

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2290

Title: London Housing Strategy 2018 – revised version following public consultation

Executive Summary:

Under the Greater London Authority Act 1999 (GLA Act) the Mayor is required to prepare, publish and keep under review a statutory London Housing Strategy (LHS). The LHS must contain the Mayor's proposals and policies for promoting the improvement of housing conditions in, and meeting the housing needs of, Greater London. It must also set out the Mayor's spending plans to support these proposals and policies. The Mayor also has a legal duty to assess the impact of these proposals and policies.

A draft LHS and draft impact assessment were approved for consultation by MD2168. This public consultation was carried out for 12 weeks between 6 September and 7 December 2017. The responses to this consultation are summarised in the consultation response report and revisions to the draft LHS and draft impact assessment have been proposed to take account of the responses.

Approval is sought to agree the content of the revised LHS, and, following consideration by the London Assembly and the Secretary of State for Housing, Communities and Local Government, to formally adopt it.

Decision:

That the Mayor:

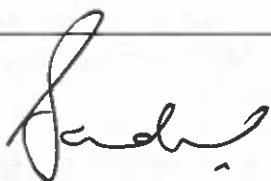
1. Approves the content of the revised LHS, attached at Appendix 1, having regard to the consultation responses as summarised in the report in Appendix 2, and approves the revised impact assessment, attached at Appendix 3;
2. Agrees that the consultation response report, revised LHS and the revised impact assessment be published on the Authority's website, including for consideration by the London Assembly;
3. Agrees that the revised LHS be submitted for consideration to the Secretary of State for Housing, Communities and Local Government, following consideration by the London Assembly and subject to the revised LHS not being rejected by the Assembly; and
4. Agrees to adopt the revised LHS as the final statutory strategy, subject to the Secretary of State for Housing, Communities and Local Government not directing the Mayor to amend the revised LHS.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

8/5/18

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

Context

- 1.1 The Mayor's existing statutory powers and responsibilities with regard to the LHS are set out in the GLA Act. The key provisions are as follows:
1. That the Mayor must prepare, publish and keep under review, a statutory London Housing Strategy.
 2. That this strategy should set out his assessment of housing conditions in London and the need for further housing provision, his policies and proposals to meet needs and improve housing conditions and measures that other bodies are to be encouraged to take to achieve the aims of the strategy.
 3. That he must set out a statement of his spending proposals for the spending round.
 4. That these proposals should include his proposals as to how the GLA will provide financial assistance for housing, the amount of housing financial assistance to be given for different activities or purposes and the number, type and location of houses to be provided by means of this housing financial assistance.
 5. That these proposals should also include a statement of how much should be allocated to boroughs and his expectations as to how the boroughs will use the money granted to them.
- 1.2 The previous Mayor published London's first statutory LHS in February 2010 and the second in June 2014.
- 1.3 The Mayor is legally obliged to produce an impact assessment to inform the development of the LHS. Expenditure for producing a draft impact assessment was approved by ADD2114.

The draft London Housing Strategy

- 1.4 The draft LHS and draft impact assessment were approved for consultation by MD2168. The Mayor publicly consulted on these documents for 12 weeks between 6 September and 7 December 2017.
- 1.5 The draft LHS covered the following:
1. About this document:
 - a. Describes the statutory role of the strategy, the relationship with other strategies, the process for developing policies and proposals and how to respond to the consultation.
 2. Housing in London and the Mayor's vision:
 - a. The roots of the housing shortage and evidence relating to affordability, housing tenure, homelessness and housing need, the condition of London's homes and neighbourhoods and the economic and social costs of the capital's housing crisis;
 - b. The Mayor's vision for housing.
 3. Building homes for Londoners:
 - a. Increasing the supply of land for new homes, including through greater intensification, higher densities, co-location of different uses and through the Mayor's proactive intervention in the land market;
 - b. Investment to support housing delivery and infrastructure;
 - c. Diversifying the homebuilding industry to increase capacity and speed up delivery;
 - d. Increasing the capacity of the industry, including by addressing the construction skills gap and modernising construction methods.

