

National Infrastructure Commission Call for Evidence: Housing and infrastructure

Introduction

The Building Societies Association (BSA) represents all 44 building societies and two credit unions. Building societies have total assets of over £330 billion, and account for approximately 20% of both UK mortgage and savings balances. It is estimated that more than a third of the UK population has a financial service relationship with a building society. Building societies are owned by their saving and borrowing customers, or members.

Building societies exist to provide a safe home for retail savings and to help their members buy residential property. The sector therefore has a keen interest in the state of the housing market in the UK. One issue we have engaged with extensively over recent years has been how to overcome the barriers to new housebuilding. From the work we have conducted we have seen that the barriers to new housebuilding are interlinked with issues around other infrastructure development, particularly transport. We noted with interest the publication of the National Infrastructure Commission's Call for Evidence, as we have recently conducted some consumer research that investigates why some people oppose housebuilding in their locality.

Our work indicates that alleviating housing issues that are caused by local housing supply that is unresponsive to increased demand cannot simply be solved by forcing new homes to be built. To reduce local opposition to new housebuilding, it is necessary to accompany it with appropriate investment in supporting infrastructure and facilities, including transport. Therefore, although we start from a perspective of housebuilding, we would stress the dependence of housebuilding on other infrastructure projects and the need for co-ordination in this area. We are therefore submitting our response to the National Infrastructure Commission's 'Connecting northern cities' and 'London's transport infrastructure' Calls for Evidence.

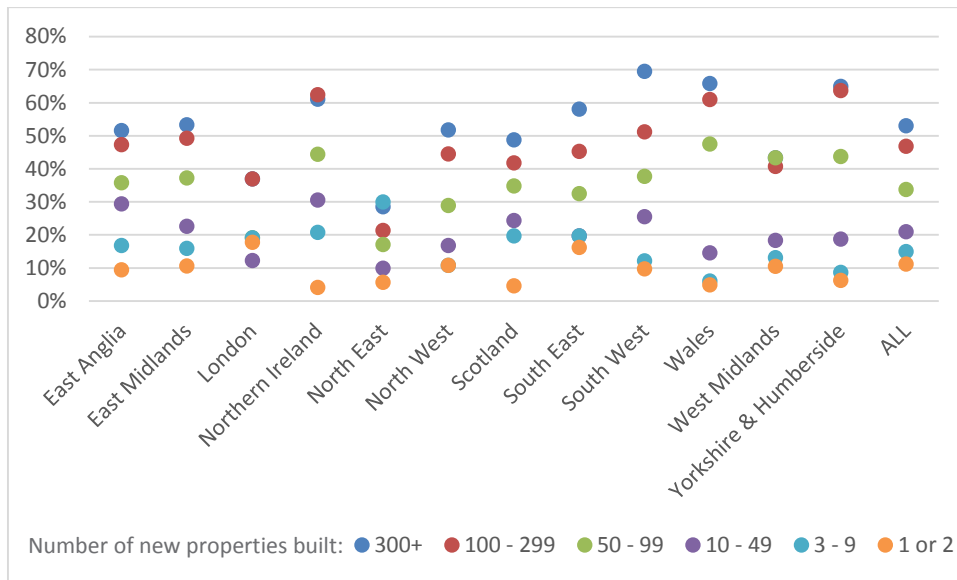
Views on new housebuilding

That there is widespread opposition across the UK to new housebuilding in people's immediate locality is well known, the so-called NIMBY phenomenon. We asked 2,000 adults in November 2015 to what extent they opposed new housebuilding of various scales in their local area. Unsurprisingly, there was generally greater opposition the larger the development proposed. For example, on average across all UK regions 53% of respondents said that they opposed, fully or to some extent, a development of 300 or more houses; 34% opposed 50-99 new houses; just 11% opposed one or two new houses being built.

However, there were noticeable differences across regions, as shown in Figure 1. The North East, London and the West Midlands had lower levels of opposition than the national average. Opposition tended to be above the national average in the South West, Wales, Yorkshire and Humberside (and Northern Ireland, though this is also based on a small sample).

Figure 1: Proportion opposing housebuilding to any extent – by region

Note small sample size in Northern Ireland



Respondents who said that they lived in or near Northern Cities or London, relevant to the Commission’s call for evidence, were also most likely to oppose larger housebuilding developments, though opposition among people living in or near London was less than the average across all respondents (Figure 2).

Figure 2: Proportion opposing housebuilding to any extent - by city (live within 10 mile radius)

Northern cities combines respondents saying they live within 10 miles of Manchester, Leeds, Liverpool or Newcastle.



