

Lyons Housing Review

Ipsos MORI response

This submission responds to the call for evidence from the Independent Housing Commission led by Sir Michael Lyons. We welcome the opportunity to share our data and insights with the Commission and its consideration of how best to secure a step-change in housing supply in Britain.

As a social and market research agency we have worked on behalf of a range of clients exploring some of the key issues of interest to the Commission. Our contention in preparing this response is that public opinion matters. It matters because it can usefully inform (and embolden) the effort and political will invested in reforms and initiatives designed to boost housing supply at macro and local levels. It can also contribute to the direction and specifics of supply solutions. In addition, as consumers and citizens, the public will have to live with, and in, the new homes, and potentially towns, built in the years ahead. They have an important stake in this issue.

Our response presents and reproduces the blogs and polls we have prepared in the past two years on relevant topics, grouped into five key themes:

1. The housing crisis
2. House prices and affordability
3. Housing supply – yes/no, why?
4. Housing supply – what?
5. Property and land taxation

Our commentary on these themes prefacing a Conclusion which draws together our thoughts on the key issues.

We hope this submission makes a useful contribution.

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1. The housing crisis

Source 1: *Evening Standard: Housing: the national local crisis*, Ben Page, February 2012

No surprise that the British think there is a housing crisis. More surprising perhaps is the strength of that feeling across all groups of society, young or old, rich or poor, north or south, owners or renters.

Housing is an interesting issue for pollsters. Our regular polls find few people mention it spontaneously and it tends to be, at most, a second order issue in local and national elections. It can be seen as something like the weather, that no one is responsible for.

Ask people about a list of issues though, and it hurtles upwards as a problem. And when people start thinking about the future, it has even stronger traction. Overlay on that our steadfast aspirations to own our own homes and it is a politically important issue too.

Yet while there is stronger public backing for building new housing than any other type of infrastructure project including roads and rail, all the evidence is of continued sluggish progress in increasing housing supply to meet rising demand.

Today's poll gives extra conviction to those saying 'something must be done', while highlighting the challenges. In particular, the crisis plays out differently by tenure, by age and by area. For example, outside London and the South East most disagree that there is a housing crisis in their local area – the opposite is true in southern England and London.

And while most think there isn't enough affordable housing available to buy or rent, there is plenty of resistance to new homes being built locally. Councils report public opposition to be the biggest block to building new homes.

This means that the case for doing things differently and faster needs to be made compellingly, frequently, and locally. While the government can pull some levers, a real step-change in construction (and housing choices) needs house building to be given greater attention by politicians, communities and business.

Leaving this solely to market forces and hoping that nimbyism won't prevail is unlikely to be enough to take us beyond crisis talk.

Source 2: Shelter guest blog: [Housing at highest level of voter concern in 5 years](#), Ben Marshall, September 2013

Back in January we found 80% of the British public agreeing that “there is [a housing crisis](#) in Britain”. In that same month a much smaller proportion, 9%, spontaneously mentioned housing to Ipsos MORI interviewers as an important issue facing the country.

Fast-forward six months and the 9% had fallen to 7%. Then, last month, we published our [latest Issues Index](#) showing housing at 14%.

This is the most salient housing has been since May 2008. In fact, of the 287 measures since the start of 1988, housing has only been more salient six times and never higher than 17%. YouGov ask a [similar question](#) but show respondents a list, and have housing fifth of thirteen issues.

Of course, this rise in salience has coincided with house price rises and there has been much talk of booms and bubbles. Media coverage matters: we have found that salience is more driven by, than being a driver of, the media agenda. These cannot, though, be entirely independent of each other and media, public and political interest apparently feed off each other; witness the twelve-fold rise in the salience of immigration during the Blair years.

Increased attention on the housing market comes at a time when a majority [don't want](#) to see price rises (23% [do](#)). There are also very real worries about [affordability](#), and an expectation that prices and rents will [continue to rise](#). Housing currently has higher salience among private renters (23% of this group mention housing) and, thus, younger age groups. Meanwhile, older age groups worry about the housing prospects of young people.

Locally – and [hyper-local](#) electoral strategies are predicted for 2015 – housing is above crime, schools and health services considered in [need of improvement](#) although the public are less sure about there being a local ‘housing crisis’ than a national one. The issue is more front-of-mind in some parts of the country especially London – a key electoral battleground at the next general election – where it features high up the pecking order, behind only the economy, unemployment, the NHS and immigration.

