### MAYOR OF LONDONLONDON ASSEMBLY

# Financing housing in London

# **Key information**

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#### Introduction

The London Assembly Housing Committee will hold a meeting on the financing of housing in London.

## **Investigation aims and objectives (Terms of Reference)**

- Understand the different ways in which social housing is financed in London, alongside other tenures.
- Examine how else private and public finance could be used to build more social and affordable homes, and any barriers currently preventing this happening
- Examine what the Mayor could do to encourage more private and public investment in housebuilding in London across all tenures.

### **Key issues**

- There is a sustained housing crisis in London. Accessing genuinely affordable housing is a huge challenge for Londoners, and development of new housing is slowing under challenging economic conditions. To help address this, London should explore innovative ways to deliver more affordable housing.
- The 2021 London Plan set a target of 52,000 homes a year for the next ten years, of which 50 percent need to be "genuinely affordable." This target has never been met.

- The new National Planning Policy Framework (NPPF) sets a new overall housing target for London of 87,992 homes per year, a significant increase on the previous target.
- While private investment in social housing has existed since the 1980s, the sector and investors are both keen to find new ways to develop partnerships and deliver more homes.

# **Key questions**

- How is housing currently financed in London? What are the benefits and risks of different financing models?
- Are for-profit housing associations expanding their stock in London? Could this model be used to increase housing delivery?
- Could private investment help London boroughs meet the new NPPF housing targets?
- Are there ways to increase the amount of finance for social housing in London?
- What will Opportunity London deliver on financing social housing alongside other tenures? What impact has it already had?
- What could the Mayor do to encourage private investment in London's social housing?
- Is there a role for privately-financed "build to rent" social housing?

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