

# London Assembly Response to the Draft London Housing Strategy

February 2014

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# **Overview**

In light of the severe housing crisis faced by Londoners, the Committee supports many of the proposals in the Mayor's Housing Strategy.

In particular, the Committee welcomes the recognition that a significant shift in supply of new homes is needed to cater for London's growing population and proposals on how to initiate this change, though it is concerned that the Strategy is not ambitious enough in terms of the need identified in the Mayor's own Strategic Housing Market Assessment.

But far more detail is required to be able to assess many of the proposed measures properly, for example on Housing Zones. The Committee looks forward to that detail being published in the near future.

The thrust of the Strategy is upon support measures for middle income families but it also needs to ensure that low-income groups are better provided for if we are to sustain London's mixed communities. This is particularly apparent in the proposals for affordable homes; the Mayor's own evidence base identifies a need for over half the new homes to be affordable, yet he proposes that almost two thirds of his targeted volume will be market homes.

And although there is a much-needed focus on achieving house-building volume, there are also omissions from the Strategy which cannot be overlooked. On overcrowding, for example, the Strategy is woefully lacking: no new proposals are advanced to tackle this most pernicious of housing challenges. On homelessness and rough sleeping, equally, encouragements to the boroughs to keep up the good work will not deliver the stepchange necessary to stem the tide of new rough sleepers or turn around the lives of London's homeless population. Any new Housing Strategy must address these intractable and long-term issues in a meaningful fashion.

NB In the Detailed Response which follows, the Parts, headings and main paragraph numbering reflect that of the Mayor's Draft Housing Strategy, for ease of reference. The Response only refers to those sections of the Mayor's document on which the Committee wishes to comment.

# **Detailed Response**

# **Homes for London Part 2: Setting the Ambition**

Increasing the supply of new homes

## 2.2 An ambitious new programme for London

- 2.21 The Committee welcomes the more realistic approach that a doubling of current building levels (to at least 42,000 homes per year) is likely to be required to meet London's housing needs. It notes, however, that this remains a conservative estimate of need compared with those of other commentators: Savills, for example, projects a need for 50,000 new homes annually whilst London Councils asserts that 80,000 homes are needed annually to meet both the backlog of housing need and the demand associated with population growth. Indeed, the Mayor's own Strategic Housing Market Assessment (SHMA) 2013, published as the evidence base for the 2014 Draft Further Alterations to the London Plan, indicates a net annual level of housing requirement some 17 per cent higher (a minimum of 49,000 homes) than the proposed target over the coming twenty years to 2035. This rises to 62,000 annually if taken over the ten-year timeframe for which these 42,000 homes annually are promised (2015-2025). It is very worrying, therefore, that the Mayor's top-line house-building target should fall so short of the capital's assessed need. The Committee urges the Mayor to explain in the final version of his Strategy why this is the case and what he proposes to do about it.
- 2.22 The Committee notes the introduction of a target for at least 5000 long-term private rented homes to be built annually but would like clarification of how exactly a covenant mechanism will *supplement and accelerate construction activity*.
- 2.23 The Committee also notes the target of at least 15,000 affordable homes to be built per annum. However, it considers this worryingly insufficient in view of London's current housing crisis, noting that despite a rapidly rising population this is less than ten per cent more than the number targeted in the current investment round (2011-15). It falls well short of the 26,000 affordable homes indicated as the annual requirement in the SHMA, leading to a shortage of more than 100,000 affordable homes over the course of the decade. And perhaps more significantly, the SHMA indicates that the most pressing immediate need is for more affordable, not market, homes with some 41,000 affordable homes needed annually if taken over the ten-year timeframe used in the past and for which the Mayor's target is set. The Draft Further Alterations to the London Plan recognises the pressing need for more homes in London in order to promote opportunity and provide a real choice for all Londoners in ways that meet their needs at a price they can afford. But this Strategy replaces the ten-year timeframe with a twenty-year one,

<sup>2</sup> The London Housing Challenge, London Councils, September 2013

<sup>&</sup>lt;sup>1</sup> Spotlight: London Demand, Savills, November 2013

<sup>&</sup>lt;sup>3</sup> The 2013 London Strategic Housing Market Assessment, GLA, January 2014

<sup>&</sup>lt;sup>4</sup> Draft Further Alterations to the London Plan, GLA, January 2014, Policy 3.3A p89

significantly diluting at a stroke the immediacy of those needs. If the Mayor really wishes to provide choice for all Londoners he must build more affordable homes now.

