available for letting are allocated to those in greatest need of a relatively more affordable ‘safety net’ e.g. vulnerable older people, particularly those with poor health, homeless families, Figure 9.

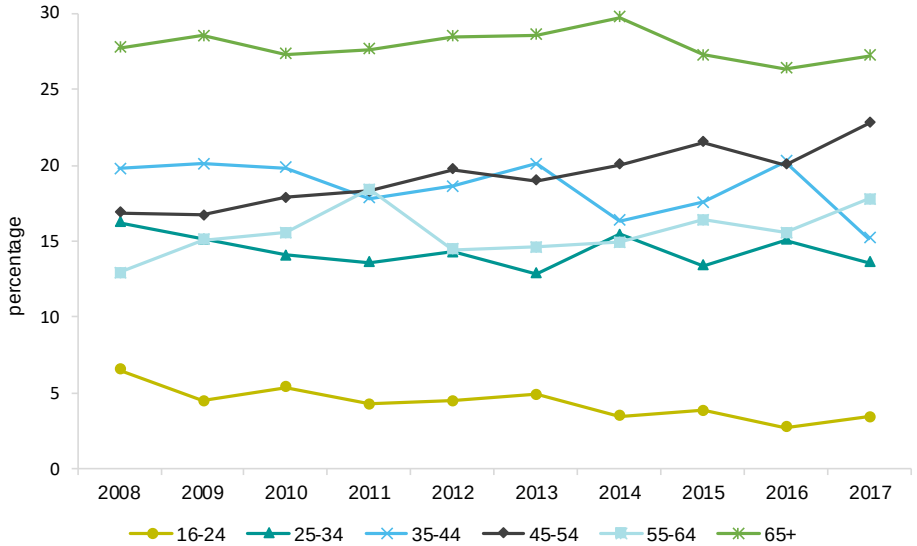
The age profile of council tenants largely reflects the distribution of all households in all tenures. Older people are the most common age group occupying council homes, Figure 10.

**Figure 9: Households living in local authority dwellings, 1991 and 2017**




*Sources: EHCS 1991 (A10.18) and EHS headline report 2017-18 (AT1.3)*

**Figure 10: Age profile of households living in local authority dwellings, 2008-2017**

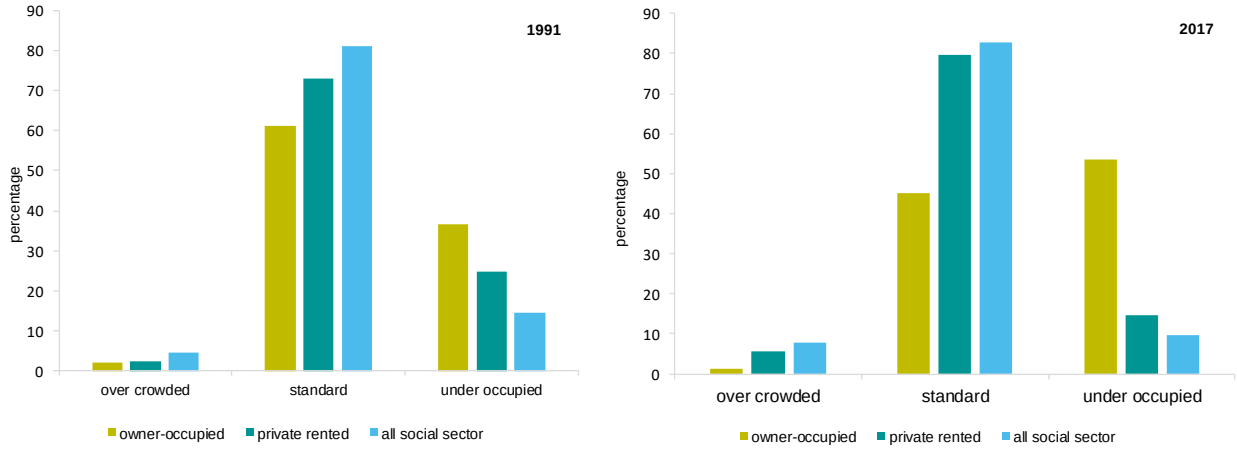



*Sources: EHS headline report 2017-18 (AT1.4)*

Owing to the growing limited availability of all social housing, particularly larger sized family homes, there are often limited opportunities for families to move into larger social rented accommodation. The prevalence of overcrowding is therefore of concern to the Government due to its potential adverse impact on health and well-being.

The proportion of overcrowded social homes[13] has increased slightly over the 1991 to 2017 period while the proportion of under occupied homes has fallen. Social sector homes are more likely to be overcrowded than other tenures.

**Figure 11: Overcrowding, 1991 and 2017**

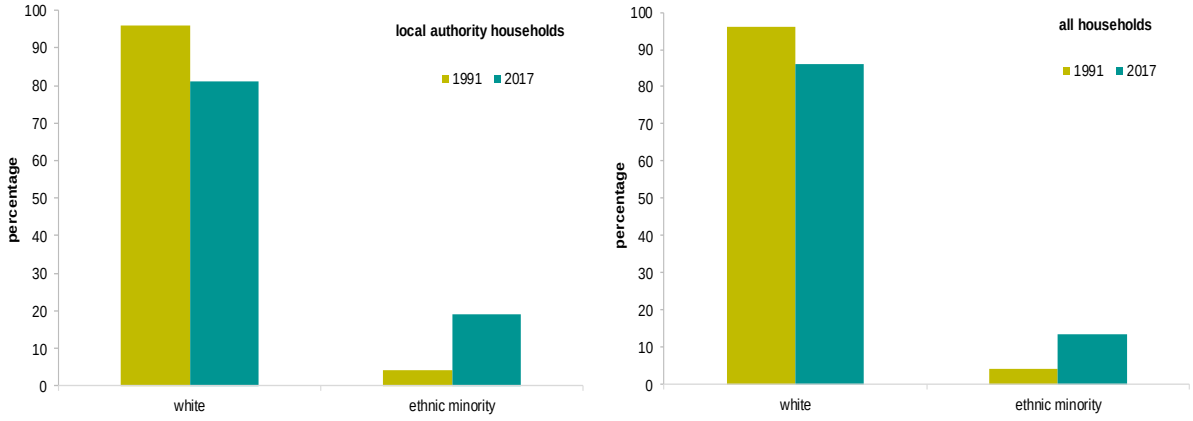



*Sources: EHCS 1991 (A4.10) and EHS headline report 2017-18 (AT1.22)*

## Ethnicity

A higher proportion of local authority tenants are now occupied by ethnic minority households matching the trend for all tenures.

