

## **Draft London Housing Strategy**

#### **Response from Brent Council**

#### 1. Introduction

- 1.1 Brent Council welcomes the opportunity to comment on the draft London Housing Strategy. Overall, the strategy sets out an approach that has the potential to make a real impact on London's housing crisis, especially in terms of accelerating and increasing supply, although it is recognised that it will take time to deliver at the ambitious scale the strategy envisages. Delivery will depend to a large extent on successful partnership working between the GLA, boroughs, RPs and the private sector and we are keen to identify all opportunities to work with the GLA and other partners to achieve local and regional aims. Intervention from government, in terms of resources, legislation and policy, will also be essential and the Council supports the Mayor's calls for change. It is disappointing that the Budget did not propose change at the scale that the Mayor and others have argued for but the Council will continue to back the case for change.
- 1.2 However, we have concerns about some proposals and would welcome further detail on others, while there are areas where we feel the Mayor could go still further in creating the conditions for change. This response focusses mainly on these areas and it should be taken as read that, apart from these, Brent Council supports proposals and policies where not specifically indicated in this document.
- 1.3 This response follows the chapter order of the strategy, although the connections between policies across chapters mean that some points may be referred to more than once.

#### 2. Chapter 3: Building Homes for Londoners

2.1 The Mayor's call for Outer London to contribute a larger number and proportion of dwellings to meet London's housing needs is understood. However, while Brent is considered an outer-London borough, it has far more in common with inner-London areas than with boroughs on the fringe of the capital and bordering the wider South East. For example, Brent is the 5<sup>th</sup> most densely populated borough, with high levels of need and demand coupled with high house prices and rents. Latest analysis suggests that Brent's private rented sector now represents over one third of the housing stock, among the highest proportions in London. Land values, especially in the south of the borough, are also comparable to other inner-London areas, with few suitable areas for further intensification and densification. Brent

has historically had high housing targets and has consistently been one of the higher delivers of housing overall and affordable housing in particular. This has been a key element in the Borough's ambition to regenerate neighbourhoods and better meet the needs of its population.

- 2.2 While this is primarily a matter for consultation on the draft London Plan, it is worth stressing here that Brent supports the provision of challenging but achievable targets based on evidence. The capacity of boroughs to meet housing needs will need to realistically reflect local conditions, policies and site-specific requirements. Brent does not consider that the 2017 SHLAA provides a suitable methodology for robustly identifying the capacity of the borough to achieve the 2019/20-2029/30 target that has been proposed. In particular there are three significant elements that are not considered appropriate:
  - The proposed restrictive approach to employment land (Strategic Industrial Locations, and Locally Significant Industrial Sites).
  - The assumptions on delivery on small sites.
  - Assumptions on delivery timescales overall.

## 2.3 The proposed restrictive approach to employment land

- 2.3.1 The Council understands the concerns of the London Plan team about the pressures on employment sites as set out in the GLA's Employment Land Study 2017. Clearly, provision of suitable business use class employment premises to help meet London's economic needs is required. Nevertheless, Brent considers that a more rounded approach to the protection of SIL and LSIS employment sites is required, which would provide the flexibility to provide other uses on site, whilst retaining employment provision. The draft strategy itself acknowledges this in Policy 3.1, A (ii) and at 3.24 in its call for co-location and densification. This is an approach that could be applied equally effectively, with suitable safeguards, to SIL. While the council has some concerns about proposals in this area in the budget, in particular the extension of permitted development rights, a more flexible approach has the potential to deliver more.
- 2.3.2 In Brent's case, significant housing capacity has previously been attained on SIL and LSIS. Provision of employment premises in association with these residential developments has been limited, purely because of a lack of need and therefore no policy requirement to seek it. Nevertheless, taking account of the recent change in GLA approach to employment sites it is clear that many developers will be willing to provide such space in association with mixed use developments. The GLA's own employment land study shows examples of how this has worked in practice, e.g. Travis Perkins King's Cross.
- 2.3.3 Whilst there is growing pressure for premises to accommodate businesses that are being displaced, this hasn't really been reflected in increases in rents that would encourage investment in new industrial premises in Brent. The reality is many premises are very low quality or used inefficiently but the existing use value compared to potential value if redeveloped solely for employment purposes is sufficient to discourage new investment. Whilst

there are some sectors that will pay very high rents for the appropriate premises, e.g. storage and distribution, others will not and as such it is unlikely there will be the necessary investment in the majority of stock.

