

Want to fix the housing crisis? Give young people the right to a subsidized home

We need to forget about 'affordability' and focus on providing good quality housing for everyone

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Lockdown taught me that spending far more time than usual between the same four walls changes your relationship with where you live. It might have felt like an oppressive prison, maybe it inspired cosy nesting, perhaps it was constant bedlam. Good, bad or ugly – or all of the above – many of us will have experienced intensified feelings about home.

But none of this has yet been reflected in the way we as a society talk about homes. The political and media debate is still focused on prices, deposits and affordability. We remain locked into a paradoxical conversation: on the one hand, rising house prices are treated as a glimmer of hope in an economy collapsed by a global pandemic; on the other, they take homeownership further out of reach for a generation of young people whose opportunities are being crushed by Covid-19.

Fear not, pensions minister Guy Opperman is mulling over a generous offer – permitting first-time buyers to dip into their fledgling pension pots for a deposit. It's hard to think of an idea that better sums up the thrust of housing policy in recent decades: provide a bit of help to get a small group of people just over the line, but in a way that inflates prices for everyone else. This idea wouldn't even require the government to stump up new support – just to allow the pension top-ups it's already paid out, earmarked for young people's security in old age, to be redirected.

It's easy to feel fatalistic about the chances of cracking the housing crisis. Not because the solutions aren't simple – they amount to building more houses and properly taxing property investment – but because it is hard to imagine politicians ever really embracing stagnating or falling real house prices. Too many homeowners regard the gains of rising prices as the deserved outcome of good decisions, rather than the good-luck windfall it really is. Economic growth in the UK is too reliant on debt-fueled consumer spending guaranteed by the housing bubble: even as we bemoan rising prices, we are collectively addicted to them. So politicians continue to promise bits of help here and there for first-time buyers which make it look as though they're doing something, even as it pushes prices up even further. And research suggests that the more you talk to people about affordability, the more it makes them think the solutions have got nothing to do with structural problems in the housing market – why don't people just get higher-paid jobs, or live within their means, and so on.

But there is another way. In recent years, housing campaigners at Shelter have shifted their focus from broad notions of affordability to social housing: that is, housing operated on a not-for-profit basis by councils or housing associations and let at below-market rates. When I first clocked this shift, it puzzled me, because I understood social housing to be a small segment of the market, reserved only for those on the lowest incomes. How could this hold the key to making housing work better for everyone?

Yet all it takes is a history lesson to nudge the pieces into place. Look at the levels of housebuilding by councils and private developers in recent decades and one thing is clear: we have

only ever built enough houses when the state has been a significant part of the equation. Private developers will never build enough; in an uncompetitive market, it's not in their interests to do so. Safe, comfortable and secure homes are like healthcare, schools and the railways: it takes state action to ensure everyone can live in one. It feels ridiculous that the government invests more in building roads than it does in building homes.

For social housing to make the difference, there needs to be more of it, and it can't just be reserved for those in dire need. But it never used to be. After the first world war, the government launched a "homes fit for heroes" social housebuilding pledge, which only properly got off the ground after the second world war. Back then living in public housing was not stigmatised but something to be proud of. As recently as 1980, one in three people lived in social housing. But it was then that the political consensus – spanning both Labour and the Conservatives – that the state should be involved in building housing completely broke down. Post-Thatcher, neither party has rediscovered it.

Social housing also needs to become something broader in order to win public and political support. If the last decade of spending cuts teaches us anything, it's that popular, universally available services like the NHS and schools have fared much better than those relatively invisible services that are targeted at those in the greatest need.

But there is a multitude of ways in which social housing could help deliver a world where everyone can find a decent place to live where there is no risk of getting kicked out on a whim. This generation of young people will bear the worst long-term burden from the pandemic: why shouldn't everyone aged between 18 and 28 get guaranteed five-year social housing tenancy, allowing them save more for a deposit if they so wish? And how about a modern-day "homes fit for heroes": decent housing for people who risked their lives doing the kind of low-paid but essential jobs, from care work to stocking shelves, to keep society going in recent months? Far too many are forced to spend the bulk of their limited pay on substandard housing that is a lengthy commute from where they work.

It is much easier to make the case for something that can benefit a whole generation – even pretty affluent families worry about their children and grandchildren in relation to housing – and the people everyone knows, like the carer who looks after your parents or the teaching assistant who helps your child to read. But people also need to be helped to overcome their natural sense of fatalism that a problem that is talked about as a huge, unsolvable crisis can be cracked, and that it's not some utopian fantasy to think it can.

The key message is that as a society we've chosen to do it before, and we can do it again. It might take some upfront government investment, but the amounts are not that scary, and publicly funded housing provides a long-term and low-risk stream of rental income for the state – it makes good financial sense. In fact, the only group who stand to lose are the private developers who have never, and will never, meet the country's need for homes if it's left to them.

The pandemic will not by itself conjure up a transformation in the way we as a society think about housing. But I think it means we may be ready to hear a different message.

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