

LONDON ASSEMBLY LABOUR GROUP RESPONSE TO THE MAYOR'S DRAFT HOUSING STRATEGY

I write to respond on behalf of the London Assembly Labour Group to your draft Housing Strategy, which is currently out for public consultation.

This response should be read in the context of the London Assembly Housing Committee's contribution to the consultation.

Introduction

The Housing Crisis in London was entrenched under the last mayoral regime. In contrast, this very welcome Strategy is an absolute departure in terms of both creativity and practicality.

We particularly welcome the focus on land supply to support home building, including the assembly and purchase of land by the Mayor, the focus on building genuinely affordable homes and the ambitions for protecting the increasing number of Londoners living in the private rented sector.

We also very much welcome this Mayor's honest recognition that housing in London is not affordable to the vast majority of Londoners. We feel this Strategy contains bold, strong and concrete policies that aim to tackle this crisis which is hampering the lives of so many Londoners.

In this response, we aim to set out further additions to the Strategy focussing particularly on:

- a net increase of social housing across the capital;
- building family-sized homes;
- the introduction of Off-Site Manufactured homes;
- the introduction of policies to deal with problem of 'hidden homelessness'

We believe that these additions would add to the Strategy's aim of building a city that works for all Londoners.

BUILDING HOMES FOR LONDONERS

The Labour Group welcomes the Mayor's ambition to diversify the housing sector to increase capacity and to speed up delivery.

Increasing the Supply of Land for New Homes

We welcome the commitment in the Draft London Housing Strategy to increase the supply of land through "greater intensification, higher densities and co-location of different uses". We particularly welcome the emphasis on "proactive intervention in London's land market to unlock and increase the pace of housing delivery."

Land Value Tax, a tax on land, payable by the landowner, at a rate which is determined by the value of the land in its 'optimum use' (as opposed to its current or actual use) could accelerate new home-building as it would form a deterrent to land-banking or inefficient land-use.

We would like to see in the final Strategy a commitment to seeking the powers to assess and trial a system of Land Value Taxation in London, as outlined in the London Assembly's February 2016 report "*Tax Trial: A Land Value Tax for London?*".

We are pleased to see that the Mayor intends to support proactive intervention in London's land market to ensure land identified for housing comes forward more quickly and that he intends to "work with other public sector landowners to ensure that the public sector leads by example in supporting housing delivery on its own land."

In order to maximise opportunity for building genuinely affordable homes more quickly, the Labour Group believes that the Mayor should have right of first refusal to all public-sector land, a power the Homes and Communities Agency has outside of London. We would like to see a strong commitment to lobby for this power in the final Strategy

The Labour Group would also want to see a specific call on the Government to implement their manifesto commitment to reforming Compulsory Purchase Orders (CPO) and give local authorities and the GLA powers to CPO land at fair market value in the final Strategy.

We believe that there is significant opportunity to support the use of Off-Site Manufactured (OSM) housing on fast tracked public land. We know that many TfL owned sites for example are small and/or hard to access.

OSM could have significant benefits not only in increasing the pace of housing delivery but also for its suitability for a range of site types:

- Large sites: by designing in early (in site or master planning designs) OSM can increase pace and affordability, particularly when factoring in higher levels of build-to-rent and affordable housing;
- Small sites: public authorities have many small sites which could be aggregated at different scales. Certain OSM technologies can be very suitable for small and infill sites, and they can also be used as part of custom build and community led housing;
- Constrained sites: their shallow foundations, lightweight construction and acoustic performance lend themselves to constrained sites, such as those with infrastructure beneath, e.g. tunnels, or next to railway lines, as well as decking over other sites;

- Stalled sites: Precision Manufactured Housing can be designed to be reassembled several times and is therefore suited to provisional locations, such as stalled sites.

Further benefits of OSM are discussed on page 4 of this response.

Investment to Support Housing Delivery

The draft Strategy recognises that “investment to support the delivery of homes and enabling infrastructure should be increased and better-targeted to unlock development”. There also needs recognition that large developments will require adequate and suitable ‘social infrastructure’ for ‘sustainable communities/neighbourhoods’.

In order to support the use of OSM the Mayor should consider how his funding role aligns with the needs of OSM, for example by re-profiling the release of grant earlier in the development process which reflects the ‘front loaded’ finance requirements that are a feature of OSM. He may also wish to review whether there is a role as an ‘underwriter’ for OSM in London. This would help to mitigate the nervousness of banks and other investors and unlock the required stream of capital needed to support OSM. It might also provide support to production in periods of slow demand for homes.

