COMMUNITY LINKS

Housing and Mental Health

What does the current evidence tell us?

The Hadley Trust

Housing and mental health

1. <u>Key facts</u>

- Housing costs have grown quicker than wages in recent years, contributing to a crisis in housing affordability.

- Low levels of affordable and social home building have exacerbated this crisis, whilst Right to Buy has facilitated the transfer of existing housing stock from the social sector to the private rented sector (PRS).

- The unequal relationships between tenants and landlords, and inadequate regulation, have facilitated further rent increases, unsecure tenancies and poor housing conditions in the PRS.

- Many of these issues are particularly acute in London; even more so in our local borough Newham. Community Links therefore sees the impact of the housing crisis on the mental health and wellbeing of our local communities, and it is imperative that this is better understood.

- The best evidence on housing and mental health has highlighted the potential negative mental health impacts of unaffordable housing and falling into rent / mortgage arrears. On the issue of housing quality, research has highlighted that housing quality is a key determinant of health, and has demonstrated the potential positive mental (and physical) health outcomes which can be achieved through housing interventions (such as energy efficiency improvements, tackling damp, housing relocation).

2. <u>Introduction</u>

The importance of housing to the wellbeing of individuals and communities has long been recognised. Beyond their immediate function as a place of shelter, homes offer families "a place of refuge, personal security, identity, and freedom".[1] However, the cost and quality of homes can also have a significant impact on tenants and homeowners, and the issue of housing has been a key social and political struggle over the past century. One hundred years ago, as the First World War was nearing its end, there were demands that "at least a million new houses must be built at once at the State's expense, and let at fair rents, and these houses must be fit for men and women to live in". After the Second World War, Minister for Health Aneurin Bevan argued that the Labour government would be "judged for a year or two by the number of houses we build; we shall be judged in 10 years' time by the type of houses we build".[2]

Flash forward to the present day, and the housing crisis (or crises) in the UK appears to be having a bigger economic impact on households than ever. A third of young people may never own their own home and many remain trapped in a highly insecure PRS; high rents and house prices are pushing families into debt; and inadequate development regulation appears to be producing an insufficient quantity and quality of housing.[3]

Beyond the immediate economic impact this crisis is having upon households, there is a growing body of evidence that housing issues can negatively impact mental health. Shelter's nationally representative survey in 2017 found that 1 in 5 English adults (21%) believed a housing issue had negatively impacted upon their mental health in the last 5 years.[4] Within this context, Community Links has produced the following paper to better understand the potential impact of the current housing crisis on the mental health of our local community.

First, we provide an overview of the current housing crisis in the UK, covering trends in housing affordability, housing debt, overcrowding, households in temporary accommodation, and the specific impacts these trends are having on households in London and Newham. We have then assessed the current existing literature on the impact on mental health of housing issues including: housing (un)affordability; rent arrears / mortgage debt; and overcrowding / poor living conditions. We conclude our paper with an analysis of the key causes and drivers of the issues highlighted throughout, and summarise key policy recommendations. In doing so, we aim to make a positive, targeted intervention into current policy debates on housing in the UK, and have a positive impact on the mental health and wellbeing of our community.

[1] Lauren M. Ross and Gregory D. Squires, 'The Personal Costs of Subprime Lending and the Foreclosure Crisis: A Matter of Trust, Insecurity, and Institutional Deception', *Social Science Quarterly*, 92:1 (2011), pp.140-163 (p.144).
[2] Anthony Broxton, 'Let's Build The Houses Quick! How Labour tackled previous housing crises', *The Tides of History*.
[3] Resolution Foundation, 'Up to a third of millennials face renting from cradle to grave', 17 April 2018.
[4] Shelter, *The impact of housing problems on mental health* (Shelter: London, 2017), p.11.

