



Graven hill, Oxfordshire

# Affordable Land

The key to solving the housing crisis lies not in the houses themselves but in the land beneath them. [‘Affordable Land’](#) is an innovative form of land lease that precludes speculation, and so allows councils to make land available as a low-cost platform for society and the economy. In effect, it creates a new, affordable form of home ownership and allows citizens, communities and housing associations to build hundreds of thousands of high-quality, low-energy, homes

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## What is the problem?

The term 'Affordable Housing' has been a feature of our politics for over three decades. Despite the lack of irony with which politicians have often used it, the concept was always ironic in that, by definition, the term only existed because housing had become systemically *unaffordable* in the first place.

For many today the term has become a cruel joke. As house prices have gone up, the actual meaning of the term has had to be watered-down, until what is left has become often meaningless. Where it once referred to social rented homes (50% of market rent), it then came to apply to rentals at 80% of the market rate, and latterly to

homes available to buy for even as much as £400,000; around 16 times the median income.

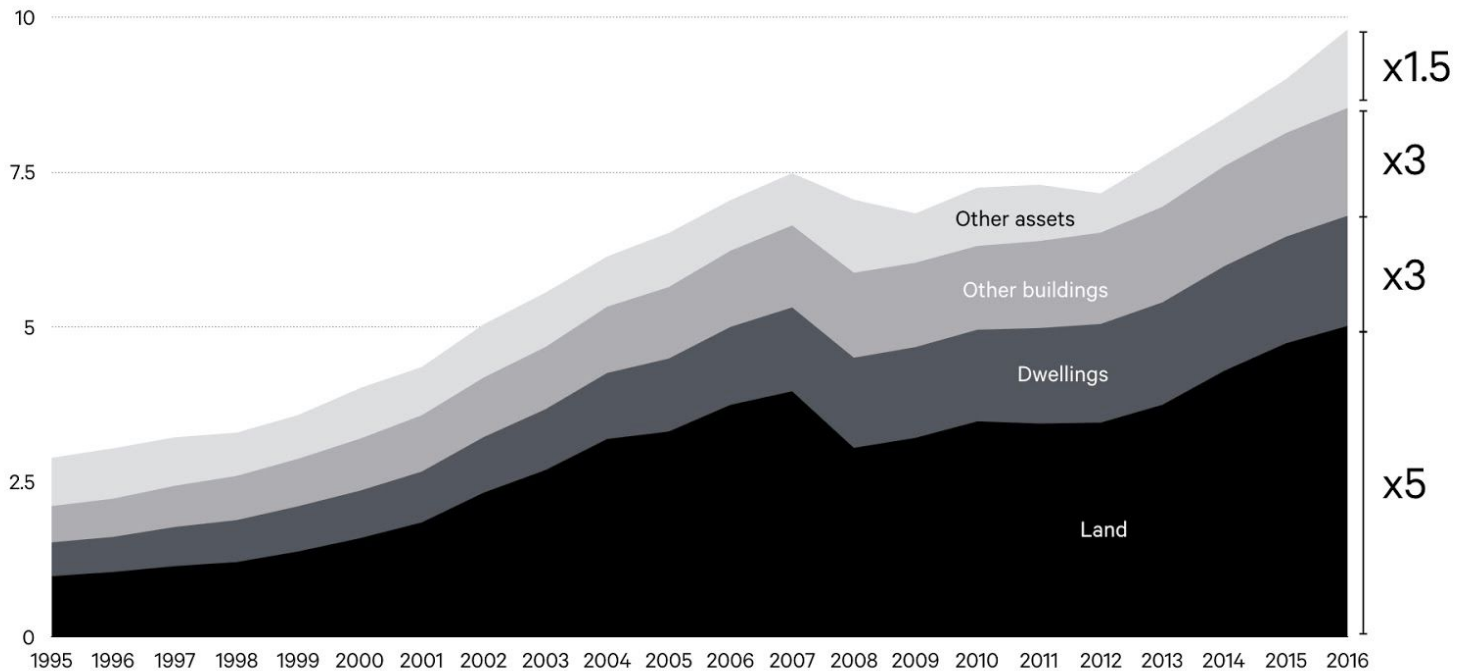
Even these stretched definitions have been unable to help the growing percentage of the population who find themselves left behind: too poor to buy, but too well-off to be eligible for social housing (variously referred to as 'intermediates' or 'generation rent').