The Labour Group welcome the draft Strategy’s recognition that major public transport infrastructure improvements present the opportunities for new homes. However, we believe the final Strategy should also include a recognition that sites can also be opened up by much smaller improvements to public transport, such as the addition of new or more frequent bus routes.

Diversifying the Home Building Industry

The Labour Group welcome the Mayor’s focus on diversifying London’s Home Building Industry to both increase capacity and speed up delivery of the homes we need.

Build to Rent

Policy 3.3.A states that the Mayor will provide a package of support for new purpose- built private rented homes – the Build to Rent sector. We welcome the Mayor’s ambition for this sector. We particularly welcome the vision of having these homes set at London Living Rent Level. However, we believe that this policy could be stronger in setting out what proportion of Build to Rent homes the Mayor would want to see at the Living Rent Level. We believe this is particularly important in Zones 1 & 2, where we risk seeing a ‘hollowing out’ of the city given the severe lack of genuinely affordable accommodation in these areas.

We also continue to be concerned by the wording of the Affordability and Viability Supplementary Planning Guidance (SPG) on Build-to-Rent. Although the SPG states¹ that space standards should “apply to all tenures” the SPG also highlights policy 3.5D of the London

¹ [The Affordability and Viability SPG](#) 2016; pp53-54

Plan which provides “flexibility to consider innovative designs where they meet identified need and are of an exceptional design and standard.”

As you will know one housing developer recently touted a design for Build-to-Rent ‘micro-homes’ at just 19 square metres and used the fact that they would be available at London Living Rent as a tool to promote them.² We are pleased that the Mayor has joined the Labour Group in condemning this. This is the exact kind of practice that this Strategy should seek to guard against, not promote. We would like to see further wording in this Strategy to indicate that Build-to-Rent properties should never defy space standards no matter how ‘exceptionally designed’ the developer may think they are.

An increasing proportion of London families are now renting. In fact, evidence shows that more than one in three private renting households in London include children, up from one in five in 2004.³ While I appreciate that the primary market for the Private Rented Sector will be one and two bedroom apartments, people with families should not as a matter of course be overlooked in Build-to-Rent schemes. They should have as much right to a more secure tenancy, access to London Living Rent and a stable landlord as any other Londoner. As such, we would like to see both a commitment to, and a target for, a number of family-sized Build-to-Rent homes in the Strategy.

Small and Medium Sized Builders

As highlighted by the Communities and Local Government Committee in their report on Capacity in the Home Building Industry, “The eight largest [homebuilding] firms build more than half of all new homes [in the UK], which means we are overly reliant on an alarmingly small number of commercial actors.” We therefore welcome the specific proposals in the Draft Strategy to encourage small and medium sized builders. We are concerned that one of the biggest barriers facing small and medium builders, that of access to finance, is not addressed. We would like to see the Mayor work with the industry and the Government to bring forward measures to help.

Off-Site Manufacturing

We welcome the commitment set out in proposal 3.4 to support and promote the modernisation of London’s construction industry through more precision manufacturing of homes. However, as we heard at Budget and Performance Committee in November, only a very small number of homes built in London currently use off-site or precision manufacturing.

The Labour Group would therefore particularly like to draw the Mayor’s attention to the Rapporteurship of Assembly Member Gavron for the London Assembly’s Planning Committee on Off-site Manufacturing “*Designed, sealed, delivered: the contribution of offsite manufacturing to solving London’s housing crisis*” published in August 2017.

² Evening Standard; *Developer launches cheaper Zone 1 ‘micro flats’ for Londoners to be able to live in capital*; 11th September 2017

³ Housing in London 2017; page 17

This report sets out bold proposals for the Mayor, highlighting the numerous advantages of using Off-Site Manufacturing (OSM) in building the homes that the capital needs.