3. <u>Overview of the current housing crisis in the UK</u>

i.   Affordability

- Since 1997, house prices across England and Wales have grown quicker than wages, with the ratio of median house prices to median gross annual workplace-based earnings increasing from 3.55 to 7.59. This growing affordability gap has been most stark in London.[5]

- This growing ratio causes a widening funding gap for prospective homebuyers, particularly those on lower incomes. The larger this ratio grows, the more difficult it becomes for these families to gain access to credit to purchase their own home, meaning that home-owning increasingly becomes a restricted privilege.

- Average private sector rent as a proportion of median monthly earnings in the UK is 27.7%. However there are severe geographical inequalities; in London PRS rents are 48% of average earnings.

- Social rents as a proportion of lower tenth percentile earnings have increased from 26.6% in 1997 to 31.51%.[6]

- The number of renters in the private sector has increased sharply since the turn of the century, whilst the number of renters in social housing has been in steady decline since 1990. Since 2008 there have been more renters in the private sector than in the social sector (for the first time since the 1960s).[7]

- According to the English Housing Survey, private renters spend a significantly greater proportion of their income on their housing costs (35%) than social renters (28%) or those buying with a mortgage (18%).[8]

As the statistics above highlight, the past twenty years have seen house prices and private rents grow at a far quicker rate than wages, meaning that housing costs (including mortgages and rents) have significantly risen as a proportion of monthly incomes. Social rents have also grown as a proportion of monthly earnings, although at a steadier rate.

The issue of housing affordability is inextricably linked to the current situation of the PRS. Since 1992, local authorities have practically ceased building houses with the large majority of new households being built by the private sector, meaning that the number of new households in the UK has exceeded the number of new homes built in every year since 2008.[9] These changes have accelerated the growth of the PRS in the UK which has now overtaken the social rented sector. Furthermore, the extension of Right to Buy schemes has facilitated the transfer of homes from the social to the private sector, with 40% of housing stock sold to former council tenants over the past 40 years now rented out at more than double the weekly rent.[10]

Given that rents in the social sector are regulated, and that rents in the PRS are not, the decline of the social rented sector and growth of the PRS has in this sense increased housing costs by raising the rents associated with existing housing stock and increasing competition for affordable housing at the lower end of the market. Whilst all major political parties have committed to building more homes in an attempt to alleviate the housing crisis, 92% of local authorities were falling short of targets for affordable housing provision in 2017.[11]

There are distinct geographical differences across the national housing market. London has experienced far higher increases in private rents and house prices, making housing costs more than double the proportion of earnings in the capital than they are in the North East. Using 35% of net monthly income as a measure of affordability, median rents do not become affordable until the 80th income percentile in the west of England, the 40th in the West Midlands and Greater Manchester, and the 25th in Tees Valley. However, geographical inequalities in wages mean that housing remains unaffordable for many in regions with lower housing costs.[12]

ii.   Rent arrears and debt

Increasing housing costs are likely contributing to a recent rise in rent arrears in the PRS. In 2016-17, 9% of private renters and 25% of social renters were either currently in arrears or had been in the last 12 months (around 682,000 and 392,000 households respectively), unchanged from 2011-12.[13] However, this does mark an increase since 2012-13 when only 4% of private renters and 12% of social renters were behind on rent payments.[14] The rise in rent arrears among social renters may, in part, be fuelled by the introduction of Universal Credit. In October 2017, *The Observer* reported that half of social

[5] ONS, 'House price to workplace-based earnings ratio'.
[6] ONS, 'Housing summary measures analysis: 2016'.
[7] Ibid.
[8] Department for Communities and Local Government (DCLG), *English Housing Survey: Headline Report, 2015/16* (DCLG: London, 2017), p.2.
[9] Parliament UK, 'Housing supply in 2015–2020: Key issues for the 2015 Parliament' (2015).
[10] Nathaniel Barker, 'Exclusive: 7% rise in former Right to Buy homes now rented privately', *Inside Housing*, 7 December 2017.
[11] Institute for Public Policy Research (IPPR), *Priced Out? Affordable Housing in England* (IPPR: London, 2017), p.3
[12] IPPR, *Priced Out?*, p.3.
[13] DCLG, *English Housing Survey: Headline Report, 2016/17* (DCLG: London, 2018), p.17.
[14] DCLG, *English Housing Survey: Headline Report, 2012/13* (DCLG: London, 2014), p.44.

