

A spotlight on overlooked communities – and how social housing can help them thrive

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IMPOSSIBLE CHOICES

Burnley's serious lack of affordable quality homes

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IN NEED OF SUPPORT

Why more people are struggling to pay rent in Plymouth

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A DIVIDED CITY

Housing problems reflect big divides in Sheffield

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LEVELLING UP WITH SOCIAL HOUSING



THERE IS A HOUSING EMERGENCY ACROSS THE COUNTRY

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TO TRULY LEVEL UP, WE NEED SOCIAL HOMES



INTRODUCTION

Home is everything.
But across Britain, far too many people face housing problems.

ABOUT THIS REPORT

THE HOUSING EMERGENCY IS AFFECTING THE LIVES OF 17.5 MILLION PEOPLE ^[1]

GOT ANY QUESTIONS?

Please don't hesitate to get in touch at: public_affairs@shelter.org.uk

There is a housing emergency in every corner of this country. From struggling coastal communities and unequal cities to neglected towns and villages. Finding a good-quality, energy efficient home at a fair price is out of reach for so many people – yet everyone needs a safe, stable and secure home to thrive.

This report tells the story of the housing emergency in three locations - Sheffield, Plymouth and Burnley – through the experiences of our hubs and the people they support.

With the local knowledge and expertise of our housing advisers, community organisers, outreach workers and available evidence, each case study takes an in-depth look at each area's local housing market. Through this lens, we'll explore the obstacles people face when trying to access a good-quality home that they can afford.

[1] Results are taken from our 4-6 April 2021 YouGov survey of 13,000 nationally representative adults across Great Britain.



In neglected cities and forgotten towns, it's becoming impossible to find a safe home.

WHAT IT MEANS TO BE LEFT BEHIND

Up and down the country, people visit Shelter's local hubs to get the advice and support they need for their housing or homelessness issues.

Some of them are living with damp and toxic mould. Some of them are struggling with disrepair and dangerous electrical hazards. And some are being forced into overcrowded housing because local rents are too high.

The housing emergency is taking its toll on people's physical and mental health and historical problems are only getting worse.

We see what it means to be left behind. We know how central home is to that feeling.

1 IN 5 RENTERS SAY THEIR HOME IS DAMAGING THEIR MENTAL OR PHYSICAL HEALTH [2]



THE IMPACT OF THE PANDEMIC

The housing emergency isn't new. But across the country, the pandemic has made existing problems worse.

- 1 | More people have been pushed into long-term crises of homelessness, debt and insecurity.
- 2 | Renters and low-income households have been hit the hardest.
- 3 | Going into the pandemic, there were 11 million people renting in England. But 60% of them had no savings at all. This made them vulnerable to homelessness following redundancy or job loss.[3]

[2] Results are taken from our 4-6 April 2021 YouGov survey of 13,000 nationally representative adults across Great Britain. [3] MHCLG, English Housing Survey 2019-20, December 2020.

As the government looks to level up the country, *we can't neglect how central home is to people's lives.*

LEVELLING UP WITH SOCIAL HOUSING

[4] M. Marmot, Health equity in England: the Marmot review 10 years on, February 2020; Create Streets Foundation, No place left behind, September 2021. [5] HM Treasury, Levelling Up Fund: prospectus, March 2021; MHCLG, Apply for affordable housing funding, September 2020. [6] Shelter, Denied the right to a safe home, May 2021.

Our health, our security, our pride, our community. It's all deeply bound up with the place where we live.^[4] Put simply, home is everything – and this is especially true for people and places that have been identified as left behind.

For these communities, a tangible improvement in their housing situation would significantly boost living standards, increase opportunities and truly represent levelling up.

SOCIAL HOUSING IS A KEY PART OF THE SOLUTION

Investing in social housing would deliver good-quality, energy-efficient homes that local people can afford and thrive in. That's because genuinely affordable social rents allow people to save and build their lives. For the 17.5 million adults in Britain that are now impacted by the housing emergency, levelling up starts with home.

Now the government is pouring billions into new projects through its levelling up agenda – roads, train stations, schools and new town centres – there is a risk that housing costs in these areas will increase. With this, people will be priced out of their areas and excluded from the benefits that investment might bring.

AT PRESENT, THE GOVERNMENT'S LEVELLING UP FUND IS NOT DEDICATED TO PROVIDING SOCIAL HOUSING

That's why there must be a plan to make sure that local people will benefit in the growth that comes from levelling up. And this starts by delivering homes for local people – social housing with rents pegged to local incomes that remain affordable over time.

At present, the government's Levelling Up Fund is not dedicated to providing social housing. While some money for regeneration through the fund might see some social homes built, the fund isn't set up to deliver the social homes places need. Meanwhile, the main source of government funds for 'affordable housing' – the Affordable Homes Programme – has rules that effectively bar many left behind areas from building social housing.^[5]



KEY POLICY RECOMMENDATION

Investment in infrastructure is important but we risk pricing local people out of their areas unless we take action. The opportunity is clear.

To truly level up, we need to match pound for pound the investment made into infrastructure with investment in social homes – under the levelling up agenda.

FOR THE 17.5 MILLION ADULTS IN BRITAIN THAT ARE NOW IMPACTED BY THE HOUSING EMERGENCY, LEVELLING UP STARTS WITH HOME ^[6]

This report takes a closer look at three overlooked communities: *Burnley, Plymouth and Sheffield.*

THE CASE STUDIES

Taken together, these case studies highlight the deep and varied housing problems we see growing across the country.

Thousands upon thousands of people are struggling to find a good-quality home that’s affordable to them. In this report, we’re highlighting the experiences of three people who’ve come to us for support.

Their stories show the full impact of the housing emergency.

The failure to invest in good-quality, genuinely affordable social homes lies at the root of their problems and at the root of the housing emergency.

IN THESE AREAS, THOUSANDS OF PEOPLE ARE STRUGGLING TO FIND A GOOD-QUALITY HOME THAT'S AFFORDABLE TO THEM

Key findings

1. BURNLEY P12

- Both renters and homeowners are caught between a rock and a hard place.
- It's a choice between affordable but poor-quality housing in the town centre, or decent but expensive housing on the outskirts.
- Many local people are struggling to find a secure, stable place to live.

2. PLYMOUTH P28

- More people are struggling to pay their rent and are turning to housing benefit to make ends meet.
- A lack of good-quality, affordable housing is holding people back in the city.
- As a result, they have no choice but to come to our hubs for help.

3. SHEFFIELD P40

- In the west, we're seeing expensive homes that are completely out of reach for people on lower incomes.
- In the east, people are forced to endure dangerous conditions in cheaper housing.
- And all the while, the stock of social homes is plummeting.



BURNLEY



SPOTLIGHT ON BURNLEY

Burnley's renters are being forced to choose between a safe but expensive home – or an affordable but run-down one.

THE SITUATION ON THE GROUND

Huge bills.
Poor-quality homes.
Chronic fuel poverty.
These are the main
problems affecting
the people of Burnley
every single day.

BURNLEY'S KEY PROBLEMS

Between old dilapidated housing in the centre of the town which is poorly insulated and expensive to heat, and homes outside the centre which cost more to rent, our Lancashire Hub sees many local people unable to find a suitable home.

In summary, Burnley is suffering from:

- 1 LACK OF SAFETY**
Poor-quality, low-value private sector homes in the town centre.
- 2 FUEL POVERTY**
Huge energy bills pushing people into poverty.
- 3 UNAFFORDABLE PRICES**
Further out of town we see more expensive, higher-quality homes that are too expensive for low-income households.

[7] Shelter analysis: population estimates for local authorities are derived from ONS, subnational households by tenure estimates, and Table 1a Count of households by tenure by local authority district, England, 2012-2019, published May 2021. We've adjusted the total number of households in each local authority area using data from the English Housing Survey 2016-18 on the regional proportion of households where multiple welfare claims could potentially be made (such as multiple single adults or multiple families sharing a home) and the regional average number of adults living in such households. [8] BEIS, Sub-regional fuel poverty data 2021, April 2021. [9] *ibid.* [10] MHCLG, Live tables on homelessness, 2021. [11] Results are taken from our 4-6 April 2021 YouGov survey of 13,000 nationally representative adults across Great Britain.

