

# APPG for Housing Market and Housing Delivery and APPG for Ending Homelessness

JOINT INQUIRY INTO RETHINKING  
COMMERCIAL TO RESIDENTIAL  
CONVERSIONS



Housing Market  
& Housing  
Delivery



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# Foreword

As Co-Chairs of the All-Party Parliamentary Groups (APPGs) for Ending Homelessness and Housing Market and Housing Delivery, we are very pleased to introduce this report on rethinking commercial to residential conversions as a means to unlock genuinely affordable housing supply.

Our inquiry into this important topic has been comprehensive – we've held three evidence sessions in Parliament hearing testimony from experts across the housing and homelessness sectors, and we received evidence submissions from a wide range of stakeholders.

This inquiry comes against a backdrop of a chronic shortage of genuinely affordable housing in England, which we know disproportionately impacts the households on the lowest incomes in our society.

As well as forcing households into homelessness, this lack of affordable housing in England inhibits attempts to end it too, as it reduces the options of settled housing for people to move into when they are trying to leave homelessness behind. This means people have little option but to continue sleeping rough, or find a short-term stay sleeping on the sofas of their friends, family and sometimes strangers. It also leaves families stuck in poor quality temporary accommodation where they are forced to live with mould and damp, and a lack of basic facilities for things like cooking, washing and heating<sup>1</sup>.

The latest government statistics show that this a growing problem. More than 100,000 households are in temporary accommodation in England, including the number of children in B&Bs doubling to 127,000 in just one year<sup>2</sup>. Little about these stays is temporary and they come at great expense to the public purse in addition to the stress and health concerns those living in poor quality accommodation endure.

To end homelessness once and for all, the best available modelling shows we need 145,000 new affordable homes per year in England, of which 90,000 should be for social rent<sup>3</sup>. However, in 2021-22, only 59,000 new affordable homes were delivered, of which just 7,500 were for social rent<sup>4</sup>. We welcome the Government's commitment to end rough sleeping but with 1.2million households on social housing waiting lists in England, we believe more must be done to support our constituents who are experiencing or at risk of homelessness.

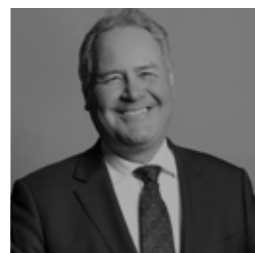
It was in this context that our APPGs came together for this inquiry to see whether commercial to residential conversions could provide a partial solution to this housing and homelessness crisis.

Historically, some of the commercial to residential conversions undertaken via the Permitted Development Rights (PDR) process, which does not require developers to submit full planning applications, have led to some of the worst examples of 'homes' that we have seen. However, there has been a new appetite to reassess the potential for conversions to help ease the supply of good quality, genuinely affordable settled homes for those who need it most, particularly in the post-pandemic context which has left increasing numbers of commercial buildings and units empty.

We heard that from vacant local authority buildings alone there is the potential for 20,000 new residential units. This does not include the potential for conversions from the empty commercial properties owned by the private sector. Overall, 14% of retail unit space and 7% of office space is vacant.

As Co-Chairs of these two APPGs we welcome the report's recommendations and very much look forward to campaigning towards their implementation. We are grateful to Capital Letters for providing funding support for the organisation of this important inquiry, to Dr Ben Clifford, from the Bartlett School of Planning, UCL, for providing expert advice throughout, to the witnesses who gave their time to provide insight on the subject through the three oral evidence sessions, and to all the organisations who have taken the time to provide written evidence.

We now look forward to working with our Vice-Chairs, Officers and members across both the APPG for Ending Homelessness, and the APPG for Housing Market and Housing Delivery, using our collective voice to campaign for these recommendations to ensure good quality and genuinely affordable housing is accessible for people across England, and that homelessness is prevented and ended where possible. We ask Members of both Houses from across the political spectrum to support our efforts and look forward to working together in our shared goal.



Bob Blackman MP



Florence Eshalomi MP



Ben Everitt MP

<sup>1</sup>Crisis (2023) A Tale of two Crisis: housing and the cost of living. London: Crisis, available at: <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/housing-models-and-access/a-tale-of-two-crises-housing-and-the-cost-of-living/>.

<sup>2</sup>DLUHC (2023), Statutory homelessness in England: October to December 2022, table TA1, available at: <https://www.gov.uk/government/statistics/statutory-homelessness-in-england-october-to-december-2022>.

<sup>3</sup>Bramley, G. (2018) Housing supply requirements across Great Britain: for low-income households and homeless people. Crisis and National Housing Federation, available at: <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/housing-models-and-access/housing-supply-requirements-across-great-britain-2018/>.

<sup>4</sup>DLUHC live table 1000: additional affordable homes provided by type of scheme, England, available at: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply>.

## Executive Summary

**There is a desperate need for more affordable housing. This is disproportionately impacting low-income households and is a core driver of homelessness. A lack of supply results in rising rents, less choice at the lower end of the market and fewer options for those moving out of homelessness<sup>5</sup>.**

Respondents to the inquiry were concerned that a bad situation is worsening. Councils reported increasing numbers of people seeking homelessness assistance and are as such having to rely more on costly temporary accommodation; yet this is also becoming harder to procure given the lack of supply. Most across the housing sector agree on the need for more social housing as the best way to fundamentally address the housing crisis. However, this will take time to deliver. In the meantime, significant numbers of commercial buildings are sitting empty.

### Key findings from the inquiry include:

- Overall, the inquiry has found that there is an opportunity for commercial to residential conversions to play an important role in boosting housing supply including for people experiencing homelessness and others on low incomes, if done in the right way.
- There are three broad areas that need to be addressed to ensure this is the case: standards need to be strengthened to ensure developments are of high quality, local authorities need to be able to give greater direction over where conversions take place, and conversions should be required to contribute to affordable housing.

- This presents a significant opportunity. We heard that from vacant local authority buildings alone there is the potential for 20,000 new residential units. This does not include the potential for conversions from the empty commercial properties owned by the private sector. Overall, 14% of retail unit space and 7% of office space is vacant.
- Conversions are best when done through a collaborative or consortia approach, with the buy-in of the local authority and/or partnerships with local housing associations.
- Conversions are best suited to buildings in existing town centres and high streets, rather than out of town business parks, so that they are close to amenities and transport links, as well as being desirable places to live. This will also help contribute to regeneration.
- Placemaking is hugely important and mixed tenure communities are key. There is a need to think holistically about conversions and to develop communities that people are proud to live in.
- The lack of affordable housing is the driving pressure behind homelessness. Whilst all those who gave evidence to the inquiry agreed that more affordable housing is required, some suggested that given the cost of conversions and concerns raised about viability, the potential for conversions to unlock supply for market and intermediate rent levels should be considered, with the view being that this would in turn ease supply pressures more widely. However, it is important to note that given the housing crisis disproportionately impacts people experiencing homelessness and other low income households, there is greater and more urgent need to explore the viability of delivering conversions for this group, and many suggestions in the inquiry spoke to solutions to make this possible.

- With rents rising at their fastest rate for 16 years and mortgage rates still climbing, the twin pressures of the housing crisis and the cost-of-living crisis are making it financially impossible for many working households to keep their homes.
- The scale of this issue for people in work was shown in the latest figures from the Department for Levelling Up, Housing and Communities which revealed that 1 in 4 households who became homeless in 2022 had at least one person in work<sup>6</sup>.
- While some respondents flagged concerns about the practicalities of supporting people with more complex support needs, the majority of people experiencing homelessness have no or low support needs. Often homelessness is caused by financial reasons and lack of affordable housing and therefore can be prevented and ended by enabling people to access settled homes in mixed tenure developments. If the right support is in place, settled housing is by far the best option for most people at risk of or experiencing homelessness.
- Respondents also highlighted the role that conversions could play in helping to reach the country's net zero goals, stressing that they are the most sustainable use of buildings rather than knocking them down and re-building, given their embodied carbon. Research found that reducing the demand for new buildings by 20%, for example through converting existing buildings, would reduce carbon emissions from buildings and infrastructure construction by 12%.
- To combat negative perceptions associated with conversions, there is a need to do more and, crucially, to do them well.
- To deliver on the potential for conversions, it was evident from the inquiry that there are a number of concerns that need to be addressed to ensure that conversions are of high quality and contribute to placemaking, rather than making the housing and homelessness crisis worse

These fall into three broad categories:

#### 1. Standards

These need to be strengthened to ensure that developments are not only of a high quality that contributes to tenants' health and wellbeing, but are also in suitable locations, with close proximity to amenities such as shops, health services and green space. Conversions should be located in areas with good transport links so that residents can easily access employment and education.

#### 2. Local authority control

Councils need to be able to give greater direction as to where conversions take place to ensure that they fit with wider housing and development plans.

#### 3. Affordable housing

Councils should have the ability to set affordable housing requirements for conversions to help meet local need, and particularly market housing conversions so that they contribute to affordable housing. Currently, conversions conducted through Permitted Development Rights (PDR) do not have this obligation attached.

- Other constraints and obstacles raised throughout the inquiry included the cost of converting properties to a high standard, a lack of local authority planning resources and the fact that often councils aren't aware of vacant buildings that they own that would be suitable for conversions.
- To address the concerns outlined, a number of respondents believed that conversions should only take place through the full planning system, rather than through Permitted Development Rights (PDR) which allow conversions as the default without close local authority scrutiny. However, it is important to recognise that it is not a current possibility that the Government will revoke PDR. As such, the recommendations from this inquiry suggest measures that address the primary concerns over conversions conducted through this route and to promote better development.

