

Getting the mix right

A look at mixed-tenure developments, and how partnership is the key to creating cohesive communities

The big challenges

After his tenure as chief executive of Homes England, Nick Walkley talks to *The MJ* about the future

Homing in on housing

Caroline Kerr and Ian Thomas are united in their commitment to building new houses in Kingston

HOUSING **MJ**

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May 2021

Mayor's Right to Buy pledge



Mayor Sadiq Khan's original manifesto pledged to tackle the London housing crisis, something critics have branded a failure

By Heather Jameson

London Mayor Saqid Khan has pledged to buy back council homes sold under Right to Buy as part of his mayoral manifesto.

Mr Khan, who has been mayor of the capital for five years, has announced a target of 10,000 new homes and has promised to build the majority of new homes at social rent.

His manifesto for the election said: 'I'll also explore the creation of a new "right to buy back" fund, supporting councils to purchase homes previously sold through Right to Buy.'

However, Mr Khan's original manifesto also pledged to tackle the London housing crisis, and critics argue he has failed to address the issue. Recent figures from Trust for London showed the number of households in

temporary accommodation last year was 60,000 for the first time since 2006.

The mayor's Conservative challenger, Shaun Bailey has said he would build 100,000 shared ownership homes for first time buyers, would create a City Hall developer and would establish a 'rogue landlord unit' to help boroughs tackle bad landlords, while Green candidate Sian Berry promised to redefine the London Living Rent.

In the West of England, mayoral candidates have admitted they would rethink the green belt as part of special plans.

Speaking at a virtual hustings event, organised by the Centre for Cities, Labour candidate Dan Norris claimed his priority would be brownfield development, but said the greenbelt 'has to be constantly under review'.

He added: 'What we really need is a discussion and a debate around housing and where it goes in the West of England because there are these competing tensions.'

Conservative Samuel Williams also said he would prioritise brownfield, but added: 'I think it is right that we do keep an open dialogue around how we treat the greenbelt and how we treat this enormous target of 120,000, maybe more, new homes for our region over the next 20 years.'

Centre for Cities' senior analyst Anthony Breach said the comments marked the start of a clear difference between mayoral priorities and those of local authorities, which tend to be much more protective of the green belt.

'All the candidates are running the city as a whole,' he said. 'They tend to be much more pro-growth.'

Criticism for 'toothless' HDT

Government measures to push councils into meeting their housing targets are 'toothless', a development consultancy has claimed.

The Housing Delivery Test (HDT), introduced as part of Government attempts to hit a target of 300,000 new homes a year, vowed to penalise local authorities that failed to reach their targets.

But research by consultancy Lichfield, showed the vast majority of councils failing to meet targets could not demonstrate an up to date five year housing land supply – meaning the penalties were already in place.

It also found around half the authorities that failed the threshold were constrained by green belt rules, or other special circumstances.

Planning director at the consultancy Colin Robinson said: 'Based on our analysis it would appear that in its current form, the Government's HDT mechanism – which seeks to boost supply and address under-delivery – is, in the vast majority of cases, toothless.'

'Without significant reform and added weight in the planning balance, it represents a flawed and under-utilised policy mechanism.'

Of the 55 authorities that failed the five year housing land supply there was just one – Thanet BC – where the HDT has the potential to make a significant difference, the research revealed.

Mr Robinson added: 'Given that one in five of the authorities in question do not have an up-to-date evidence base, the Government may wish to consider focusing its efforts on a greater degree of intervention, to ensure that Local Planning Authorities progress their Development Plans as soon as practically possible.'

Homing in on housing in Kingston

Kingston RLBC's leader Caroline Kerr and chief executive Ian Thomas are united in their commitment to building new houses in the borough, including council homes. **Ann McGauran** reports

Kingston is going places. As well as being a huge shopping destination, pulling in people from Surrey and across London, it is also drawing in a number of big name employers. Undeterred by the pandemic, Unilever submitted a planning application last autumn for its new global campus headquarters in Kingston town centre.

