HOUSING POLICY AND HOUSING NEEDS

Paul N. Balchin

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PREFACE

This book is intended as a text for students on degree and diploma courses in Economics, Public Administration and Sociology in which a consideration of housing policy is an important component, and it is especially relevant to courses geared to the examination syllabuses of the Institute of Housing Management. It is envisaged that the book will in addition serve as an essential reader for students preparing for the examinations of the Royal Institute of British Architects, the Royal Institution of Chartered Surveyors (General Practice, and Planning and Development Divisions) and the Royal Town Planning Institute. The book may also be of interest to the general reader, and although some basic knowledge of micro- and macro-economics may be useful, most of the subject matter should be fully comprehensible to anyone who is aware that there are serious housing problems in Britain, and is concerned enough to seek an explanation and to ponder possible solutions.

I began lecturing on housing economics not long after the Milner-Holland Report (1965) highlighted the abysmal condition of housing in parts of Greater London, and during the past decade and a half I have been impressed by the continual flow of publications on housing policy and the complexities of the housing market—often the product of intensive research and highly quantitative. But housing too frequently has become a mere vehicle for the testing of esoteric polemical hypotheses, most of which are unintelligible to housing policy-makers and managers, and largely ignored by students, at least at undergraduate level. The problem of source material is further exacerbated by the inevitability of textbooks becoming out-dated or worse out of print, or by authors confining their attention to limited aspects of the subject. One book which did bring together the economics of housing and policy was Lionel Needleman's, *The Economics of Housing* (Needleman, 1965), and more recently Ray Robinson attempted the same task in *Housing Economics and Public Policy* (Robinson, 1979), but the latter book, as its author admits, concentrates on applying micro-economic theory to housing, and is less concerned with individual markets and

policies. At the time of writing, however, there is a deficiency of books which concentrate sectorially on the housing system, the underlying economic influences, and on policies. This book is intended to fill the gap in the literature.

The book is divided into nine chapters. Chapter 1 provides an introductory background to housing policy. Chapter 2 deals with the growth and problems of the owner-occupied sector. Chapter 3 seeks to explain why private rented housing has been in decline since the turn of the century. Chapter 4 considers social ownership. Chapter 5 deals with the history and problems of local authority housing. Chapter 6 reviews the progress of the voluntary housing movement. Chapter 7 sets out to explore the cyclical activity of the housebuilding industry. Chapter 8 considers housing rehabilitation in an economic and social context, and Chapter 9 concludes by itemising proposals for reform.

In writing this book, I was continually conscious of being overtaken by events. Housing policy, perhaps more than most other policy, is subject to sudden and sometimes unexpected change. At the half-way stage in the production of this book, this problem was compounded by a General Election and change of government. However, every effort has been made to ensure that statistical and legislative detail is accurate at the time of writing.

I must acknowledge a debt I owe to my colleagues and to numerous other people who have stimulated and advised me in the preparation of this book. My thanks are particularly due to my wife, Maria, who has given me endless encouragement and understanding, and to my children Richard and Elizabeth who have learnt that the sound of a typewriter is a prelude to being taken-off on countless picnics or to the zoo.

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