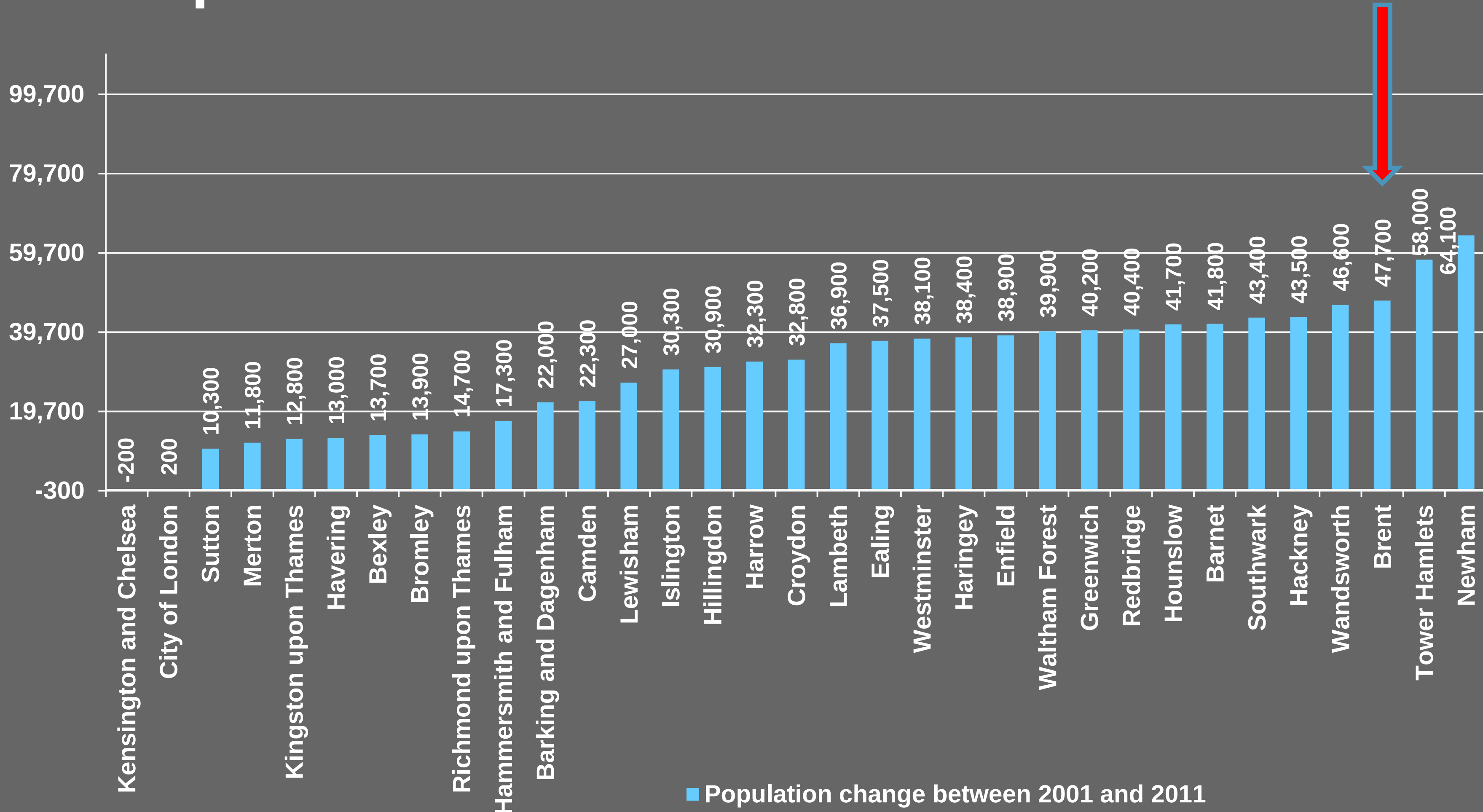
Partnership with Registered Providers

20th March 2014

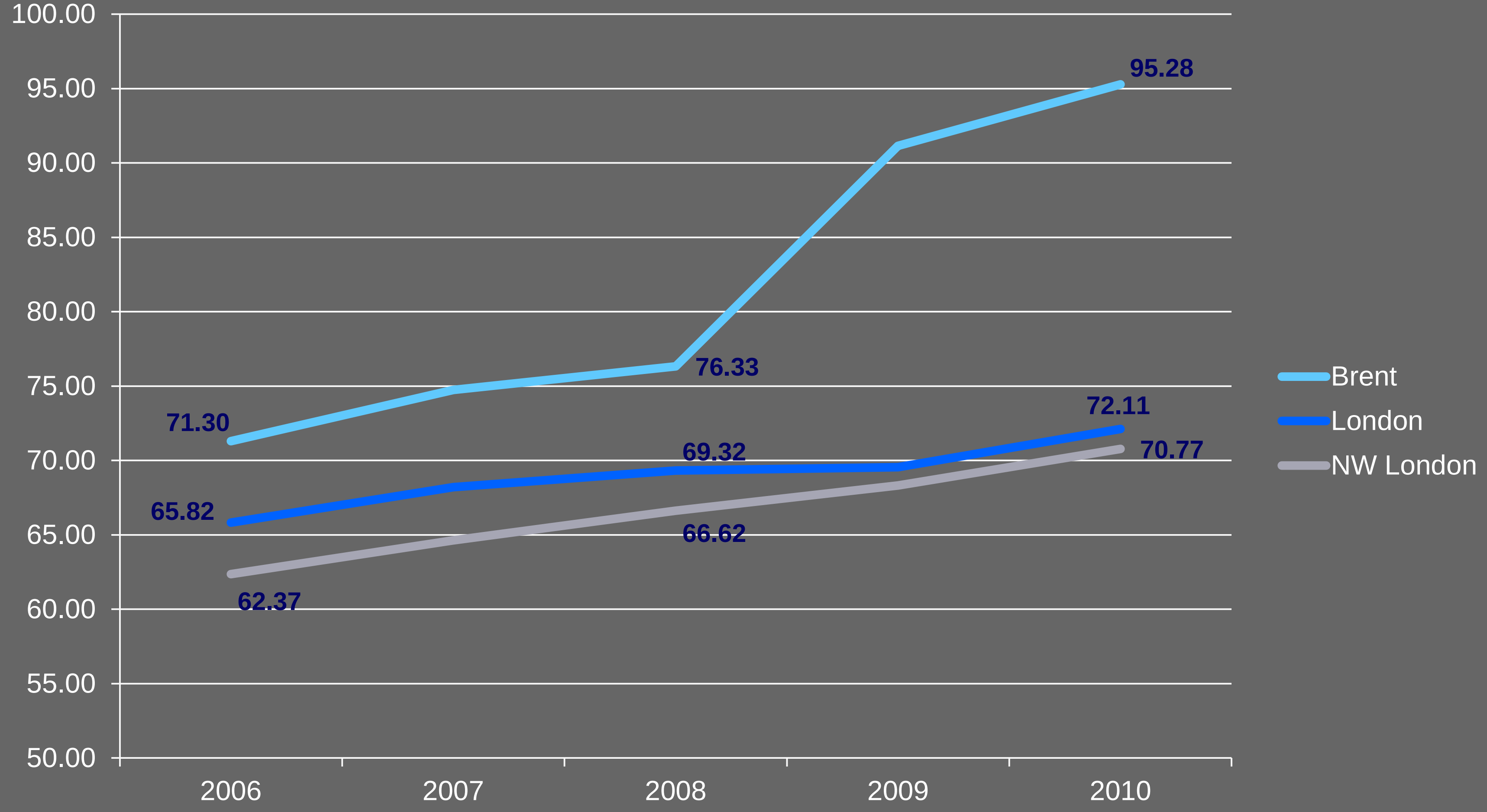
Background

The Housing Strategy 2014-19

Population Growth – Brent vs. London



