

Subject: Housing Committee: Legacy Report, 2012 – 2016

Report to: Housing Committee

Report of: Executive Director of Secretariat

Date: 23 February 2016

This report will be considered in public

1. Summary

- 1.1 This report sets out the Housing Committee's priorities, publications and additional work during the current Mayoral and Assembly term. It also summarises site visits undertaken by the Committee in conjunction with its investigations and provides an overview of media coverage received during this period.

2. Recommendation

- 2.1 **That the Committee notes the report.**

3. Background

- 3.1 Renting or buying, housing is a priority policy area for many Londoners. The London Assembly's Housing Committee holds the Mayor to account for the delivery of his Housing Strategy.¹ The Committee monitors the number of new homes built, the mix of tenures and the impact of welfare reform on the housing sector in London. The Committee continues to review the levels of protection provided to those who rent and investigates the housing situation of those most in need such as rough sleepers or people in sheltered accommodation.
- 3.2 This legacy report provides an overview of the Committee's work and impact over the Mayoral and Assembly term 2012-2016. The Committee has produced nine reports over the course of the term, written a series of letters to the Mayor and central Government responding to proposed changes in policy, and organised a number of site visits and informal briefings to hear the views of external partner organisations.

¹ Between 2012 and 2013, the Committee scrutinising housing matters for the Assembly was called the Housing and Regeneration Committee. From 2013 onwards, a separate Committee was established.

4. Issues for Consideration

Future Priorities

- 4.1 Inevitably, many of the issues we have considered will remain priorities for the next Assembly. Particular priorities at the end of this Assembly session include:
- New ways of financing affordable homes to rent;
 - Supporting those on modest incomes who wish to buy to get their foot on the property ladder;
 - Better support for those renting in the private sector, and in particular those households with dependents;
 - Ensuring that those people living on estates have a voice in any plans for redevelopment; and
 - Ensuring that the next Mayor actively supports those in severe need - such as the homeless, those seeking sheltered or supported housing and those suffering severe overcrowding (including many in the Gypsy and Traveller communities).

Reports

Housing Associations and the Delivery of Affordable Housing in London

- 4.2 In June 2013 the former Housing and Regeneration Committee published 'Housing Associations and the Delivery of Affordable Housing in London',² which identified current problems facing housing associations. The resulting issues paper warned of concerns that the new 'Affordable Rent' model – which allows housing associations to charge rents of up to 80 per cent of the market rate – could result in a sharp rise in rent arrears and potentially higher borrowing costs. It also raised concerns over whether the Mayor's commitment to deliver 17,000 affordable rent homes by 2015 would be met.

- 4.3 The Committee also warned of a social housing gap (as it found that many housing associations will not be able to afford to deliver new housing at traditional social housing rents), requested clarity on where funding will come from in future and called on the Mayor to support tenants in holding housing associations to account. In November 2015 this important topic was revisited with a site visit and meeting which provided an update on developments since the 2013 report and looked forward to the future of affordable housing in light of the Housing and Planning Bill and other proposed policy changes.

Rent Reform: Making London's Private Rented Sector Fit for Purpose

- 4.4 In 2013 the Housing and Regeneration Committee conducted an investigation looking at ways to better regulate and stabilise the private rented sector (PRS). A report³ published in June 2013 called for a package of reforms to help banish rogue landlords from the capital's rental market. Measures (which were not supported but all Members) discussed in the report included looking at stabilising rents, enforcing landlord registration, higher penalties for breaching regulations and

² The full report can be found on the Greater London Authority's website here:

https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/Housing%20Associations%20and%20the%20Delivery%20of%20Affordable%20Housing%20in%20London%20final.pdf

³ The full report can be found on the Greater London Authority's website here:

<https://www.london.gov.uk/sites/default/files/Rent%20Reforms%20-%20Making%20the%20Private%20Rented%20Sector%20Fit%20for%20Purpose%20Final.pdf>

issuing longer tenancies. The report also recommended measures to benefit landlords, including the ability to access low-cost loans to improve rental properties.

Right to Build: What's Stopping Councils from Building More Housing?

4.5 In March and April 2013, the Housing and Regeneration Committee considered the building of, and the future of council housing in London over the course of two meetings. The Committee aimed to identify how council housing could help to boost the supply of decent affordable homes, both through new build and improvement of existing stock, and heard from a wide range of housing and regeneration experts. The University of Westminster was commissioned by the Committee to undertake a piece of research which reviewed the options available to boroughs to develop and refurbish council homes in light of the recent introduction of a self-financing regime to Housing Revenue Accounts.⁴

4.6 A report,⁵ published in October 2013, called for a variety of aids, including lifting caps on council borrowing, to help Local Authorities build more affordable homes. The research conducted for the report showed most London councils would like to see the caps lifted. The report also warned that despite councils having a good record of sustainable borrowing, the current caps on borrowing imposed by HM Treasury – to limit national debt – meant that London boroughs are torn between their need to invest in improving current housing standards and building housing suitable for low-income households.

