

GEOVATION HOUSING CHALLENGE

DEEP DIVE OUTPUT

The Challenge: How can we enable people in Britain to live in better places?

A summary of the Geovation Problem PowWow output 10 July 2014, Coventry, which identified:

50 'raw' problems
9 themes
78 insights

The Geovation Challenge focused on the following 4 themes:

1. AFFORDABILITY
2. AVAILABILITY
3. ACCESS AND INFRASTRUCTURE
4. ASSETS (BEST USE OF)

I. AFFORDABILITY

1.1 Definition of Affordability!

PROBLEM

How can we enable a more meaningful use of the term 'affordability'?

WHY IT MATTERS

"Affordability" varies considerably by geography, community, household and individual. In the 1950's the average house cost just over 4 times the average salary, but by 2008 it had risen to over 8 times.

1.2 Affordable for whom

PROBLEM

How do we enable a better meaning to, and use of, the word 'affordable'?

WHY IT MATTERS

Councils & housing associations have been told to charge 'affordable' rents – set at up to 80% of the local market rent. For a 3-bedroom property in Westminster, tenants would have to pay up to £655 a week (needing an income of £109,000 to be affordable); but in Peterborough and Nottingham this would be rents of £115 and £110, respectively.

1.3 Getting Beyond "Affordable"

PROBLEM

How can we actually start to make housing cost less?

WHY IT MATTERS

High housing costs stall social mobility and damages the real economy. Houses prices are expected to rise faster than average wages across the UK for the period 2014-2016; rising by 35% by 2020.

1.4 Reducing housing costs

PROBLEM

How do we make it possible for people to save for a deposit, meeting the needs of those who cannot afford high market prices?

WHY IT MATTERS

"Saving for a house deposit is unachievable for many. 37% of working parents were cutting back on buying food to help pay their rent or mortgage; equivalent to 3 million parents across England as a whole."

1.5 Housing costs too much

PROBLEM

How can we decouple the cost of housing as a utility from the cost as an investment?

WHY IT MATTERS

Soaring house prices are likely to outstrip pay rises for at least the next five years and possibly for decades to come. English households are spending 28% of weekly income on housing costs alone, rising to 40% for private renters.

1.6 Lending for self-build

PROBLEM

How do we lend for self-build where lenders understand the risk and surveyors stand behind valuations?

WHY IT MATTERS

Lenders consider self-build properties pose a higher risk than traditional properties. The main concerns are ensuring the funds are being used appropriately; the build is delivered to time and budget; minimising taking possession of an unfinished property.

1.7 Finding the balance

PROBLEM

How can we even out house price changes across the UK?

WHY IT MATTERS

The cheapest average homes are in Northern Ireland, at £117,000, with parts of London being eight times more expensive. A buyer would need almost £1 million to get a typical property in Westminster.

1.8 People before profit

PROBLEM

How can we incentivise homebuilders to consider people as well as profit?

WHY IT MATTERS

Much of homebuilder's profits are driven by market rather than the utility value of building a house. House prices are up by 4.3% compared to last year built on the ongoing improvement in the UK's economic performance.

1.9 Overseas house buyers

PROBLEM

How can we incentivise overseas buyers to purchase houses to live in rather than just as a property investment?

WHY IT MATTERS

85% of prime London property purchases in 2012 were made with overseas money with just 20% of that spent by UK citizens. Two-thirds of homes bought by people from overseas were not purchased for owner-occupation but as investments. Over the past two years only 27% of new homes in central London went to UK buyers, while more than half were sold to residents of Singapore, Hong Kong, China, Malaysia and Russia.

2. AVAILABILITY

2.1 Expansion leads to exclusion?

PROBLEM

How do we ensure there are enough suitable properties available for first time buyers to get on the property ladder?

WHY IT MATTERS

Only 18% of more than 325,000 properties with at least two bedrooms for sale in England were within financial reach of a household with children in an average local Wage.

2.2 Bricks and Mortar!

PROBLEM

How do we address the UK brick shortage?

WHY IT MATTERS

UK brick production fell from almost three billion per year in the first half of the 2000's to around half that in 2012.

2.3 Car or Boat?

PROBLEM

How can we build successfully on flood plains?

WHY IT MATTERS

The probability of flooding is increasing, but predicting when, where and its severity is difficult. This makes it difficult to develop appropriate built solutions.

2.4 Down as well as up

PROBLEM

How could we enable more building below ground?

WHY IT MATTERS

A study by the Automobile Association (2001) showed that through new technologies the cost of tunnel construction has been falling by around 4% each year. The cost of urban tunnels in the UK starts at around £50 million per kilometre and can be cheaper than surface building.

2.5 Land Ahoy!

PROBLEM

How do we make it easier to identify land that is suitable for development and is also in areas where people will want to live?

WHY IT MATTERS

Independent estimates suggest the public sector holds up to 40% of developable sites and around 27% of brown-field land suitable for housing, while industry surveys show that around half of developers continue to identify land supply as a major barrier to development.

2.6

Clarity of planning and decision making processes

PROBLEM

How can developers map their potential projects against the process of local planning decisions?

WHY IT MATTERS

Developer and council time, effort and money is wasted when the planning and decision making criteria lack clarity and transparency.

2.7

Will I get permission? Can it be built?

PROBLEM

How can we give potential self-builders the capacity, confidence and assurance in the planning process in order to build for themselves?

