

# SMART MOVE

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BUILDING NEW BUNGALOWS  
TO FREE UP FAMILY HOMES



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## INTRODUCTION

In the rush to build greater numbers, volumes and densities of new homes to increase London's housing supply, there is a crucial type of provision that is currently being overlooked. Bungalows are extremely popular, yet they are currently in sharp decline in London and across the country. However, they could potentially offer many advantages to London's housing market, especially by providing an attractive form of development for people who wish to downsize, freeing up large numbers of under occupied and much-needed family homes. Therefore, as this report argues, the forthcoming review of the London Plan should be used as an opportunity to promote a new wave of efficient, space-saving bungalows in London.

While no one solution can tackle London's housing issues on its own, and increasing overall supply must remain the key priority, addressing this untapped potential can make an important contribution to the housing needs of many Londoners throughout London's housing market.

## UNMET DEMAND

There is a considerable gap between supply and demand of bungalows. Bungalows have consistently been, and remain, an extremely popular form of development across the country. A MORI poll in 2002 found that 30 per cent of people consider a bungalow to be their ideal home<sup>1</sup>, with similar figures found in a YouGov survey in 2015<sup>2</sup>. Similarly in 2014, research for Knight Frank found that 64 per cent of people would prefer to live in a bungalow in retirement<sup>3</sup>. In addition, surveys consistently show high satisfaction levels for those that live in bungalows, including a survey by Halifax showing bungalows to be the 'happiest' home in the country<sup>4</sup>.

Yet construction of new bungalows is in sharp decline. Currently just 2 per cent of all newly registered homes in the UK are bungalows – around 2,000 homes per year<sup>5</sup> – compared with 27,000 in the 1980s<sup>6</sup>. Meanwhile, bungalows constitute just 9 per cent of local authority housing<sup>7</sup>. Indeed, the Papworth Trust, a charity for disabled and older people, estimates that on current trends there will be no new bungalows built by 2020<sup>8</sup>.

This is reflected in the soaring and over-inflated value of bungalows, especially in London. A typical bungalow in Southgate, for example, has a sale price of £945,000<sup>9</sup>. On average, bungalows in London are priced 11.4 per cent higher than other forms of housing<sup>10</sup>.

## FREEING UP FAMILY HOMES

At the opposite end of the spectrum, London has a rapidly growing population of older people, with increasing levels of under occupation of large family homes. A recent study of a typical street in south London found that 70 per cent of homes were under occupied, with 14 houses having

1. <http://www.telegraph.co.uk/news/politics/10008706/Build-more-bungalows-to-solve-housing-crisis-says-Cameron-thinktank.html>
2. <http://www.express.co.uk/life-style/property/640178/Buyers-builders-Bungalow>
3. <https://kfcontent.blob.core.windows.net/research/696/documents/en/retirement-housing-2014-2388.pdf>
4. <http://www.independent.co.uk/property/house-and-home/the-rise-ndash-and-fall-ndash-of-the-bungalow-939851.html>
5. [http://www.nhbc.co.uk/cms/publish/consumer/NewsandComment/Stats/2015\\_Annual\\_Stats.pdf](http://www.nhbc.co.uk/cms/publish/consumer/NewsandComment/Stats/2015_Annual_Stats.pdf)
6. <http://www.dailymail.co.uk/news/article-2402101/Councils-urged-build-thousands-new-BUNGALOWS-meet-demand-ageing-population.html>
7. <https://www.jrf.org.uk/press/great-british-bungalow-sell-1-4-forced-council-house-sales-could-be-bungalows>
8. <http://www.thisismoney.co.uk/money/mortgageshome/article-3043630/Last-bungalow-home-built-2020-downward-trend-continues.html>
9. <http://www.dailymail.co.uk/news/article-3199235/The-bungalow-bonanza-Building-single-storey-homes-fallen-fashion-demand-means-prices-set-roof.html>
10. <http://www.telegraph.co.uk/news/2016/07/19/britains-bungalow-crisis-chronic-shortage-means-buyers-pay-up-to/>

20 empty bedrooms<sup>11</sup>. With significant levels of overcrowding in many areas of London<sup>12</sup>, there is considerable potential to encourage under occupiers to move into smaller homes, freeing up much-needed family homes across London.