7/10

Nearly 7 in 10 households who rent privately need to claim housing benefit to pay the rent.^[7]

585 HOUSEHOLDS

585 households qualified for a homelessness duty from 2020-21.^[10]

17%

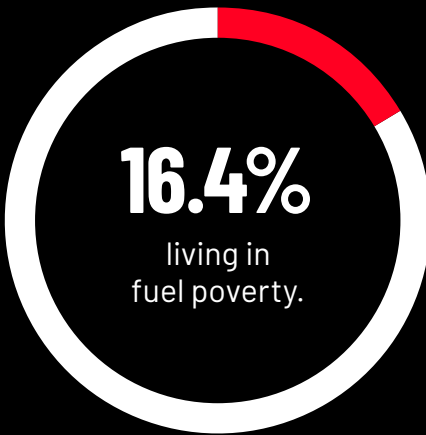
of renters in the North-West said their home was harming them or their family's mental health.^[11]

TOP 15



BURNLEY IS IN THE TOP 15 LOCAL AUTHORITIES FOR FUEL POVERTY IN THE COUNTRY.^[8]

Percentage of households estimated to be living in fuel poverty.^[9]



AN IMPOSSIBLE CHOICE

In the past, Burnley's made the headlines for its cheap housing. But Shelter Lancashire sees a different story.

RENTERS ARE FORCED TO PICK BETWEEN A HOME THEY CAN AFFORD...
There are two sides to Burnley's housing market.

Where rents and house prices are lower, the standard of housing is also poor. In Burnley's central areas, at this 'cheaper' end of the housing market, there are many terraced Victorian 'two up, two down' homes.

In fact, nearly three quarters of Burnley's homes were built before 1919 – compared with less than a quarter of homes across England.^[12]

Many of these houses are old, run-down and in a state of serious disrepair. Victorian homes like these ones usually house people on lower incomes. But sometimes, they stand empty.^[13]

Every day, Shelter's Lancashire Hub supports people who have no choice but to put up with problems like damp,



RENTERS IN BURNLEY ARE CHOOSING BETWEEN DISREPAIR AND HIGH RENTS

toxic mould or the freezing cold. And all of this is because there is a lack of *affordable quality* housing in Burnley.

...OR A HOME THAT'S FIT TO LIVE IN
Away from the centre, as you move towards the rural parts of the town, the standard of housing is better.

On Burnley's outskirts, there are spacious semi- and fully detached homes, along with some brand-new developments. But here, the market rents and prices are higher and out of reach for many local people and families.

Low-income renters in Burnley are often forced to choose between somewhere they can afford and somewhere that's fit to live in. Tackling these problems and delivering homes that are both good-quality and affordable to local people must be central to levelling up Burnley.

[12] Burnley Borough Council, Statement of case for selective licensing areas in Burnley Wood with Healey Wood and Leyland Road, June 2021.
[13] Burnley Borough Council, Empty homes programme, accessed August 2021.

TRAPPED IN A ONE-BED FLAT

Spike is living with his 19-year-old son in a tiny, cramped flat. With no way out, the lack of space is damaging to their mental and physical health.

'I'm 66 now and we have no privacy whatsoever.'

'My son has the front room and I just sit in the kitchen until I go to bed at night. It's not fair on either of us.'

Spike claims housing benefit, but it hasn't helped them find the home they need.

That's because Spike is trapped in Burnley's housing system: the homes he can afford aren't fit to live in, and all the decent ones are just too expensive.

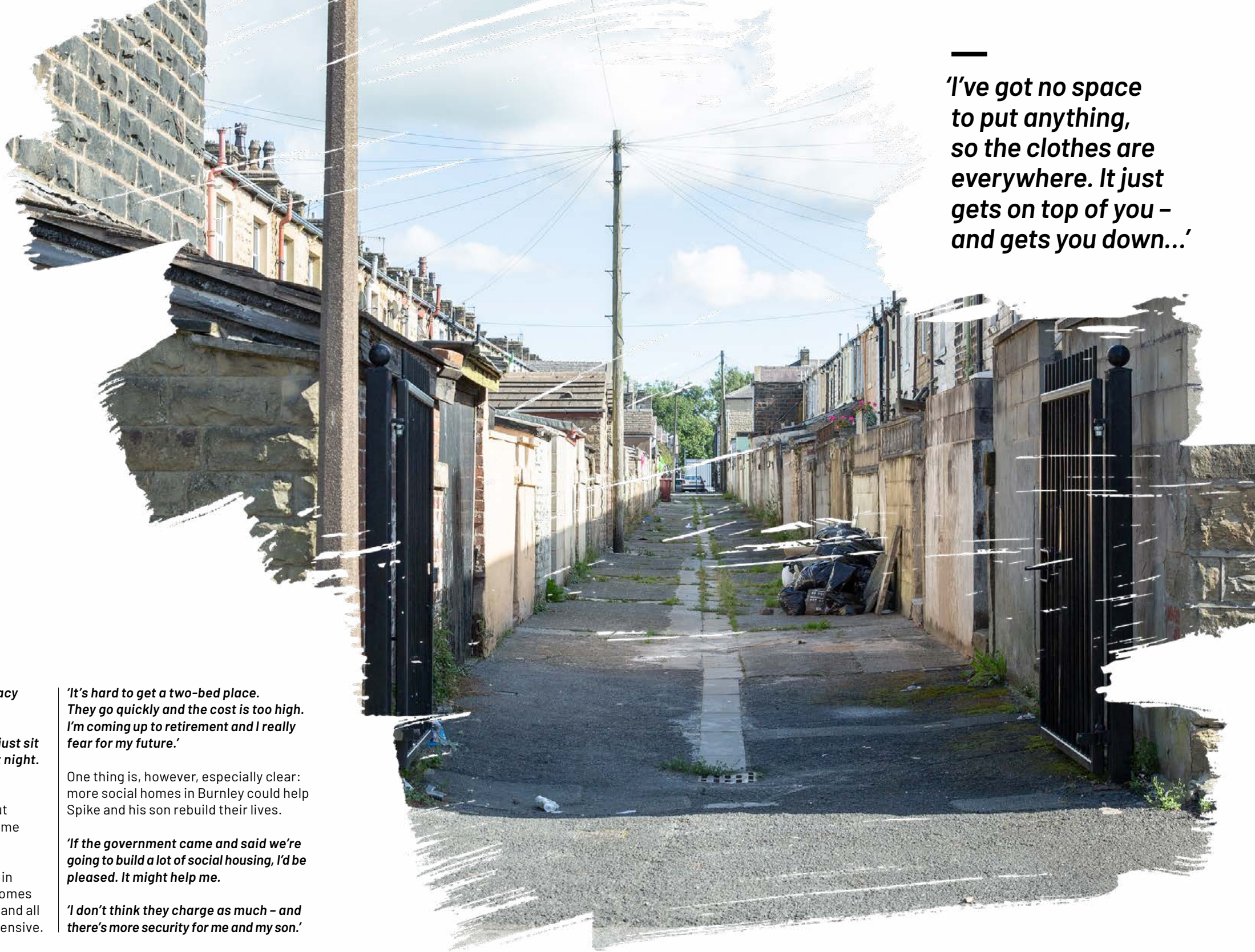
'It's hard to get a two-bed place. They go quickly and the cost is too high. I'm coming up to retirement and I really fear for my future.'

One thing is, however, especially clear: more social homes in Burnley could help Spike and his son rebuild their lives.

'If the government came and said we're going to build a lot of social housing, I'd be pleased. It might help me.'

'I don't think they charge as much – and there's more security for me and my son.'