- 2.24 The Committee notes that although the market has, since the 1980s, provided more new homes in London than the public sector, over the last decade the market has on average, built only around 13,500 homes each year. Whether it has the capacity to double this, and whether the industry would release homes on large developments any more quickly, is questionable. And it is still less likely that it could, or would, build the more than 30,000 additional homes (whether affordable or market) which the SHMA indicates are needed in London beyond those the Mayor is proposing to part-fund from public money.
- 2.25 Overall then, although the Mayor's ambition to build many more homes in London is very welcome, the Committee has doubts firstly about his capacity to deliver and secondly about the adequacy of his vision in tackling our housing crisis.

# 2.4 The 2015-18 Affordable Housing programme

- 2.41 The Committee notes the prospect of a more differentiated Affordable Housing product reflecting the differing needs of London's middle to low income residents. The Committee's recent report on council housing <sup>5</sup> urged the Mayor to undertake an assessment of the impacts of AR in London to inform decisions on the new affordable housing programme, as 80 per cent of market rate is unaffordable to many social tenants in London. In light of this it is gratified to note that half the new affordable rented (AR) homes (4,500) will be offered at rents below the standard AR 80 per cent of market rate. However, as noted above, the overall number of affordable homes is insufficient to meet needs and it is not clear whether the proposed mix of affordable homes is the right one to meet the needs of the targeted population.
- 2.42 The Strategy describes proposals to shift the emphasis for Affordable Homes towards Low Cost Home Ownership (LCHO), apparent in the ambition to quadruple the number of First Steps homes, yet the tenure balance to be funded under the coming programme for 2015-18 remains that of the current London Plan (40:60 LCHO to rent). This balance reflects the split of affordable home needs indicated over the coming twenty years in the SHMA (39 per cent "intermediate" against 61 per cent "social rent"). It would be helpful if the Mayor could confirm that the SHMA has taken into account the aspirational nature of home ownership in assessing forward tenure requirements. Assuming this is the case, the Committee would like to be clear at what point the Mayor intends to accelerate the pace of intermediate house-building and reduce that for social rent, contradicting his own evidence base which indicates that the current tenure split is the correct one over the next twenty years.
- 2.43 The Committee notes the Mayor's proposal to target AR homes at working households and agrees that this reflects the reality that the higher rents charged under AR are not affordable to many traditional social housing tenants in London. However, it

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<sup>&</sup>lt;sup>5</sup> Right to Build: What's Stopping Councils from Building More Housing?, London Assembly, October 2013

is concerned again that the "affordable" homes the Mayor proposes to build will not in future match the evidenced need.

- The Committee notes the intention for GLA to promote smaller homes at below 80 per cent of market rate which may help incentivise over-occupiers to downsize. The Committee's council housing report<sup>5</sup> indicated the barrier to downsizing represented by the lack of desirable yet affordable smaller properties. However, it is not clear exactly what is meant by GLA promoting this or the boroughs considering giving them priority, and will provide no comfort to the many larger London families who are living in overcrowded conditions and whose needs can only realistically be met within London if the Mayor supports the building of larger affordable homes. The Draft Strategy states that providers will be encouraged to make provision for 4-bed+ homes but does not identify any mechanism for this, despite this having been a key recommendation from the Assembly's early 2011 report on overcrowding in London's social housing. 6 Unless providers are incentivised, they are unlikely to build homes larger than the minimum requirement as the grant rate is per unit irrespective of size and larger homes cost more to build. The report noted that building one new 6-bed home has the potential to remove six households from housing need by freeing up larger homes down the chain and therefore recommends the Mayor expressly target the building of a small number of large family homes. Moreover, the Mayor proposes to build 1,620 3+ bed homes per year to be let at up to 80 per cent of market rent. The SHMA indicates an annual need of some 4,500 3+ bed homes at social rent, of which more than half need at least four bedrooms. So again, the evidence base suggests that more needs to be done.
- 2.45 There are a number of areas, then, where the Mayor needs to indicate far more clearly exactly how his proposed Housing Strategy will meet the need evidenced by his own Strategic Housing Market Assessment. Clarity is particularly needed with respect to any proposed new focus on Low Cost Home Ownership, the reason for apparently targeting the mid-market over those on lowest incomes and why, yet again, the need for larger homes is being disregarded.