**Figure 12: Ethnicity, 1991 and 2017**




*Source: EHCS 1991 (A10.7) and EHS headline report 2017-18 (AT1.3)*

[13] No published local authority data was reported in the 1991 EHCS

## Table 1. Profile of the English housing stock in 2017/18, by tenure

| | Local authority | Housing association | **All social housing** | Owner occupied | Private rented | **All private housing** | ***All housing*** |
|---|---|---|---|---|---|---|---|
| **Total stock (000s)** | 1,615 | 2,458 | 4,072 | 15,089 | 4,789 | 19,878 | 23,950 |
| **Tenure % of total stock** | 6.7 | 10.3 | 17 | 63 | 20 | 83 | 100 |
| **Dwelling age (%)** | | | | | | | |
| Pre 1919 | 3.7 | 8.3 | 6.5 | 20.2 | 34.8 | 23.7 | 20.8 |
| 1919-1944 | 14.6 | 7.9 | 10.5 | 18.2 | 12.8 | 16.9 | 15.8 |
| 1945-1964 | 42.4 | 23.7 | 31.1 | 18 | 12.5 | 16.7 | 19.1 |
| 1965-1980 | 30.3 | 24.9 | 27 | 19.4 | 13.8 | 18.1 | 19.6 |
| 1981-1990 | 5.9 | 9.4 | 8 | 8 | 7.5 | 7.9 | 7.9 |
| 1991-2002 | 1.6 | 12.6 | 8.3 | 8.3 | 8.2 | 8.3 | 8.3 |
| 2003 onwards | 1.5 | 13.1 | 8.5 | 7.9 | 10.4 | 8.5 | 8.5 |
| **Dwelling type (%)** | | | | | | | |
| Terraced house | 24.6 | 28.3 | 26.8 | 25.6 | 36.4 | 28.2 | 28 |
| Semi-detached | 17.9 | 16.5 | 17.1 | 30.5 | 16.7 | 27.2 | 28.5 |
| Detached house | 0.2 | 0.6 | 0.4 | 25.2 | 5.9 | 20.5 | 17.1 |
| Bungalow | 11.4 | 10.3 | 10.7 | 10.3 | 4.3 | 8.8 | 9.2 |
| Converted flat | 2.6 | 4.6 | 3.8 | 1.7 | 11.2 | 4 | 3.9 |
| Purpose built low-rise flat | 37.1 | 36.3 | 36.6 | 5.9 | 21.6 | 9.7 | 14.3 |
| Purpose built high-rise flat | 6.4 | 3.5 | 4.6 | 0.8 | 3.9 | 1.5 | 2.1 |
| **Mean floor area (m2)** | 66 | 66 | 66 | 107 | 77 | 100 | 94 |
| **Location (%)** | | | | | | | |
| Urban | 24.6 | 24.6 | 24.6 | 13.4 | 34.5 | 18.5 | 19.5 |
| Suburban | 68.4 | 66 | 66.9 | 65.2 | 53.2 | 62.3 | 63.1 |
| Rural | 7 | 9.4 | 8.5 | 21.4 | 12.3 | 19.2 | 17.4 |
| **Deprived local areas** | | | | | | | |
| Most deprived 10% | 29 | 24.3 | 26.2 | 4.7 | 11.7 | 6.4 | 9.7 |
| 2-5$^{th}$ deciles | 58.6 | 53.6 | 55.6 | 34.1 | 48.2 | 37.5 | 40.6 |
| 6-9$^{th}$ deciles | 11.3 | 20.4 | 16.8 | 48.6 | 35 | 45.3 | 40.5 |
| Least deprived 10% | 1 | 1.7 | 1.5 | 12.6 | 5.1 | 10.8 | 9.2 |
| **Vacant at survey (%)** | 3.4 | 4.2 | 3.9 | 3 | 10.2 | 4.7 | 4.6 |
| **Condition (%)** | | | | | | | |
| % Non-decent | 14.8 | 11.3 | 12.7 | 18.7 | 24.5 | 20.1 | 18.8 |
| % HHSRS Cat 1 | 7.9 | 4.4 | 5.8 | 11.3 | 14.4 | 12.1 | 11 |
| % Serious disrepair | 14.4 | 8.3 | 10.7 | 11.1 | 19 | 13 | 12.6 |
| % Damp | 6.2 | 5.2 | 5.6 | 2.2 | 7.2 | 3.4 | 3.7 |
| **Energy efficiency** | | | | | | | |
| Mean SAP | 66.4 | 68.5 | 67.7 | 60.9 | 60.8 | 60.9 | 62 |

*Sources: Compiled from English Housing Survey, MHCLG headline report 2017-18, Annex Tables 2.1, 2.3, 2.5, 2.6 and EHS Live Table DA5201*