Even so, increased public and political attention do not necessarily make housing an important, vote-winning issue. As well as mattering to enough people, if an issue is to be electorally ‘sticky’ the public must discern difference between parties’ policies and be confident in their favoured party’s ability to

change things if elected. And, anyway, issues can be crowded out by voter's impressions of leaders and parties (there is, though, possibly scope for housing here as an aspirational, 'image' issue).

The challenge remains to frame and articulate housing as the kind of mass issue that gets high profile coverage in an election campaign. This is likely to involve engaging the electorally more powerful owner and mortgagee groups (as well as mobilising renters) and using a local slant in the style of 'Bank of Mum and Dad' and 'Yes to Homes'.

Housing's stock does appear to be on the rise. Current political, media and public interest is an opportunity and something to build on, and it will be interesting to see what is made of housing at the upcoming party conferences.

2. House prices and affordability

Source 3: Ipsos MORI poll for BBC Panorama, November 2013

Nearly half the public think house prices in their area are currently too high

According to an Ipsos MORI poll conducted for the BBC's Panorama programme, 46% think house prices in their area are currently too high whilst fewer than one in ten (9%) think house prices are too low.

When asked about house prices over the next few years, more of the public want to see house prices in their local area go down (39%) than go up (29%). Sentiment on the future of local house prices does, however, vary with owners more likely than renters to want to see house prices rise.

Other findings:

- A quarter of the public (26%) say they are struggling on their present income these days while 44% say they are comfortable.
- Three in ten (31%) of the public who don't own their home outright pay more than a third of their total household income in mortgage payments or rent.
- More than half the public (55%) are concerned with their ability to pay their energy bills, 31% are concerned with their ability to pay their rent or mortgage payments.

- More than three in five (63%) of those aged 18-24 say that house prices in their area are too high and more than two-thirds (69%) of private renters say prices are too high.
- Two in five home-owners (41%) want to see house prices in their local area go up over the next few years while a quarter want to see them go down. This contrasts to those renting privately where two-thirds (67%) want to see prices to go down and just 9% want to see them go up.

In an additional question included for Moneyweek, 16% of the public say they either currently, or plan to, use the proceeds from the sale of a property to fund their retirement while half the public say they are not retired and have no plans to use the proceeds from the sale of a property to fund their life when they do retire.

Technical note

Ipsos MORI interviewed a representative sample of 1,003 adults aged 18+ by telephone across Great Britain. Fieldwork was conducted between 25-27 October 2013. Data has been weighted to the known population profile.

Source 4: Unpublished blog, Ben Marshall, October 2013

Self or society? – house prices and public opinion

A plot of land in Fulham the size of two snooker tables selling for £120,000, prices going up by £200 a day; house prices are perhaps second only to energy price inflation in public consciousness right now.

A year ago, 35% of Britons expected the average house price to rise. Now, [70% do](#). This is important; Knight Frank say expectations are a “leading indicator” of price trajectories and economists have identified ‘momentum behaviour’ stoking bubbles.

Still, houses are key assets for many people. Our [poll for Inside Housing](#) found owner-occupiers more likely to agree than disagree that rises are good for them personally. But this group are also more likely to disagree than agree that rising house prices are a good thing for Britain.

Why? Some of the explanation lies in the 91% of owner-occupiers who think it will be harder for the children of today to buy or rent a home than it has been for them. Perhaps in contrast to other decades, we are simply more aware of the flip side to price rises. Eight in ten of the public discern a “housing crisis” with a third worrying about affording housing costs next year. The economy might be healing, but many are coping with a sustained squeeze on finances.

Our poll does show, though, that many are able to step aside from personal interest and see the bigger picture. Even among those who think rising house prices would be a good thing for them personally, more disagree than agree that rises would be good for Britain (44% against 37%).

What next? There are at least two key issues. Firstly, there is low confidence in any government being able to deal with 'markets'. Second, many don't make the connection with supply and are yet to be persuaded of the merits of building more local homes.

