

MAYOR OF LONDON

The Draft Mayor's Housing Strategy
Executive Summary



September 2007

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- 1 The first draft Mayor's Housing Strategy has been produced following the devolution of responsibility for the housing strategy and the broad direction of public housing investment in London from Whitehall to the Mayor (subject to parliamentary approval of the GLA Bill).
- 2 Following consultation this strategy will become statutory in 2008. It comprises:
 - policies to increase housing supply to better meet Londoners' needs and improve the quality of London's homes
 - a Strategic Housing Investment Plan, setting out the objectives and priorities for public investment in housing for 2008 - 2011
 - a delivery plan.
- 3 The housing strategy will help to deliver the overarching Mayor's *London Plan* and is closely aligned to the Mayor's other strategies, including economic development, transport, energy and climate change.

Common purpose

- 4 London is growing faster than any other European city – with around a million additional households projected over the next twenty years. Together with a buoyant economy, this has compounded the problems caused by decades of inadequate supply of new homes for both sale and rent. Affordability is a major problem for many Londoners, with even those on reasonable incomes increasingly priced out of home ownership while many more low income households struggle to find suitable homes for rent. The shortage of affordable housing is most acutely reflected in the number of homeless households in temporary accommodation in London (just under 60,000) – two thirds of England's total.
- 5 London faces multiple housing challenges. More homes are needed in all tenures, especially for affordable rent, where new family housing is in particularly short supply. Special help is needed for key workers and others who wish to buy. There is an urgent need to improve the environmental performance of London's homes, both to tackle the threat of climate change and to address fuel poverty.
- 6 The strategy is a product of an extensive dialogue between the GLA, the boroughs, public investment agencies, and private, voluntary and community bodies - a partnership that will continue around a common set of objectives that addresses these challenges. By tailoring solutions to London's specific requirements, the collective investment, expertise and energy available across all sectors will be more clearly focused on meeting Londoners' housing needs and aspirations.

The Mayor's vision

- 7 The Mayor's vision for housing – and his wider vision for London as set out in the *London Plan* - is based on three interwoven themes:
- Strong, diverse long term economic growth; in housing to produce more homes and particularly more affordable homes in successful neighbourhoods.
 - Fundamental improvements in London's environment and use of resources; in housing to improve the quality of design and reduce the impact of housing on climate change.
 - Social inclusivity to give all Londoners the opportunity to share in London's future success; in housing to tackle extreme housing need, improve choice and mobility, tackle worklessness, and involve residents in better management of homes and neighbourhoods.

The Mayor's vision for housing in London

The Mayor will work with government, the boroughs, public and private investors, housing agencies, and community and voluntary organisations to improve the housing opportunities available to Londoners.

More homes, more family homes, more affordable homes:

We will drive up the supply of homes across all tenures, to ensure London remains a prosperous and successful city. We will maximise London's capacity to accommodate its growth within its boundaries, without encroaching on open space, tackling the barriers to development to provide more homes in all areas of London. We will increase the supply of family homes and affordable homes and give Londoners on low and moderate incomes more opportunity to share in the capital's growing prosperity.

Better design, greener homes, renewed homes, estates and areas:

We will raise standards for new homes and reduce the environmental impact of existing homes to make London an exemplary world city in mitigating and adapting to climate change. We will regenerate our poorer estates and communities and work towards a new Decent Environment standard for all existing homes. We will put design at the heart of housing to shape a more attractive, well designed city, to make London a healthier and better city for people to live in and to improve accessibility for all.

More choice and opportunity, less homelessness and overcrowding, more sustainable communities:

We will meet the challenges of extreme housing need, especially homelessness and overcrowding. We will embrace the diversity of London's communities and reflect this in meeting London's housing needs and aspirations. We will improve housing mobility and tenure choice. We will

tackle work disincentives for tenants and those on high rents, such as people in temporary accommodation. We will create communities that are strong, inclusive, safe and sustainable and supported by excellent social, physical and economic infrastructure. We will help to empower residents and support high quality management of estates and neighbourhoods. We will ensure that the delivery of housing in London promotes social inclusion and tackles deprivation and discrimination.

