GREATER **LONDON** AUTHORITY

Prioritising Key Workers for Intermediate Affordable Housing

Planning Practice Note March 2024

1 Introduction

- 1.1 Key worker occupations have a direct role in providing services that Londoners rely on. This includes the provision of care and education, and roles that support public safety, transportation and utilities that underpin and sustain a well-functioning city. Such roles are essential every day, though during emergencies the prominence of these contributions is heightened.
- 1.2 In view of this and the huge efforts by London's key workers during the pandemic, the Mayor is supporting key workers to get priority for new intermediate homes, such as for London Living Rent, Discounted Market Rent and Shared Ownership.
- 1.3 This note sets out guidance and good practice for planning authorities and housing providers on integrating key worker status into the allocation of intermediate homes.

2 Who are London's key workers?

- 2.1 The Mayor has published the Housing Policy Practice Note <u>Allocating</u> <u>intermediate homes to London's key workers</u> which defines the GLA's core list of key workers. This is classified by occupation setting out the roles that are considered essential to the everyday running of the city.
- 2.2 The Mayor's goal is that allocation of intermediate housing is fair and transparent. Adopting a common core list of key worker occupations across London's boroughs and allocating intermediate homes to London's key workers can provide greater clarity and consistency to key workers in finding a home to meet their needs.
- 2.3 The Mayor recognises that boroughs may have specific local needs for example, due to shortages in particular occupations in different parts of the city. For this reason, the Mayor encourages boroughs to identify occupations which are on the GLA's core list of to give additional priority to specific occupations where this will help to meet local need.

3 Prioritising key workers in local eligibility criteria

3.1 The GLA sets out Londonwide affordability and eligibility criteria for intermediate housing through the London Plan, planning guidance and the Annual Monitoring Report. In addition to this, local authorities and housing

GREATER **LONDON** AUTHORITY

providers may set other eligibility and prioritisation criteria for intermediate housing, reflecting local housing need.

- 3.2 When setting eligibility and prioritisation criteria, local authorities and housing providers are strongly encouraged to prioritise key workers; and to adopt the definition of key workers, and the GLA's core list of key worker occupations, in the Mayor's Housing Policy Practice Note.
- 3.3 As outlined in the Policy Practice Note, the GLA encourages local authorities and housing providers to consider local need when prioritising key workers: this may entail adding to the GLA's core list and/or prioritising certain key worker occupations¹. The latter might, for example, be appropriate on housing development sites near a key worker institution.
- 3.4 It is reasonable for priority to be given, among key workers, to those working in occupations where local public services and essential services are facing recruitment and retention issues. Shortage occupations may be defined by reference to the government's Skilled Worker visa route², or understood through engagement with local employers and employment brokers.

Allocations policies and intermediate housing registers

- 3.5 Local authorities are strongly encouraged to work with Registered Providers, to draw up and publish targeted allocations policies and intermediate housing registers alongside other measures they consider necessary, and to provide priority access to new homes for those on that register, particularly key workers.
- 3.6 To make new intermediate homes visible to the general public on an open access basis, intermediate homes should also be made available through the Homes for Londoners online portal in line with paragraph 4.6.10 of the London Plan 2021.

¹ The GLA consulted on its proposed approach to providing greater priority to key workers in the Draft Affordable Housing London Plan Guidance. The majority of responses supported the prioritisation of key workers for intermediate housing. Some responses considered that the definition of key workers in the Housing Policy Practice note is too broad and that this should focus on a core group of key workers or that local flexibility is given for boroughs to define their own list. The Mayor's guidance takes a flexible approach by confirming that authorities may add or prioritise certain key worker occupations within the GLA's core list.

² Skilled Worker visa: shortage occupations - GOV.UK (www.gov.uk)

London Borough of Richmond Intermediate Housing Policy

In 2021, the London Borough of Richmond's Housing Committee gave approval to update the council's Intermediate Housing Policy Statement, to prioritise key workers as defined in the GLA's core list in its intermediate housing allocation policies. The revised priorities are:

- Priority 1 Housing Associations tenants and Armed Forces personnel.
- Priority 2 Households living in LBRuT with an assessed priority for social housing.
- Priority 3 LBRuT households and workers, who are First Time Buyers and who are keyworkers as identified by the GLA's 'Allocating Intermediate Homes to London's key workers' guidance.
- Priority 4 Any other household living or working in the Borough and households living in existing intermediate/market housing who can demonstrate they are overcrowded and do not have the financial resources to access appropriately sized market housing.

Royal Borough of Kensington and Chelsea Intermediate Housing Policy

In 2022, the Royal Borough of Kensington and Chelsea published their *Key Worker and Intermediate Housing Policy* document which sets out a local definition of key worker and the priority criteria for allocating key worker housing.

Key worker housing is considered as a sub-set of intermediate housing which is ring-fenced for applicants who are considered to be a Kensington and Chelsea key worker.

All eligible key workers are ranked by their household income and are awarded in order of household income – lowest first.

If no suitable applicants can be found after three months, applications are be considered from eligible households within the GLA area.

GREATER **LONDON** AUTHORITY

London Borough of Southwark Intermediate Rent Policy

In 2021, the London Borough of Southwark published their intermediate rent policy setting out who is eligible to join the intermediate rent housing list in Southwark and eligible to register interest in intermediate rent properties as they become available. This document also contains the council's priorities to inform who the intermediate rent housing should be allocated to.

The intermediate rent housing list is a portal to help advertise intermediate rent properties as they become available and to provide a quick way for residents to express an interest in a property to the landlord without having to complete lengthy separate applications each time.

Providing priority access through S106 agreements

- 3.7 Where a local authority has an intermediate housing register, a process for providing priority access for households on the register should be set out in the S106 agreement. Local authorities should also seek to ensure that priority access to intermediate housing should be provided to households on the registers at a range of incomes below the upper limit set out in the latest London Plan Annual Monitoring Report (AMR).
- 3.8 After an initial three-month marketing period, during which the homes are available for occupation by those who meet these local criteria, homes that have not been let, reserved or sold should be made available to those who meet London-wide criteria, to ensure that they do not remain vacant.
- 3.9 Further guidance on identifying and prioritising key workers is set out in the Housing Policy Practice Note referred to above.