

Housing the returning soldiers

“Homes Fit for Heroes”

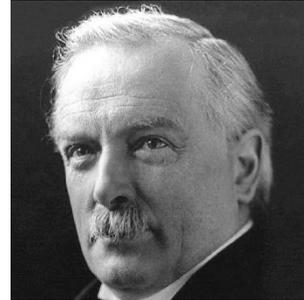
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Promises, promises, promises

Introduction

After surviving the horrors of WW1, many returning soldiers, sailors and airmen were expecting the world to be a better place, where their life could return to some normality in a secure and safe environment and jobs for all.

This expectation was raised by a speech by Lloyd George the day after the armistice where, amongst other promises, he said there would be “homes fit for heroes”. One’s imagination could run wild with thoughts of Lloyd George relaxing at home the evening before, drink in hand, and coming up with vote-winning phrases, maybe with the help of his friend and great orator Winston Churchill. “Homes fit for heroes” hit the mark. “Homes”, and not just houses; “fit”, implying built to a standard; and “heroes”, giving a sense of gratitude and deserving. Dreams never meet reality and what Lloyd George actually said was “Habitations fit for the heroes who have won the war”, which is a lot less punchy and emotive than the phrase everyone remembers, and the word “habitations” suggests something very basic. The press could not fit that sentence in a header in a newspaper column and so naturally shortened it to the phrase we now know. So, what was the result of this promise? Were those houses built all over the country immediately after the war?



It will come as no surprise to historians that the reality fell a long way short of the promise, but for many reasons that even Lloyd George could not control. The legislation that followed his speech was well meaning and quite well thought through, but was hampered by two serious problems: the lack of funds; and the extreme shortage in the building industry of skilled manpower and materials.

However, some housing was built, and most of this housing still stands as testimony to that political battle cry.

But was there a need for housing?

Modern socialists would like to think that Lloyd George, a popular Liberal PM, and his coalition cabinet really did want slums to be demolished and all those “heroes” living in good housing. But the government had more a pressing problem to solve, and that was Bolshevism. From 1917, industry and the docks had been hit with some damaging strikes, no doubt spurred on by events in Russia in that year. The government realised they could not go head-to-head with the radicals, as Russia tried to, and so planned to improve the lives of “the workers” and defeat this new and worrying movement. The government created a Ministry of Reconstruction in 1917, headed by the very capable Christopher Addison. The term “reconstruction” was not in the context of rebuilding fallen property, but the reconstruction of how government was organised. Its recommendations covered many subjects that included, amongst other targets: a more efficient government administration; women’s roles post WW1; housing; industrial relations; and employment. The aim of the Ministry was “charged with overseeing the task of rebuilding the national life on a better and more durable foundation”. To the credit of the government, many of the recommendations were implemented and Bolshevism did not take hold as a result. The main impact on post-WW1 housing was to create a Ministry of Health under which social housing and slum clearance were managed, with a housing department and local commissioners being in control. This all became permanent in 1919. In the



meantime, the Ministry of Reconstruction introduced a scheme in 1918 to subsidise some of the expected excesses in the costs to build housing. Apart from each scheme needing government approval first, there were no other restrictions. But this subsidy was too early for most local authorities as they did not have the funds for such schemes or were unable to borrow the necessary money. The London County Council (LCC) was one of the few authorities who could afford to build houses and allocated £500,000/yr towards it, although they did not build any new houses using this money because further legislation overtook the planning. The mainly rural counties were never going to be able to afford such grand schemes. This was recognised by the Ministry and the *Housing and Town Planning Act, 1919* was passed that changed the way social housing could be funded. The Act was to resolve many issues highlighted by a far-reaching report in 1918 by John Tudor Walters.

The 1918 Tudor Walters Report

The government appointed architect and MP Sir John Tudor Walters to report on the condition of housing although his main role in Lloyd George's government at the time was Paymaster General. The result was the "*Report of the Committee Appointed to Consider Questions of Building Construction in Connection With the Provision of Dwellings for the Working Classes*", which inevitably everyone shortened to simply "*The Tudor Walters report*". This influential report made recommendations for the design of housing and housing estates. These designs were specifically to: set minimum expected building standards and facilities (such as bath in every house); provide house designs that would be both pleasant to live in yet economical with scarce building materials; and provide useful guidance as to the layout of a scheme. A good example of the last point was to build housing in cul-de-sacs. The number of houses that could be fitted would not change but the authority would save on road-building costs when compared to a through road.