renters receiving the housing element of Universal Credit were in rent arrears, compared to less than 10% on housing benefit.[15]

Growing housing debt is a concern because it can often lead to other problems. For example, qualitative research by the Joseph Rowntree Foundation has found that rent arrears are a common cause of evictions, accounting for roughly 20% of evictions for private renters and 40% for social renters.[16] We have highlighted the relationship between housing debt, evictions and mental health in the following section, but this is one particular area where Early Action and mediation between tenants and landlords may have significant positive impacts on vulnerable households.

iii. Overcrowding and poor living conditions

The expansion, and inadequate regulation, of the PRS has also sparked concerns over levels of overcrowding, living conditions, and the behaviour of landlords in the UK. Homes in the UK are considered overcrowded when the number of rooms in a home is less than the number deemed necessary, judging by either the "room standard" or "space standard". The space standard is measured by a formula which compares the number of people living in a household with the number of rooms. The room standard "is contravened when…two persons of opposite sexes who are not living together as husband and wife must sleep in the same room".[17]

In 2015/16, 5% of homes in the private sector and 7% of homes in the social rented sector were overcrowded, compared to 1% of owner-occupied homes.[18] Levels of overcrowding in London are more than double than the rest of England. 14% of social renters, 11% of private renters and 3% of owner-occupiers are overcrowded in London.[19]

According to a recent report by the Housing, Communities and Local Government Committee, 800,000 private rented homes in the UK have at least one Category One hazard, such as excess cold, mould or faulty wiring. 44% of PRS tenants believe fear of retaliatory eviction would stop them from making a complaint to their landlord; and 200,000 PRS tenants have reported being abused or harassed by a landlord.[20] Unison's survey on the impact of housing costs on public sector workers in London found that 31% of renters in the private sector felt their home was not kept at an adequate standard by the landlord and 42% were unsatisfied with their housing but could not afford to move.[21]

iv. Temporary accommodation

The rising unaffordability of housing and imbalance of power between landlords and tenants are potential factors in the rising numbers of homeless households in the UK, particularly when considering that PRS landlords can evict tenants for no reason with two months' notice.[22] Local housing authorities in England have a duty to secure accommodation for unintentionally homeless households.[23] Since 2010/11, homeless placements in temporary accommodation have risen sharply; the overall national total rose by 8% in the year to 31 March 2017, up 61% on the low point six years earlier. There are 78,000 homeless households in England in temporary accommodation and, if current trends continue, more than 100,000 households will be in temporary accommodation by 2020.[24]

Local authorities are increasingly placing families into temporary accommodation in the PRS. This has fuelled a 39% real terms increase in local authority spending on temporary accommodation in the five years to 2015/16, a period when expenditure on homelessness prevention declined.

v. The London housing crisis

Each of the above issues are showing worrying trends across the UK, but the issues of housing affordability, living conditions and evictions appear to be having a particularly stark effect in the capital.

The New Policy Institute's (NPI) research has highlighted that the crisis in housing affordability is distinctly worse in London than in other parts of the country. NPI found that:

- Private rents in London (27% of households) are more than twice the average for England.[25]

[15] Michael Savage and Chaminda Jayanetti, 'Revealed: universal credit sends rent arrears soaring', *The Guardian*, 17 September 2017.
[16] Anna Clarke, Charlotte Hamilton, Michael Jones and Kathryn Muir, *Poverty, evictions and forced moves* (Joseph Rowntree Foundation: London, 2017), p.25.
[17] The National Archives, *The Housing Act (1985)*.
[18] Ibid. p.3.
[19] NPI, *London's Poverty Profile 2017*, p.51.
[20] Housing, Communities and Local Government Committee, *Private rented sector: Fourth Report of Session 2017–19* (House of Commons: London, 2018), p.3.
[21] Unison, *No place to live: A UNISON survey report into the impact of housing costs on London's public service workers* (Unison: London, 2017), p.14.
[22] Shelter, 'Section 21 eviction process'.
[23] House of Commons Library, 'Households in temporary accommodation (England)'.
[24] Crisis, *The homelessness monitor: England 2018* (Crisis: London, 2018), p.xii.
[25] DCLG, *English Housing Survey*, p.15.