Source 5: Ipsos MORI for London Councils, October 2013

Housing key issue for Londoners who want to see financial freedom for local government

Ipsos MORI's polling amongst Londoners, carried out on behalf of London Councils last year, found:

- Without prompting, a quarter, 27%, mention the affordability of housing as the most important issues/among the important issues facing London, above any other issue including transport/public transport (23%), crime (14%) and immigration (10%).
- Four in five, 82%, agree there is a "housing crisis in London" (64% strongly).
- Asked to give the main reasons for the crisis (without prompting), 47% give mentions relating to affordability/house prices, 39% over-population/immigration, 37% the lack of building or supply or investment.

Other findings include:

- Londoners trust their local council to make decisions about services in their local area (57%) more so than the Greater London Authority (11%) and Central Government (10%).
- Most Londoners say they support London local government having more financial powers – for example, 42% strongly agree with the statement "London's local government should be given greater freedom in the way it uses money raised from London taxpayers".
- There is confidence that more freedom on spending on transport, schools and housing will "mean more growth and jobs for London" – 73% agree this would happen while 13% disagree.

Ipsos MORI polled a total of 1,000 adults aged 18+ across London's boroughs by telephone between 18 and 29 October 2013. Data has been weighted to the known London population profile.

3. Housing supply – yes/no, why?

Source 6: Yes to Homes guest blog: [Locally, it is more a case of 'maybe to homes'?](#), Ben Marshall, May 2013

Yes to homes? No to homes? Where do the public stand? These are important questions in the final few days before local council elections in many parts of England on Thursday.

These elections come at an interesting time. Housing and particularly housing supply seem to be cutting-through nationally. Now, [80% of the British public agree](#) that there is a national housing crisis with a similar proportion wanting the Coalition Government to give housing more attention.

But housing supply is a very local issue. New housing has to be built near to somebody; how much, what and where has significant implications for local communities. [Ipsos MORI surveys](#) show that while housing supply has not historically been among the top things that people want improving locally, it is nevertheless above health services, crime and schools. Planning and housing issues were also highly salient in February's by-election in Eastleigh.

Politicians are picking up on this but doing so with caution, probably mindful of the strong 'progress' and 'protect' elements of local opinion. I suspect that this extract from an election leaflet where I live is fairly typical: "I will work hard...to ensure that...developments to provide affordable housing are permitted where they are sensitive to the environment..."

Our surveys point to a local 'enough already' sentiment, and the national sense of crisis is felt much less keenly by people locally. In fact, more disagree than agree that there is a local crisis (49% vs 45%) and 36% of those who think there is insufficient local affordable housing disagree that new homes need to be built.

While public opinion is often characterised as being 'no to homes' (or 'nimby'), some sections of the population are undoubtedly 'yes to homes'. Still, a better description is probably 'maybe to homes'. This is because polls usually collect in principle views but the practice is so important in shaping acceptability. Also, the British value the countryside (and [over-estimate](#) the extent to which it has already been built on), while worrying about economic growth and the prospects for younger generations. Opinion is fluid, not fixed.

So, here's the rub. As long as councillors think that public opposition is the biggest barrier to increasing housing supply (and they do), there is a risk that they follow what they think opinion is, and don't lead it to where they think it ought to be in the best interests of the whole community. Engaging this wider community is important – there can be a difference between the opinions of 'vocal locals' and silent majorities – but also [very challenging](#).

There are votes in housing but the period between elections counts more. Localism is unlikely to deliver the new housing required if the issue isn't given greater ongoing attention by local politicians, communities and businesses. This is the challenge: housing supply is a strategic, national imperative in the hands, hearts and minds of local people.

Source 7: Presentation: [Homes for Britain: Britain for homes?](#)

Speech given by Ben Marshall at the **Homes for Britain** reception, Labour Party conference 2013, 23 September, 19.30-21.00. A similar speech was given at the Conservative Party conference 2013, 30 September.

Thank you for inviting me to talk on this important topic. I'm going to talk about public attitudes towards housing.

In my five minutes I am going to share 10 key stats from our polling. The thread running through my commentary on these is the question... 'Is Britain for Homes?'

Firstly... **1. 80% of the British public agree that "there is a housing crisis in Britain".**

Half of these *strongly* agree.

But crisis sentiments are not entirely new. A poll we did for Shelter found three-quarters agreeing that "it will be more difficult for our children to find housing", six in ten disagreeing that "rising house prices are a good thing". The year? 1993. Something else **hasn't** changed; the British have remained steadfast in their desire to own rather than rent homes.