Tudor Walters' recommended designs were known as Types "A", "B", "C", "D" and "E". Not very imaginative, but a very useful way to indicate to the housing authorities what type of house was planned. These designs were modified in 1919 to make better use of scarce building materials and one change was to design the larger houses with a small gable at the front on each side to save wood and bricks as compared to a house with gable ends, although they were a little more expensive on labour. These houses happened to look better, which was a bonus.

Things to note about the designs: all have 3 bedrooms, all have a bath, and only the bigger houses have a purpose built larder (extremely useful in the age before refrigerators). Authorities could design their own houses, but the size, amenities and whether parlour or not were standard measures used by all authorities.

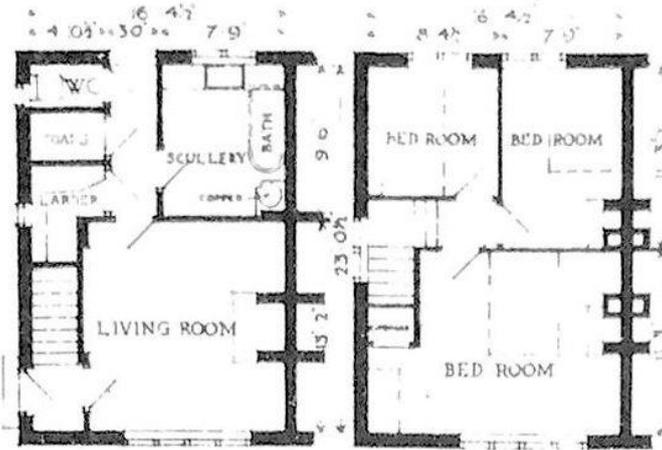


Figure 1: Tudor Walters type "A"

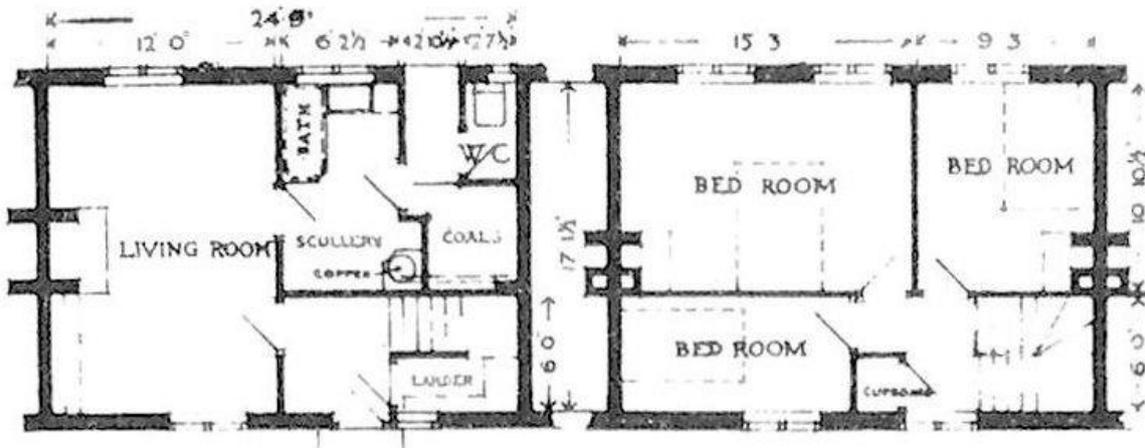


Figure 2: Tudor Walters type "B"