- The wide variety of homes that OSM now produces can meet the needs of all Londoners: families with children, older people and single households. The business model is particularly suitable for rental accommodation at all income levels;
- OSM buildings can be built and occupied in half the time of conventional buildings, requiring fewer vehicles to transport materials to site, which massively reduces traffic, pollution, noise and disruption, in turn improving local air quality;
- OSM homes work for a range of densities, whether on large-scale developments or small infill sites between existing buildings;
- New technology allows for consistent quality, better energy efficiency and more sustainable use of materials. Producing homes offsite in factories – and then assembling them onsite – paves the way to use all manner of new materials, ensuring our homes are as energy efficient as possible, while minimising carbon emissions from the construction process by centralising much of the labour-intensive construction outside congested areas.

Furthermore, as highlighted in the Mayor's Draft Housing Strategy, as much as automation and new technology is required, so too is attracting younger people into the construction industry. A quarter of London's construction workforce is currently from the European Union, leaving the sector exposed to a skills crisis post-Brexit. OSM can attract the younger generation to digitalised career paths, minimising the industry's reliance on importing talent and giving us a further opportunity to upskill workers in London to build the homes that are so desperately required.

We are therefore calling on the Mayor to provide clear and strong leadership in raising the awareness of OSM's potential, starting with including a commitment to Off-Site Manufacturing in the final Strategy.

An independent advice service, similar to the Community Housing Hub, bringing together advice on everything from raising finance to construction techniques would serve to raise awareness and increase confidence in the sector among lenders, suppliers and developers such as small to medium sized housing associations.

We would like to see the Mayor work towards defining and adopting a *Manufactured Housing Design Code*. The Mayor should look at the potential of using TfL-owned land to stimulate the OSM sector and set up a dedicated OSM-specific procurement framework for London.

Alternative to Help to Buy

We welcome your intention to help more Londoners onto the housing ladder. Home ownership is an aspiration that should be achievable for the majority of Londoners and we need a Mayor willing to support that aim. However, we note with concern your support for Help to Buy. We believe that, in London, Help to Buy is far from helpful, in fact this kind of market intervention only heats the market and pushes home ownership further out of reach of more people. We

would rather see this scheme ended in London, with the Government's pledged £10 billion used instead to build 167,000⁴ new social houses.

Delivering Council Homes

As noted in the draft London Plan the greatest tenure need in London is for low-cost rent or council homes. To meet London's need 47% of the 66,000 homes we need to build per year should be low-cost.

Many boroughs are delivering new council homes for the first time in decades and have ambitions to do far more. But their ambitions are not matched by their capacity to deliver and that capacity is artificially constrained by government policy.

A recent report found that removing the Housing Revenue Account (HRA) borrowing cap for the whole country would free up £7 billion for councils to build much needed new homes. Of London's 33 local authorities, 29 are stock-owning, so removing the HRA borrowing cap in London would release a significant amount of that £7 billion.

In policy 3.3.C we would like the Mayor to explicitly call on the Government to completely remove the cap on council borrowing to build new homes. It is absurd that it is easier for a council to borrow to build a shopping centre than it is for them to borrow to build the homes Londoners need.

Following the Autumn Budget statement, we know that councils in areas of high demand will have to bid for a share of just £1 billion.⁵ This compares with £10 billion allocated for Help to Buy guarantees. This is hugely disappointing and unambitious.

We would also like to see a commitment in the Draft Housing Strategy to support councils' calls to keep the full receipt of any home that they sell under Right to Buy in order that they can actually replace these homes on a like-for-like basis.

We note the commitment in the Strategy to work with council owned housing companies and the encouragement for them to bid for funding through the Affordable Homes Programme. However, we would like to see this support reflected with a specific reference in policy 3.3.C.

Further thoughts regarding council homes are given on pages 8 of this response.

⁴ assuming a grant rate of £60,000 per home

⁵ Autumn Budget 2017; "Local authorities will be invited to bid for increases in their caps from 2019-20, up to a total of £1 billion by the end of 2021-22. The government will monitor how authorities respond to this opportunity, and consider whether any further action is needed"; 22/11/2017

Viability Process

The Labour Group fully supports the action you have taken so far to encourage developers to build more affordable homes.

In policy 4.2.A.ii it is stated that the Mayor will urge the Government to review and reform the viability process. We support this aim. A recent study by Shelter has found that “viability assessments were used to negotiate down affordable housing provision on almost half (44%) of new developments in the study, rising as high as 77% in Kensington and Chelsea.”

We support Shelter’s recommendation that the Government close the viability loophole in national planning rules by limiting the use of site-level viability assessments to exceptional circumstances, in which case they will be fully transparent and available for public scrutiny. We believe the Housing Strategy would be strengthened by adding its support for this as a long-term aim.

