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**TOWARDS THE MAYOR'S HOUSING STRATEGY -
RESPONSE FROM BRENT COUNCIL**

1. INTRODUCTION

- 1.1 The Council welcomes the opportunity to comment on the consultation paper and notes that consultation will continue during 2007 as the draft strategy begins to take shape. This response addresses the questions as set out in the consultation paper and should be read in conjunction with the joint response submitted on behalf of the West London Sub- region.
- 1.2 In principle, there are many proposals in the consultation paper that are welcome, although there is not sufficient detail in some areas to enable us to take a definitive view and we look forward to further opportunities for comment. However, there are also areas where we have significant concerns - about the supporting evidence, about underlying assumptions or about specific proposals. These are covered in detail below. More generally, there are one or two points that can be covered here.
- 1.3 Many of the questions set out in the consultation paper are either very broad or require a quite specialist response. In addition, there are areas in which policy at the national level is at an important stage of development, for example planning, and on which it is difficult to comment with any authority in anticipation of government decisions. While it is recognised that, at this stage, the consultation is dealing with broad principles, consultees may be more concerned with how these principles will be translated into measures that can be implemented. This response is therefore provisional in some areas and the Council's position will be refined as the direction of policy or legislation becomes clearer.
- 1.4 More specifically, we are concerned that the document follows the current London Housing Strategy in failing to give sufficient attention to issues other than supply in the private sector, both rented and owner-occupied, which is only covered in any detail in the section on climate change.

2. PUTTING PEOPLE FIRST

2.1 How can the Mayor's Housing Strategy support the achievement of his wider social, economic and environmental aims?

- 2.1.1 This is a very broad question and some aspects of it are covered elsewhere in the consultation and, therefore, in this response. The

consultation paper highlights some key evidence of housing need in London and outlines action that has been taken, rightly stressing the need for effective links between the range of regional strategies. In general terms, the Mayor's most important contribution will be to ensure that these strategies work together effectively and support sub-regional and local strategies in achieving common aims. However, the document needs to give more recognition to the contribution, both current and potential, of local authorities and housing associations in developing schemes to tackle the unacceptably high levels of poverty and worklessness among tenants and homeless households. There are many examples at the local and sub-regional level, either linked to regeneration schemes or with a broader application, of schemes run by local authorities and housing associations to provide training and employment opportunities for tenants and other residents that can be drawn on to exemplify good practice.

2.2 How can the Mayor's Housing Strategy best address the enduring problem of homelessness and the growing problem of overcrowding?

2.2.1 The obvious answer is that the strategy needs to support new supply, especially of larger homes, across all sectors. However, even at the increased rate of development seen in recent years, this will not solve the problem quickly. Additional measures should include encouraging cross-tenure mobility, for example through enabling tenants of existing social housing to move into shared or full ownership and continuing to direct resources to schemes to extend or convert existing social housing to produce larger units, as has happened in the 2006-08 programme. Making best use of the existing affordable housing stock will be as important as new development.

2.2.2 The consultation paper stresses the need for larger homes to tackle overcrowding and also refers to the anticipated growth in household numbers, but does not address the potential tension between the need for both larger and smaller homes. While we agree that there is a pressing immediate need to increase the supply of larger homes, getting the balance right in the longer term is unlikely to be a straightforward task and it is important that robust evidence of demographic change and other factors should be secured. To cite one small example, the consultation paper refers to the needs of single migrants, but not all migrants are single and many are unlikely to remain so. In the longer term, flexibility and the ability to move from smaller to larger homes or vice versa, including moves across tenures, should be the aim.

2.3 How can the Mayor's Housing Strategy be used as a tool to tackle worklessness and child poverty, especially amongst social housing tenants and homeless people living in temporary accommodation?

2.3.1 As noted above, local authorities and housing associations, working

with the DWP and other statutory and voluntary agencies, will continue to be the most significant contributors in this area. The Strategy should seek to capture and disseminate good practice and provide support through the Mayor's strategic role and use of resources as appropriate.