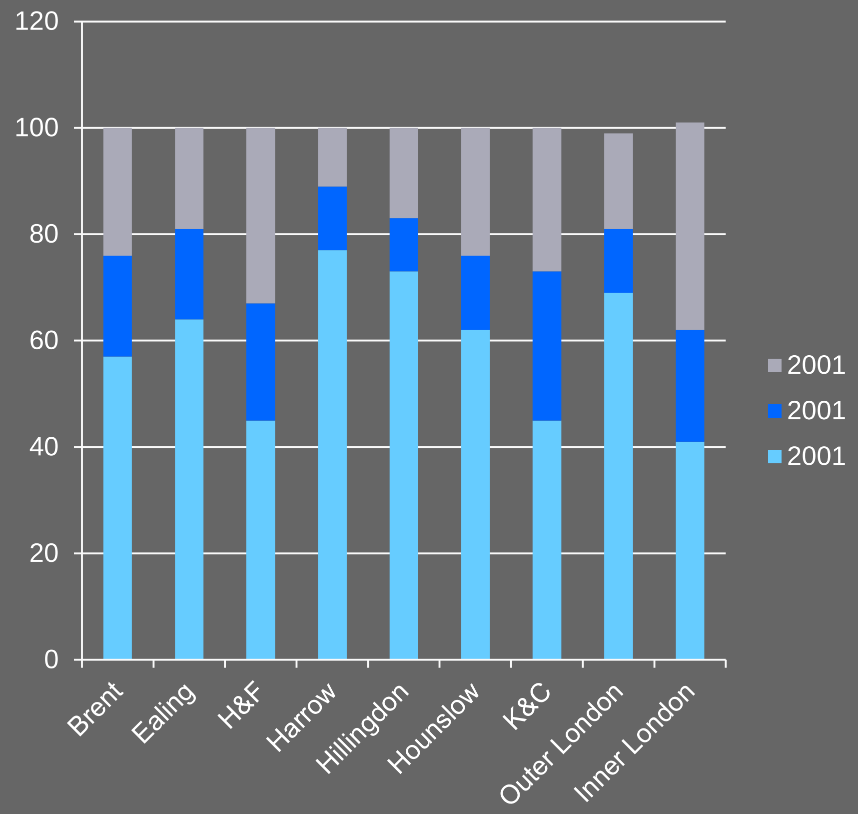
Birth Rate – Per 1000 Female Population

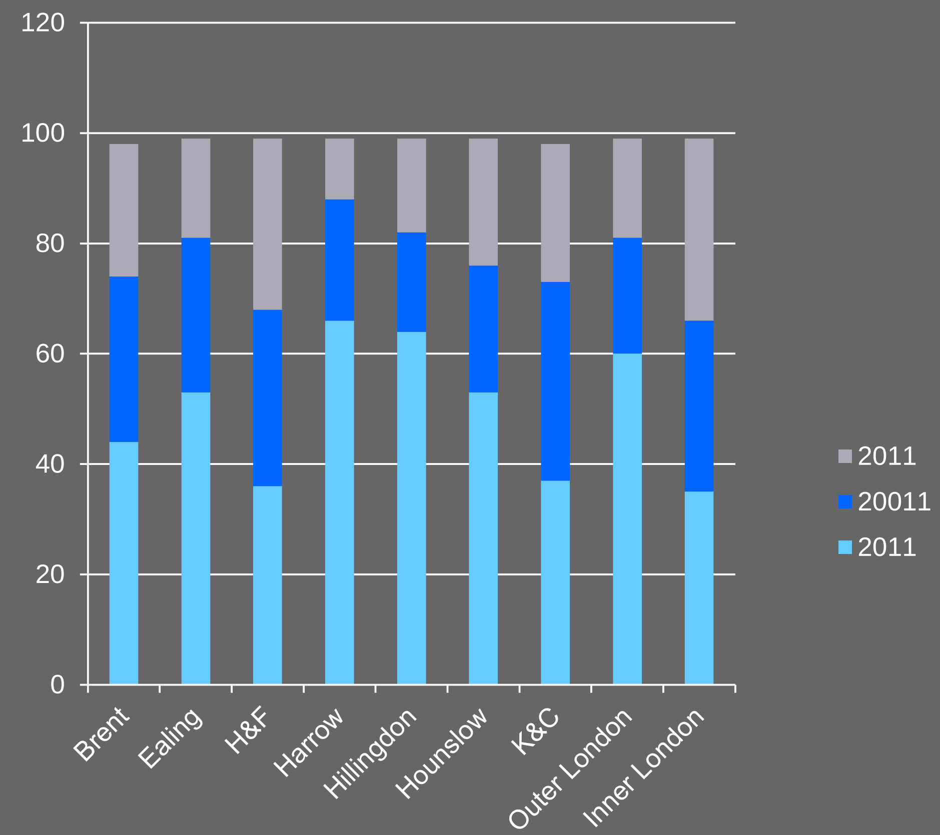


Household size and housing demand

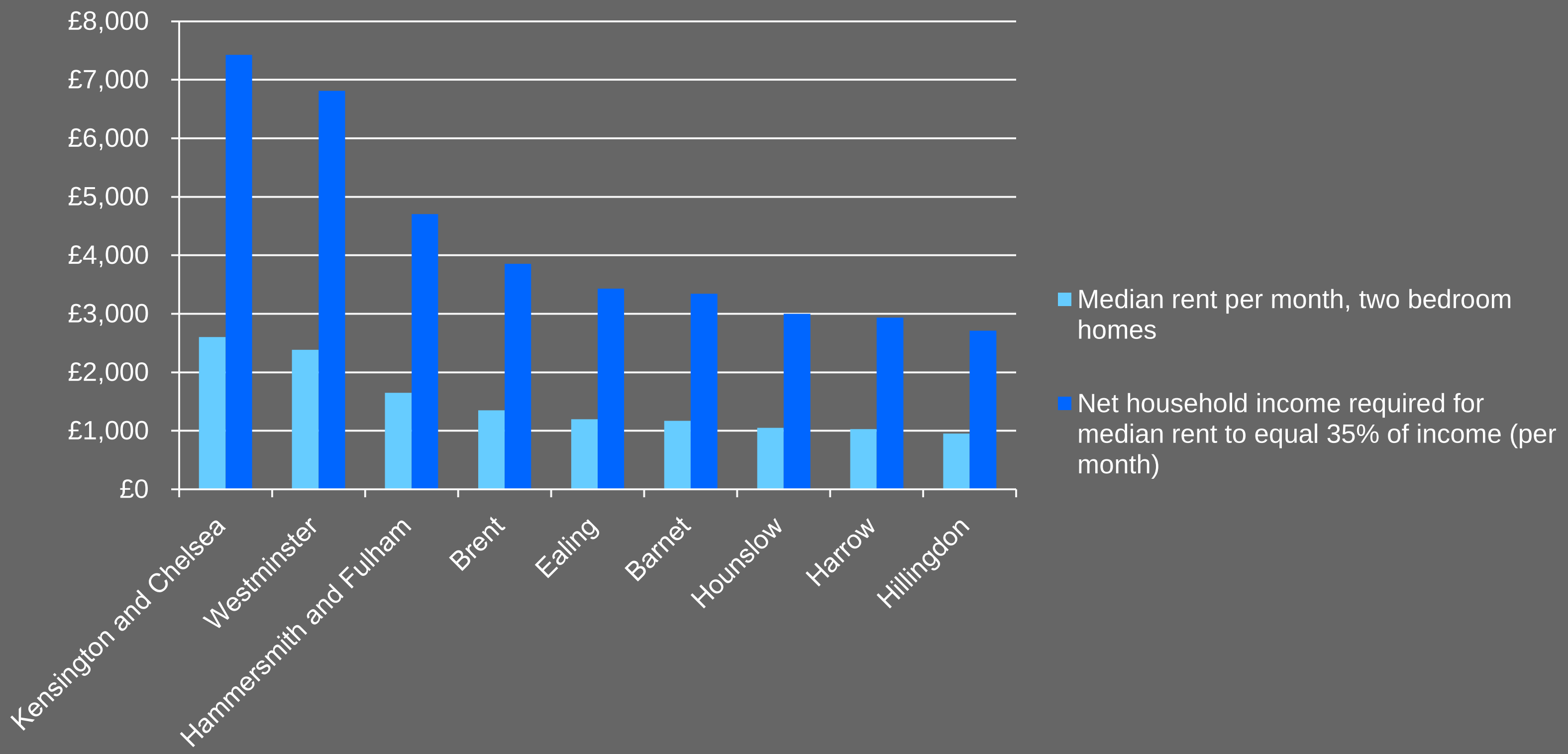
- National average household size is 2.4 persons (and fell between 2001 and 2011)
- Brent average household size is 2.8
- Only Newham has a larger average at 3.0
- Only Newham has a larger number of five person+ households at 21,106 compared to 17,488 in Brent
- Household size drives demand, especially for larger homes, but is also influenced by supply – for example because adult children cannot leave home