Like many councils, the borough has been busy reimagining the town centre and high street as it works out how to respond to the impact COVID will have on the way residents live and work. Under Liberal Democrat control since 2018, the council puts community engagement at its heart of work.

But all is not perfect. Council leader

Caroline Kerr outlines a number of housing challenges. 'One of the first that I became aware of when I became a councillor was just the lack of council homes – the lack of social housing – in the borough and I discovered very quickly that 3,700 households were on the waiting list and we hadn't built council homes for 30 years.'

One of the 'great drives' for the council was to start to rectify that, she says. Plans include a small sites scheme to provide approximately 101 new council homes. The borough is also working with housing developer Countryside Properties to regenerate its biggest council estate, the Cambridge Road Estate – these are plans that the council says will add a minimum of 114 additional council homes, along with approximately 2,170 new homes.

Speaking virtually to *The MJ* alongside Cllr Kerr is chief executive Ian Thomas. He is keen to emphasise the pair's collaborative approach.

On housing, he makes it clear that over the last 30 years 'we were prohibited from building new homes due to national policy'. He underlines that the council supports Sir Oliver Letwin's independent review of build out and much of what he said about how the local planning system needs to be reformed as a result of the upcoming shift in government policy laid out in last year's Planning for the Future White Paper.

He says he is encouraged by the

modernisation and the increased pace of decision making in planning. He adds that the Local Government Association's own analysis shows the number of planning permissions for new homes has almost doubled since 2012/13, 'with councils approving nine in every ten applications'.

But this is not of course being translated into homes. 'The experience in Kingston clearly demonstrates the disparity between numbers of planning consents and build out rates, with only 2,161 built against 4,886 determined over the past five years.' Such slow build out rates 'are a concern not just for me but for my colleagues up and down the country'.

He is evangelic on the role construction should play as we emerge from the pandemic, calling it 'a huge economic driver in terms of our recovery'. He adds: 'If the economy is to get back on its feet and expanding the way we need then regeneration and the associated supply chains that support the local ecosystems – including the kind of reskilling, upskilling and job creation needed for a building boom – will be vital to aspects of our recovery.'

He has high praise for the borough's 'excellent executive director (of place) Naz Hussain', emphasising her role in pulling together a team to work on the critical Cambridge Road Estate regeneration.

Published in March, the *London Plan* is the Spatial Development Strategy for Greater

Affordability, sustainability, eco



After his four year stint as chief executive of Homes England, Nick Walkley has a clear understanding of the challenges facing the housing sector – and where local government fits in. He talks to **Heather Jameson** about what he has learned

Back in the days before the pandemic hit, local government was facing a crisis: a housing crisis. The Government's big priority for the sector was to tackle it, to build more homes and house the nation.

Nick Walkley, the then chief executive of Homes England, sat right in the centre of that drive. Appointed in 2017 to what was at the time the Homes and Communities Agency, he was a former council chief executive with experience of frontline delivery, someone who could see the problems from all sides.

Like many local government alumni before him, the shift from local to central government does not always come easy, but it came to an abrupt end earlier this year when he stepped down from the job

London. It sets out ten-year housing targets for every borough, alongside Opportunity Area plans for longer-term delivery where the potential for new homes is especially high. As a Crossrail 2 South station the Opportunity Area indicative capacity for Kingston was set at 9,000 homes and 5,000 jobs. But given it is anticipated that Crossrail 2 will not be operational until the 2030s, and it unclear what benefits being an Opportunity Area can now deliver, it remains to be seen whether these indicative figures will stay the same for the borough.

‘The experience in Kingston clearly demonstrates the disparity between numbers of planning consents and build out rates’

The leader responds: ‘My understanding is that an Opportunity Area is something that would attract investment and that’s something that we do need, and I don’t know that the target figures will change.’