Increasing supply

- 8 The pace of home building has increased in recent years, and in 2005/06 more than 28,000 homes were completed, comfortably exceeding the initial targets set in the *Mayor's London Plan*, even though these had been considered over ambitious by some when they were set in 2004. But far more needs to be done, especially to accelerate the building of new homes for social rent, which has failed to keep up with the welcome increases in the market sector. There are some grounds for optimism: planning approvals are at a record level, government funding for affordable homes has risen dramatically and London has a huge capacity for many more homes to be built on brownfield land.
- 9 The *Mayor's London Plan* has set a new target for at least 30,500 additional homes to be provided each year to 2016. Of these, 50 per cent should be affordable (split 70:30 between social rented and intermediate homes). This strategy and Strategic Housing Investment Plan will increase the output of new affordable housing by 50 per cent, resulting in more than 50,000 new affordable homes being delivered between 2008 – 2011.
- 10 Targets have been set for each London borough based on careful assessment of capacity. These will form the basis for future investment. The Mayor will use his powers to ensure that all boroughs contribute fairly to meeting London's need for new homes in accordance with their *London Plan* targets, which are both realistic and achievable.
- 11 The Mayor wants to see empty homes making up less than 2.5 per cent of the total stock, maximising the occupancy of available homes while ensuring sufficient space to maintain market turnover.
- 12 The strategy will enable more family homes to be built, especially in the affordable sector where the need is greatest and where new supply has been limited in recent years. It sets a new target that 42 per cent of new social rented homes and, by 2010/11, 16 per cent of new intermediate homes, should have three bedrooms or more.

The Mayor will

- seek to increase the overall supply of new homes, in particular new affordable housing, enabling the delivery of over 50,000 new affordable homes over the three years from 2008 – 2011 and almost doubling the supply of new social rented homes compared to 2003/04 and 2005/06
- boost the supply of homes with three or more bedrooms in the affordable sector
- ensure that more homes are built in each of London's sub regions in accordance with the spatial distribution set by the *London Plan*
- ensure appropriate supply of new supported housing and the provision of specialist forms of housing to meet specific needs
- align the housing and infrastructure investment programmes of public housing and regeneration agencies and prioritise key strategic sites

- 13 London does have the capacity to deliver the homes it needs, with the pipeline of planning permissions at an all time high. A large number of these proposed new homes are on big strategic developments that will take time to build out, with many of them in the priority areas identified in the *London Plan*, such as the Thames Gateway, where two thirds of the capacity for homes is on land in public sector ownership.
- 14 However, there are many barriers to achieving a faster rate of building in London. Planning is often slow and complex, land supply is poorly organised and prone to speculation, and there is insufficient innovation in the delivery of major development projects – both in terms of finance and construction. This strategy sets out to address these difficulties to encourage more sustainable home building.

The Mayor will

- encourage new forms of private investment and development to provide more homes for sale and for private rent
- improve public influence over development outcomes through innovative and collaborative use of public and private resources
- intervene to speed up land assembly and make more effective use of land already in public ownership
- encourage housing associations to take a lead role in development
- support councils and arms length management organisations wishing to build new homes
- promote a more consistent London wide approach to planning gain to achieve his housing and social objectives

- 15 In addition to boosting supply, the Mayor will take other steps to improve housing affordability, focussing on helping people on modest incomes to access suitable home ownership opportunities.

