



## Introduction

1. CIH is pleased to make this response to the APPGs' inquiry into rethinking housing conversions to help provide more housing solutions for homeless households.
2. The need to deliver more homes is acute. Evidence [produced](#) for the National Housing Federation and Crisis by Heriot Watt University in 2018 identified a need for 145,000 affordable homes per annum over the ten years 2021-31, of which 90,000 would be for social rent and the remainder for low-cost homeownership or intermediate renting, which is likely now to have grown still further. Yet current plans aim to start just 36,000 homes annually, a target that is at risk due to higher interest rates and inflation in construction costs.
3. With the high cost of housing, energy and other essentials of living, more households are under increasing stress, and rates of homelessness is increasing. Shelter's analysis of recent government figures points to 217,000 people homeless at the start of 2023, of which 123,000 are children. More households are in temporary accommodation for an increasing length of time due to the shortage of affordable settled housing. This has immediate significant costs to local authorities as well as to the people living in it, and the longer-term [effects on health and wellbeing](#) also impact public services.
4. However, it is about more than numbers of units. We need to ensure we deliver homes that are fit for purpose for the existing and future needs of the population, well connected to facilities and services that contribute to thriving places, and that meet wider climate change challenges. If housing conversions are to be part of the solution, we must ensure that these are also contributing high-quality homes, well-connected to local places, facilities and services, that support people's health, wellbeing and engagement in communities in the long-term.

## Summary

- There is a pressing need for more homes that are decent, safe, accessible and affordable.
- The rising level of homelessness and evidence of the impact of the cost-of-living crisis reinforces the need for more truly affordable homes for social rent.
- With increasing costs of materials and labour, CIH called for greater investment in affordable housing and higher grant levels to deliver this provision.
- We need to consider how to deliver at scale and speed. PDR may be one route to help with this, if local authorities can exercise more control over the quality, tenure and size mix and location as part of a plan-led approach.
- There are some basic requirements that all homes should meet, including those provided through conversions. TCPA's healthy homes principles provide a starting point for this.



Below we address the questions raised in the consultation.

**1. Do you agree that there is scope to use commercial to residential conversions to deliver good quality, genuinely affordable settled homes for people experiencing or at risk of homelessness and others on low incomes?**

- 1.1 CIH has [concerns](#) about the quality of housing delivered currently under permitted development rights (PDR), with some of such poor quality that it has been labelled the 'slums of the future' ([TCPA campaign for healthy homes](#)). CIH believes that, fundamentally, we need to deliver more high-quality new homes that are affordable, particularly for social rent, as a long term and sustainable way to tackle the housing shortage we face and the rising levels of homelessness. We have [called for](#) greater availability of funding and higher grant levels to increase such development, which will also address the long term wellbeing of individuals and communities.
- 1.2 Given both the level of the housing crisis and the length of time to deliver new homes, we need to consider other ways to deliver more homes in a shorter time frame. It may be possible that conversions from commercial to residential properties could play a part, where this is delivered with appropriate controls and meets requirements set by local authorities through the planning system. Such developments should lead not only to an increased number of dwellings, but homes that are decent, safe, affordable, and accessible, and situated in appropriate locations.
- 1.3 The local authority should be able to ensure that such developments: address identified housing needs in the local community, including specialist, supported housing; are sited within easy access of local facilities and amenities (through walking or affordable public transport that is regular and reliable); can make an appropriate contribution to local communities - through identified social purpose and / or infrastructure (including affordable housing).
- 1.4 Where the housing is to meet specific identified need such as temporary accommodation or supported housing, there should also be clear links with or provision of appropriate support services. The location of such schemes is therefore a critical consideration in successful conversions that are appropriate for local places.

**2. If appropriate to your organisation, are you willing to invest in this type of conversion? If so, what rent would you plan to let the end property at? If not, why not and what would need to change to make it viable?**

Not applicable.