2. Nationally, our poll for the Chartered Institute of Housing in June, found 33% of those with rent or mortgage payments concerned that they won't be able to make these payments next year.

It is affordability which is on the minds and lips of the public. By a margin of 5 to 1, mortgage holders expect house prices to rise rather than fall over the next year, by 23 to 1 private renters expect rent

rises, and it's 74 to 1 among social renters. And nine in ten Brits agree that "it will be harder for the children of today to buy/rent than it is for me".

The housing crisis seems to be part of the so-called 'cost of living crisis'. It is also a confidence crisis, a worry that aspiration won't be met.

3. Londoners are a *little under twice as likely* than average to identify housing as an important issue.

National polls mask sharp difference by regions. For example, that same poll for the CIH found 45% of Londoners concerned about their ability to pay housing costs in the next 12 months. Londoners are much more likely to anticipate price and rent rises. And while affordable housing has not historically been among the top things that people want improving locally – but nevertheless above health services, crime and schools – it has historically been highest in the south of England.

4. 78% of MPs report receiving more contact from constituents about housing than a range of other subjects

This is one to watch because there is some evidence that this can be a leading indicator of an issue gaining salience among the public.

Media coverage matters too: we have found that public interest in an issue is more driven by, than being a driver of, the media agenda.

5. 82% of the public want the Coalition Government to give housing more attention

Of course, the Coalition Government *do* give housing attention. So too do each of the main political parties.

But at the same time, the Social Market Foundation's analysis has shown that from the 1940s to the early 1980s, Conservative and Labour party manifestos always contained a significant chunk on housing – sometimes 10%. But in the past decade the proportion has hovered around 2%.

6. 44% of the public choose building more affordable homes from a list of seven potential housing priorities

This makes it comfortably top. We have also found stronger public backing for building new housing as a route to economic growth in preference to other types of infrastructure project; 8 times the proportion choosing airport capacity, 10 times for High Speed Rail.

7. 59% of Councillors said last year that public opposition had been a barrier to new housing developments in their area in the past two years

This made it the most important barrier in the eyes of Councillors. That same poll by the LGA found four in five councillors (84%) saying that their local authority area is **in need** of new housing.

8. 49% of the public DISagree that there is a housing crisis locally

And 45% DISagree that new homes need to be built locally.

But there are some inconsistencies here. For example, a third (36%) of those who think there is insufficient affordable housing **disagree** that new homes need to be built.

9. 58% support for new home building *in principle* becomes 77% if it allows young people to stay in the area and 68% if it helps to create jobs

This comes from a survey we did in Canterbury for the Council to inform their Local Plan. But, note, the same survey found a swing away from support if building on greenfield is necessary, and pressure is put on infrastructure.

This is fairly typical; there are 'protect' and 'progress' sentiments in public opinion.

Finally, 10. By 38% to 28% Londoners choose building fewer homes with higher design standards, rather than more homes with lower design standards

This comes from our poll for the Berkeley Group published last Friday.

Other work we've done for RIBA, and research by Shelter, suggests that new builds have something of an image problem. They are perceived (correctly) to be smaller and pricier. And poor design can stimulate local opposition to new building.

Conclusion

What does all this mean? '**Is Britain for Homes?**'

While public opinion is often characterised as being 'no to homes' (or 'nimby'), many people are undoubtedly 'yes to homes'. Still, a better description, overall, is probably '**Britain is maybe to homes**'. This is because polls usually collect *in principle* views about house-building and the *practice* is so important in shaping acceptability.

What needs to happen? Building **Homes for Britain** requires building coalitions of support which will depend on addressing a number of key challenges:

1. Framing and articulating housing as the kind of mass issue that gets attention. This is likely to involve engaging the electorally more powerful owner and mortgagee groups (as well as mobilising renters), connecting the generations and tenures – like Shelter's 'Bank of Mum and Dad' campaign – and making housing less private commodity, more social asset.
2. Convincing people that housing is something elections and politics can do something about in the short-term, and moving from crisis-talk to solutions while also challenging mis-perceptions such as the extent to which Britain is already built upon.

3. Local attention and leadership. The next election will be fought nationally and in constituencies – in the words of one Lib-Dem Cabinet minister it will be “650 by-elections”. And Localism gives local councils, business and communities, new responsibilities and opportunities right now.