'I've got no space to put anything, so the clothes are everywhere. It just gets on top of you – and gets you down...'



FUEL POVERTY



Poor-quality housing is leading to crippling energy bills.

Despite the low rents and house prices of Burnley's older homes, they're often energy inefficient and the bills can be crippling. This means that people and families on low incomes can face seriously high bills for housing costs like heating.

People in Burnley are being pushed into poverty by their housing costs - particularly those forced to live in the town centre's run-down and poorly insulated housing stock.

A key measure of this problem is fuel poverty.

WHAT IS FUEL POVERTY?

A household is in fuel poverty when they're left with a 'residual income' below the official poverty line, after they've paid to heat their home.^[14]

For those caught in this cycle, there's very little leftover income to spend on essentials like food and clothes.

[14] BEIS, Sub-regional fuel poverty data 2021, April 2021. Fuel poverty statistics at regional level are estimates. The estimates should only be used to identify general trends or areas with particularly high or low fuel poverty. They should not be used to identify trends over time within a LSOA or to compare LSOAs with similar fuel poverty levels due to small sample sizes.

FUEL POVERTY IN NUMBERS

FOUR THINGS YOU NEED TO KNOW ABOUT FUEL POVERTY

1

16.4% of people in Burnley were estimated to be living in fuel poverty in 2019, compared with an average of **13.4%** across England.^[15]

2

Burnley is just outside the highest **10%** for fuel poverty amongst all local authorities in England.

3

In three of the worst hit neighbourhoods in central Burnley, fuel poverty has been consistently estimated at above **30%.**^[16]

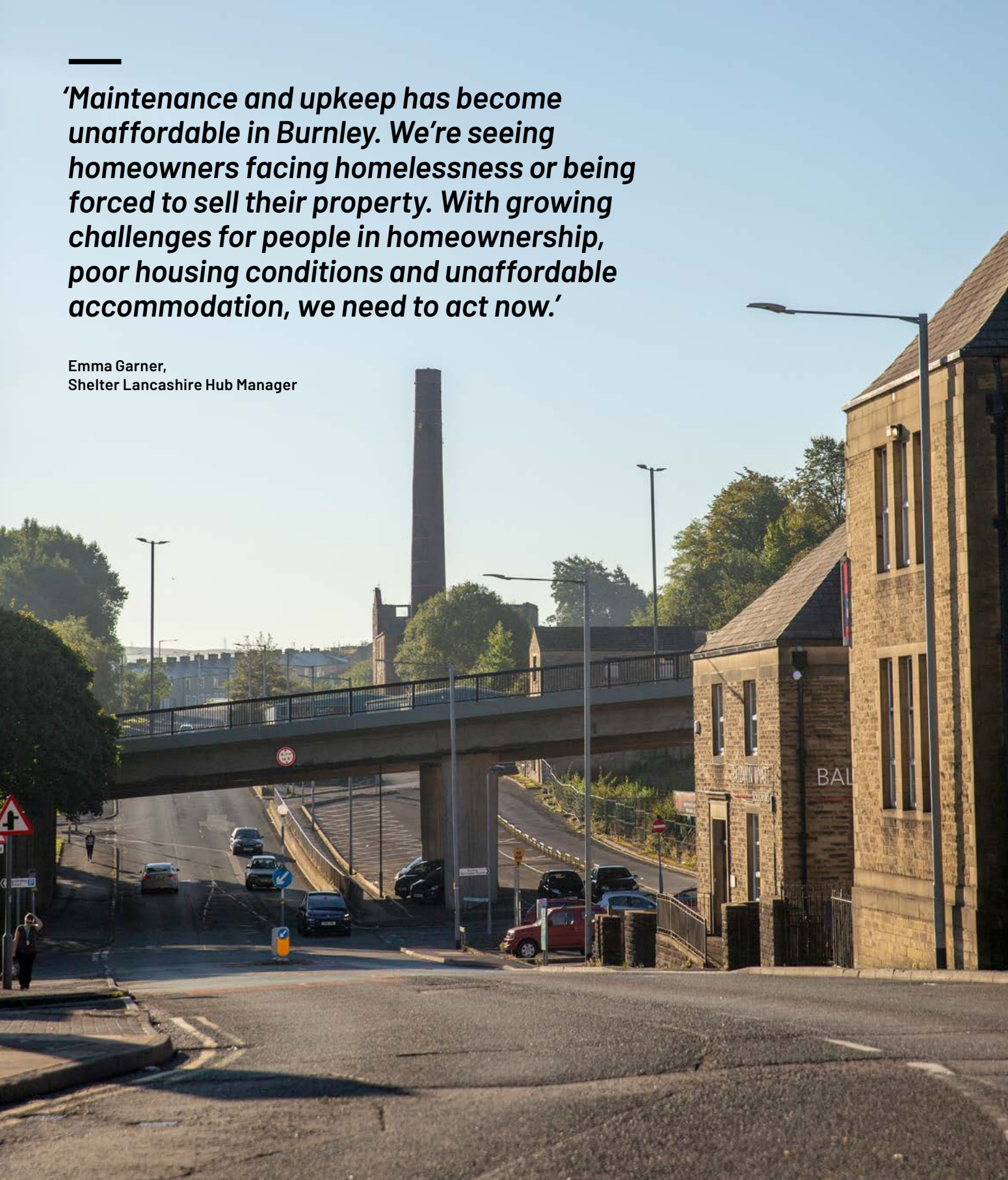
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27% of private renters were fuel poor in 2019 across England.^[17]

[15] *ibid.* [16] *ibid.* [17] *ibid.*

‘Maintenance and upkeep has become unaffordable in Burnley. We’re seeing homeowners facing homelessness or being forced to sell their property. With growing challenges for people in homeownership, poor housing conditions and unaffordable accommodation, we need to act now.’

Emma Garner,
Shelter Lancashire Hub Manager



SPOTLIGHT ON BURNLEY

PART ONE

What we're up against

HOMEOWNERS IMPACTED BY THE HOUSING EMERGENCY

Many homeowners in Burnley are faced with no option but to sell – plunging them into a world of insecurity.

It's not just renters – homeowners are also affected by Burnley's housing emergency.

According to Burnley's most recent stock conditions survey in 2009, 45.5% of owner-occupied homes failed to meet the Decent Homes Standard – which sets out the basic standards of quality we should all expect in our homes.^[18]

And the same problems are still affecting the people of Burnley today: at Shelter Lancashire, we're seeing people falling out of homeownership

because of the high costs of maintenance and essential repairs.

THE COST OF SELLING YOUR HOME

Homeowners are left with no choice but to sell their homes and often do so to private landlords or investors, rather than local owner-occupiers.

With low savings and unsteady incomes, getting a mortgage is out of the question for most local renters.^[19]

The result is a bloated, unsafe and unsuitable private rented sector.

[18] Burnley Borough Council, House conditions survey, 2009. [19] Burnley Borough Council, Burnley's local plan, 2018.

DEMAND BETTER FROM RENTING

Renting urgently needs reforming. But it won't fix Burnley's housing problems.

Private renting is precarious. While the sector has doubled in size in the past twenty years, regulation hasn't kept up.

Burnley's renters are living in unfit, unaffordable homes from which they can be evicted at any time – through no fault of their own. Burnley Council's selective licensing scheme has helped improve the way private landlords manage their properties in some areas.^[20] However, selective licensing is a local solution to a national problem.

The upcoming Renters' Reform Bill is our chance to give everywhere some of the benefits of selective licensing.

Shelter is calling for a national landlord register to help local authorities access information about landlords. This would help to make sure that rogue landlords are held to account and investigated across local authority borders.

Scrapping Section 21 could also improve conditions for renters.

As we speak, landlords can evict tenants without giving a reason. All they need to do is serve their tenant with a Section 21 eviction notice.

This makes it hard for tenants to exercise their rights.

