Homes for city makers

We need to house a city the size of Birmingham in the capital in the next ten years. Planners and other local government officers are on the front line. Sadly though, local government bureaucracy is getting in the way of achieving planning consent. Our main challenge with local government has been getting in the way says Marc Vlessing. At Pocket we’ve seen what a great job planners do but also what a strain they are under. The Government could do more to help solve the housing crisis by not piling additional requirements and budget pressures on planning departments. It is clear that finding sufficient resources is a constant pressure.

Yet in our experience it isn’t planning that is holding the system up. Planners understand the scale of the challenge we face and the need to innovate to overcome it. They largely deliver in a reasonable time frame and work constructively with developers and communities to overcome issues in achieving planning consent. On average it takes Pocket just 16 weeks from putting in an application to achieving planning consent. Our experience has shown that on average it takes 22 weeks to agree a Section 106 agreement but it has taken us up to 44 weeks.

Pocket is an innovative and forward thinking SME affordable housing developer. We can and want to be part of the solution to each borough’s individual housing crisis, we are currently working with twenty boroughs. For example, in Hackney we’re delivering brownfield starter homes for local people who most-  

ly earn under £40,000 and work in the public and charity sectors. Across the city in Westminster we’re breaking new ground with the City Council to build an affordable rent scheme using their S106 capital but where we will be responsible for their properties on a day-to-day basis. To date we have delivered over 200 affordable units but we have plans to grow fast and are on target to deliver 4000 intermediate homes in under 10 years. As professional operators we understand how to work constructively to deliver affordable housing.

Increasingly we are finding that our city’s political leaders are keen to see their authorities speed up the process to help deliver affordable housing. However, all of this effort becomes pointless if Peter is not speaking to Paul. We have found that housing departments often have unrealistic expectations of developers, legal departments fail to understand the need for quick turnarounds and property services don’t have the tools to value public land correctly. This can be particularly challenging for smaller developers.

It is important for officers in our local authorities to work with their colleagues across departments to deliver a ‘whole authority’ process and without this we will never see the renaissance of the small and medium sized developer that we need. It has become abundantly clear that the volume house builders and the Housing Associations either can’t or won’t deliver the extra volume we so desperately need in London. So the only way to gain more homes, is to engage with more small and medium sized developers (SME) and work with them on the plots that the volume players aren’t interested in. These sites should be quick to finance, build and get through the process. This is the critical area for improvement.

We recognise that when local authorities’ budgets are being stretched (and planning and legal departments are seeing their budgets take a disproportionate hit) that the resources may simply not be there to make the process as smooth as it needs to be. It is therefore clear that we need to see more support from regional and central government to help eradicate the inefficiencies in the processes that drain so much precious resource.

There are some clear areas for immediate improvement:

- It is ludicrous that 33 London boroughs all have their own versions of the S106 agreement. The variations are not significant enough for this to be the case. There must be a way to get to a standardised shorter core document which requires very few amendments between schemes with the unique borough and community requirements addressed in an adjoining Unilateral Undertaking. Pocket’s S106 agreements all ensure a covenant ensures this remains the case. Sadly we spend too much time correcting basic errors in basic documents.
There must be simpler and clearer processes for smaller schemes and those that focus on affordable housing. This is precisely the type of investment we want to encourage and yet it is being squeezed out of the system. Schemes of under 50 units really should be able to move faster through the system while the NPPF and supporting documents need to recognise affordable housing properly.

Clearer guidance is needed on how to dispose of small and medium sized public sites for best consideration for affordable schemes. The legals are clear around the valuation criteria and it is very rare that the valuation differentials on such sites get close to triggering the requirements for OJEU. With some clear and immediate action in these areas we can start to envisage the renaissance of the small and medium sized developer that we so desperately need. London is one of the world’s most exciting places to live but for those struggling on moderate wages and rising rents it is becoming increasingly difficult. These are the people that make our city what it is: they teach our kids, they look after us when we’re not well, they’re the chefs that make our restaurants’ world class. In short they are the people that make London tick; at Pocket we call them “city makers” and they need a more varied approach to housing provision.

Last year the London Chamber of Commerce and Industry identified the lack of affordable housing as a key threat to London’s competitiveness and economic resilience. City makers forced further and further out in search of an affordable home lead to longer commutes and tired unhappy workers. The private sector is feeling the effects of a less productive workforce on its balance sheet. But we know from speaking to local authorities that the public sector is being harmed by this even more. In our opinion we need to take action to retain those educated and skilled key workers in our city before they look beyond our borders for their way out of the housing crisis.

