- Our websites
  - Creating our Future
  - Great Places
  - Directory of Members
  - Housing Counts
  - Starts at Home
  - **Events**
  - Asset Management and Maintenance Conference and Exhibition
  - Board Members' Conference and Exhibition
  - The Comms Event Conference and Exhibition
  - Diversity, Equality and Inclusion in Housing
  - Driving Business Transformation in Housing Conference and Exhibition
  - Future Housing Leaders
  - Housing Finance Conference and Exhibition
  - Housing Governance Conference and Exhibition
  - London Development Conference and Exhibition
  - National Housing Summit
  - Smaller Housing Associations' Conference and Exhibition
  - View all events
  - **Awards**
  - National Housing Awards
  - Housing Finance Awards

Search

Site Navigation

≡ Menu Search

- About Us
- Contact Us
- Press
- Email updates
- Blog
- Supplier directory
- Our websites

England short of four million homes

18 May 2018

Leading housing and homelessness charities call for the Government action to tackle the true extent of the housing shortage, ahead of its social housing green paper.

New figures that reveal the true scale of the housing crisis in England for the first time have been published today by the National Housing Federation – which represents housing associations in England, social landlords to 5 million people – and Crisis, the national charity for homeless people.

The groundbreaking research, conducted by Heriot-Watt University, to be published in full this summer, shows that England's total housing need backlog has reached four million homes. A new housing settlement is needed to address this shortage, providing a home for everyone who currently needs one, including homeless people, private tenants spending huge amounts on rent, children unable to leave the family home, and even couples delaying having children because they are stuck in unsuitable housing.

To both meet this backlog and provide for future demand, the country needs to build 340,000 homes per year until 2031. This is significantly higher than current estimates (including the Government's target of 300,000 homes annually), which have never before taken into account the true scale of housing need created by both homelessness and high house prices.

However, simply building a total of 340,000 homes each year will not meet this need – they will need to be the right type of homes. 145,000 of these new homes must be affordable homes, compared to previous estimates of the annual affordable housing need of around 78,000 [1]. This means that around two-fifths of all new homes built every year must be affordable homes – in 2016/17, only around 23% of the total built were affordable homes [2].

The new research also goes further than previous studies, breaking down exactly what type of affordable homes are needed:

- 90,000 should be for social rent
- 30,000 should be for intermediate affordable rent
- 25,000 should be for shared ownership

The research comes ahead of the publication of the Government's social housing green paper, expected in the summer. The Government promised the green paper, announced in September last year after the tragic fire at Grenfell Tower, would bring about a "fundamental rethink" of social housing in the UK. The social housing sector's leading voices, including the National Housing Federation, Crisis, Shelter, the Joseph Rowntree Foundation, and the Chartered Institute of Housing, are calling on the Government to use this opportunity to urgently redress the shocking shortfall in affordable housing.

- In September 2017, the Prime Minister promised to invest £2 billion in affordable housing, indicating that this could deliver around 25,000 new homes for social rent over the next three years.
- Even when it is made available, this new research shows it would deliver less than 10% of the social rented homes needed each year, so it is clear that additional funding is needed. However, this alone will not meet the full extent of the housing need in England.
- This means that the Government must make ambitious, comprehensive reforms to the land market to help deliver more homes and make up this housing shortfall. This must include prioritising the sale of public land for social housing, as well as exploring ways to reduce the cost of private land.

It will take time to build up the country's affordable housebuilding programme to the levels needed but lessons from the past show that, with government backing to release land at affordable prices and to increase investment, housing associations and councils have the potential to increase the supply of new homes for social rents, and low cost home ownership. In post war years until the 1970s councils regularly built more than 100,000 homes a year and previous research shows that an increase in housebuilding alone would lead to a decrease in the most acute levels of homelessness [3].

Instead, Government funding for social housing has been steadily declining for decades: in 1975/76, investment in social housing stood at more than £18 billion a year, but had declined to just £1.1 billion in 2015/16. Over the same period, the housing benefit bill grew from £4 billion to £24.2 billion each year [4].

Meanwhile, homeownership rates have plummeted among young people [5]. Rough sleeping has risen by 169% since 2010, while the number of households in temporary accommodation is on track to reach 100,000 by 2020 unless the Government takes steps to deliver more private, intermediate and social housing [6].

Quotes

David Orr, Chief Executive of the National Housing Federation, said:

This groundbreaking new research shows the epic scale of the housing crisis in England. The shortfall of homes can't be met overnight – instead, we need an urgent effort from the Government to meet this need, before it publishes its social housing green paper in the summer.

The green paper will set out the Government's approach to tackling a number of key issues, like stigma of social housing tenants. However, it is clear that many of these stem from a chronic underinvestment in affordable housing. Fixing this should be the Government's top priority. As a first step, ministers should make the £2 billion they promised for social rent available immediately.

The Government must also totally change the way it sells surplus land. The priority here must be supporting developments that will deliver a public good on public land, rather than simply selling it off to the highest bidder.

Jon Sparkes, chief executive of Crisis, said:

Today's findings are stark and shocking, but they also represent a huge opportunity for us as a country to get to grips with our housing and homelessness crisis – and to end it once and for all.

Right now across England, councils are desperately struggling to find homeless people somewhere to live. This means thousands of people are ending up trapped in B&Bs and hostels or on the streets, exposed to danger every night. It also means that far too many people are living on a knife edge, in danger of losing their homes because of sky-high housing costs.

But we know that homelessness is not inevitable and that with the right action, it can become a thing of the past. To truly get to grips with this crisis and ensure everyone has a safe and stable home, we must build the social and affordable housing we need to end homelessness once and for all.