<sup>6</sup>Watts, B et al. (2022) The Homelessness Monitor: England 2022. London: Crisis, available at: <https://www.crisis.org.uk/media/246994/the-homelessness-monitor-england-2022-report.pdf>

## Recommendations

### Recommendation 1: Introduce Minimum Standards

- There was strong consensus amongst respondents that existing standards pertaining to conversions via the permitted development route are not sufficient to deliver the high-quality homes needed to prevent and end homelessness. To address this, a minimum set of mandatory standards should be introduced. We support the Healthy Homes Principles (see Appendix 1) and their inclusion within the Levelling Up and Regeneration Bill. These would apply to all homes - both those delivered through full planning permission and through PDR, and cover space, light, access to amenities, green spaces and transport as well as ensuring thermal comfort and that properties are safe and secure. If introduced, these standards would also level the playing field in terms of costs, as currently developers can and do lower standards in order to save on costs.
- To promote mixed tenure communities, conversions should provide good quality, permanent homes, avoid physical segregation and ensure that the different tenures are indistinguishable in terms of design and appearance.

### Recommendation 2: Clarify guidance for local authorities over tools available to give greater direction over conversions and reporting

Respondents were in consensus that there should be stronger direction from local authorities in terms of identifying suitable empty buildings and locations for conversions to ensure they are developed as part of a holistic approach to placemaking. Whilst PDR applies nationally, there are further measures that could be taken to promote greater local authority input than is currently the case:

- The Government should issue guidance and case studies encouraging local authorities to make better use of Local Development Orders (LDOs) to give clearer direction over where they want to see conversions. Whilst PDR would still apply, this would enable local authorities to clearly set out what they want. The LDOs could also be tied in with local authority design codes to give clearer guidance on local design standards. Greater use of LDOs would also provide developers with more certainty and confidence about which projects would be approved, thereby de-risking the process.
- Local authorities should also consider including supportive policies in their local plans as another tool to provide clearer direction over conversions. These would outline that a local authority is supportive of re-use if it meets a certain set of criteria. Again, this would give more certainty to developers.

<sup>9</sup>LUHC (2023), Statutory Homelessness Annual Report 2021-22, England, available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1105577/Annual\\_Statutory\\_Homelessness\\_release\\_2021-22.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1105577/Annual_Statutory_Homelessness_release_2021-22.pdf)

- Linked to this, there should be a clear set of downloadable design guides for developers that encourage development in line with the character of the area.
- Permitted Development Rights apply nationally for commercial to residential conversions, meaning that they can take place without developers having to submit a full planning application. Local authorities can currently use 'Article 4 directions' to restrict the scope of permitted development rights either in relation to a particular area, or in respect of a particular type of development. Developers are then required to make a full planning application in these cases. As it stands, these are generally used in town centres where local authorities are concerned about the loss of commercial premises from the high street. We recommend that the planning practice guidance for Article 4 directions be amended to make it clear that it could be used to preclude developments in out-of-town business parks rather than just economic hubs. This would mitigate the risk of PDR conversions in areas not considered suitable by reason of their location and isolation from key amenities.
- Respondents made clear that this recommended proactive work around design codes, Local Development Orders and local plan policies would require a corresponding increase in resources for local planning departments, particularly in the context of reductions in local authority funding over the last decade<sup>7</sup>.
- As part of their annual returns to DLUHC, local authorities should be required to report on how many buildings they own that have been sat empty for over two years. This will help to increase awareness of their vacant buildings, encouraging them to consider whether conversion would be appropriate, as well as enabling other organisations to access this data and hold councils to account.

<sup>7</sup>Institute for Government, 2021, Local Government funding in England, available at: <https://www.instituteforgovernment.org.uk/explainer/local-government-funding-england>

### Recommendation 3: Secure affordable housing in the immediate term

- The Government should take forward the proposals outlined in Vicky Ford MP's Ten-Minute Rule Bill to give local authorities the ability to require affordable housing contributions from conversions through PDR. It has already signalled its long-term intent for this through the Infrastructure Levy. This would simply serve to deliver this sooner and enable local authorities to secure more affordable housing in the immediate term.
- Homes England/the Greater London Authority should also examine the viability of piloting a small affordable-led development of commercial to residential conversions in partnership with local councils and housing associations. As a mixed tenure development, this would include provision for a proportion of people experiencing homelessness and living in statutory and non-statutory temporary accommodation to move into settled housing. This could include working with DLUHC to examine scope for using Single Homelessness Accommodation Programme funding to create such a development for people who have experienced homelessness.

### Recommendation 4: Best practice and securing sustainability benefits

- The Government should publish data on the number of commercial properties in England that have been vacant for over two years, in the same way that it does so for vacant residential dwellings. This would establish a clear picture of the potential scale of empty commercial properties which could be converted into affordable housing. To encourage best practice and mitigate against further poor quality conversions, DLUHC and the LGA should promote case studies of examples of where conversions have been done well, particularly where these have been led by housing associations or not for profit providers, or have included homes targeted at people on lower incomes, including those moving on from homelessness. DLUHC should also seek to convene meetings with developers and housing associations with those who have experience of delivering successful conversions to help demonstrate what 'good' looks like.
- As part of the current amendments to the National Planning Policy Framework, the Government should introduce a retrofit first policy for publicly owned land, to prioritise re-use over disposal to ensure opportunities are not missed to deliver homes through conversions.

### Recommendation 5: Introduce specified funding to incentivise conversions

- To enable not for profit and community-led organisations to make use of the potential to convert empty commercial property into residential use, the APPGs would support the introduction of a funding pot for this purpose to incentivise high-quality and consortia approaches. Witnesses at the oral evidence sessions pointed to the Rough Sleepers Accommodation Programme as an example of a good funding structure that required match funding, and to the Business Premises Renovation Allowance as a successful incentive programme that offered 100% tax allowance on certain capital expenditures in disadvantaged areas. A further suggestion was the Single Homeless Accommodation Programme funding could be used to deliver projects such as the pilot (recommendation 3), alongside grant funding.



## Full inquiry findings

The inquiry into this important topic has been comprehensive - we've held three oral evidence sessions in Parliament hearing testimony from experts and received written evidence from organisations and contributors across the housing and homelessness sectors, ranging from local government and housing association representatives, homelessness organisations, planning experts and property agents. The report sets out the key findings and common themes from the evidence received by the APPGs during this inquiry, following the structure of the questions as set out in the terms of reference.

### 1. Do you agree that there is scope to use commercial to residential conversions to deliver good quality, genuinely affordable settled homes for people experiencing or at risk of homelessness and others on low incomes?

- Overall respondents were clear that there is significant potential for conversions to play an important role in boosting housing supply and delivering genuinely affordable homes.
- However, there were three broad caveats to this:
  1. Standards need to be strengthened to ensure developments are of high quality.
  2. Local authorities need to be able to give greater direction over where conversions take place.
  3. Councils should have the ability to set affordable housing requirements for conversions to help meet local need, and particularly market housing conversions so that they contribute to affordable housing.
- Many believed that conversions should take place through the full planning system for these reasons. These requirements and potential solutions are explored in further detail throughout the inquiry.

- There were some exceptions to this position; Aster Group and Citizens Advice were firmly against conversions of any kind, and some respondents such as Habitat for Humanity, which has developed its own conversions, were more strongly in favour of the positive role they could play.

#### Key points raised included:

- Given the extent of the housing crisis and length of time taken to deliver the new homes needed, it is necessary to consider other ways to increase supply in a shorter time frame. Whilst it was recognised that conversions are not going to be a panacea and that a significant increase in social rented homes is what is ultimately required, there is scope for conversions to provide a partial and important solution to meeting housing need.
- Quality is key. Conversions must contribute to high-quality homes, well-connected to local places with facilities and services that support people's health and wellbeing.

- Many raised the poor quality of historic conversions delivered through PDR as a concern.

#### The TCPA outlined:

*"PDR conversions present the worst face of the current UK housing crisis...Just 21% of the dwellings met minimum space standards, 72% of dwellings only had single-aspect windows; and only 3.5% had access to communal space<sup>8</sup>. The TCPA estimate that over 130,000 people are living in homes that do not meet minimum space standards in England and over 120,000 have single-aspect windows – limiting ventilation and access to daylight."*

- London Councils said that in principle there was scope for using conversions to deliver genuinely affordable homes, but with the caveat that there should be greater local discretion around the policy, for example being able to designate zones where conversions are not appropriate, and through tighter planning requirements to ensure standards and affordable housing delivery.

#### They noted:

*"if PDR policy is to be a success, then government needs to ensure the policies and safeguards are in place to provide assurance around the quality of accommodation coming forward through conversion and that the properties meet the same standard as any other type of residential development". This type of response was reflected by a number of organisations.*

- The LGA, RTPI, London Councils and others believed that conversions had the potential to contribute to residential accommodation but that they must take place through the full planning application process rather than PDR. This was raised as the best mechanism for delivering good quality, genuinely affordable homes with

the accompanying necessary infrastructure and in suitable locations that tied in with a local authority's wider economic development plan. In particular, the RTPI outlined that in principle there is absolutely no reason why conversions could not play a role in increasing housing supply; noting that in many cases disused commercial buildings are in good locations, are well connected with access to green space, and that often there is a surfeit of vacant office space. It warned however that problems occur when these conversions take place through the PDR process rather than through requiring full planning permission, drawing attention to the fact that many homes delivered historically through this process are of such low quality that they may seriously damage their residents' health.

- Some of the respondents raised specific points about the need for a wider package of specialist support for some people experiencing homelessness who have support needs, alongside the possibility of conversions boosting housing supply. It is important to note however that the majority of people experiencing homelessness have no or low support needs. Often homelessness is caused by financial reasons and lack of affordable housing and therefore can be prevented and ended by enabling people to access settled homes in mixed tenure developments. If the right support is in place, settled housing is by far the best option for most people at risk of or experiencing homelessness. Respondents highlighted the overall opportunity that conversions presented. Dr Ben Clifford in his oral evidence noted that there are still high rates of vacancy despite the small rebound after the pandemic, with **14% of retail unit space<sup>9</sup> and 7% of office space vacant<sup>10</sup>.**

<sup>8</sup>Clifford, B, et al, 2020, Research into the quality standard of homes delivered through change of use permitted development rights, available at: [Government publishes UCL-led research on permitted development housing quality | The Bartlett School of Planning - UCL - University College London](#)

- Habitat for Humanity was strongly supportive of the role that conversions could play, commenting:

*“There is significant scope for the repurposing of existing vacant commercial premises, as well as other building types that would not usually be considered as suitable for residential purposes, such as churches, offices and unused public sector buildings” and that “there is significant social value in converting empty commercial spaces into homes”.*

The organisation has recently taken on empty non-residential spaces belonging to local authorities or socially minded landlords and converted them into housing for those at risk of homelessness.