2.3.4 A greater flexibility on SIL and LSIS moving forward should allow for more efficient use of land by encouraging residential and other uses above employment premises. If done correctly this should not undermine the ability of employment premises to operate and will lead to a better quality of premises. This will assist businesses in improving their performance and need not necessarily result in increased rents if policies also sought to provide sufficient affordable workspace.

# 2.4 The assumptions on delivery of small sites

- 2.4.1 In Brent's case, the ten-fold plus increase in assumed housing delivery from small windfall sites compared to historic trends and previous SHLAA assumptions is not considered credible. Whilst the London Plan may provide for policies that seek to maximise this capacity Brent does not consider the assumptions on delivery levels robust. The need to set targets that show how the Mayor's ambition to achieve London's housing needs can be met is understood. Nevertheless, incorporation of such high and potentially unachievable targets brings considerable risks to boroughs. In particular, an inability to show delivery of 5 year housing land supply opens up Councils to their Local Plans being marginalised to the detriment of the local community's trust in the planning system.
- 2.4.2 Meeting a much higher target would also require a level of investment from the private sector, supported by public subsidy, far beyond that currently achieved, even in a borough where significant private sector investment has come forward in recent years. Much therefore depends on the government's willingness to provide the scale of investment, particularly to support affordable housing, envisaged in the strategy. The budget announcement of a relaxation of the HRA borrowing cap in areas of high housing stress is welcome but the promised additional capacity will have a limited impact: pending detail on the methodology for identifying which councils might benefit, our initial analysis suggests that, at best, the level of increase envisaged would deliver between 40 and 50 affordable homes. The council will therefore support the Mayor in any further calls for additional resources.
- 2.4.3 The strategy makes a case for more development around town centres and high streets and the budget announcements supporting increased density ad intensive development suggest similar thinking at the national level. However, further clarity over what is intended here would be helpful: town centres and high streets are not the same thing and some high streets may be better suited to intensification than others, for example where there are already good transport links and other infrastructure. Brent is already undertaking significant development around high streets, for example in Wembley, but programmes can be complicated by multiple and opaque land ownership and reluctance on the part of freeholders to support development. The council therefore supports the Mayor's calls for extended CPO powers and use of Mayoral resources to support them, proposals for a joint approach to land assembly between boroughs and City Hall and the

identification of incentives to land and business owners and developers in high streets as well as other areas.

## 2.5 The assumptions on delivery timescales overall

- 2.5.1 Whilst the ambition for increased housing targets is recognised, there are doubts over capacity to deliver. Changing the current approach through the proposals around private and public sector capacity, land availability, compulsory purchase, skills shortage, funding and so on will take time. In that case, the ten-year capacity identified by the SHLAA would be better considered and the likely number of homes delivered on sites pushed back to take account of the likely reality of implementing delivery changes.
- 2.5.2 The increased reliance on windfall sites and development in outer London has been noted above but this also presents particular difficulties in terms of timing and the potential pace of development. Collective large scale delivery through a high number of small sites could be complex, drawn out and costly to deliver, while also being disruptive to existing communities, which may provoke local resistance. Currently, development in suburban areas is often piecemeal, involving acquisition and demolition on small sites and the character of suburban areas may not fit well with higher density and taller buildings in many cases.
- 2.5.3 We would make two further suggestions on tackling the risk of land banking and delays following the grant of planning permission. First, to establish a clear definition of what is meant by "start on site" and expectations for the pace of delivery beyond that point. Second, that the Mayor should urge government to empower local authorities to charge Council Tax on undeveloped land where there is a reasonable expectation that it should have been built out. The government's announcement of a review offers an opportunity to set out the arguments on the issue, although the council's view is that the causes are fairly well understood and the review needs to focus on the solutions if it is to deliver any benefit.