At 3.41 the Draft Strategy gives support to overage agreements in cases where the Mayor uses his power to acquire the land where public sector landowners lack capacity or skill to bring them forward. We would like to see this support extended. The final Strategy should encourage boroughs to put in place overage agreements with developers to ensure that local communities benefit where schemes turn out to be more profitable than expected.

Increasing the Capacity of the Home-building Industry

The UK construction sector is now in recession and is facing a ‘toxic mix’ of rising material costs and a decline in the number of European construction workers migrating to the UK as a result of the vote to leave the EU.

Approximately 350,000 people work in London's construction sector, counting both Londoners and those who commute in from other regions. Of these, 27% (95,000) are from the EU. In addition, census data from 2011 shows that 30% of the workforce is aged over 50. Based purely on existing workforce age and current levels of new entrant attraction, we could see a 20-25% decline in the available labour force within a decade.

Construction, Planning and the Built Environment sector only accounted for 3% of all apprenticeship starts in London in 2015/16.

We believe that as outlined on page 4 a firm commitment from the Mayor to Off-Site Manufacturing could have the effect of attracting more young people into the construction industry.

We would also like to see in the Housing Strategy a commitment to breaking down the stereotypes in construction careers, particularly with regards to gender.

We would also like to see a commitment from the Mayor to working toward signing up construction businesses to the Good Work Standard when it is implemented.

DELIVERING GENUINELY AFFORDABLE HOMES

The draft Strategy sets out an ambitious target under policy 4.2 that ‘Half of new homes built in London should be affordable’. Though the Strategy rightly recognises that the current government definition of affordable – 80% market value- is not affordable in London, this Strategy should state clearly that “Half of new homes built in London should be *genuinely* affordable” so it is clear that the Housing Strategy refers to low-cost rent, London Living Rent or Shared Ownership tenures.

Low Cost Homes

We are pleased to see the Mayor’s support for low-cost homes front and centre in the Draft Strategy under policy 4.1.A. As noted above, almost 50% of the homes that London needs to build should be for low-cost rent.

Preventing the loss of council owned property is vital. Between 2009-10 and 2015-16 over 23,060⁶ local authority owned properties were sold via Right to Buy, yet only 1,850 houses were completed by local authorities during the same period.⁷

We welcome the commitment that the London Affordable Rent tenure will be benchmarked at social rent levels.

However, our position on the tenure split that we would like to see, as set out in our response to the Housing and Viability SPG consultation, has not changed. We believe that we could be doing far more to build the social and low-cost rent housing that Londoners so desperately need. We were disappointed to see in the SPG and in the London Plan the tenure split within ‘affordable housing’ for low-cost rent is just 30%. As you know, we believe it should be at least 60%. We reiterate that this 30% target should be treated as a floor rather than a ceiling.

While we appreciate the Draft Strategy commits to “respect councils’ and housing associations’ independence in deciding how best to manage and allocate their affordable homes” we would want the Mayor to specifically encourage councils to dedicate the maximum amount of their 40% share to the building of low-cost rented homes. We therefore welcome the presumption that 40% will focus on social rent/London Affordable rent in the draft London Plan. We also welcome the note in policy H7 of the draft London Plan that this tenure split will be reviewed and if necessary updated in 2021.

As referred to on page 6 we welcome the commitment from the Mayor to work with councils to make the case to the Government to lift their barriers to home building.⁸ However, would like this commitment to be more explicit.

⁶ Department for Communities and Local Government, [Live tables on dwelling stock \(including vacants\)](#), Table 648, accessed 01.08.16

⁷ Department for Communities and Local Government, [Live Tables on House Building](#), Table 253, accessed 01.08.16

⁸ Draft Housing Strategy; para 3.90

Intermediate Rented Homes

We welcome the London Living Rent model that the Mayor has introduced through the Affordable Homes Programme which is tied to income rather than market levels.

We note that the Draft Strategy refers to the Shared Ownership model as “successful”. While we are in no doubt that Shared Ownership has given many Londoners a security of tenure and an equity share in a property that they would not otherwise have had, we are not certain that it is right to state that the option is entirely successful.

