

London Housing Panel GLA Background Paper

Author: Rebecca Reid, Senior Policy Officer, Housing & Land

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Title of paper: Background briefing on work areas identified by London Housing Panel

1 Introduction and background

- 1.1 Following the first meeting of the London Housing Panel in June, the Chair has identified four themes that the Panel has expressed an interest in exploring in more detail. These are: delivery of social rented housing including housing on public land; empty homes; temporary accommodation; and tenant engagement.
- 1.2 This briefing provides background on the Mayor's powers and policies in each of these areas. It also highlights the main sources of GLA housing data which the Panel may wish to make use of. Some of this will be familiar to Members. The briefing is not intended to be exhaustive, but rather to provide a high-level overview to inform discussion on workplan.
- 1.3 GLA officers have had an initial conversation with the Panel Chair and Trust for London about additional data which may be useful to inform the Panel's work. Following the July meeting and confirmation of the Panel's workplan, the GLA is happy to have further discussions with work groups about additional briefings and data which may be helpful.

2 Delivery of social rented housing

- 2.1 The Mayor can influence the delivery of social rented housing in London through his investment and planning powers. Detail on each of these are provided below:

Affordable housing investment

- 2.2 The GLA is responsible for affordable housing investment in London. The overall level of funding for affordable homes is negotiated between the Mayor and Government and the terms of funding is often subject to conditions determined by Government Ministers.
- 2.3 Following his election in 2016, the Mayor secured an initial £3.15 billion in affordable homes funding. Despite the Government's preference for low-cost home ownership homes, the Mayor successfully negotiated the use of

some of this funding for homes at London Affordable Rent, which is based on social rent levels but is technically Affordable Rent so it complied with Government conditions. The Mayor later won agreement to use two-thirds of the additional £1.67 billion funding, announced in the 2018 Spring Statement, for homes based on social rent levels.

- 2.4 With these two settlements, the Mayor's current total funding for affordable homes is £4.82 billion, and his target (agreed with government) is to deliver 116,000 affordable homes by 2022. This is a pan-London target, and is not broken down by borough. Within this target the Mayor is aiming to maximise the number of homes based on social rent levels, as well as meeting Government's requirement that the funding should deliver at least 58,500 low-cost home ownership homes.
- 2.5 Registered Providers, including housing associations and local authorities, can bid for affordable homes funding through the Mayor's Affordable Homes Programme (AHP)¹. Within the AHP, a programme specifically aimed at councils to support them to deliver homes at social rent levels (Building Council Homes for Londoners) was launched in 2018. £1 billion has already been allocated through this programme to enable councils to deliver over 11,000 homes².
- 2.6 The Mayor is currently on track to achieve his affordable housing targets based on the trajectory set out in the London Housing Strategy³. In 2018/19, 14,544 new affordable homes were started. This included 3,991 homes based on social rent levels.
- 2.7 The Mayor has recently called for the affordable homes funding for London to be increased to seven times the current amount - to £4.9 billion per year. The GLA officers who led this work could meet with the working group looking at this area to provide a briefing on the modelling work behind this ask.

Useful data sources

- The London Assembly produces an annual Affordable Housing Monitor which contains a range of statistics regarding affordable housing delivery: <https://www.london.gov.uk/about-us/london-assembly/london-assembly-publications/affordable-housing-monitor-20182019-0>

¹ Details of the Affordable Homes Programme can be found here: <https://www.london.gov.uk/what-we-do/housing-and-land/homes-londoners-affordable-homes-programme-2016-21>

² Details of allocations by borough can be found here: <https://www.london.gov.uk/press-releases/mayoral/mayor-agrees-1bn-plan-to-build-11000-new-homes>

³ See Appendix, page 244 ('Allocations') in the London Housing Strategy: https://www.london.gov.uk/sites/default/files/2018_lhs_london_housing_strategy.pdf

- Data on starts and completions of affordable homes, broken down by borough and tenure, can be found on the GLA website here:
<https://www.london.gov.uk/what-we-do/housing-and-land/increasing-housing-supply/affordable-housing-statistics>