## Table 2. Profile of English households in 2017/18, by tenure

| | Local authority | Housing association | All social housing | Owner occupiers | Private renters | ***All housing*** |
|---|---|---|---|---|---|---|
| **Total households (000s)** | 1,581 | 2,377 | 3,958 | 14,784 | 4,530 | 23,272 |
| **Tenure % total households** | 6.8 | 10.2 | 17 | 63.5 | 19.5 | 100 |
| **Age of HRP (%)** | | | | | | |
| 16-24 | 3.4 | 4.4 | 4 | 0.7 | 11.8 | 3.4 |
| 25-34 | 13.6 | 16.5 | 15.4 | 8.3 | 31.5 | 14 |
| 35-44 | 15.2 | 16.7 | 16.1 | 15.3 | 24.4 | 17.2 |
| 45-54 | 22.8 | 18.7 | 20.3 | 20.5 | 15.9 | 19.5 |
| 55-64 | 17.8 | 16.8 | 17.2 | 19.2 | 8 | 16.7 |
| 65 or over | 27.2 | 27 | 27.1 | 36 | 8.4 | 29.1 |
| **Mean age of HRP** | 53.2 | 52.3 | 52.6 | 57.4 | 40.1 | 53.3 |
| **Sex of HRP (%)** | | | | | | |
| Male | 43.8 | 45.3 | 44.7 | 61.9 | 59.8 | 58.6 |
| Female | 56.2 | 54.7 | 55.3 | 38.1 | 40.2 | 41.1 |
| **Household type (%)** | | | | | | |
| One person | 38.9 | 42.8 | 41.2 | 25.4 | 25.4 | 28.1 |
| Couple, no children | 12.6 | 12 | 12.3 | 36 | 24 | 29.6 |
| Couple + independent child(ren) | 5.1 | 3.6 | 4.2 | 7.6 | 2.2 | 6 |
| Couple + dependent children | 12.6 | 13.5 | 13.1 | 19.2 | 19.4 | 18.2 |
| Lone parent, independent child(ren) | 7.4 | 5.6 | 6.3 | 2.9 | 2.5 | 3.4 |
| Lone parent, dependent child(ren) | 12.8 | 14 | 13.5 | 2.3 | 10.6 | 5.8 |
| 2 or more families | 2.1 | 1.4 | 1.7 | 1.5 | 1.4 | 1.5 |
| Lone person sharer | 2.1 | 2.3 | 2.2 | 1.7 | 10.8 | 3.6 |
| **Disabled or long-term sick (%)** | 53.5 | 53.8 | 53.7 | 31.1 | 23.2 | 33.4 |
| **Housing benefit (%)** | 60.8 | 58.9 | 59.7 | - | 19.6 | 38.3 |
| **Mean houshold income £/week** | 404 | 412 | 408 | 941 | 728 | 809 |
| **Any savings (yes)** | 17.1 | 17.3 | 17.2 | 65.7 | 37.4 | 51.8 |
| **Acorn classification (%)** | | | | | | |
| Affluent achievers | 1 | 2.3 | 1.8 | 31.8 | 11.2 | 22.7 |
| Rising prosperity | 3 | 2.1 | 5.5 | 8.4 | 19.1 | 10 |
| Comfortable community | 4.3 | 5.4 | 4.9 | 34.5 | 24.2 | 27.5 |
| Financially stretched | 39 | 41.3 | 40.4 | 16.2 | 22.9 | 21.6 |
| Urban adversity | 52.5 | 43.8 | 47.3 | 8.8 | 22.5 | 18 |

*Note: Data for all private households is not available*

*Sources: Compiled from MHCLG English Housing Survey Headline Report 2017-18 Annex Tables 1.1 and 1.3, and Social Rented Report 2017-18 Annex Tables 1.1, 1.2, 1.5, 1.14, 2.1, 2.5, 2.8*

## Investment in council housing

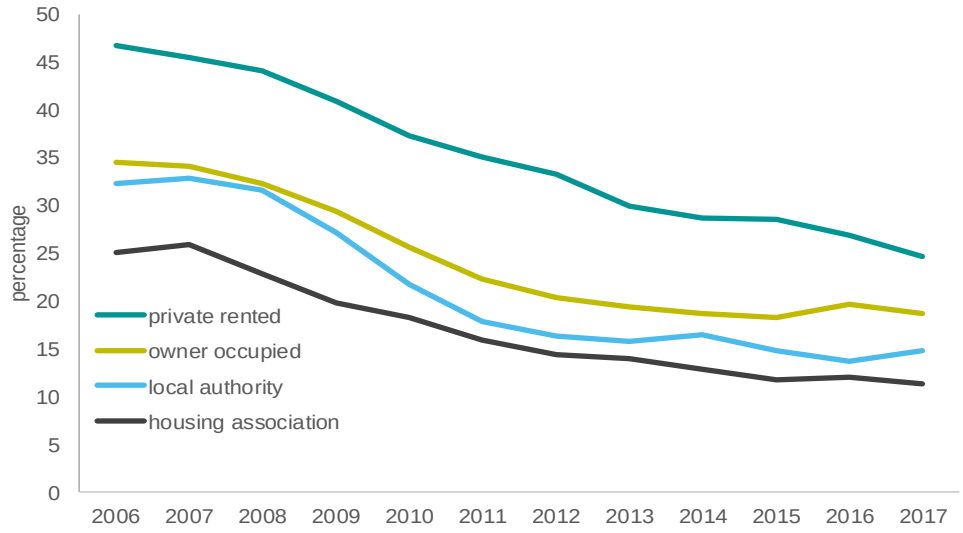
### Decent Homes Standard

In 2001 the Labour Government introduced the Decent Homes Standard, which aimed to provide all social housing tenants with a decent home within the 10-year intended life of the programme. The initiative recognised that this 'residual' social housing stock was getting older and had suffered from a lack of investment.

For millions of social renters, investment through the Decent Homes programme has raised the quality of their homes and for some, their quality of life. This investment has had additional benefits, such as assisting in the reduction of carbon emissions through the installation of energy efficiency measures, and the reduction of the most serious health and safety hazards, measured through the Housing Health and Safety Rating System (HHSRS).

It is only possible to produce a consistent timeline for the measurement of non-decent housing from 2006 because the definition of Decent Homes was updated in this year[14]. Overall, the net reduction in non-decent council homes was around 400,000 over this period, though many more homes will have been made decent from the earlier stages of the investment before 2006. There is however still work to do and in 2017 around 239,000 (15%) council homes were non-decent as were 277,000 (11%) of housing association homes.

**Figure 13: Non-decent homes by tenure, 2006-2017**




*Source: EHS Headline report 2017 and EHS report 2013*

[14] The Fitness Standard was replaced by the HHSRS as the statutory criterion of decency in 2006.