# 2.6 The need for a wider South East co-ordinated regional approach to dealing with London's housing needs.

- 2.6.1 Brent's primary objective is to meet the housing needs of its population and, within this, to provide more affordable and specialist housing. Brent understands the Mayor's emphasis on the role that outer London boroughs can play and supports a multi-faceted approach.
- 2.6.2 In terms of planning policy, whilst seeking to meet London's housing needs within London is understood, the additional target challenge identified by the Mayor is so great that all options need to be looked at. An approach that aims to meet all need within London in the timescales identified is not realistically achievable in the Council's view. There is a history of planned 'new towns' and more recently a broader regional planning process that took account of how the wider South East could help to meet London's needs. The draft strategy is silent on this point. Currently there is no formal mechanism for the Mayor to input into a wider south east regional spatial approach although London's influence on Housing Market Areas across the south east is evident and many of these areas provide homes for people working in London. Although similar past announcements have led to little,

the government does appear to be committed to proposals for new garden towns close to London. Although the benefits are likely to be long-term, this provides an opportunity to address aspects of London's need in the way that the post-war new town developments did and the Mayor should ensure that this potential is fulfilled.

2.6.3 The current 'duty to co-operate' and process of splitting up the wider south east's planning for housing needs into Housing Market Areas and expecting the GLA to comment on each is ineffective and creates a disjointed approach; it needs to be overcome. England is the only country in Europe where such an ineffective system exists. The Mayor should lobby Government to effectively address London's wider housing and economic needs through an appropriate South East regional planning process; this will be for the benefit of the UK's economic performance, not just London's.

## 2.7 Help to Buy

2.7.1 The announcement of further funding for Help to Buy reinforces its central place in government housing policy. The council welcomes the Mayor's call for a sustainable successor to the product in London that could address some of the problems with the existing scheme. However, the council would also urge the Mayor to take up the wider issue of the scheme's impact on the housing market, in particular the risk that it artificially stimulates prices while imposing a high level of long term debt on purchasers that puts them at significant risk in the event of any fall in values.

## 2.8 Housing Zones

2.8.1 The council welcomes proposals to accelerate development in key growth areas and the continuing emphasis on Housing Zones. Brent is delivering effectively and at scale in its two Housing Zones, both central to our long-term supply ambitions. We would therefore welcome further clarity on how the "strongest Housing Zones" will be defined and the specific measures that will support an increase in the pace and scale of delivery.

#### 2.9 Build to Rent

- 2.9.1 Brent has supported Build to Rent development, including Discounted Market Rent provision and welcomes the Mayor's approach to supporting and expanding the sector. Build to Rent makes an important contribution to raising quality within the wider private rented sector and, through provision of Discounted Market Rent, to adding to the range of broadly affordable products. The Council believes that the sector can play a role in meeting the needs of key workers in the public and other sectors vital to the London economy, a point we would like the strategy to emphasise.
- 2.9.2 At 3.76 and elsewhere the strategy stresses the potential for the sector to deliver London Living Rent. While the council does not disagree with this idea, it is not clear how exactly this would work within the Build to Rent model. For example, is it expected that tenants would be able to buy the home they live in, in line with the general expectations for London Living Rent and has there been any analysis of the impact of the generally higher level of service charges within such schemes as opposed to provision by

Registered Providers? We would welcome more clarity on how this would work in practice.

- 2.9.3 While Build to Rent is an important product for developers in Brent, buy to let is still prominent locally and in London: 70% of new home sales go into the private rented sector. While the role of smaller landlords is considered further in comments on Chapters 6 and 7, the strategy could go further in considering how the sector can be supported in its role as the housing provider for a significant proportion of Londoners. There is also a question as to how far the market might assist in more problematic areas, for example the need for shared housing or HMOs, a part of the market where poor management and conditions are prevalent but which remains an important resource, especially in light of HB restrictions for younger single people. Some RPs and private sector organisations are developing approaches on this and it would be helpful if the strategy took a view on the options available and their applicability to London's needs.
- 2.9.4 Access to Build to Rent is a key question for boroughs. While nomination arrangements may be made for any discounted units, often with priority for key workers or lower income households, a more robust approach could offer benefits. It is suggested that the Mayor could adopt a "cascade" approach similar to that used for shared ownership, with a proportion of units retaining nomination rights to borough residents in the first instance, potentially managed through the Homes for London portal.

