

Stanford SOCIAL INNOVATION^{Review}

What's Next
Deregulating Housing for Renters
By Emma Woollacott

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so severe, that we need a multi-pronged approach to solving it,” warns Rebuild Local News president Steven Waldman. “There’s been an 82 percent drop in the amount of advertising revenue for newspapers in about a two-decade period and an almost 60 percent drop in the number of journalists.”

Report for America envisioned Rebuild Local News as focusing on public-policy solutions like tax credits and subsidies to address the rapidly accelerating disappearance of local-news outlets. But what started off as a public-policy-focused coalition continued growing to the point where Report for America decided, in 2023, to establish it as an independent nonprofit. According to Waldman, the change was made to give Rebuild Local News its own mission and funding so that it wasn’t merely a side project of Report for America—which he cofounded—and to protect the mission of that organization and the GroundTruth Project.

“With Rebuild Local News, we are [entering] into the world of advocacy, and there’s some value in separating that from the journalistic operation that is Report for America,” Waldman says. “It’s good for both entities to have their own personality.”

Originally, several major philanthropies—including the Knight Foundation, the Ford Foundation, the MacArthur Foundation, and the American Journalism Project—backed the initiative through GroundTruth and Report for America. Some of these funding sources transferred to Rebuild Local News when it became a nonprofit.

Waldman thinks that serious attempts to reverse the local-news crisis must incorporate philanthropy, business, and public policy.

“There needs to be new ownership structures for commercial news organizations, for instance,” he says. “But philanthropy and commercial innovation will not be enough. We also need public policy and, in some cases, taxpayer support.”

What distinguishes Rebuild from other organizations seeking to revitalize the local-news business is “its laser focus on actionable public-policy solutions—big ideas to address a big, big problem,” says Jim Friedlich, CEO of the Philadelphia-based Lenfest Institute for Journalism and a board member of Rebuild Local News. “The legislative and policy solutions proposed have been simple, smart, nonpartisan, and First Amendment friendly.”

Nevertheless, Rebuild Local News is not naive about the potential downside of mixing politics and journalism. Waldman acknowledges the many examples—especially under authoritarian leadership—of government funding being weaponized to promote populist agendas.

But Waldman remains guardedly optimistic about Rebuild Local News. In 2022, the ideologically split US Congress, he notes, came “very close” to passing the Local Journalism Sustainability

Rebuild Local News president Steve Waldman (R) delivers a keynote address on the future of journalism at The City Club of Cleveland’s annual meeting on November 1, 2019.



Act, which included a payroll-tax credit for news organizations that hire or retain local reporters. The legislation, narrowly defeated, would have provided \$1.7 billion for local news over five years.

Looking to the near future, Waldman says the coalition will continue the fight to pass legislation at the federal level.

“We’re trying to develop a broader coalition and really create a strong foundation to get the federal bill passed,” he says. “As for the state governments—in red, purple, and blue states alike—they need to really understand the severity of the crisis. And move quickly.” ♦

GUSTAVO TURNER is a writer and photographer in Los Angeles.

A former editor and contributor at *LA Weekly*, he has witnessed firsthand the demise of local news, even in larger markets.

CITIES

Deregulating Housing for Renters

A charity and bank are teaming up to ease the rental process for low-income and homeless people in the United Kingdom.

BY EMMA WOOLLACOTT

Rocketing inflation and rising interest rates in the United Kingdom have caused landlords to raise rents, sending UK rental prices to a 16-year high. Compounding this financial barrier to affordable housing, the UK government has frozen financial assistance—in the form of housing benefit to low-income residents—for the past three years. According to 2023 research by the homelessness charity Crisis and financial-services provider Lloyds Banking Group, only 4 percent of properties are affordable for people who receive a housing benefit. Furthermore, 1.8 million low-income renters live in unsafe conditions.

The report's findings motivated Crisis and Lloyds to collaborate on an effort to make renting easier, more secure, and more affordable for low-income and unhoused people. In partnership with Scotland's first social-enterprise lettings (rental) agency, Homes for Good, they have launched an agency to end homelessness by increasing the supply of quality, affordable housing. To achieve their mission, the agency will abstain from applying the standard stringent requirements—providing multiple months of rent in advance, reference requirements, or guarantors—to prospective tenants. Furthermore, it promises not to evict tenants if they cannot afford rent.

“Our new lettings agency will mean we can help people experiencing homelessness directly into safe, settled homes, the essential foundation they need to rebuild their lives,” says Crisis chief executive Matt Downie.

The agency was established as a community-interest company (CIC), meaning it will operate as a for-profit business, but all profit it earns through rentals will be reinvested in an asset-locked entity that supports a specific community—in this case, people experiencing or at risk of homelessness.

The new agency—yet to be named—will open operations in London early this year and then will slowly expand to other cities in the United Kingdom. Lloyds intends to raise more than £2 million (\$2.48 million) to financially underwrite the agency's launch. It will also financially support Crisis' Changing Lives Grants Programme, which gives grants to people experiencing homelessness to use either for education or to start their own small business.

“As financial leaders in the social-housing sector, we have a responsibility to use our capabilities, scale, and relationships to help bring about positive change,” Lloyds Banking Group chief executive Charlie Nunn says. He adds that the agency's partners have “called on [the government] for one million more homes for [affordable] rent by 2033 ... to help everyone access a safe and lasting home.”

The partners plan is to buy and rent properties based on Homes for Good's business model to maintain a steady supply of affordable housing. Homes for Good's model rents nearly 60 percent of its properties at affordable rates, and the remaining 40 percent is rented at market rates.

Because it hasn't had the capacity to satisfy demand, Homes for Good welcomes this partnership. “Managing demand and tenant expectations is very difficult,” explains Homes for Good founder and executive director Susan Aktemel. “We have received up to 300 enquiries per available property in the last 12 months, so we have a high volume of frustrated and unhappy people we are trying to help.”

London's highly competitive housing market will be “the agency's biggest challenge to increasing affordable housing supply,” says Crisis head of housing supply strategy Kate Farrell.

“We face an immense challenge,” Nunn says in a nod to the market's limited supply. “But we know that answers can be found through financial innovation, partnerships, and fresh thinking.” ●

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