

 Brent	Cabinet 11 December 2017
	Report from the Strategic Director of Community Wellbeing
London Housing Strategy Response	

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	1
Background Papers:	None
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1.0 Purpose of the Report

- 1.1 This report advises Cabinet of the Council's response to the Mayor's draft London Housing Strategy. Reporting deadlines and the deadline of 7th December for submission of responses mean that it has not been possible to present a report to Cabinet prior to this meeting, but the draft response has been considered at CMT, PCG and Leader's briefing and has taken on board discussion at those meetings. Given the importance of the London Housing Strategy in driving future housing policy in London and the need for the Council's own strategies to demonstrate general conformity with it, it is important that Cabinet should be aware of the draft proposals and the issues identified in the response. The final strategy will be published in spring 2018.
- 1.2 The draft London Housing Strategy sets out a range of policies, principally concerned with increasing housing supply but also covering the private rented sector, homelessness and rough sleeping and indicating how the Mayor will seek to work with the boroughs, housing providers and the wider housing sector. It also provides a position statement for the Mayor to lobby Government on a number of housing and related matters. The strategy sets out expectations on councils for local delivery, and promises a package of financial and professional support to assist.
- 1.3 The response is set out in Appendix A and draws on a series of workshops and discussions with senior officers across departments as well as at the meetings noted above.

2.0 Recommendations

2.1 Cabinet notes the response.

3. Detail

3.1 The London Housing Strategy (LHS) sets out the Mayor's plans and policies for housing. It is a companion document to the London Plan, which sets out his planning policies for housing and other areas. Brent's strategies and policies for housing and planning are expected to demonstrate general conformity with the Mayor's published approach.

3.2 The LHS is structured around five priorities:

1. Building Homes for Londoners
2. Delivering Genuinely Affordable Homes
3. High Quality Homes and Inclusive Neighbourhoods
4. A Fairer Deal for Private Renters and Leaseholders
5. Tackling Homelessness and Helping Rough Sleepers

3.3 In very broad terms, the LHS covers areas where the Mayor has significant powers and responsibilities, for example around planning and housing supply. It also covers areas where the Mayor will be reliant on others to deliver, for example homelessness and private renting. There are other areas where the Mayor is relying on government for legislative, regulatory or policy change. The need for government intervention introduces an element of uncertainty, since the Mayor's ambitions depend on shifts in government policy in some key areas, notably the call for significantly increased resources for the Affordable Homes Programme to deliver genuinely affordable rented homes, the call for a relaxation of local authority borrowing constraints, the call for further devolution of powers and resources to London and the call for changes to welfare policy. Although there have been signs of some realignment of national policy, including a recognition of the need to provide more affordable homes, there are no clear indications that government is willing to go as far as the Mayor would like. In that case, delivering the strategy in full will present real challenges. Having said this, the strategy sets out a policy framework that chimes well with Brent's approach and priorities in most respects and there is therefore much that is welcome. The response emphasises this while concentrating on the areas where the council has concerns, would welcome more detail or would wish the Mayor to go further. The key points are summarised in the following paragraphs and covered in detail in Appendix A.

3.4 A key concern for Brent is the Mayor's aspiration for outer London Boroughs to be a significant provider of the additional housing that London requires, set out in Chapter 3 of the document. The revised London Plan, the draft of which is due to be published imminently, will identify the Borough's housing targets, plus associated priority locations within boroughs, but this is foreshadowed in the LHS and is therefore addressed in the response. The policy direction identified in the strategy is not unexpected: limited greenfield land availability, plus the Mayor's manifesto promise of not encroaching into the Green Belt means identifying potential housing opportunities on sites currently used for one purpose or another. Outer London boroughs are where there are likely to be more limited built environment designations, such as conservation areas, lower existing densities and comparatively cheaper locations provide an obvious solution. In addition,

increasing density, partly through building higher, has long been acknowledged as an almost necessary outcome of London accommodating its housing needs.