**It highlights that its pilot conversion projects in London demonstrate that:**

*“with the right combination of ambition, knowledge, relationships and funding, empty space conversion can be a viable opportunity to add to the UK’s housing stock”.*

- Its research<sup>11</sup> has found that 7,000 commercial and business premises owned by local authorities have been vacant for over a year. These spaces have the potential to create approximately 20,000 residential units. This figure does not include the empty commercial properties owned by the private sector, meaning that the real potential for conversions is much greater. The findings are also based on FOI requests conducted prior to the pandemic so provide a snapshot on this basis, with the current figures likely to be higher.

- Northumbria University outlined that there is a certain quantity of vacant units that are needed to allow businesses to expand and contract and move between premises. This is considered to be ‘natural vacancy’. However, far more vacant buildings are what is termed ‘structurally vacant’ i.e. they have been vacant long-term and are in need of adaptation. Dr Kevin Muldoon-Smith, from the Department of Architecture and Built Environment, highlighted pilot research on structural vacancy from 2021 which found that 75% of the total vacant properties in Birmingham, Leeds, Manchester, Bristol, Liverpool, Newcastle, Cardiff and Nottingham could be considered for adaptation after a market assessment.

- The consensus from respondents to the inquiry is that conversions can play an important role in boosting housing supply, including for people experiencing homelessness and other low income households, and that there is a substantial opportunity for them to do so, however, there must be greater safeguards in place to ensure that the homes delivered are of high quality, rather than exacerbating the housing crisis.

**2. If appropriate to your organisation, are you willing to invest in this type of conversion? If so, what rent would you plan to let the end property at? If not, why not and what would need to change to make it viable?**

- Viability was raised as a key challenge by a number of respondents both in written and oral evidence. A recurring concern raised was that conversions are expensive and the work carries higher risk of unforeseen costs. In the second oral evidence session, Nicholas Boys-Smith, Founder of Create Streets, outlined that people need to spend lots of money before getting planning permission, which is high risk.

- Mervyn Jones, Director of Savills’ Affordable Housing Consultancy, outlined that for developers it is not economically viable to convert one unit at a time and said that there needs to be economies of scale to create efficiencies, however this is less easy to achieve if looking at converting individual units over shops, for example. Others echoed this sentiment. In research conducted for Crisis in 2021 looking at conversions for homes for people experiencing homelessness, there was a £13,500 funding gap per unit even after assuming affordable housing grant was provided at typical average levels.

- Housing expert Lord Best and Adam Cliffe, from the Empty Homes Network, similarly spoke about the difficulty of converting units above shops on high streets during the third oral evidence session. Lord Best gave the example of working on a project with the Joseph Rowntree Foundation where they only managed to do three conversions out of a target of 25. Adam outlined that he was often tasked with providing a list of empty units for local authorities but in the end 99% usually ended up being unviable due to lease arrangements and health and safety issues with the shop below.

- Another issue raised by respondents in relation to the cost of conversions was that the tax system is biased towards demolishing existing properties and rebuilding them.

- Northumbria University highlighted that another issue is value, which in this country is based on capitalised rent. It outlined that landlords and investors will often seek to keep a building empty, thus protecting the headline valuation, instead of reducing a rent to attract a new tenant, as lower rent will in time result in a lower property valuation, which may lead to questions around the original valuation in the relevant debt agreements.

- Crisis indicated that they would be willing in principle to invest in conversions where they met high standards (discussed below). It said that if after careful assessment it decided that cross-subsidy could boost delivery, it would consider setting some rents at closer to market levels but would aim to limit this to one third of total provision.

- Propertymark’s members, who are agents, agreed that the owners of properties they manage may be willing to invest, however they highlighted viability as a key constraint influencing investment, saying that developers would want reassurance that conversions would be profitable.

- In part due to the viability challenge, some respondents suggested that the potential for conversions to unlock supply for market and intermediate rent levels should be considered, with the view being that this would in turn ease supply pressures more widely. However, it is important to note that given the housing crisis disproportionately impacts people experiencing homelessness and other low income households, there is greater and more urgent need to explore the viability of delivering conversions for low-income households, and many suggestions in the inquiry spoke to solutions to make this possible.

<sup>9</sup>British Retail Consortium, 2023, Retailers cautious to invest in new stores, available at: <https://brc.org.uk/news/corporate-affairs/retailers-cautious-to-invest-in-new-stores/>

<sup>10</sup>Cluttons, 2023, UK office vacancy rate rises, but masks a two-tier market, available at: <https://www.cluttons.com/property-market-research/research-articles/office-market-update-q1-2023/>

<sup>11</sup>Habitat for Humanity, 2021, Repurposing Empty Commercial Spaces to Help Address the Housing Crisis in the UK: Research Findings, available at: <https://www.habitatforhumanity.org.uk/blog/2021/05/repurposing-empty-spaces-research/>



## To combat the funding gap and cost of conversions, respondents suggested:

### Increased government grant or financial incentives linked to standards

- Throughout the inquiry respondents suggested that grants should be made available from Homes England for those developing conversions.
- Propertymark and others suggested that funding pots could incorporate minimum standards that set the benchmark for future conversions.
- Northumbria University highlighted that historically there have been few government incentives for the adaptation of commercial stock, however, it outlined that the Business Premises Renovation Allowance (BPRA), which ran from 2007-2017, was a relatively unknown incentive strategy that had some considerable success.

### It noted in its evidence:

*"BPRA offered 100% tax allowance on certain capital expenditures in disadvantaged areas. While it precluded residential conversion (so it could not be combined with PDR at the time) it was very potent in catalysing the conversion of redundant office buildings into hotel accommodation."* It suggested that something similar could be introduced for residential conversions.

- Daniel Brewer from specialist impact property fund manager, Resonance, highlighted another funding pot which had been effective – the Rough Sleepers Accommodation Programme. This was central government grant funding to local authorities, however councils had to apply with a partner, this could be a housing association or a private investor, to bring at least 50% match funding. This enabled locally designed solutions to meet local need and for public money to stay as a net asset of the public sector.

### He explained:

*"We had a model where we would work with a local authority to pitch for a grant of £2m from DLUHC, the LA would borrow £2m from the Public Works Loan Board and then they would invest all £4m into our fund alongside a private investor (we used pension fund money) to acquire £6m of property."*

**Private funding or joint ventures** - a common theme from respondents was that joint ventures can be used to make conversions more cost effective and take away some of the risks:

- Habitat for Humanity has successfully developed conversions working with a coalition of private funders. It has worked with the London Borough of Barking and Dagenham on a 'Charity Contractor' model that sees the borough retain overall ownership and ties future rents to Local Housing Allowance (LHA) rates, making the housing genuinely affordable. It has created a toolkit (see Appendix 2) to share resources and guidance especially to civil society to address some of the challenges around conversions. It says that the key to scaling up this model is the partnership working with local authorities who are enthusiastic and committed and know where their empty properties are to be able to bring forward a pipeline that are suitable for conversion. It also noted that for the model to scale effectively it is essential that government takes an active role in supporting the financing of it.
- Adam Cliff from the Empty Homes Network highlighted a joint venture set up by Peterborough City Council and two local housing associations which is funded by both parties with the aim of increasing affordable housing. They have purchased an empty commercial building and turned it into flats, a quarter of which are affordable.

## Case Study

### Habitat for Humanity Empty Spaces to Homes Programme

Habitat for Humanity is an international charity fighting global housing poverty. In Great Britain, it pilots innovative ideas and approaches that have the potential to help solve some of the biggest housing problems facing this country. Partnerships are at the heart of its approach.

#### Empty Spaces to Homes

Its Empty Spaces to Homes programme transforms redundant empty spaces into welcoming, affordable homes. In 2019, Habitat for Humanity Great Britain (HfHGB) piloted a partnership with the London Borough of Barking and Dagenham (LBBD) to transform redundant vacant above-shop storage into high quality flats for young people leaving the care system. On successful completion of this pilot, HfHGB in partnership with M&G plc, set out on an ambitious plan to develop, demonstrate, and deliver a model to prove that empty spaces around the country have the potential to become part of the solution to the housing crisis.

By renovating existing buildings, the programme is creating homes for vulnerable groups including refugees, women fleeing domestic abuse and young care leavers.

By investing in retrofitting empty buildings, local authorities in partnership with charities and civil society have an opportunity to provide decent housing in which residents can thrive, secure housing assets for the long term, and dramatically reduce the outlay on temporary accommodation provision.

#### Successful Pilot and Programme

HfHGB worked with LBBD's empty property team to identify a potential pilot involving commercial property – storage space above a shop on the high street in Barking. This involved creating a new access from ground level and providing three bedrooms with ensuite, and shared living facilities.

Following this we were able to complete two further properties in Becontree and one in Dagenham. The properties are all owned by LBBD, and HfHGB provide the development expertise from inception to completion to unlock these deteriorating assets and turn them into high-quality affordable homes. It has raised grant funding via philanthropic supporters to subsidise the projects, enabling rents to be set affordably, and significant savings to be achieved for LBBD in housing the young care leavers in suitable and much more cost-effective homes.



## Case Study

### Empty Spaces: Woodward Road Case Study

- The property was empty for at least 5 years before HFHGB took on the refurbishment work.
- Size of the flat: approx. 125 m2 flat, over a shop approx. 60m2
- The flat consists of four ensuite bedrooms, a full working kitchen and seating area.
- The flat has been furnished with upcycled furniture produced by volunteers in HFHGB's Upcycling Workshop.
- The flat is ready for occupation by 4 young people, who will be helped with transitioning into independent individuals in the community, by LBBB Children's Services.

### Habitat for Humanity Woodward Road conversion



### 3. What are the constraints on being able to make such conversions work to deliver truly affordable housing for mixed communities, including ensuring it is accessible for people facing homelessness? How can these be addressed?