Tenure Change 2001 - 2011



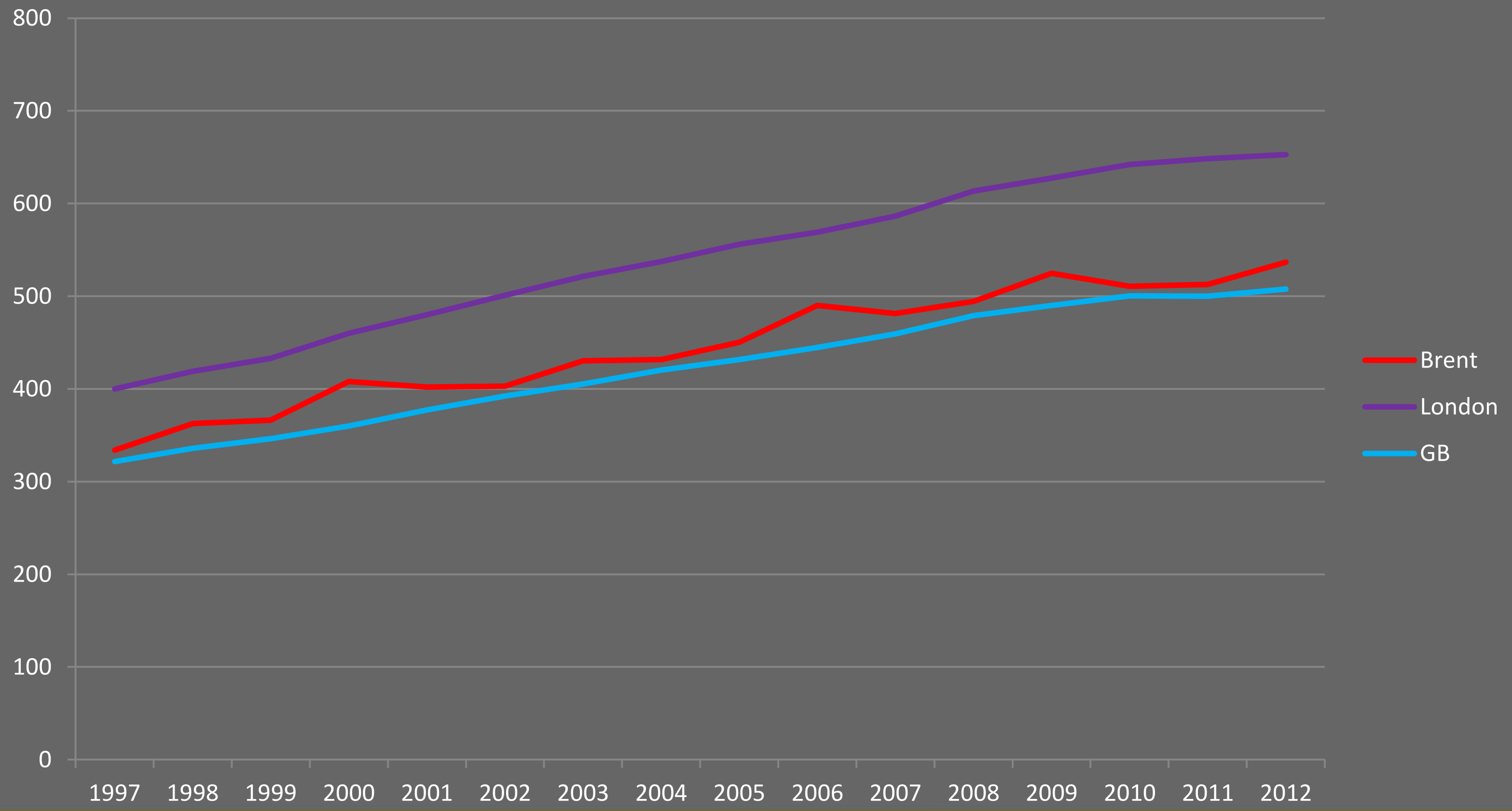


Comparative Affordability

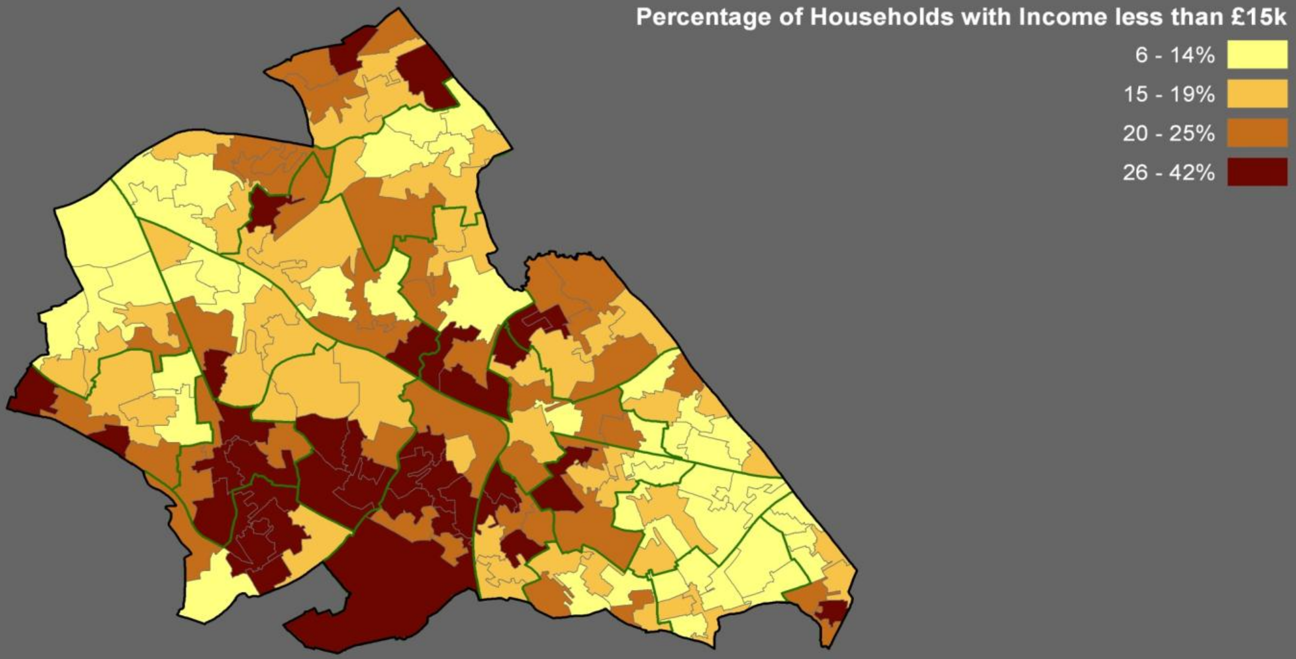


(Shelter Rent Watch 2013)