## 2.10 Diversifying the Homebuilding Industry

- 2.10.1 The council welcomes proposals to diversify the industry and to support SMEs. Brent already adopts an approach to CIL similar to that proposed by the Mayor and supports a presumption in favour of development for small sites. The Small Sites, Small Builders programme has the potential to develop approaches that could be applied beyond publicly owned sites and the council would welcome more detail on how SMEs could be supported to compete in the wider market.
- 2.10.2 Strategic partnerships with RPs have obvious potential to accelerate and increase delivery. The strategy also highlights, at 3.90 and elsewhere, the Mayor's intention to work with councils wishing to support higher levels of homebuilding and Brent would be keen to engage. In this context, extending a similar offer of strategic partnership to ambitious local authorities would be helpful, perhaps in connection with the ambition to accelerate and increase delivery in Housing Zones.
- 2.10.3 The council recognises the important role played by smaller and specialist RPs, particularly in a borough as diverse as Brent. The clear expression of support for this segment of the RP sector is welcome, but beyond the suggestion of encouragement for consortia, there is little detail on how this support will be put into practice.
- 2.10.4 The council agrees that, as set out at 3.90, national policy change will be essential in supporting boroughs to deliver. The government has announced a new rent settlement from 2020, although we would urge to Mayor to continue to press for long-term certainty and for further consideration of the impact of welfare reforms on affordability. On the Right

to Buy (RTB), we believe the Mayor could go further. While relaxation of rules on use of receipts, where the council would support 100% retention, would, along with the Mayor's support for changes to HRA borrowing limits, assist in replacing lost stock, the fundamental question of the impact of the RTB in London remains. As it stands, RTB is not only leading to stock loss without adequate replacement, but is also leading some councils to question the value of building new homes that could be sold within a relatively short period. In addition, RTB is increasingly distorting the market through the high level of private renting of former council stock, with around 40% of sold properties ending up in the private rented sector, as well as contributing to housing management issues in areas where such homes are concentrated. Similarly, the government's indication that RTB will be applied to any development approach that takes new homes out of the HRA should be challenged. Brent has set up a company that is purchasing homes to be let at LHA rates but this approach would not be sustainable if these homes were subject to the RTB. It is recognised that this is an issue on which the government is unlikely to be receptive, but there is a case to be made for changes. Among other options, this could include an extension of the qualification period for RTB eligibility to ten years, a right of first refusal to buy back sold homes, the ability for local authorities to impose conditions on subsequent lettings, and a reduction in the discount or the removal or imposition of different conditions for the RTB for new homes developed by local authorities, at least in London.

## 2.11 Increasing the Capacity of the Industry

2.11.1 Brent's only concern in this section is the proposal at 3.102 for a more flexible approach to local labour requirements. In principle, Brent residents could benefit from opportunities elsewhere in London but we are concerned about the proposal for several reasons. First, Brent has well-developed programmes, using planning agreements and the work of our Employment and Enterprise Team and a range of partners that have been tailored to local needs and the Brent workforce. Other boroughs will have similar approaches, but the scope and scale is variable. Second, the ability to support local labour schemes is a factor in securing support for development by demonstrating wider benefits that may not be viewed as favourably if there is no focus on local priorities.

# 3 Chapter 4: Delivering Genuinely Affordable Homes

- 3.1 The council recognises the need for a range of affordable housing products accessible to households on a range of incomes and, along with the policies outlined in the previous and following chapters, the proposals set out here are broadly supported. However, some areas of concern are highlighted below.
- 3.2 The most recent Strategic Housing Market Assessment has indicated an even higher delivery requirement than the previous exercise, while broadly confirming that around two thirds of this total need to be affordable and around two thirds of that proportion need to be at social rent levels. In the context of high land and development costs and low levels of subsidy, this total, and particularly the desired proportion of social or equivalent rented homes, will be extremely difficult to achieve. The Mayor's long-term adherence to the 50% target, within which the council would wish to see a

continued commitment to an overall 70:30 rented/intermediate split, is welcome. At the same time, the introduction of the 35% threshold and the associated approach to viability is a pragmatic response, although it would also assist if the Mayor would make a clear statement that arguments over residual land values are not an excuse for failure to deliver. Our concern centres on the mix and balance of products that is being and will be delivered.