4. Delivering genuinely affordable homes:
 - a. The Mayor's definition of genuinely affordable homes;
 - b. Increasing delivery of affordable homes in order to achieve the Mayor's long term strategic target for half of new homes built in London to be affordable;
 - c. Protecting London's existing affordable homes.
5. High quality homes and inclusive neighbourhoods:
 - a. Delivering well-designed, safe and good quality and environmentally sustainable homes;
 - b. Meeting London's diverse housing need;
 - c. Working with partners to encourage new housing delivery that involves Londoners and earns their support.
6. A fairer deal for private renters and leaseholders:
 - a. Improving standards for private renters;
 - b. Improving affordability and security for private renters;
 - c. Reforming and improving the leasehold sector.
7. Tackling homelessness and helping rough sleepers:
 - a. Preventing homelessness in all its forms, and supporting those who become homeless into sustainable accommodation;
 - b. Supporting rough sleepers off the streets as quickly and sustainably as possible.

The purpose of this decision

- 1.6 This decision is for the Mayor to approve the content of the revised LHS and associated documents, having regard to the consultation responses as summarised in the report in Appendix 2, and to agree to publish these documents for consideration by, firstly, the London Assembly and, secondly, the Secretary of State for Housing, Communities and Local Government. This decision is also for the Mayor to adopt the revised LHS as the final statutory strategy, subject to the revised LHS not being rejected by the Assembly and the Secretary of State not directing amendments to the revised LHS.
- 1.7 After the approvals set out in this decision have been obtained, there may be minor proofing and formatting changes to the revised LHS and the associated documents referenced in this decision. Any such minor changes would be approved by the Deputy Mayor for Housing and Residential Development. Were there any material changes, the documents would be re-submitted for approval by Mayoral Decision prior to review by the Assembly and Secretary of State.

2. Objectives and expected outcomes

- 2.1 The expected outcomes of this decision are that Mayoral approves:
 1. The revised LHS, having regard to the consultation response report, and the revised impact assessment;
 2. The laying of the LHS before the London Assembly as per s42B the GLA Act and SO 3.19 the GLA's Standing Orders at their meeting on 4 June 2018. The publication of the revised LHS is likely to be accompanied by publicity and press release, which will be clear that the strategy is subject to due process, as set out in the GLA Act, prior to being adopted as the final statutory strategy;
 3. Subject to the Assembly not rejecting the revised LHS under s42B of the GLA Act, the presentation of the revised LHS for consideration by the Secretary of State for Housing, Communities and Local Government under s.333B of the GLA Act; and
 4. Subject to the Secretary of State not directing amendments to the revised LHS, the adoption of the LHS as the final statutory strategy for implementation.

3. Equality comments

- 3.1 Section 149(1) of the Equality Act 2010 provides that, in the exercise of their functions, public authorities must have due regard to the need to:
1. Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
 2. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 3. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 3.2 Protected characteristics under the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (the duty in respect of this last characteristic is to eliminate unlawful discrimination only).
- 3.3 The obligation in section 149(1) is placed upon the Mayor, as decision maker. Due regard must be had at the time a particular decision is being considered. The duty is non-delegable and must be exercised with an open mind.
- 3.4 An impact assessment of the policies in the LHS has been undertaken with support from suitably qualified consultants. The impact assessment includes an Equalities Impact Assessment. This evaluates, amongst other things, the likely potential impacts, both positive and negative, of the LHS on those with protected characteristics. It finds that LHS policies are likely to have broadly positive benefits in relation to social and economic sustainability objectives such as improving health, reducing inequalities, increasing accessibility, and economic development. It draws the following broad conclusions for the protected characteristics set out in the Equality Act:
1. Age:
 - Young people are likely to benefit from policies and proposals aimed at: increasing the supply of homes (particularly genuinely affordable homes); investing in intermediate housing options; encouraging under-represented groups into the construction sector; improving the private rented sector; and preventing and addressing homelessness.
 - Children are likely to benefit from policies and proposals aimed at: increasing the supply of new homes (particularly genuinely affordable homes and homes in and around town centres); supporting social tenants to downsize where they wish to do so; maintaining London's space standards; improving protections for residents affected by estate regeneration; improving the energy efficiency and accessibility of homes; and improving the private rented sector.
 - Older people are likely to benefit from policies and proposals aimed at: increasing the supply of specialised and supported housing for older people, and homes in an around town centres and with appropriate social infrastructure; supporting social tenants to downsize where they wish to do so; and improving the energy efficiency of existing homes. Older people are less likely to benefit from investment in affordable home ownership products.
 2. Disability:
 - Households containing people with disabilities are likely to benefit from policies and proposals aimed at: investing in specialised and supported housing, and requiring new homes to be accessible; delivering homes in an around town centres and alongside social infrastructure; supporting social tenants to move where they wish to do so; improving protections for residents affected by estate regeneration; and improving the energy efficiency of existing homes.
 - Increasing the supply of new affordable and specialist housing may benefit those with mental health issues.

