

# The Colin Wiles blog

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## Space matters

After the Russian revolution in 1917 most housing was nationalised by the Soviet government and living space was allocated according to need, with a fixed quota of space for each person.

As the country industrialised, millions of people flooded into the cities; large apartments and houses were subdivided into smaller spaces with families sharing kitchens and bathrooms. Commissars billeted people together and enforced the rules, ensuring that no one had too much or too little space. By the 1950s it's estimated that the living space for each person was five square metres. After Stalin's death in 1953 the politburo determined to end the housing crisis and embarked on a mass housebuilding programme. By the 1970s this had increased to nine square metres.

In the UK we rarely talk about the space occupied by each person. It's a bit like discussing salaries, and the notion of local bureaucrats sniffing out spare bedrooms and billeting people into unused space would be anathema to the British public.

But there's a debate to be had about the way we use existing housing space. There are wide disparities in the amount of living space we occupy; between rich and poor, and between older and younger people. Our housing and taxation systems encourage people to under-occupy their homes and to buy more space than they need. What's more, these disparities are worsening, with well-off owners occupying more space and renters becoming more overcrowded.

According to the [English Housing Survey](#) it's estimated that 52% of owners now under-occupy their homes, up from 48.7% in 2011 – that means they have two or more bedrooms than they technically need. By contrast, the percentage of social and private renters who under-occupy their homes went down over the last decade – from 10.3% and 16.6% to 8.7% and 14.4% respectively. Renters also became more overcrowded – around 7% of renters live in overcrowded properties, compared to only 1% of owners. We've also seen significant increases in second homes and investment properties over the last two decades, with baby boomers being the main beneficiaries.

[Research](#) by the GLA also shows that floorspace per person has been increasing for owners and decreasing for renters. In 2018, households that owned their home outright (mostly older people) occupied an average of 53.9m<sup>2</sup> per person, compared to 35.9m<sup>2</sup> for those with a mortgage, 28.6 m<sup>2</sup> for private renters, and 27.5 m<sup>2</sup> for social housing tenants. Since 1996, floorspace per person has increased for all owners, whereas the average floorspace enjoyed

by social housing residents fell from 28.4m<sup>2</sup> in 1996 to 27.5m<sup>2</sup> in 2018, and from 34.1m<sup>2</sup> to 28.6m<sup>2</sup> for private sector tenants.

The pandemic has highlighted these inequalities in living space, with renters suffering disproportionately from Covid-19 deaths, hospitalisations, and the wider impacts of lockdown. Renters have less access to open space, are more likely to suffer depression and anxiety, and to have lost their jobs or been furloughed. Furthermore, owners, and particularly older owners, have been buying up more space over the past year. The demand for country and coastal properties has increased; Londoners have been on a spending spree, buying up country and coastal properties; and larger, more expensive properties have been disproportionately bought by older buyers.

Some of the factors that encourage under-occupation, and discourage downsizing, include, firstly, the council tax system. It is regressive (people in smaller properties pay proportionately more) and there are wide disparities across the country. For example, a Band H property in Dover district, where I live, pays almost £4,000 a year, whereas in Westminster the charge is only £1,561 a year. For an oligarch living in a multi-million-pound penthouse that's barely small change. The single person discount also encourages people to under-occupy. (Whenever this is raised there are cries of protest from older people who are asset rich and cash poor – but why can't they downsize?)

The stamp duty system also discourages people from downsizing and is a major barrier within the secondary housing market. Although the current stamp duty holiday is misguided, it'd make sense to scrap the duty for people who downsize from larger to smaller properties.

But the lack of suitable retirement properties is also a major factor. It's estimated that only 3% of the nation's housing comprises bespoke retirement properties, yet almost a quarter of the UK population will be over 65 within a couple of decades. Tweaks to the planning system could address this. For example, could the NPPF put a duty on local authorities to assess the level of under-occupation within their areas and set targets for retirement homes? Another policy change could be to put retirement housing on a par with affordable housing when looking at rural exception sites. But this could also be extended to urban areas, with marginal and infill sites receiving permission for retirement homes alone.

Of course we need to build many more homes, but according to [Les Mayhew](#) of the Cass Business School if *"people lived in homes more suited to their needs, 50,000 fewer homes would need to be built each year"*. However, I'd not want vocal nimbys to jump on this as an excuse for failing to build the homes we need, just as they jump on the 'brownfield first' myth. We need to do both in tandem.

It would, of course, be wrong to use coercion against people who are under-occupying their homes, but there's much more we could do to encourage and incentivise under-occupying owners to downsize, and also to make them believe that it's the 'right' and 'moral' thing to do.

All of these issues and more are addressed in a report I've just produced for the Intergenerational Foundation called *Stockpiling Space*. It'll be out soon.

## About the author

Colin Wiles has worked in affordable housing for almost forty years, for local authorities and housing associations. For the past eight years he has worked as a consultant, working on a range of projects for dozens of clients across the sector. He specialises in governance, service reviews, research and policy work. Colin has written extensively on housing and planning issues for Inside Housing, 24 Housing and The Guardian. He is a co-founder of SHOUT, the Campaign for Social Housing.