Homes for Older Londoners

4.7 Beginning in June 2013, the Housing Committee undertook a review of London's specialist housing provision for older people. The investigation included a visit to a specialist housing facility operated by a housing association which allowed Members to discuss the issues with providers and users. They then discussed potential solutions with a range of experts at the July 2013 meeting.

4.8 *Homes for Older Londoners*,⁶ a report published in November 2013, called for the Mayor to push for more specially built retirement housing to accommodate an expected doubling of the number of Londoners over 85 over the next twenty years. The report argued that specially designed housing – combining self-contained homes with access to on-site support and care – would improve independence and quality of life for residents, reduce costs to the National Health Service by reducing avoidable accidents and freeing-up much needed family homes.

Assessing the Consequences of Welfare Reform

4.9 In December 2013, the Committee hosted a seminar to hear from experts what effect welfare reforms were having on those who were entitled to receive Housing Benefit. The seminar featured presentations from the Department for Work and Pensions, the G15 group of housing associations, London Councils and the homeless charity Broadway, while other attendees included representatives from local authorities, housing associations and developers and third sector groups.

4.10 A report published in April 2014 pressed the Mayor to produce better quality monitoring data and to lobby for a continuation of a pot of government funding to help councils make discretionary

⁴ The full report can be found on the Greater London Authority's website here: https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/Commissioned%20Research%20-%20Innovative%20Options%20for%20Building%20and%20Refurbishing%20Council%20Homes.pdf

⁵ The full report can be found on the Greater London Authority's website here: <https://www.london.gov.uk/sites/default/files/Council%20Housing%20Report.pdf>

⁶ The full report can be found on the Greater London Authority's website here: https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/Final%20draft%20report%2026%20November%20%28Recovered%29_0.pdf

transitional payments to support households adjust to the new benefits regime. The Committee has continued to monitor the effects of welfare reform throughout the following two years and again questioned the Deputy Mayor for Housing, Land and Property, in March 2015, on the consequences of welfare reforms for those in social housing.

No Going Back: Breaking the Cycle of Rough Sleeping and Homelessness

- 4.11 In July 2014, the Committee published *No Going Back: Breaking the cycle of rough sleeping and homelessness*,⁷ a review of the Mayor's programmes for tackling the rising numbers of people who sleep rough on London's streets. The investigation included two formal meetings and a site visit to a homeless hostel. Recommendations focused on how to improve pan-London commissioning of services to support single homeless people and also how to ensure better support from the health sector for those living on the streets who might have complex needs such as substance abuse and mental illness.

Knock it Down or Do it Up? The Challenges of Estate Regeneration

- 4.12 The Committee held two meetings and undertook a site visit to the Clapham Park social housing estate to assess the relative benefits of estate demolition and refurbishment. There was a particular emphasis on the views and experiences of estate residents, considering particularly how residents could be involved and consulted and how non-financial considerations may be factored in to the decision-making. The second meeting was a public consultation, with representatives from a wide pool of council estates were invited to attend and discuss issues for residents arising from regeneration programmes.

- 4.13 The subsequent report,⁸ published in February 2015, was designed to provide a guide for community groups, councillors and housing professionals, highlighting some of the best ways to work together to regenerate estates. The report generated a strong and positive response and the Committee continues to receive enquiries about it.

First Steps on the Ladder? An Appraisal of Shared Ownership in London

- 4.14 The Committee agreed to examine affordable home ownership in November 2014, with a view to considering how the affordable home ownership market is structured and discussing the challenges for housing associations, local authorities, the Greater London Authority and potential buyers around increasing levels of ownership. Following an extensive investigation, the report,⁹ published in June 2015, highlighted how difficult it can be for low-to-middle income households to access shared-ownership housing, with many finding themselves priced out of schemes in London.

- 4.15 The report recommended that the Mayor consider how to retain the long-term affordability of shared ownership homes as part of his investment programmes, and also that he develop alternative models of affordable ownership – such as Community Land Trusts.

Rent Stabilisation

- 4.16 During the course of this Mayoral term, the PRS has become the catch-all housing sector, soaking up the households that have been squeezed out of the social housing sector or home ownership. There are too few council-owned properties to house all social tenants, so many are housed by their

⁷The full report can be found on the Greater London Authority's website here:
https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/FINAL%20-Rough%20sleeping%20%20homelessness%20report%2010%20Sept%202014.pdf

⁸ The full report can be found on the Greater London Authority's website here:
https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/KnockItDownOrDoltUp_0.pdf

⁹ The full report can be found on the Greater London Authority's website here:
https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/First%20Steps%20On%20The%20Ladder_0.pdf

council in private rented properties, while rising house prices have forced increasing numbers of potential homeowners to remain PRS. With these issues in mind, the Housing Committee agreed to investigate potential remedying measures for the PRS, by undertaking an investigation into rent stabilisation.

- 4.17 The Cambridge Centre for Housing and Planning Research conducted new research and undertook modelling which looked at landlord attitudes to a range of rent stabilisation measures. This research influenced discussions over the course of two Committee meetings and has formed the basis of a report, in draft at the time of writing.