3. Gender reassignment:
 - Limited availability of data made it difficult to reliably assess potential impacts of LHS policies on groups with this protected characteristic. Transgender people may benefit from funding for specialised housing for those who are LGBT+, and also from a requirement that all social landlords ensure their services are inclusive of this group.
4. Pregnancy and maternity:
 - Limited availability of data made it difficult to identify the impact of LHS policies on groups with this protected characteristic, beyond those affecting households with children. Pregnant women and babies are likely to benefit from policies and proposals aimed at improving the energy efficiency of homes and improving the accessibility of homes.
5. Race:
 - Black, Asian and minority ethnic (BAME) groups are likely to benefit from policies and proposals aimed at: increasing the supply of homes (particularly genuinely affordable homes); improving protections for residents affected by estate regeneration; supporting social tenants to move where they wish to do so; encouraging under-represented groups into the construction sector; improving the energy efficiency of homes; improving the private rented sector; and preventing and addressing homelessness and rough sleeping.
 - Gypsies and Travellers are likely to benefit from funding for new pitching sites and improvements to existing sites being made available through the Mayor's Affordable Homes Programme.
 - LHS policies will mean that non-UK nationals living outside the UK are likely to find that their opportunities to buy homes in London priced at £350,000 or less are reduced by measures to ensure that these homes are first marketed to Londoners. However, these measures may also improve the opportunities for Londoners who are non-UK nationals or from BAME backgrounds to buy such homes.
6. Religion or belief:
 - Limited available of data made it difficult to reliably assess potential impacts of LHS policies on group with this protected characteristic. To the extent that households with some religious beliefs belong disproportionately to BAME groups, they are likely to experience impacts identified for those from BAME backgrounds above. Some groups with religious beliefs are disproportionately affected by overcrowding, and are likely to benefit from policies and proposals to increase the supply of new homes, support social tenants to move where they wish to do so and alleviate overcrowding.
7. Sex:
 - Women are likely to benefit from policies and proposals aimed at: increasing the supply of homes (particularly genuinely affordable homes); improving protections for residents affected by estate regeneration; improving the energy efficiency of homes; improving the energy efficiency of homes; and preventing and addressing homelessness and rough sleeping (particularly measures aimed at victims of domestic abuse and violence against women and girls).
8. Sexual orientation:
 - Limited availability of data made it difficult to identify the impact of LHS policies on groups with this protected characteristic. Those who identify as LGBT+ may benefit from policies and proposals to prevent and address homelessness, to fund specialised housing for those Londoners identifying as LGBT+ and to require all social landlords to ensure their services are inclusive.
9. Marriage and civil partnership:
 - The assessment did not find that the policies and proposals risk adversely impact those who possess this characteristic.

- 3.5 The impact assessment has informed the development of the LHS and was updated following revisions to the draft LHS and to consultation feedback, as set out below. The revised impact assessment is presented in Appendix 3.

4. Other considerations

a) Key risks

- 4.1 The GLA must demonstrate that it has paid due regard to consultation feedback in producing the revised LHS. The accompanying consultation response report summarises responses received to the public consultation and makes recommendations for revisions to the draft strategy, which have been implemented in the revised LHS. Copies of stakeholder representations have also been made available to the Mayor and his team.

b) Links to Mayoral strategies and priorities

- 4.2 The production of the revised strategy, and the associated impact assessment, is part of the statutory process for adopting the final LHS.
- 4.3 The revised LHS has been developed in conjunction with colleagues from across the GLA to ensure consistency in strategic policy direction. The revised LHS includes appropriate references to policies and proposals in other Mayoral strategies, where relevant.
- 4.4 There is a particularly strong inter-relationship between the LHS and the London Plan, which is the Mayor's statutory spatial development strategy. The draft London Plan was subject to public consultation between 1 December 2017 and 2 March 2018. GLA officers have worked closely to ensure consistency between the draft and revised LHS and the draft London Plan.