Reasons for opposition to new building, by region

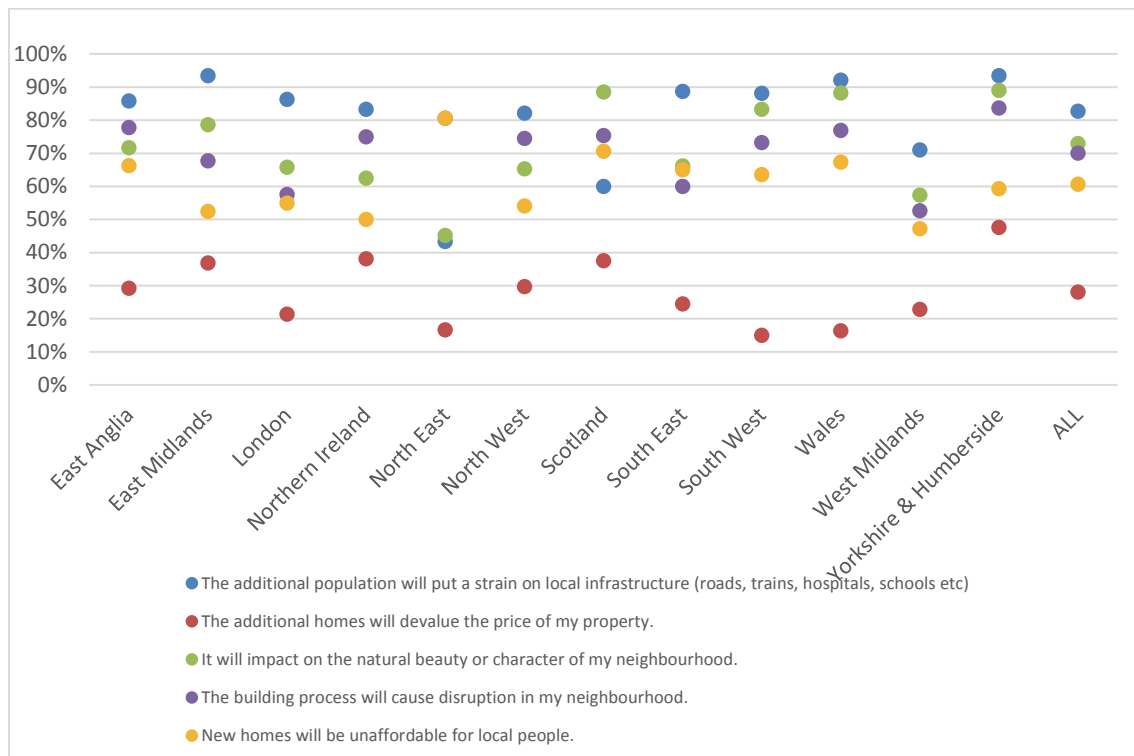
In almost all regions of the UK, the greatest reason that people who oppose the building of new properties in their area gave for their opposition is the potential impact on existing local infrastructure, such as roads, trains, hospitals and schools. Traffic congestion was the most common issue cited in the comments, but schools, hospitals and sewerage were also

mentioned. The impact on infrastructure is by far the most common reason given for opposition in densely populated regions such as London and the South East, areas where the demand for housing is greatest. The regional results are shown in Figure 3 below.

In Scotland, concern about the local area’s natural beauty or character being affected was more common, and in the North East the main reason for opposition was that new homes would not be affordable for local people, though there was a small sample for this region.

Figure 3: Reasons for opposing new housebuilding – by region

Note small sample sizes in Northern Ireland and North East



Respondents who said that they lived in or near Northern Cities and London were also most likely to state that their opposition to housebuilding in their immediate area was due to the potential strain on local infrastructure (Figure 4).

Figure 4: Reasons for opposing housebuilding - by city (living within 10 mile radius)

Northern cities combines respondents saying they live within 10 miles of Manchester, Leeds, Liverpool or Newcastle.