She reiterates that, while the council needs to ‘build more homes and we need to build homes that young people can afford’, delivering on this is ‘down to developers’.



The next move is one for the Government, says the chief executive. It needs to play its part by setting a new planning framework to ensure developers fulfil their diversification

requirements on large sites and to work with local authorities, empowering them to play a more active role in governing development over large sites in the future –

‘and actually build out’.

He concludes: ‘They need to be held to account as the leader is saying here – to deliver against the determinations.’

onomy - the housing challenges

at short notice – not at the behest of new chairman Peter Freeman, he is at pains to point out. The new chairman is, he says, a good appointment and is keen to be a friend to local government.

Having spent the past four years deeply embedded in housing delivery – with his career before including stints as chief executive of both Barnet and Haringey LBCs – Mr Walkley has spent a lot of time thinking about the problems facing the housing sector and local government.

Firstly, there is the issue of affordability. ‘This is not going away,’ he tells *The MJ*. ‘In fact, the housing market has defied gravity in the pandemic period. Delivering affordable homes, for sale and for rent, remains a fundamental challenge...you’ve got to tackle the affordability issue.’

The second issue is sustainability. ‘It is coming at the entire sector...like a train,’ he says. ‘How we heat our homes, how we use our homes, the extent to which we need to think about reuse rather than demolition, all of that is unavoidable now.’

‘There is a climate emergency, but the point of pressing the alarm bell is to do something about this.’

And finally, he adds: ‘There are really fundamental questions now about real estate, its role in the economy and how we use assets.’

The pandemic may have been a game-changer on this last issue – shifting town centre real estate away from offices and retail spaces and towards residential use – but the lifestyle changes were on their way anyway, he says.

‘Those three things are meta challenges that we are going to have to address, and no local authority, no house-builder, no single landlord by themselves can tackle them. They are going to require concerted and long term action.’

‘There are really fundamental questions now about real estate, its role in the economy and how we use assets.’

Despite those challenges, he is aware of the pressure on councils to tackle the housing crisis with an ‘understandable and laudable’ desire to build homes. But he adds: ‘I bet everyone is putting gas boilers in them.’

It is part of the dilemma facing housing delivery – you can’t resolve one of the three challenges without considering how it impacts the next. And at the heart of the problem is economic vitality of the area.

‘You have to start with “what’s the economic motor of this place?”. Without it, you end up in the awful place where the

biggest employer is the public sector... which isn’t actually sustainable. That’s not levelling up,’ he says.

But after years of councils putting economic growth at the heart of their agenda, it will not be enough. ‘I’m not sure a single local authority can turn an economy. Markets operate at a bigger level than that. That requires collaboration that goes beyond a single authority.’

It will be the alignment of groups of local authorities, combined authorities, national

government and the private sector that will create growth – no one can do it alone.

Despite the challenges, he is optimistic. He is adamant that town centres are not dead, that there will be no shortage of investment money available but with office and retail space changing, the smart money will head towards residential use. But he warns you can’t ‘just move from one mono-culture to another’.

So what has the last few years taught him? ‘I’ve spent an enormous amount of time thinking about what is the right thing for different levels of government to do.’

Getting that right is ‘really quite complicated’ he suggests – and there is always the danger that central government doesn’t quite get it right.

‘There are issues of scale, which only the centre can do,’ he says. Huge developments, big infrastructure projects. And there is the ‘micro-participatory stuff’.

But he says: ‘The tricky bit is the bit in the middle – what local government and combined authorities do. What is the bit they are best placed to do?’

‘Local authorities have a role in economic development but they shouldn’t pretend they can control jobs markets and change market structures by themselves. That’s going to take a lot more of a national level as well.’

During his time at Homes England, Mr Walkley has transformed it from its old incarnation as the Homes and Communities Agency to a fresher, more dynamic organisation. But his ambition to see the modernisation of the entire housebuilding industry, with a focus on modern methods of construction and innovation and to push forward equality and diversity, will take a lot longer to come to fruition.