The Mayor will

- increase the number of low cost home ownership opportunities, especially for families
- set new priorities for intermediate housing, targeting it more closely as a route to home ownership for existing social tenants, key public service workers and others on moderate incomes
- simplify access to intermediate housing products and introduce new products along the lines of the popular Do It Yourself Shared Ownership
- encourage provision of additional homes for intermediate rent
- review the impact of social housing rent restructuring, seeking to improve affordability but also to encourage investment

The private rented sector

- 16 The private rented sector is enjoying a renaissance in London, with the market responding to the declining affordability of home ownership and inadequate supply in the social sector. Investors, rather than primary occupiers, now purchase two thirds of new homes in London. London needs a large and easily accessible private rented market, but the sector could offer a more professional and responsible service to its consumers. Despite many improvements, too many landlords still provide poor value for money, inadequate maintenance and bad management. Management problems have also emerged with absentee landlords of former Right to Buy properties and on new mixed tenure estates with fragmented ownership.
- 17 It is difficult for tenants with little security of tenure to act as effective consumers and they need support through statutory intervention. Boroughs have new powers, through the Housing Health and Safety Rating system and the licensing of houses in multiple occupation, which must be implemented effectively and comprehensively.
- 18 Market rent levels have moderated in recent years but are still a disincentive for people on benefit to work.

The Mayor will

- work with landlord and tenant organisations to help modernise the sector, including accreditation and tenancy sustainment schemes and rolling out the Green Homes programme
- support innovative approaches to using housing benefit spending to create more settled homes and social assets
- expect comprehensive use of boroughs' new powers to deliver and sustain improvements in private rented homes to be a central feature of borough housing strategies
- encourage institutional investment in the private rented sector and work to minimise the problems of fragmented ownership in new developments

Improving quality

- 19 Increasing supply must be matched by high quality design and construction. There is now a great opportunity to fashion new sustainable neighbourhoods and regenerate existing ones. Homes must be spacious, adaptable and designed to support the diversity of Londoners' needs and lifestyles. Neighbourhoods should provide attractive, desirable and healthy environments for people to live in.
- 20 Thirty eight per cent of London's carbon emissions come from homes and the Mayor wants to see emissions from housing decrease by 30 per cent by 2025. This is a major challenge, and one that can only be achieved by both maximising the environmental performance of new homes and improving that of the existing stock.
- 21 The Decent Homes programme has transformed the condition of social housing, but it was devised before climate change emerged as the policy priority it is today. Some estates need radical improvements or comprehensive regeneration and this can provide opportunities to address climate change as well as sustainable community renewal. Estate renewal projects should make the most of opportunities to add to the stock and to diversify tenures and housing types, but should avoid a net loss of affordable housing.

The Mayor will

- respond to the challenge of climate change in the delivery and standards of new homes
- drive up the quality of new homes, neighbourhoods and the associated public realm – making places that people want to live in
- continue to support and promote the design principles associated with the compact city and the *London Plan*. Design for London will produce a Housing Design Guide to help meet modern requirements for living in London, clarify expectations, and achieve Lifetime Homes standards
- support a mix of tenures in new developments and regeneration to help create more sustainable communities
- fund only those schemes that as a minimum comply with government *Code for Sustainable Homes* targets and prioritise funding to those going further
- establish a new Innovation and Opportunity Fund to support projects that deliver exemplary environmental design standards earlier than the target dates
- encourage social landlords to address the challenges of climate change through sustainable procurement and asset management strategies

- develop and support programmes to help private owners green their homes, for example through his insulation programme in partnership with British Gas and the comprehensive Green Homes programme
- produce a strategy to help Londoners adapt their homes to changes in climate that are already inevitable, including hotter summers and more volatile weather
- support a new Decent Environment standard, to be introduced when the current Decent Homes programme ends in 2010 and to be achieved by 2016
- provide funds to help achieve the target reduction in the number of vulnerable households living in non-decent private sector homes, ensuring no household occupies a home with a SAP rating of less than 40 by 2016
- support initiatives such as equity release to encourage private owners to undertake improvements and to green their homes
- work with boroughs and agencies to develop a consistent approach to comprehensive estate renewal with more mixed communities – although not at the expense of affordable housing