There is, I think, possibly a risk that politicians follow what they think opinion *is*, and don't lead it to where they think it *ought to be* in the best interests of the whole community. Engaging the wider public is important – there can be a difference between the opinions of ‘vocal locals’ and silent majorities.

The overall challenge is probably that Homes for Britain is a strategic, national imperative also in the hands, hearts and minds of local politicians people as much, if not more, than anyone. The public needs listening to, and leading. Thank you.

10 key stats – sources

- [1. Ipsos MORI/Evening Standard, January 2013](#)
- [2. Ipsos MORI/Chartered Institute of Housing, June 2013](#)
- [3. Ipsos MORI/Economist Issues Index, August 2013](#)
- [4. Ipsos MORI/Summer MPs survey, 2012](#)
- [5. Ipsos MORI/Evening Standard, January 2013](#)
- [6. Ipsos MORI/Channel 4, November 2011](#)
- [7. LGA's research, Housing the Nation, February-March 2012](#)
- [8. Ipsos MORI/Evening Standard, January 2013](#)
- [9. Ipsos MORI/Canterbury City Council, 2011-12](#)
- [10. Ipsos MORI/Berkeley Group, May 2013](#)

4. Housing supply – what?

Source 8: Shelter guest blog: [It's not all about quantity](#), Ben Marshall, May 2012

Imagine that Britain built the 240,000 homes it is estimated it needs every year until 2016 to meet projected demand. What would those homes actually be like?

You would be forgiven for questioning why this matters. Recent debates about housing and planning reform have been framed in terms of quantity. This is surely right, but quality matters too.

It matters because public support for quantity wanes if quality is poor. Longer-term, the stakes are high; the lesson from history is that building high volumes of homes in certain ways might solve one problem but will create others.

Against this backdrop, the [RIBA/Ipsos MORI](#) report [The Way we live now: What people need and expect from their homes](#) makes an important contribution to the work of the Future Homes Commission, a national inquiry developing recommendations for how houses should be designed and delivered in future, but also how existing stock might be adapted.

Our research enabled us to get beyond survey findings like 89% agreeing “my home is suitable for my current needs”. We were able to move through the affection, and defensiveness, most have regarding their home, to a better assessment of qualities and limitations. We used filmed ethnographic interviews observing households’ lives, and whether and how the spaces they inhabit accommodate belongings and lifestyles:

You can watch the full series of interviews on [the RIBA website](#).

These films show just how cramped and poorly planned housing can be, and the lengths people go to cope. They store hoovers, rubbish bins and even food in surprisingly inventive ways, using headphones when watching television because of poor sound insulation, and keeping blinds drawn all day to avoid being overlooked.

All of our participants used rooms for activities other than those they were designed for: parents use kitchens to oversee children’s homework, for example. However, how successful this is depends on design – some homes enable flexible use, others limit it.

Our discussion groups explored what people want from their homes. The biggest concern about new builds is their quality: the materials, fixtures and fittings, their sound insulation and energy efficiency. Space is an issue too – people think bedrooms in new homes are too small and that their size should be regulated. Our findings also point to the potential value of an independent, cross-professional body to regulate quality and provide free information.

The big picture is that Britain’s local planning authorities, architects and developers need to deliver quantity in recessionary times. If that’s not challenging enough, they cannot afford to neglect quality, nor forget the existing stock and the consumers living in Britain’s homes.

Source 9: unpublished blog, Ben Marshall, September 2013

Britain's new homes: a consumer view

New build homes seem to have something of an image problem at a time when Britain needs a lot of them.

Just under a third of people would not consider buying a home built in the last ten years [according to Shelter](#). The main reason given for this was that new homes are too small.

More recently and also [on behalf of RIBA](#), we found the biggest concern about new builds is their quality – the materials, fixtures and fittings, their sound insulation and energy efficiency – and space. And another Ipsos MORI [survey](#) this year found lack of space reported as the key problem for people in homes built between 3 and 10 years ago.

And then there's cost. We have found a public expectation that new homes cost a lot or a little more than equivalent second-hand properties in the same area – people take this view by a margin of five to one. They are not wrong: new builds can attract a [premium of around 10%](#) more than average market homes.