Despite the abrupt end to his tenure, he is positive about the future of the agency. ‘This is the start of the next chapter for Homes England, not a reverse.’

Getting the mix right

Since the 1970s, mixed-tenure developments have been seen as the key to creating cohesive communities, but it can only be done in partnership, writes **Mike Auger**

Many reasons have been cited for the challenges in our housing system – obstructive planning, land banking, a shortage of construction capacity – little consensus has emerged. Greater consensus has been reached on the benefits of mixed-tenure developments. Since the 1970s, it’s been generally accepted that creating more diverse, cohesive and integrated communities underpins long-term sustainable places.

Much research is now emerging on the socio-economic benefits of mixed-tenure areas, benefits that have been assumed for many years, not least due to the strong moral case. While many mixed-tenure neighbourhoods have emerged in recent years, there’s more to be done and the symbiotic relationship between mixed-use areas and mixed-tenure living has perhaps been less emphasised than it might.

Put simply, it’s about delivering a blend of uses and living options to offer choice, interest and opportunity

Many mixed use urban regeneration schemes are on brownfield sites in central locations that have been in decline and many have become a drain on a local economy. Urban regeneration and repurposing isn’t about delivering shiny new buildings in the hope that ‘if we build it, they will come’, it’s about understanding community needs and the underlying strengths of an area.

It requires working with the existing grain, blending heritage with future aspirations to create the right infrastructure and optimum mix of uses to bring people back to an area to live, work and socialise. The key is around creating diverse, adaptable and inclusive communities. Put simply, it’s about delivering a blend of uses and living options to offer choice, interest and opportunity.



The Lewisham Gateway scheme is an example of a successful blend of various financial avenues

The move towards the institutional rental sector has broadened living choices over recent years. One of the advantages of the Build to Rent model is that it gives rise to opportunities to more readily pepper-pot affordable homes. The intermediate rent homes at our Lewisham Gateway scheme are completely mixed with private rent, plus the actual homes used as intermediate rent will flex and be fluid over time, genuinely tenure-blind.

There’s still something of a myth that you can’t offer someone in an affordable home the same experience as a private renter or owner occupier, but this just isn’t the case. We’ve been able to achieve this successfully and consistently in some of our projects. Establishing responsive and robust long-term management structures to accommodate all living and commercial uses has been a key feature of these projects. With changes to leasehold legislation

making the role of the institutional ground rent investor redundant, having alternative institutional partners involved in the long-term management of communities, alongside resident management groups, is likely to be increasingly important.

Scale and pace – not to be confused with the 80s comedy duo – is critical to enable schemes to be built out holistically rather than incrementally over a longer period. While there can be some hard yards in bringing together

various funding partners, we find it crucial to large-scale delivery.

Again, our Lewisham Gateway scheme is a key example of this blending our own finance with public-sector funding support, senior debt and institutional finance.

Despite current wider challenges, there’s appetite in the market for involvement in the right projects that offer choice, quality and inclusivity

Living in more central locations is now a lifestyle choice and it’s not just aimed at millennials, or Generation Z either. What those interested in co-living and senior living have in common, along with other tenures, is a focus on localism and a desire to be on the doorstep of leisure, retail and other facilities. The structural changes in the retail sector now present an opportunity to repurpose town and city-centre assets to include a range of lifestyle typologies from co-living through to senior living at either end of the spectrum.

However, seizing the full extent of the opportunity for mixed-tenure living within mixed-use developments can’t be done in isolation. It can only be achieved in partnership, whether it be with investors, local authorities, registered providers and of course, communities.

Despite current wider challenges, there’s appetite in the market for involvement in the right projects that offer choice, quality and inclusivity. There’s an encouraging positivity in an emerging alignment of investment interests that can allow collaboration between various stakeholders to become more commonplace. If that potential can be realised, some truly special schemes will come forward, to benefit all in our communities.

Mike Auger is board director at Muse Developments