- 3.3 Affordability is an issue on which Brent has more in common with inner-London and is a central question for Brent's own housing policies. The draft strategy identifies a spectrum of affordable housing products, ranging from social rent to Discounted Market Rent (DMR) and affordable homeownership and the council is clear that all of these can and should play a role in meeting local demand. However, our experience, reflected across London, is that a broad definition of affordability that encompasses higher cost products has meant that these products have become the default option for many developers. Recent schemes coming forward for planning, including those within the OPDC area, have routinely included little or no rented housing, even at Affordable Rents, offering mainly, or sometimes exclusively, intermediate or similar options as the contribution to affordable housing.
- 3.4 The Council has commissioned research on affordability in the borough from Cambridge University which, together with our own analysis of need, is informing the development of our approach and our view on the range and mix of products best able to meet need in the borough. Our findings suggest that market products are beyond the means of the majority of households on our waiting list and in temporary accommodation and a large proportion of the much larger number of households seeking suitable and affordable housing. For many of these households, the same is true for intermediate products such as shared ownership or DMR. Our primary need is for rented housing at or close to target rents, meaning that London Affordable Rent or its equivalent is the most desirable solution for many households, alongside London Living Rent for those seeking to buy in the longer term. To illustrate this, the examples below show the proportion of households that cannot afford to rent without Housing Benefit. While this is a particular approach to defining affordability, the council takes the view that ability to meet the rent without support is a good indicator of whether a home is genuinely affordable in the long term. It should also be stressed that affordability for larger homes is even more stretched than in the two bedroom property examples below.
  - Couple with one child (2 bedroom property)
    - 25% of couples with one child cannot afford the average 2 bed LB Brent social rent without housing benefit
    - 56% of couples with one child cannot afford the LHA rent in NW London without housing benefit
    - 56% of couples with one child cannot afford the average 2 bed Affordable Rent without housing benefit
    - 39% to 45% of couples with one child cannot afford 60% of open market 2 bed rents
  - Lone parent with one child (2 bedroom property)

- 66% of lone parents with one child cannot afford the average 2 bed LB Brent social rent without housing benefit
- 91% of lone parents with one child cannot afford the LHA rent in NW London without housing benefit
- 91% of lone parents with one child cannot afford the average 2 bed Affordable Rent without housing benefit
- 85% to 87% of lone parents with one child cannot afford 60% of open market 2 bed rents
- 3.5 It is recognised that significant new investment will be needed to alter the picture and the Mayor's calls to government on this are fully supported. Similarly, the council welcomes the Mayor's commitment to support innovation and new options, alongside his support for new building techniques. The council is extending its own development programmes, both directly and through our new vehicle, I4B, and is keen to work with the Mayor to identify ways in which further expansion can be achieved. In particular, the council welcomes the recognition that a more flexible approach to grant may be needed when funding supported housing.
- 3.6 While supportive of the 35% threshold, Brent would like to see some limited flexibility that could assist in improving the balance of new supply. To illustrate this, from Brent's perspective a scheme offering 30% affordable housing all at London Affordable Rent would be much more valuable than a scheme offering 35% shared ownership or DMR. While this is a hypothetical example, the council would ask the Mayor to acknowledge that some flexibility over the threshold could be available where there are clear benefits in terms of the housing mix and its fit with local need. A related point is made in connection with cash in lieu payments in the comments on Chapter 5.
- 3.7 Proposals on mobility, and downsizing in particular, are welcome but could go further in supporting development specifically tailored to the needs and wishes of under-occupiers. Research suggests that the quality and location of a new home and ability to influence design and fitting out is a far more persuasive option for under-occupiers than financial incentives. Bespoke schemes have already been delivered in some boroughs and Brent is in discussions with a developer over a scheme for active elderly households aimed at this group. As well as delivering appropriate housing solutions for these households, such schemes can open up much-needed social rented homes for letting and the Mayor should consider how best such projects could be supported, including through flexible use of grant.
- 3.8 It is recognised that the impact on meeting housing need of asset management policies should be considered carefully. Brent's approach does allow for sales in some circumstances, particularly where this could increase resources to deliver new homes, and it will be important that local authorities retain control in this area, while having proper regard to the Mayor's position. Brent shares the Mayor's opposition to Pay to Stay and has no plans to adopt it.
- 3.9 The draft strategy reiterates the Mayor's guidance on estate regeneration schemes and Brent is broadly supportive of his proposals. However, as the council pointed out in its response to the guidance, there are areas where

the Mayor could go further, while it is essential to recognise the realities and economics of such schemes. While the principle of like-for-like replacement of demolished homes is sound, this may not always be appropriate or achievable. For example, occupation is not always in line with the size of an existing home: under-occupation or overcrowding are common, meaning that a simple definition of "like for like" is not possible in terms of the housing needs of affected households. Similarly, and as the draft strategy and the guidance recognise, it is not often possible to exactly replicate rent levels and values of new leasehold homes are almost always higher than existing properties. Suitability of the alternative offer, which might be of a larger or smaller home, possibly in a different area and at a different cost, is a better basis for policy and a bespoke offer agreed with the community from the start should be the aim. Having said this, the principle that there should be no loss of affordable housing is supported.