Yet, seemingly for lack of other options, political leaders have had no choice but to keep using it – repeating the same myths that surround the housing crisis, and falling back onto the same simplistic promises to 'build more affordable homes', even as these words ring ever more hollow with the electorate.

Albert Einstein is famously quoted as saying "if I had only one hour to save the world, I would spend fifty-five minutes defining the problem, and only five minutes finding the solution". The housing crisis is that kind of problem. It's complex.

In order to really address the crisis at the heart of our housing market, we first need to understand why homes became unaffordable in the first place.

## Where does housing unaffordability come from?



Source Office of National Statistics, Blue Book 2016

### UK Net Wealth, ONS.

Since 1971, [house prices in the UK have inflated by 3878%](#). Although at times this was celebrated as growth – a ‘housing boom’ – it wasn’t. They are still the same houses, in the same place, but now they cost more. It was inflation.

The most common explanation for this market failure is that we didn’t build enough new homes to keep up with demand, but the reality is a bit more complicated than that. Although undersupply was a factor, it alone cannot account for such an exponential rise. In truth, the primary driver was not the *undersupply* of new homes, but rather the *oversupply* of cheap mortgage credit, new money created by banks in the form of loans. Because families could borrow more, they had more to spend, so the price of property began to inflate. Then something truly weird happened. The banks counted this increased land value as security to lend-against, and so used it as an excuse to create even more, even cheaper mortgage debt, lending even to those with very little realistic chance of ever repaying the loans. They then bundled these debts, and traded them as ‘mortgage backed securities’ (a story

familiar to anyone who has seen the film *The Big Short*.) Thus began a vicious feedback loop of inflation and rising household debt. At the same time, capital began to ride the wave, treating land and homes as a speculative investment asset class (buy-to-let and buy-to-leave), pushing property prices higher still, dramatically outstripping wages. In recent decades many homes have regularly out-earned their occupants.

Only recently has government begun to realise two fundamentally important things about this inflation that, in hindsight, should probably have been obvious.

The first is that it comes at a massive cost. As prices inflate, more and more people find themselves paying more and more of their monthly income on just having a roof over their heads; more and more people find themselves taking on more and more debt, living in smaller and smaller houses, commuting further and further, separated from their families.

Many young people find themselves priced-out entirely: stuck paying rent in crumbling properties, suffering depression, stuck in bad jobs, stuck in bad or abusive relationships, or homeless.

Many older people find themselves facing an impossible choice between retaining their independence and moving into full time care. Many are left stuck in fuel poverty, suffering from loneliness, isolated from the support and care networks traditionally provided by friends and family.

Homes and neighborhoods are, whether we acknowledge it or not, the everyday platform on which society and the economy run. So, far from being a form of growth, the inflating cost of that platform is a kind of private sector tax, slowly sucking more and more money out of the real economy, and putting an ever-greater strain onto society.

This privatised tax falls not just onto the economy and society at large, but onto government too. Both indirectly, in the form of the costs of care, policing, health, less flexible workforces and lower consumer spending, but more directly too, in the form of housing benefit. In 2018-19, the UK housing benefit bill will [have risen to £23.4bn](#). For perspective, that's [more than we spend on police, roads and military equipment put together](#). Much of this housing benefit ([about £9bn](#)) is



being paid straight on to wealthy private landlords, which in turn, inflates rents even higher. Not very clever.

The second important thing that government is realising is that most of what is unaffordable about unaffordable housing is not the house itself, but the land beneath it.

Only in recent years has the ONS started to measure this properly, and what their data reveals is a breathtaking picture: since the 1990s, the vast majority of the 'growth' of the UK economy was not in the 'real' economy (productive jobs and businesses), but in the inflated value of property. And the vast majority of that inflation was in land, to the point where, today, the inflated value of land represents over half of the UK's net 'wealth'.

The basic idea behind Affordable Housing was that rather than prevent this inflation, society should encourage it, and then try to capture a percentage of it back, to be redistributed to those in the very worst need through something called [Section 106](#). Essentially it's a kind of compensation payment for the damage done by inflating land prices.

To understand why that strategy has failed so badly, we next need to understand how land value is created in the first place – and who creates it.

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## Who creates land value?