Many renters feel like they have to put up with poor-quality, overcrowded housing and dangerous conditions because they can't afford to leave, and are afraid of being evicted.

As a result, in 2019, nearly one in five (18%) renters who'd experienced disrepair in the past five years hadn't reported it to their landlord for fear of eviction.^[21]

But, as important as these reforms are, they won't drive the system change needed in Burnley.

Private landlords will never deliver the scale of improvements needed for Burnley's housing system.

To do this and to do it properly, Burnley needs social housing.

[20] Burnley Borough Council, Statement of case for selective licensing areas in Burnley Wood with Healey Wood and Leyland Road, June 2021. [21] YouGov survey of 3,995 private renters in England, Online, 18+, weighted, Aug-Sept 2019.



INVEST IN SOCIAL HOUSING

Social housing will deliver the affordable quality housing that Burnley so desperately needs.



**ONLY 15%
OF HOUSEHOLDS
ARE RENTING FROM
A SOCIAL LANDLORD
IN BURNLEY^[22]**

The homes low-income renters can afford are run-down, cramped and poorly insulated. Meanwhile, the homes that are decent and suitable are too expensive and out of reach.

Too many private renters in Burnley are forced to choose between living with damp, mould and cold or cutting back on essentials to cover the rent.

To tackle Burnley's housing emergency and level up, it needs more *affordable quality* housing. And it needs the funding and flexibility in order to deliver it.

Investing in social housing will play a crucial role in tackling the injustice in Burnley's housing market and delivering the fuel-efficient, high-quality and genuinely affordable homes that local people need.

This would truly be levelling up.

As the government looks to level up forgotten towns like Burnley, it must ensure that the right type of housing – social housing – is delivered as part of that investment programme.

**EMPTY AND RUN-DOWN HOMES
SHOULD NOT GO TO WASTE**

Not all of the money needs to go towards brand new housing.

Buying the decaying and empty private homes in central Burnley will be a crucial part of solving the housing emergency in the town.

Refurbishing or rebuilding these homes to the highest standards and letting them out at social rents will be a crucial part of boosting the social housing stock.

However, the current Affordable Homes Programme overwhelmingly prioritises schemes that deliver *additional* housing, which makes it hard to deliver social housing for Burnley. Meanwhile, other funding pots like the Levelling Up Fund aren't set up to deliver significant numbers of social homes.

RECONSIDERING THE RULES

Overall, Burnley doesn't have the funding or flexibility it needs to begin tackling its housing emergency and to start delivering affordable quality homes for its struggling renters.

If the government is serious about levelling up in Burnley, it must reconsider the rules in its funding programme. And it must provide the boost in funding for social housing that places like Burnley so badly need.

[22] MHCLG, Live tables on dwelling stock (including vacants), Live table 100: number of dwellings by tenure and district, 2021.

PLYMOUTH



SPOTLIGHT ON PLYMOUTH

Growing numbers of people are struggling to pay the rent and falling into homelessness. But Plymouth can't build the social homes it needs.

THE SITUATION ON THE GROUND

As Covid-19 restrictions are lifted and support packages wind down, Shelter's Devon Hub is seeing Plymouth's housing problems worsen. Without the funding to build social housing, more people will be left behind.

PLYMOUTH'S KEY PROBLEMS

In Plymouth, huge numbers of people are turning to housing benefit to help pay the rent – because it's simply too expensive. Our Devon Hub and Citizens Advice Plymouth are seeing that a lack of good-quality, affordable homes is holding people back.

In summary, Plymouth is suffering from:

- 1 AFFORDABILITY**
The last year has seen huge numbers in the private rented sector having to turn to housing benefit to help pay the rent.
- 2 PANDEMIC FALLOUT**
Affordability problems have been exacerbated by the Covid-19 pandemic.
- 3 FUNDING**
Current government funding rules severely limit the amount of funding Plymouth receives to build social housing.

[23] Shelter analysis: population estimates for local authorities are derived from ONS, Subnational households by tenure estimates, and Table 1a Count of households by tenure by local authority district, England, 2012-2019, published May 2021. We've adjusted the total number of households in each local authority area using data from the English Housing Survey 2016-18 on the regional proportion of households where multiple welfare claims could potentially be made (such as multiple single adults or multiple families sharing a home) and the regional average number of adults living in such households. [24] Ibid. [25] MHCLG, Live tables on homelessness: detailed local authority level table financial year 2020-21, September 2021. [26] Ibid. [27] Ibid.

201 TOO MANY

There are currently 201 households in temporary accommodation in the local authority. This is up from 134 in 2018.^[26]

525 HOUSEHOLDS

525 households were accepted as homeless or at risk of homelessness in the first three months of 2021.^[25]

131

children are living in temporary accommodation.^[27]

43%

THE NUMBER OF PRIVATE RENTERS RELYING ON HOUSING SUPPORT TO PAY THE RENT IN MAY 2021.^[23]

34%

The number of private renters relying on housing support to pay the rent, pre-pandemic.^[24]

THE HOUSING EMERGENCY, TURBOCHARGED

Even before the pandemic, Plymouth was struggling. But now, concerns about the housing emergency are growing.

‘Citizens Advice Plymouth remains deeply concerned about the situation across the city. Covid-19 has had a huge adverse effect on so many different groups who live, work and study in our city.

‘Many are sleepwalking into a debt crisis. This report should be a wake-up call to those who have the power and influence that our city needs to build more social housing.’

**Tom Godwin, Director of External Affairs,
Citizens Advice Plymouth**

Historically, low rents and house prices in Plymouth reflected the relatively low average earnings in the city. But over the last decade, house prices have risen – while people’s incomes haven’t kept pace.^[28]

An increasing number of renters are relying on housing benefit to pay their rent. And it’s often not enough to help them make ends meet.

THE PROBLEM IS GROWING
Between February 2018 and February 2020, the number of private renters claiming local housing allowance (LHA) (housing benefit for private renters) in Plymouth increased by 10%.

Even before the pandemic, 34% of people were claiming LHA to help pay their rent.^[29]

THE PANDEMIC HAS MADE ALREADY GROWING PROBLEMS WORSE
In the past year, house prices have risen in Plymouth by 8% overall – and nearly 2% in August alone.^[30]

We know that house prices and rents influence each other. Local agents are reporting rises in demand for rental properties in some areas and in many cases, it’s leading to an increase in rents.

But it’s not just people on lower incomes who are bearing the brunt of this emergency.

As housing costs rise and livelihoods are impacted by the pandemic, the numbers of people claiming housing benefit to help pay their rent have rocketed. Now, people and families on middle incomes are struggling to stay on top of their housing costs too.



[28] Plymouth City Council, Plymouth report, 2019. [29] Shelter analysis: population estimates for local authorities are derived from ONS, Subnational households by tenure estimates, and Table 1a Count of households by tenure by local authority district, England, 2012-2019, published May 2021. We’ve adjusted the total number of households in each local authority area using data from the English Housing Survey 2016-18 on the regional proportion of households where multiple welfare claims could potentially be made (such as multiple single adults or multiple families sharing a home) and the regional average number of adults living in such households. [30] HMLR, House Price Index, August 2021.

'When we got the eviction notice, I didn't know what would end up happening and I was thinking: what if I'm on the street with my kids?'

UPROOTED AND UNDER STRESS

'Housing is definitely the biggest stress in my life. We have to cut back a lot.'

Katie and her family have been waiting for a social home for six years.

Unable to keep up with the rent, they're constantly forced to move home.

Katie lives with her partner and her three kids, aged 12, 10 and two.

After moving to Plymouth back in 2015, they've struggled to find a safe, secure home they can afford. This is because the private rental sector is becoming more unaffordable, and – ultimately – unfair.

The constant threat of eviction is affecting her family's wellbeing.

Forced to move three times in the last six years, Katie and her partner are now struggling to make ends meet.

'When we got the eviction notice, I didn't know what would end up happening and I was thinking: what if I'm on the street with my kids?'