c) Impact assessments and consultations

- 4.5 The publication of the draft LHS was advertised to the public and stakeholders through Mayoral statements and press coverage, email notification sent to a wide range of key partners, a City Hall blog, social media and through the GLA website.
- 4.6 The GLA has engaged extensively with Londoners on the Mayor's housing policies, including through two surveys and online discussions on the Talk London website. Talk London is an online community designed to put Londoners at the centre of GLA strategies and plans, by involving them in sustained and meaningful consultations that generate insights, feedback and actions to improve London.
- 4.7 During the consultation period, GLA organised two identical events on 4 and 13 October 2017 which provided opportunities for representatives of organisations to discuss the draft LHS. A separate event was also co-hosted with Homeless Link on 17 November 2017 for organisations involved in tackling homelessness and rough sleeping. A total of 141 organisations were represented across these three events. GLA officers also attended 57 different meetings and events to discuss the LHS with a wide range of organisations with an interest in housing in London, which included housing associations, local authorities, developers, voluntary and charitable sectors, and academic and research institutions.
- 4.8 In preparing or revising the LHS, the Mayor has legal duties to consider the following:
1. Economic development and wealth creation (GLA Act, as amended);
 2. Social development (GLA Act, as amended);
 3. The Mayor's other statutory strategies, national policies, and the strategy's consistency with these (GLA Act, as amended);

4. Health inequality and promoting Londoners' health (GLA Act, as amended);
5. Community safety (Crime and Disorder Act 1998, Police and Justice Act 2006); and
6. Equality of opportunity, elimination of discrimination and the promotion of good community relations (GLA Act 1999, as amended, Equality Act 2010).

- 4.9 As set out above, an impact assessment has been carried out by GLA officers with support from suitably qualified consultants. Consultation on the draft impact assessment and draft LHS took place in tandem.
- 4.10 The public consultation on the draft LHS involved extensive engagement with Londoners and partner organisations, including via surveys, online discussion threads, press and social media and a series of events and meetings. Responses were received from over 2,000 members of the public and over 200 organisations.
- 4.11 The Mayor's proposals to address London's housing crisis were largely supported by respondents. As a result, no significant policy changes have been made to the revised LHS [Appendix 2]. However, a range of amendments and additions to the draft LHS were suggested by respondents, which are considered in detail in the consultation response report [Appendix 1]. The consultation response report also sets out recommendations to the Mayor to respond to consultation feedback; which have been incorporated into the revised LHS. These recommended changes include:
1. Committing to investigate the long-term potential of additional public investment to support a large-scale municipal housebuilding programme;
 2. Incorporating an additional chapter to bring together the roles that the revised strategy envisages the Mayor and others playing to support its delivery, alongside what the Mayor and a broad alliance believes London needs from Government to truly deliver his vision. This includes a significant increase in funding to support housing delivery;
 3. Committing to explore how rents of Build to Rent homes can be monitored over time, recognising that consistent data on affordability of new Build to Rent homes is currently unavailable;
 4. Promoting the Good Work Standard to construction employers once it is operational;
 5. Promoting standardisation of precision-manufactured homes and its components. This will enable more consistency across the industry and support the aggregation of demand;
 6. Updating the strategy to reflect the additional £1.67 billion investment negotiated with Government to start 26,000 additional genuinely affordable homes in London by 2022;
 7. Setting out the Mayor's intention to promote the use of resident ballots in estate regeneration schemes where affordable homes are being demolished, as reflected in the Mayor's final Good Practice Guide to Estate Regeneration and subject to a separate consultation;
 8. Reflecting the additional £36m secured by the Mayor for the Care and Support Specialist Housing funding;
 9. Committing to work with community-led housing organisations to identify a pipeline of schemes by 2021 that have the capacity to deliver at least 1,000 homes;
 10. Including the details of a 'first dibs for Londoners' offer made by the homebuilding industry, which the Mayor has welcomed;
 11. Clarifying that the Mayor is willing to work with Government on the implementation of the Homelessness Reduction Act, including bringing agencies together to assist implementation where he considers this to be helpful;
 12. Incorporating proposals for a pan-London approach to refuge provision, which would make it more feasible to commission the specialist refuge provision that the capital is currently lacking.
- 4.12 Few responses to the consultation specifically commented on the impact assessment. This assessment has been revised in light of consultation feedback and changes to the draft LHS [Appendix 3].

- 4.13 Consultation has also taken place within the GLA with officers who are producing other Mayoral strategies, members of the Corporate Investment Board and Deputy Mayors.

5. Financial comments

- 5.1 There are no direct financial implications as a result of this MD.

6. Legal comments

This section deals with legal issues not covered elsewhere in this decision form.