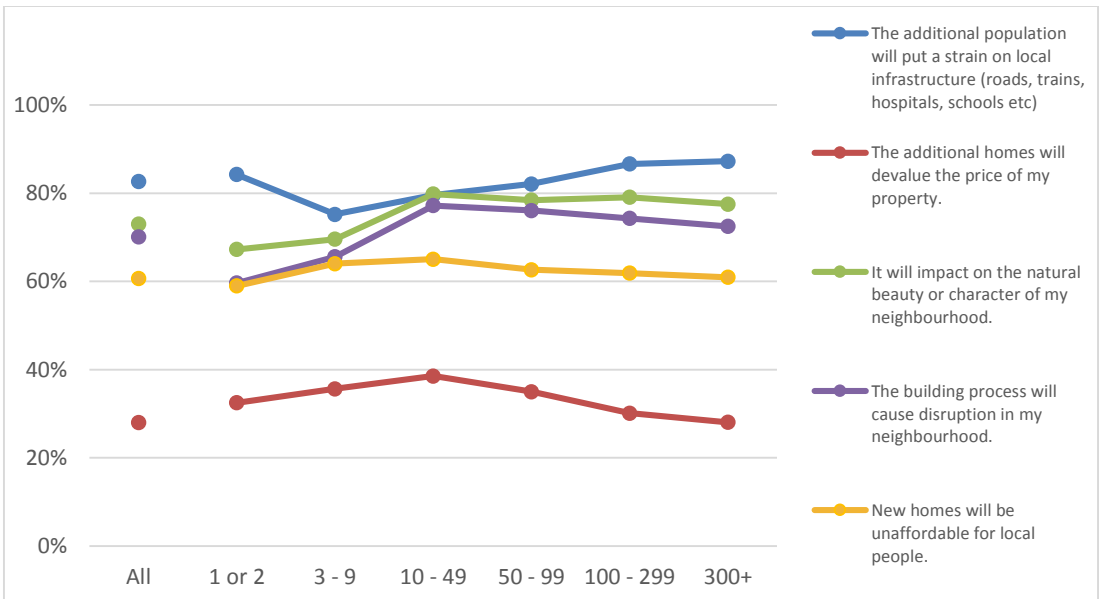


Reasons for opposition to new building, by scale of housing development

Those opposing the building of just one or two new homes in their vicinity were most likely to be concerned about the impact on local infrastructure (Figure 5). However, while still the most common reason, the proportion citing this factor falls slightly for all of those opposed to the construction of three to nine houses. As developments get larger than this, the concern about the impact on infrastructure then rises steadily. The dip in the proportion of people opposing housebuilding because of the potential impact on local infrastructure could be due to sample effects: those opposed to the building of even one-or-two properties are also likely to oppose the building of any more houses, but they may have very different reasons than those who can accept one or two new properties but not any larger developments.

Other reasons for opposing housebuilding tend to rise with the size of developments, but then peak at the 10-49 property development size, beyond which they level off or reduce slightly.

Figure 5: Reasons for opposition to housebuilding - by scale of development



Implications

These findings indicate that to enable substantial numbers of new homes to be built without significant local opposition it needs to be accompanied by infrastructure investment in transport and other facilities to avoid pressures on those services. It also needs to be sensitive to the local environment and maintain the beauty and character of the neighbourhood, and be appropriately managed to minimise disruption during the development.

Appendix: Detailed results

Canadean Consumer surveyed 2,000 adults online between 26 – 29 November 2015. The figures have been weighted and are representative of all UK adults (aged 18+).

Proportion opposing housebuilding in their immediate area

Proportion opposing housebuilding in their immediate area either fully or to some extent, at different sizes of development

Size of development (number of properties)	All	Region												Cities	
		East Anglia	East Midlands	London	Northern Ireland	North East	North West	Scotland	South East	South West	Wales	West Midlands	Yorkshire & Humberside	Northern cities	London
300+	53%	52%	53%	37%	61%	29%	52%	49%	58%	70%	66%	43%	65%	50%	40%
100 - 299	47%	47%	49%	37%	63%	21%	45%	42%	45%	51%	61%	41%	64%	46%	38%
50 - 99	34%	36%	37%	19%	44%	17%	29%	35%	33%	38%	48%	43%	44%	29%	24%
10 - 49	21%	29%	23%	12%	31%	10%	17%	24%	20%	26%	15%	18%	19%	13%	20%
3 - 9	15%	17%	16%	19%	21%	30%	11%	20%	20%	12%	6%	13%	9%	9%	13%
1 or 2	11%	9%	11%	18%	4%	6%	11%	5%	16%	10%	5%	11%	6%	8%	10%

Reasons for opposing housebuilding in immediate area

Proportion agreeing strongly or slightly that each statement was a reason for their opposition to new housebuilding in their immediate area, at any development size

Statement	All	Region												Cities	
		East Anglia	East Midlands	London	Northern Ireland	North East	North West	Scotland	South East	South West	Wales	West Midlands	Yorkshire & Humberside	Northern cities	London
The additional population will put a strain on local infrastructure (roads, trains, hospitals, schools etc)	83%	86%	93%	86%	83%	43%	82%	60%	89%	88%	92%	71%	93%	85%	81%
The additional homes will devalue the price of my property.	28%	29%	37%	21%	38%	17%	30%	38%	24%	15%	16%	23%	48%	36%	32%
It will impact on the natural beauty or character of my neighbourhood.	73%	72%	79%	66%	63%	45%	65%	89%	66%	83%	88%	57%	89%	77%	65%
The building process will cause disruption in my neighbourhood.	70%	78%	68%	58%	75%	81%	75%	75%	60%	73%	77%	53%	84%	77%	71%
New homes will be unaffordable for local people.	61%	66%	52%	55%	50%	81%	54%	71%	65%	64%	67%	47%	59%	58%	68%

Northern cities combines respondents saying they live within 10 miles of Manchester, Leeds, Liverpool or Newcastle.

Reasons for opposing housebuilding in immediate area, by size of development

Reasons given for opposing housebuilding, by all who oppose fully or to some extent at each size of development

Statement	All	Size of development					
		1 or 2	3 - 9	10 - 49	50 - 99	100 - 299	300+
The additional population will put a strain on local infrastructure (roads, trains, hospitals, schools etc)	83%	84%	75%	80%	82%	87%	87%
The additional homes will devalue the price of my property.	28%	32%	36%	39%	35%	30%	28%
It will impact on the natural beauty or character of my neighbourhood.	73%	67%	70%	80%	78%	79%	78%
The building process will cause disruption in my neighbourhood.	70%	60%	66%	77%	76%	74%	72%
New homes will be unaffordable for local people.	61%	59%	64%	65%	63%	62%	61%