Planning

- 2.8 The Mayor is responsible for producing the London Plan, which sets the strategic planning framework for London. Earlier this year the draft London Plan completed its Examination in Public, and the Mayor is currently awaiting the report from the Planning Inspectorate.
- 2.9 Through the London Plan, the Mayor identifies where homes should be built and sets requirements for matters such as the design of new homes and levels of affordable housing. The London Plan is informed by the Strategic Housing Market Assessment (SHMA) which sets out evidence on London's housing need (including the number of social homes required) and the Strategic Housing Land Availability Assessment (SHLAA) which sets out evidence on the availability of land for new homes in London⁴. It must also take account of national planning policy.
- 2.10 Taking into account this evidence and national policy, the Mayor has set a target of 65,000 new homes to be built in London each year, with a strategic target for 50 per cent of these to be genuinely affordable. Chapter 4 of the draft London Plan sets out housing policies, including a range of policies to both support development of, and prevent loss of, social housing.
- 2.11 This includes measures to ensure that the level of affordable housing, including social housing, is increased in new private developments, as well as making it clear that loss of existing affordable housing as part of estate regeneration schemes should not be permitted unless it is replaced 'like for like' and that it should be increased wherever possible.
- 2.12 The Mayor is also consulted on all planning applications that are of Potential Strategic Importance to London. This includes developments of 150 residential units or more and developments over 30 metres in height (outside the City of London). The Mayor has the power, in certain circumstances, to direct local planning authorities to refuse these applications, or he can 'call in' applications and decide himself.
- 2.13 The Mayor has recently used these powers to triple the number of affordable homes on a development in Kensington and Chelsea, resulting in

⁴ The SHMA can be found here:

https://www.london.gov.uk/sites/default/files/london_shma_2017.pdf The SHLAA can be found here:
<https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan/strategic-housing-land-availability-assessment>

100 per cent of the homes being at social rent levels⁵. Similarly, he has previously used these powers to refuse applications where the levels of affordable housing is too low.

Useful data sources

- The London Development Database includes details of planning permissions, as well as housing starts and completions, across London: <https://www.london.gov.uk/what-we-do/planning/london-plan/london-development-database>
- Details of planning applications which have been referred to the Mayor, and his decisions on them, can be found here: <https://www.london.gov.uk/what-we-do/planning/planning-applications-and-decisions/planning-application-search>

3 Public land

- 3.1 The Mayor is working with public landowners to support them in delivering new homes on their surplus and underutilised sites. The Mayor is clear in his London Housing Strategy that he wants to lead by example in delivering homes on land in his control such as GLA land and Transport for London (TfL) land.
- 3.2 The Mayor is calling for reforms of how public land is currently disposed of, alongside devolution of powers to London so that surplus public land owned by central Government is released quickly to deliver more housing for Londoners.
- 3.3 The Mayor's draft London Plan sets an expectation that at least 50 per cent of homes on public land should be affordable. The draft Plan also makes a 'Fast Track' route to planning permission available to public sector sites where they deliver 50 per cent affordable homes.
- 3.4 The GLA is working closely with Government departments who are seeking to release surplus land for housing in London. In addition, the Mayor is supporting local authorities to make better use of their assets through the 'Small Sites, Small Builders' programme, which makes surplus Transport for London and borough sites available to small builders. In the first round of the programme, two of these sites were ringfenced specifically for community-led housing.
- 3.5 In 2018 the Mayor launched his London Land Fund, which allows the GLA to be more interventionist in the land market. This Fund has subsequently been expanded to around £750m, using funds devolved to the Mayor from

⁵ Details of the development can be found here: <https://www.london.gov.uk/press-releases/mayoral/mayor-secures-100-per-cent-social-homes-in-scheme>

the Ministry of Housing, Communities and Local Government (MHCLG). The Mayor aims to use this Fund to unlock sites that wouldn't otherwise come forward for housing development for example due to infrastructure or remediation constraints, to increase the overall number of homes on sites, and most importantly to increase the level of genuinely affordable homes developed.

- 3.6 Since the programme began, funding has been made available to purchase three public sector sites in London. St Ann's Hospital; (Department of Health and Social Care); Holloway Prison (Ministry of Justice); and Land at North Middlesex Hospital (Department of Education). Following the Mayor's intervention, St Ann's Hospital will deliver a minimum of 50 per cent genuinely affordable housing, up from 14 per cent in the original planning consent. There are a number of other public sector land sites that the Homes for Londoners Land Fund will support.
- 3.7 The GLA is also working closely with the National Health Service (NHS), councils and other partners to support an effective programme of approaches to bring forward NHS sites for housing, including through the London Estates Board and the London Estates Delivery Unit.