This expectation of paying more for new comes at a time when [some are warning](#) about a new house price bubble. The June Halifax/Ipsos MORI housing market survey recorded the highest [House Price Outlook](#) in nine surveys stretching back to April 2011; +40 compared to +15 a year ago. And a third of the public [are concerned](#) about affording housing costs in the next 12 months.

What does this mean? As [discussed before](#), debates about housebuilding ought not to ignore quality. This is underlined by another poll, [this one for Berkeley](#) which found 40% of Londoners preferring building fewer homes with higher design standards, more than the 27% who think building more homes with lower design standards would be better.

House builders will say they know the market, that quantity and quality are not mutually exclusive, and that owners of newly built homes are a satisfied bunch. This may be true, but it will surely be put to the test in the years ahead if Britain does end up building at volume.

Source 10: Poll: [Ipsos MORI for Berkeley Group](#), May 2013

New homes: more Londoners prioritise building quality over quantity

According to an Ipsos MORI poll for Berkeley Group, more Londoners think that building fewer homes with higher design standard would be better, than building more homes with lower design standards.

While architecture and design are not seen as important as the economy and transport in ensuring London's future, they are felt to affect quality of life. Key findings include:

- 34% identify good architecture as contributing to London's future success (74% say the same of a strong economy and 68% mention transport).
- 59% believe the quality of architecture and design affects their overall quality of life (this is higher in inner London, 64%, than outer London, 55%).
- 40% would prioritise re-development of run down areas rather than a particular type of tenure or new home.

Ipsos MORI interviewed a representative sample of 500 adults resident in London (sampling them through the Ipsos Access Panel). Interviews were conducted online, between 24-27 May 2013. Data are weighted to match the offline profile of the population in London in terms of Inner/Outer, age, gender and tenure.

Source 11: Poll: [Catalyst Housing Limited](#), November 2011

Shared ownership: low knowledge and interest

Lack of information and uncertainty about eligibility are the biggest barriers to private renters buying a home through a shared ownership scheme according to new research by Ipsos MORI for Catalyst Housing Limited.

The survey also found that:

- Three-quarters of private renters expect to be living in the same tenure in two years time (77%). 10% expect to be buying on a mortgage, only 1% to be buying a share.

- 82% of tenants renting from a local authority and 89% of mortgage-holders expect to be in the same tenure.
- Just under half, 47%, say they have never heard of shared ownership and a further 23% have, but say they don't know anything about it.
- Awareness is higher among the wider adult population (covering all tenure groups) but still low: 36% say they have never heard of it, 26% that they know nothing about it.
- The lack of information (24%) features as a perceived barrier to shared ownership among private renters along with uncertainty about eligibility with 23% doubting their eligibility because of their income (and 9% because of their job). These are selected from a list of eleven potential reasons by more renters ahead of a preference to buy without funding from anyone else (18%) and a desire for more choice in the type of property (16%).
- There is lukewarm interest in shared ownership schemes among this group. While 29% of private renters say they are either very or fairly interested, 64% say they are not.
- Even including the option of increasing the share of ownership and porting a scheme from one property to another does not tempt the disinterested. Respectively, 86% and 87% say they are 'not at all' or 'not very interested' in schemes with these options.

Ipsos MORI interviewed 591 private renters between 11-24 November 2011 and a sample of 3,973 British adults, face-to-face in-home. Data has been weighted to the national profile by age, sex, working status, social grade, region, ethnicity and tenure. Additionally, data for private renters has been weighted by age, sex, work status and household size.

5. Property and land taxation

Source 12: Poll: [Land Value Tax Poll](#), November 2012

Land Value Tax Poll

Ipsos MORI carried out a poll for the Coalition for Economic Justice (CEJ) on public attitudes to and awareness of land value tax (LVT).

986 British adults aged 15+ were asked a series of ten questions between 19 October – 5 November 2012, face-to-face, in home, as part of the regular Capibus service about how land values arise, what they know and think about council tax, and whether they would prefer to have just the land value of sites - not the value of the whole property - used as the basis of their property tax. They were not asked about other taxes. Nor were they told that a land value tax (LVT) wouldn't be additional to existing taxes but would replace them. Data are weighted to match the profile of the population.