2.4 How can increasing the opportunities for families to acquire housing assets reduce poverty and worklessness?

2.4.1 In the short term, it is doubtful whether the opportunity to acquire a housing asset in itself has any impact on poverty and worklessness; the ability to buy, at whatever level, implies the ability to afford it. The HomeBuy programme and local initiatives can contribute effectively in other ways, for example by freeing up rented housing and by making low-cost home ownership options more readily available, but such options are unlikely to be affordable for workless households and the risks associated with increasing ownership at the margins need to be recognised. In the longer term, generational transfer of housing assets may have an impact in offering the children of former social housing tenants an inheritance similar to that expected by children of owner occupiers, enabling them to access the private market more readily.

2.5 How can more families with moderate incomes be encouraged and enabled to live in inner London to maintain social mix?

2.5.1 The consultation paper focuses on affordability as the key driver in moves out of inner London, but this is only one part of the picture and perhaps not the most significant. Factors such as the quality of education, healthcare, transport and leisure facilities, among many others, may be more of an influence than affordability alone. Certainly, the reasons are complex and the phenomenon is not recent. Also, it may be sensible to construct a more detailed definition of what "inner London" means in this context, since factors like land and development costs and the quality and availability of social infrastructure vary considerably across different parts of what is commonly referred to as the inner London area. It may also be legitimate to ask how far it is possible, or even desirable, to influence what is a long-established trend for households with children to move to suburban areas and whether it is more appropriate to recognise that household mixes will vary in response to a broad range of factors that make different areas more suited to different life styles and life stages.

2.5.2 Providing more affordable housing for middle income households in inner London and therefore more choice is part of the answer, but any provision will also need to meet the other aspirations of these households in terms of quality of life. This needs to be balanced against the higher costs of provision in some areas, as well as the capacity issues on which the consultation paper focuses.

2.6 How should the Mayor's Housing Strategy address the issue of unaffordable rents, especially in the temporary accommodation and private rented sectors?

2.6.1 There is no indication that the government is willing to consider any significant reform of the private sector tenure and rent regime and influence over rents at the regional and borough level is therefore likely to be marginal. A number of schemes have been developed that make rents affordable to individual households, for example through the use of block grant from the DWP. While there is little indication of government enthusiasm for making such schemes universal, even where the effect for the exchequer is broadly positive, they probably represent the best prospect for further development. Local authorities have used such schemes effectively and have also used their leverage in the market to drive down overall rents in temporary accommodation. Even so, the impact for individual households is usually small and not enough to pull them out of the poverty trap. Innovations in procurement and contracting will continue to exert downward pressure, but the impact will be on public expenditure rather than household budgets.

3. BUILDING MORE HOMES

3.1 How can landowners - both public and private - be encouraged to focus on long term sustainable development, incentivised to release land when it is needed, and discouraged from land speculation?

3.1.1 The consultation paper rightly focuses on the supply and demand gap, although it is questionable whether shortage in itself is the principle cause of high prices or that building more homes at the rate proposed in the London Plan will have any meaningful impact on prices as the paper seems to suggest. While there is evidence that some planning permissions are obtained to increase land value for speculative reasons, there are many other factors that may delay or halt the development process, as the paper acknowledges. In this context, there is probably no single set of incentives that would apply in all cases.

3.1.2 The paper itself suggests a number of options that we would support and proposals in Kate Barker's recent report on planning suggest further options, such as the introduction of a charge on vacant brownfield land. As with many ideas in this area, progress is dependent on the development of government policy and lack of a clear context makes it difficult to suggest specific changes at this stage.

3.2 How can the public agencies - that often pay for costly land assembly and remediation work - capture and recycle a share of development gains to help fund social infrastructure? How can co-operation between public and private landowners be improved, for

example through joint venture partnerships?

3.2.1 Joint venture partnerships are one possible way forward but, as with the previous question, this is an area where policy and practice are still developing and options will depend on clear guidance from government. For example, Barker has suggested Tax Increment Financing, but it is unclear whether the Lyons review will make any specific proposals around this or other models and, if so, whether they will be accepted and implemented by government. The government is still consulting on the introduction of Planning Gain Supplement, with an apparently increasing focus on how PGS might support infrastructure provision. An early resolution of the debate around this issue would be helpful.

3.3 What specific interventions are required to speed up the building rate on very large sites, for example more stringent use of contract conditions and compulsory purchase?