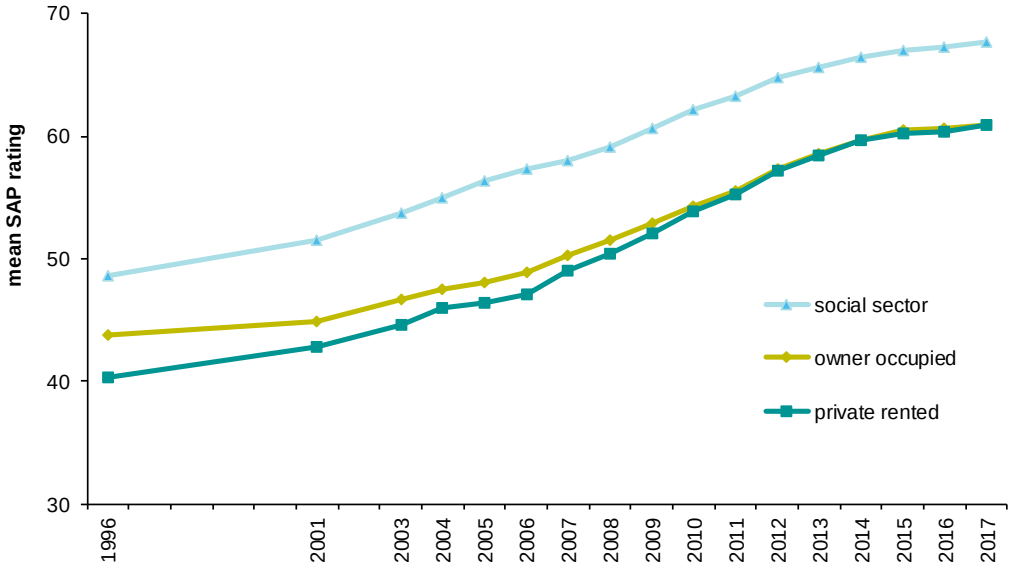
### The benefits of investing in social housing

Good quality social housing has multiple benefits. Some of these can be quantified, such as improvements in public health, life expectancy, carbon reductions, educational attainment, increased incomes and asset values. Others are far more difficult to measure, such as wellbeing, community engagement, security, life chances but are nevertheless considered to be beneficiaries of good housing.

BRE Trust research [5] into the health benefits of decent homes related work between 2001 and 2010, (that is, the first ten years of the Decent Homes programme) estimated that total savings to the NHS as a result of improving social sector homes (and so mitigating the most serious health and safety hazards), were around £392 million. Added to these savings were the projected annual savings to the NHS going forward; if all the social sector decent homes continued to be maintained and remain decent, this would save the NHS an estimated £71 million per year. The research underlines that continued investment in the social housing stock makes economic sense through NHS savings as well as improving health and well-being for tenants.

The benefits of investment are also evident in improvements to the energy efficiency of social housing. The energy efficiency of the social housing stock has increased significantly with the average SAP rating rising from 51.5 in 2001 to 62.1 in 2010. This compares with an increase of 44.7 to 54.2 for private housing over the same period.

**Figure 14: Energy efficiency of homes 1996- 2017 by tenure**




*Source: EHS Headline report 2017*

The BRE Trust research also estimated the reductions in carbon emissions and total fuel costs resulting from this improvement in energy performance. In 2001, it is estimated that total carbon emissions for the whole social stock were in the region of 20.1 million tonnes, falling to some 13.5 million tonnes by 2010. This equates to an estimated fall in the average $CO_2$ emissions of 1.1 tonnes per dwelling across the whole social stock over this period.

In addition, the research estimated that, over the 2001 to 2010 period, average fuel costs reduced by around £116 per dwelling and the total fuel bill for social sector homes reduced from £2 billion to some £1.4 billion.

MHCLG has commissioned BRE to model the potential savings to the NHS of mitigating the most serious HHSRS hazards that were present in non-decent social rented homes in 2017. When published, the report will be published here: https://www.gov.uk/government/collections/english-housing-survey#research-reports

MHCLG published its "A new deal for social housing" Green Paper in August 2018[15] which sought views on the Government's vision for social housing providing safe and secure homes. Integral to this was consultation on a possible new Decent Homes Standard which would shape housing quality standards moving forward.

One of the benefits of providing and maintaining good quality social housing is its considerable asset value (below).

## The value of the council housing stock

The council housing stock has been considerably improved through Decent Homes and other capital works programmes. This, plus a general upward trend in house values, means that it represents a considerable public asset. Analysis of data from the EHS (2008/09, extrapolated to 2017/18 values) suggests that the total value of the residual council housing stock is some £256 billion at current prices. This is despite much of the better stock being sold on through RTB or transferred to housing associations.

**Table 3: Value of social housing stock 2017/18**

| | Number of homes (2017/18) | Mean value (2017/18) | Total value (2017/18) |
|---|---|---|---|
| **Local authority** | 1,615,000 | £159,000 | £256bn |
| **Housing association** | 2,458,000 | £162,000 | £398bn |
| **All social housing** | 4,072,000 | £160,000 | £654bn |

### Backlog of work to social housing stock

Regardless of the investment in Decent Homes, other capital works and maintenance programmes, there is still a considerable backlog of work required to the council housing stock. Despite its smaller size,

15 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733605/A_new_deal_for_social_housing_web_accessible.pdf

council owned housing has a proportionately greater backlog of work than the housing association sector, due to its age and type rather than any failures on the part of the maintenance services.

**Table 4: Backlog of work to social housing stock 2017**

| Repair cost £ bn | Urgent repairs | General repairs | Comprehensive repairs | Cost to make decent (non-decent homes only) |
|---|---|---|---|---|
| **Local authority** | 1.3bn | 1.9bn | 5.0bn | 0.8bn |
| **Housing association** | 1.3bn | 1.9bn | 5.0bn | 0.4bn |
| **All social housing** | 2.6bn | 3.8bn | 10.0bn | 1.2bn |

*Source: EHS 2017/18*
*Note: see Appendix A for definitions of different repair categories*

**History of a council house**

This house was built in 1950 by a local authority in the East Midlands on a small village estate. It is the middle-right of a terrace of four, with a shared alleyway access to rear; traditionally constructed from locally sourced red brick, with a slate roof, cavity walls, some pre-cast concrete detailing and steel 'crittall' cottage style window frames. Heated by individual coal fires with a coke boiler for hot water. Cost to build £350; rent 12 shillings and six pence per week.