Key findings include:

- Nearly half of British adults think that a tax based on the value of the whole property is fairer than one based on the value of the land alone. Only about one in six think the opposite. A similar proportion don't think there is any difference in fairness. About one in seven said neither kind of property tax is fair.
- About two thirds of those interviewed said they know little or nothing about how their council tax is calculated. Only about one in 25 said they know "a great deal".
- Less than one in five expressed strong views about council tax either way and around half think it "somewhat" or "very" unfair.
- People in higher social grades are more likely to think council tax is fair, whereas those in the lower grades tend to think the opposite. Homeowners are more likely than renters to think it is fair, social renters are most likely to think it is "very unfair".
- Well over half said they had heard not very much or anything at all "about a site or land value tax"¹. Only one in eight admitted to having heard "a fair amount" or more.

¹ This was described as: "There is another kind of property tax used in a number of other countries. This tax is called a site or land value tax. It is based on the value of the location or site, not on the buildings on it. This would mean that, in a street of houses on similar sized plots, every plot would have the same tax on it whatever size the house is. The level of tax, based on land value and location, and what use is permitted for the site, would be the same regardless of what the land is actually used for or how many people live or work there."

- Those who have heard of “land value tax” are more likely than average to think it is fairer than a tax based on the property. However, even among those who have heard of it, more think a tax based on the value of the property is fairer than a tax based on the land.
- Three-quarters expressed no strong views on whether “a tax based on land or site value alone” is fair or unfair “as a way of collecting tax on property”, though around six in ten said it was somewhat or very unfair. Note that the option of using LVT to reduce or replace other taxes was not included in this survey. Of those who did express a strong view, those saying it is unfair (about a fifth) outnumber those saying it is fair by a margin of seven to one.
- Younger working age people (25-44) are more likely than those aged 65+ to think LVT is fair. Those of pensionable age are more likely to think it is unfair, as are those who own their home outright or are not working.
- Among those who say they already knew “a great deal” or “a fair amount” about it, three out of five think it is fair. Among those who say they had heard “not very much” or nothing about it, there is a two to one majority saying it is unfair.

Conclusions

The Commission is seeking evidence on the barriers to, and solutions for, a step change in house building. In the context of Britain's systemic under-supply of new homes, public opinion matters because it can shape the likelihood of success in boosting supply and, as a first step, embolden the effort and political will necessarily invested at macro and local levels.

Using the data presented in this submission, our central conclusion is that while there is strong sense of a housing crisis in Britain and a concern about inequality of housing choice and opportunity (especially for younger people and future generations). This is primarily shaped by concerns about affordability and sensitivities about house prices. We detect that the link between 'crisis' and inadequate supply is softer and less clear-cut in the public's eyes and minds, although our recent polling in London suggests that supply issues have some salience as a cause of the crisis.

As with the issue of immigration, the sense of crisis with housing is less keenly felt locally than it is nationally.² This possibly reflects the nature and level of the narrative so far about housing. It also creates challenges – our research in local areas and our wider work on infrastructure points to the

² http://www.ipsos-mori.com/DownloadPublication/1634_sri-perceptions-and-reality-immigration-report-2013.pdf (pp88-92).

importance of local opinion formers and agencies in building the case for development and expanding housing supply. And, of course, house building might be a strategic, national imperative but it has to be delivered locally.

While parallels have been drawn with the 1950s and 1960s and the step-change in housing supply delivered then, the socio-cultural context is now very different. As an example, the British public is less trusting of, and deferential towards, government at all levels, especially national government.³ This has important implications for step-changing supply in the form of garden cities, new towns etc.

When it comes to delivering large infrastructure projects such as housing, but also transport and utilities, 'neutral' technical expertise is favoured over political accountability both in terms of decision-making and explanation. At the same time, the public would like to see a role for central and local government in setting strategic priorities. It is felt that local people ought to have a say in genuine, meaningful ways and that any imperative for speedy decision-making should not compromise this.

There is a sense of housing crisis among the British public but, still, the premise for a step-change is probably less manifest and more reliant on media and political coverage. In earlier eras people could see slums and deteriorating housing stock but this is not the case today. More visible than the future challenge of housing households which have not yet been formed (but are projected to as Britain's demography changes), are the empty homes people see, read and hear about.