- 3.5 For the most part, existing London Plan policy has been beneficial for Brent in terms of its regeneration and Brent has played a positive role in increasing London's housing supply. Recognising the challenges that its population face in terms of meeting their housing needs, plus the regenerative benefits associated with supporting new housing, the Council has had a positive approach to meeting challenging, but ultimately evidence based London Plan housing targets. Although a housing target for Brent is not identified in the draft strategy, the Council has recently received draft figures which will inform the London Plan that indicate the potential for Brent to accommodate an average additional 2915 dwellings per annum for the next 10 years. Some other Boroughs (notably outer London) have been impacted by similarly high increases as the Mayor seeks to raise the delivery total from 42,000 to 66,000, while some may see a reduction in current targets.
- 3.6 Whilst the Council will have the opportunity to address this matter in responding to the draft London Plan, if the identified capacity results in an increased housing target of this size, then in order to register the magnitude of its concerns the response to the draft strategy addresses this issue. In particular this element of the response focusses on:
- a) the need for the Mayor to lobby at a national level for a revision to ensure a joined up approach to planning in the South East. The current duty to co-operate mechanisms are not an effective way to strategically plan for meeting London's housing and economic needs;
 - b) the fact that whilst Outer London Boroughs understand and support the provision of additional homes to meet London's housing needs, the targets set need to be proportionate and evidence based reflecting realistic capacity on sites likely to be available and the capacity to deliver from the market and public sectors; and
 - c) sufficient flexibility needing to be provided in London Plan policy for Strategic Industrial Land and Locally Significant Industrial Sites to be used for a wider range of uses and more intensively, including residential development, where this does not lead to an overall loss of B1, B2, B8 or Sui Generis floorspace, or alternatively generates higher employment numbers.
- 3.7 It is also worth stressing here that the response emphasises the fact that Brent is the 5th most densely populated borough, with high levels of need and demand coupled with high house prices and rents. In these and other respects, Brent has much more in common with inner than outer London. In particular, the response raises concerns over the proposed restrictive approach to employment land, given Brent's high level of Strategic Industrial Locations, the assumptions on delivery of small sites, where there is doubt over the potential pace and scale of development and the assumptions on delivery timescales overall, which appear over-optimistic.
- 3.8 The remainder of Chapter 3 covers a range of proposals to increase and accelerate housing delivery. These include increased support for Build to Rent, an approach which Brent has also taken, although the proposed response urges to Mayor to consider how he can support the wider private sector, particularly in its role as a key provider of temporary and permanent housing solutions for boroughs,

a point also emphasised in the respect of Chapter 6, which covers private renting. The response is supportive of the Mayor's proposals to diversify the development industry and, in particular, to support local authorities to deliver new homes. On this point, the response also calls on the Mayor to go further in his call for changes that would enable better use of Right to Buy receipts and to urge further change to the Right to Buy, including the option of extending the qualification period, possibly in relation to new homes built by councils if wider reform is not achievable. The other key concern in this chapter is the proposal to change local labour schemes so that they operate on a pan-London basis. Given that Brent is active in this area, with a strong focus on local employment, there are fears that opening up schemes to all London residents could weaken their impact in the borough.