- Those living in Shared Ownership accommodation are the least satisfied of those living in any tenure;
- The evidence for Shared Ownership owners being able to afford the ‘staircase’ options available to progress to full ownership is scant and a full assessment needs to be made;
- Shared Ownership as a model does not work for most of Zones 1 & 2 where the average cost of a shared ownership property would require a salary of £90,000 a year;
- The costs of service charges on top of rent and mortgage are in some cases making Shared Ownership the most expensive tenure.

We would like to see this Strategy commit to a full and rigorous assessment of the Shared Ownership model and its operation in London.

Again, within the affordability tenure split as outlined in the Affordable Housing and Viability SPG we would want to see the bulk of the 30% of intermediate housing aimed at London Living Rent properties rather than Shared Ownership.

We would like the Mayor to ensure that standardised and comprehensive information is made available to potential first-time buyers of a First Steps Home, as a pre-requisite for developers or housing associations receiving funding. Whilst we note the Mayor’s acknowledgment that clarification surrounding service charges are needed, we would also like further transparency surrounding the rights and responsibilities of shared ownership before the buyer’s purchase. Also, buyers should be made aware of the overall costs of Shared Ownership. This should include the overall monthly cost of paying mortgage, rent and service charges, which are often higher than initially expected.

Family-Sized Affordable Homes and tackling over-crowding

Alongside the Mayor’s commitment to build more genuinely affordable homes, the Labour Group would like to see a further commitment to build more genuinely affordable family-sized homes.

We recognise that there is commentary in the Strategy that “the Mayor welcomes bids for funding from his Affordable Homes Programme to support the development of family-sized affordable homes.” However, we are disappointed to see no specific policies from the Strategy in this area and practically no reference to this issue throughout. The Labour Group strongly recommends that proposals with specific targets of numbers of family homes to be built, and recognising the need for family-sized homes with appropriate amenity space, are considered through all other policies and proposals.

While London's population is growing, the number of children living in the capital is also increasing.

As the evidence base for the Housing Strategy shows, just under 8% of households in London are overcrowded, a figure that has fallen slightly in the last few years. However, this seemingly low figure masks a more startling fact: a third of children in social housing, and a quarter of children in private rented housing, in London are in overcrowded accommodation.⁹ This is compared to those who own their own homes where over-crowding affects under 8% of households.

The Labour Group are concerned that there is no specific policy or proposal to address London's overcrowded homes. The Strategy does talk about the draft London Plan "including the Mayor's planning policies relating to the mix of homes by number of bedrooms, which will seek particularly to ensure the delivery of affordable family-sized accommodation". However, we would like to see this Housing Strategy carry over the commitment from the previous updated Housing Strategy to halve severe over-crowding in the social rented sector over the life of the Strategy and also a further commitment to tackle over-crowding in the growing Private Rented Sector.

One way of freeing up family-sized homes is encouraging those who wish to do so to downsize, and we are pleased that this is effectively dealt with in "Supporting Social Tenant Mobility." However, we are very concerned that the draft Housing Strategy taken together with the draft London Plan, which emphasises the building of 1 bedroom flats, does not provide the types of homes that people will want to downsize into. Older people looking to downsize tend not to want to move into a one-bed flat, preferring a two-bed flat where they can host family or a carer. If the Mayor's concentration is on the building of one-bed flats there will be little to no impact on the overcrowding issues in London and indeed, with birth rates going up we will likely see the situation worsen.

While we recognise that encouraging people to downsize into appropriate accommodation is one way to deal with over-crowding it is not the only way, and this Strategy should be far more ambitious in outlining the range of ways in which it intends to deal with this problem.

The 2011 London Assembly Report, *Crowded Houses*, found that building bigger is a vital tool in tackling overcrowding in London.

Family-sized homes are at least 3 bedrooms plus and more often defined as 4 bedroom plus. The Labour Group are concerned that the draft London Plan seems to indicate that 2 bedroom homes would be considered family-sized¹⁰- we disagree entirely with this narrative and believe it misinterprets the reasons why families live in 2 bedroom homes.

While we welcome the new definition in the London Plan of 4 bed+ homes we would like to see a commitment to specific targets to build 5 and 6+ bedroom homes too.

⁹ Housing in London 2017, Evidence Base for the London Plan, 5.12

¹⁰ The Draft London Plan; 4.12.3; pg 179

HIGH QUALITY HOMES AND INCLUSIVE NEIGHBOURHOODS

Warm, Safe Homes.