Against a backdrop of commentary about 'nimbyism', it is important to stress the conditional nature of public opinion on proposals to address local housing supply (which itself underlines the importance of managing opinion). Clarity on the premise for step-changing housing supply is likely to be an important determinant of success; many people need convincing of the need for new housing. Our research does show though that justification in terms of the economic and social benefits of expanding housing supply can be persuasive, generating at least in principle support for supply-side plans and policies.

While some groups, especially those for whom housing need is currently most acute, are more instinctively pre-disposed to support supply solutions, and others are more conservative, they are united in having an 'infrastructure first' preference, emphasising the need for proportionate utilities, roads, schools and public services. For most people, the primary purpose of infrastructure

³ Trust in politicians has never been high but three times as many people say that they "almost never" trust governments as did in 1986. Source: <http://www.bsa-30.natcen.ac.uk/read-the-report/politics/can-people-make-a-difference.aspx>

improvements is to improve the local quality of life (including employment opportunities), rather than delivering national benefits.

These sentiments possibly reflect the image of past efforts to enhance supply, albeit on fairly small scales, plus a 'protect' and conserve sentiment in British opinion. There are also sensitivities about perceived and actual rapid population increases, and the ability of local infrastructure to keep up. Our research also points to an issue about what is built, as well as how much. New homes have something of an image problem, thought by the public to be smaller and more expensive than equivalents in existing stock.

The research that has been done suggests that proposed larger-scale infrastructure developments can lead some people to take a 'consumerist' 'what's in it for me?' perspective if they anticipate negative impact for themselves and their local area. By contrast, those with less emotional attachment to the issues are more willing to take the 'citizen' view. Development can be a relatively complex, polarising topic with few people occupying a middle ground between the 'consumer' and 'citizen' viewpoints.

Moving forwards, the typology and tenure of new supply is also an important consideration. This is an under-researched topic but what has been done points to public interest in mixed provision, including family homes as well as smaller dwellings. As consumers, the public are strongly attached to the idea of owner-occupation; this has endured over time and is consistent across the generations.⁴ However, research on housing and supply, undertaken in 2010 as part of the British Social Attitudes Survey, showed the public giving priority to social housing although the different tenures groups tended to prioritise their 'own' tenure (the exception being private renters).⁵

This might reflect concerns about affordability – 90% of the British agree that it will be harder for the children of today to find somewhere to buy or rent⁶ – and, here, there could be a role for affordable, intermediate tenure types such as shared ownership provided by housing associations. The opportunities and challenges facing the promotion of shared ownership are well documented⁷, and, in

⁴ <http://www.ipsos-mori-generations.com/housing>

⁵ <https://www.gov.uk/government/publications/public-attitudes-to-housing-in-england-results-from-the-british-social-attitudes-survey>

⁶ <http://www.ipsos-mori.com/researchpublications/researcharchive/3129/80-per-cent-agree-UK-has-a-housing-crisis.aspx>

⁷ See, for example:

http://england.shelter.org.uk/professional_resources/policy_and_research/policy_library/policy_library_folder/homes_for_forgotten_families_towards_a_mainstream_shared_ownership_market and
<http://www.resolutionfoundation.org/publications/one-foot-ladder-how-shared-ownership-can-bring-own/>

terms of potential consumers, our research has pointed to low awareness and uncertainty about eligibility as key barriers to uptake.

Some of the supply side solutions being advanced by politicians and experts focus on taxing land to discourage land-banking and unlock development. We present findings above from a poll undertaken last year on land value taxation. This is, of course, an unfamiliar, fairly technical issue to many people. Other polling shows public preference for taxation of income rather than assets but, again, the premise behind moves towards any new type of taxation – and the outcomes these bring – are likely to be important determinants of public acceptability.

It is important to flag that while the evidence base presented in this submission appears substantial, and is growing, there are important gaps. In particular, we think that there would be value in undertaking more research into public attitudes towards housing, and the issues described above, in the round and to understand the connect, or disconnect, between national and local imperatives.

Finally, just as, if not more, important than researching public opinion is giving the opportunity for conversation and debate, and involving more than 'vocal locals' in this.⁸ Certainly, these are important issues deserving attention at forthcoming local and national elections, as well as the periods in between.

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⁸ http://www.ipsos-mori.com/Assets/Docs/News/Blogs/Housing_and_bananas_Sept2012_SRI.pdf
