

# HOUSING 2040 CONSULTATION RESPONSE

## SUBMITTED ON BEHALF OF:

Fraser/Livingstone Architects <https://fraserlivingstone.com/>

The Common Weal <https://commonweal.scot/our-common-home>

Scotland's Towns Partnership <https://www.scotlandstowns.org/>

## AND IN ASSOCIATION WITH:

The Royal Incorporation of Architects in Scotland's principal submission

## SUMMARY

The 2040 "Vision" document sets out aspirations. The overall message, that a good home and community, as a human right, is a font of wellbeing, rather than an outcome of wealth-creation, is very welcome. The following suggests the levers necessary to deliver this and its associated aspirations. It also notes, in **green**, the places where associated policy initiatives and campaigns are advancing.

# 1. OUR EXISTING RESOURCES - BUILDINGS:

**1.1 EMPTY HOMES:** repair Scotland's 34,000+ long-term vacant empty homes first – it's the essence of care and sustainability.

- The obsession with the suburban kit-home model leads to the mistake of believing that, to fight the housing crisis, our first resort is to build more of them;
- Much better is, first, the renewal of long-term vacant homes. This requires Empty Homes Officers in every Local Authority with programmes, finance and options to bring them back to use.

Scottish Empty Homes Partnership <https://emptyhomespartnership.scot/>

- This would include a national strategy to recover vacant, upper floor commercial premises in Town Centres.

Scotland's Towns Partnership <https://www.scotlandstowns.org/>

**1.2 UNDEROCCUPIED HOMES:** encourage family homes in single occupancy to be released back into the market with **A.** carrot: local co-housing and intergenerational communities for the elderly and **B.** stick: higher-Council Tax top bands and fewer rates reductions for single ownerships.

## Local Authority Reform

**1.3 LEVEL VAT:** work with – or against – UK policy to end the madness of penalising care and repair with 20% VAT while encouraging demolition and newbuild with Zero.

- 5% levelled across residential would improve/recover huge numbers of homes as well as create employment (repair being more labour-intensive), reduce VAT evasion by small builders, cut red tape, improve sustainability, husband energy and improve communities and reduce car use, empty homes being more often within existing

communities. Analysis also demonstrates an increase in building activity that either makes this tax-neutral, or increases it.

RICS initiatives; RIAS/RIBA initiatives; Architect's Journal "Retrofit Campaign": <https://www.architectsjournal.co.uk/opinion/join-our-retrofirst-campaign-to-make-retrofit-the-default-choice/10044363.article>

**1.4 TENEMENTS** and shared responsibilities: Scotland has been good at living collectively, and new legal models are required to maintain our tenements, as well as secure shared low-carbon heating on them.

The Tenement Bill/BEFS: <https://www.befs.org.uk/policy-topics/buildings-maintenance-2/>

# 2. OUR EXISTING RESOURCES - LAND AND PLANNING:

**2.1 TOWN CENTRES FIRST:** build first on brownfield before releasing green: it's good for sustainability, low carbon policies, accessibility and active travel, and community regeneration, wellbeing and belonging;

As established by the **Town Centre Review** <https://www.gov.scot/policies/regeneration/town-centre-regeneration/> and advanced by Scotland's Towns Partnerships

**2.2 PLAN-LED "EFFECTIVE" LAND SUPPLY:** adjust Housing Needs and Demands Assessments to promote and release the best/town centre sites before suburban/green belt/greenfield ones (so released in tranches or reviewed at regular intervals); with "5 Year Supply" rules revised to ensure well-located sites are not removed from capacity assessments by land speculation.

Planning Reform; Planning and Architecture Division.

## 3. LEVERING REGENERATION

**3.1 COMPULSORY SALES ORDERS (CSOS):** well-located development sites, both small and very large, lie undeveloped, either fallow and forgotten or traded speculatively up to a level where they need house prices to jump to be “effective”. Leverage is required to reduce the values of such land-banked sites to developable levels. Compulsory Sales Orders for undeveloped and/or land-banked sites give Local Authorities powers to compel the sites to a public auction which would establish a lower, developable market value with consequent immediate economic activity.

Land Commission <http://eprints.gla.ac.uk/111504/1/111504.pdf>

**3.2 LAND VALUE CAPTURE (LVC):** infrastructure funding is recognised as a key barrier to creating new communities and will remain so until the wealth generated by residential land designation in high-value communities, or by Government regeneration initiatives in struggling ones (a new Station or strategic investment) is directed away from land speculation and towards funding the public services (schools, health services, transport infrastructure etc) that new communities require. <https://www.localgov.co.uk/UK-missing-out-on-185bn-due-to-mechanism-for-capturing-land-value/42896>

Reform the Land Compensation (Scotland) Act 1963 so that Local Authorities can buy land at existing use value (or a modest multiple), with the consequent major rise in value borrowed-against to pay for the infrastructure ready for Councils or developers to build homes. The result would remove the volume housebuilders’ major block on development, allowing early, public-led infrastructure progress without the current, contested drip of “Section 75s” and similar Infrastructure alternatives, and allow plan-led regeneration with sites and/or finance for the Diversified Models at 6. below.