# 2.7 Upgrading the housing stock

2.71 The Committee welcomes the expectation of a further year's Decent Homes funding (for 2015-16), though awaits confirmation of final figures. It is concerned, though that even the maximum expected grant rate per property appears to be lower than that under the previous round (around a 17 per cent cut from just over £18k per property to just over £15k). Furthermore, latest data returns from London boroughs indicate some 60,000 homes will remain non-decent in April 2015, yet funding appears to be available only for 9,500 homes. It seems that a large backlog of homes will remain non-decent even after this tranche of funding, leaving the boroughs facing the dilemma of whether to spend any available funds or borrowing capacity in their Housing Revenue Account to upgrade existing homes or build the new homes their rapidly growing populations desperately need. The Committee noted this concern in its council housing report<sup>5</sup> and urged the Mayor to lobby government for an extension of this funding

<sup>&</sup>lt;sup>6</sup> Crowded Houses, London Assembly, March 2011

<sup>&</sup>lt;sup>7</sup> Local Authority Housing Statistics Dataset, England 2012 to 13, Department for Communities and Local Government

stream. This need is particularly pressing in view of the shortfall in social rented homes noted above and the Mayor's welcome recognition that the boroughs *should become important players in the delivery of new homes*.

- 2.72 The Committee remains concerned that although the Mayor drew up and costed an enhanced Decent Homes Standard in 2010-11, no further funding has been forthcoming to support the implementation of this standard. The Draft Strategy indicates that boroughs receiving Decent Homes funding must have detailed plans for environmental improvement, a measure the Committee welcomes, but the Committee is concerned at the Mayor imposing this condition without offering any associated funding to support its fulfilment.
- 2.73 The Committee notes the Mayor's intention to look at supporting private landlords to improve the quality of their properties. The Committee welcomes this; its report last year on the private rented sector (PRS) recommended that the Mayor negotiate with government and the banks to establish a Decent Homes Fund for the PRS in London which would allow landlords to access low cost loans to improve their properties. It recommended that government review the viability of tax incentives to support condition upgrades. Other recommendations were that the Mayor identify properties in the PRS which could benefit from the Green Deal energy efficiency programme and inform landlords once offers become available and that the Mayor should ensure landlords have access to ECO funding streams. The Committee therefore looks forward to seeing how the London Rental Standard will take these ideas forward.
- 2.74 The Committee is pleased to see that the Mayor will consider contributing towards estate regeneration projects where this is deemed a better solution than refurbishment work. This was a recommendation of the Housing Committee's council housing report which noted that in some circumstances this would prove the best way to improve tenants' quality of life as well as forming part of a sound asset management strategy, providing a lasting solution instead of a sticking plaster. The same report also noted that demolition should only be pursued after full consideration of the wider social and environmental implications, and that the Mayor should complement this with lobbying for adequate funding to renovate and maintain existing buildings. The Committee awaits further detail on the mechanics of this regeneration work, funding levels and any associated conditions. It encourages the Mayor to include in any proposals the thrust of policy 1.4B from the 2011 Revised Housing Strategy (consultation draft) advocating that residents be empowered to play an active role in the design of new homes and spaces in their neighbourhoods. 9

# 2.8 Empty Homes

Despite the Mayor's stated commitment to bring more empty homes back into use, only eight empty London homes were brought back into use through the Mayor's programme in 2012-13 and a further 11 by December 2013. The Committee would like clarification therefore of how the Mayor proposes to turn the Empty Homes Programme around to

<sup>&</sup>lt;sup>8</sup> Rent Reform: Making London's Private Rented Sector Fit for Purpose, London Assembly, June 2013

<sup>&</sup>lt;sup>9</sup> London Housing Strategy (consultation draft), GLA, December 2011

meet its target that over 1,000 empty homes be brought back into use by March 2015. Although accurate data is difficult to collect, some 72,000 London homes were thought to be empty during 2012 of which around 24,000 were empty long-term (for more than six months), <sup>10</sup> more than half of the Mayor's new annual home-building target. The Mayor needs to do better on this issue, not just to meet his target but to ensure that this wasted resource is brought to bear in tackling our housing crisis. In order to do so, he should reinstate in this Strategy his policy 1.4E from the 2011 Housing Strategy (consultation draft) which stated that the involvement of the community, for example self-help organisations, in bringing empty homes back into use, should be promoted. <sup>11</sup>

# **Homes for London Part 3: Fulfilling the Covenant**

Supporting working Londoners

#### 3.2 A more structured intermediate market

The Committee welcomes the Mayor's commitment to reinvesting returns from the Housing Covenant into affordable home ownership.