- Since 2010/11, there have been more people in poverty in London in the PRS than in social housing. In 2015/16, just under a million people in the PRS in London are in poverty with ~800,000 in social housing.

- In 2015/16, rent for a two-bedroom flat increased from 57% to 61% of monthly earnings in outer London, whereas in England it decreased to 29%.[26]

Homelessness and families in temporary accommodation are also increasing in London with significant implications for equality and social cohesion. The number of families evicted in London for not paying their rent doubled between 2013/14 and 2014/15 – from 7,200 to 15,500.[27] There were 54,370 households in temporary accommodation in London in the first quarter of 2017, a 48% increase on the previous five years. There are also significantly more people in temporary accommodation in London, and they stay there for longer. Seven in 10 households in temporary accommodation in England are in London.[28] 25% of people leaving temporary accommodation in London have lived there less than six months (compared to 59% nationally) whereas 15% have lived there for five years or more (4% nationally).[29]

vi. A Newham housing crisis?

Recent research suggests that many of the housing issues which have been identified across London, particularly with regards to affordability and living conditions in the PRS, are also present (if not worse) in Newham.

In 2015 in Newham, the average cost of buying a home was 12.26 times the average salary, creating an even wider borrowing gap for residents.[30] In part, this explains why Newham has a particularly high level of renters in the private sector. According to research commissioned by Newham Council, housing tenure mix in Newham is significantly different to the rest of the UK with 34% of local residents renting in the PRS (compared to 19% nationally) and only 27% who either own outright or with a mortgage (63% nationally).[31] This is significant insofar as it means that any impacts on mental health related to private renting will be particularly prevalent in Newham. For instance, only 73% of households in the PRS in Newham reported being satisfied with their accommodation, compared with 80% of those renting from housing associations and 96% of outright owners.[32]

According to Trust for London, Newham ranks 24th out of 32 London Boroughs both in terms of private rent affordability (rent as a percentage of lower quartile gross monthly earnings 2015/16) and the rate of evictions (landlord repossession order per 1000 households 2016).[33] Between 2014/15 and 2015/16, Newham saw the worst deterioration of earnings and largest increase in rents of any London borough.[34]

The Big Renters Survey has found that almost two thirds of renters in the City & East Constituency Area (covering the boroughs of Newham, Tower Hamlets, Barking & Dagenham and the City of London) have had problems with house repairs not being done in the past three years. The same survey also found that over one third of renters had worried about cold and draughty homes and damp or mould problems, whilst just under a quarter had worried about electrical safety.[35] Qualitative research conducted by Community Links in partnership with the Magpie Project, and testimonies gathered by the People's Empowerment Alliance for Custom House (PEACH), have also revealed the poor condition of temporary accommodation in the borough. Interviewees revealed problems with the poor condition of housing, pest problems and a lack of facilities.[36]

This evidence reveals the precarious position of our local community when it comes to housing needs, with renters in the PRS in a particularly vulnerable position. Recent years have seen housing costs dramatically increase in Newham, whilst wages have fallen or remained stagnant. The growth of the PRS has made households even more vulnerable to rising housing costs, potentially pushing them into rent arrears with the corresponding threat of eviction. Inadequate regulation of the PRS means that many families are living in poor conditions in overcrowded housing. In order to assess the potential effects this is having on the mental health and wellbeing of our community, we have below summarised the existing literature on the impact of housing issues on mental health.

[26] NPI, *London's Poverty Profile 2017*, p.51.