Why is it that one piece of land is worth more than another? Unless it is farmland or mining land, it's nothing to do with the actual ground itself. The mud in Westminster is no better than the mud in Warwickshire, but it is worth millions more. That additional value comes not from the land itself, but from the *location* it gives the owner access to.

Before a piece of land has planning permission for homes – that is, when it is still designated for agricultural or industrial use only – and before it is near any jobs or connected to any infrastructure (roads, good schools, health facilities, transportation links and so on), it's value is very low. Typically only a few thousand pounds per hectare;

the equivalent to a few hundred pounds per home. There's plenty of this land available (homes currently take up only 1.1% of the land area of the UK – significantly less than the area covered by golf courses).

The instant a local authority gives planning permission for homes on a site, and builds infrastructure connecting to it, its value leaps upwards, usually to many millions of pounds per hectare; equivalent to something like £80k or £100k per home. This value is determined by how much people can borrow to buy a house on that site, and the cost of building a house on it (what's called the 'residual land value').

As many people throughout history, from [Adam Smith](#) and [Henry George](#) to [Winston Churchill](#) have pointed out, that increase in land value isn't *created* by the landowner. It is created by us, the public, through our collective consent for development, and by the public sector, through its investment into infrastructure, schools and hospitals and more generally, by managing the overall growth of the local economy. However, we allow that uplift to be captured by the owner of that land. All they have to do – as Churchill put it – is “[sit still](#)”.

This creates a market for a class of companies whose business model essentially consists of buying land, getting planning permission, building homes on it and selling that land for more than they bought it for into the secondhand homes market. We call these companies 'developers' or 'housebuilders' – but building homes is only incidental to their business. In reality they are speculative land traders. Sometimes, they don't even build-out the sites themselves, but just sell them for an increased value. This is problematic, because it means the site is not sufficiently profitable (“viable”) for the next developer to bother building on either, and the whole market grinds to a halt. The only people who would build on this land are those who actually want a building to *use* (rather than to sell) – but those people probably don't have the capital in their back pocket to buy it.

The result of this is that all significant parcels of land that might be suitable for development are owned by speculative land traders.

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## Why has the ‘affordable housing’ model failed?

This lock-out of land by speculative developers is a big problem, for three reasons.

First, it means that developers will never build a sufficient number of homes to meet demand. If they did, they would exceed the ‘absorption rate’ of local housing markets (the number of new homes that can be added without prices falling) and incur a loss. So instead, they trickle new properties onto the market slowly. This – at last – has now been superbly articulated to government by [the Letwin Review](#).

Increasingly, this model just doesn’t work full stop. With land prices already inflated, and with people’s ability to take on debt no longer rising, in many areas that model is simply no longer ‘viable’ (ie profitable) without [heavy government subsidies](#) being paid out; even after affordable housing contributions have been negotiated-down to almost nothing.

The land value uplift that developer’s business model is predicated on capturing just isn’t there anymore.

Second, the short-term nature of developers’ business model means that they take no long-term financial interest in the success of the places they create, so they have no incentive to build homes that are sustainable and good quality. In fact, they have a structural incentive to do the exact opposite: to build the smallest, least energy-efficient homes that they can get away with, crammed into [socially and economically barren dormitory neighbourhoods](#).

Third, by being made dependent on speculative developers, both national and local government have been forced into a kind of faustian pact, whereby they have been obliged to constantly lower the bar, and compromise their own planning guidelines in order to get anything back. Local communities are “consulted”, but essentially ignored. This has had the effect of massively eroding public trust in development and planning.

Put all this together, and it’s not hard to see why the “Affordable Homes” approach has failed. It particularly reveals the futility of actively selling public-owned land to developers and offering them



subsidies, and getting less and less back, even while those developers simultaneously report record [profits](#) and [bonuses](#).

The most absurd part of this situation was that it was us – the public – who created that land value in the first place. The ‘Affordable Homes’ model left us effectively begging for crumbs under our own table.

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## Who should build our homes?

Slowly, all the political parties are now realising that private developers will never build the number or quality of homes that Britain needs. Not because they are somehow greedy or immoral – but because their business model is perfectly designed to make sure they don’t. No amount of subsidy or regulation will ever change that.

A new consensus is emerging that, once again, it will be councils who will have the lead role in tackling housing need. And with [greater power to borrow](#), they will be able to.