The Labour Group welcomes the Mayor's commitment to well-designed, safe and good quality homes.

It has been calculated that poor housing costs the NHS on average £1.4bn in England every year.¹¹ This only takes into account accidents in homes with Category 1 (the most serious) Housing Health and Safety Rating System (HHSRS) hazards. This represents the first-year treatment costs to the NHS of leaving people in the poorest 15% of the housing stock in England. The cost goes up to £2bn when all homes that include a significant HHSRS hazard are included.¹² This is all, of course, before the cost of poor accommodation on London's mental health services is considered.

We know that in London 19% of all properties are below the 'Decent Homes Standard', but the highest proportion of properties that fall below this standard are those in the Private Rented Sector, with 24% of homes not making the grade.

It is essential that London continues to improve its housing stock, making all homes liveable.

Affordable Homes

It is essential that all new homes built in London incorporate appropriate fire safety precautions to ensure the safety of residents and visitors, both in communal areas and individual homes. These include measures such as the installation of fire doors, compartmentation of individual flats, and the installation of sprinkler systems.

We would therefore like the Mayor to work with the London Fire Brigade (LFB) throughout each phase of a major development, to guarantee that appropriate fire safety precautions are incorporated. This will ensure that all new affordable housing developments include appropriate fire safety precautions, which will help to keep residents and visitors safe, and to ensure that the new homes are built to a suitable standard, in line with appropriate regulations.

Emergency Access to New Developments

Where large developments are constructed in London, we would like the Mayor to work with the London Fire Brigade to ensure that their appliances can access individual buildings within a development, in case of emergency. It is essential that landscaping and design features, for example, do not prevent emergency vehicles from accessing individual buildings within a development in case of emergency.

¹¹ [The Cost of Poor Housing to the NHS; BRE Briefing; 2014; pg9](#)

¹² [The Cost of Poor Housing to the NHS; BRE Briefing; 2014; pg9](#)

Water Pressure and Supply at New Developments

In areas where large developments are under construction, we would like the Mayor to work with Thames Water and the London Fire Brigade to ensure that there is adequate water pressure and water supply at the site, in case of emergency. If a fire breaks out in a large development, it is essential that the London Fire Brigade has access to an adequate water supply, and that this water is at a suitably high pressure for the appliances.

Sprinklers

In the wake of the tragic fire in Grenfell Tower, the London Fire Brigade has re-launched its campaign for sprinklers to be installed or retrofitted in the following residential buildings:¹³

- All new residential developments over 18 meters in height;
- Existing residential blocks over 18 metres in height, subject to a risk based approach that should include consideration of the vulnerability of occupancy;
- All new residential care homes and sheltered accommodation;
- Existing residential care homes and sheltered accommodation subject to a risk based approach that should include consideration of the vulnerability of occupancy;
- All homes occupied by the most vulnerable in our communities, all buildings classed as residential 'other' (hotels, hostels, student accommodation) over 18 metres in height

Sprinklers are automatically triggered when a fire is detected and there is clear evidence that sprinklers are effective at rapidly suppressing fires. In buildings fully protected by sprinklers, they control 99% of fires. Sprinklers also greatly improve the safety of firefighters tackling a fire – they are effective in reducing the risks of flashover and backdraft conditions. Furthermore, sprinklers cause far less water damage to a building than if a fire is tackled by firefighters using several pumps, thereby reducing the cost to repair and refurbish a building after a fire.¹⁴

The Labour Group supports the London Fire Brigade's call for sprinklers to be retrofitted or installed in these residential buildings, and would like the Mayor to lend his support to the retrofitting or installation of sprinklers in his Housing Strategy. The retrofitting or installation of sprinklers would help to dramatically reduce the spread and therefore the damage caused by fire in a residential building, thereby protecting both life and property. However, it is important to note that the installation or retrofitting of sprinklers must be seen as part of a package of multiple fire safety precautions in a residential building, and that sprinklers alone are not an adequate fire safety precaution.

The retrofitting of sprinklers is particularly important in residential buildings in which there may be residents with reduced mobility, disabilities or other vulnerabilities, who may be protected from fire spread by sprinkler systems in the building.