Useful data sources

- More information about the Small Sites, Small Builders programme: <https://www.london.gov.uk/what-we-do/housing-and-land/land-and-development/making-small-sites-available-small-builders>
- The Mayor of London website provides further details on the Homes for Londoners Land Fund: <https://www.london.gov.uk/what-we-do/housing-and-land/homes-londoners/homes-londoners-land-fund>

4 Empty homes

- 4.1 The policy levers and enforcement methods required to tackle empty homes, such as council tax premiums and Empty Dwelling Management Orders (EDMOs), are determined by central Government and generally implemented by London boroughs. However, the Mayor has used his planning powers in the draft London Plan to encourage councils to reduce the number of vacant and under-occupied dwellings by levying the increased council tax premium and using Empty Dwelling Management Orders⁶.
- 4.2 Official data on empty homes shows that the number of empty homes in London is at a historic low – in 2017, there were 20,200 homes in London

⁶ See draft London Plan, Policy H11 Ensuring the best use of stock: https://www.london.gov.uk/sites/default/files/draft_london_plan_-_showing_minor_suggested_changes_july_2018.pdf

that had been recorded as empty for more than six months, equal to 0.6 per cent of housing stock. However, the main source of data on empty homes is council tax returns, which are reliant on self-declaration and may under-count the number of empty homes.

- 4.3 The GLA recently commissioned research to explore what data sources could be used to more accurately define and measure both empty, and under-utilised homes (which could include those homes used as second homes or lived in part time). The research specification is currently out to tender, with a final report expected to be delivered later in the year. Officers could present the findings of the research to the working group which is looking at this area, and the Panel could help to shape next steps based on the findings of the research.
- 4.4 The research outlined above specifically focuses on exploring the extent and characteristics of privately-owned empty homes. It does not include homes left empty due to estate regeneration, as the causes and impacts of the two issues differ. The Mayor is supportive of projects which make use of these homes where possible.

Useful data sources

- Housing in London provides data on the number of empty and second homes in London:
<https://data.london.gov.uk/dataset/housing-london>
- The London Datastore contains borough level data on vacant dwellings, including second homes, long term vacant, local authority and housing association-owned empty homes:
<https://data.london.gov.uk/dataset/vacant-dwellings>

5 Allocations, temporary accommodation and homelessness

- 5.1 Since his election, the Mayor has used the London Housing Strategy to set out his expectations of local authorities' policies and practices in relation to the allocation of social housing and the assistance provided to homeless households.
- 5.2 However, while the London Housing Strategy sets out the Mayor's expectations in these areas, responsibility for social housing allocation and assistance for homeless households lies with local authorities and takes place within a framework of legislation and guidance that is the responsibility of central Government.
- 5.3 Given this context, the London Housing Strategy makes clear the Mayor's respect for 'councils' and housing associations' independence in deciding how best to manage and allocate their affordable homes, other than where

there is compelling justification for pan-London consistency⁷. It would not be appropriate for the Mayor to intervene on borough decisions as this would compromise the legal redress that exists through review provisions within the homelessness legislation.

5.4 The Mayor is supportive of local authority initiatives (such as the Inter-Borough Accommodation Agreement and Setting the Standard) intended to ensure that households in temporary accommodation are decently accommodated, and to limit the extent to which local authorities compete with one another for accommodation.

5.5 In addition, to help London local authorities to provide sustainable accommodation that meets the needs of homeless households, the Mayor has:

- supported the work from which Capital Letters emerged, including part-funding a feasibility study of options and urging the Government to provide funding for this initiative⁸;
- funded the PLACE (Pan-London Accommodation Collaborative Enterprise) through the Innovation Fund within his Affordable Homes Programme as it will help boroughs to provide local, high-quality accommodation for homeless households⁹; and
- made available funding for other projects to develop quality, affordable accommodation for homeless households through his Affordable Homes Programme and specifically through his Innovation Fund.

5.6 More broadly, as set out in the London Housing Strategy, the Mayor recognises that the difficulties those in acute need can experience in accessing high-quality temporary accommodation are a symptom of the broader housing crisis. While there is scope to improve policy and practice in this area, the Mayor believes that broader reform is required. This should include increasing the supply of social rented and other affordable housing, reversing welfare reform, improving the security and affordability of the private rented sector and ensuring local authorities are adequately funded. The Mayor is using his available powers and/or lobbying Government on all of these points.