There is also no shortage of land available to do it, both new land that could be brought forward through the planning system, and a huge number of sites that are already in public ownership, but are too small or in insufficiently affluent areas for developers to have bothered with. For example, within the West Midlands alone, we estimate there is sufficient public land for at least 13,000 homes on small, undeveloped sites.

It makes sense for councils to take on this role. If most of the unaffordability is in the land, then instead of allowing land to become unaffordable and then asking for a slice of it back as compensation, why not just prevent the land from becoming unaffordable in the first place? Councils could buy land at its original value (before planning permission is given) then borrow, build homes on it and use the uplift to pay for infrastructure, schools etc, as is being proposed by [The Letwin Review](#), and many others. The idea that value created by the public through democratic decision making should be captured for the public benefit isn’t – or shouldn’t be – a controversial idea. Nor, clearly, is the idea of building more homes.

But there are a few catches.

- Like any developer, councils' bandwidth is limited. Building a thousand homes takes a million hours of attention. There is no single organisation that is up to the scale of the task.
- Even though there is no shortage of land, are local communities really going to support thousands of cookie-cutter, council-built homes popping up in their neighbourhoods?
- Councils will always be tempted to just go for numbers and compromise on quality, instead of investing in building generous, healthy, low-energy homes and resilient neighbourhoods that meet people's (diverse) needs, and really allow them to put down roots.

But there's also a more fundamental flaw in this solution. At the moment, councils in possession of a piece of land have two options:

First, they can build homes on it themselves and rent them out at an affordable rate, outside the market, using the rent to slowly repay the borrowed cost of building the home. Everyone recognises these are badly needed, but we also have to be realistic: they are more likely to breed community resistance and resentment, because many families won't be eligible to rent social housing, but still won't be able to afford to buy a home either. Councils can't build social housing for the entire middle class.

Their second option is to sell the land to a developer, (or to build out the site themselves and sell the homes onto the open market). However, due to the constraints of 'best value consideration' (rules put in place to prevent corruption) they can only sell such property for full market value, thus removing any opportunity to make the homes more affordable.

Furthermore, no council will want to be accused of lowering property values in the area (running the risk of stranding people in negative equity), so it is highly likely that councils would effectively find themselves behaving in exactly the same way a developer would: trickling out homes slowly.

## What is Affordable Land?

The key to solving the problem lies in that simple, radical realisation: that housing unaffordability comes not from houses themselves, but from the land underneath them.

In a sensible world, the people best placed to provide affordable land are councils. They have a strategic interest in the long-term success of the local community, and the democratic power to bring forward new land as a platform and, hopefully, soon, [the full power to capture the land value that they create](#) for the public benefit by purchasing land at its original value.

However, the people best placed to build and maintain the homes *on top* of that land are the families and communities who will live in them, raise their children in them, and pay the heating bills.

In fact, residents are the only people who *do* have an incentive to put more insulation into the walls, to bring more daylight into their homes, to create car-free neighbourhoods – in short, to do all the things that we agree we should all be doing in the 21st century anyway.

So why not just cut-out the middlemen, and lease plots at an affordable price directly to local families, groups and social enterprises such as housing associations who can then build – or buy – homes directly for themselves? There is a huge army of individuals and groups in the UK who want to do this, but are currently unable to buy the land to do so.

Leaseholders would still be able to own and sell the land, but only at the same price they bought it for plus the base rate of interest.

The effect would be to create a separate, parallel market of land made available at a low price, separate from the open market – but since it precludes speculation, it would only be of interest to those who wish to make places, rather than profit.

Imagine being able to go to a website, find a 'serviced plot' of land near where you live, and apply to lease it at a fixed, low price with only a few clicks. Some plots may already have planning permission pre-applied with a design code. You submit a bid, describing how you would use the site. If your bid is successful, the lease is issued, and you can build – or buy – a home fitted for your own needs, in the same way that you might buy a kitchen, or a car.

Some families will choose to do it as part of a group, others will choose to do it as individuals. Some may self-build their home themselves, most will commission an architect, builder and/or manufacturer to design and build a custom-designed house for them. Since the homes will be for their own use, they have an incentive to build the best quality, most sustainable homes they can.

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## **How does Affordable Land work?**

The legal mechanism behind 'Affordable Land' is a template leasehold contract through which a landowner (usually a council) can lease a plot of land to an individual or organisation. The lease can have any duration, but is most likely to take the form of a 125 year lease.