Terrie Alafat CBE, Chief Executive of the Chartered Institute of Housing, said:

This new report once again highlights the chronic housing shortage we face in the UK and it is clear that only a bold and ambitious plan to solve the housing crisis will prevent a decent, genuinely affordable home being out of reach for our children and their children.

What the report also shows is that this isn't just a numbers game and we have to make sure we build the right homes, in the right places and that people can afford them. For most people social rented housing is the only truly affordable option and the government must support the building of many more of these crucial homes.

It should also urgently address the imbalance in its housing budget, which currently sees it spend just 21% of total housing funding on affordable housing, and give all of the organisations ready to deliver the homes we so desperately need the support and resource to do so.

Campbell Robb, Chief Executive of the independent Joseph Rowntree Foundation, said:

It is unacceptable that currently in our society millions of people are locked out of being able to afford a decent and secure home. For years our failure to deliver enough affordable housing in England has led to rising levels of poverty and homelessness across our country. Now is the time to redesign our housing market so that it works for everyone – no matter who they are or where they come from. That's why it is crucial the Government seizes the opportunity offered by the Social Housing Green Paper to deliver the genuinely affordable homes we desperately need.

Polly Neate, Chief Executive of Shelter, said:

"We are in the midst of a housing emergency where an entire generation faces a daily struggle for a decent home.

"We welcome this important report from housing associations themselves as a powerful sign of the growing consensus that the current system is totally failing. We simply cannot go on with social housebuilding at its lowest since the second world war, while rough sleeping is its highest for a decade.

"Government can turn things around but only by building many more of the high quality, genuinely affordable homes this country is crying out for."

Leslie Channon, Chair of 'A Voice for Tenants' Steering Group, said:

"One of the primary concerns raised by tenants in the recent Ministerial tenant events was the chronic shortage of social rented homes in England. It is vital that the Government works closely with landlords and tenants to deal with this crisis as soon as it possibly can."

Case study

Mark, 38 and Angela, 43, Pool, Cornwall, Coastline Housing

One family that's been severely affected by the shortage of homes is Mark and Angela, who live in Cornwall with their four children. They rented privately for 11 years and had to move nine times – in some cases, this was because of the high cost of rent, in others it was in search of more space for their family. "We always felt really unstable and uncertain renting," Mark says. "It was really hard and we were always so worried about the impact it would have on the kids."

In summer 2017, Mark approached Coastline Housing about its rent to buy programme at the Heartlands development near Redruth in Cornwall. In December, Mark and Angela heard the good news: they had been accepted onto the scheme. "I'll always remember the date 18 December," Mark recalls, "because that's the date Coastline changed our lives by offering us this new home." On Christmas Day, the couple broke the news to their children with a poem that they had written to celebrate. "We're over the moon," Mark says. "We've only lived here for three weeks, but we already feel more settled and happier. We've found somewhere we can call home."

References

[1] Figure taken from Holmans, A. New estimates of housing demand and need in England, 2011 to 2031 [https://www.cchpr.landecon.cam.ac.uk/Downloads/HousingDemandNeed_TCPA2013.pdf] .

[2] Calculated from figures taken from Ministry of Housing, Communities and Local Government, Live Table 1000 [https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply] and Live Table 123 [https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing] .

[3] See Bramley, G. (2017) Homelessness projections: Core homelessness in Great Britain Summary Report [https://www.crisis.org.uk/media/237582/crisis_homelessness_projections_2017.pdf] , which shows a 60% increase in all housebuilding alone would lead to a progressive reduction in core homelessness of 15 per cent by 2031.

[4] All figures given as constant (2016/17) prices. Figures taken from Chartered Institute of Housing, UK Housing Review 2018 [http://www.cih.org/news-article/display/vpathDCR/templatedata/cih/news-article/data/Spending_on_new_homes_plummets_while_housing_benefit_soars_new_analysis] .

[5] Figures taken from Institute for Fiscal Studies, The Decline of Homeownership Among Young Adults [https://www.ifs.org.uk/uploads/publications/bns/BN224.pdf] .

[6] Figures taken from Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S., Watts, B. and Wood, J. The Homelessness Monitor: England 2018 [https://www.crisis.org.uk/media/238700/homelessness_monitor_england_2018.pdf] .

Call us on **020 7067 1010** or email us: [mailto:info@housing.org.uk]

Peripheral Pages Navigation

Topics [/topics/]

- Asset management [https://www.housing.org.uk/topics/asset-management/]
- Devolution hub [https://www.housing.org.uk/topics/devolution/]
- Finance [https://www.housing.org.uk/topics/finance/]
- Health, care and housing [https://www.housing.org.uk/topics/health-care-and-housing/]
- Investing in communities [https://www.housing.org.uk/topics/investing-in-communities/]
- New homes [https://www.housing.org.uk/topics/new-homes/]
- Regulation [https://www.housing.org.uk/topics/regulation/]
- Research [https://www.housing.org.uk/topics/research/]
- Supported housing [https://www.housing.org.uk/topics/supported-housing/]
- Together with Tenants [https://www.housing.org.uk/topics/together-with-tenants/]
- Voluntary Right to Buy [https://www.housing.org.uk/topics/right-to-buy/]
- Universal Credit and welfare reform [https://www.housing.org.uk/topics/welfare-reform/]

- Latest updates [/latest-updates/]
- Resources [/resource-library/]
- Events [/events/]
- Offers & Benefits [/offers-and-benefits/]
- Get involved [/get-involved/]

- Become a member [/about-us/become-a-member/]
- Services and benefits [/offers-and-benefits/services-and-benefits/]
- Sponsoring and exhibiting at our events [/events/sponsorship-and-exhibiting/]

- About us [/about-us/]
- Blog [/blog/]
- Contact us [/about-us/contact-us/]