Land Commission

## 4. FINANCE

**4.1 NATIONAL INVESTMENT:** the Scottish National Investment Bank is a very welcome new resource for national renewal and, allied with new leadership at 5. below, has a critical role in engineering the changes at 6 and 7.

### 4.2 DIVERSE SOURCES:

- The Government’s “Help to Buy” scheme spends hundreds of millions on, essentially, inflating house prices, the finance feeding directly into the big housebuilders’ profits and obscene bonuses, and making these homes even more unaffordable. These millions should be redirected into the SNIB for prudential housing investment;
- Finance won through Land Value Capture, invested in social housing alongside infrastructure.

## 5. LEADERSHIP

### 5.1 NATIONAL HOUSING COMPANY AND NATIONAL INVESTMENT COMPANY:

- To provide leadership in this crucial sector;
- To replace the blizzard of conflicting advice from multiple authorities and sectors, on design standards, accessibility, energy, design against crime and others, with a national suite of coordinated, accessible standards;
- That focus on the simple, utilitarian factors that ensure the wellbeing of a community: connectivity, openness to sunshine and gathering and warm and healthy construction.

**5.2 INFRASTRUCTURE OR UTILITIES COMMISSIONER:** the un-coordination of utility companies remains a major brake on regeneration and redevelopment. There is a Scottish Roads Works Commissioner,

to coordinate utilities during roadworks, and that role needs to be mirrored by, or augmented to become, a development Infrastructure Commissioner, working alongside the National Housing Co.

## 6. DIVERSIFIED MODELS:

**6.1 PUBLIC RENTAL:** funded by national investment to provide more homes, to complement the volume housebuilder/mortgage/debt combination that it is clear will not fulfil our needs, via reinvigorated Council rental.

SNIB

**6.2 COMMUNITY INFRASTRUCTURE AND LAND TRUSTS:** encouraging local communities to step forward to own and develop social communities, as European models, via Community Asset Transfers and other levers.

SNIB; Community Empowerment Act <http://www.communityscot.org.uk/resources/policy-developments/community-empowerment-bill/>

**6.3 COLLECTIVE SELF-BUILD:** an innovative, sharing form of commissioning and developing with lower debt/borrowing costs – conventional housebuilding carries the developer’s borrowing costs plus a householder mortgage while self-build only needs the mortgage. It empowers local groups to obtain land and commission design, resulting in more innovative architectural, social and low-carbon solutions than the market delivers.

- All Local Authorities to identify, allocate and match land and users.

Pioneering example: <https://www.ecology.co.uk/projects/bath-street-collective-breaking-new-build-norms/>

Right to Build Toolkit: <http://righttobuildtoolkit.org.uk/case-studies/#>

SNIB

Demonstration Projects through the Planning and Architecture Division.

**6.4 CO-HOUSING AND CO-OWNERSHIP MODELS:** access to funding assisted, including land and loan availability.

RIAS <http://www.johngilbert.co.uk/?p=15761>

## 7. TECHNOLOGY AND MATERIALS

**7.1 BUILDING PRODUCTION:** our current kit-house model is engineered to ultimate flimsiness (requiring slow-grown, Baltic timber instead of home-sourced), dipped in toxic rot treatment and wrapped in polythene that traps vapour, CO2 and toxins, so encouraging respiratory failures. We need to reform building production, by using Building Standards and public and social housing programme briefs to encourage/demand that we:

- Avoid materials that are: toxic; ignite; contain plastics; trap toxins, CO2 and moisture; and are not recyclable;
- Build with natural materials, from local sources (pre-eminently Scotland’s woods) that sequester carbon and breathe.

Building Standards Division

**7.2 THE CLIMATE EMERGENCY:** all the above respond to the need to change direction, in how we view, value, care and repair the built environment, and how we focus and lever wellbeing and personal responsibility within it. The following have informed all the above and are referenced as “sweeper” catch-alls:

RIBA Sustainable Futures Group RIBA 2030 Climate Challenge

The Common Weal’s “Our Common Home” <https://commonweal.scot/our-common-home/homes-buildings>

## 8. TAX AND WEALTH

The UK's credit-driven model, including £28bn a year main residence exemption from capital gains tax, discounted tax bands and buy-to-let exemptions, leads to homes as, essentially, an "onshore" tax haven. This encourages money to flow into property leading to: price rises and so unaffordability – particularly for the young; money being invested in property instead of business and industry; and young talent attracted into finance rather than business and industry. The tax burden needs to shift from income – particularly on the working poor – to wealth, with wealth sequestered in property taxed more progressively, and revenues directed into social housing, including new taxation models such as local capital gains. Those hit by negative equity should be protected by mortgage-to-rent schemes.

The Tax Justice Network <https://www.taxjustice.net/>