WHY IT MATTERS

There are uncertainties over the design, planning process and access to finance that are barriers to more self-building.

2.8

Max my space

PROBLEM

How can we build well designed, cheaper homes that maximise every centimetre of space and light?

WHY IT MATTERS

A 1970's housing estate at Holly Street in Dalston, east London, was so badly designed that it had to be demolished and rebuilt only 20 years into its intended 60-year design life, at a cost of £92 million.

3. ACCESSIBILITY & INFRASTRUCTURE

3.1 Location, location, location

PROBLEM

How can we reduce the distance travelled from home to work?

WHY IT MATTERS

Between 2008 and 2012 people living in rural villages, hamlets & isolated dwellings travelled around 10,000 miles per year on average to work. Those in urban areas travelled 6,200 miles per year to work.

3.2 Get me to work

PROBLEM

How can we provide options other than cars, for people to travel to work in rural areas, quickly?

WHY IT MATTERS

Between 2008 and 2012 people living in the most rural areas travelled 50 per cent further per year than those in England as a whole and 63 per cent further than those living in urban areas. In 2012 only 49 % of households in the most rural areas had a regular bus service close by compared with 96 per cent of urban households.

3.3 Local services

PROBLEM

How can we provide better access to services for those living in rural areas?

WHY IT MATTERS

The percentage of users with 'reasonable' access by cycling to shops that sell groceries was lowest for users living in rural villages & hamlets in a sparse setting at 27%, compared with 59% of users in all rural town & fringe settlements and 62% in all urban settlements.

3.4 Speed me up

PROBLEM

How do we ensure people living in rural areas are able to have fast, reliable broadband connections irrespective of how remote they are?

WHY IT MATTERS

"In 2012 the average broadband speed in sparse hamlets & isolated dwellings was 4.4 Mbit/s compared with 14.8 Mbit/s in less sparse urban areas. Households that do not use the internet pay an average of £440 more a year for their goods and services, than those who are online."

3.5 Homes are where the employer is

PROBLEM

How can we build rural infrastructure to encourage new businesses to start-up and others to grow?

WHY IT MATTERS

Challenges with housing, work, transport, training and social exclusion are preventing young people from living in the countryside.

3.6 Future Proof Assets

PROBLEM

How do we create engaging spaces and services that get older people out of their homes and engaged?

WHY IT MATTERS

A study of 6,500 UK men and women aged over 52 found that being isolated from family and friends was linked with a 26% higher death risk over seven years.

3.7 Have your say

PROBLEM

How can we better engage people and communities in how neighbourhood plans are developed?

WHY IT MATTERS

By engaging citizens in the planning conversation, it gives them more incentive to stay in the area and contribute to its development.

4. ASSETS (BEST USE OF)

4.1 Hack-your-home (retrofit)

PROBLEM

How can we make it easier and cheaper to upgrade the energy performance of peoples' homes and communities?

WHY IT MATTERS

Annual fuel bills for the average household have reached £1,420, according to the energy regulator Ofgem. 40% of the UK's energy consumption and carbon emissions come from the way our buildings are lit, heated and used.

4.2 Don't demolish, re-polish

PROBLEM

How can we minimise the number of empty properties that are left to fall into disrepair?

WHY IT MATTERS

635,127 empty homes are currently empty in England according to the 2013 Empty Homes Statistics. And around 216,000 of those have been empty for over 6 months. There are an estimated 845,000 empty homes across the UK, 300,000 of which are long term empty.

4.3 I'm staying here

PROBLEM

How can we make best use of my home as we grow older?

WHY IT MATTERS

There are approximately 14.7 million older people and 7.3 million 'older households' in England (where everyone is aged 55 or over). By 2030 one in three people are projected to be aged 55 and over.

4.4 Call the warden!

PROBLEM

How do we ensure that appropriate is available for existing homeowners that want to move to a particular type of housing e.g. sheltered accommodation?

WHY IT MATTERS

68% of older homeowners live in a home that has at least two spare bedrooms – technically known as 'under-occupation'. Specialist housing – that is available only to older people – makes up a small proportion of the market and mainly in the social-rented sector.

4.5 Fitting for efficiency

PROBLEM

How can we design and build energy and efficiency into both new and existing houses?

WHY IT MATTERS

In 2009, buildings accounted for about 43% of all the UK's carbon emissions, and all new homes will be required to be zero carbon from 2016.

4.6 Fix and keep fixed

PROBLEM

How do we reduce the amount of local authority housing stock that is unused because necessary repairs or maintenance has not been carried out?

WHY IT MATTERS

In 2011 there were 60,440 empty homes from local authority, housing association and other public sector housing providers.

4.7 Equip for Independence

PROBLEM

How do we equip homes to enable the elderly to live alone and independently, safely, for longer?

WHY IT MATTERS

One in three people aged over 65, and half of those aged over 80, fall at least once a year. Falls cost the NHS more than £2 billion per year and also have a knock-on effect on productivity costs in terms of carer time and absence from work. With the number of people aged 65 and over predicted to increase by 2 million by 2021, costs are set to rise further.

4.8 Homes for life

PROBLEM

How can we build homes for life that are flexible enough to change as individuals and family needs change over time?

WHY IT MATTERS

Research shows that on average, UK residents will move home a total of eight times during their life.

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