'We got our last house for £750, and the cheapest we could find two years later was £850, so it's gone up £100 but obviously our money doesn't increase. So we're not really having enough money to live on but rents are going up. Housing is definitely the biggest stress in my life. We have to cut back a lot.'

Due to a lack of social housing, Katie and her family are still stuck in a private rental that they can't afford, even with housing benefit – it's too expensive. But her chances of being offered a social home are small.

'I don't think we'll ever get a council house – they say bid as much as you can, but it feels like a waste of time, as we're always over 100 in the queue. I know it'll never get to us...'

LOSING A LIFELINE



The furlough scheme and the £20 uplift to Universal Credit were vital lifelines during the pandemic. But now they're cut the housing emergency could get much worse.

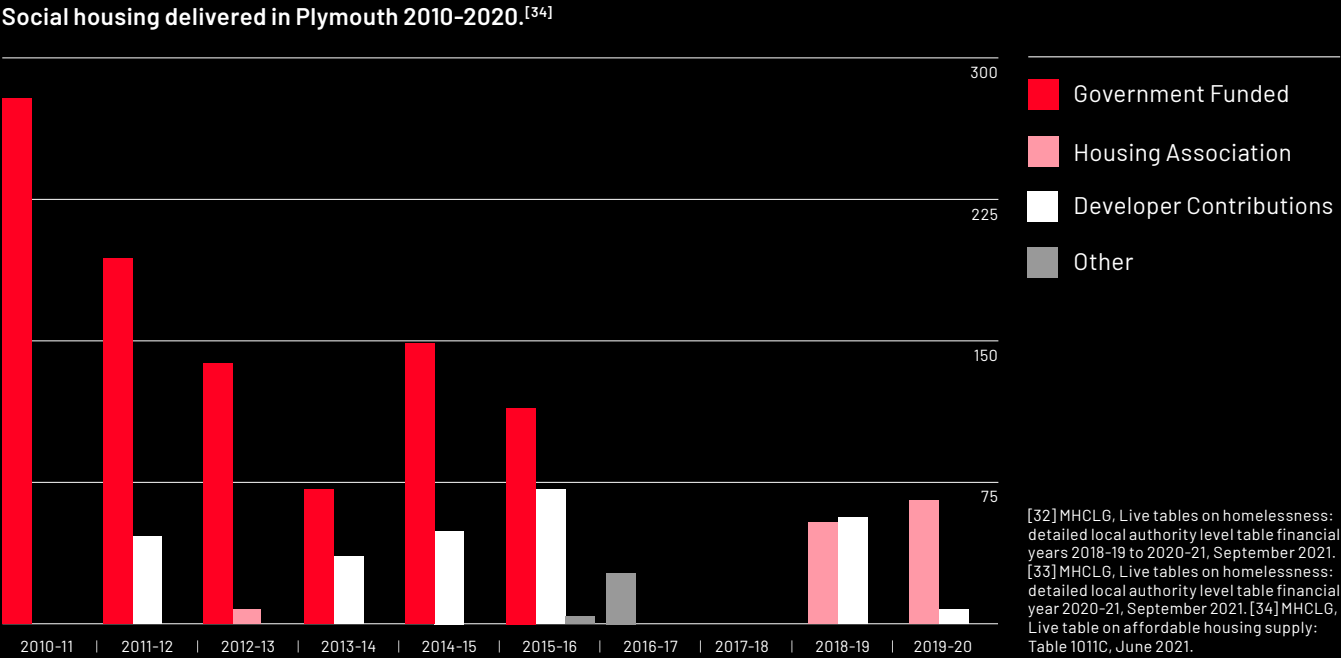
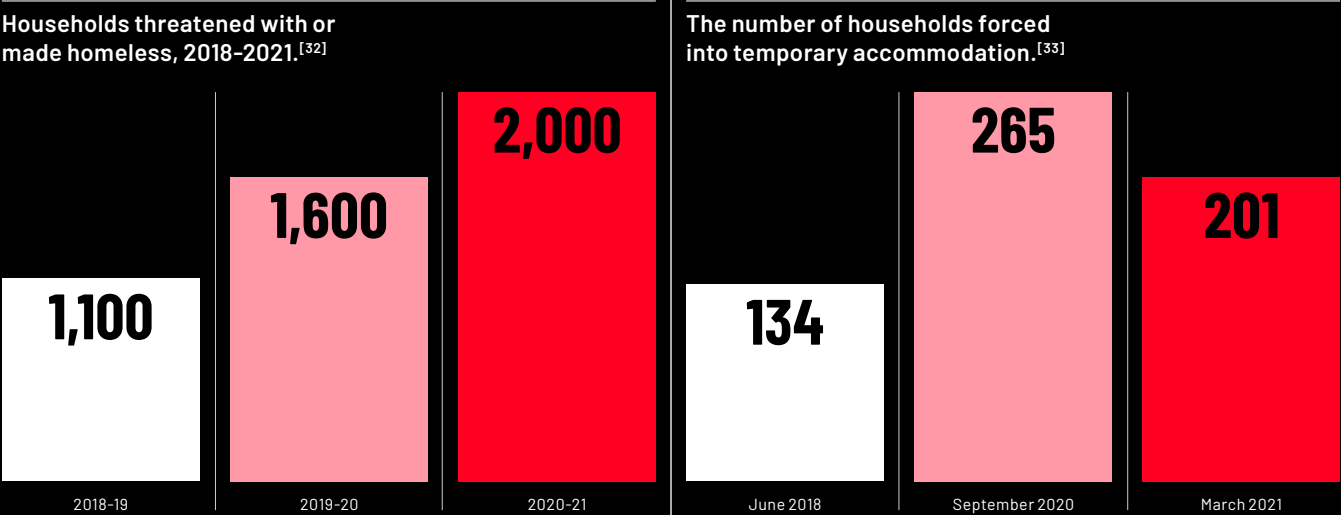
The furlough scheme, the pause on evictions and the £20 uplift to Universal Credit weren't enough to guarantee everyone a safe, secure and affordable home. But for many people, these measures have been vital lifelines during the pandemic. Their sudden end will see poverty and housing problems worsen in the area.

The frequent moves and poor conditions endured by people facing homelessness is causing serious disruption to their lives. And this includes families – the anxiety of changing schools and homes negatively impacts children's education and can harm their mental health and wellbeing in the long-term.^[31]

[31] M. Marmot, Health equity in England: the Marmot review 10 years on, February 2020; Shelter, Building for our future, January 2019.

PLYMOUTH IN NUMBERS

EVEN BEFORE THE PANDEMIC PLYMOUTH WAS STRUGGLING



BREAKING DOWN BARRIERS

—

SCRAPPING RESTRICTIONS ON INVESTMENT, SO THAT PLYMOUTH CAN GET THE FUNDING IT NEEDS TO BUILD SOCIAL HOUSING, IS AN IMPORTANT FIRST STEP

[35] ONS, Private rental market summary statistics 2020-21, June 2021; Regulator of Social Housing, Registered provider social housing by Local Authority area 2020, 2021. [36] MHCLG, Live table 600: Numbers of households on local authorities' housing waiting lists 31 March 2020, June 2021; MHCLG, Live tables on affordable housing supply: table 1011c, June 2021. [37] MHCLG, Live table on affordable housing supply: Table 1011C, June 2021. [38] Bids for social rent housing will only be accepted in these areas where the grant funding per home requested in the bid is 'no more than it would be for Affordable Rent' housing. MHCLG, Apply for affordable housing funding, September 2020.



Why Plymouth isn't building the social homes it needs.

The lower rents and greater security in social housing can give people and families in Plymouth the cushion they need. This can prevent short-term drops in income from becoming long-term crises of homelessness, insecurity and debt.

Social housing can offer a secure, stable foundation. A foundation for the people of Plymouth to build their lives on and take advantage of opportunities that come with investment and economic growth.