3.3.1 To a large extent, building rates will continue to be driven by developer reactions to market and industry conditions. The suggested use of contract conditions and CPO may assist, but, as the paper notes, factors such as infrastructure provision may be just as important. It is therefore crucial that national and regional government investment is planned clearly and integrated to create optimum conditions to support housing development.

3.4 How can the development process be improved and risk reduced to encourage home builders to increase delivery and take a longer term approach to development, especially in the growth areas?

3.4.1 The paper identifies a number of potential blockages and solutions and some of these are discussed elsewhere in this response.

3.5 How should the provision of social and physical infrastructure and public services be planned and delivered in order to maximise housing output in the growth areas and help integrate new residents with existing communities?

3.5.1 As noted above, a key issue here is likely to be integration of infrastructure investment with housing development. In addition, there needs to be certainty, as far as possible, that planned infrastructure will be delivered and delivered on time. Also, there needs to be appropriate emphasis on and resources for “softer” infrastructure provision such as leisure facilities, as well as on “harder” elements such as transport.

3.7 What measures would increase the efficiency and effectiveness of the London residential building sector?

- 3.7.1 This is principally a question for the industry itself and some relevant issues – for example around the planning process, land assembly and the use of contract conditions – are covered elsewhere in the consultation paper or are the subject of discussion at government level. The industry has published reports in a number of relevant areas, such as construction skills and the availability of labour, which the Mayor will no doubt take into account.
- 3.7.2 We hope that the Mayor will use his influence to create a continuing dialogue with developers and suggest that there are several areas that he could usefully pursue. First, to establish a more competitive environment by encouraging new firms into the market, which is dominated currently by a relatively small group. The Mayor can also act as a conduit for best practice in procurement and partnership. Finally, the Mayor, alongside government, can be an advocate for improved design and construction techniques.

4. BUILDING THE RIGHT HOMES IN THE RIGHT PLACES

4.1 How can the investment strategies of public sector housing and other agencies be better aligned with each other, and with the targets in the London Plan, other Mayoral strategies and the forthcoming Mayor's Housing Strategy?

4.1.1 Where the Mayor has influence over investment it is assumed that the Housing Strategy and the Investment Plan will direct resources towards identified priorities. More widely, local authorities and other public and private organisations will continue to invest in a range of housing and other projects that may or may not fit well with the Mayor's broad objectives. More specifically, much of this investment will be outside the growth areas. The other side of the question therefore is how far the Mayor's Housing Strategy will recognise the opportunities for housing investment provided by other developments across London and align itself with the strategies of local authorities and other organisations.

4.2 How can public sector investors better align and simplify their various standards and processes for development around a consistent set of principles and requirements for all investment programmes (for example, on environmental and accessibility issues and the phasing of major schemes)?

4.2.1 It is not clear whether this question is concerned only with housing development or with other investment programmes. As far as housing development is concerned and as noted in response to other questions, there are a range of existing standards that are regularly updated and refined (for example those developed by the Housing Corporation)

and the simplest approach would be to codify these into a single set of guidelines supported by government.

4.3 How can the social and economic value arising from combined public sector housing and infrastructure investment be captured to fund further investment?

4.3.1 See 3.2.

4.4 How can the leverage of public sector investment, especially in the opportunity areas and on strategic sites (such as the site for the London 2012 Olympic and Paralympic Games), be maximised?

4.4.1 Leverage opportunities are described elsewhere in the consultation paper and in this response – for example investment in infrastructure – and the main additional factor is the potential scale of some sites and the extra opportunities afforded in areas such as land assembly by the Olympics. This should provide more competition among developers and, if properly coordinated, more effective integration of the various strands of development.

4.5 What changes are needed to public sector investment strategies to ensure a better fit between what is built and the housing needs of Londoners?

4.5.1 The need for larger homes, better design and so on is addressed elsewhere in this response. To a large extent, public sector investment is already being directed firmly towards these priorities by the Housing Corporation's investment policy and wider guidance on design and quality. As Social Housing Grant is made more widely available to private developers and ALMOs, these principles can continue to be applied. Similarly, local authorities and ALMOs, in addition to their decent homes programmes, are active in securing larger homes through extensions and deconversions and other schemes aimed at meeting housing need, including use of PFI and innovative financial models.

