

**StART: Using publicly owned land for community-led housing  
- a campaign in answer to London's housing crisis**

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I'm working with St Ann's Redevelopment Trust, StART for short, in Tottenham a district in North London in the administrative Borough of Haringey.

2 StART formed in 2015 when our local hospital, St Ann's, announced it needed to sell 2/3rd of it's land to raise enough money to re-develop its buildings and improve its services. To do this they planned to sell 7 hectares of their land on the open market to private developers, having obtained planning permission to build 470 homes, of which 14% would be "affordable". St. Ann's hospital is part of a National Health Service (NHS) trust in Haringey, thus publicly owned and funded.

We campaign for the land to remain in control of local people and to provide genuinely affordable homes in a community led development.

**Affordability**

A word about affordability.

3 The general definition of affordability is 80% of local market value. In Tottenham this would make homes unaffordable for local people where median household incomes are about £32k a year. As an example the purchase price of a new one bedroom flat in the area is £405k, 80% would be £320k.

4 Mortgage repayments to purchase this would cost about £13.5k a year or about 2/5ths of the average local income.

Rents in the private sector are similarly high, landlords needing to service large mortgages or simply pushing rents up to make the most of the market, for example the rent for a one bedroom flat in the area is being advertised £1,300 per month, over £15k a year, even more expensive than buying.

^3 In StART we believe no household should spend more than 1/3rd of it's income on housing, defining this as 'genuinely affordable'. We calculate that homes on the St. Ann's site should be at approx 50% of current market to be genuinely affordable, and we actually prefer to have the homes for rent. We suggest that if one can rent a good quality property at an affordable rent with a secure lifetime lease, why would one want the expense of home ownership ?

We also want to ensure that the genuinely affordable homes remain affordable for future generations, in perpetuity,

**StART's origins**

5 Many people have seen friends or family move out of Haringey because they could no longer afford to buy or rent within the area. As an NHS site the land is in public ownership so there is a sense that the land already belongs to the people. There has been a hospital on this site since the late 1800s, so many people also have a strong connection to the site.

People came together to campaign to make sure the land would be used for housing in a way that would benefit local people. We would create a community-led development of 800 genuinely affordable homes, affordable in perpetuity.

I shall come back to our story, but first I want to put this project into the context of 'austerity' Britain, the housing crisis in London and community approaches to deal with these problems.

## Housing in London

In some ways the hospital land sell off epitomises two strands of the current economic situation in the UK and London in particular:

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- the fact that land values are so high in London that 7 hectares can buy the redevelopment of an NHS hospital (about a £50m project) ;
- that house values are so high that developers would be willing to pay this and more for the land ;
- that the NHS has been so starved of funds that it needs to sell off assets of this value in order to provide up to date health services.

There is no doubt that we have a housing crisis in London: there are increasing numbers of people literally living on the streets, adults and children in unsuitable temporary accommodation, in overcrowded homes or in expensive precarious rented accommodation, and spending more than half their income on housing. This is the result of a perfect storm of a number of complex issues, legislation and historical contexts . I can only give a brief flavour of it here.

After the second world war we had a huge programme of public house building, to clear slums, replace destroyed homes, and enable good quality homes for all, in London these homes were scattered throughout the city and rose to 30% of the housing market. Since then households have increasingly owned their own homes although this is reversing and now more and more people are renting, mainly in the private sector, unable to afford the deposit for highly priced properties.

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Until 2011 public housing provided the majority of rented homes in the UK ([Wikipedia en.wikipedia.org/wiki/Public\\_housing\\_in\\_the\\_United\\_Kingdom](https://en.wikipedia.org/wiki/Public_housing_in_the_United_Kingdom) ), but now the private rented sector is providing a greater proportion of rented homes.

Meanwhile tenants' rights have been eroded, in both sectors, but it is particularly vicious in the private sector.