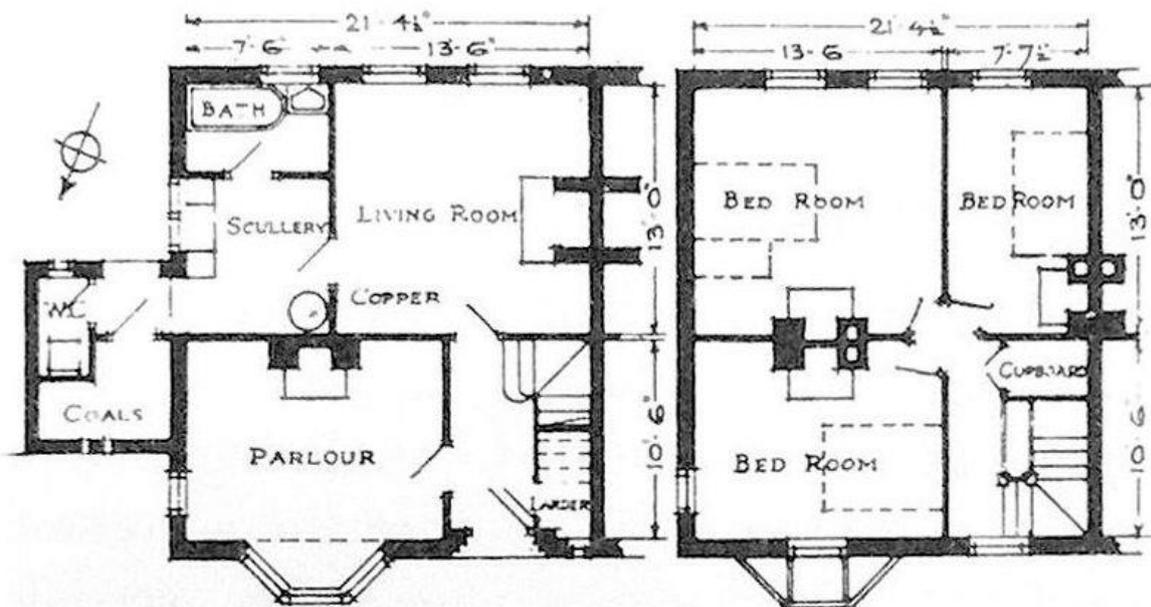


Figure 3: Tudor Walters type "C"

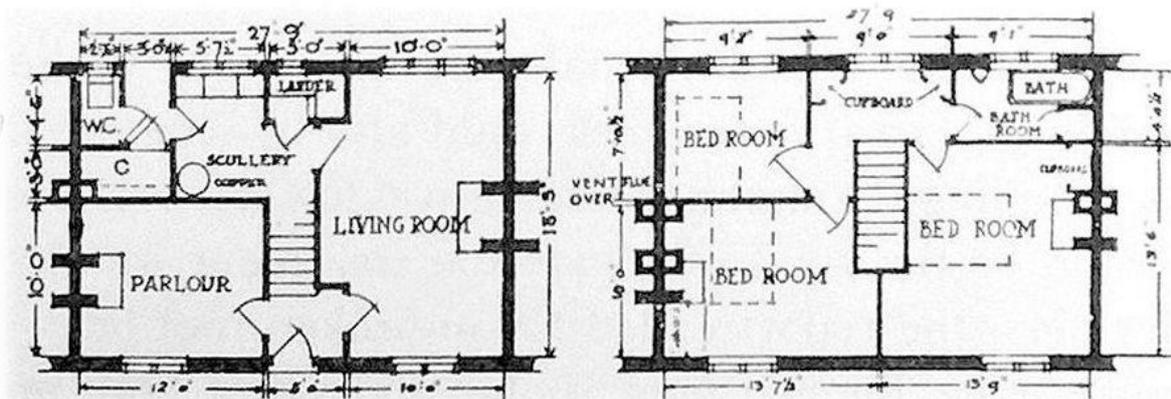


Figure 4: Tudor Walters type "D"

