

Thinking small to think big, addressing London's housing crisis

We constantly read and hear that London has a housing crisis manifest in too few homes, that are too expensive, with too little being done for too long to address the problem. Finally, however, politicians are waking up to the issue and from the candidates for our next London Mayor to the Prime Minister himself, they have all been talking about the urgent need to do something!

A recent report from the Mayor's Design Advisory Group – *Growing London* – provides some facts and figures. London's population is growing dramatically and recently surpassed its previous peak of 8.61 million people, and is now on a trajectory to reach around 11 million in 25 years or so. To address this growth as well as the backlog in provision (we have been building too few homes for many years) we now need to be building somewhere between 49-62,000 homes a year. Currently we are building just 23,000.

Debating the causes

Why this is happening is hotly debated. Many blame planning (it takes too long, fails to allocate enough land, and generally acts as a brake on development), but this is a criticism that is woefully misplaced. Indeed, currently an average of 59,000 new homes are being approved each year and we have a backlog of nearly a quarter of a million un-built homes with planning permission.

Others say that we have a dysfunctional housing market with housebuilders that are more interested in hoarding land and speculating on its increasing value than on actually building homes. In fact there are all sorts of perfectly rational reasons why housebuilders need to hold a land bank and the limited evidence that there is on this issue suggests that the criticism is also far from the mark.

Still others say that the problem stems from all the international money flooding into London's housing market and buying up homes and leaving them empty as investments rather than homes. In reality, most of the property brought by non-native Londoners is either rented out or lived in by those people (London being an international city) and many of the developments would not have happened in the first place without the investment from overseas. So this is not the root of the problem either.

The reality is we have been building too few homes because, first, we no longer have a viable public led housing programme (we leave it almost entirely to the market). Second, we over-rely on a very few large housebuilders, whose primary interest as private companies (quite rightly) is in their shareholder value rather than in solving the housing crisis. Third, we don't do enough to seek out and encourage the development of small sites across the city, relying instead on the small numbers of much larger sites. And fourth, we have allowed our small builders (who once built vast swathes of post war suburban London) to wither in the face of the perverse lending practices of our banks who no longer wish to take the 'risk' on housebuilding (despite the huge amounts of money that those international investors seem to be making).

The potential of small sites and builders

These are all complex problems and I don't have space to deal with them all, but in the space I have I want to address the third which, if we convincingly tackle it may also unlock the potential of the fourth as small sites will be of greatest interest to small builders.

My own research on London's local high streets¹ revealed that the very ordinary local mixed streets that form the prime connective tissue weaving its way across London also contains, within 500m of their frontages, 75% of London's developable brownfield land. This startling figure reflects a simple fact that mixed streets are not simply a space lined with single story retail, but instead have depth, height and hinterland which has been remarkably adaptable and resilient in the face of change (over centuries) but is also complex; physically, in terms of its ownership structure, and as a development proposition. Yet, for me, if we are to solve our housing crisis then it is exactly to these sort of often small and complex sites that we need to grapple with.

They are sustainable (well connected to public transport and well serviced by local facilities and amenities), they often need a new purpose as retail declines, and they are already part and parcel of London's existing communities. They should be the first place we look, not the last, so why don't we?

Proactive densification

Part of the problem seems to be that they are not always immediately obvious and viable development propositions, often hidden behind existing activities, partially used, or even fully utilised but at a very low level, for example for single storey developments. There is also the issue that many of the existing uses on these sites will themselves be valuable activities providing a wealth of employment and other opportunities, either temporary or long-established. Simply clearing all such backland sites for housing would clearly be hugely damaging.

So are there any other options? Today London remains surrounded by its greenbelt which in turn remains a popular device to constrain the city's growth and there seems to be little political will to challenge that. To export the city's growth (as we did in the post war era) no longer seems viable given that almost everywhere else in the South-east of England has its own challenges of housing undersupply and population growth to deal with and can do without ours as well. Within London developable greenfield land is in very short supply and the supply of big ex-industrial brownfield sites that we have been relying upon, whilst vitally important, will not last for ever. This leaves only one viable option, the city needs to densify.

London remains a low density city by international standards (around 75 people to the hectare), and there are plenty of opportunities to densify it, starting by bringing forward the sort of sites referred to above, but there are many other opportunities as well. The acres and acres of land alongside, over (and occasionally under) the city's roads and rail infrastructure for example; the voluminous quantities of space given over solely to parking; the low grade space within and surrounding many of our public housing estates; and all the wasted 'spaces left over after planning' that are liberally dotted across the city offering us maintenance headaches but no real amenity value to their localities. Once you start looking, the opportunities are vast.

¹ <http://www.sciencedirect.com/science/article/pii/S0305900614000439>

A generational challenge

Yet densification is not an easy option. To grasp it our public authorities will need to work much harder on planning and design strategies that engage with existing uses and communities and that work to optimise the local opportunities whilst avoiding stripping out the sorts of marginal uses that still have tremendous value to London. This will not be achieved by cutting back on the role of the public sector and by deregulating planning. Instead, to stand any chance of bringing forward the legions of smaller sites that we will need across the city, we will require a renewed investment in these vital functions of the state and in particular in the freeing up planners from the sorts of reactive that typically dominate their in-trays to the types of creative and proactive planning that we emphasise at UCL's The Bartlett School of Planning.

We will also need to convince communities of this strategy as they can often be highly sceptical of any mention of increasing density, associating it with the discredited high rises of the past, rather than with the sorts of terraces of townhouses and mansion blocks that characterise the highest density and highest value parts of London today.

Ultimately, I contend, we need to think small to think big. We need to unleash a new dynamic and entrepreneurial spirit in the city, amongst the smaller developers, but also amongst local communities, housing associations and the public sector, who will also all need to be part of this effort. We are facing a generational challenge, but the next generation will not thank us if we fail to deal with it. London has always risen to such challenges in the past, and will do so now. We owe it to all our future Londoners, from wherever they hail.

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