Housing Committee responses to consultations or other proposed policy changes

- 4.18 In February 2014 the Mayor published a draft Housing Strategy which was considered by the Housing Committee. The Committee's response welcomed the adjustments that had been made to the building levels that were required in order to meet London's housing needs. However, it raised concerns that the strategy was still not ambitious enough and noted that the new figures fell short of those quoted in the Mayor's own Strategic Housing Market Assessment and of those quoted in other independent assessments. The Committee's response was also critical of the draft Housing Strategy's lack of focus on solutions for issues such as overcrowding, homelessness and rough sleeping.¹⁰
- 4.19 The issue of how to encourage *more* small- and medium-sized enterprise (SME) construction companies to deliver housing was the subject of the Committee's meeting in March 2014. A letter outlining the Committee's concerns was sent to the Mayor, and asked him to parcel public land into smaller sites prior to disposal, with some sites specifically reserved for small builders and to ensure greater transparency to see who is buying land in London through the London Development Panel - where and for how much.¹¹
- 4.20 The Committee has pressed the Mayor and central Government for action across a wide range of topic areas. In October 2014 the Committee heard from members of the Gypsy and Traveller communities about the difficulties they face in locating appropriate accommodation and the ongoing prejudice they perceive. A letter was sent to the Mayor outlining a set of actions he should take including working with the boroughs on a pilot scheme for London to make land available for short-term Gypsy and Traveller sites modelled on the toleration scheme in Leeds and to encourage fairer waiting list practices.¹²
- 4.21 The Committee's investigation into purpose built student accommodation in London resulted in a letter to the Mayor which made recommendations for improvements to the Draft Interim Housing Supplementary Planning Guidance. These recommendations focused on the need to disperse student accommodation more widely across London and on the problem of affordability. The Members suggested measures designed to reduce costs for students. Among these were suggestions that the

¹⁰ The consultation response can be found on the Greater London Authority's website here: https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/London-Assembly-response-to-Draft-Housing-Strategy-FEB14.pdf

¹¹ The letter may be found on the Greater London Authority website here: https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/London%20Assembly-Letter%20to%20the%20Mayor-diversify%20housebuilding%20industry_0.pdf

¹² The letter may be found on the Greater London Authority website here: https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/Gypsy%20and%20Traveller%20site%20provision%20-Letter%20to%20Mayor_0.pdf

Mayor should lobby Transport for London to reduce travel costs for students and encourage developers to build lower costs rooms (with shared facilities).¹³

Site visits and other activity

- 4.22 The Committee has conducted a number of site visits to hear the views of people at their place of work or in their homes, in support of specific reviews or investigations. Recent visits include to Gypsy and Traveller camps, to a homeless hostel, and to purpose built student accommodation to talk to residents. Members also visited an example of estate regeneration at Clapham Park Estate, which gave them the opportunity to discuss with senior representatives of the housing association and the borough their vision for the estate and how this has been shaped by funding opportunities and government/mayoral policy.
- 4.23 Following a discussion on rough sleeping, held over two meetings in 2013, the Committee visited the Old Theatre Hostel in Hammersmith, a facility dedicated to supporting rough sleepers with complex needs who have been excluded from other hostels or accommodation. The hostel focuses on developing independence skills like money management, tenancy sustainment and food preparation.
- 4.24 In December 2015, Members met with Councillors and officers from London Borough Barking and Dagenham to hear about a variety of innovative methods the council is using to fund affordable house building. The findings from this site visit have since fed into a wider investigation looking at new thinking on building homes for Londoners on low-to-middle incomes.

Media overview

- 4.25 The Housing Committee frequently set the agenda in the housing sector throughout the four year term. For instance, the estate regeneration report won coverage in the *Guardian*, the *Evening Standard*, ITV London, *Inside Housing* and other key trade press – and actively helped put the issue of estates regeneration on the agenda.
- 4.26 The one-off session on the Right to Buy (16 July 2015) was very well-regarded and helped to shape thinking about how the policy can be delivered.
- 4.27 The student accommodation letter was of particular interest to press, with coverage both at home – with the *Independent* and the *Evening Standard* featuring the story prominently - and abroad, where China’s biggest English language news agency broadcast the story to its audience of millions.
- 4.28 The Committee is seen as an important and authoritative voice for Londoners on housing, and the Chairs of the Committee have regularly appeared on key media to comment on housing issues, including regional TV and radio.
- 4.29 Perhaps most importantly, Housing Committee reports don’t just gather dust on shelves. They are of real and practical use for Londoners. *Knock It Down or Do It Up* is actively used by community groups, councils and housing associations as a ‘best practice’ guide to improve developer-community relations.

¹³ The letter may be found on the Greater London Authority website here: <https://www.london.gov.uk/press-releases/assembly/student-housing-costs>

5. Legal Implications

5.1 The Committee has the power to do what is recommended in this report.

6. Financial Implications

6.1 There are no financial implications to the Greater London Authority arising from this report.

List of appendices to this report: None

Local Government (Access to Information) Act 1985
List of Background Papers: None
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