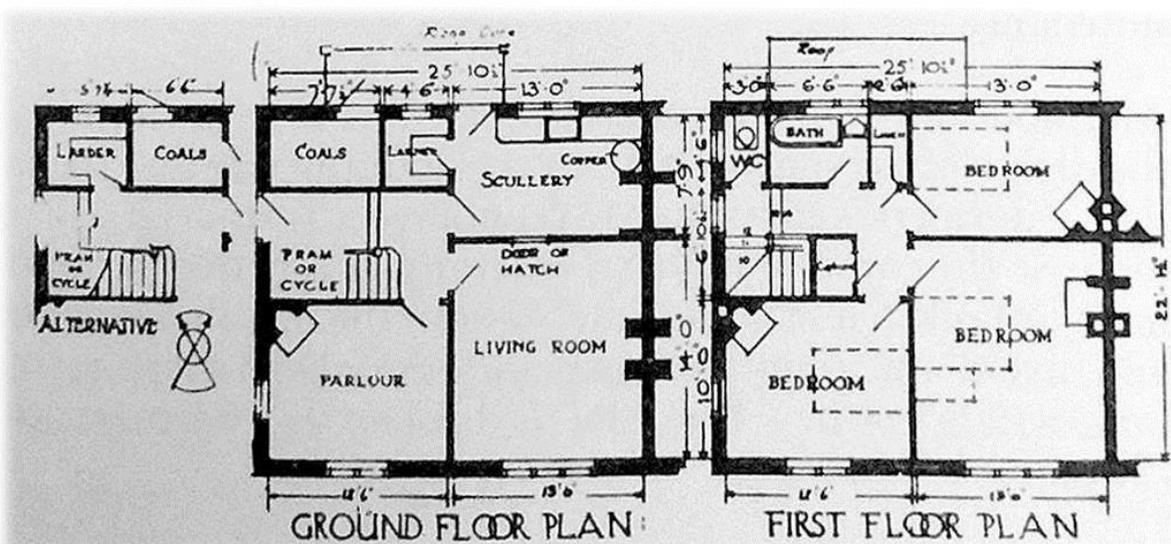


Figure 5: Tudor Walters type "E"

1919, and things start to happen

Before we see how authorities took advantage of the government housing schemes, it is necessary to know something of the 1919 *Housing and Town Planning Act*. This will enable the reader to understand why some boroughs and districts built workers' housing whilst others did not. They all wanted to, but some failed in their efforts, often for reasons outside their control.

The house building industry in 1919 was in a difficult position. There were severe shortages of skills and materials. The government decreed that priority was to be given to industry, which is very understandable, but had far reaching repercussions over the following two years that culminated in a recession in 1921 that severely affected the building industry. With skills and materials in short supply, builders could charge high prices to both industry and private individuals. This problem was recognised by the government as far back as 1917 when the Ministry of Reconstruction stated that "In the years immediately following the war, prices must be expected to remain at a higher level than that to which they will eventually fall when normal conditions are restored". They went on to give the warning that "Anyone building in the first years after the war will consequently be faced with a reasonable certainty of a loss in the capital value of their property within a few years". So here we have the government recognising that house building, post WW1, was going to be difficult and only with subsidies could local authorities afford to do so. This was not the only problem. From 1915 there were a succession

of Rent Acts that prevented landlords or mortgage lenders from profiteering from increasing rents or interest rates due to the severe shortage of housing for munition workers. Although some increase was permitted by 1919, the rents that could be charged were usually well below that needed by a local authority to be able to cover the cost of building the new housing.

The only solution was for the state to intervene and make it financially viable for authorities to build the housing Lloyd George had promised. The short-lived 1918 scheme and the well thought through 1919 Act were the result. Local authorities were now able to plan the building of social housing knowing that there was financial help from the government. So how was it funded?

How the government funding worked

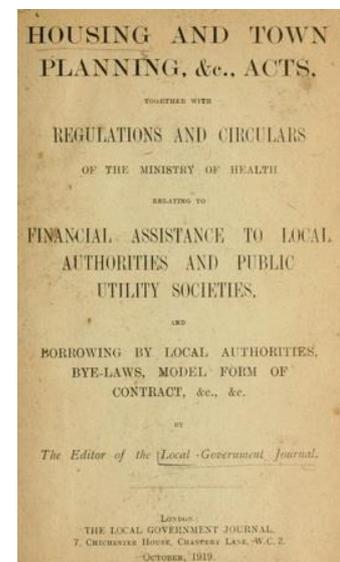
The government brought in a number of well-meaning schemes to subsidise the expected excess costs of building working-class housing immediately following the armistice. All these schemes were strongly objected to by the Treasury but had the support of many MPs who genuinely wanted their workers to have good housing. The 1918 scheme was seen as a temporary measure and did not reach the point of causing The Treasury problems by the time the 1919 Housing Act came along, with its different funding method. The 1919 scheme proved too costly for the government to bear and subsidies were all but removed in 1921 when the recession bit, which resulted in the halting of most housing schemes. The 1923 Housing Act reinstated subsidies, but by yet another method. This, and a considerable reduction in building costs, finally enabled local authorities to build the housing that Christopher Addison and Lloyd George were hoping for.