Social housing with rents pegged to local incomes has always been the most affordable type of housing in this area. The average monthly private rent in Plymouth (all sizes) is £595, while 'general needs' social rents average at just £323.^[35]

Prior to the pandemic, only small numbers of social-rent homes were being built in Plymouth.

There are currently 7,800 households waiting for a social home, but only 24 were built in 2019-20 and 808 built in the last decade.

That's nowhere near enough to start addressing the city's need for low-cost renting.^[36]

PLYMOUTH CAN'T BUILD THE HOMES IT NEEDS

Right now, new social housing in Plymouth is only being delivered by housing associations or secured by the council as contributions from private developers (known as section 106 obligations).^[37] This means that barely any social homes are built. If it's to start meeting the need for social housing,

Plymouth needs funding from the government.

GOVERNMENT FUNDING RULES STOP SOCIAL HOUSING BEING BUILT

Plymouth has fallen foul of the government's geographical restrictions in the newly announced Affordable Homes Programme (2021-2026).

These rules cap the funding available in areas where average private rents are under £50 per week more expensive than social rents.^[38]

This means Plymouth can't secure the right level of grant to make building social homes possible in the city.

SCRAP THE RESTRICTIONS...

The housing emergency in Plymouth is pushing people into crisis.

But if we invest in social homes, we can build our way out with good-quality, genuinely affordable housing for local people.

Scrapping the restrictions on investment, so that places like Plymouth can bid for the funding they need to build social housing, is a small and important first step.

...AND INVEST IN SOCIAL HOUSING

If the government truly wants to level up in Plymouth, it must recognise the need for much more social housing and invest through its levelling up agenda.

Without removing the barriers to building social housing, alongside a boost in government funding, the numbers of new social homes will remain too low to serve Plymouth's low-income families and people in vital need of support.

SHEFFIELD



SPOTLIGHT ON SHEFFIELD

Homes aren't fit to live in. Rents are pricing people out. And all the while, we're losing more social housing each year.

THE SITUATION ON THE GROUND

Housing problems in the city have got worse in recent years. And Covid-19 exposed them, leaving thousands of people fighting to find an affordable, good-quality place to live.

SHEFFIELD'S KEY PROBLEMS

In Sheffield, there are big divides between people and places. Increasingly expensive housing in the west is making it harder for people to find a home that's genuinely affordable to them. In the east, people's incomes are lower and far too many are being priced out of private renting – or enduring poor conditions. To make matters worse, with a rapidly declining stock of genuinely affordable social homes, their safety net is vanishing fast.

In summary, Sheffield is suffering from:

- 1 UNAFFORDABLE RENTS**
Low-income households have problems paying private rents across the city.
- 2 POOR-QUALITY PRIVATE RENTALS**
Unfit private-rented homes tend to be more concentrated in low-income areas.
- 3 NET LOSS OF SOCIAL HOMES**
Every year social homes are lost, despite the city needing more.

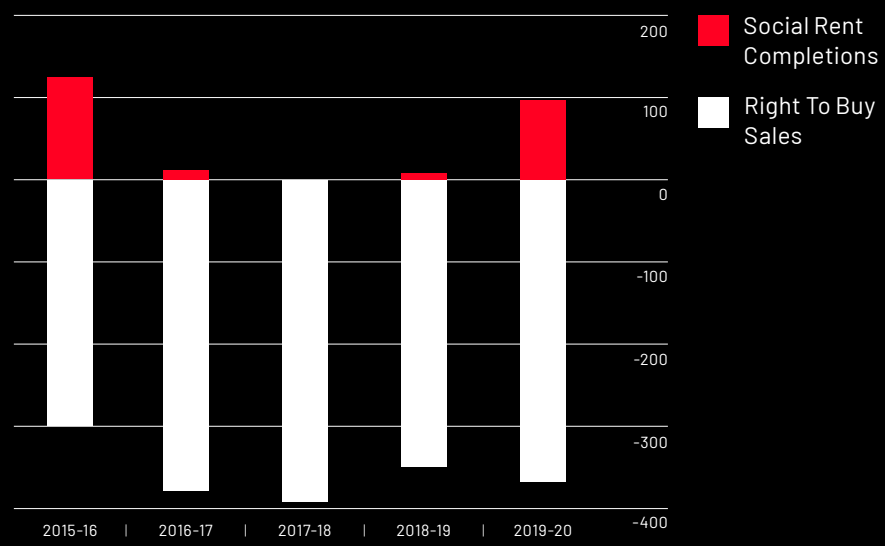
[39] DWP, Stat X-plore, Accessed October 2021.
[40] BRE, Sheffield integrated housing stock modelling database report, July 2017. [41] MHCLG, Live tables on homelessness: detailed local authority level table financial year 2020-21, September 2021. [42] Net loss statistic is calculated by subtracting Right to Buy sales (MHCLG, Live tables on social housing sales: table 691 quarterly Right to Buy sales, by local authority) from social rent completions (MHCLG, Table 1011c) from 2015-16 to 2019-20. The actual net loss figure is likely to be greater as this calculation excludes demolitions of social housing and conversions to other types of housing for which local authority level statistics are not available.

28% of private rentals contain **Category One hazards** such as excess cold or risk of falls, compared with just 4% in the social-rented sector.^[40]

NEARLY 3,000 HOUSEHOLDS

were made homeless or threatened with homelessness in 2020-21.^[41]

1,500 more social homes lost than built 2015-20.



46% increase

in the number of private renters claiming housing benefit to help pay the rent between February 2020 and April 2021.^[39]

MORE THAN 1,500

SOCIAL HOMES HAVE BEEN LOST IN THE LAST FIVE YEARS.^[42]

SHEFFIELD'S HOUSING PROBLEMS

In the old industrial east, poverty is more widespread. Meanwhile in the west, we find some of the most affluent neighbourhoods in the country...

People in Ecclesall Ward, south-west Sheffield, are estimated to live around 10 years longer than those in Firth Park and Burngreave in the east.^[43]

These divides characterise the housing emergency in Sheffield, but they don't tell the full story. Across the city, people are in unsafe homes and struggling to pay rent.

Rightmove data shows rent increases in most areas of Sheffield. But with rents especially high in areas in the west, it's pricing out those on low incomes.^{[44][45]} And while rents are lower in the east, incomes are too, meaning affordability is still an issue.

In every part of the city, people out of work or on low incomes are struggling. A 2019 Sheffield and Rotherham Housing Market Assessment found that in 13 of 19 areas in the region, one third of all households were priced out of private renting.^[46]

And lower rents in the east of Sheffield often reflect poorer-quality housing.



In 2012, the Sheffield Fairness Commission found almost half of private-rented properties in the north-eastern area failed to meet the Decent Homes Standard.^{[47][48]}

In 2017, these problems with private renting were found to be still affecting people.^[49]

For those impacted by Sheffield's housing emergency, the long-term effects of living without secure, good-quality, affordable housing are significant.

**A 2019 ASSESSMENT
FOUND THAT IN 13
OF 19 AREAS IN THE
REGION, ONE THIRD
OF ALL HOUSEHOLDS
WERE PRICED OUT
OF PRIVATE RENTING**

[43] Sheffield City Council, Sheffield Joint Strategic Needs Assessment: Life expectancy, June 2019.
[44] Rightmove, Sheffield: Average private rents by ward, Q1 2014 to Q1 2021.
[45] Sheffield City Council, The Sheffield plan: Issues and options, 2020.
[46] Sheffield City Council, Sheffield and Rotherham Strategic Housing Market Assessment 2018, July 2019.
[47] Sheffield City Council, The Sheffield Fairness Commission, January 2013.
[48] DCLG, Decent Homes Standard update, June 2006.
[49] Sheffield City Council, Sheffield Fairness Commission annual review, 2017.

A SAFETY NET FOR FAMILIES

SPOTLIGHT ON SHEFFIELD
PART ONE
What we're up against

For four long years, Catherine was fighting for security in the face of rising rents and homelessness – until she finally found the social home that she and her two kids had been waiting for...