However, while there is growing interest from developers in providing new types of accommodation for retirement living, progress is slow. Currently, according to data from the Housing Learning and Improvement Network (Housing LIN), just 1 per cent of the UK's population aged 60 or over lives in retirement communities. This compares to 13 per cent in Australia and New Zealand, and 17 per cent in the US.<sup>13</sup> Yet according to research by Knight Frank, a quarter of over-55s would consider moving to retirement housing<sup>14</sup>.

What is clear, therefore, is that if we wish to see significant numbers of people downsizing into smaller accommodation, there needs to be more attractive options and more choice in the market. Given what we know about the unmet demand and popularity of bungalows, particularly amongst older people, this presents a significant opportunity.

## WHY BUNGALOWS?

The current focus of retirement provision is predominantly retirement flats and extra care facilities. It is understandable to see why developers and planning authorities would prefer higher density developments, and these are certainly worthwhile options with an important place in the market. However, adding bungalows to the menu offers important advantages that are not available with other choices.

Bungalows provide a head start when it comes to 'lifetime homes' provision, already being mostly or wholly single storey, and by design are more accessible in their own right. They avoid the need for lifts, which can often be costly as well as encouraging developers to build further upwards. Bungalows are also typically more popular locally<sup>15</sup>, which means fewer obstacles and delays when it comes to obtaining planning permission. They preserve traditional street patterns of development and therefore protect, or even enhance, the character of an area.

As bungalows are a popular and attractive form of housing in their own right, they are also more likely to appeal to those who have reached the stage of under occupation in a family home but do not yet consider themselves ready for 'retirement' accommodation. Being easier to maintain, they also allow people to live independently for longer, reducing demand for sheltered, extra care or care home provision.

Downsizing already provides a financial advantage to homeowners. In London, the average amount of equity released from moving to a smaller property is £71,262 per bedroom.<sup>16</sup> However, for many people it is not simply a financial matter – it is about the attractiveness of the options available. According to the Commission for Architecture and the Built Environment (CABE), "the majority of house buyers are unlikely to initially choose to live in higher density developments... Older people say they would prefer a bungalow".<sup>17</sup> As noted by a former housing minister, there are many people who are "pretty fit, mentally with-it, struggling to live in a normal house, but not yet ready to move into what they would regard as a retirement home."<sup>18</sup>

11. [http://www.if.org.uk/wp-content/uploads/2011/10/IF\\_Housing\\_Defin\\_Report\\_19oct.pdf](http://www.if.org.uk/wp-content/uploads/2011/10/IF_Housing_Defin_Report_19oct.pdf)

12. <http://www.londonpovertyprofile.org.uk/indicators/topics/housing-and-homelessness/overcrowded-households-across-london/>

13. As quoted by <https://kfcontent.blob.core.windows.net/research/696/documents/en/retirement-housing-2014-2388.pdf>

14. Ibid

15. <https://policyexchange.org.uk/how-to-build-better-homes-for-both-younger-and-older-people/>

16. <https://kfcontent.blob.core.windows.net/research/696/documents/en/retirement-housing-2014-2388.pdf>

17. As quoted by <https://policyexchange.org.uk/wp-content/uploads/2016/09/housing-and-intergenerational-fairness.pdf>

18. Brandon Lewis MP, as quoted by <http://www.telegraph.co.uk/finance/property/luxury-homes/11077724/Bungalows-are-back-in-fashion.html>

As Shelter has argued, ‘More could be done to increase the efficiency of the use of the total housing stock, notably encouraging downsizing’; however, it has also recognised that this is not simply a matter of building more homes:

*Any focus on this area should look at “pull” measures, notably increasing the supply of housing that older people want to live in, such as low density housing with gardens and bungalows.<sup>19</sup>*

Housing LIN recently conducted a post-occupancy study of a chalet bungalow scheme in Bristol, finding the scheme to be extremely popular with downsizers. Comments included the following:<sup>20</sup>

*“Our friends would love to live here”*

*“I could have a live-in carer here”*

*“I like the ground floor bedroom and can manage without sticks at night”*

*“I looked for a ground floor flat but now I would definitely recommend this”*

*“We looked at flats but were put off by the travel distance to the car, this couldn’t be better”*

In addition, a resurgence of bungalows could encourage a greater level of self-building. Bungalows have previously been considered a ‘self-build favourite’<sup>21</sup>, before suffering from a general decline in bungalow developments. Those who wish to downsize from their own family home could potentially make use of the equity in their home, providing a ready-made source of finance, subject to suitable land being available<sup>22</sup>. As has previously been noted in London Assembly Member Steve O’Connell’s ‘Gap in the Market’ report, small vacant or disused sites on housing estates could be particularly suitable for self-builders, on which there could be potential for at least 10,000 new homes across London.<sup>23</sup> There could also potentially be small sites available on land owned by Transport for London or other public bodies.