The first occupants were a couple of local key workers with a small child who had been on the council waiting list for two years. They were previously living in a privately rented one-bedroomed cottage with no bathroom, inside WC or proper kitchen. They were proud to have been allocated a brand-new 3-bedroom house with a 100ft garden. They began planting vegetables and fruit bushes.

*Photo: Neighbourhood children, just moved in, 1950*

*Photo: Creating the new back garden - refreshment break!*

In 1960 the family (who had another child in 1953) moved away with their work and the house was re-allocated to new tenants. They stayed until 1978 and then another young family moved in.

*Photo: The house shortly before Decent Homes improvements*

The house saw various improvements over the years, including gas fires and an immersion heater, but the biggest came in 2004, when it was comprehensively improved through the Decent Homes programme.  Major works included the replacement of all windows with UPVC double glazed units, new kitchens and bathrooms, full gas central heating, cavity wall insulation.

Soon after receiving Decent Homes improvements (and persuaded by the three children who had grown up in the house and now left home), the now retired tenants purchased the house through RTB at maximum discount for £26,500. Three years later the house was sold on the open market for £139,950.

*Photo: The house in 2014*

The house was improved again by the young couple who bought it in 2007 and they sold it in 2017 for £212,000. It was then bought by a developer who rented it out for a couple of years before it was modernised and updated to a very high standard, to reflect the desirability of the location. It has just sold again for £265,000, some 500 times greater than its value at the time of being built.

It is a simple, sturdy, well-built and well-maintained home which will easily stand for another 70 years. However, it is now out of the financial reach of the type of local family it was designed for.

*Photo: The rear of the house, garden 2020, following extensive re-modelling*

*Photo: The new kitchen, interior, 2020*

## Comparisons with Europe and other developed countries

Each country will have its own definition of what it defines as social housing and how this is delivered and managed. The state provided all new public housing in the former Soviet Union and Communist Eastern Europe in the 1945-1990 period, but most of this 'social housing' has now been 'gifted' to the former tenants to keep and maintain. Lithuania, for example, currently records less than 20,000 homes in public ownership while the owner-occupied sector stands at 89%. In some countries social housing is still largely provided by the 'municipalities'. In others, housing associations and large 'housing corporations' provide and manage this.

*Photo: Former 'Soviet' social housing in Lithuania. Now in private ownership*

Social housing models involving partnerships with banks and investors were popular in the early 21st Century in countries like Ireland, Italy, Spain and Portugal but the financial crash of 2008 brought into light the potential risks and low returns that investors could make in the social rented sector. Countries where

social housing development continued to rely on private debt would subsequently face challenges due to much tighter and shorter-term lending strategies.

By contrast, economic models based on long-term financing mechanisms that are highly regulated have been more successful, in countries like Denmark, Austria and France. “In these countries social housing plays a countercyclical role in terms of investment and jobs while ensuring continuity in the public service and the availability of an affordable supply of housing”[6].

**Table 5: Social housing in selected countries 2017**

| Country | social housing (%) | Main owner/provider |
|---|---|---|
| United Kingdom | 17 | Housing associations, local authorities |
| Austria | 24 | Housing associations |
| Denmark | 21 | Housing associations |
| France | 17 | Housing corporations (HLM) |
| Germany | 3 | Mainly subsidised private housing for social rent |
| Ireland | 9 | Housing associations, local authorities |
| Italy | 4 | Municipality |
| Lithuania | 1 | Municipality |
| Netherlands | 30 | Housing corporations |
| Poland | 8 | Cooperatives |
| Spain | 3 | Municipalities, banks |
| Sweden | 19 | Municipalities, subsidised private housing |
| | | |
| Australia | 4 | State, local housing authorities |
| USA | 1 | State, local housing authorities |

*Source: The State of Housing in the EU 2019. Housing Europe*

The country in Europe with the highest proportion of ‘social housing’ is the Netherlands. Here nearly one third of all housing is owned and managed by not-for-profit housing corporations. “When looking at overcrowding and building features, the Dutch social rented sector has the highest quality in Europe” [6]. Indeed, the Dutch have won plaudits for the way that they have built communities containing households of all tenures living in good quality housing.

*Photo: Modern sheltered social housing in Amsterdam, built for the housing corporation by MVRDV*

While the Netherlands is a very densely populated country, its social housing is characterised by the integration of green space and public areas.

Denmark has a social housing sector which is more modern and more integrated with other housing than that of England. It is considered to be of excellent quality [7].

There is a strong association between access to good housing for all and other indicators of development [8]. As well as having the most ‘equable’ housing in Europe, Denmark has some of the best life chances: high Gross Domestic Product; long life expectancy; good health; good education; high productivity and low unemployment. It is regularly scored as the ‘happiest’ country in the world[16].

Like the Netherlands, Danish housing providers see the value of green space and careful estate planning as critical to the success of their schemes. In this they mention being inspired by the English Garden Cities movement of the early 20th century.

[16] https://worldpopulationreview.com/country-rankings/happiest-countries-in-the-world

*Photo: Social housing in Denmark*

Some 55% of Germany's housing is rented, with 4% being social rented [9]. The social housing sector has shrunk in recent years with the current policy favouring giving allowances and benefits for low income households to rent privately. However, the German private rented sector is characterised by regulation of rent increases coupled with security of tenure [10].