# 3.3 Supporting home ownership

The Committee welcomes the Mayor's commitments both to amending the 50 per cent threshold to gaining a leaseholder right to manage and to change the treatment of mixed use buildings to permit the residential part to acquire the right to manage. These are both recommendations which the Committee made to the Mayor in its 2012 report on service charges. <sup>12</sup> In view of the large recent increase in the number of Londoners who are leaseholders (2011 Census data suggest this may have doubled from the 500,000 indicated in the 2001 Census), it would urge the Mayor to leverage the lobbying power of the many independent leasehold groups seeking to effect change on these issues. The Committee also reminds the Mayor of recommendations 2 and 3 of its 2012 report, relating to resolving issues around the impacts on leaseholders of Decent Homes funding and housing improvements without delaying the relevant programmes, neither of which he has addressed so far.

# 3.4 Recognising the importance of the private rented sector

3.41 The Committee notes the introduction of the London Rental Standard but questions how realistic the target of accrediting 100,000 landlords can be in such a highly buoyant private renting market, and whether 100,000 landlords is sufficient. There are an estimated 250,000 private landlords in London. Those who seek accreditation will inevitably be those least likely to operate sharp practices, leaving a long tail unaccredited, among whom many will be the rogue landlords London most needs to root out. The Committee also needs clarification on what discounts or incentives are actually to be offered to landlords in order to assess the merit of this proposal.

3.42 The Committee warmly welcomes government plans to improve the lettings agent market along with the Mayor's proposals with regard to longer tenancies within

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<sup>&</sup>lt;sup>10</sup> Empty Homes Statistics 2012, Empty Homes Agency Ltd

<sup>&</sup>lt;sup>11</sup> London Housing Strategy, GLA, December 2011, p29

<sup>&</sup>lt;sup>12</sup> Highly Charged, London Assembly, March 2012

the Assured Shorthold Tenancy framework, and improving fee transparency and means of independent redress, but again considers that this will not go far enough to curb the excesses of London's worst landlords, nor to provide adequate security and protection for all private tenants in London. As noted in the Committee's report on the private rented sector, the Mayor should lobby government to ensure that the implementation of the new Enterprise and Regulatory Reform Act ensures letting agents are subject to regulation that will lead to longer tenancies and reduce the cost of renting – see section 3.7 below for more on this. The Committee supports, though, the Mayor's intention to encourage major employers to invest in subsidised housing products to reduce the costs of renting for employees.

#### 3.6 Facilitating mobility

- 3.61 The Committee recognises the need to encourage appropriate mobility within the social sector, including discussing housing options with tenants subject to fixed-term agreements at the conclusion of their tenancy. However, it would not support any obligations imposed on social landlords associated with this proposal.
- 3.62 The Committee welcomes and supports the proposal that between five and ten per cent of all new GLA-funded rented homes be let on a pan-London basis. This measure should help social landlords to tackle their problem with overcrowding and may facilitate some inter-borough moves.

# 3.7 Towards a London rental policy

- 3.71 The Committee warmly welcomes the Mayor's suggestion that private sector landlords consider the use of longer tenancies tied in with greater certainty over rents. However, it fears that for this to become reality, a more forceful approach will be needed than simply inviting landlords' consideration. The Committee therefore urges the Mayor to elaborate in detail the measures he will adopt to enable this to happen and suggests that he base these measures on the Committee's own blueprint, as detailed in its 2013 report on the private rented sector.<sup>8</sup> It recommends that the Mayor expand social lettings agencies to incentivise landlords to provide stable rents and longer tenancies in return for access to measures that can lower their costs, such as reducing voids, guaranteeing rent payment and giving access to repairs services at advantageous rates. It also advocates that the Mayor lobby Government to increase the penalties for landlords who breach existing regulations governing private rented housing, which are, furthermore, an insufficient deterrent and too time-consuming to issue. And the Mayor needs to work in partnership with other stakeholders to strengthen tenants' rights, for example as regards tenant complaints procedures, promoting 'know your rights' information sources and cracking down on the scope for retaliatory eviction.
- 3.72 The Committee also reminds the Mayor that affordability was a key issue in its private rented sector report. The Draft Housing Strategy identifies the Get Living London development in the new East Village as a positive example of an arrangement combining longer tenancies with certainty over rent increases. The Committee supports this arrangement as a model of best practice and notes that other similar models were also advocated in its report on the private rented sector.