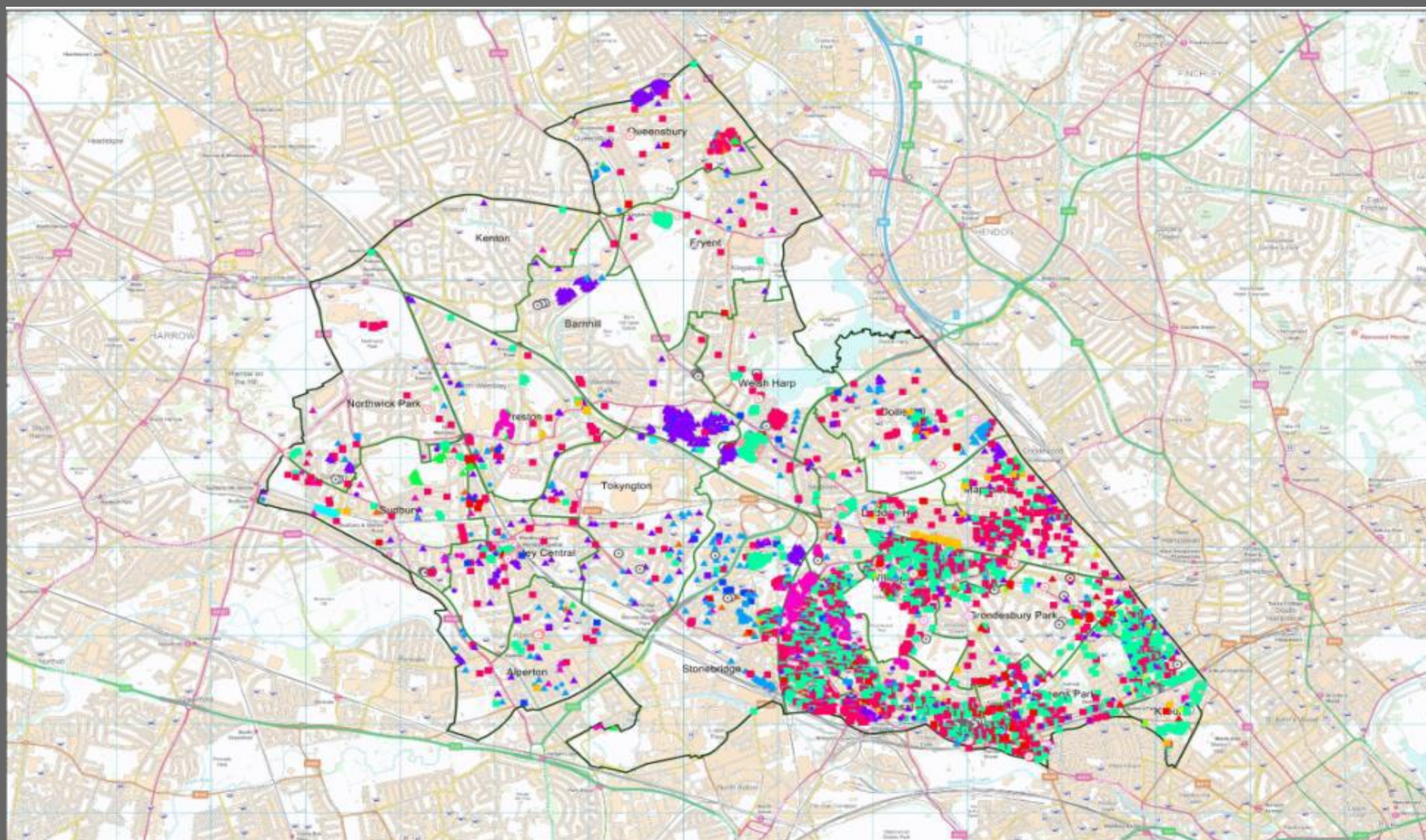
Median Weekly Earnings – All Employees



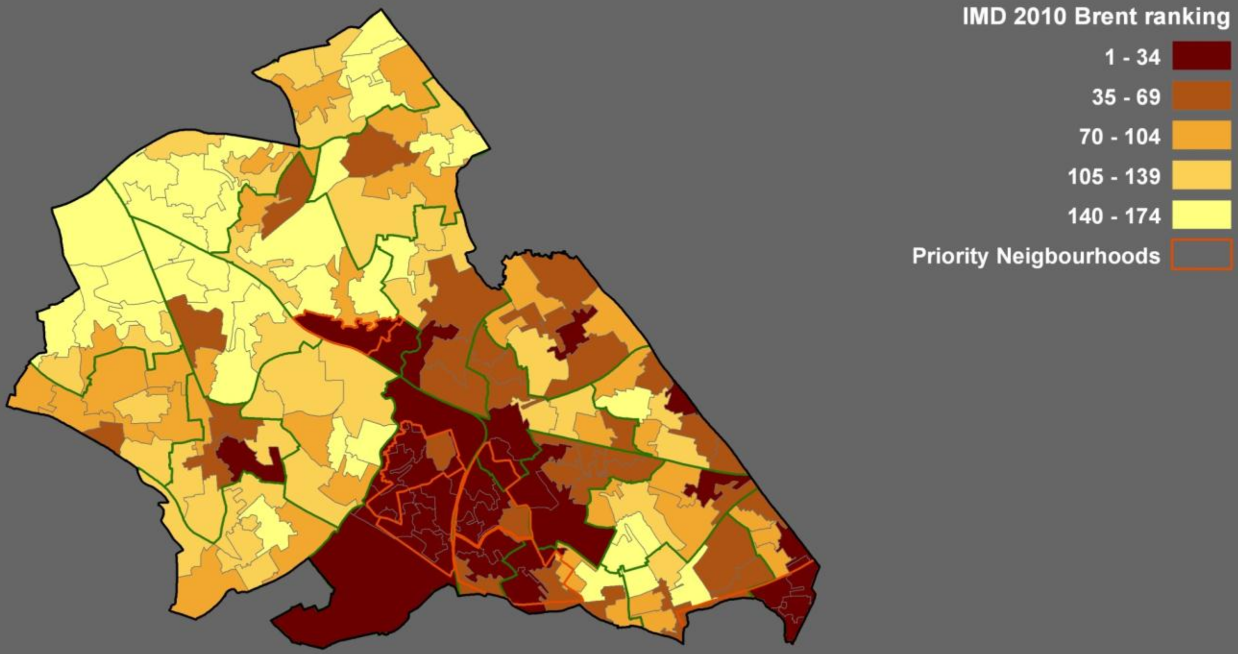
Distribution of Incomes Below £15,000



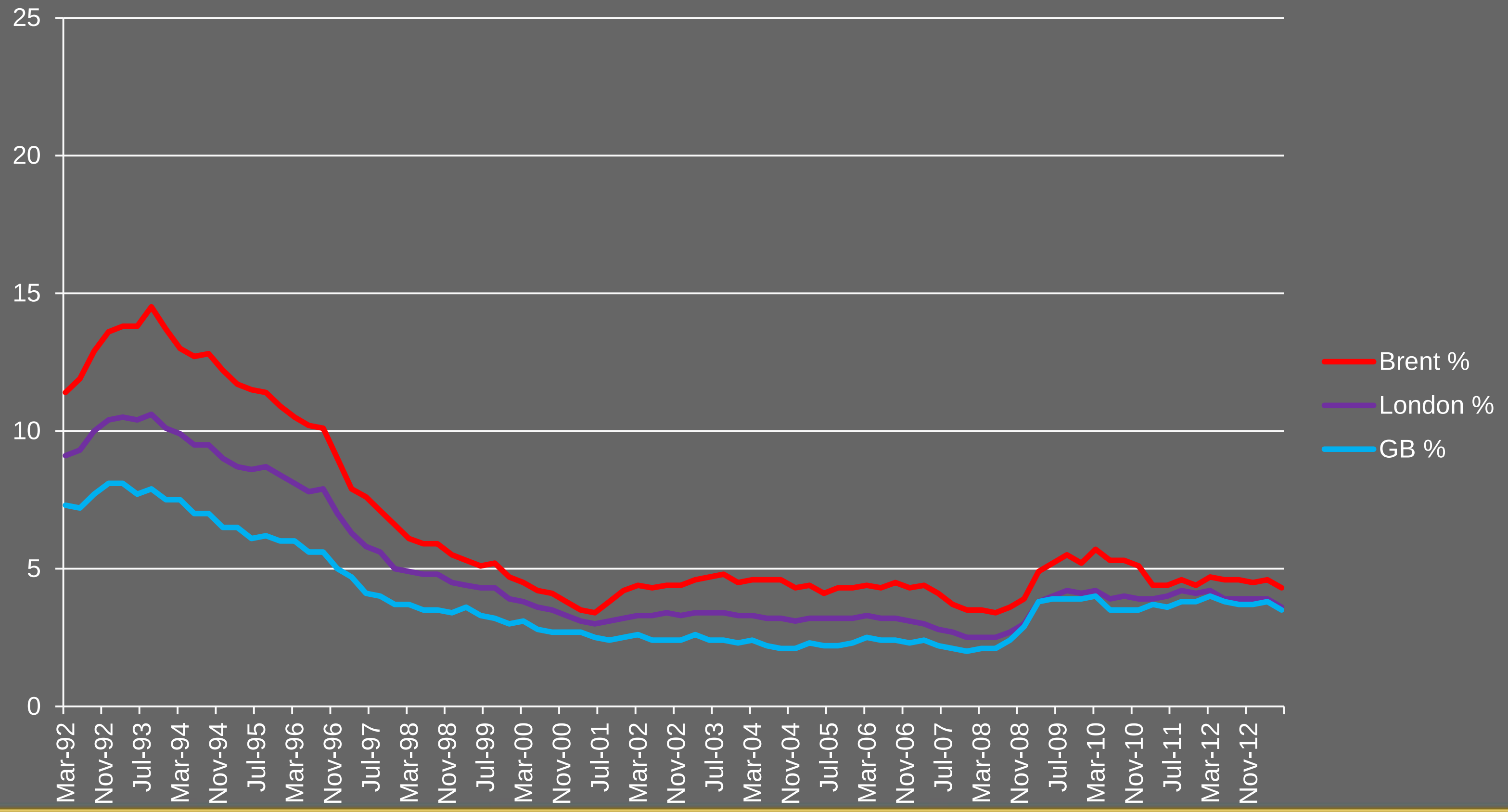
Distribution of social rented housing



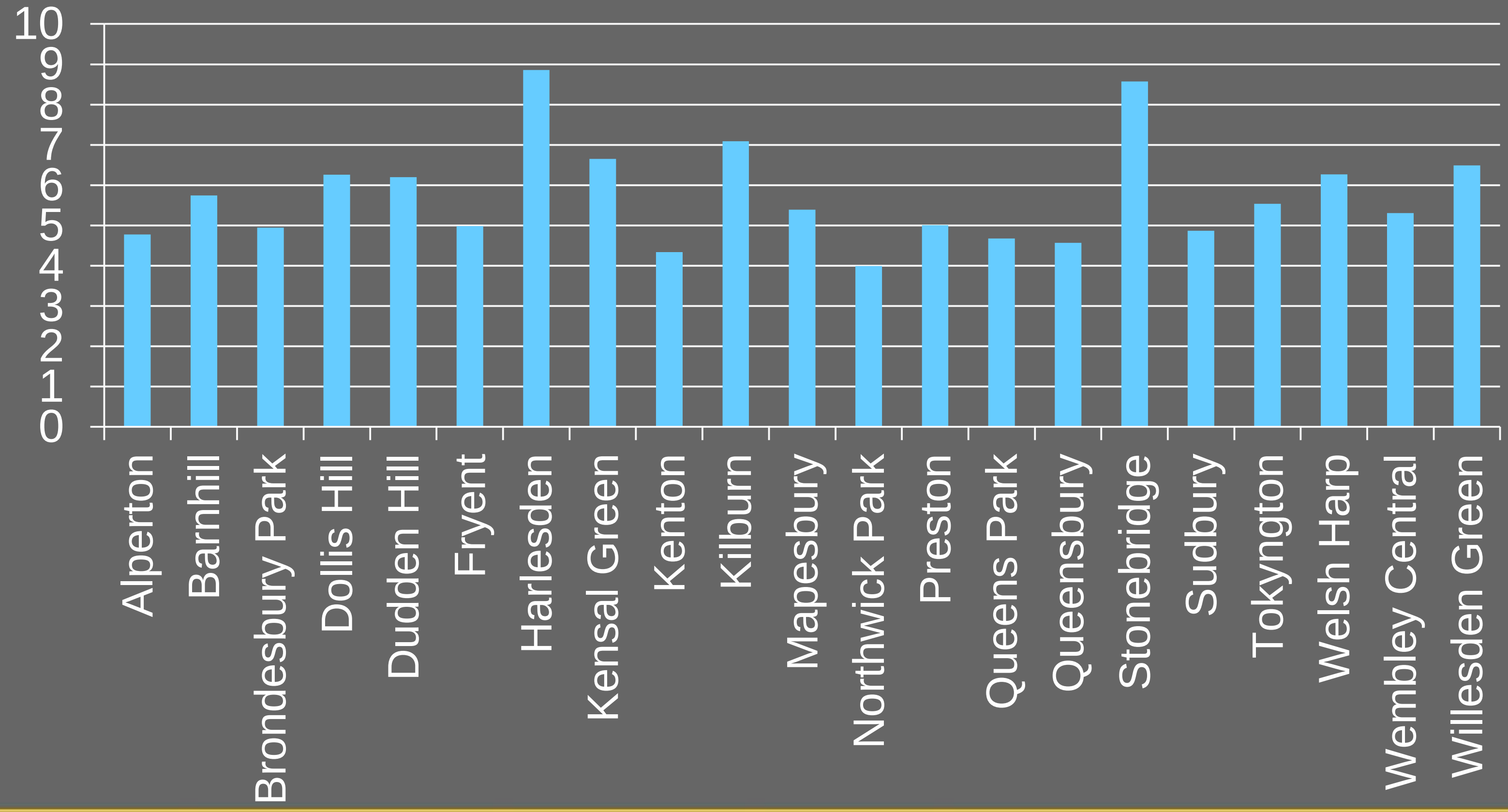
Index of Multiple Deprivation



Percentage of unemployed (JSA claimants)



Unemployment by Ward



Welfare Reform & Homelessness

- Local Housing Allowance – move to 30th percentile in 2012
- Overall Benefit Cap - currently 1,500 households affected

  - 460 of these in temporary accommodation and 8-900 in PRS

- Homelessness driven by welfare changes.
- Evidence / perception that significant number of landlords have withdrawn from providing housing for those on benefits
- Brent has among largest TA populations in London/UK

Housing Strategy – The Challenges