4.5.2 In general, we would support the proposition that subsidy for low cost home ownership should be directed towards new provision, rather than to support purchase of existing homes. However, the argument that current subsidy arrangements are fuelling house price increases is not convincing and any effect is likely to be marginal compared to, for example, the impact of buy-to-let investment. The more important question is how can new-build homes be made more attractive to potential buyers among the main target groups, such as key workers, to counteract apparent existing preferences.

4.6 How can investment strategies be shaped to meet the needs of

London's diverse communities, including people with support needs, Gypsies and travellers, and asylum seekers and refugees?

4.6.1 The first step should be to establish a better understanding of what these needs are. A comprehensive study of the needs of Gypsies and travellers is underway and there seems little point in anticipating its findings at this stage. At the local authority level, a lot of work has been done to develop understanding of community needs and local authorities and their partners, especially RSLs, may be best placed to advise and share good practice in this area as the Strategy develops. In particular, we would stress the need for continued support for BME and other specialist housing providers, who are likely to have the most relevant experience and expertise in shaping provision to the needs of diverse groups.

5. DESIGNING PLACES WHERE PEOPLE WANT TO LIVE

5.1 How should the London Plan principles for achieving high quality design be applied in the context of the Mayor's Housing Strategy?

5.1.1 The measures identified in the current London Housing Strategy and the London plan should, if properly applied, achieve the desired objectives. Local authorities will have a key role, as will the Housing Corporation and RSLs. However, as with other proposals in the consultation document, the resource implications, particularly revenue resources, should be recognised.

5.2 How should the Strategy address issues around the standards of new homes (for example space, thermal efficiency, carbon emissions, accessibility), to ensure homes are suitable for 21st century living?

5.2.1 Existing standards, if properly enforced and regularly updated and improved, should provide the basis to ensure sustainability. Local authorities will have a key role to play in monitoring delivery.

5.3 How can the leverage of housing grant and the new Strategic Housing Investment Plan be used to ensure design excellence for new housing and open spaces?

5.3.1 The consultation notes the intention to link grant to design standards and this should be the principal tool in this area, along with the continuing refinement of planning guidance at the regional and local level. The Brent Housing Group, representing the local authority and housing associations operating in the borough, is currently undertaking a review in relation to design and the management of high density developments, the results of which will inform our work and responses

to further consultation on the Mayor's strategy.

5.4 How should objectives for design quality be embedded in the procurement process - in private and public sector development – and how can these be subsequently measured and monitored?

5.4.1 In the public sector the tools exist in Housing Corporation guidance, procedures and monitoring. More generally, both the London Plan and Local Development Frameworks provide clear guidance on design.

5.5 How can infrastructure planning and investment be organised to help ensure high quality design of homes and neighbourhoods and to avoid building dormitory neighbourhoods or ghettos as London's population increases?

5.5.1 Again, this is an issue addressed elsewhere in the consultation and in this response. Key issues include the timing of delivery of infrastructure, both physical and social, as well as the design quality of infrastructure provision.

5.6 How can the Mayor's Housing Strategy ensure that the aim of achieving better design is not at the expense of increasing output or of obtaining value for money?

5.6.1 To some extent, it may be inevitable that better design will be more expensive in the short term if it involves the use of new techniques, changes to existing supply chains and the loss of economies of scale that may make more traditional approaches more cost effective. This may be a price worth paying if better design can help achieve wider objectives around environmental and community sustainability, even if it results in a fall in output.

5.6.2 Having said this, the strategy can play a role in encouraging and disseminating best practice, although it will primarily be the responsibility of funding and delivery agencies, such as the Housing Corporation and local authorities working in partnership with housing associations and developers, to ensure that any principles set out in the document are delivered on the ground.

5.7 How can high quality housing management contribute to the long term success of new housing developments?

5.7.1 Housing management will be key to ensuring sustainability, but it should be recognised that high quality management costs. Local authorities and RSLs must continue to have the revenue resources to support high standards. It is also essential that management should be

consistent and a key concern for local authorities is the variable quality of service delivery in an increasingly complex environment involving multiple landlords, of both affordable and private housing, often within the same development. Brent has made significant progress in developing common standards and approaches to monitoring at the local level, but this needs to be replicated across London, perhaps through the development of a set of common standards at the regional, or even national level.

