A Question for Housing Leaders
&
Organisational Behaviour Scholars

What Can a Fifty-Year Housing Crisis Teach Us?

A different perspective on why repeated change has not delivered progress

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Change Is Inevitable. Progress Is Not.

Britain has been trying to solve its housing problem for approximately half a century.

This paper invites you to consider the crisis from a different perspective.

It does not offer another housing target, another planning reform or another claim to have found the solution.

Instead, it draws upon fifty years of housing evidence and an eighteen-year documented journey through banks, MPs, Ministers and the Civil Service to examine a more fundamental question:

What is stopping progress?

Governments have changed. Housing Ministers have changed. Planning policies have changed. Funding initiatives have changed. Targets have changed.

Yet we still talk about a housing crisis.

That does not mean nothing has been done. Considerable political, professional and financial effort has been applied to housing over many years.

But perhaps that is precisely why the persistence of the problem deserves examination.

When enormous effort and repeated change fail to produce the outcome being sought, should we only ask what needs to change next — or should we also ask what is preventing all that change from becoming progress?

This paper explores that question through housing.

What emerges may have implications considerably beyond it.

A structural clue

One feature of Britain's housing history deserves particular attention.

When England achieved very high rates of housebuilding, private developers were not producing those homes alone. Substantial local-authority housebuilding existed alongside private development.

That second major source of supply subsequently declined dramatically.

Housing associations increased their contribution, and councils later returned to building some homes, but the lost volume was never replaced at anything approaching its previous scale.

This does not mean that recreating the housing system of the 1960s and 1970s is necessarily the answer.

But it does create an important question:

When one major source of housing supply substantially disappeared, what replaced it?

Private developers operate within a market. They cannot sustainably build simply according to the number of homes society says it needs.

People need to be able and willing to buy. Mortgage availability matters. Interest rates matter. Confidence matters. Affordability matters. Sales rates matter.

Historically, the periods in which overall housebuilding reached particularly high levels were periods in which substantial public-sector building existed alongside private development.

So perhaps, before demanding substantially greater output from the existing market, we should ask:

Has that market ever demonstrated that it can sustainably deliver the required level of housing on its own?

One principle — three changing problems

My own involvement began during the financial crisis of 2008, after more than thirty years working in housing and development.

The immediate problem then was not primarily insufficient housing supply.

Banks were facing enormous property-related losses and the prospect of substantial reserve requirements.

I began exploring a relatively simple proposition:

What might change if the building and the land beneath it were treated as separate assets?

The first proposal was called **Genesis.**

Its initial focus was whether separating those assets could reduce future banking exposure and the potential scale of property-related write-offs.

As circumstances changed, I continued to apply the same underlying principle to the problems emerging around me.

NPFM — the New Property Funding Model considered how the separation of land and buildings might provide greater protection for banks, mortgage lenders and particularly borrowers, while helping restore confidence and sales in the new-homes market.

Later came **HIPP — the Home Investment Purchase Plan.**

By then the problem demanding attention had changed again: affordability and insufficient housing supply.

Rather than simply asking how the existing housing market could be encouraged to produce more, HIPP explored whether the same underlying principle might help create **an additional housing market,** bringing the first step towards home ownership closer to more potential purchasers.

The circumstances changed.

The underlying principle did not. Its potential application did.

That distinction would eventually become important for reasons extending beyond housing.

What happened when the idea met the system?

Over the following years, the proposals travelled through banks, MPs, Ministers, government departments and civil servants.

Some people challenged them. Some showed genuine interest. Some helped move the thinking forward.

Eventually the proposal progressed sufficiently for government officials to consider how it might operate within the existing legal and policy framework.

In January 2018 I met civil servants at Marsham Street in London. Subsequent ministerial correspondence confirmed that officials had been examining the model.

The question had moved beyond:

What is this?

Towards:

Could this work?

But implementing something genuinely different raised another problem.

The existing structure itself would need to change.

At the same time, political responsibility for housing was changing repeatedly. Housing Ministers came and went while the housing problem remained.

That experience now raises a question considerably larger than whether my particular proposal should have proceeded:

How does a country maintain a long-term objective when responsibility for achieving it repeatedly changes?

Who owns the finish line?

Housing involves intelligent and experienced people throughout government, local authorities, planning, banking, construction, development and numerous professions.