- The main constraints outlined by respondents in terms of being able to make conversions work to deliver truly affordable housing for mixed communities fell into four broad categories: cost, lack of local authority involvement and a planned approach, proximity to support services and amenities, and the planning system itself.

#### Cost

- Following on from the points made around viability, a number of respondents raised the cost of converting properties to a high standard as a constraint.

#### Cardon Banfield suggested that there should be a focus on incentives for high quality developments:

*"Given that commercial to residential conversions require a higher level of capital investment than other developments, and many commercial properties are often well positioned geographically (so to develop them into private housing that does not fall under the 'affordable' definition would often be highly profitable), incentives may be required to ensure the occurrence of such conversions."*

#### Crisis outlined that:

*"To deliver these settled homes for people experiencing or at risk of experiencing homelessness to an acceptable standard, at rents people can afford, and in locations that provide people with opportunities to connect with place and community, capital costs being subsidised in the form of government grants or Section 106/Infrastructure Levy would make a huge difference to viability of these important projects."*

- Crisis had previously worked with other organisations to model the financial viability of converting commercial building to residential dwellings, with rents set no higher than relevant LHA rates, in the areas where it delivers its services. Based on the assessment, the potential for conversions to have a positive impact on delivering homes for people at risk or experiencing homelessness would rely on some form of subsidy. It called on the Government to make grant funding available to enable not-for-profit and community organisations to undertake conversions that include provision for people moving on from homelessness.
- Respondents raised the fabric and layout of buildings as leading to higher development costs, which then impact on affordability. For example, highlighting that pre-conversion buildings are often old and require costly energy efficiency improvements.
- Habitat for Humanity noted that third-sector developers are in a position to prioritise purpose over profit and that conversions offer community organisations that exist to tackle issues such as homeless new avenues to secure housing. However, it said that critically this will require access to funding.
- A survey of Propertymark's members estimated that less than half of property owners may be open to the concept of converting their commercial properties. To change this attitude, it said that conversions must be made financially viable.

- To enable not for profit and community-led organisations to make use of the potential to convert empty commercial property into residential use, the Government should introduce a funding pot for this purpose to incentivise high-quality and consortia approaches. Witnesses at the oral evidence sessions pointed to the Rough Sleepers Accommodation Programme as an example of a good funding structure that required match funding, and to the Business Premises Renovation Allowance as a successful incentive programme that offered 100% tax allowance on certain capital expenditures in disadvantaged areas. A further suggestion was the Single Homeless Accommodation Programme funding could be used to deliver projects such as the pilot (recommendation 3), alongside grant funding.

#### Lack of local authority involvement and a plan-led approach

- Placemaking was a key theme raised throughout the inquiry and a lack of direction over this was raised as a limitation. The Chartered Institute of Housing (CIH) summarised that a constraint to delivering affordable, mixed tenure communities is that conversions undertaken through PDR are outside of the control of local planning authorities and therefore do not necessarily provide housing that meets local needs or may occur in areas not planned for residential building, undermining a plan-led approach to local growth and development.
- London Councils and the LGA raised similar concerns about the lack of planning oversight to ensure that conversions provide genuinely affordable housing and support the development of mixed communities. London Councils said that it may be feasible to develop office to residential conversions with a range of tenures and utilise cross-subsidy from outright sale and/or shared ownership to help finance the affordable rented units. It added that if a mixed community with different tenures were created, it would be important to avoid physical segregation (for

example, through the use of ‘poor doors’, a colloquial term used to refer to the separate doors for entry for social housing tenants and other tenants in some mixed tenure provision) and to ensure the different tenures were indistinguishable in terms of design and appearance.

- The LGA’s main concern around conversions through PDR is that they don’t result in affordable housing or mixed communities because planning obligations cannot be applied. This was also raised as a concern by a number of other witnesses.
- Citizens Advice, which was strongly opposed to conversions given the previous poor examples that have been delivered, said that they would not be populated by mixed income communities as no one with a choice would choose to live there. The RTPI raised similar concerns that historic ‘affordable’ PDR conversions were of such poor quality that only those with little agency over where they are housed would live there, risking ‘ghettoization’, where buildings are home to concentrations of vulnerable households. This highlighted the clear need for changes that would ensure conversions delivered are of a high quality, without compromise.
- **To promote mixed tenure communities, conversions should provide good quality permanent homes, avoid physical segregation and ensure that the different tenures are indistinguishable in terms of design and appearance.**

#### Proximity to support services and amenities

- Proximity to services and amenities was raised by a number of contributors as a constraint, particularly if the conversions are being used to house those who are moving out of homelessness. Access to health services, probation offices and transport links were all raised as key to ensuring that households can access employment and education as well as staying connected to their support networks, supporting them to sustain a tenancy.

- The NHF highlighted that of households threatened with homelessness, 42% have children, so almost half of the housing would need to meet the needs of families.
- Respondents mentioned the importance of considering additional support needs for some people experiencing homelessness such as mental and physical ill health, drug and alcohol support, and those at risk of domestic abuse. St Mungo’s also highlighted that people with experience of homelessness are more likely to have financial vulnerabilities and that adding the cost of travel to every shop, health appointment or job centre visit can have negative consequences, reiterating the importance of conversions being well connected to amenities.

#### The planning system

- Conversions can be delivered either through the full planning system or through Permitted Development Rights, which don’t require a full planning application however developers still have to make a ‘prior approval’ application. In Article 4 areas, where local authorities have sought to restrict the use of PDRs, developers are required to submit a full planning application. PropertyMark’s members raised delays due to the misinterpretation of planning and the inconsistency of planning laws as a key constraint. They said: “Many shared instances when similar projects to ones previously accepted can be rejected by the same local authority without clear reasons as to why. This creates a situation where developers are less likely to take risks producing detailed project plans, as they fear they will be rejected.”
- Along with the RTPI and witnesses in each oral evidence session, PropertyMark also raised local planning authority resourcing as a constraint to high quality developments, saying that some developers do not meet standards set out in their application or sell homes due to be rented to homeowners as they know that local authorities don’t have the capacity for enforcement. The RTPI noted that under-

resourcing: “reduces the capacity for Local Planning Authorities to develop specific, locally-tailored, policy on conversions, and to ensure that forthcoming developments provide for mixed communities. Subsequent enforcement of this policy is then also undermined”, linking together many of the aspects outlined above.

#### 4. How would you define affordability criteria in regard to housing, both in terms of these potential conversions and the wider context of affordable housing across other tenures?

- The vast majority of respondents indicated that affordability should be linked to local incomes, rather than market rent, with many saying that 80% of market rent (classed in planning policy as ‘affordable’) was not truly affordable as it priced out people on low incomes.

#### The RTPI’s comment on this is a good reflection of the overall sentiment:

*“Affordable housing’ should be defined as such by its availability to those on those on average and below-average household incomes, not in terms of its cost compared to ‘market rate’ housing.”*

- The need for Local Housing Allowance rates to fully cover rent for those receiving housing benefits was also raised by a number of respondents. The freeze in these rates since 2020 means there are significant shortfalls between the financial support people receive and 30th percentile rents in areas, which the rates are meant to cover. Crisis and Zoopla research found that over the course of April to September last year, the number of affordable properties affordable within LHA rates fell by a third. Social rent was highlighted as being the most affordable model for those on low or no incomes.

- Returning to the issue of the cost of conversions, Dr Manuela Madeddu, Senior Lecturer in Urban Design at the University of Liverpool, said that if the target group for conversions is those on low incomes, then rents will not support conversion costs and so projects will need to draw on other forms of support such as grant funding for this to be viable.

**5. Are there changes that need to be made to PDR or full planning permission to facilitate the right type and quality of conversion more easily or to make undertaking this more attractive?**

**Greater local authority direction over conversions**

- A key change highlighted by a number of respondents, both to this question and throughout the inquiry, is the need for greater LA involvement and direction over conversions. Respondents indicated that currently, PDR does not work in many cases to deliver either affordable or quality homes. The CIH said that the prior approval process is not sufficient and there is not enough local authority control over what is developed.
- **The LGA suggested that local authorities could incentivise or give more certainty to developers that conversions from commercial to residential are suitable at certain sites through the use of Local Development Orders (LDOs), although noted that this would require resourcing from the local authority.**

- LDOs provide certain types of locally-defined development with permission in principle.

**The LGA defines them thus:**

*“LDOs provide permitted development rights for specified types of development in defined locations. They are flexible and locally determined tools that LPAs can use to help accelerate the delivery of appropriate development in the right places. LDOs can help enable growth by positively and proactively shaping sustainable development in their area. They can play an important role in incentivising development by simplifying the planning process and making investment more attractive.”*

- The RTPi also suggested their use, saying that LDOs provide many of the benefits of delivering homes through PDRs, without the risks to residents’ wellbeing (and local control) that the latter bring. It described them as a **“powerful but under-used tool”**.
- The second oral evidence session also highlighted the benefit of LDOs to provide a clearer steer for developments and for developers to know where conversion opportunities are.
- Crisis outlined that it would like to see government giving stronger and clearer direction to local authorities in national planning policy to identify properties suitable for conversion and to encourage their conversion to meet affordable housing need.



**In addition to introducing tighter standards, as a means of how to achieve better placemaking, Nicholas drew attention to Create Streets’ recommendation in its ‘Living with Beauty’ report<sup>12</sup> :**

*“The government should evolve a mechanism whereby meaningful local standards of design and placemaking can efficiently apply to permitted development rights. This is not possible at present under the current legal arrangement. It should be. Where it is appropriate, to build housing via permitted development rights or permission in principle should require strict adherence to a very clear (but limited) set of rules on betterment payment and design clearly set in the local plan, supplementary planning document or community code. If these rules are followed, then approval should be a matter of course. There are precedents for this. For example, permitted development rights for residential extensions requires matching materials.”*

Nicholas Boys-Smith, Founder of Create Streets and Chair of the Government’s Building Better, Building Beautiful Commission outlined that what is needed is clear building and quality standards so that developers and small builders know that if they do ‘x’, the project will be accepted. These could be fitted into the National Model Design Code and the local authority’s local plans. He drew attention to work Create Streets had undertaken on a shop-front design guide for the Isle of Wight. This was a first-of-its-kind interactive design guide which has been created to simplify the design and planning process for heritage-led shopfront renewal on the High Street. It is aimed at everyone from local shopkeepers to design professionals and covers all elements of heritage-led shopfront renewal from ‘need-to-know’ planning consents to advice on materiality, colours and everything in between.