3.10 Brent has recently reviewed its approach in this area and, in the council's view, now offers a range of options that go further than the Mayor's guidance in seeking to protect the interests of displaced tenants and leaseholders. One specific example, not unique to Brent, is the offer of a shared equity option, more affordable than shared ownership in removing the requirement for rent charges on the unsold equity and protecting the council's interests through repayment when the property is sold. It is suggested that this is a model that the Mayor could actively promote, not only in the context of estate regeneration but more widely as a more affordable alternative to shared ownership, potentially with some support through the Affordable Homes Programme to cover up-front costs.

# 4. Chapter 5: High Quality Homes and Inclusive Neighbourhoods

- 4.1 The case for changes to VAT to encourage repairs and improvements by home owners and private landlords has been made for many years and the council fully supports the Mayor's call for action on this, particularly with regard to the private rented sector. At 5.29, the strategy calls on government to provide tax relief on expenditure by landlords that improves environmental performance but Brent would like to see this call expanded to cover all improvements as well as repairs. Similarly, the call for simplified planning arrangements for homeowners seeking to improve or extend could also be applied, with suitable safeguards protecting tenant interests, to private landlords. As with other measures that might assist private landlords, Brent would ask the Mayor to consider how such benefits could be linked to participation in accreditation or licensing programmes.
- 4.2 In terms of design, the strategy could say more on some issues, for example utilities in buildings such as broadband access, healthy and green design, rubbish disposal and recycling (although it is appreciated that these may be addressed in the planned design guide).
- 4.3 In this context and anticipating further guidance, there is a general point to be made about the role of design and quality in ensuring that homes offer affordable living as well as affordable rents, for example through reducing energy costs. The Build to Rent sector, for example in the TIPI developments in Wembley, provides a model in which all costs are included in rent payments, providing certainty over the true costs of occupation and this could be applied more widely, for example in developments for older

people. It should also be recognised that design requirements have cost and price implications. This is particularly the case in providing for "ageing in place" by building in future adaptability and in schemes such as extra care, where provision of internal and external shared and amenity space, added to the revenue costs of support, will impact on rent charges. This needs to be recognised in subsidy provision, as noted earlier and it is appreciated that the strategy recognises the need for flexibility.

- 4.4 In considering design, there is a particular need to address standards in housing for older people, where there are challenges around, for example, mitigating the risk of isolation in supported housing and extra care. While the HAPPI Standard is in place for extra care, it is ambitious and expensive to meet in London. On a related point, although density is addressed in earlier chapters, there is a concern that a drive to higher density could conflict with older people's needs, for example in terms of shared/public space and accessibility and design guidance needs to consider this. It may also be the case that provision for older people is best located in the kind of high street settings envisaged for more intensive development in earlier chapters, given accessibility to transport and local amenities and services.
- 4.5 The council supports the Mayor's call on government to raise the maximum Disabled Facilities Grant to £45,000 and encourage RPs to invest their own resources in adaptations.
- 4.6 It is clear that the needs of Gypsies and Travellers are not adequately met. Even in boroughs where sites are provided, such as Brent, demand outstrips supply but identifying and developing new sites is difficult and, it must be acknowledged, frequently subject to significant opposition. Given the lack of consistency across London, it is suggested that the Mayor should seek to take direct responsibility for this area at the regional level.
- 4.7 The council welcomes support for community-led solutions and the establishment of the Community–Led Housing Hub. Like other boroughs, Brent has received a small amount of government funding and is supporting a community group to explore options, but the resources available can only support research and capacity building, not actual development. The council therefore welcomes the Mayor's commitment to investment in this area but suggests that, if it is possible to secure a share of the Community Housing Fund, this should be devolved to borough level, where partnerships are already in place or development.
- 4.8 Brent recognises the importance of social infrastructure in creating sustainable neighbourhoods. Clearly, provision will vary according to the type of development, its location, its occupancy, its links with existing facilities and services and other factors but it would be helpful if the draft strategy gave an indication of the Mayor's expectations here. Brent's Local Plan looks at the impact of population increase and assumes some community space, health facilities, open space and so on and Brent's flexible approach to CIL allows for some funding to go to neighbourhood projects as well as strategic infrastructure such as schools and transport. However, the council's view is that the key question is not the amount of space devoted to social infrastructure but the quality and relevance of service provision. It is also essential to recognise the revenue costs involved and identify how these will be met. In Brent for example, there is