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- As an example Section 21 of the 1998 housing act brought in 'no fault' evictions, where families may be given, in effect, a 3 month notice period to leave for no particular reason. Evictions often happen in order to raise the rent and tenants are afraid to criticise landlords for fear of being evicted. According to housing charity Shelter, the increase in the number of households evicted from privately rented homes has accounted for 78% of the rise in homelessness since 2011, the loss of a private tenancy remains the single biggest cause of homelessness.
- Also Private landlords are allowed to refuse to let homes to households claiming benefits, and introduction of a new benefit system, has caused many families to be evicted for late rental payments.

In the past Labour (socialist) governments believed that public housing should be provided for all, but Conservative politicians saw public housing "*as a stepping stone to home ownership*". In my opinion one of the factors leading to the current housing crisis in the UK is the narrative that everyone in the UK wishes to own their own home. In 1980 the Conservative prime minister Margaret Thatcher introduced 'Right to Buy' legislation giving council tenants the right to buy their homes from their local authorities, at substantive discounts from market values (up to 70%). The real sting in this scheme is that local authorities were forbidden to use the receipts from these sales, or other funds, to replace the public houses and flats that were being sold. A huge transfer of public housing stock to the private sector was underway and still continues (Within the first 7 years 1 million homes were sold) . So now councils have to rent or buy back, at private rates, what had been their own houses, to house homeless

families, and the rate of building homes for social rents is greatly reduced. I sense that opinion is finally beginning to turn, thankfully – a recently published report on this by the housing spokesperson of the Greater London Authority has revealed the extent and “eye-watering” cost of this scheme, showing how it has not benefited those in poverty and calls for an end to the system in London, meanwhile right to buy has already been abolished in Scotland and Wales, and Section 21 in Scotland.

Local authorities have a duty to house homeless families, but because of a lack of housing and funds they will usually only house families with children or severe needs. In London there are long lists of people waiting to be housed, with people on the waiting lists living in temporary accommodation often in the private sector where tenants are expected to pay rents through housing benefits, thus causing the public subsidy for market driven rents. In Haringey alone the waiting list is over 9,000 families.

Another strong influence in the housing story is the way in which homes fulfil two disparate functions:

- homes for people and
- financial investment

as Manuel Aalbers described so well this morning - In a market driven economy unbridled use of houses, flats and land to act as instruments of investment can only mean that values are allowed to increase with no regard to the fact that these are people's homes.

Housing in London epitomises this tension: people are attracted to live in London, the market then pushes up housing prices, as the prices rise housing is seen as providing a good return on investment, people from all over the world then buy into this investment, pushing prices higher still. Meanwhile people working on average or minimum wage, or those not able to work, struggle to afford to pay for their homes. Legislation supports the market model in many ways, and fails to provide the same support for people's right to affordable, secure homes that are fit for purpose.

In 2012 squatting residential property was criminalised, and as part of the 'hostile environment' towards immigrants, it has become a criminal offence to let a home to a person who cannot provide documentary evidence that they have the right to remain in the UK. (but it is ok to sell), leading to discrimination and street homelessness.

The result is a housing crisis - people in London, and in particular in Haringey, are facing housing poverty. Everyone in the UK has noticed the increase of people living, quite literally, on the streets, the visible tip of the iceberg of housing poverty.

So with this background, it is perhaps clear why StART formed and why its members have such a passion to reverse this situation for local people.

### **remedy - coops**

One way people have taken control of this situation is by collecting together in some form of co-operative approach to housing. The Confederation of co-operative housing has recently published evidence that these work better than the private sector (<http://www.cch.coop/wp-content/uploads/2017/02/The-case-for-CCLH-evidence-base.pdf>).

StART recognises that some of the homes on our land might need to be sold at market rates to help fund the development of genuinely affordable homes. We hope that some such sales might be to a co-operative to maintain the ethos of our new neighbourhood. Some founding members of StART are themselves in MAJ housing co-op which might also be interested in homes on the StART site.