'We had to live with my parents for a year. I managed only because Mum and Dad were there. I couldn't have gone through it twice.'

Still unable to find a social home, Catherine had to rent privately for four years. The rising cost of rent alongside her disability meant she had to rely on housing benefit and cut back on essentials.

Catherine and her kids were thrown into another crisis when their tenancy was up for renewal. Unable to find a guarantor, they were made homeless and separated.

'When I left, the landlord put the rent up £100. I knew I'd never be able to afford somewhere else, as I could only just afford there. I was put in temporary accommodation while the kids had to stay with my parents.'

Eventually, Catherine and her kids were placed in a social home.

'My daughter's birthday was in October. She wished for a house. Then, in November, we got one. My daughter has been unsettled since she was four. She's been in and out of places, not knowing where home is, and now she talks about going home for the first time. It's amazing.'

Social housing has changed Catherine's family's life.

'They are chucking houses up but they aren't affordable. We need more social housing. It's not rocket science.'

COVID-19 IS MAKING A BAD SITUATION WORSE

A recent Sheffield University analysis found that, as the pandemic collides with pre-existing inequalities, many neighbourhoods are at significant 'recovery risk' – especially in the east of the city.^[50]

As a result, we can expect to see an increase in households claiming benefits to pay expensive private rents. Between February 2020 and April 2021, there'd already been a 46% increase in private renters claiming housing benefit.^[51]

The end of furlough and the £20 cut to Universal Credit will only make this problem worse, pulling the rug out from under thousands of families.^[52] The city faces growing rent arrears and a surge in evictions as the government pulls away these lifelines.

[50] University of Sheffield, Covid-19 places economic recovery index, August 2021. [51] DWP, Stat-Xplore, Accessed October 2021. [52] Nearly 50,000 (48,791) people in Sheffield claim Universal Credit as of September 2021. Source: Citizens Advice Sheffield, Citizens Advice Sheffield clients call on government to 'Keep the Lifeline', September 2021.

SHEFFIELD'S FUTURE

‘Our teams work with people in crisis – week in, week out – and we see huge numbers fleeing domestic abuse. Awful circumstances shouldn’t determine whether we have a place to call home or not. But without the right housing, this is often the case.’

Tracey Nathan,
Shelter Sheffield Hub Manager

SPOTLIGHT ON SHEFFIELD

PART TWO

Tackling problems in Sheffield

Social housing could give people the safety net they need. And help them rebuild their lives.

SHEFFIELD NEEDS SOCIAL HOUSING

A rapidly declining stock of social homes left many people in poor-quality, insecure, expensive, private-rented homes throughout the pandemic. Huge numbers of people lost income and had to turn to housing benefit to pay the rent. But all too often, this didn’t cover their rent and many people built up arrears. And over the last year, they were forced to endure successive lockdowns in cold and damp homes.

Social housing would have given people a more solid foundation. The average rent for a social home in Sheffield is £317, compared to £575 in the private-rented sector. This extra breathing space would’ve meant that a drop in income posed less financial threat to renters and ultimately, less threat of eviction.^[53]

And as the nation was told to ‘stay at home’, social housing would’ve also provided a safer place to lock down. In 2017, 28% of private-rented homes in Sheffield had Category One hazards like excess cold or risk of falling, compared with just 4% of social homes.^[54]

Social housing is a vital safety net for people in all kinds of crisis.

Out of almost 2,500 Sheffield households made homeless between April 2020 and March 2021, 22% were fleeing domestic

abuse and 21% had drug dependency needs.^[55] And with many jobs still on furlough when the scheme came to an end, many more people are still at risk of being plunged into crisis.^[56] Right now, social housing in Sheffield matters more than ever.

BUT SHEFFIELD’S LOSING THEM

Between March 2015 and April 2020, 1,812 social homes were sold in Sheffield through the Right to Buy Scheme. In that same period only 229 were built.^[57]

Before we even consider the social homes that were demolished, this represents a net loss of over 1,500 social homes. And yet, 23,000 households sit on the social housing waiting list.^[58]

To plug the gap, Sheffield City Council is embarking on a programme to build over 3,000 new council homes by 2029.^[59] But without proper support, it won’t be enough to tackle Sheffield’s housing emergency.

PROBLEMS WITH GETTING FUNDING

Under the government’s Affordable Homes Programme, building social housing in Sheffield has been almost impossible. Until 2021, geographical restrictions prevented the city getting funding for it altogether.^[60] And while the area is now eligible, the way money is allocated is still flawed.

To ration a small national pot, the programme prioritises schemes with the lowest cost per home. This means delivering the right amount of good-quality, environmentally friendly social homes isn’t possible because it costs more than other types of ‘affordable housing’ to build.

Providers are instead forced to settle for building Affordable Rent homes. With an average rent £20 higher *per week* than social housing, Affordable Rent is not affordable for many.^[61]

Renters deserve better. Local people in Sheffield need genuine, lasting security at a price that’s fair. To truly level up the city, we need to break down the barriers to investment and provide the funding to ensure Sheffield can build the good-quality, genuinely affordable social homes it needs.

[53] ONS, Private rental market summary statistics 2020-21, June 2021; Regulator of Social Housing, Registered provider social housing by Local Authority area 2020, June 2021. [54] BRE, Sheffield integrated housing stock modelling database report, July 2017. [55] MHCLG, Live tables on homelessness: detailed local authority level table financial year 2020-21, September 2021. [56] HM Revenue and Customs, Coronavirus Job Retention Scheme statistics: 9 September 2021, September 2021. [57] MHCLG, Live tables on social housing sales: table 691 quarterly Right to Buy sales, by local authority.; MHCLG, Live tables on affordable housing supply, table 1011c. [58] MHCLG, Live table 600: Numbers of households on local authorities’ housing waiting lists 31 March 2020, June 2021. [59] Sheffield City Council, Increasing council homes, August 2021. [60] MHCLG, Affordable Homes Programme 2016-21: Addendum to the prospectus, June 2018. [61] Regulator of Social Housing, Registered provider social housing by Local Authority area 2020, 2021.

WE CAN TRULY LEVEL UP

How social housing
can help level up the country.

BUILDING OUR WAY OUT

The housing emergency hits every part of this country.

Our three case studies – Burnley, Plymouth, Sheffield – highlight examples of the different types of housing problems we see growing in places that have been identified as left behind.

As the government turns its attention to boosting living standards and restoring local pride in these forgotten places, the provision of genuinely affordable, good-quality homes must be at the heart of that vision. This means investing in social housing. Without it, many more people risk being left behind.

A LACK OF
SOCIAL HOMES
LIES AT THE
ROOT OF THE
HOUSING
EMERGENCY
IN THESE AREAS



BEHIND THE AVERAGES

For years, simple metrics have guided government policy on housing, like whether an ‘average’ person can buy an ‘average’ house. But averages can be misleading. Crude assessments like these are hiding the desperate need for social housing across the country.

Our case studies of Burnley, Plymouth and Sheffield show how, despite low house prices in many areas outside London and the South-East, finding a home that’s both affordable and good-quality is out of reach for far too many people.

THE PANDEMIC DIDN’T CAUSE THE HOUSING EMERGENCY. IT EXPOSED HOW FRAGILE OUR HOUSING SYSTEM IS

STRUGGLING TO PAY THE RENT

Households on low incomes are struggling to pay the rent in left behind places.

Low housing costs in areas like Burnley, Plymouth and Sheffield often reflect low average incomes or a lack of well-paid, full-time work available. This means, safe, secure housing is still out of reach for many people in these areas.

The steep rise in households claiming housing benefit during the pandemic reveals just how many people are living on the edge in places like these – paying rents they can’t really afford.

This forces people to cut back on essentials like food and heating. And if their rent goes up or their income takes a hit, they quickly fall into arrears and risk being evicted.