5.7.2 In this context, the strategy also needs to consider the impact of private lettings within developments, including buy-to-let arrangements. There is evidence of high levels of private renting within some private developments and this will often include lettings to local authorities for use as temporary accommodation for homeless households. The impact of such arrangements on the tenure and social mix within developments is an area requiring further research.

6. REVIEWING INTERMEDIATE HOUSING

6.1 How can intermediate housing better address both housing need and London's wider economic needs?

6.1.1 The key factors here are affordability, access and mix. We support the Mayor's view that intermediate housing should address the needs of a wider range of households, rather than a narrow band of centrally-defined key workers. In this context, the long-term aim should be eligibility based on income, including prospective income, while recognising that there will need to be some prioritisation in the short term. Short-term priorities should be based on borough or sub-regional level requirements, allowing local authorities and groups of authorities to determine priorities for access that are appropriate to prevailing social and economic needs.

6.1.2 We also agree that the size mix of provision should be wider, enabling access by households with children as well as single people or childless couples. The assumption appears to be that key workers will be young and single, or at least childless.

6.1.3 The consultation paper has little to say about the wider problem of affordability. It remains the case that many schemes, while cheaper than outright purchase, remain unaffordable to many households due to additional charges. Brent has recently received funding for a scheme that addresses this problem and there are similar products becoming available in the private sector, through which a percentage charge is waived on the basis that there will be a longer term return from increased value. The strategy can assist by supporting and publicising innovations such as this.

6.2 What are the consequences of shifting investment in intermediate housing to new supply rather than the purchase of existing homes?

6.2.1 We recognise that it is desirable that funding should, as far as possible, support new supply, although we question the assertion that current practice is having any significant effect on prices at the lower end of the market. The real issue here is about demand and there is evidence of a preference for existing homes over new build. There are many possible reasons for this, not least the fact that many new homes are not meeting the highest standards of design quality. In this context, there is a risk that take-up will not meet expectations and that, as appears to have happened in some schemes, homes will be sold to households who are not among the highest priority groups in terms of occupation or income. There is therefore a balance to be met between the economic need to house key workers and the wider need to drive up supply. In the longer term, shifting investment to new build should imply a parallel drive to improve quality.

6.3 How can intermediate housing help to tackle overcrowding and homelessness?

6.3.1 Principally through freeing up existing social housing. The consultation paper notes that there are a significant number of households in social rented housing who could afford to buy in some form and Brent has recognised this in the scheme referred to above, which targets this group. However, freeing up social housing in this way has an adverse effect on the social and income mix in social housing, contributing to the increasing residualisation that the consultation paper notes. It is questionable whether this is a long term solution unless it is coupled with the kinds of intervention referred to earlier to address worklessness and low incomes among social housing tenants.

6.4 What should the balance of public investment be between buildings larger intermediate homes to assist moderate-income households with children and building smaller one or two-bedroom units?

6.4.1 Decisions about the balance of investment need to be evidence-based, either from existing known demand or through further research to establish the household characteristics of those likely to be eligible. Evidence so far appears to be largely anecdotal.

6.5 What role can housing providers play in providing intermediate housing without government subsidy and what impact could more private investment in the intermediate housing sector have?

6.5.1 The private sector is already engaged in intermediate housing to some

extent. The most useful contribution is likely to come from development of new financial products that enable shared ownership purchases. Brent is working with funders and providers to look at new products in this area.

6.6 How can the intermediate rented sector be developed to benefit a wider group of households without having a negative impact on quality of housing?

6.6.1 The consultation paper is silent on how it sees the development of an intermediate rented sector happening. It is assumed that provision is likely to be a mix of housing association and private sector provision, although there may also be opportunities for local authorities and ALMOs to play a role using existing or new-build stock. The same principles of design and management quality referred to elsewhere in the paper need to be applied and regularly updated to ensure there is no difference in quality between the rented and home ownership sectors.

7. PROMOTING CHOICE AND MOBILITY

7.1 How should the geographic mismatch between housing capacity and housing need in London be addressed?

7.1.1 We recognise that there is a mismatch between capacity and housing need but are concerned at the risk that the strategy will take a numbers-based approach that does not take sufficient account of the realities of need and demand. The consultation paper recognises that the needs of most Londoners will continue to be met within their own boroughs, but makes some assertions for which the evidence is not convincing. For example, the consultation paper notes that 27% of internal housing association transfers and 44% of lettings made through common housing registers were across borough boundaries. While this is not disputed, the figures alone do not tell a complete story. First, it is not clear what cross-borough means in this context and how far households had in fact moved from their originating borough. Second, it is not clear how much real choice was involved in these moves; it is possible that many households were moving from temporary accommodation with a strong expectation that they would accept the first offer made.