The 1918 Scheme

The 1918 scheme (not an Act of Parliament) provided a very simply subsidy of 75% of the deficit of new-house building costs for 7 years. At the end of the 7 years, 75% of the deficit on any loans would also be subsidised. This was the first time that the state had intervened in local government housing. The Treasury was totally against this scheme, not unexpectedly, but very little housing was built under this scheme because it required the authority to find the money and build the housing in the first place. In addition, housing schemes typically took 2 years to complete because of land purchase negotiations. Events were overtaken by the 1919 Housing Act.

The 1919 Housing Act

Obtaining financial help by way of the 1919 Housing Act forced all councils to plan the development in a series of stages that made sense, but also had the potential to delay things due to approval that was mandatory before any government monies were released. In simplistic terms, the Ministry of Health (MoH) would subsidise the cost of the housing (not the land) to the value of all excesses that would result in an increase in the rate of over 1d in the £. As a rough guide, the rates income of 1d in the £ was often just 10% of the total building cost, meaning 90% of the cost would be subsidised by the government. This subsidy would be calculated annually and so the councils were always under pressure to ensure that the debt (managed using something called a Sinking Fund) did not increase due to insufficient income from rents. The councils could also borrow money from the Public Works Loan Board (PWLB) to fund the purchase of the land, build roads and sewers and pay for the construction of houses (the annual subsidy would be income against the Sinking Fund). These loans were typically for 60 or 80 years. The first stage was to purchase suitable land. As with all land purchases, this could be protracted, but the 1919 Act allowed councils to compulsorily purchase, although little use of these powers was needed. An architect would be engaged (only big authorities such as the London County



Council had an architect's department) to produce an outline design of housing to fit the land in question. The architect's fees, and some other overheads, could be recovered from the MoH. The design of houses usually followed those recommended in Tudor Walters' report. These designs were very well thought through to be clever in the use of scarce and expensive bricks and timber, but were also pleasing to the eye in the case of the larger houses. Architects could vary the Tudor Walters designs to suit local tastes and preferences, but the "Type" labelling ("A", "B", "C", etc) was very useful when applying to the MoH's Housing Department for loans or subsidies.

The land would be purchased using money from loans. The MoH would always encourage the council to find the money themselves and only apply for a PWLB loan as a last resort. Many councils issued Housing Bonds, at a fixed interest rate (usually 6%), for local people to buy. This method was successful in raising monies wherever used, and involved local people in investment in housing in their area. The Bonds were often a relatively short-term loan, maybe 7 years, meaning the council might need to find another source of money to top up the Sinking Fund when it was time to pay back loans to investors.

Once the land was purchased local builders would be asked to tender for the houses, designed by the architect. This is where every council came across major problems. Despite the recognition by the government in 1917 that costs were going to be high immediately post WW1, they were not prepared for just how high. The skills and materials were in short supply, and so builders inflated the tenders. The council minutes have examples of tender prices that can only be considered profiteering by the builders concerned. They could not, legally, charge anything they wanted as the government had set maximum rates per hour for the trades, but builders often complained that they were having to pay higher hourly rates to attract the scarce skilled men. The councils could not simply pass on this excess cost to the MoH for them to subsidise as the latter's Housing Commissioners were going to check every penny they paid in subsidy. The result was an almost universal rejection of the schemes by the Commissioners as being far in excess of expectations. This left the council with a problem. They had borrowed the money to purchase the land but could not get the subsidy to be able to afford to build the houses. From the council minutes available, some managed the situation well, whilst others did not. As a general rule, the bigger the District the better they managed the situation. Some smaller councils found themselves out of their depth with the negotiations and abandoned their schemes altogether and sold the land.