Written into the terms of the lease are some key covenants. They are:

- 1. The leasehold can only be sold for the same amount that it was purchased for, plus the base rate of interest.**

This means you can still buy, own and sell the plot, and you will get your money back, but you will neither gain nor lose financially from doing so. It is a way of saying 'this land is available as a place to live, but not as a speculation asset'.

By removing the possibility of private gain through land value increase (in effect taking it outside the open land market), the land can be leased at a very low cost, and kept affordable forever.

- 2. Any time the leasehold is offered for sale, the landlord gets first right of refusal to buy it back**

This allows the council to retain control, and address or update any problems or issues with the original lease.

3. If the site is not under development within one year, and under occupation within two, the lease will be automatically repurchased.

4. No home or workspace on the site can be let for more than 50% of market rent, except by prior agreement with the Landlord.

5. If the tenant is a private individual, they cannot own another property elsewhere, either for their own private use or as a rental property. This would not apply to enterprises, such as housing associations.

6. The leaseholder has the right to construct or modify buildings on the site without the freeholder's permission and with no fees being payable.

Other limitations on the use of the site would be included in the lease, based on what was agreed in the original bid. More on that in the next section.



### Social Rent

Monthly cost

**£462**

Do you own it?



Can you freely alter it?



Can you make money on it?



Likely new build quality



Likely upkeep quality



### Affordable Rent

Monthly cost

**£741**

Do you own it?



Can you freely alter it?



Can you make money on it?



Likely new build quality



Likely upkeep quality



### Rent

Monthly cost

**£926**

Do you own it?



Can you freely alter it?



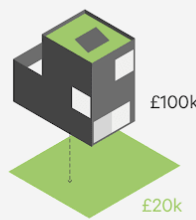
Can you make money on it?



Likely new build quality



Likely upkeep quality



### Affordable land ownership

Monthly cost\*

**£673**

Do you own it?



Can you freely alter it?



Can you make money on it?



Likely new build quality



Likely upkeep quality



### Leasehold ownership

Monthly cost\*

**£1,098**

Do you own it?



Can you freely alter it?



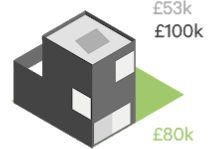
Can you make money on it?



Likely new build quality



Likely upkeep quality



### Freehold ownership

Monthly cost\*

**£1,098**

Do you own it?



Can you freely alter it?



Can you make money on it?



Likely new build quality



Likely upkeep quality



\*All figures based on the average UK home, worth £233,000 (August 2018) and £25,000 deposit, and 25 year mortgage at 4% interest

F1. Comparison of Affordable Land ownership and existing tenures



## **How will Affordable Land be allocated?**

Affordable land leaseholds would, by definition, be sold at a fixed price, rather than priced through bidding.

This raises a question: when a council release a batch of sites, how should they decide who gets them? As with any public good, this should be decided on the basis of community benefit, but there are different ways this might be determined. Currently, Affordable Housing is allocated on the basis of the urgency of individual need. Aside from the issues this raises of fostering resentment among those left on waiting lists, or not even eligible to get on them (resentments that are often played upon by racist groups), there are two reasons why this approach wouldn't work for Affordable Land. First, those in most dire need are unlikely to be in a position to commission good quality homes. Second, by definition, those who were in most need beforehand would, upon securing an affordable land leasehold, immediately be in a much better situation than those who weren't.

Instead, the principle behind the allocation of Affordable Land is that plots should be allocated on the basis of the benefit to the community of the scheme being proposed, not on who is proposing it.

Based on this principle, an open, competitive bidding system would be used.

A transparent scoring system would be published. Points would be assigned to, for example, designated social rented homes, keyworker homes, first-time homes, older people's homes, emergency homes or just a private dwelling. Points could also be scored on the basis of environmental or ecological performance, density, or contributing community amenities or low-cost workspace. The landlord would have the opportunity to pre-adjust the weighting of the scoring system, allowing them to prioritise a particular policy outcome for a particular site. For example, if they particularly needed keyworker housing, they could give a strong weighting to that.

In effect, this would create a kind of 'race to the top'; a free, fair and transparent market competing not on highest price, but on providing the

greatest value to society. The more demand there is for a site, the higher the bar will be, so for example a plot of affordable land in central London is unlikely to be won by a scheme proposing only private dwellings.