#### 3.8 Housing for older Londoners

- 3.81 The Mayor's published Draft Further Alterations to the London Plan<sup>13</sup> make a number of welcome references to measures advocated in the Housing Committee's November 2013 report on homes for older Londoners, <sup>14</sup> in particular setting out indicative annual targets for specialist housing for older people at a borough level and the promotion of the significance of decent housing for older people as a strategic health issue through the Health and Wellbeing Boards and the London Health Commission. The Committee is delighted that the Mayor has taken up its recommendations on this topic and urges him to reflect them in the final version of the London Housing Strategy too.
- 3.82 The Committee advocates that the Mayor also act on a number of further recommendations from its report, namely that:
- a) he should start work now on identifying how new supply of both affordable and market homes for older people can be stimulated after his current Care and Support Specialised Housing Fund ends in 2017-18. The Mayor should ensure his Housing Covenant with older Londoners is reflected in the final version of the Housing Strategy and develop policies to ensure the supply of homes is adequate to meet projected demand
- b) given the positive benefit that specialised homes for older Londoners provide in freeing up larger affordable and private housing, as well as the cost savings generated by residential care preventing future reliance on the health service, and given the flexibility the Mayor has to transfer funds between his housing budgets, the Mayor should consider allocating future underspends in existing budgets towards homes for older Londoners on low to middle incomes
- c) the Mayor should lobby Government for changes to Planning Use Classes that will prevent retirement housing from being treated in the same way as conventional housing in terms of liability for CIL and section 106. This might involve considering changes that would incentivise low- to mid-value market retirement homes for example by exempting the communal floor area from a range of planning obligations.
- 3.83 The Committee welcomes the funding already allocated to housing for older Londoners (through the Care and Support Specialised Housing Fund). Phase Two of this programme was intended to stimulate the supply of private market housing for older people through innovative approaches. The Committee is concerned, however, that this second phase has not yet delivered any commitments. The Committee would wish to see the Fund's objectives documented in the final Housing Strategy as well as an update on the Mayor's delivery intentions. As advocated in its report, it recommends that the Mayor engage actively with the community housing sector and its partners to co-design policy initiatives and project delivery arrangements, as well as considering funding a capacity-building programme for potential providers of innovative schemes.

<sup>14</sup> Homes for Older Londoners, London Assembly, November 2013

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 $<sup>^{13}</sup>$  Draft Further Alterations to the London Plan, GLA, January 2014

3.84 The Mayor should also review his Property Asset Strategy to establish whether any GLA land holdings would be suitable for innovative specialist housing, including the scope for models such as Community Land Trusts. The Assembly's Budget and Performance Committee will be investigating the disposal of GLA land during its March 2014 meeting, considering whether the GLA Group is getting best value from its disposals and examining whether disposals are aligned with wider Mayoral objectives, such as making land available for the delivery of specialist retirement housing.

# 3.9 Alleviating overcrowding

The Committee is very disappointed by the lack of new proposals in the Draft Housing Strategy on overcrowding. Overcrowding has been a persistent blight on London's housing provision. The Mayor has set himself the ambitious target of halving severe overcrowding in London by 2016. The latest GLA data published in the Draft Housing Strategy indicate a small drop in levels of overcrowding in London's social housing and the Deputy Mayor for Housing, Land and Property has indicated that he believes the change is statistically significant – even though DCLG does not accept that a similar drop at the national level is significant. 15 Furthermore levels of overcrowding have been on a steady upward trend since 2005<sup>16</sup> and none of our expert guests, except for the Deputy Mayor for Housing, Land and Property, reported that the situation is improving. The Mayor's London Overcrowding Board did not meet at all for a whole year in the period preceding our Autumn 2013 hearings (only finally convening again on 5 December 2013), suggesting that the Mayor is not according this vital issue the priority it deserves. The Committee therefore considers that the Mayor needs to redouble his efforts in this area to deal with overcrowding in a more robust manner. Supporting downsizing will go some way towards freeing up the larger homes London's families need, but the key to resolving the problem must involve the building of larger affordable homes. The Draft Housing Strategy notes that the Mayor encourages providers to make provision for much larger homes, but the Committee must stress once more that without the capital grant required economic realities dictate that this will remain a pipe dream. It reminds the Mayor particularly of recommendation 6 in its 2011 report on overcrowding, that he should revise his target for family-sized housing to reflect actual need, increasing it from 3+ to 4+ bedrooms.6