A DIRE LACK OF AFFORDABLE, QUALITY HOUSING

Like so many other places, Burnley, Plymouth and Sheffield are also characterised by divided housing markets. Average rents and house prices across whole local authorities often hide the real story.

Renters in under-invested places like the central wards of Burnley face a stark choice: live in old, cheaper housing that’s run-down or live in newer, better-quality housing that’s too expensive.

And, if we factor in the high energy bills in poor-quality housing, we find there’s no real cheaper option.

People’s housing is pushing them into poverty.

THE LEVELLING UP FUND COULD MAKE THINGS WORSE

Investment in infrastructure – transport connections, new facilities, restaurants and pubs – is needed. But there’s no guarantee that these new projects will benefit those who’ve lost out most through underinvestment.

As funding for regeneration flows in, rents and house prices might grow too steep for local people. This means we risk more people being left behind.

But it doesn’t have to be this way. Delivering homes for local people – good-quality, green, genuinely affordable homes that stay affordable over time – will anchor communities in their areas and ensure they benefit from the levelling up agenda.

FINDING A HOME THAT’S BOTH AFFORDABLE AND GOOD-QUALITY IS OUT OF REACH FOR FAR TOO MANY PEOPLE

Problems with funding social housing.

RESTRICTIONS IN THE AFFORDABLE HOMES PROGRAMME

THE AFFORDABLE HOMES PROGRAMME

The Affordable Homes Programme 2021-26 is the main funding pot for ‘affordable housing’.^[62]Through the programme, councils and housing associations bid for funding to deliver homes below market prices in their areas.

These can be homes let at social rents. But they could also be Affordable Rent homes, intermediate rent homes and so-called ‘affordable homeownership’ products such as Shared Ownership and First Homes.

NOT ENOUGH MONEY FOR SOCIAL HOUSING

Social-rent homes are the most affordable type of housing. But the Affordable Homes Programme has some major limitations that prevent places from building the social housing they so desperately need.

In short, there’s only a small amount of funding in the pot for social housing nationwide.

The government has promised £12 billion in the pot overall – which isn’t enough – and of that £12 billion, social housing will receive only a small portion.

In order to ration such a small pot of money, the programme contains restrictions. These restrictions limit which places can build the social homes they need.

GEOGRAPHICAL RESTRICTIONS: THE £50 RULE

The first of these restrictions is ‘the £50 rule’.

Unless private rents in an area are, on average, £50 per week more expensive than social rents, local social housing providers can’t get any more grant money per home than would be needed to build an Affordable Rent home.

This cap stops many areas from getting enough funding per home to actually deliver social housing. Take Bolton for example. Here the average social rent is £48 cheaper per week (over £200 per month) than the average private-rent home. As a result, the £50 rule prevents Bolton from getting enough funding per home to build new social housing, despite a clear need for it.^[63]



THERE’S ONLY A SMALL AMOUNT OF FUNDING IN THE POT FOR SOCIAL HOUSING NATIONWIDE

LOW GRANT RATES

Grant rates are the amount of funding available per home and they’re also often too low.

To further ration the small pot of funding, the Affordable Homes Programme make use of ‘cost minimisation’ as its primary assessment metric.

This means it prioritises bids for funding that deliver the most homes with the least amount of money.^[64]

Related to this is the fact that social housing has the lowest rents of any type of so-called ‘affordable housing’.

Ultimately, this means the gap between rental income and what it costs to build a social home is typically bigger. As a result, the grant needed to make up the difference is also generally larger.

In practice, this often stops local authorities and housing associations from building the social housing they want to build. That’s because the ‘cost minimisation’ metric explained above makes it very hard to get funding to build social homes.

FUNDING IS TOO RIGID

The programme also overwhelmingly prioritises new-build housing and you can usually only access funding if you’re increasing the number of homes overall. It also explicitly rules out funding for works to existing homes unless they’re empty.

And that’s a problem.

In places like Burnley, it isn’t always new social homes that are needed. Often, it’s about improvement works to existing housing or changing the types and sizes of homes.

The funding rules in the programme make it much harder to deliver social housing in a way that works for every area – making it much harder to genuinely level up.

IT’S ALSO TOO SHORT-TERM

Announcing funding in only five-year tranches drastically limits what social housing providers can do with that money. It makes them more cautious with their development pipelines because of a lack of long-term predictability, limiting the number of social homes they can deliver and the speed with which they can do it.

SOCIAL HOUSING NEEDS A BIGGER SLICE OF THE PIE

The government has allocated funding for 30,000 social homes over the next five years, most of which are planned for London. Many places are likely to be delivering none despite a clear need, including areas that have been identified as left behind.^[65]

But social housing has a huge role to play outside of London and the South-East. Recognising this fact means we need to rethink ‘affordable housing’ funding. It means we need a bigger pie overall and social housing needs a bigger slice of that pie.^[66]

[62] MHCLG, Apply for affordable housing funding, September 2020. [63] ONS, Private rental market summary statistics 2020-21, June 2021; Regulator of Social Housing, Registered provider social housing by Local Authority area 2020, June 2021. [64] MHCLG, Apply for affordable housing funding, September 2020. [65] MHCLG, Press release: £8.6 billion for affordable homes to give boost onto housing ladder, August 2021. [66] National Housing Federation, Capital grant required to meet social housing need in England 2021-2031, June 2019.

We must build *social housing*.

OUR RECOMMENDATIONS

Local people and communities must be anchored at the centre of the levelling up agenda. We must ensure that those who’ve been left behind for so long are brought along. This means delivering good-quality homes that local people can afford.

1 CREATE A 10-YEAR AFFORDABLE HOMES PROGRAMME

We call on the government to announce the next tranche of funding now, rather than wait until 2026.

This will give local authorities and housing associations more long-term certainty, allowing them to deliver more homes at a faster pace.

2 REMOVE THE RESTRICTIONS AND BARRIERS

We call on the government to remove all restrictions and barriers to delivering social housing in the next tranche. Chiefly, this means:

- scrapping the geographical restrictions ('the £50 rule') in the Affordable Homes Programme
- overhauling the existing bid-assessment criteria so we don't only prioritise the lowest grant schemes
- allowing for greater flexibility in grant spending

This will allow local social housing providers to access enough grant money to build good-quality, genuinely affordable social homes in the ways that suit their areas most.

MAKE SOCIAL HOUSING PART OF THE LEVELLING UP AGENDA

3 MAKE SOCIAL HOUSING PART OF THE LEVELLING UP AGENDA

We call on the government to match every pound spent on infrastructure through the levelling up agenda with new funding for social housing.

As new investment from the £4 billion Levelling Up Fund pours into local areas in the form of new roads, bus lanes, bridges and town centre improvements, housing could become more expensive and people risk being priced out of their areas.

If levelling up is to mean anything at all, we need to make sure everyone who's been left behind is brought along.

There must be a plan that ensures local people will benefit in the growth that comes from levelling up. And this starts by delivering homes for local people – good-quality social homes with rents pegged to local incomes that stay affordable over time.



CONCLUSION

At Shelter, we have the knowledge and expertise to help fix the housing emergency. *We want to work with MPs to level up left behind places by investing in social housing.*

TALK TO US AND TAKE ACTION

LET’S BUILD A BETTER FUTURE FOR FAMILIES ACROSS THE COUNTRY – TOGETHER.

For more information, and to find out how you can make this vision of social housing a reality for so many overlooked areas, email us at:

public_affairs@shelter.org.uk



SOCIAL HOUSING
GIVES PEOPLE
A FOUNDATION
TO THRIVE



WITHOUT SOCIAL HOUSING, HOW CAN WE EVEN BEGIN TO LEVEL UP?

To learn more, email us at:

public_affairs@shelter.org.uk

We'll get back to you as soon as we can.



We exist to defend the right to a safe home and fight the devastating impact the housing emergency has on people and society.

We do this with campaigns, advice and support – and we never give up.

We believe that home is everything.

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