high demand for nursery provision and there is a community appetite to use and fund resources. It is also the case that the private sector increasingly controls and manages community/public space, raising issues about access and use. There is also a growing market for community hub settings that can combine retail and commercial or other uses as well as community space. Brent Civic Centre is an example of this approach, with the council achieving efficiencies through a single location for most staff and services while combining retail and community facilities.

- 4.9 Brent is in favour of the publication of viability assessments and the Mayor's calls for greater transparency in the market. In general, the Council also supports proposals around acceptance of cash in lieu in planning agreements. Brent does not use this option very often and receipts are generally ring-fenced to capital spending but there should be flexibility where a cash sum could provide benefits compared to on-site provision. For example, there may be cases where cash in lieu could deliver more, or more affordable, housing by transferring the housing spend to a part of the borough with lower land costs. Our view is that the test should consider deliverability and outcomes rather than blanket opposition to the principle of cash in lieu. In terms of the timing of spend, it could be difficult to make detailed and explicit intentions clear at an early stage given lead in times for development and cost variations and any test should also reflect this.
- 4.10 Our comments on estate regeneration are set out in relation to Chapter 4 but the Council supports the Mayor's call for an Independent Commissioner for Social Housing Residents.

## 5. Chapter 6: A Fairer Deal for Private Renters and Leaseholders

- 5.1 Brent welcomes the establishment of the Private Rented Sector Partnership and is already an active participant. Brent has also pursued both boroughwide Additional Licensing and a more limited Selective Licensing scheme and is awaiting Secretary of State's consent for an extension to the latter, which currently covers three wards. The council therefore welcomes the Mayor's strong commitment to effective use of regulatory powers in the sector.
- 5.2 In principle, the Council also supports the call for devolution of licensing powers but can see some risks. First, some boroughs may be reluctant to engage but, more critically, while the Mayor is clearly supportive of licensing, this may not be true of future Mayors. An alternative would be to seek devolution of decision making powers to borough level.
- 5.3 Similarly, the Council supports the principle of a registration scheme but, while a light touch approach is desirable our view is that participation should be compulsory. Related to this, the Council welcomes the Mayor's intention to publish a rogue landlord database, noting that his proposal goes further than the government's planned scheme in making more information available to tenants. Having said this, it will be important to ensure that the approaches are complementary and avoid duplication.
- 5.4 While the emphasis on regulation and enforcement is understandable, it is important that the strategy should also recognise that boroughs rely heavily on the sector to provide temporary and permanent housing solutions and

that the majority of the sector not only operates within the law but includes landlords keen to work with the public sector and offer a good service to tenants. It is also the case that, partly driven by LHA caps, councils are obliged to work with landlords in the cheaper segment of the market, where the pressures on landlords and competition for accommodation are greatest. In this context, the strategy could do more to offer support to the sector and the majority of small landlords, beyond the support for Build to Rent outlined earlier in the document. At the national level, there has been an increased focus on dealing with rogue landlords and the draft strategy has a similar emphasis. While this is an approach Brent supports and has embraced, it is essential that it should be balanced with policies that support the sector and, in particular, that part of it on which boroughs increasingly depend.