The housing co-op movement in the UK is vibrant and growing. Cooperative ventures take different forms: housing co-operatives, sometimes with shared living, co-housing projects and Community Land

Trusts. StART is a community land trust, but some of its members are also members of the Mary Anne Johnson housing coop.

- 13 One of the coops that we are talking to is the **Sanford Housing Coop**. Founded in 1973 on Cooperative principles, Sanford is the oldest purpose-built housing co-op in the UK. They were given a piece of derelict land by the local authority and now 125 tenant-members are living in 14 purpose built homes. At present, standard rent is approximately £65 a week, inclusive of expenses, very low by London standards. Some of the living is communal, some individual households, a testimony that the community-oriented model is viable.

The housing is set in a very green environment with growing and garden spaces made by members, and indoor & outdoor areas for meetings. StART too wishes to incorporate a green environment, encapsulated in our Environmental Principles document.

- 14 A more recent development is the **Older Women's Co Housing community (OWCH)**, the first senior cohousing community, which saw its first tenants move into a purpose built block of flats during 2016. The community is for women over 50 years of age, has 26 members. There are 25 flats, 8 of which are rented at social rents, the others are owned on 250 year leases by individual members. The women came together to provide mutual support for each other in their older age through their cohousing community.

- 15 OWCH formed in 1998, following the example of similar developments in the Netherlands, but had a long struggle hampered by problems

- finding suitable land – a common problem for community led housing projects
- funding and
- gaining planning permission.

As an example the planning permission they finally obtained was delayed by 3 years because of opposition from the local authority to an older persons' development in their borough. But finally helped when the then government Director for Adult Social Care recognised the social value of the new community to reduce the need for health and social care services.

The women were keen to be socially inclusive and provide for older women who lacked equity or home ownership and needed social rentals. The social rental units have been funded by a philanthropic grant from the Tudor Trust, whilst women have bought other units themselves.

They work with a similar set of rules to the co-operative principles.

The women took a very active role in the development, something of a learning curve to understand the technical language and conventions of the professionals and for those on the construction and development side to get to grips with the involvement of end users. This project echoes some of the experiences we have also encountered in StART

- 16 The **Mary Ann Johnson** housing coop provides another example. Also in 1998 a group of people who were in the same activist group formed the coop to take control of their own housing. MAJ follows the co-operative principles and works to purchase homes for their members, who are all on low incomes, to provide both secure housing and a space as an activist support centre. They now house 5 people and have 8 members. It took 8 years to buy their first property, a further 10 to buy their second and they are currently looking for a third. Deposits for homes are partly financed by donations and loan stocks. With their roots in local activist organisations, MAJ expects its members to support and take part in these organisations, one of which is StART.

## StART

And so to StART.

15 We are a Community Land Trust (CLT) – Geert will telling us more about the CLT movement after the break. CLTs represent another form of people working cooperatively to build and provide affordable secure housing. The network of CLTs is growing in the UK, but most are involved with 20 or so homes, StART is one of the very few that is looking at a site that could support 800 or more. A CLT embodies the practical concept of a community-led housing development, homes being sold or let to members of the local community at genuinely affordable prices, the homes remaining genuinely affordable in perpetuity. StART members would not automatically get a home on the site, but would apply along with other prospective residents.

StART has some 425 members of whom about 40 are actively working in a voluntary capacity. We have a non-hierarchical structure using consensus decision making and divide into subgroups to carry out the various areas of work. In our first 3 years 13,500 hours were donated (worth £2969), but now we also employ a part time administrative worker and paid consultants to help with the technical side of working in a housing development and public sector environment.