3. What are the constraints on being able to make such conversions work to deliver truly affordable housing for mixed communities, including ensuring it is accessible for people facing homelessness? How can these be addressed?
  - 3.1 Current conversions through PDR are outside the control of local planning and housing authorities, and therefore do not necessarily provide housing that meets local needs or appropriate standards. The conversions may also occur in areas that the local authority has not planned for residential building, undermining a plan-led approach to local growth and development. This has been highlighted through several reports into the type and quality of housing provided through PDR, including the government's commissioned research by UCL ([Research into the quality standard of homes delivered through change of use permitted development rights](#), July 2020) and has been most recently captured in TCPA's [These are homes photobook](#). (See also q5)
  - 3.2 The UCL analysis for government highlighted the preponderance of bedsit and one bedroomed accommodation provided (nearly 70 per cent of the case studies). This, alongside the issue of suitable location, limits the opportunity to encourage mixed communities and the suitability for larger households, particularly households with children. Where some converted accommodation is used, for example, for [temporary accommodation](#), there are high levels of overcrowding, as well as poor conditions, all of which have immediate and potentially long term negative impacts on childhood development, and mental and physical health. Many homeless households often have physical or mental health problems and require access to health and other support services. Being homeless and in temporary accommodation often means people are uprooted from their own social support networks. Many PDR developments of industrial or rural buildings have no or very poor access to transport and connections with facilities and services.
  - 3.3 The need for good quality temporary and settled accommodation is acute; in [September 2022](#), 99,270 households were in temporary accommodation of which 62.3 per cent had dependent children - a total of 125,760 children living in temporary accommodation. Shelter state that at the start of 2023, 271,000 people were recorded as homeless, including 123,000 children. The size, mix and location of any accommodation provided through conversions - whether temporary or settled housing - is crucial and requires greater direction from and identification of appropriate sites by local authorities.
4. How would you define affordability criteria in regards to housing, both in terms of these potential conversions and the wider context of affordable housing across other tenures?



- 4.1 Affordability is generally expressed in terms of the proportion of household income used to pay housing costs, or the level of household income remaining after housing costs to cover other living cost (food, energy etc). Currently many people are experiencing huge pressure as housing and energy costs, and other living expenses are rising rapidly and outstripping any increase in income and / or benefit levels (CIH's series on the cost of living impacts are available [here](#)).
- 4.2 To ensure genuine affordability, rents and house prices should take into consideration local incomes, and people's ability to pay for it. In CIH's publication, Building Bridges, we proposed the development of a local housing affordability framework to help local authorities and partners to identify what housing was required and at what price points. ([Building Bridges: a guide to better partnership working between local authorities and housing associations](#), pp124-132). This could work alongside housing strategies and strategic review of supported housing to identify the requirement for and costs of specialist housing provision.
- 5. Are there changes that need to be made to PDR or full planning permission to facilitate the right type and quality of conversion more easily or to make undertaking this more attractive?**
- 5.1 Currently, PDR doesn't work in many cases to deliver either affordable or quality homes. The prior approval process is not sufficient and there is not enough local planning authority control over what is developed.
- 5.2 Increasing affordable homes  
Currently PDR does not have to contribute to any infrastructure or the delivery of affordable homes through planning obligations. This is one of the factors that has led to the huge increase in the number of homes delivered through this route. The LGA [estimates](#) that more than 18,000 new affordable homes have been lost through this process. Whilst government has proposed that PDR schemes will be subject to the future Infrastructure Levy, CIH has [concerns](#) that this scheme may undermine the development of affordable homes in the right places.
- 5.3 Quality and condition  
Although the government has responded to the worst examples highlighted in recent reports, by requiring PDR developments to meet national space standards and provide access to natural light, these are only the most basic requirements. The homes provided should also:
- Meet fire and building safety standards
  - Provide access to amenity green space
  - Be well located in terms of facilities and services, and well connected by local transport
  - Be affordable and provide security for residents
  - Be future proofed to address net zero carbon targets
  - Have adequate ventilation to provide fresh air.

(Many of these are captured in the TCPA's [principles for healthy homes](#), which CIH supports).