## 3.10/3.11 Tackling rough sleeping and Addressing statutory homelessness

The Committee is currently drafting a report summarising outcomes from its recent investigation into rough sleeping and homelessness. Experts at our meetings have welcomed the support provided by the *No Second Night Out* programme, primarily for its approach which is strategic, immediate and holistic. The Committee acknowledges the relative success of this programme, but is very concerned that this should not disguise the fact that the number of rough sleepers continues to rise in London. Reflecting the concern of all our expert guests, the Committee also warns that people sleeping on the street are only the tip of the homelessness iceberg. The Draft Housing

<sup>&</sup>lt;sup>15</sup> English Housing Survey Households Report 2011-12, Department for Communities and Local Government, July 2013, para 3.6

<sup>&</sup>lt;sup>16</sup> Indeed, the GLA's 2012 Evidence Base for the Housing Strategy notes that since the 1990s the trend in overcrowding has been upwards after falling for most of the 20<sup>th</sup> century

Strategy itself notes the steady rise since 2010 in London's statutory homelessness figures. Evidence submitted to the Committee consistently reports that changes to funding arrangements surrounding homelessness services, including the fragmentation of provision borough by borough, mean that London is not providing the range of services in the right places or the consistency of approach required to make an impact on the homelessness problem. The roots of homelessness extend well beyond a simple housing remit so an effective response needs equally to take a cross-cutting approach. The Mayor must confront this issue head-on and act more strategically, ensuring that we make best use of limited resources London-wide. This will require active management and some tough talking with the boroughs but it is the only way to make the necessary step change. The new Housing Strategy must detail how the Mayor plans to do this, reinstating and building upon the policies that were included in the 2011 Revised Housing Strategy (consultation draft). The Committee will publish the full findings of its work on rough sleeping and homelessness in Spring 2014.

# **Homes for London Part 4: Delivering the Vision**

Financing housing delivery

#### 4.1 A long-term financial settlement for housing

The Committee supports the findings of the London Finance Commission and would greatly welcome the long-term financial settlement for housing it seeks to achieve.

# 4.2 Further borrowing reforms

It warmly welcomes the Mayor's agreement with the Committee's unanimous recommendation from its council housing report that prudential borrowing for housing be treated differently from mainstream public borrowing and that the local authority borrowing caps be revised or preferably removed. Research underpinning the report demonstrated the boroughs' appetite for developing new homes and the Committee applauds the Mayor's recognition that they should become key players in their delivery. We look forward to receiving further details on the Mayor's proposal to manage the approval process for additional borrowing.

# 4.3 Devolving property taxes

The Committee supports the devolution of property taxes to London, noting that most capital cities have far greater financial autonomy than London. In its recent council housing report it supported the proposal of the London Finance Commission that stamp duty be retained in London to be used for the delivery of more affordable homes.<sup>5</sup>

# 4.5 London Housing Bank

The Committee is interested in the London Housing Bank proposals. It notes that a discussion paper is to be published and looks forward to contributing once this is available. In the absence of further detail at this stage, it would caution, though, that the considerable risks associated with public subsidy of private developers would need to be carefully assessed before any such arrangements are entered into and robustly managed during operations.

# 4.6 Making affordable housing assets work harder

4.61 The Committee wholeheartedly supports the principle of ensuring that public money invested in social housing is put to best use. It agrees that there may be scope to

assist smaller housing associations to realise latent development potential perhaps by pooling assets. However, the Committee would not wish to see all providers required to offer market housing, considering a mixed economy of provision to be beneficial.