*Photo: New mixed-tenure housing in Germany*

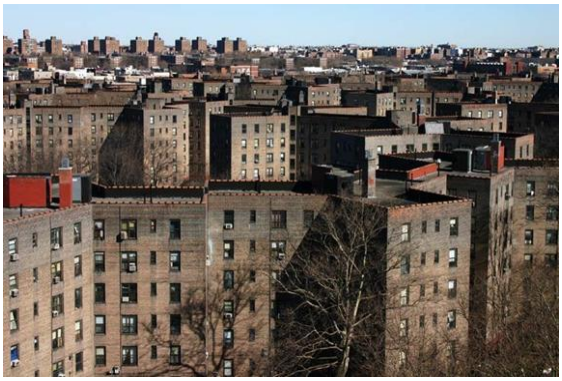
France has a massive housing under-supply. The social rented sector is currently charged with building 100,000 homes a year to help deal with the backlog but there are some 1.7m people waiting for social housing [9]. The social rented sector makes up some 17% of the housing stock.

Like Germany, an aim is to integrate housing of all tenures into high quality developments. Below is an approved design for Rennes riverside, which will provide a mix of social, private commercial and public space. Sustainability and eco-friendliness are to the fore.

*Photo: Rennes riverside showpiece mixed tenure and commercial project. Courtesy of MVRDV*

Sweden has, by definition, no social housing, i.e. there is no part of the housing stock that benefits from special subsidies to the builder/owner and reserved for low-income households [11]. Nonetheless almost half of the rental sector (19% of the total housing stock) is owned by municipal housing companies and might be considered to be social housing.

Social housing is very much a ‘last resort’ in the USA. Now increasingly provided in a variety of settings and formats, originally public housing in the USA consisted of complexes of mainly apartment buildings in US major cities; the notorious ‘housing projects’ which have a complicated history. Currently around 1.2 million US households live in public housing of some type.



*Photos: Left: Queensbridge Housing Project, NYC, USA / Right: Former housing project, Detroit (demolished 2014).*

Public housing in Australia is provided by departments of state governments. Australia’s public housing stock currently stands at around 300,000 homes out of a total stock of some 7.5 million dwellings.

## The future of council housing

The introduction of council housing a hundred years ago made a huge contribution to improving the social mobility and life chances of the British population. It removed millions from the threat of poverty, providing healthy and safe places for people to live, grow up in and thrive. It contributed to improved educational attainment, productivity and ultimately the economic performance of the country. It built communities of proud people who have been fully engaged in the British way of life. It raised their aspirations.

Unfortunately, over the last generation, council housing has not kept pace with people's aspirations. Much (often the best quality) has been sold and not replaced. Owing to the pressure on the remaining stock, it is allocated to the most vulnerable and disadvantaged, leaving other people who would like to live in it without the option. In England there are virtually as many households on social housing waiting lists as there are council houses.

Some council tenants live in poverty[17]. Although the majority of social renters (83%) are satisfied with their current tenure[18], some communities comprising of council homes have been marginalised and many of those who live there believe they are stigmatised as being at the 'bottom-of-the-pile'.

We are now left with a residual council housing stock. There is virtually no new council housing being built while the remainder needs a massive investment to make it suitable for the future. Perhaps now is a good time to consider what we want for our council housing going forward. This report focuses on two strands: maintaining and improving the existing stock; replacing the stock which has gone and providing new housing to meet the backlog of demand.

**Maintaining and improving the existing council housing stock**

The large scale move to transfer council housing to housing associations has slowed and there is a core of some 1.6 million homes in council ownership which are likely to be around for some time. Most of these have now been through the Decent Homes programme and should be in good repair and be warm and dry with a full range of modern amenities. These will, however, need constant maintenance and improvement for the future. In doing so, there are areas of learning from our recent history.

Continuing to raise standards

Decent Homes has outlived its proposed lifespan (the programme of works should have been completed in 2010) and is long overdue for a review and relaunch, as acknowledged in "A new deal for social housing" Green Paper. Many homes, which were 'decent' are now slipping into 'non-decency' due to, for example, ageing building elements.

A new 'Decent Homes 2', scheme might be more aspirational by addressing the challenge of carbon emissions, delivering long term affordable warmth for families through higher energy efficiency and creating sustainability standards. The focus might go beyond the individual dwelling to the improvement of the environment and estate security, which has such an impact on the community and the wellbeing of individuals.

[17] The EHS 2017-18 Social rented sector report indicated that there was a higher proportion of social renters in the lowest income quintile (46%) compared with private renters (19%) and owner occupiers (13%) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/856046/EHS_2017-18_SRS_report_revised.pdf

[18] EHS 2017-18 Social rented sector report (ibid).

Getting refurbishment right

As councils can deal with whole estates, rather than one-off individual houses, they have the opportunity to deliver improvement schemes using economies of scale, top architects and rigorous procurement and project management. However, there have been many failures that we should learn from.

One of the problems is the loss of architectural integrity that upgrading sometimes brings. Residential buildings have been designed to perform in a particular way. Ill conceived and executed improvement schemes can sometimes destroy this integrity, introducing damp and condensation, health, safety and fire hazards. Grenfell Tower is the most extreme example of this, but there are countless cases of failed cavity and solid wall insulation, cold bridging and inappropriate replacement materials that have caused major problems [12].

***Retrofitting homes is specialist work. The Government, Homes England, CIH, NatFed, RIBA, RICS, BRE and the building industry can work together to help authorities deliver the highest standards.***

**Poor refurbishment practice 1**: Here cavity wall insulation CWI) has been installed and the walls over-rendered to an estate of council houses located in a very exposed site. The CWI and walls have become saturated leading to damp and mould inside the dwelling and discolouration of the paintwork.

**Poor refurbishment practice 2**: Solid wall insulation has been affixed to the outside of a social housing street property, but not its neighbours. It has been badly designed and fitted, leading to cold bridging, gaps which let water behind and poor ventilation. The result is condensation, penetrating and rising damp making the property uninhabitable. The property has been sold on to the private sector.

*Photo: Full upgrading of council Airey houses, retaining their architectural integrity*

Mixed ownership and tenure

A growing problem in delivering high quality improvements to the council housing stock is dealing with mixed ownership and tenure. In the early days of RTB, it was said that you could pick out the newly purchased homes by their double glazing and new front doors. Following the Decent Homes programme, many of the RTB homes are looking tired and in need of maintenance. Councils will have to work their way around these. It is hard for authorities to design a programme of work to suit every other home in a terrace that it owns, or one of a pair of semi-detached houses. The benefits of cohesive estate-wide improvements are lost and the result can be messy, architecturally.