- 5.4 Local authorities should also be able to direct provision of a mix of tenure and size where appropriate, or of supported housing (identified in housing strategies/ supported housing reviews).
- 5.5 In July 2022, the government committed to raising the accessibility standards in all new homes, requiring new builds to meet higher ‘accessible and adaptable’ standards (Building Regulations Part M4 category 2). Although there may be some exceptions, these should be as tightly limited as possible, and if conversions are to make a real contribution to housing need in the long term, accessibility should also be reflected in the provision through this route.
- 5.6 Where these requirements increase the viability risk and disincentivise development (increasing the likelihood of developers prioritising greenbelt or greenfield sites) the local authority should be able to support this kind of development by:
- Prioritising appropriate sites in their local plans
  - Identifying and working with social housing providers and local charities to develop such sites, for general or specialist housing
  - Providing quicker progress through planning for schemes developed with charities/ social housing providers that meet specific and / or supported housing needs
  - Being enabled to provide local grants/ support in addition to grants through Homes England for example, or by purchasing sites at cost and leasing or granting at low/ no cost to social housing developers.
- 5.7 As an example of such partnership working, [Local Space](#) has contracted with Newham council to manage a block of temporary accommodation previously converted from office space, with a focus on improving letting standards and access to communal areas.
- 6. What measures need to be in place to ensure high standards and good quality conversions? Is existing legislation sufficient or does it need to be further improved? If so, how?**
- See above
- 7. What would a set of minimum standards look like? Should these be enshrined in planning law so that sub-standard conversions are not possible?**
- 7.1 The TCPA’s [healthy homes principles](#) are a valuable foundation for ensuring all homes developed can support the wellbeing and health of local communities in the long term. CIH supports the inclusion of these principles into planning law. There should also be appropriate flexibility for local authorities to require additional measures for example, where specialist or supported housing is identified.

**8. What are the criteria that would/would not make a building suitable for conversion? For example, the type of building and proximity to amenities.**

8.1 Buildings should be able to provide accommodation that meets the criteria set out above in q5, and as set out in the TCPA's healthy homes principles. Please see also below q9.

**9. Where do you think the most potential for commercial to residential conversions lays? For example, thinking about location or whether this is more suited to a particular type of developer.**

9.1 This will be dependent on the circumstances within and for local authorities, not only in relation to residential development but also to areas they want to retain for commercial/ retail / business development according to local economic plans.

9.2 However, from the examples to date of poor-quality housing from conversions, it is clear that location and connectivity to local facilities and support services is an important factor to make these homes work, particularly for homeless households already facing significant upheaval.

9.3 Whilst opportunities closer to local centres, or conversions of/ above shops would seem more appropriate, it is important to consider how well these would provide for the space, internal layout and quality, and accessibility to make good homes. City and town centres may not always have the necessary infrastructure where large numbers of conversions take place (for example appropriate education facilities).

9.4 Where specialist/ supported housing is proposed for conversion, local authorities working with social housing providers and local charities would be well placed to ensure that the provision is well located and of good quality, but also to align and link with the right support services. The [Supported Housing \(Regulatory Oversight\) Bill](#) currently going through Parliament provides a number of safeguards for standards of specialist accommodation that CIH support, both in accommodation and support services. It also requires local authorities to undertake supported housing reviews to understand the level of supply and any gaps, and to develop supported housing strategies, which could support local planners to identify what is needed and the best locations for such provision.

**10. What is needed to overcome negative perceptions of such conversions and make them a viable contribution to the housing crisis? For instance, are there wider community benefits that could be achieved?**

10.1 The current lack of control that local planning authorities can exert over PDR developments not only leads to some very poor housing but undermines local communities' trust in the process. Enabling local authorities to deliver a genuine plan-led approach to residential developments as part of a local plan for economic growth, which local people can influence, would help to tackle that.



- 10.2 Ensuring that the housing delivered is good quality, linked to adequate facilities (including through infrastructure contributions) would allay concerns about the impact on local areas, and overloading of local facilities that is also a common concern of communities.
- 10.3 In the case of some supported housing, for example, extra care and retirement housing, the provision of facilities that are also available to the wider local community is a valuable way to integrate new development and support local communities, or regeneration plans.

## About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support, and knowledge they need. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in twenty countries on five continents across the world.

Further information is available at: [www.cih.org](http://www.cih.org)

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