- He highlighted that a general guide could be produced for turning shops into houses given that many Victorian shops are built to the same pattern. He pointed to the ‘Permitting Beauty’ report<sup>13</sup> by Create Streets which illustrates some such guides.

<sup>12</sup>Create Streets, 2020, Living with Beauty (p71), available at: <https://www.createstreets.com/wp-content/uploads/2020/01/Living-with-Beauty-Jan-2020.pdf>

<sup>13</sup>Create Streets, 2021, Permitting Beauty (p44), available at: <https://www.createstreets.com/wp-content/uploads/2021/03/Permitting-beauty-online.pdf>

## Create Streets proposed design code one from 'Permitting Beauty' report

Code one: 5.5m to 6.5m wide Victorian shopfront with separate door for ground floor and upper level flats



Existing elevation



Proposed elevation



Original



Converted



Alternate elevation with central door

### Materials

Traditionally, Victorian shopfronts were constructed of timber elements. New shopfronts should therefore aspire to use timber where possible. Timber also has lower embodied carbon.

- Linked to this in terms of the need for greater certainty for developers, Habitat for Humanity raised concerns that understanding the planning process is a significant barrier to third sector and smaller organisations delivering conversions. They said that **simplifying information that is essential to achieving planning permission would be welcomed**. Propertymark also raised concerns from its members that conversions need to work alongside local plans, suggesting that they will require **clear guidance on when permission can be granted so that it is clear for developers**.
- The CIH said that LAs should be able to **direct tenure mix and size and that where requirements increase viability risk and disincentivise development, the local authority should be able to support this kind of development by:**
  - Prioritising appropriate sites in their local plans;
  - Identifying and working with social housing providers and charities to develop such sites; and
  - Providing quicker progress through planning for schemes developed with social housing or third sector providers.
- It highlighted Local Space, a small housing association which has been contracted by Newham Council to manage a block of temporary accommodation previously converted from office space, as an example of such partnership working. The block was refurbished using Local Space's letting standard and was done in partnership with residents and with a focus on access to communal space.

### Conversions should be delivered through the full planning process

- A number of respondents, including London Councils, the LGA and RTPI, were of the view that conversions can play a role in supporting increased affordable housing supply, but should be delivered through requiring full planning permission rather than PDR to enable full scrutiny of proposals and ensure that they deliver the right type and quality of homes.

- **The LGA noted:** *"all conversions should go through the full planning application process to ensure that the right types of homes are built in the right places with the appropriate supporting infrastructure"*.

### Conversions should be required to deliver affordable housing

- One of the reasons respondents believed conversions should require full planning permission is that under PDR there is no obligation to deliver affordable housing. This was a recurring concern throughout the inquiry.
- The LGA's most recent estimate is that more than 20,000 affordable homes have been lost through office-to-residential conversions through PDR across England since 2015. It asserts that "these homes would have been brought forward if the schemes had been approved through the planning application process" given that developers would have been required to contribute to affordable housing via Section 106 agreements.
- A number of respondents acknowledged that under the planning system that is being legislated for in the Levelling-up and Regeneration Bill, it is intended that councils will be able to ensure that affordable housing is provided from office-to-residential conversions. That is because the infrastructure levy, which replaces section 106 negotiations, will also apply to permitted development. However, there is some concern that this will not be at the level of social rent, which is the most affordable rent for people who are homeless or at risk of becoming so. A number of housing and homelessness organisations are urging the Government to ensure that the proposed new Infrastructure Levy does not have the unintended consequence of reducing the overall resource going into social rent delivery through the planning system.

- In February, Vicky Ford MP tabled a Private Members' Bill (Affordable Housing (Conversion of Commercial Property) Bill) that would give local authorities the power to require office to residential conversions through permitted development rights to contribute to affordable housing. It would not be a top-down, blanket rule set by Whitehall but would be up to each local authority to decide whether it wished to apply an affordable housing obligation to conversions in its area, and what percentage to use.
- Ms Ford concluded that the Government have already signalled their intention to make the change in the long run through the Levelling Up and Regeneration Bill. Noting that it might take many years to implement this but that the need for more affordable housing is urgent, she said that her Bill would introduce an ability to apply the affordable housing obligation immediately. This could drop-away once the Levelling Up and Regeneration Bill is fully implemented.

To address the concerns outlined in this question, a number of respondents believed that conversions should only take place through the full planning system, rather than through Permitted Development Rights (PDR), which allow conversions as the default without close local authority scrutiny. It is important to recognise that it is not a current possibility that the Government will revoke PDR.

As such, the following recommendations seek to address the primary concerns over conversions conducted through this route and to promote better development:

- The Government should take forward the proposals outlined in Vicky Ford MP's Ten Minute Rule Bill to give local authorities the ability to require affordable housing contributions from conversions through PDR. It has already signalled its long-term intent for this through the Infrastructure Levy. This would simply serve to deliver this sooner and enable local authorities to secure more affordable housing in the immediate term.
- The Government should issue guidance and case studies encouraging local authorities to make better use of Local Development Orders (LDOs) to give clearer direction over where they want to see conversions. Whilst PDR would still apply, this would enable local authorities to clearly set out what they want. The LDOs could also be tied in with local authority design codes to give clearer guidance on local design standards. Greater use of LDOs would also provide developers with more certainty and confidence about which projects would be approved, thereby de-risking the process.
- Local authorities should also consider including supportive policies in their local plans as another tool to provide clearer direction over conversions. These would outline that a local authority is supportive of re-use if it meets a certain set of criteria. Again, this would give more certainty to developers.
- Linked to this, there should be a clear set of downloadable design guides for developers that encourage development in line with the character of the area.

- Permitted Development Rights apply nationally for commercial to residential conversions, meaning that they can take place without developers having to submit a full planning application. Local authorities can currently use 'Article 4 directions' to restrict the scope of permitted development rights either in relation to a particular area, or in respect of a particular type of development. Developers are then required to make a full planning application in these cases. As it stands, these are generally used in town centres where local authorities are concerned about the loss of commercial premises from the high street. The planning practice guidance for Article 4 directions should be amended to make it clear that it could be used to preclude developments in out-of-town business parks rather than just economic hubs. This would mitigate the risk of PDR conversions in areas not considered suitable by reason of their location and isolation from key amenities.
  - Respondents made clear that this recommended proactive work around design codes, Local Development Orders and local plan policies would require a corresponding increase in resources for local planning departments, particularly in the context of reductions in local authority funding in the last decade.<sup>14</sup>
6. **What measures need to be in place to ensure high standards and good quality conversions? Is existing legislation sufficient or does it need to be further improved? If so, how?**
- Overall, respondents believed that more robust standards and regulations were required. There was overlap in responses to this question and the next, on what a minimum set of standards would look like in practice, so further detail is set out below.
  - Unique points raised in relation to this question included the need for local authorities to be sufficiently well resourced to ensure that they can enforce standards and that changes, for example

recent improvements to fire and building safety, are actually delivered. London Councils said that there needed to be guidance and training to monitor compliance.

**They added:**

*"There are currently acute shortages of experienced building control and planning officers, which needs to be urgently addressed."*

- PropertyMark raised concerns that existing legislation is inconsistently interpreted and that local authorities often do not have the required resources to enforce their standards. The RTPI similarly said that local authorities needed to be sufficiently well-resourced to use LDOs and other policy tools effectively.
7. **What would a set of minimum standards look like? Should these be enshrined in planning law so that sub-standard conversions are not possible?**
- Many acknowledged that the Government had gone some way to address the most serious concerns through the introduction of the requirement that all new homes created through PDR must meet as a minimum the national described space standards and must provide adequate natural light in all habitable rooms. However, all respondents were unequivocal that that this alone was not sufficient.

**The RTPI commented:**

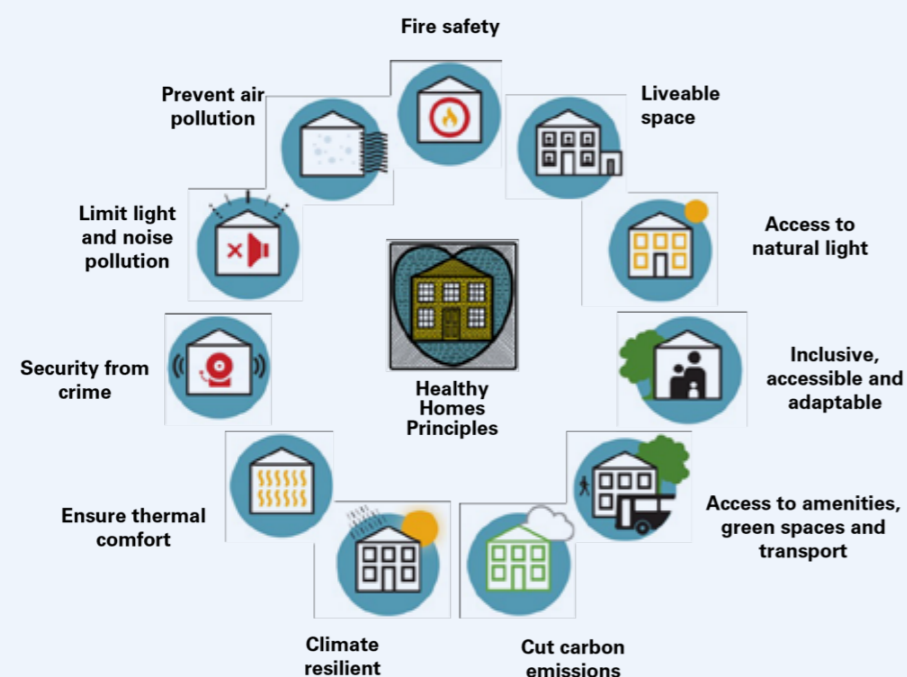
*"the lack of local discretion and ability to consider the quality of new homes in the round is the core problem. Developers can meet all the requirements determined by the prior approval regulations and still create homes which are essentially unfit for habitation"*.