7.1.2 Having said this, London boroughs have, as the paper notes, made good progress in developing choice-based lettings and Brent has been an active partner in Locata. We would welcome the opportunity to offer wider choice to households where they want it, but our evidence is that households are reluctant to consider moves outside the sub-region other than in a minority of cases.

7.2 How can local needs and regional needs be better balanced through choice based lettings and mobility?

7.2.1 The key requirement is that, accepting that there will be some shift in resources to take advantage of major development opportunities, investment in the other sub-regions should be maintained at a level that recognises local needs and acknowledges that London's needs must be met across the whole city.

7.3 How can a pan-London choice based lettings and mobility scheme meet the needs of all, including people with support needs, disabled people and black and minority ethnic communities?

7.3.1 Existing schemes have done much to address issues of accessibility and are continuing to refine their approaches in this and related areas. If a pan-London scheme is to be established, it will need to draw on this experience.

7.4 Should access to intermediate homes and to the private rented sector be included in the same pan-London scheme as social housing lettings and how should this be done?

7.4.1 In principle yes and we would suggest drawing on the experience of existing schemes that have already experimented with offering # intermediate and private rented homes.

7.5 What support and services are needed to help people wishing to move across London?

7.5.1 Support needs will vary, obviously, depending on the households involved and the key requirement will be that support is tailored to individual needs. In all cases, it is likely that households will need additional advice concerning, for example, schools, health provision and so on which they may not require when moving within their own boroughs. Where support needs are more complex, Notify may provide an appropriate model for the exchange of information between authorities. In addition, London boroughs already provide a range of information to new tenants, which can be built upon to address the needs of those making cross-borough moves as appropriate.

7.6 How can Londoners who want to move to affordable housing outside the capital be enabled and supported to do so?

7.6.1 Most London boroughs are already engaged in schemes to promote and support moves to other parts of the country and this experience should form the basis for further discussion.

8. TACKLING CLIMATE CHANGE

8.1 What initiatives, policies or guidance are needed to improve the environmental performance of London's existing housing, much of which is owner occupied?

8.1.1 The consultation paper recognises that the contribution of new housing to tackling climate change will be minimal, however high environmental standards become, since the bulk of the problem is with the existing stock. This is also an area in which enforcement is not a realistic option. There are many existing projects providing advice, education, practical assistance and funding support, such as the Warmzone scheme and the work of the various energy advice centres at borough and sub-regional level and these organisations should be the source of future policy development.

8.2 What measures should be incorporated within the Mayor's Housing Strategy to mainstream the best environmental practice and technologies in newly built and refurbished homes?

8.2.1 This has already been covered partly in the section on design and quality. In addition, the Mayor should support London boroughs and ALMOs in their efforts to move beyond the decent homes standard and develop initiatives that will provide additional environmental improvements, as well as ensuring that the strategy and the ongoing consultation and implementation processes provide a mechanism to disseminate best practice.

8.3 How can the Mayor's Housing Strategy promote refurbishment and adaptations that ensure Londoners can live comfortably in their existing home for its lifetime?

8.3.1 By the supporting the programmes above and supporting continued or increased funding for these and similar schemes.

8.4 How can we ensure that vulnerable households are not disproportionately affected by the effects of climate change?

8.4.1 Most schemes to tackle fuel poverty and improve environmental performance already target vulnerable households such as the elderly or low income households with children. The strategy should support the further development of this work.

8.5 Should public sector investment in London's homes be used to mitigate and adapt to climate change, and, if so, how?

8.5.1 See above.

8.6 In what other ways can the Mayor's Housing Strategy contribute to mitigating and ensuring that homes are adapted to, climate change?

8.6.1 The strategy needs to support the work of local authorities and partner agencies in promoting, enabling and funding improvements by homeowners and private landlords. In particular, the strategy should support provision of appropriate revenue and capital resources from government.