

"LONDON'S HOUSING SUPPLY: BUBBLE OR BALANCE?"

THE HOUSING FORUM - CEO FORUM WITH RICHARD BLAKEWAY, DEPUTY MAYOR FOR HOUSING, LAND AND PROPERTY, GREATER LONDON AUTHORITY



The Housing Forum runs monthly CEO discussions as part of our permanent campaign to collaborate cross industry, and focus our shared expertise to meet complexities in our current housing markets.

Leading City housebuilders, housing associations CEOs and major financial, design and property specialists joined **GUEST OF HONOUR, RICHARD BLAKEWAY**, The Housing Forum and NHBC to debate ways of meeting the supply of London's housing during the consultation period on the London Housing Strategy

Contributors were:	
 John Anderson, Regional Chairman, Berkeley Homes (Urban Renaissance)	 Mark Allnutt, Group Development Director, Thames Valley Housing
 Simon Berrill, Senior Advisor, LJ Group	 Bill Bassenger, Joint Managing Director, Kind & Company
 Teresa Borsuk, Executive Director, Pollard Thomas Edwards Architects	 Mark Bradbury, Development Consultant, Climate Energy Homes
 Tony Catchpole, Managing Partner, Rider Levett Bucknall	 Dan Brady, Group Affordable Housing Manager, Bellway Homes
 Brian Johnson, Chief Executive, Metropolitan	 Mike De'Ath, Partner, HTA Design LLP
 Richard Jones, Group Head of Regeneration & Growth, EC Harris LLP	 Mike Johnson, Director, Housing Consultancy Development Services, Savills
 Mark Parker, Joint Group Managing Director, Telford Homes	 Mark Mitchener, Managing Director, Rydon Construction
 Peter Taylor, London Regional Director, Lovell	 Tony Ryan, Chief Executive, Mar City Plc
 Andy von Bradsky, Chairman, PRP	 Marc Vlessing, Chief Executive, Pocket Living
HOSTS:	 Mehban Chowdery, Regional Director – London, NHBC
 Ben Derbyshire, Managing Partner, HTA & Chair, The Housing Forum	 Shelagh Grant, Chief Executive, The Housing Forum

CEO Forum



HOUSING AS ESSENTIAL INFRASTRUCTURE

Richard Blakeway emphasised the importance of "changing the debate " on housing to compel the proper recognition of the economic benefits of housing to London- and recognising housing as a key part of the city's overall infrastructure, anticipating a city of 10million residents . Meeting this challenge requires a doubling of house building numbers. This has been a 30 year challenge which has now become acute. London's planning system is a discretionary system - whilst other major international cities have housing zones and the Mayor will be bringing forward proposals for housing zones to supplement supply.

The essentials in supply are

- Housing Bank - to draw in investment resources to build out all the land currently designated for housing and then looking for an additional supply of land to meet the requirements
- Ways of accelerating the pace of supply - as most consented housing plots are within large schemes it can take years to accelerate pace
- Increased Product - PRS and Intermediate Rent are needed in greater quantities to get supply into the market quickly. Can overseas investment be harnessed to build more homes?
- The Housing Forum raised the structural reforms necessary to accelerate land availability and infrastructure and the fiscal improvements essential to meet the challenging of doubling of house building numbers.
- Land availability and cost are the key issues - CBRE have recently assessed that only 4 London Boroughs have a sufficient development pipeline to meet demand - and London's population has risen by 14%.
- Management expertise is needed to get complex city sites under development and this has to be tackled by collaboration, with public and private sectors working together.
- Many larger London sites are complex-the time span before regeneration sites become profitable can be 2-4 years, which deters new entrants from coming into the market. Could GLA do more to provide and facilitate up-front infrastructure - e.g. rail stations, schools and tackle power and utility supplier delays?
- Policy tensions between central and local government is one of many factors delaying planning approvals - call in powers can be used although anticipating issues ahead is often more productive, as GLA supports about half of new homes provision in London.
- PRS and shared ownership will be the tenure of choice, particularly for new households for the next decade at least - housing associations will have to consider approaches to branding and marketing to play a full part in this growth.
- The "middle market " is not catered for in supply - and the fastest and least disruptive approach to increase supply would be an intensification of suburbs - to create more homes
- There is huge potential for UK off- site manufacture of housing - and the UK could also supply a quality product into a European market. Tax breaks/ financial incentives for companies to invest in manufacture could both stimulate economic performance and deliver certainty of supply in the large volume needed.