There have always been two strands to our work:

- to engage with and involve people living locally so that they would have agency to express their own views of what should happen with the site what kind of housing would satisfy their needs, how it should be owned and run and to help to see these ideas implemented
- to engage with the owners of the land in order to gain sufficient control to carry out the wishes expressed by local people, for 800 genuinely affordable homes, in perpetuity

Early on we held nine open meetings (and an online survey), inviting local people to share what they would like to see on the site. We used the outcome from these meetings to present a brief to architects who then drew up a Masterplan, expressing peoples wishes. (I have a copy here), thus turning on it's head the usual development process where developers (commercial or social/local government ) design and build homes which are then presented to residents as what they need.

Subgroups continue the work looking at housing, allocations, health, environmental issues, engagement with the local community, as well as publicity, strategy and governance, finance and working with the owners, and potential developers of the land.

With the history of the site's health services in mind, we are keen to ensure some health legacy continues on the site. We are also exploring the possibility of putting a value on the social benefit to good, secure, genuinely affordable homes, to set against the cost of the development.

18 The hospital grounds are spacious and have a number green spaces and trees of interest, some planted by Kew Gardens (London's respected botanical gardens). Of note are a strip of woodland that runs along the southern border of the site, and the central Peace garden. The woodland is protected by being designated a SINC (Site of Interest for Nature Conservation). We are keen to enhance the environmental aspects for the community, both with the land and in the building, and have published our Environmental Principles.

19 We continue to reach out to people locally, running stalls, visiting groups, holding meetings when important decision making points are reached. We are hoping to use one of the buildings on site as a project space where we can invite local people to pop in to find out more, and where we can hold

different events, so increasing local participation and awareness of what is happening at the St. Ann's site.

But the land is an issue – many of the successful co-ops or CLTs have been gifted public land by their local authorities, or in some cases received philanthropic funding to buy land. Where this does not happen buying the land or built homes severely restricts the size of the communities. Our case is no different.

The land at St. Ann's was worth somewhere between £50m and £70m on the open market, so keeping it in public or community ownership was going to be a problem. We have been trying to find a way to raise £50m through philanthropy but so far it has not been possible so we must work with the current land owners. Another huge cost would be the development costs (around £¾ billion). We have commissioned financial appraisals and talked to public lenders such as pension funds, and by becoming the development managers and thus cutting the need for developers' profits, we have shown that it is feasible to realise our vision for anyone owning the land. If we could feed in the social value that would accrue from our community that would also be hugely beneficial.

From the beginning we talked to our local authority, London Borough of Haringey, and to the Greater London Authority (GLA), who have general responsibility, and funding, for housing throughout London, to stop the land being sold off to commercial developers.

The GLA bought the site about a year ago, thus keeping the land in public ownership. This seemed like a victory, and in many ways it is, but it was just the beginning of the next part of the journey. The GLA will tender the land to sell to trusted developers insisting on their housing strategy that says at least 50% of the homes built on the site should be "affordable" – and now we come to other definitions of affordability:

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The GLA have 3 tenures they see as affordable, and would like to see at St Ann's –

- genuinely affordable rentals based on local incomes;
- a scheme called rent to buy where within 10 years of genuinely affordable rental the occupier is expected to buy the property;
- 'shared ownership' where the occupier buys a portion of the home at market rates, renting the other half, with the possibility of increasing the owned portion to 100%.

As the latter two eventually see the property put back onto the market they do not provide affordability in perpetuity, and local examples of shared ownership are still not affordable to local people as they are based on market rates.

We are working with the GLA, and will continue to work with developers, in a steering group. We are currently negotiating with the GLA to ensure that our vision for the site is developed, to ensure a scheme where homes are genuinely affordable in perpetuity. Happy with our environmental vision they are still keen to promote opportunities for home ownership, so our negotiations continue.

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Haringey also want to build a thousand more social homes, thanks to recent relaxing of restrictions on such building, if they were to use the St. Ann's site it would fulfil our vision and is another possibility for reaching the aims of the local community.

It's been difficult to cover the breadth and scale of our work in this short time, but we are sure that by 2021, the planned start date, a truly community led development will be achieved.