- 3.9 Chapter 4 addresses the need for more affordable homes and, while recognising that the introduction of the 35% affordable housing threshold in planning agreements is a pragmatic response to market and funding conditions, the response supports long term adherence to the 50% target and a continued emphasis on a 70:30 rented to intermediate housing split. The response also emphasises the acute affordability issues in Brent and the importance of a mix of new affordable housing that matches local needs, in particular for homes at London Affordable Rents or similar levels, and calls for some flexibility in the 35% threshold for viability assessment where a scheme delivering below this level could deliver more rented homes as opposed to intermediate options.
- 3.10 Other key points in this Chapter address the effectiveness of bespoke housing solutions for under-occupying households seeking to downsize and the need for flexibility in the Mayor's approach to estate regeneration that involves displacement of tenants or leaseholders. Cabinet has recently approved proposals for a new approach in Brent that goes further than the Mayor's guidance in many respects and represents best practice in this area.
- 3.11 Chapter 5 covers a range of policies on design and quality. A detailed design guide will be published, although there is no specific date as yet, and may address some of the questions raised in Brent's response. While the majority of proposals can be unequivocally supported, there are some areas where further detail would assist. The main focus for the response is on proposals for social infrastructure. While essential in supporting development, policy here could be clearer and recognise the associated costs, particularly with regard to provision for older people, while also acknowledging that quality and relevance of provision is more important than quantity.
- 3.12 Although the statement is very general, this chapter also calls for improved provision for Gypsies and Travellers. Brent's response suggests that the Mayor could go further here, taking direct control at the regional level in recognition of the variable provision across London and the difficulty in identifying suitable new sites. Finally, the Mayor calls for a reduction in the acceptance of cash in lieu payments in connection with planning agreements and greater transparency over the use of receipts. While this is supported, Brent's response suggests a need for flexibility where cash in lieu can demonstrably deliver more appropriate solutions than on-site provision, based on a test that considers outcomes and deliverability.
- 3.13 Chapter 6 is concerned with the private rented sector and leaseholders, areas where the Mayor's powers are more limited. Overall, the policy proposals are helpful but, as noted above, the strategy could give more attention to supporting local authorities and the sector to work together in providing temporary and

permanent housing options, a point also made with regard to chapter 7 on homelessness. Specifically, the response calls on the Mayor to consider how landlords can be incentivised to do more to improve access to the sector and deliver improvements to the stock. The Mayor calls for devolution of the power to approve licensing schemes and, while this is supported in principle, the response notes the risk that a different Mayor could take a less supportive approach in the future.

- 3.14 The final chapter addresses homelessness and rough sleeping, taking an approach that is already strongly embedded locally, for example through the Trailblazer projects preparing for the implementation of the Homelessness Reduction Act next year. The policy proposals in this chapter are considered helpful, but the response calls on the Mayor to go further in lobbying government for change in some areas, including the future of the Flexible Homelessness Support Grant and the need for long-term clarity and recognition of real costs in the new burdens funding made available in light of the Act.

4. Conclusions

- 4.1 Subject to the questions and concerns set out in the response, the council should support the overall policy direction set out in the draft strategy and stress its willingness to work with the Mayor to deliver its objectives. As noted earlier, some aspects of the draft strategy, particularly the housing targets for individual boroughs, will also be addressed in the draft London Plan, to which the council will also need to respond. The final London Housing Strategy will be published in spring 2018, while the London Plan has a much longer gestation period and it is possible that the final version of the Plan will require some further amendment to the strategy at some point. Although the publication date is uncertain, government has announced plans for a Housing Green Paper, which is likely to give a better indication of how far government thinking is aligned to the Mayor's and will influence the final version of the strategy.

5. Financial Implications

- 5.1 The London Housing Strategy is a wide ranging document which points towards various interventions across a wide range of organisations including local government that ultimately could have both positive and negative financial impacts on the Council. The impacts are currently unquantifiable. Any recommendations to consequentially adapt Council policy or practises with their associated financial implications will be addressed through relevant Cabinet decisions.

6. Legal Implications

- 6.1 Any changes to Council policy taking account of the implications of the Mayor's Housing Strategy and changes to the London Plan are likely to be subject to Cabinet and potentially Full Council decisions with the appropriate level of legal guidance. .

7. Equality Implications

- 7.1 The Equality Act 2010 introduced a new public sector equality duty under section 149. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race,

religion or belief, sex and sexual orientation. The Council must, in exercising its functions, have “due regard” to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

7.2 On the whole, as the consultation seeks to fundamentally address overcoming the lack of housing to meet needs. If taken through to policy and delivery, the proposals are likely to have positive implications for many of the protected characteristics groups. Generally, the majority of these groups are less likely to be able to meet their housing needs on the open market as they are disproportionately represented within deprived households.

8. Consultation with Ward Members/Stakeholders

8.1 None.

9. Human Resources/Property Implications (if appropriate)

9.1 None arising specifically from this report.

Report sign off:

PHIL PORTER

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