To reduce the costs the architect had to find a way of getting the tenders down in price. This was achieved by a combination of:

- 1) setting their sights lower in terms of the house type by building more Type "B" in place of Type "C", say, or building more non-parlour (Types "A" and "B") housing in a particular development
- 2) Reducing the quality of fittings. This was to have repercussions once the house was occupied, as it does today
- 3) Reducing the size of the house down to the minimum allowable under the Type rules
- 4) Forcing the builder to reduce their costs by hard negotiation
- 5) Negotiating with the Housing Commissioner to accept the higher-than-expected building costs.

All the above are typical of any building scheme, but the councils tried hard not to cheapen the building materials used and so maintain the quality of construction. A good example seen later in this document is Nower Rd, Dorking. The bricks used on the front wall of the smaller houses are better than those on the side and rear walls. Most looked at wooden buildings as an option, including use of ex-Army huts as a temporary measure, but most councils seemed to reject this option. The government was investigating the use of concrete in place of bricks to overcome the brick shortage and some councils did look into this option but the concrete industry had not developed enough for

rural councils to use this material. Housing estates of concrete houses were being planned and built around the country from 1919 but only where the development was a large one. This building material, whether blocks, panels or poured (“in-situ”), became popular for garden estates from the mid 1920s.

The high costs had an unexpected impact on rents. Because the MoH were subsidising the schemes based on excess costs over 1d or the £ on rates they were very keen to ensure that the income from rents would cover the agreed annual subsidy. If the sinking fund was in deficit it was likely that the subsidy would need to increase and the government was (as always) very keen for this not to happen. As a result, it was the Housing Commissioner who set the minimum rent and not the council. This caused many a Housing Committee consternation. In some cases the minimum rent set was about 17s per week, although this included rates (typically 3d per week). This rent was far more than the typical “working man” could or would afford, thus defeating the whole ethos of building the housing for “the working classes”. Negotiations with the Housing Commissioner to charge a lower rent (and thus a higher subsidy) were common, usually without success, and so it was back to the drawing board and try and reduce costs yet again. The MoH eventually issued guidance that they would not be subsidising schemes where more than 10% of the houses had a parlour. The problem started to resolve itself during 1921 by a considerable reduction in the labour skills shortage, and building materials becoming more available and therefore cheaper. Many councils asked builders to re-tender which resulted in considerable reduction in the estimates. But tenders were still usually too high for the MoH’s liking but it did often result in a compromise on costs/rents. Most of the schemes planned in 1918-1921 were built, although some councils continued to pressure the MoH to permit lower rents, with a subsequent risk to the MoH of increasing the subsidy. All these plans came to a halt in 1921.

1921 and the government pulls the plug

In 1921 Lloyd George’s cash-strapped coalition government abandoned all subsidies. They also reduced the architect’s fee limits to just 25% of the 1919 level. This coincided with the lapse of the rent restriction Acts that was expected to result in considerable increase in rents. The government, in turn, expected this to stimulate private house building. This did not happen, and the result was a house building slump. The schemes already planned and agreed, or under construction, were still to receive state subsidy as per the *1919 Housing Act*.

1923 and 1924 Housing Acts

The economic situation had improved by 1923 to the extent that subsidies could be re-introduced. This time the subsidy would be a fixed amount per house, per year. The government had clearly learnt that the 1919 funding method was costly and time-consuming to implement for each scheme. The *Housing Act 1923* was to resurrect the housing programs across the country and started a programme of social housing building that continued into the 1930s. The scheme was aimed at private builders (the Conservatives had come to power the year before), but local authorities could apply for the subsidies although they still had to raise the capital themselves. The basis of the scheme was simple; the State would pay the developer/council £6 per house per annum for 20 years for a 2 bedroom house, and £8 for a 3 bedroom house. The purchaser (of private housing) could also receive a £75 lump sum if they met the criteria of needing financial assistance. Some large authorities, such as the London County Council, topped this up to encourage private developers. The grant was increased in 1924 to £9 per house (£12 10s in rural areas such as in the Home Counties). Councils made good use of the 1923/24 Acts and their housing was being made available from late 1924 onwards after 2 years of virtual inactivity.