Useful data sources

⁷ See Policy 4.3B of the London Housing Strategy:

https://www.london.gov.uk/sites/default/files/2018_lhs_london_housing_strategy.pdf

⁸ More information about Capital Letters can be found here: <https://www.londoncouncils.gov.uk/our-key-themes/housing-and-planning/capital-letters>

⁹ More information about PLACE can be found here: <https://www.londoncouncils.gov.uk/our-key-themes/housing-and-planning/place-%E2%80%93-new-approach-tackling-homelessness>

- Housing in London provides a range of data on homelessness and temporary accommodation:
<https://data.london.gov.uk/dataset/housing-london>
- Data on homelessness provision by borough can be found here:
<https://data.london.gov.uk/dataset/homelessness>

6 Tenant engagement

- 6.1 The Mayor has set out his commitment to ensuring that communities have a say in housing policy and development in London. His Equality, Diversity and Inclusion Strategy states that ‘ensuring Londoners have more of a say in the development of their city, will help make sure growth brings the best out of existing places, and creates stronger, safer and healthier communities’¹⁰. Supporting the London Housing Panel is a key part of this commitment.
- 6.2 GLA officers regularly engage with community groups as part of the policy development process. A recent example of this was a series of focus groups held with tenants to inform the Mayor’s response to the Government’s Social Housing Green Paper. Consultation with the community and voluntary sector also formed a large part of the development of the key strategic plans for housing in London – the London Housing Strategy and the draft London Plan.
- 6.3 During the development of the London Housing Strategy the Mayor carried out an extensive consultation. This included:
- Prior to the development of the strategy, two quantitative surveys were commissioned which received 2,000 responses. These informed the development of the strategy;
 - A thread was launched on Talk London, which receives nearly 2,000 responses from individuals with a diverse range of characteristics across gender, age, housing tenure, sexuality and disability;
 - Workshops were held during the consultation period which were attended by 144 attendees. In addition, a separate workshop was held with 80 people from homelessness groups.
 - GLA staff also attended 57 different meetings to present the strategy and answer questions.
- 6.4 Extensive consultation was also carried out on the draft London Plan. This included (but was not limited to):
- An all-day event in March 2016 to discuss the challenges and opportunities facing London and the issues and options which could be developed in a new London Plan. This was attended by 70

¹⁰ The Mayor’s Equality, Diversity and Inclusion Strategy can be found here:
<https://www.london.gov.uk/sites/default/files/mayors-equality-diversity-inclusion-strategy.pdf>

stakeholders including representatives from community groups, developers, housing associations, and campaign groups;

- A large scale and in-depth public consultation undertaken to inform A City for All Londoners, which set out the Mayor's vision for London and introduced the concept of good growth which underpins the London Plan¹¹. This consultation included workshops, community focus groups representing a diverse range of characteristics across gender, age, sexuality and disability;
- Engagement on the Mayor's other strategies (including the London Housing Strategy) which fed into the London Plan;
- A number of discussions hosted on Talk London, which is made up of a self-selecting sample of 40,000 Londoners.
- Direct meetings with community and campaign groups during the preparation of the plan

6.5 The Mayor has also sought to ensure that communities are involved in development projects which affect them, particularly for estate regeneration projects. In 2018 he published his Good Guide to Estate Regeneration and introduced a funding condition requiring all estate regeneration projects to secure a positive ballot of residents to proceed with projects¹².

6.6 The GLA is currently looking at how communities can be better supported to engage fully with the consultation and ballots process. Officers would welcome the London Housing Panel's views on what form this support could take and how it could be delivered.

Useful data sources

- A list of positive estate regeneration ballots, exemptions and estate regeneration projects which are being funded by the GLA can be found here: <https://www.london.gov.uk/what-we-do/housing-and-land/increasing-housing-supply/estate-regeneration-data>

¹¹ A City for All Londoners can be found here:

https://www.london.gov.uk/sites/default/files/city_for_all_londoners_nov_2016.pdf

¹² The Mayor's Good Guide to Estate Regeneration can be found here:

<https://www.london.gov.uk/sites/default/files/better-homes-for-local-people-the-mayors-good-practice-guide-to-estate-regeneration.pdf>