<sup>14</sup>Institute for Government, 2021, Local Government funding in England, available at: <https://www.instituteforgovernment.org.uk/explainer/local-government-funding-england>

- The consensus was for mandatory minimum standards to be enshrined in primary legislation. The NHF noted: “existing legislation does not go far enough to guarantee [the standards required], with the bare minimum of essential space and light standards secured”. In his oral evidence, Hugh Ellis from the TCPA outlined that across the planning system: “We should return to minimum standards, not advisory standards as there are currently”. Others echoed this point.
- Respondents including the CIH, NHF and RTP1 all raised the TCPA’s Healthy Homes Principles in response to this question as a good framework for minimum standards, raising the importance of good quality housing on health and wellbeing. For those who didn’t mention the principles by name, the standards they suggested all fit within this framework.

### Healthy Homes Principles

- The TCPA’s eleven Healthy Homes Principles, proposed in the Healthy Homes Bill, sponsored by Lord Nigel Crisp, focus on the role of housing in health promotion. The principles define the basic standards that we should expect for all new homes, including converted properties, which are evidence-based and measurable (see Appendix) 1.



- The Bill sets out a legally binding duty on the Secretary of State “to secure the health, safety and wellbeing” of all residents, based on these principles. It would cover all new homes, including those properties created under PDR.
- The Bill has the support of Labour, however the Government does not support it, having indicated that it is confident that these matters are already being considered and addressed through existing policy.
- At the time of writing, the Healthy Homes principles and duty are being proposed by Lord Crisp as amendments to the Levelling Up and Regeneration Bill (LURB) at report stage.
- During earlier stages of LURB debate, the amendments received cross-party support from Peers. If voted through in the Lords, the amendments would still require the support of MPs in the Commons.

In addition, the issue of standards was raised through written submissions from stakeholders, with the most common areas highlighted being:

### Space

this was raised as vital by many respondents to create good quality homes. In addition, the Intergenerational Foundation think tank commented that the current total maximum building size of 1,500sqm for undertaking conversions through PDR is too generous as it means that substantial developments can occur without proper oversight by local planning authorities. Some raised the importance of conversions of a range of sizes to suit both families and individuals. Crisis highlighted a number of studies<sup>15</sup> evidencing that space is an important driver of successful tenancy sustainment for people who have experienced homelessness.

### Light

respondents highlighted the importance of having access to windows. Natural light requirements can be circumvented by having skylights, which respondents agreed were insufficient.

### Safety and Security

both these aspects were raised in relation to fire safety and the building materials used, and to having secure access to the home. During the second oral evidence session Tessa Kelly from Habitat for Humanity highlighted the importance of having an attractive entrance on a safe street. This might mean moving the front door from the back of a property, for example if it was formerly a high street shop, to the side.

### Proximity to amenities and access to outside space

homes must be situated within close proximity to amenities and public transport links. Crisis highlighted that 10-15 minutes’ walk is generally considered reasonable for those who are physically mobile<sup>16</sup>. Dr Ben Clifford from UCL drew attention to the fact that only 3.5% of PDR homes have access to outside space currently.

### Accessibility and adaptability

conversions that are suited to wheelchair access should be prioritised for this.

### Thermal comfort

a number of respondents raised concerns that existing conversions have poor thermal comfort, i.e. they are often over-heated in the summer and excessively cold in the winter, leading to damp and mould issues. The importance of ventilation was mentioned in many submissions

### Resilient to climate change and energy efficient

homes should be protected from risk of flooding and extreme heat and meet a high level of energy efficiency. Positive Money suggested that they should align with the target of EPC C by 2028. The Land Promoters and Developers Federation raised concerns that as with old housing stock, conversions of older commercial properties could be challenging to make energy efficient.

<sup>15</sup>Alonso, L. & Jacoby, S. (2022) *The impact of housing design and quality on wellbeing: lived experiences of the homes during COVID-19 in London* Taylor & Francis Online. Cities & Health. *The National Archives Housing Standards* (2011). Boland, L, Yarwood, R. & Bannigan, K. (2021) *‘Making a home’: an occupational perspective on sustaining tenancies following homelessness*. Taylor & Francis Online. Housing Studies.

<sup>16</sup>Sarker, R. I. et al (2019) *Walking to a public transport station: Empirical evidence on willingness and acceptance in Munich, Germany*. Emerald Insight. Smart and Sustainable Build Environment.

- A further issue raised in the oral evidence sessions was that PDR does not cover the exterior of the building, so at present developers are incentivised against improving this.
- Sam Rees from RICS highlighted that in Wales the organisation is working with the Government on some of these finer details, such as availability of plug sockets and layout of kitchens, to ensure homes are suitable.
- **There was strong consensus amongst respondents that existing standards pertaining to conversions via the permitted development route are not sufficient to deliver the high-quality homes needed. To address this, a minimum set of mandatory standards should be introduced. We support the Healthy Homes Principles (see Appendix 1) and their inclusion within the Levelling Up and Regeneration Bill. These would apply to all homes - both those delivered through full planning permission and through PDR, and cover space, light, access to amenities, green spaces and transport as well as ensuring thermal comfort and that properties are safe and secure. If introduced, these standards would also level the playing field in terms of costs, as currently developers can and do lower standards in order to save on costs.**

**8. What are the criteria that would/would not make a building suitable for conversion? For example, the type of building and proximity to amenities.**

**Proximity to amenities**

- The overwhelming view of respondents was that location is key, and that **conversions are best suited to buildings in existing centres and high streets, rather than out of town retail or industrial parks, so that they are close to amenities and transport links as well as being desirable places to live. Respondents were of the strong view that retail and industrial parks are not appropriate for conversions.**
- In his oral evidence, Nicholas Boys-Smith of Create Streets outlined that historically the places that prosper are those where people live, shop and come together for multiple things in one place. Northumbria University echoed this point in its submission, outlining that buildings in 'mono function' areas such as office parks and industrial estates are worst suited for conversions.
- There was a discussion in the first oral evidence session around how the Levelling Up and Future High Streets funds should be working hand in hand with conversions to support regeneration, with conversions having the potential to play a key role in regenerating towns experiencing industrial decline by making them attractive to live in; creating more demand.
- Linked to being located in existing centres, London Councils raised the importance of safe, well-lit pedestrian access with pavements, which examples of the worst kinds of conversions in industrial estates have lacked.
- In addition to meeting the standards outlined in question 7 above, respondents mentioned the below key features as being important in terms of proximity to services and amenities:
  - **Public transport** so that households can easily access schools, employment and health services if they are not in walking distance
  - **Supermarkets or grocery shops**
  - **Green space** if it is not possible for conversions to have access to private outdoor space, they should be within easy access of public parks, playing fields or gardens.
  - **Additional support services** as mentioned in question 3, easy access to jobcentres and additional support services for mental, physical health and domestic abuse support was raised by respondents as important for those moving out of homelessness.

- Cardon Banfield raised the '15-minute city' currently being trialled in Oxford, the aim being that the above are all within a 15-minute walk.
- Crisis made an additional point that from their conversations with people affected by homelessness, a space where residents can 'make a home' is of significant importance to them being able to settle. They pointed to evidence<sup>17</sup> that making a home is the core process identified in tenancy sustainment, which is fundamental to a sustainable exit from homelessness. Feelings of safety and privacy were key, for example having control over locking the external door behind the and knowing there is adequate fire protection in place.

**Type of building**

- In terms of the type of building, Northumbria University explored in some depth the physical building criteria that would have a bearing on suitability for conversion. Others raised similar aspects. Key points from the framework included:
  - **Size, Height, and Depth:** Height governs the type of services that can be accommodated in ceiling voids and raised floors, while width governs the type of space arrangements that can be accommodated in a given space and has a bearing on access to light – bigger spaces often needing an atrium inserting.
  - **Building Structure:** Pre-war buildings are usually good candidates for conversion due to steel structure and access to light (they tend to have narrow floorplates).
  - **Envelope and Cladding:** Changes to the building envelope (exterior walls, foundations, roof, windows and doors) and cladding are typically the most expensive part of a re-use project.

<sup>17</sup>Boland, L, Yarwood, R. & Bannigan, K. (2021) *'Making a home': an occupational perspective on sustaining tenancies following homelessness.* Taylor & Francis Online. Housing Studies.

- **Internal layout and access:** Flexible internal dimension is best. Prohibitive structures undermine the overall usable space calculation.
- **Access:** Building access (the means and number of entry and exit points) is an important factor in assessing potential adaptation. Internal access is also important (through and between floors). In addition, the actual building/site needs to be accessible for the development/construction.
- **Building services:** Counter intuitively, pre-war buildings can be easier to adapt. This is because mechanised heating, ventilation, air conditioning and electrical servicing have been incorporated retrospectively and are therefore easier to unpick. This compares to post 1960s servicing arrangements which are more deeply embedded and therefore harder to unpick.
- **Acoustic Separation:** Acoustic separation (between walls and floors) is important in any alternative use, such as housing, student accommodation and hotels and in any mixed-use building. This is most problematic in the oldest and the newest buildings - older properties have thinner walls and floors, while the newest properties have been built cheaply in relation to the minimum requirements for commercial use.
- **Fire safety measures and means of escape:** Fire safety measures and the location of fire escapes is an important issue in any change of use. More recent buildings are more likely to be compliant with contemporary building regulations as they have been designed and constructed under the latest regime. Pre-war buildings are likely to need fireproof enhancement.

- Lord Best suggested that empty department stores would be good for conversions given that they generally have good space and light, however others suggested that they would be costly to convert.
- The RTPI noted that generally, conversions of Victorian commercial buildings into homes are of higher quality than modern (1970s) office blocks.