4.62 The Committee agrees that providers may be encouraged to consider targeted disposals or lettings at market rent but would strongly oppose any attempts to micromanage their asset strategies by obliging them to make disposals or further constraining their rent-setting policies.

# 4.7/4.8 Regenerating the capital and Estate regeneration

In its report on council housing the Committee proposed that the GLA should develop its proposals to take an investment position to cashflow associated land assembly and infrastructure costs for council housing <sup>5</sup> and it would also support this principle in respect of other affordable housing developments, subject to the caveat noted in 4.5 above. The Committee expects to undertake an investigation into estate renewal over the Summer of 2014.

# 4.9 Twenty first century garden suburbs

In the context of our current housing crisis, the Committee welcomes the use of London's public sector-owned land for housing development. It cautioned, however, in its council housing report, that price should not be a barrier to local authorities or registered providers developing homes, including family-size properties, which will be truly affordable to their local communities.

#### 4.11 Housing Zones

The Mayor's proposal on Housing Zones is an interesting one and the Committee looks forward to responding to the discussion paper when it becomes available. However, it would be concerned if planning restrictions were further relaxed. The GLA's Draft Further Alterations to the London Plan<sup>13</sup> indicate that translating capacity into completions represents the greater challenge. Indeed, Molior's 2012 report for the GLA identified four key factors constraining development, including land availability, finance, the industry's own capacity and consistency and speed in planning.<sup>17</sup> This suggests that factors other than planning should be targeted for intervention in the proposed Housing Zones.

# 4.12 Bringing forward public sector land

The Committee welcomes the principle of the Mayor taking a longer-term partnership approach to the development of public sector land and the establishment of an exit strategy for inherited sites. However it is concerned that too sharp a focus on ease and speed of disposal may ultimately trump the quality or type of homes built. It is essential that London realise best public value from its land disposal, which means building the homes the capital needs rather than simply those which are most expedient or which will achieve the highest financial return. The Committee will be undertaking a short piece of work which bears on this in March 2014, looking at the concentration of the house-building industry in London and the Assembly's Budget and Performance Committee is also considering land disposal strategies in the same month.

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<sup>&</sup>lt;sup>17</sup> Barriers to Housing Delivery, GLA, December 2012

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#### Vietnamese

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#### Greek

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# Turkish

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## Punjabi

ਜੇ ਤੁਸੀਂ ਇਸ ਦਸਤਾਵੇਜ਼ ਦਾ ਸੰਖੇਪ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਲੈਣਾ ਚਾਹੋ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਇਸ ਨੰਬਰ 'ਤੇ ਫ਼ੋਨ ਕਰੋ ਜਾਂ ਉਪਰ ਦਿੱਤੇ ਡਾਕ ਜਾਂ ਈਮੇਲ ਪਤੇ 'ਤੇ ਸਾਨੂੰ ਸੰਪਰਕ ਕਰੋ।

#### Hindi

यदि आपको इस दस्तावेज का सारांश अपनी भाषा में चाहिए तो उपर दिये हुए नंबर पर फोन करें या उपर दिये गये डाक पते या ई मेल पते पर हम से संपर्क करें।

#### Bengali

আপনি যদি এই দলিলের একটা সারাংশ নিজের ভাষায় পেতে চান, তাহলে দয়া করে ফো করবেন অথবা উল্লেখিত ডাক ঠিকানায় বা ই-মেইল ঠিকানায় আমাদের সাথে যোগাযোগ করবেন।

#### Urdu

اگر آپ کو اس دستاویز کا خلاصہ اپنی زبان میں در کار ہو تو، براہ کرم نمبر پر فون کریں یا مذکورہ بالا ڈاک کے پتے یا ای میل پتے پر ہم سے رابطہ کریں۔

# Arabic

ال حصول على ملخص ل هذا المستند بل غتك، فرجاء الانتصال برقم ال انتف أو الانتصال على العنوان البريدي العادي أو عنوان البريد الالتروني أعلاه.

## Gujarati

જો તમારે આ દસ્તાવેજનો સાર તમારી ભાષામાં જોઈતો હોય તો ઉપર આપેલ નંજર પર ફોન કરો અથવા ઉપર આપેલ ૮૫ાલ અથવા ઈ-મેઈલ સરનામા પર અમારો સંપર્ક કરો.

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