- Rising population not matched by increase in housing provision
- Growth
- Huge growth in private rented sector – now a third of the market
- Rents increasing in Brent and London driven by housing shortage
- House prices – a high multiple of incomes – market returning…
- Rents unaffordable for many on average and lower incomes
- Low incomes and poverty concentrated in social housing and parts of private rented
- Welfare Reform sharply limiting access to private rented for many households
- Housing supply inadequate and uncertain prospects

Challenges: Demand

Response: Demand Management

Response: Supply

Challenges: Private Sector

What do we need from our partners?

- New supply of affordable housing
- New supply of market and sub-market products
- Focus on employment
- Focus on effective use of stock
- Focus on health and well-being

The Landscape for Registered Providers

- Mayor’s Housing Strategy
- Mayor’s Covenant Programme from 2015
- New products – Capped and Discounted Rents
- Private sector provision
- Asset management and stock improvement
- Tenure and prioritisation

Response to Change

- Dual track – long-term and short-term provision?
- Increased focus on employment as a route into and out of affordable housing
- Risk aversion?
- Concern over threats to income?
- Imposition of unwelcome conditions?
- Stock rebalancing?
- Impact on affrodability?

Next Steps

- 10,000 new homes by 2019
- Local Framework Agreement
  - Social housing affordable within the Overall Benefit Cap,
  - Private' rented housing that is affordable to those on HB
  - Low-cost home ownership products for those on middle incomes in the borough
- Develop partnership working through the Employment and Enterprise Strategy