Equalities and diversity

- 22 London's diversity is essential to its prosperity and dynamism. But the city is also divided between extremes of wealth and poverty, and poor housing hits the Mayor's equality target groups disproportionately hard. Minority communities often suffer the poorest housing conditions and are far more likely to become homeless. Social housing shortages fail homeless families, and can generate wider perceptions of increasing competition for housing, which can undermine social cohesion and can be exploited to feed racism and discrimination.
- 23 Tackling London's pressing housing problems, and particularly shortage, is in the interests of all Londoners. The strategy will also help overcome disadvantage faced by some groups in the housing market.

Equality target groups will benefit from policies designed to

- increase affordable and particularly accessible housing supply to meet the needs of homeless and badly housed households
- boost the supply of family homes to meet the needs of larger families
- sponsor comprehensive neighbourhood regeneration in the areas of greatest deprivation
- promote community cohesion and encourage mobility and choice through policies such as choice based lettings

Changing lives

- 24 Homelessness is the most extreme manifestation of housing shortage. Just under 60,000 households live in temporary accommodation and many more live in hostels. A small, but unacceptable, number sleep rough. Focused policies and programmes have been successful in tackling some of the worst features of homelessness, especially the use of bed and breakfast hotels for families. The Mayor supports the government's targets to halve the use of temporary accommodation for all and to end the use of bed and breakfast for 16 and 17 year olds by 2010.

The Mayor will

- expect borough homelessness strategies to clearly demonstrate how the targets will be achieved and how the number of rough sleepers and people waiting for move on accommodation will also be reduced
- expect borough homelessness strategies to focus on prevention wherever possible but not to seek to achieve government targets through stricter gatekeeping
- expect boroughs to make greater use of private rented homes to discharge their homelessness duties but only if the homes are on a long tenancy from an accredited landlord
- support 'temporary to settled' schemes where they provide more settled homes, more affordable rents and social assets
- expect boroughs to sign up to cross-London protocols such as NOTIFY to improve the response to homeless people who move across borough boundaries

- 25 One disturbing dimension of London's growing housing shortage, and especially the failure to build sufficient affordable family homes, has been the recent rise in overcrowding. Social housing has been badly affected but the problem is also serious, and growing rapidly, in the private rented sector.

The Mayor will

- expect borough housing strategies to have clear policies to tackle overcrowding, aiming to stem its growth in social housing by 2012
- expect social landlords to have strategies in place to provide more family accommodation, for example through extensions and deconversions, and to reduce overcrowding among their tenants

- 26 Together with partners, the Mayor has reviewed the need for additional supported housing in London and has found a significant shortage. There is also a lack of alignment of capital and revenue funding for supported housing schemes and the urgent need to improve current arrangements.

The Mayor will

- seek to increase the supply of additional supported housing to 400 homes a year
- work with boroughs to ensure that revenue funding is available to support this programme

- 27 Housing options are becoming more complex as the geography of housing supply changes and the range of housing products becomes more diverse. People need more help to understand the options that may be available to them, for example to move across London or to move out of London if that is their wish.

The Mayor will

- expect borough housing strategies to ensure that impartial housing advice and housing options services are available, especially for vulnerable people
- give high priority to promoting choice and mobility across and beyond London, especially by developing Capital Moves as a single access point for social and intermediate homes and, ultimately, selected private lets
- ensure the incorporation into Capital Moves of the London Accessible Housing Register
- support an extension of the Seaside and Country Homes scheme to help more older tenants in social housing who wish to move away from London

- 28 Building sustainable communities in London requires more than just decent homes. Determined efforts to help more people into properly paid work are especially important to address the systemic poverty that characterises many neighbourhoods. Worklessness disproportionately affects social tenants, homeless people and some equality target groups and is closely linked with child poverty.
- 29 Promoting community safety is critical to creating sustainable communities. Although social housing management has improved greatly over the past ten years, problems have emerged on some mixed tenure estates with absentee landlords and fragmented management arrangements. Tenants and residents should be able to influence the way in which their homes and neighbourhoods are run.