Councils can use the number and quality of unsuccessful bids as evidence of demand, validating the release of more rounds of Affordable Land in future.

## **How would Affordable Land be priced?**

Although Affordable Land leaseholds would be significantly cheaper than open market purchase of the same site (perhaps, say £10–50k per home), they are intended to be *low* cost, not *no* cost. There could be both an initial purchase price and/or a low annual ground rent. It is important that councils are still able to yield a long-term direct financial return from affordable land (as well as indirect social returns). This isn't a problem from an affordability point of view, since for most people the biggest barrier to home ownership is capital, not revenue.

However, the definition of Affordable Land should include a standard way that its price can be determined.

Land rent might be set as, for example, 2% of the local median wage (nationally this would average at around £500 a year).

The initial leasehold purchase price should at least cover the original use value purchase price, plus any administrative or physical costs incurred by the council in making the site available. An additional premium might be added guided by a formula that makes allowance for different locational factors such as local median income, local school provision, transport connectivity; even the number of trees per square mile. This would not only have the effect of controlling for different locations, but also allow councils to be rewarded for their investment into community infrastructure.

The result might be that a plot of affordable land in an urban area outside London might cost something like £10k per home to purchase and around £500 every year in ground rent. Within London the same plot might cost something like £50k per home with an annual ground rent of around £800.

## **What about the value of the building itself?**

The Affordable Land mechanism separates buildings from the land they sit on. This is a form of accounting that is more in line with reality, especially as construction becomes more 'on-demand' and circular in the coming decades. It effectively treats the house as a consumer durable – like a car – with a given life. If not maintained or replaced, it will crumble. One of the problems of our current property system is that landlords have little incentive to invest in maintaining properties, so rented homes tend to fall into a state of neglect.

However, separating the building from the land in this way does create an issue when an Affordable Land tenant wants to sell their leasehold. Do they sell the house along with it? If so, this cannot be done through bidding, because the cost would simply inflate again, acting as a proxy for inflated land value.

There are two ways this can be done, and tenants and lenders will be free to choose:

The first is that home can be literally relocated, as you would with a car or a boat (in Germany it is not unusual to take one's kitchen with you when you move house). With the advent of off-site manufacturing, it will become increasingly possible and financially viable to disassemble or relocate homes in this way.

However, in cases where the buildings are being sold along with the land, the price is controlled by the terms of the lease.

Essentially, the house would be treated like any other consumer durable, whose value is slowly written-off over the course of its life (typically 60 years). So, if I spend £100,000 building a new home, and sell it after ten years, I would recover £83,333, which is the value left in it.

Any money I might spend maintaining or extending the home is added to its value, but that investment too is written off at the same rate. Where previously this kind of accounting required a professional accountant,

today, digital tools can make it relatively simple to track, and any irregularities spotted automatically.

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## Are there precedents?

Every part of the Affordable Land mechanism has a proven precedent. It also requires no legislative change, and can exist alongside the existing property market. It is simply an additional legal tool that councils and landowners can use.

### Precedents include:

- [Community Land Trusts](#) These are legal entities that allow land to be taken out of the open market, so that it remains affordable in perpetuity, as a platform for community benefit. They use a very similar covenant mechanism to do this. Several councils have successfully used the asset lock inherent in the Community Land Trust model to sell land to communities for below market value without infringing best value rules. However, it does require political risk and an administrative effort. Affordable Land makes the whole process simpler, by allowing councils to retain ownership of the land and keep it affordable.
- **Almere Homeruskwartier** in the Netherlands, where similar mechanisms (actually 10 year ‘clawback’ covenants) were used to preclude speculation, to ensure plots were purchased only by those wanting places to live, rather than those seeking profit. The same model has now been used at [Graven Hill](#) in Oxfordshire.
- [Lovell Resale Covenants](#), which have been widely used in England, whereby the local authority retains a 30% stake in the property after sale.
- [The ACT Land Rent Scheme \(LRS\)](#), a similar model used by the municipal government in Canberra, Australia. Since its introduction in 2008 it has saved around 3000 households over \$69million (£38m) in housing costs.

– [The Mayor of London's Small Sites programme](#) which has made sites available on a leasehold basis with peppercorn rents and a 50% recapture on land value uplift.