- 5.5 Brent supports proposals in this area to work with landlords and tenants to develop a London Model of reform and to establish the conditions for improvements to security and in other areas. Similarly, proposals noted earlier around VAT on repairs and improvements will assist. Beyond this, the strategy should consider the potential incentives that could be made available to encourage investment and better management and mitigate the risk of withdrawal from the market or withdrawal from the LHA sector. This could include urging government to improve the tax position of landlords following recent changes, possibly linked to participation in accreditation or licensing schemes or commitment to meet identified standards. Further, incentives to build confidence within the sector could include greater support, in the form of grants or tax breaks for example, for landlords installing disabled facilities or energy improvements, especially in light of introduction of minimum energy standards.
- 5.6 The most important challenge for boroughs is sustaining access to the sector for households in need and, in addition to the calls for change on the welfare system highlighted in the strategy, which Brent fully supports, the Mayor should make the case against the negative impacts of the roll out of Universal Credit and argue for reinstatement of direct payments and a recalibration of the LHA rate in London to more realistic levels. Budget proposals have offered some recognition of the issues and there may be scope to press for further change. The Private Rented Sector Partnership is already demonstrating the value of bringing London boroughs together with the GLA and a similar approach could be taken to coordinate approaches to access to the sector for temporary and permanent housing, where the Mayor has already made welcome proposals for pan-London procurement.
- 5.7 Brent supports the Mayor's proposals on leaseholders but please note our comments on leaseholders affected by estate regeneration programmes above.

#### 6. Chapter 7: Tackling Homelessness and Helping Rough Sleepers

- 6.1 Brent welcomes the Mayor's proposals in this chapter, which strongly reflect the local approach.
- 6.2 Brent is well prepared for the implementation of the Homelessness
  Reduction Act, with two key trailblazer projects in train for single homeless
  people and rough sleepers. The Mayor has rightly emphasised the need for
  government to provide adequate resources to cover the additional burdens it

will impose. While it is questionable whether funding announced so far will be sufficient, a particular concern for Brent and other boroughs is the uncertainty in the longer term. Brent, for example, has £1.2 million over three years but no guarantee of an increase, or even continued funding, beyond that. Our analysis anticipates a 50% increase in temporary accommodation bookings and length of stay and a 50% increase in the incentive payments offered through our Find Your Home initiative. This element alone, without taking account of other costs such as additional staff, is estimated at £900,000 a year, accounting for the majority of the three year additional burdens funding. Similarly, our single homelessness trailblazer has two-year funding from DCLG and £900k match funding from the council but there is no indication of the future position.

- 6.3 Also, the gap between actual costs and available funding is not entirely due to new burdens, so while it is critical that new burdens funding continues beyond the current time scales, the Mayor should support boroughs in making the case not only that further funding should be provided but that the government should recognise the existing and continuing funding gap in London.
- 6.4 In terms of new supply, alongside traditional sources the council has now established I4B, a special purpose vehicle purchasing property in the private sector, focussed on temporary accommodation supply at this stage. The Mayor's commitment to making the case to government for reform of the borrowing cap and a new approach on welfare has the potential to assist in increasing the pace and scale of our work in this area.
- 6.5 Brent is compliant with, and in many ways goes beyond, the requirements of the Notify system but as a large scale receiving borough experiences problems when information from other boroughs is not forthcoming. As notification is a legal requirement, the council welcomes the Mayor's emphasis on its importance.
- 6.6 The call for a fairer funding regime for temporary accommodation is also welcome. The Flexible Support Grant, a positive development in many ways, is only definite for two years with no guarantee of future ring-fencing. The premise that the grant will enable a reduction in temporary accommodation use that will reduce future funding needs is flawed and, particularly in London, costs are continuing to rise while future funding may fall. Although Brent has, against the London trend, achieved a significant reduction in temporary accommodation use, the reality is that demand remains high and funding needs to be linked accordingly. Having said this, we welcome the Mayor's commitment to work with boroughs to make the most effective use of resources through joint procurement and other initiatives.
- 6.7 The Council looks forward to the publication of MOPAC's strategy on violence against women and girls. This is an issue that Brent is looking at closely through an Outcome Based Review that will identify opportunities to join up and develop services and the Council is keen to work with the Mayor.
- 6.8 Brent is engaged in the West London Prevention Service, a trailblazer project working with rough sleepers. Particular issues identified locally

include individuals with no recourse to public funds and encampments, with migrant workers the main affected group. There is also an emerging link between rough sleepers and the worst HMOs, with evidence that the same individuals shift between the two. We are therefore keen to explore how existing and new funding and services can support work in this area.

6.9 Our experience is that No Second Night Out provision tends to fill up very quickly, meaning that there are sometimes not enough places. The Mayor's commitment to additional hostel places and move on accommodation is therefore welcome but we would ask that consideration be given to linking provision to groups of, say, three boroughs to ensure that it is sufficient and accessible. In addition, we have identified a need for assessment bed spaces or safe spaces; not all our service users need to go into hostels.