A Minister can make a reasonable decision.

A civil servant can properly follow policy.

A bank can responsibly manage risk.

A local authority can correctly follow its procedures.

A developer can build at a commercially sustainable rate.

Each participant can fulfil their individual responsibilities.

And collectively we can still fail to build enough homes.

Perhaps, therefore, the most useful question is not:

Who got it wrong?

But:

What prevents individually reasonable choices from combining into the outcome we collectively need?

Or, more simply:

Who owns the finish line?

The objective is not the successful administration of a housing system.

The objective is housing people.

The question I hadn't been asking

For most of this eighteen-year journey, I believed I was trying to improve housing.

Looking back, I can now see something else running through it.

At every stage people were making choices.

They were responding to evidence, uncertainty, precedent, professional responsibility, authority, perceived risk, changing circumstances and unfamiliar ideas.

So was I.

Sometimes persistence helped me learn and adapt. At other times frustration undoubtedly influenced how I interpreted the responses of others.

That matters.

This cannot simply be a story about what government, Ministers, civil servants or anybody else should have done differently.

The common thread is choice.

That eventually led me towards a question I had not consciously been asking during the housing journey:

What actually determines how a human being responds in a particular situation, at a particular moment?

That question became the foundation of my subsequent work on **Human Agency — the ability of people to make helpful conscious choices and to act upon them.**

The housing journey had unintentionally become a real-world case through which to examine it.

Experience is not necessarily learning

Britain has accumulated decades of experience of housing shortages, affordability problems, political change and policy intervention.

But experience does not automatically become learning.

Learning changes what we subsequently choose to do.

That distinction applies to my own journey too.

Genesis did not remain Genesis because circumstances changed. The underlying principle was reconsidered against the problem that existed at the time. Genesis became NPFM and eventually HIPP.

That does not prove that HIPP is right.

It may be wrong. It may require considerable modification. Another approach may prove better.

But perhaps the proposition behind it still deserves examination:

Does Britain need additional housing-market capacity rather than continually expecting substantially greater output from essentially the same market?

And beyond that sits an even larger question:

When experience tells us something about the limitations of an existing approach, what determines whether we reconsider the approach — or simply change something within it again?

Examine the evidence — and decide for yourself

This eighteen-year journey has now been reconstructed as a Housing Market Case Study, supported by surviving contemporary correspondence and an independent review of the wider housing evidence.

Its purpose is not to establish that my proposed housing solution was right.

It is to make the experience available for others to examine.

The Case Study follows the journey from **Genesis in 2008, through NPFM and ultimately HIPP,** including interactions with banks, MPs, Ministers and civil servants.

Alongside it, a separate **Supporting Evidence Research Pack** examines long-term housing output, the decline in local-authority housebuilding, repeated policy interventions and the turnover of Housing Ministers.

Both are freely available through the **Housing Crisis Study on the Arbitrium® website.**

For somebody concerned primarily with housing, the material provides an opportunity to consider:

After fifty years of intervention, are we changing the right things?

But I would invite the reader not simply to accept my interpretation.

Look at the journey. Look at the evidence. Draw your own conclusions.

For somebody interested in organisations, institutions or human behaviour, another pattern may become visible.

Throughout those eighteen years, people were continually making choices — Ministers, officials, bankers, politicians, professionals and myself.

That is why what began as a housing journey eventually became something else as well:

a case study in Human Agency.

The website also contains the wider Human Agency paper and the subsequent work exploring how Human Agency might be strengthened within organisations through the Arbitrium discipline.

But there is no need to accept that proposition either.

Start with the housing evidence.

The question remains

Fifty years of experience.
Repeated political change.
Repeated policy change.
A persistent problem.

Perhaps before deciding what to change next, we should ask:

What have we chosen to learn from everything we have already changed?

And perhaps the question beneath even that is the one with which this paper began:

What is stopping progress?

Because change will continue.

Whether it becomes progress is a choice.

Explore the Housing Market Case Study

The full Housing Market Case Study, Executive Paper and Supporting Evidence Research Pack are freely available at:

https://arbitrium.uk/#real-world

Look at the journey. Look at the evidence. Draw your own conclusions.

Scan to explore the Housing Market Case Study and supporting evidence.

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