Affordable Land takes the best elements of all these models, combines and simplifies them.

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## What would be the impact for the UK?



**Older women's Cohousing (OWCH), Barnet.** An example of the kind of development made possible by the availability of Affordable Land. It will yield significant savings in health and care costs over the coming decades.

### Unlocking more new homes

The first and most obvious result of councils releasing Affordable Land would be unlocking hundreds of thousands of genuinely affordable homes. Unlike speculators, citizens and social enterprises will always build as many homes as they can as soon as they can, provided they can access land and finance. Their developments also tend to be significantly more popular among local communities.



We estimate that nationwide, Affordable Land could easily allow the development of over 100,000 additional new homes every year. This would allow the UK to meet its housing requirements, and help alleviate the misery of those currently priced-out of owning a home.

### **Creating a new, genuinely affordable form of home ownership**

What it would *mean* for many people is *choice*. It would create a new form of home ownership, sitting in-between rental and mainstream home ownership. The deal is that you get to own your home, and you can sell it anytime, just as you might own a car, but you don't get to capture any uplift if the value of the land underneath it goes up in value.

This would create practical hope and choice for the millions of families and young people currently locked out of home ownership, but without running the risk of plunging existing homeowners into negative equity.

### **High quality homes and neighbourhoods**

Housing associations, community enterprises and citizen builders want to build the best, most sustainable, most healthy homes they can because they're the ones who are going to live in them and maintain them. Affordable land would create a dedicated pipeline of land for them, resulting in places that are genuinely affordable, beautiful, sustainable, socially resilient and loved and maintained by the people who live there. Places to be proud of.

### **Innovation**

Affordable Land can be seen as a huge market-creation play, inviting much-needed innovation in housing, including low-energy homes, [digital construction](#), the circular economy, [older people's cohousing](#), shared-living and new forms of preventative health and care investment. It is likely that it would lead to a revival of peer-to-peer finance models akin to the traditional building society, as exemplified by platforms such as [Abundance](#).

### **Encouraging saving and investment**

At present, the UK is stuck in a cycle of household debt, rather than household savings. By freeing money from mortgages and rent, Affordable Land will increase the amount of money families have available to spend and save. In turn, these savings should be directed towards productive businesses and building loans, instead of into land price speculation. This will support the UK's productivity and wider earnings growth.

## **Economy**

Affordable Land would unleash a dramatic boost to the economy, in the form of a micro-construction sector which would have a significant economic impact both nationally and locally. For example, if only half of the 13,000 empty sites already identified in the West Midlands were taken on and developed, we estimate the result would be a £325m economic boost to that region's economy, creating thousands of jobs.

And it wouldn't cost government a penny. We just have to decide to do it.

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## **What needs to happen next?**

### **Pilots**

We are happy to provide general guidance to councils wanting to pioneer Affordable Land pilots. Such pilots will probably begin with small, hitherto neglected sites. They will not require significant additional overheads, however it will require leadership and political commitment, since the process infrastructure will not be in place initially. They will then be able to publish and share their contracts for other councils to replicate.

### **New lenders**

Affordable Land will create a market for financial innovation, in particular P2P lenders (such as [Abundance](#)). It is easy to imagine a range of simple, financial products, allowing people to invest their savings on one side, provided as building loans on the other, offering a steady 4% yield, or similar. We are keen to hear from lending organisations who are already working in this space and would be interested in financing homes on affordable land.

### **Investment in digital infrastructure**

We propose the creation of a national digital platform for Affordable Land, aimed at making the whole process simple for everyone and automating much of the rules-based administrative work. Through it, Councils would be able to publish available sites using a standard pro-forma contract. Users would be able to search for available sites, rapidly shape and submit their bids and agree contracts if successful.

The platform would also serve as a national register of affordable land, recording all Affordable Land leases currently in use along with their

terms, and ensuring future sales and purchases are simple and within the rules.

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## Questions, challenges and more information

In order to test the Affordable Land concept, we have created an [open FAQ document](#) with responses to some of the questions and challenges to the Affordable Land model encountered so far.

We welcome all contributions, comments and suggestions. If you have a question or challenge that is not yet addressed, or would like to add to one of the answers, please add it using the commenting or suggesting function.

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## Other links

[‘Affordable land would mean affordable housing. Here’s how we get there’](#) – Alastair Parvin, The Guardian October 2018

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