*Photo: Mixed tenure can make consistent refurbishment difficult*

It is a different story with flats to houses, where the council has retained the freehold. Here block improvements can be made but the proportion of the costs that are passed on to individual owners as a service charge can be onerous. Mixed tenure within blocks can cause problems of inappropriate modification, management and overcrowding. This can compromise fire safety and introduce other hazards to the block as a whole. One solution may to restrict any future RTB to houses (which should ideally be replaced like-for like), as there are benefits to blocks of flats being owned and managed by the same organisation.

Sustainability

Local authorities can lead the way in ensuring that refurbishments are undertaken to ever higher sustainability standards. This is not just about making homes more energy efficient but reducing their carbon footprint and impact on the environment.

“A positive outcome from the inherently slow rate of change in the UK housing stock relates to the conservation and retention of products and materials that are ‘banked’ in existing dwellings. The concept of the ‘Circular Economy’ is gaining prominence as a means of reducing our impact on the environment, such as whole life carbon emissions, i.e. operational plus embodied carbon over the lifetime of the asset” [8]. Projects, such as the EU funded Buildings as Material Banks (BAMB), find that “there are strong economic, environmental and social benefits associated with retaining and upgrading existing assets rather than a ‘take-make-use-dispose’ linear approach” [13]

Everybody gains if the labour and materials for council housing improvements are secured as locally as possible, materials are re-cycled, and waste is minimised and disposed of carefully.

Housing management

Housing management is not covered in this report, but again there are arguably lessons from the past. Actions undertaken to change and improve council housing include the so-called ‘privatisation’ of housing management through ALMOs and Tenant Management Organisations (TMOs) or PFI (the Private Finance Initiative). Improving the housing for the people who live there, without making it too expensive for them and their children is important and by bringing private owners, these goals can be problematic. This does not mean that we should not use imaginative ways of improving the social balance of communities by creating multi-social group estates as they do in Holland and Denmark; indeed, we did so in the UK up to the 1970s before the council housing stock reduced.

**Building new social housing**

The purchase of land for social housing and the cost of construction is financed through three principal funding sources in England: housing associations reserves; government grants; and private finance, which consists of bank loans and funding raised on the capital markets. Capital subsidy is coordinated in England through the Homes and Communities Agency (Homes England).

Currently around 30,000 homes are built for social rent a year in England[19] (approximately 43,500 in the UK in 2017/18[20]). This is set against a backlog in demand of some 1.6 million households on social

[19] England: MHCLG, Live table 244, https://www.gov.uk/government/statistical-data-sets/live-tables-on-house-building

[20] Wales: https://statswales.gov.wales/Catalogue/Housing/New-House-Building
Scotland: https://www.gov.scot/publications/housing-statistics-for-scotland-new-house-building/
Northern Ireland: https://www.communities-ni.gov.uk/system/files/publications/communities/ni-housing-stats-18-19-full-copy.PDF

housing waiting lists. The great majority of new social housing is built by housing associations. A growing number is built by private developers as a required proportion of affordable housing on larger developments (planning gain). Access to these homes is managed by housing associations or the local authority.

Very few new homes are built by the local authority themselves as new 'council housing'. It has been suggested that the proceeds from RTB sales should be re-invested in building like-for-like replacement homes, but there is currently no approved mechanism for this to happen.

*Photo: What can be achieved; affordable' social housing blocks on a new mixed tenure development; built to the same exacting quality and sustainability standards as the private housing and incorporating ample green space, thanks to strict planning requirements.*

There is clearly a huge gap between the social housing that is available to rent and the demand for affordable housing in England. Solutions are currently being put forward, including releasing land, relaxing planning rules and re-introducing temporary and factory-built solutions. In considering these options, however, it's important that we consider what has worked and what hasn't worked in the past (and currently), both in the UK and elsewhere.

**Lessons for new social house building**

"A simple mathematical extrapolation suggests that a home built today will have to last 1,000 years at current replacement rates" [8]. There is therefore a strong argument to make our new social housing as good as it can be, and we might consider the following:

- ***Building to the best possible quality and standards***. Experience shows that carefully designed, planned and delivered social housing, using good quality materials and labour, will last much longer, be better looked after by tenants and be easier to manage and maintain for the

landlord. Conversely, building cheap, poor quality, short life housing runs the risk of large management and maintenance costs and early replacement.

- ***The problems with quick fixes***. Factory-built homes may be fast to construct on site, but once you add in the time for acquiring the land, gaining planning permission, putting in roads and services (which can take several years), the whole process may be barely quicker than that for producing a bespoke high quality design which suits the particular requirements of the site and its surrounding architecture.

- ***Building to high sustainability and circular economy principles***. It may seem more expensive to achieve but the long-term societal benefits will far outweigh the initial costs.

- ***Understanding best practice and try to replicate this.*** The type of construction and management model may be very different for traditional houses and blocks of flats as well as for different types of household.

- ***Looking at the rest of the world.*** Although difficult to make a direct comparison between countries, some of the funding principles and innovative responses from other nations, such as France and the Netherands, offer learning for housing providers and construction in England.

- ***Making new social housing indistinguishable from new private housing.*** Everyone should have access to good quality housing, regardless of their circumstances.

- ***Making new social housing available to a wider social demographic***, rather than just the most vulnerable and disadvantaged.

- ***Avoiding complicated ownership/management models***, which make accountability ambiguous and confuse tenants (and everyone else) over who is responsible for what.

- ***Differing strategies regarding RTB***

    - ***Anticipate future RTB***. Simple, well designed traditionally built properties in attractive environments will be popular with future owners and mortgagers. In short, they will have a higher residual asset value which all parties will benefit from.

    - ***Consider removing the RTB option from certain homes,*** which need careful management and maintenance for health and safety reasons, including flatted and multi-occupied buildings.