**However, it added that context varies hugely, and that:**

*“far more important is the ability of local decision makers and planners to judge...whether a conversion is right in its context and for its future residents”.*

- The LGA made a similar comment, writing: *“local authorities, through the plan-making process, are most suited to identify the buildings, sites or general areas where residential uses are more appropriate”.*
- This was also a point raised by a number of witnesses giving oral evidence. Dr Ben Clifford outlined the need for a more proactive approach from local authorities to say where they want conversions, where they don't and why. This would be covered by the recommendations outlined in section 5.
- Another point raised during oral evidence is that often local authorities aren't aware of vacant buildings that they own – this is one of the biggest obstacles to conversions.
- Habitat for Humanity said that a key feature of scaling the success of the Barking and Dagenham conversion project is that the Council knows where their empty spaces are.
- In both the first and second oral evidence sessions witnesses suggested that there needs to be a clear asset ownership register.

- **As part of their annual returns to DLUHC, local authorities should be required to report on how many buildings they own that have been sat empty for over two years. This will help to increase awareness of their vacant buildings, encouraging them to consider whether conversion would be appropriate, as well as enabling other organisations to access this data and hold councils to account**
- **The Government should publish data on the number of commercial properties in England that have been vacant for over two years, in the same way that it does so for vacant residential dwellings. This would establish a clear picture of the potential scale of empty commercial properties which could be converted into affordable housing.**

**9. Where do you think the most potential for commercial to residential conversions lays? For example, thinking about location or whether this is more suited to a particular type of developer.**

- Echoing the points made above, respondents highlighted location and connectivity as having the most important bearing on the potential for conversions. Dr Manuela Madeddu, from the University of Liverpool, summarised that we must avoid buildings that are ‘landlocked’ between arterial roads and rail, or buildings that reinforce the isolation of low-income and vulnerable households.
- Reiterating the points made about the importance of local authority direction over conversions, the CIH outlined that location should also be related to local economic plans in terms of areas LAs want to retain for commercial and retail development. They also made the point that whilst opportunities closer to local centres, or conversions of or above shops might seem more appropriate, it is important to consider that town centres might not always have the necessary infrastructure, for example appropriate education facilities, particularly if large numbers take place.

- Linked to the argument around economic plans and holistic development, the LGA said that each local authority should be able to identify those areas which are most appropriate for residential development. They raised a 2019 report<sup>18</sup> from the forerunner to the LUHC select committee which concluded that planning is crucial to high street and town centre transformation. This asserted that PDR risks undermining the strategic vision that a community has developed for its high street or town centre and preferred an approach whereby local plans identify where housing should be situated. This ties back into the recommendations above about local authorities playing a more proactive role in directing conversions and the use of LDOs.
- Like others, Habitat for Humanity emphasised that the greatest potential is in town centres.

**They noted that:**

*“in particular, secondary and tertiary parades of shops which are struggling to survive, or are vacant, lend themselves well for the upper levels at least to be converted, if not the ground level as well”. This was linked to the point about how conversions can promote thriving high streets.*

- **A number of respondents believed that the type of developer was important. Throughout the inquiry we heard that the best examples of conversions had been developed through a joint venture or consortia approach, with the buy-in of the local authority**

**Habitat for Humanity noted:**

*“the type of developer does make a difference – if you have profit mostly in mind it will change your set of criteria compared to if you have social impact as the driving force”. PropertyMark also highlighted that social enterprise developers might be best suited to delivering affordable housing conversions.*

<sup>18</sup>Housing, Communities and Local Government Committee, February 2019, High streets and town centers in 2030, available at: <https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/1010/1010.pdf>

**The NHF commented that:**

*“as anchor institutions, housing associations are well placed to partner with local authorities and private developers to deliver good quality conversions”.*

- Picking back up on the viability considerations, Northumbria University noted that from a development perspective, those locations with the most buoyant rental levels will always perform better in terms of (re)development. It noted that conversions could be attractive to major ethical investors and organisations with meaningful ESG standards, but that investor expectations around rates of return and attitudes to risk needed to be understood so that incentive schemes could be packaged accordingly. They said that this was key to attracting better developers with higher quality ambitions. PropertyMark similarly said that the most potential for conversions are those that are attractive to landlords to invest in.
  - Both Cardon Banfield and Dr Manuela Madeddu thought that this question was framed the wrong way, and that it should not be a case of ‘can these properties be converted’, but ‘would this conversion result in good quality homes’.
- 10. What is needed to overcome negative perceptions of such conversions and make them a viable contribution to the housing crisis? For instance, are there wider community benefits that could be achieved?**
- In the third oral evidence session, Adam Cliff from the Empty Homes Network said that to combat negative perceptions surrounding conversions, there is a need to **“do it more and do it well”**. This provides a good summary for others’ responses to this question.
  - Most respondents highlighted quality as being key to overcoming negative perceptions, and a number reiterated the need for local authority involvement.



- On the first point, respondents said that conversions must not be 'last resort' housing but done to high standards. Quality is more important than quantity. Lord Best highlighted that where the product is nice, there is no stigma attached to conversions, citing the example of the Terry's factory in York which had been "*beautifully converted*" and is not viewed negatively.

**Crisis reiterated that mixed tenure models were key, and Habitat for Humanity highlighted again the importance of the type of developer:**

*"opportunistic development, that does not start with quality of life and positive impact on community in mind, fails at the first post. Tougher laws are needed to combat rogue developers seeing to spend a minimum budget for maximum income".*

- The NHF pointed to the importance of enforcement of the standards and that this should be reflected by additional funding. It added that long-term commitments to capital funding to equip local authorities and housing associations to participate in conversions will contribute to the viability of good-quality conversions.
- Linked to high quality and as a recurring theme of the inquiry, a number of respondents highlighted the importance of LA input to conversions and also the negative impact that overloading local facilities can have. Respondents highlighted that there is a need to alleviate concerns regarding the impact on school places, GP surgery availability and other amenities.
- They spoke about the need to enable local authorities to deliver a plan-led approach to developments as part of a wider plan for economic growth.
- Northumbria University summarised that PDR tackled the right problem (vacancy and the need to adapt) with the wrong answer.

**It added that:**

*"it is the meaningful planning system, supported by the community that will make sure that adaptations fit into a given location and have local accountability".*

- Consultation with communities and communication of the benefits was raised by a number of respondents as important to overcome negative perceptions and maintain support for projects. This is in part why some suggested that full planning permission was key to providing confidence in conversions, as it gives communities a say, which they do not have under PDR.
- Cardon Banfield highlighted that there could be pushback from those who feel that high streets and commercial buildings are revivable.
- Respondents said that there should be an emphasis on how the developments will support local economies in the replacement of high street shops. They also spoke of the importance of communicating the longer-term cost saving benefits for the local authority, for example in saving on temporary accommodation costs.
- London Councils said that it would be important to clearly distinguish between the type of conversions proposed from previous poor quality PDR projects. They said that it would be important to consult with the local community at the earliest opportunity to ease any concerns and take account of suggestions they may have to improve the scheme by the inclusion of wider community benefits.
- Positive Money suggested the publication of case studies and data from successful conversions to raise awareness of the positive potential of conversions.

- To encourage best practice and mitigate against further poor quality conversions, DLUHC and the LGA should promote case studies of examples of where conversions have been done well, particularly where these have been led by housing associations or not for profit providers, or have included homes targeted at people on lower incomes, including those moving on from homelessness.
- DLUHC should also seek to convene meetings with developers and housing associations with those who have experience of delivering successful conversions to help demonstrate what 'good' looks like.

**Sustainability Benefits of Conversions**

- An additional point raised throughout the inquiry was the sustainability benefits of conversions. Dr Kevin Muldoon from Northumbria University outlined that converting redundant stock is a central part of any embodied energy strategy.
- Positive Money was strongly supportive of conversions for this reason. It highlighted research<sup>19</sup> from C40 Cities and Arup which found that reducing the global demand for new buildings by 20%, for example through converting existing buildings, would reduce global carbon emissions from buildings and infrastructure construction by 12%. It outlined that requiring office conversion projects to measure, monitor and report whole life costs, carbon and local impacts will help to build evidence around this approach, raise developer confidence and dispel misconceptions about office conversions.

- Lord Best talked about how demolition and new build are often seen as an alternative to conversions, however the environmental consequences of this are regularly forgotten. For example, there is the embedded carbon used in concrete and materials that have been transported across the world. At the same time, we then discard the materials already in place – all contributing in turn to increased landfill. He argued that the restoration of what we already have should be a key priority.
- Ian Fletcher from the British Property Federation drew attention to the fact that VAT is favourable to new build rather than conversions and suggested that there should instead be more incentives for conversions.
- As part of the current amendments to the National Planning Policy Framework, the Government should introduce a retrofit first policy for publicly owned land, to prioritise re-use over disposal to ensure opportunities are not missed to deliver homes through conversions.**

<sup>19</sup>Arup, 2019, Building and Infrastructure Consumption Emissions report, p28, p34-35, available at: <https://www.arup.com/perspectives/publications/research/section/buildings-and-infrastructure-consumption-emissions>



## Conclusion

- The impetus for this joint inquiry from the APPG for Ending Homelessness and the APPG for Housing Market and Housing Delivery has been the ongoing crisis in the supply of genuinely affordable housing in England, which disproportionately impacts people experiencing homelessness and people on the lowest incomes. As a result of this crisis, the number of households in temporary accommodation has reached 100,000 for the first time in 18 years, and the number of children in B&Bs has doubled to 127,000 in one year alone.
- For too many of these families and individuals, the accommodation they are in is of poor quality, forcing them to endure mould, damp, and a lack of basic facilities for washing, cleaning and cooking. For yet more people, they endure sleeping on our streets night after night, or the sofas of friends, family and sometimes strangers just to have a roof over their heads.
- While the unequivocal answer to this is a step-change in the delivery of new affordable housing and particularly at social rent levels – the most affordable tenure for people on the lowest incomes – it will take time to reach the scale of delivery that the best available modelling suggests, which is 145,000 units per year, of which 90,000 are social rent.
- This inquiry has therefore sought to find solutions to see whether commercial to residential conversions could provide a partial solution to the gap in demand and supply of new affordable housing. It was conducted to address the viability of this as a proposal, and with the awareness that historically there have been a range of issues of quality for conversions in this space.
- The responses from stakeholders both in written and oral evidence has supported the conclusion that, with the right policy changes, it is viable and possible to deliver commercial to residential solutions that would address some of the gap of supply in affordable housing. While there were some reservations about delivery at social rent levels and through PDR, rather than planning, the solutions put forward suggested an approach to mitigate these concerns so that people bearing the brunt of the housing crisis are not left for years on end in temporary, poor-quality, or no housing.
- The findings showed that by strengthening standards to ensure development are of a high quality; giving local authorities the ability to give greater direction over where conversions take place; and that conversions are required to contribute to affordable housing, change is possible and we can begin to bring down the number of new affordable housing needed.
- The recommendations in this inquiry are based on robust evidence from a range of stakeholders. We hope Government commits to act and takes these on board to begin to address the critically important issues of both homelessness and housing.