I am confident that we can create a new environment where fresh thinking and innovation can flourish. Innovation in the public sector such as Lord Adonis and Finn William’s “Planning First” initiative will make bright young graduates the place makers of the future. By attracting fresh talent and making planning an even more attractive career option we will help create a culture that understands the housing crisis and wants to solve it. The public sector has its role to play but so do we in the private sector. At Pocket, we have had to change and adapt to the different needs of different London boroughs. Whatever Pocket product they require, they all agree that we need to manage affordability according to wages rather than just the surrounding market.

Like most people, city makers want security and the chance to progress; they want a home they can call their own. City makers don’t qualify for social housing and can’t afford London’s astronomical house prices. They need an alternative and that’s where intermediate housing solutions like Pocket come in.

Meeting our politicians, I know they understand the frustrations of the hundreds of thousands of city makers excluded from getting on the property ladder and forced into an over-priced private rental market. Should city makers choose to use their collective bargaining power they could exert significant influence over our policy makers. City leaders could respond appropriately by reforming bureaucracy and ensuring local government is doing all it can to help our city makers. We urgently need to build more houses to keep our city booming. It would be a travesty if we lock our millennial generation out of home ownership forever and see an exodus by failing to build. London’s housing crisis doesn’t just affect those who can’t own a home; it affects us all.

New Government, new ideas, new results?

This Government promises to be quite a different animal from coalition says Andrew Forth

The election is over and for the first time in nearly two decades there’s a Conservative government. While the Conservatives have already been in power for the past five years, this government promises to be quite a different animal from coalition. So what might the change mean for architects? One major difference is that the architectural brief has moved. The implications the move from the Department for Culture, Media and Sport to the Department for Communities and Local Government aren’t yet clear, but it’s something that the RIBA has strongly supported. We’re not expecting things to change overnight, but the move increases the voice of architects in decisions about planning, housing and the work of local government.

We are starting to see the first hints as to how the government plans to spend the next five years. Firstly, the emergency budget in July made it clear that the public finances are likely to remain tight for the foreseeable future. Secondly, the Conservative’s dud majority in the House of Commons and the potential for an opposition dominated House of Lords to block proposals they dislike means that headline making legislation is likely to be kept to a minimum. Instead of major set-piece reforms like the NHS reforms of the last parliament, expect to see a focus on small announcements that add up to major reforms. For better or worse, many of the policy changes that are going to affect architects are likely to come out of thin air and leave a lasting impact, without significant consultation. At a stroke, the Productivity Plan in July made significant alterations to planning and sustainability regulations aimed at streamlining and speeding up the planning system. Taken in conjunction with the changes at the Department for Business, Innovation and Skills which have seen the post of the Chief Construction Adviser scrapped and the Construction Leadership Council’s budget and membership curtailed and it starts to add up to an agenda which puts its faith in the market and showing less willingness to intervene in business.

While the deregulatory moves suggest their approach is going to be one which avoids intervention, there’s growing evidence that the Government are prepared to take action where they are concerned that industry isn’t taking an issue seriously. One area where the tendency towards action has emerged is the issue of workplace equality. While it was widely expected that attempts to tackle the gender pay gap would go the way of a number of other Lib Dem priorities from the last government, a consultation on introducing mandatory gender pay reporting was announced in July. The impact of the proposals on architecture will initially be quite small. Only a dozen or so practices in the UK have more than the 250 employee threshold being proposed. However, the RIBA’s response to the consultation has argued the importance of the issue and the value of the data it could produce means that a much smaller threshold is both practical and desirable.

The RIBA’s chartered practice baseline survey has repeatedly highlighted the scale of the gender pay gap in the profession. The introduction of gender pay reporting is likely to open architecture and other areas of the economy where the gender pay gap exists to significant scrutiny – hopefully driving a broad reconsideration of employment practices and an examination of why progress towards equality has been so slow. This willingness to intervene where they see a problem could end up becoming a broader theme for the government.

One area where I think this could happen is housing. Housing rose rapidly up the political agenda in the last election campaign, and while it is a national issue, nowhere is it more sensitive than in London. Ahead of the London mayoral election next year, it’s likely that we’ll see significant policy announcements from all parties about how they’ll seek to tackle the housing crisis.