[27] S. Ashton, M. Francis and M. Jarvie, *Too poor to pay: the impact of a second year of localised council tax support* (Child Poverty Action Group and Zacchaeus 2000 Trust: London, 2015).

[28] Department for Communities and Local Government, 'Temporary accommodation live tables: October to December 2017'.

[29] DCLG, 'Temporary accommodation live tables: October to December 2017'.

[30] London Datastore, 'Ratio of House Prices to Earnings, Borough' [https://data.london.gov.uk/dataset/ratio-house-prices-earnings-borough, accessed 4 April 2018].

[31] London Borough of Newham, *Understanding Newham 2015: Findings from Wave 8 of the Newham Household Panel Surveys* (Ipsos Mori: London, 2017), p.106.

[32] Ibid. p.109.

[33] Trust for London, 'Poverty and inequality Data for Newham' [https://www.trustforlondon.org.uk/data/boroughs/newham-poverty-and-inequality-indicators/, accessed 4 April 2018].

[34] NPI, *London's Poverty Profile,* p.56.

[35] Sian Berry AM, 'Big Renters Survey – the results'.

[36] These testimonies will be further highlighted in our case studies to be produced in the second phase of this project.

4.   <u>Impact of housing on mental health and wellbeing</u>

i.   Affordability

There is evidence from several studies deploying a high quality longitudinal analysis that housing (un)affordability can have a significant impact on mental health. Some of the best available evidence on housing affordability and mental health comes from a 2011 study by Bentley et al.[37] This longitudinal study, based on the responses of over 10,000 individuals to the Household, Income and Labour Dynamics in Australia (HILDA) survey, investigated whether people whose housing costs were more than 30% of their household income experienced a deterioration in their mental health. For individuals living in low-to-moderate income households, entering unaffordable housing was associated with a decrease in their mental health score.[38] Further evidence has been presented by Atalay et al. who have found that an increase in house prices can have a positive impact on the mental health of house owners, but a negative impact on private renters in the same area.[39]

Similarly, Mason et al.'s research from 2013 is based on longitudinal data from the HILDA. This study found that "private renters appeared to be more vulnerable than home purchasers to the mental health effects of unaffordable housing".[40] A more recent 2015 study by Popham et al. (based on longitudinal data from the British Household Panel Survey [BHPS]), however, suggests that change in housing tenure, due to renters purchasing their homes through the Right to Buy scheme, does not have an impact on mental health.[41] This suggests that it is the housing costs and levels of affordability associated with different housing tenures, rather than the terms of the tenures themselves, which have a greater impact on mental health and wellbeing.

Reeves et al.'s contribution to this field used a quasi-natural experiment, and cross-sectional data from the UK Annual Population Survey, to determine if cuts to housing benefits in the UK were associated with depression.[42] This study found that those in receipt of housing benefit after the implementation of cuts in 2011 had a higher likelihood of suffering from depressive symptoms.[43] Although the paper does highlight several limitations of the study, the results remained consistent with longitudinal data on welfare reforms and when adjusted for concurrent policy changes.[44]

Shelter have also conducted qualitative research with a nationally representative survey of 3,509 adults and found that housing affordability was the most frequently referenced issue by those who said housing pressures had a negative impact upon their mental health.[45]

ii.   Rent arrears and debt

A number of cross-sectional studies have drawn associations between rent arrears / housing debt and mental health, and have highlighted the more widely accepted impact of general indebtedness on wellbeing. However, further high quality research is needed to explore a causal link specifically between housing debt and poor mental health.

Perhaps the most significant high-quality study regarding the impact of rent arrears and debt on mental health has been the 2007 study by Taylor et al.[46] This study, using longitudinal data from the BHPS, found that housing payment problems had significant detrimental effects on the mental wellbeing of heads of households, "in addition to and larger in magnitude than those associated with financial hardship more generally". An earlier study by Nettleton and Burrows, based on longitudinal data from the BHPS, had also found that the onset of mortgage indebtedness appears to be associated with increased levels of mental distress.[47] Furthermore, a 2012 study by Burgard et al. found that "respondents behind on their rent were significantly more likely to have had an anxiety attack in the past month" and that owners behind on their mortgage payments were more likely to suffer from anxiety and depression.[48]

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[37] Rebecca Bentley, Emma Baker, Kate Mason, S. V. Subramanian, and Anne M. Kavanagh, 'Association Between Housing Affordability and Mental Health: A Longitudinal Analysis of a Nationally Representative Household Survey in Australia', *American Journal of Epidemiology*, 174:7 (2011), pp.753-60..