## Appendix 1: TCPA's Healthy Homes Principles

Principle	Rationale and evidence
<b>Fire safe</b>	In England, there were 577,053 fire related incidents for the year ending March 2022 <sup>20</sup> . With statistics like these it is imperative that all homes are built to be fire safe and exceed Building Safety Regulations to avoid tragedies like the Grenfell Tower fire.
<b>Liveable space</b>	Liveable space is an important aspect of any home, and the pandemic has only further highlighted this as people begin to spend more time at home than ever before. Nearly a third of adults in Britain have experienced mental or physical health problems due to the condition or lack of space in their home during the Covid-19 lockdown; 52% of those who said their homes weren't big enough suffered from health problems according to a YouGov survey <sup>21</sup> .
<b>Access to natural light</b>	There is strong evidence that natural light has a positive impact on health. An analysis of 6,017 residents across eight European cities found that those with self-reported low levels of natural light were 1.4 times as likely to report depression and 1.5 times as likely to report a fall when compared to those satisfied with their home's light levels <sup>22</sup> .
<b>Inclusive, accessible, and adaptable</b>	Building accessible homes is an imperative component of ensuring that the nation's housing stock is sustainable and meets the needs of residents. The Equality and Human Rights Commission lists mobility problems, indignity, poorer mental health, feelings of social isolation and anxiety all as impacts of non-accessible homes and reports that those without accessible homes are four times less likely to be in work <sup>23</sup> .
<b>Access to amenities and transport</b>	All homes should be designed with good access to public transport, the GP, schools, local shops, and parks to support our health and wellbeing <sup>24</sup> . Public Health England found that neighbourhoods without active travel options (buses, trains, walking and cycling routes) negatively impact mental wellbeing and increase the risk of Type 2 diabetes, cardiovascular disease, and musculoskeletal diseases <sup>25</sup> . Access to green and blue (water-based) infrastructure has also been shown to mitigate stress and promote healthy lifestyles. A survey of 406 adults in Scotland found that the amount of green space in a neighbourhood was a significant predictor of stress levels <sup>26</sup> .
<b>Cut carbon emissions</b>	Energy use in homes accounts for 14% of total UK carbon emissions <sup>27</sup> . Homes with poor energy efficiency and insulation contribute to energy insecurity and even fuel poverty. According to the ONS, over half of adults were worried about heating their homes this last winter <sup>28</sup> . Cold and damp homes increase respiratory diseases and energy insecurity affects people's sleeping and levels of anxiety.

<sup>20</sup> [Fire and rescue incident statistics: England, year ending March 2022](#)

<sup>21</sup> [National Housing Federation, 2020](#)

<sup>22</sup> [Residential light and risk for depression and falls: results from the LARES study of eight European cities. Public Health Rep. 2011](#)

<sup>23</sup> [Housing and disabled people: Britain's Hidden Crisis. Equality and Human Rights Commission](#)

<sup>24</sup> [The 20-minute neighbourhood \(tcpa.org.uk\)](#)

<sup>25</sup> [Cycling and walking for individual - Public Health England](#)

<sup>26</sup> [Mitigating Stress and Supporting Health in Deprived Urban Communities: The Importance of Green Space and the Social Environment. Int J Environ Res Public Health. 2016](#)

<sup>27</sup> [UK housing: Fit for the future? - Climate Change Committee \(theccc.org.uk\)](#)

<sup>28</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/bulletins/publicopinionsandsocialtrends/greatbritain/11to22january2023>

<b>Climate resilient</b>	Since 2016, 570,000 new homes have been built that are not resilient to short term high temperatures <sup>29</sup> . Heatwaves are causing higher rates of mortality, and those most likely to suffer are the very young, the elderly and people with chronic conditions like asthma <sup>30</sup> . Homes also need to be resilient to increased risk from flooding and storms which can have a significant financial cost as well as negative impact on the mental health of people whose homes are affected <sup>31</sup> .
<b>Safe from crime</b>	The Government's Safer Places guide states that most crime reduction through the planning system is delivered through crime prevention. <sup>32</sup> When homes are purposely designed to build out crime, not only are communities safer, but our health and wellbeing benefits too. Studies confirm this, as neighbourhood crime can be a contextual predictor of mental health. <sup>33</sup>
<b>Limit light and noise pollution</b>	Findings by the World Health Organisation (WHO) state that noise is the second largest environmental cause of health problems, just after air pollution, and it can result in increased risk for cardiovascular disease, sleep disturbance, cognitive impairment, and permanent hearing impairment <sup>34</sup> . Light pollution is also damaging to human health as it impacts our circadian cycle. CPRE reports that prolonged exposure to light pollution can lead to depression, sleeplessness and heart and blood problems <sup>35</sup> .
<b>Ensure thermal comfort</b>	With the changing climate and increased occurrence of extreme weather events, it is imperative that our new homes provide year-round thermal comfort for residents. The Building Research Establishment (BRE) found over 700,000 homes in England are 'excessively cold' in the winter. The NHS spends over £540m a year treating people affected by the worst properties <sup>36</sup> . Poor insulation and limited ventilation also mean that many homes are overheating in the summer. Over half of the UK housing stock (55% or 15.7 million homes) currently fail the bedroom overheating criterion <sup>37</sup> , and an estimated 791 excess deaths are associated with overheating every year in England and Wales <sup>38</sup> .
<b>Prevent air pollution</b>	Air pollution in the UK is associated with approximately 28,000 to 36,000 deaths and costs the NHS £43 million each year <sup>39</sup> . Indoor air pollution is a major cause of this, as poor indoor air quality has been linked to lung diseases and increased risk of heart disease and stroke. The health impacts of indoor air pollution are widely documented, and provisions must be made to ensure new homes minimise air pollution and do not contribute to unsafe levels <sup>40</sup> .

<sup>29</sup> [Climate change - UKGBC - UK Green Building Council](#)

<sup>30</sup> [Heatwave deaths set to soar as UK summers become hotter | Climate crisis | The Guardian](#)

<sup>31</sup> [Flooding and health: national study - GOV.UK \(www.gov.uk\)](#)

<sup>32</sup> [Safer Places: The Planning System and Crime Prevention](#)

<sup>33</sup> [The impact of neighbourhood crime on mental health: A systematic review and meta-analysis, Social Science & Medicine, 2021](#)

<sup>34</sup> [WHO: Environmental Noise Guidelines for the European Region](#)

<sup>35</sup> [MICPRE: How light pollution affects our health](#)

<sup>36</sup> BRE (2023) [BRE cost of poor housing tenure analysis 2023.pdf \(bregroup.com\)](#)

<sup>37</sup> ARUP (2022) [Addressing overheating risk in existing UK homes - Arup](#)

<sup>38</sup> [Small-area assessment of temperature-related mortality risks in England and Wales: a case time series analysis, 2022.](#)

<sup>39</sup> [NICE impact respiratory conditions, 2020.](#)

<sup>40</sup> [Asthma and Lung UK. What is indoor air pollution?](#)

## Appendix 2: Habitat for Humanity Empty Spaces to Homes Toolkit

### Empty Spaces to Homes Toolkit

#### Design and Technical

Insights and lessons learned from current and completed projects. Sharing steps and pathways that organisations can follow to support a smooth, efficient process from the initial idea and concept vision to occupation by tenants.



#### Finance and Fundraising

Looking at how capital projects are more vulnerable to market forces and less predictable. And how robust finance and fundraising strategies help to manage issues and help organisations protect themselves against risks.



#### Community Engagement

Learning the importance of community engagement to understand issues and needs of people living and working near the project location. Understanding how to engage communities to buy into your proposal by being part of its formation.



#### Legal

Learning the legal steps to take in facilitating conversions of under-used commercial industrial properties into affordable homes. Considering operating environments and policy context of relevant Local Authorities when planning.





## Appendix 3: Organisations who contributed written or oral evidence

### Oral Evidence

#### Session 1:

- Mervyn Jones, Director, Savills
- Sam Rees, Senior Public Affairs Officer, RICS
- Nicholas Boys Smith, Director, Create Streets
- Dr Ben Clifford, Associate Professor in the Bartlett School of Planning, UCL

#### Session 2:

- Ian Fletcher, Director of Policy, British Property Federation
- Daniel Brewer, Chief Executive, Resonance
- Olivia Harris, Chief Executive, Dolphin Living
- Tessa Kelly, Director of Development, Habitat for Humanity

#### Session 3:

- Adam Cliff, Secretary and Policy Lead, Empty Homes Network
- Cllr David Renard, then Chair of the Environment, Economy, Housing and Transport Board, Local Government Association
- Hugh Ellis, Policy Director, Town and Country Planning Association

### Parliamentarians

- Ben Everitt MP
- Bob Blackman MP
- Andrew Western MP
- Lord Best

### Written Evidence:

- Aster Group
- Cardon Banfield Foundation
- Chartered Institute of Housing (CIH)
- Crisis
- Dr Kevin Muldoon-Smith, Northumbria University
- Dr Manuela Madeddu, University of Liverpool
- Habitat for Humanity
- Intergenerational Foundation
- Land Promoters and Developers' Federation
- Local Government Association (LGA)
- London Councils
- More Housing
- National Housing Federation (NHF)
- Positive Money
- Propertymark
- Royal Town and Planning Institute (RTPI)
- St Mungo's
- Town and Country Planning Association (TPCA)





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