The Mayor will

- encourage social landlords to make improving the life chances of their tenants a core activity
- support innovative projects that tackle homelessness and worklessness together and which seek to overcome barriers to paid work
- expect all social landlords to reach excellent housing management standards; to participate in neighbourhood management in multi-landlord areas in order to improve efficiency and the integration of services; to be exemplary in their engagement with tenants and residents; and to encourage tenant management wherever this is the local preference
- encourage private landlords to also adopt the principles of good management and tenant engagement, for example through accreditation schemes
- deliver his *Anti-Social Behaviour Strategy*, support the government's *Respect Action Plan*, and expect all social landlords to meet the standards set out in the *Respect Standard for Housing Management*
- support effective measures to tackle domestic violence and encourage boroughs to support victims and witnesses of crimes where intimidation might be involved
- expect boroughs to support the *London Resettlement Strategy* as an important step towards reducing re-offending

Infrastructure

- 30 New housing should be well connected to transport, jobs, and local services such as schools. The *London Plan* provides the framework for both housing growth and infrastructure investment in London.

The Mayor will

- expect sub regional investment plans to bring together all the key infrastructure plans of the London agencies
- expect borough community strategies to take full account of proposed housing development and regeneration plans so that the full range of physical, social and community infrastructure is put in place in a timely way
- expect new development and major regeneration proposals to take full account of issues such as energy consumption, water use, open space, play space, waste, and flood and fire safety

Delivery

- 31 The Mayor assumed the responsibilities of the London Housing Board in 2006. His new housing and planning powers are contained in the GLA Bill currently before parliament. London boroughs should review and revise their strategies to bring them into general conformity with this housing strategy.

- 32 The Mayor has worked with public sector investors in London to better align their investment programmes. The Strategic Housing Investment Plan sets a broad framework within which each of these investors will use their resources to contribute to the delivery of the strategy's priorities. As this investment plan has been produced in advance of the 2007 Comprehensive Spending Review all the figures in the plan have been based upon indicative advice from government on the likely level of resources and are therefore provisional.
- 33 The Mayor has established new structures for stakeholder consultation and participation through the Mayor's Housing Forum, Housing Equalities Standing Group and his Housing Investment Panel.
- 34 The strategy also includes a non-financial delivery plan, which sets out the projects and targets that will be pursued by the GLA and other stakeholders to implement the Mayor's Housing Strategy.

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Chinese

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Vietnamese

Nếu bạn muốn có văn bản tài liệu này bằng ngôn ngữ của mình, hãy liên hệ theo số điện thoại hoặc địa chỉ dưới đây.

Greek

Αν θέλετε να αποκτήσετε αντίγραφο του παρόντος εγγράφου στη δική σας γλώσσα, παρακαλείστε να επικοινωνήσετε τηλεφωνικά στον αριθμό αυτό ή ταχυδρομικά στην παρακάτω διεύθυνση.

Turkish

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Punjabi

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Hindi

यदि आप इस दस्तावेज की प्रति अपनी भाषा में चाहते हैं, तो कृपया निम्नलिखित नंबर पर फोन करें अथवा नीचे दिये गये पते पर संपर्क करें

Bengali

আপনি যদি আপনার ভাষায় এই দলিলের প্রতিলিপি (কপি) চান, তা হলে নীচের ফোন নম্বরে বা ঠিকানায় অনুগ্রহ করে যোগাযোগ করুন।

Urdu

اگر آپ اس دستاویز کی نقل اپنی زبان میں چاہتے ہیں، تو براہ کرم نیچے دئے گئے نمبر پر فون کریں یا دینے گئے پتے پر رابطہ کریں

Arabic

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Gujarati

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