[38] Ibid. p.753.

[39] Kadir Atalay, Rebecca Edwards, Betty Y.J. Liu, 'Effects of house prices on health: New evidence from Australia', *Social Science & Medicine*, 192 (2017), pp.36-48 (p.44).

[40] KE Mason et al. 'Housing affordability and mental health: Does the relationship differ for renters and home purchasers?', Social Science & Medicine, 94 (2013), pp.91-97 (p.91).

[41] F Popham, L Willamson and E Whitley, 'Is changing status through housing tenure associated with changes in mental health? Results from the British Household Panel Survey', *Journal of Epidemiology and Community Health*, 69:1 (2015), PP.6-1.

[42] Aaron Reeves, Amy Clair, Martin McKee and David Stuckler, 'Reductions in the United Kingdom's Government Housing Benefit and Symptoms of Depression in Low-Income Households', *American Journal of Epidemiology*, 184:6 (2016), pp.421-429.

[43] Ibid. 425.

[44] Ibid. p.427.

[45] Shelter, *The impact of housing problems on mental health*, p.11.

[46] Mark P. Taylor, David J. Pevalin and Jennifer Todd, 'The psychological costs of unsustainable housing commitments', *Psychological Medicine*, 37 (2007), pp.1027–1036.

[47] Sarah Nettleton and Roger Burrows, 'Mortgage debt, insecure home ownership and health: an exploratory analysis', *Sociology of Health & Illness,* 20:5 (1998), pp. 731–753 (p.750).

[48] Sarah A. Burgard, Kristin S. Seefeldt, Sarah Zelner, 'Housing instability and health: Findings from the Michigan recession and recovery study', *Social Science & Medicine*, 75 (2012) pp.2215-2224 (pp.2219-2220).

iii.   Overcrowding and poor living conditions

The evidence of the impact of overcrowding and poor living conditions on mental health and wellbeing is perhaps even stronger, highlighting a wide range of housing-related causes of poor mental wellbeing as well as a series of potential housing interventions which can improve mental health. Thomson's 2013 Cochrane review of the impact on housing improvements on health outcomes found that "studies of warmth and energy efficiency interventions suggested that improvements in general health, respiratory health and mental health are possible".[49] The review did find uneven results with "poorer quality studies…more likely to report statistically significant improvements in mental health outcomes". However, the review also emphasised that "seven of the better quality studies reported impacts on mental health outcomes between five and 12 months after the intervention; three of these used a Randomised Control Trial (RCT) design".[50] These findings are supported by longitudinal research by Shelter and Crisis, conducted with previously homeless people who had been housed in the PRS, which found that "housing in poor condition had an increasingly negative impact on physical and mental health…For people who had better housing outcomes and had been placed into decent homes, housing was a source of empowerment and stability".[51]

Based on evidence collected from the GoWell study, Curl et al. conducted a study on the impact of physical improvements to housing (including improvements to central heating, fabric work, door security, kitchens and bathrooms) on physical and mental health. A longitudinal sample of 1933 residents from 15 deprived communities in Glasgow was constructed from surveys carried out in 2006, 2008 and 2011. Sociodemographic characteristics and changes in employment status were taken into account. Within two years, each of the improvements (apart from central heating) measured had a positive association with mental health.[52]

