



COMMENT

Can we fix the broken housing market? Yes we can, and here's how

Marc Vlessing | Monday July 12 2021, 12.01am, The Times

W

hen George Wimpey's first housing estate was built in west

London it was an easy move into property development for the construction group. By 1930, Wimpey was building about 500 houses a year, rising to 1,370 in 1934 and the group was putting up 18,000 council houses a year in the early 1950s. It is still a force today as Taylor Wimpey.

Nowadays, it would be almost impossible for a start-up to replicate that story. The market is the domain of big builders grinding through a planning system with little public trust. This goes to the heart of the Conservatives' defeat at the Chesham & Amersham by-election, where [opposition to planning reforms](#) was among the main reasons given for the Lib Dems' win.

Until we dilute the dominance of the big builders, London and the southeast's housing crisis will not be solved and the Conservatives will continue to be in peril in the "Blue Wall". Development will always end up being regarded as "too large" and be delivered by companies perceived as insufficiently local and, therefore, by implication ones that don't "get" community concerns.

It was not always this way. In 1988, small builders were responsible for 40 per cent of new-build homes compared with 12 per cent today. If the housing crisis could

have been fixed by the volume housebuilders or housing associations, surely it would have happened by now?

Here are six ideas to solve the crisis: First, the government's "housing accelerator" [Homes England](#), which provides finance for housing developments, should act as an equity investor in smaller developers' projects (rather than just funnelling money to the big players) or indeed their companies.

Next, the planning system needs to be speeded up with guarantees given for the time taken for a [planning application](#) to be heard. Winning planning permission for a smaller project shouldn't take as long as larger developments.

"Viability assessments", where a council, in effect, checks the profit a developer will make, are used more and more in determining planning applications, but for small builders they are time-consuming and often lack commercial underpinning. They have to go.

Publicly-owned large sites for more than 1,000 homes should be master planned and then broken up and sold in parcels to smaller builders, accelerating their delivery. Smaller sites of less than 0.25 hectares should have a "planning permission in principle" rule applied.

Finally, too often housing for key workers or what we call "city makers" — young people in fast-growing fields such as tech — is treated as a planning afterthought. First Homes is intended to try to do something about that, but let's make sure that other answers to the plight of the first-time buyer market are also properly supported.

There needs to be greater integration between No 10, the Treasury, the Ministry of Housing and the Department for Business, Energy and Industrial Strategy.

Robert Jenrick, the housing secretary, is right to argue for a bold approach to rethinking the planning system based on identifying new areas where homes

should be built. My worry is that his plans will be so diluted by the parliamentary process that they will follow other efforts to reform the planning system over the past 20 years, all of which have failed: the record is stuck.

At Pocket Living, we focus on building affordable homes for city makers and key workers, and will complete our 1,000th home this year after launching in 2005. Somehow, we managed to muddle through and get to a reasonable size, but it was only because we had such a fixed view on what we could deliver and, more importantly, what we couldn't.

Along with Britain's other small and medium-sized developers and builders, we stand ready to ride to the rescue and help solve the crisis. Now we need the government's help: over to you, secretary of state.

Marc Vlessing is founder and CEO of Pocket Living