    - ***Use the benefits of RTB sales*** *to build replacements and encourage councils to build new homes on the land they own.*

- ***How to use the green space.*** It seems pragmatic to build to ever higher densities and to sell off public spaces to build more housing. However, some of the most successful social housing estates have learned from the UK Garden Cities movement that the integration of gardens, public space and parkland in their developments maximises their chances of success and improves the wellbeing and life chances of the people who live there[21].

[21] https://publichealthmatters.blog.gov.uk/2016/11/09/green-space-mental-wellbeing-and-sustainable-communities/

*Above photo: 'Traditional' UK council housing which we could learn a lot from today. Simple construction makes it easy to maintain, update and adapt for future needs. In terms of the circular economy, it uses sustainable local skills and materials. It will be easy to de-construct and re-cycle materials when the time comes. Covid-19 has renewed interest in having a garden and access to green space, which promotes wellbeing. The houses shown are high quality 1950's council homes, Welwyn Garden City*

*Above photo: A striking, well planned and executed design will make people proud to be associated with it. The Byker Wall, Newcastle. Completed in the early 1980s and extensively modernised more recently, including Decent Homes works. It was not always popular but in 2017 the estate was named the best neighbourhood in the UK and Ireland in the Academy of Urbanism Awards, a network of environment experts from across Europe. In January 2020, it was nominated for the UK Housing Awards neighbourhood transformation award.*

*Left photo: Z Pod, temporary housing solution, BRE Innovation Park*

Photo above: Sustainable traditionally built housing, BRE Innovation Park

## Conclusions

The introduction of council housing a hundred years ago made a huge contribution to improving the life chances of the British population. It removed millions from the threat of poverty, providing healthy and safe places for people to live, grow up in and thrive. It contributed to improved educational attainment, productivity and ultimately the economic performance of the country. It built communities of proud people who have been fully engaged in the British way of life. It raised their aspirations.

Unfortunately, over the last generation council housing has not always kept pace with people's aspirations. Much has been sold off and not replaced. Owing to the pressure on the remainder, it is allocated to the most vulnerable and disadvantaged, leaving others who would like to live in it without the option. Many households are suffering the sort of poverty associated with the sub-standard privately rented homes that the original council house movement was designed to eradicate. Many of those who live there believe they are stigmatised as being a problem for society and their social mobility may be limited by their very address.

In 2018, former Prime Minister Teresa May announced that the borrowing cap on local councils which had prevented them building housing in large numbers was being lifted'. She said:

***"Many people in society – including too many politicians – continue to look down on social housing and, by extension, the people who call it their home"… She regretted the fact that tenants could "feel marginalised and overlooked and are ashamed to share the fact that their home belongs to a housing association or local authority"[22].***

We are now left with a residual council housing stock of some 1.6 million homes. There is virtually no new council housing being built while the remainder needs a massive investment to make it fit for the future.

We face two major challenges in terms of the council housing stock: how do we make the existing stock meet the needs of the future; what new social housing shall we build and who should manage it?

As the Decent Homes programme comes to a close, homes are falling back into non-decency and disrepair. There were still an estimated 239,000 non-decent council homes in 2017, with an estimated cost to make them decent of £800million. A new 'Decent Homes 2' scheme is desperately required to inject momentum back into the improvement of the council sector. Refurbishment needs to be carefully planned and executed to avoid some of the problems that have occurred with this in the past and to learn from good practice. Councils have the opportunity to lead the way and deliver high quality, sustainable and environmentally friendly improvements which will ensure the health and wellbeing of their tenants.

There are disbenefits in selling off the best council housing and not replacing it. Our council housing stock is a national asset, which is worth some £250 billion at current market prices. There are economic and social benefits in investing in the best quality housing possible, which will retain its value and provide equable housing for all.

There is a currently a social housing waiting list of some 1.6 million. The biggest challenges include: how to provide new homes for these households; who should build them; who should finance and manage

[22] BBC article on 100 years of council housing (BBC News 3/01/20).

them and what they should look like?  Evaluating the successes and failures of the past is critical when designing and delivering top quality social housing that is aspirational, rather than purely functional and temporary. Looking to other countries, such as the Netherlands and Denmark, should help us to understand how these nations are able to deliver high quality housing to all regardless of their tenure and personal circumstances.

Finally, working with organisations the CIH, NatFed, RIBA, RICS, RTPI, BRE and the wider building industry can assist government in delivering the best quality new and refurbished social housing possible.

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## Appendix A Categories of repair measured in the EHS

Urgent repairs - work which needs to be undertaken to tackle problems presenting a risk of health, safety, security or further significant deterioration in the short term; examples include leaking roofs, broken locks to external doors, and cracked socket covers.

Basic (general) repairs - any urgent repairs plus additional visible work to be carried out in the medium term (within five years). These do not include replacement of building elements nearing the end of their life where the surveyor has recorded that this action could be delayed by more than five years.

Comprehensive repairs - the above two categories, plus any replacements the surveyor has assessed as being needed in the next 10 years. This measure provides a better basis for identifying work which would form part of a planned programme of repair by landlords.

Report Ends

## Appendix B Parker Morris standard, as applied to council housing from 1967-1980

| Modified 1967 Parker Morris Space Standards | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Dimensions in metric units (m²) including storage** | **1 person** | **2 person** | **3 person** | **4 person** | **5 person** | **6 person** | **7 person** |
| 1 Storey House | 32.5 | 48.3 | 60.9 | 71.5 | 79.9 | 88.2 | – |
| 2 Storey House (Semi or End) | | | | 76.1 | 86.4 | 96.6 | 114 |
| 2 Storey House (Intermediate terraced) | | | | 78.9 | 89.1 | 96.6 | 114 |
| 3 Storey (excluding garage if built in) | | | | | 98.4 | 102.1 | 118.4 |
| Flats (minus 3.2 if balcony access) | 32.3 | 47.4 | 59.7 | 73 | 82.3 | 89.7 | – |
| Maisonettes | | | | 74.7 | 85 | 95.1 | 111.2 |

*Source: Parker Morris Committee (1961). Homes for Today and Tomorrow. London: Her Majesty's Stationery Office. ISBN 0-11-750126-3*