Clark et al.'s 2007 review of the evidence on the effect of the built environment on mental health outcomes argues that the "strength of the evidence for an effect of poor housing on mental health was weaker" than the evidence for effects on physical health, in part due to a lack of "robust" research and longitudinal studies.[53] However, of the studies classified under "Strong evidence" were six longitudinal studies, one RCT and one systematic review which highlighted the positive impact of housing regeneration (which encompassed "damp-proofing, re-roofing and installing new windows in homes, and relocation to better housing and/or neighbourhoods") on mental health.[54]

Literature reviews (covering studies with varying degree of quality and primarily cross-sectional methodologies) have identified a growing body of evidence on housing and mental health. The studies highlighted in the British Medical Association's 2003 review established associations between mental health issues such as irritability, social tension, depression and psychiatric disturbance with overcrowding, damp and generally poor quality housing.[55] Likewise, Liddell and Guiney's 2015 review concludes that poor-quality housing can cause significant mental health issues:

> *"These first nine studies indicate early consensus. Living in cold and damp housing contributes to a variety of different mental health stressors, including persistent worry about debt and affordability, thermal discomfort, and worry about the consequences of cold and damp for health. Improvements to energy efficiency are often associated with significant improvements in mental well-being."*[56]

Finally, Hopton and Hunt's cross-sectional 1996 study concluded that problems with damp were significantly and independently associated with negative mental health outcomes.[57] Using this data, the authors argue that "initiatives to tackle housing dampness may be important in developing a strategy to improve mental health in the study area".[58]

5.   What are the drivers?

By combing the data provided in Section 3 on the current housing crisis with the evidence in Section 4 on the impact of housing on mental health, we can see that there is substantial evidence that the current housing crisis is having a negative impact on the mental health of Newham residents. This is supported by the anecdotal evidence and day-to-day

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[49] H Thomson et al., 'Housing improvements for health and associated socioeconomic outcomes (Review)', *Cochrane Database of Systematic Reviews*, 2 (2013).

[50] Ibid. p.36.

[51] Shelter and Crisis, *A Roof Over My Head: The final report of the Sustain project* (2014), p.66.

[52] Angela Curl, A Kearns, P Mason, M Egan, C Tannahill and A Ellaway, 'Physical and mental health outcomes following housing improvements: evidence from the GoWell study', *Journal of Epidemiology and Community Health*, 69:1 (2015), pp..12-9.

[53] Charlotte Clark, Rowan Myron, Stephen Stansfeld, Bridget Candy, 'A systematic review of the evidence on the effect of the built and physical environment on mental health', *Journal of Public Mental Health*, 6:2 (2007), pp.14-27 (p.14).

[54] Ibid. p.19.

[55] British Medical Association, *Housing and health: building for the future* (BMA: London, 2003), p.27.

[56] C Liddell and C Guiney, 'Living in a cold and damp home: frameworks for understanding impacts on mental well-being', *Public Health*, 129 (2015), pp.191-99 (p.191).

[57] J L Hopton, S M Hunt, 'Housing conditions and mental health in a disadvantaged area in Scotland', *Journal of Epidemiology and Community Health*, 50 (1996), pp.56-61.

[58] Ibid. p.56.

experiences of the Community Links Advice team who see the impact of these issues on a regular basis. With this in mind, it is important that we ask what the drivers of this situation are.

i.   Is it a question of supply and demand?

There is a growing consensus among political and economic commentators, politicians and the third sector that significant investment in affordable housing development is needed. Campbell Robb of the Joseph Rowntree Foundation (JRF) argues that a lack of "low-cost rented housing in England has led to a growing number of families trapped in poverty".[59] The JRF propose increasing affordable housing, but with a particular focus on a programme of social home-building (perhaps similar to that undertaken by the post-1945 Labour government).[60] However, the definition of what constitutes affordable housing remains up for debate: the government's definition is set at 80% of local market rents; the Labour Party propose setting affordability at "a third of average local household incomes"; and campaigners have argued for a similar definition set at 30% of monthly earnings.[61]

Some commentators have also questioned whether more house building alone will solve the housing crisis. Social geographer Danny Dorling, for example, argues that even in London and Oxford only "modest" building is required alongside rent controls and redistributive housing policies.[62] This perspective is shared, to some extent, by housing consultancy Savills who argue that the housing crisis in London is largely one of affordability rather than of supply, and that geographical differences demand a flexible, regional housing policy.[63] Economist Ann Pettifor argues that it is the financialisation of housing, not low supply, which has driven up the price of purchasing a home with a knock-on effect for mortgages and rents.[64]

ii.   Are there disincentives for development?