## OBSTACLES AND SOLUTIONS

Yet if bungalows are such an attractive and beneficial option, why are they facing such a sharp decline? The main factor is that they are often not considered an efficient form of land use. In a situation where planning policies in general, and the London Plan in particular, are moving inexorably towards higher densities in order to meet housing targets, this leads planners and developers towards favouring greater numbers of flats rather than bungalows.<sup>24</sup>

Recently, however, there have been a number of innovations aimed at meeting this challenge.

The Papworth Trust has developed a carefully designed ‘space saving’ bungalow, which can provide for two bungalows in an area of under 70 m<sup>2</sup> – the typical plot of a standard single two-bedroom home.<sup>25</sup>

19. [https://england.shelter.org.uk/\\_data/assets/pdf\\_file/0011/689447/Solutions\\_for\\_the\\_housing\\_shortage\\_-\\_FINAL.pdf](https://england.shelter.org.uk/_data/assets/pdf_file/0011/689447/Solutions_for_the_housing_shortage_-_FINAL.pdf)

20. [http://www.housinglin.org.uk/\\_library/Resources/Housing/Support\\_materials/Viewpoints/HLIN\\_Viewpoint62\\_Bungalows.pdf](http://www.housinglin.org.uk/_library/Resources/Housing/Support_materials/Viewpoints/HLIN_Viewpoint62_Bungalows.pdf)

21. <http://www.independent.co.uk/property/house-and-home/the-rise-and-fall-of-the-bungalow-939851.html>

22. <https://policyexchange.org.uk/how-to-build-better-homes-for-both-younger-and-older-people/>

23. <http://glaconservatives.co.uk/wp-content/uploads/2014/07/gap-in-the-market.pdf>

24. <http://www.thisismoney.co.uk/money/mortgageshome/article-3043630/Last-bungalow-home-built-2020-downward-trend-continues.html#ixzz4QdB5Ftti>

25. <http://www.papworthtrust.org.uk/news/small-plot-big-technology-breakthrough-bungalow-design>

Meanwhile, new concepts are being developed, such as 'stacked' bungalows, which would enable two or more bungalows to be built on a single plot of land with a gentle slope, as well as 'eco cottages', a two storey house that can be developed at low cost and converted to two bungalows as required.<sup>26</sup>

Clearly bungalows will not be suitable in all areas of London – particularly areas where higher densities are required. However, in addition to the smaller parcels of land as noted above, where higher densities would not be possible anyway, outer London areas could be particularly receptive to this form of development.

The current review of the London Plan provides an opportunity for the Mayor to set the tone of London's planning system towards a more welcoming view of bungalows where appropriate. Where an otherwise viable bungalow development would fall foul of density targets, flexibility could be given to build at lower density if it can be demonstrated that the development will reduce under occupation and overcrowding elsewhere. Housing design and other planning guidance could also be amended to reflect this, promoting the more innovative and efficient bungalow designs as described above.

The potential advantages of this approach could significantly outweigh any loss of density. It would meet demand for the types of homes that people want to live in, provide a more efficient use of London's housing stock, and free up much-needed family homes for Londoners.

## RECOMMENDATIONS

**RECOMMENDATION #1** - The Mayor should ensure that the next London Plan, as well as its supplementary planning guidance, provides the best possible support to the delivery of new bungalows. This should include, where appropriate, a more flexible approach to density requirements where a development will contribute to downsizing.

**RECOMMENDATION #2** - The Mayor and London boroughs should review London-wide and local design guidance to promote innovative new 'space saving' bungalow designs.

**RECOMMENDATION #3** - The Mayor, boroughs, housing associations, Transport for London and other public bodies should assess the value of building bungalows on small vacant or disused sites.

**RECOMMENDATION #4** - The Mayor should require London boroughs, especially those in outer London, to identify sites in their development plans that would be suitable for new bungalows.

**RECOMMENDATION #5** - At the next review of the London Housing Strategy, the Mayor should specify the role of bungalows in tackling overcrowding in London.

26. <http://www.insidehousing.co.uk/the-rise-of-the-bungalow/6527048.article>



## FEEDBACK

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