Contents of the London housing strategy

- 6.1 The Mayor is required to prepare and publish a London housing strategy under section 333A(1) of the Greater London Authority Act 1999 (GLA Act). Section 333A(2) of that Act provides that the Strategy must include the Mayor's assessment of housing conditions in Greater London and of the needs of Greater London with respect to the provision of further housing accommodation.
- 6.2 Section 333A(2) of the GLA Act also provides that the London housing strategy must set out any proposals or policies of the Mayor to promote the improvement of housing conditions and the meeting of housing needs (as assessed by the Mayor); a statement of the measures which other persons or bodies are to be encouraged by the Mayor to take for the purpose of improving those conditions and meeting those needs; and a statement of the Mayor's spending proposals for the relevant investment round.
- 6.3 The Mayor's spending proposals must include proposals as to the exercise by the Authority of its functions of giving housing financial assistance, and a recommendation to the Secretary of State as to how much of the money allocated by him during the relevant investment round for housing in Greater London should be granted to each local housing authority in Greater London. Under section 333A(5) of the GLA Act, the London housing strategy must contain a statement of the Mayor's expectations as to how local housing authorities will use any money granted to them by the Secretary of State.
- 6.4 The revised LHS complies requirements of section 333A(2) of the GLA Act.

Matters to which the Mayor should have regard

- 6.5 Section 41 of the GLA Act: in preparing or revising the London housing strategy under section 41 of the GLA Act, the Mayor must have regard to the need to ensure that the London housing strategy is consistent with national policies, other statutory strategies, the resources available for the implementation of the Strategy and the desirability of promoting and encouraging the use of the River Thames safely for the provision of passenger transport services and for the transportation of freight. He must also include in the strategy such of the available policies and proposals as he considers are best calculated to promote improvements in the health of persons in Greater London, to promote the reduction in health inequalities between such persons, to contribute towards the achievement of sustainable development in the UK and to contribute towards the mitigation of or adaptation to climate change, and the consequences of climate change in the UK.
- 6.6 The Mayor is also required to have regard to the economic development and wealth creation, social development and improvement of the environment in Greater London as well as the effect which the proposed replacement would have on the health of persons in Greater London; and the achievement of sustainable development in the United Kingdom.

Community Safety

- 6.7 Under the Crime and Disorder Act 1998, the GLA has to do all it reasonably can to prevent crime and disorder.

Consultation on the Draft LHS

- 6.8 When approving the contents and publication of the revised London housing strategy under this Mayoral Decision, the Mayor must take into account and have regard to the consultation responses as set out and summarised in the appendices to this form.

Further process

- 6.9 Under section 42B of the GLA Act, where the Mayor has prepared, and is ready to publish a draft London housing strategy, he must, before submitting the draft to the Secretary of State, lay a copy of the draft before the London Assembly in accordance with standing orders of the Authority. The relevant standing order is 3.19. The Mayor must not submit the draft strategy to the Secretary of State if, within a period of 21 days beginning with the day on which the copy is laid before the Assembly, the Assembly resolves to reject the draft.
- 6.10 Under section 333B of the GLA Act, the Mayor must not publish the London housing strategy unless he has submitted to the Secretary of State a draft of the strategy he intends to publish together with a statement of that intention. Following submission of the draft strategy to the Secretary of State, the Mayor is prohibited from publishing the strategy unless the consideration period of six weeks has expired without the Secretary of State giving the Mayor a direction to modify it, to ensure it is consistent with national policies, and that its implementation would not be detrimental to the interests of a region which adjoins Greater London.

Delegation

- 6.11 Under section 38 of the GLA Act, the Mayor may delegate authority to any member of staff of the GLA to exercise any function of the Authority on his behalf. Accordingly, he may delegate authority to the Executive Director Housing and Land and the Deputy Mayor for Housing, Land and Property to make any non-material changes to the Draft LHS as considered appropriate following approval of this Mayoral Decision form.

7. Planned delivery approach and next steps

Activity	Timeline
Publication of consultation response report, revised LHS and revised impact assessment	21 May 2018
Revised LHS laid before London Assembly	4 June 2018

Appendices and supporting papers:

Appendix 1: Revised London Housing Strategy

Appendix 2: London Housing Strategy consultation response report

Appendix 3: Revised London Housing Strategy impact assessment

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason:

The revised LHS and accompanying documents, as set out in this report, will be published for consideration by the London Assembly in advance of their meeting on 4th June. Until then, these documents are still in draft form and, while unlikely, the content could change before publication (notwithstanding that material changes would require further approval). The documents should therefore not be made available until the date that they are published for consideration by Assembly.

Until what date: 21 May 2018

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Scott Bryant has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

David Lunts has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

James Murray has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 8 May 2018.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

Date 08.05.18

TOM MIDDLETON ON BEHALF OF MARTIN CLARKE

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

Date 8/5/2018

D. Bellamy