Others, however, have argued that there are significant regulatory disincentives for development which are restricting the ability of the private sector to supply adequate housing. A 2015 investigation by *The Guardian* found that housing developers retained 600,000 plots of land with planning permission in the UK without building more homes on them.[65] The CALA housebuilding group have responded to accusations of "landbanking" for profit by blaming local authority planning departments, limited workforce and inadequate infrastructure for the delays in development.[66] Paul Cheshire (London School of Economics) has also argued that cities are being "strangled" by greenbelt regulation which forces cities to ration land and only benefits landowners. In part, the Mayor of London's 2018 draft London Plan can be seen as an attempt to deal with this issue by encouraging housebuilding on small sites and undeveloped land near transport hubs.[67]

iii.   An imbalance of power between renters and landlords?

Another key area of focus for campaign groups, such as Generation Rent and London Renters Union, has been on readdressing the power imbalance between renters and landlords in the private sector. Under the 1988 Housing Act, landlords were given the power to evict tenants for no given reason, with only two months' notice, under Section 21. These no-fault evictions are the largest cause of evictions in the PRS and, according to Generation Rent, Section 21 "is why there is so much bad practice and shoddy conditions in the PRS. If a tenant makes a fuss, they're out".[68] No fault evictions have also been blamed for bad housing conditions as tenants are fearful they will suffer "revenge evictions" in retaliation for complaining to their landlord.[69]

6.   <u>Recommendations</u>

In Newham, the key issues faced by our local community appear to be centred around the availability of affordable housing, the poor standard of housing in the PRS and the imbalance of power between tenants and landlords. Newham Council has gone some way to tackle these issues by introducing mandatory landlord licensing across the borough. However, further interventions are needed to improve the housing situation in the borough and alleviate the mental health issues being faced

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[59] Campbell Robb, 'Dominic Raab must tackle the growing shortfall in low-cost rented housing', *Inside Housing*, 28 Feb 2018.

[60] Joseph Rowntree Foundation, 'Using the Social Housing Green Paper to boost the supply of low-cost rented homes', 18 Feb 2018 [https://www.jrf.org.uk/report/using-social-housing-green-paper-boost-supply-low-cost-rented-homes, accessed 10 April 2018].

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by residents as a consequence. Based on the data and evidence summarised above, Community Links proposes the following recommendations.

<u>Provision of affordable housing</u>

1. **Redefine "affordable housing"** as no more than 30% of average local monthly income, as also proposed by My Fair London, to more accurately reflect a genuine level of affordability for families.[70]

2. **Suspend Right to Buy** to postpone the transfer of affordable housing stock from the social sector to the PRS.

3. **Give tenants the Right to Sell** to replenish social housing stock and alleviate the impact of mortgage debt.

<u>Empowering tenants in the PRS</u>

4. **Scrap Section 21** to eliminate no fault evictions and reduce homelessness.

5. **Restore cuts to legal aid** so that tenants are better empowered to tackle housing issues. A Citizens Advice study has estimated that every pound of legal aid spent on housing advice could potentially save the state £2.34.[71]

<u>Improving housing quality</u>

6. **New homes should be of high quality**, built to last for a minimum of 125 years and energy positive (as suggested by Just Space).[72]

7. **Social, health and wellbeing indicators should be used** to judge the quality of existing housing stock.

8. **Alongside the expansion of mandatory landlord licensing, central government and local authorities should enable a landlord training and mediation service** in order to train landlords in how to provide safe and secure housing. A mediation service would also reduce homelessness caused by evictions.

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