The Labour Group would also like you to show support for the retrofitting of sprinklers in estate regeneration programmes. We believe the Mayor's support would encourage local authorities, housing associations and developers to undertake this vital work, thereby keeping their

¹³ London Fire and Emergency Planning Authority; [Authority Sprinkler Position Statement](#); Community Safety Committee

¹⁴ London Fire and Emergency Planning Authority; [Authority Sprinkler Position Statement](#); Community Safety Committee

residents safer. We also note that the Independent Review of Building Regulations and Fire Safety by Dame Judith Hackett and the report initiated by the Planning Committee of London Assembly about sprinklers would also go some way towards enhancing fire safety in homes and similar residential developments.

Private Rented Sector

The Labour Group appreciates concerns set out in the Mayor's draft Housing Strategy about poor conditions in the Private Rented Sector, and is concerned by the ability of local authorities to ensure appropriate fire safety precautions are implemented in privately rented homes.

The Labour Group welcomes the Mayor's commitment to work to encourage consistently good standards in London's Private Rented Sector by enabling councils to make better use of their powers. We would want to ensure that this includes powers to make sure privately rented homes have appropriate fire safety precautions and are in accordance with building regulations.

Cold Homes and Energy Efficiency

The Energy Act, passed in 2011, should have made it illegal for landlords to rent out the least energy efficient homes by April 2018. Those homes with F and G energy performance ratings would need to be improved to at least an E.¹⁵

However, a loophole was then introduced to the regulations stating that if a landlord claims there is any cost to themselves for making the required improvements, they can exempt themselves.¹⁶

The online exemptions opened at the start of October 2017, and thousands of landlords are able to simply opt out of the new rules. Landlords are able to self-certify their claims and providing evidence is explicitly *optional*. It is up to overburdened local authorities to check the validity of exemptions *after* they have been granted - many simply won't have the resources to do so.

This is despite the fact that it is estimated that on average the kind of improvements needed to bring an F or G property to an E would cost approx. £1,400.¹⁷

The simplest way of closing the loophole would be to introduce a reasonable cost-cap. Up to a given amount (for example, £5,000) landlords would be expected to fund improvements out of their own cash. This balances tenant's needs with fairness for landlords.¹⁸ We would like to see this loophole closed and hope the Mayor will support this, calling on the Government to get rid of it.

¹⁵ Section 42, Energy Act 2011

¹⁶ [The Private Rented Property Minimum Standards – landlord guidance](#) docs; Gov.uk; 9th October 2017 (accessed 9/11/2017)

¹⁷ [UK Green Building Council](#) Analysis; May 2014; pg 5

¹⁸ Proposal by Climate 10:10 and Generation Rent, October 2017

DIVERSE HOUSING NEEDS

New and existing homes should meet Londoners' diverse housing needs.

Gypsy and Traveller Accommodation

The Mayor has rightly said that he will be a Mayor for all Londoners, and this must include London's Gypsy and Traveller community. While we welcome the Mayor's proposal to work with the Gypsy and Traveller community to ensure their housing needs are met, we would like to see further detail on how the Strategy intends to incentivise Boroughs to provide land that is needed for sites.

We would also want to see a specific commitment that Gypsy and Traveller Sites should count towards the Mayor's low cost rented home target, all new standards for design, safety, quality and sustainability should apply or be adapted to existing sites. Meanwhile, Gypsy and Traveller sites should not be excluded from Opportunity Areas of Housing and transport infrastructure should not disproportionately lead to displacement of sites.

We would like a firm commitment that there will be no net loss of Gypsy and Traveller pitches on regeneration schemes.

Specific challenges are faced by the Gypsy and Traveller community in relation to housing. In 2008, London needed 811 new pitches but only 10 have been identified since. More needs to be done in this area and we would ask that the Mayor works with housing associations, the Homes for Londoners Team and the Gypsy and Traveller Community to identify opportunities for housing provision. Existing sites should also be audited to see if maintenance and repair works are working so that the current stock of housing can be improved.

Community Support for Home-Building

The Labour Group welcomes the Mayor's ambitions to involve communities in the homes that are built in London. In particular, we welcome proposals 5.3 E to "improve protections for Londoners living in social housing, including those affected by estate regeneration projects, and ensure their views are properly heard and acted upon" and policy (5.9) about including and engaging existing communities.

It is vital that there is a genuine engagement with communities and that the aspirations and needs of communities, such as community facilities and social infrastructure are taken into account when estate regeneration and large housing projects (e.g. in Opportunity Areas) are being planned. It is particularly important to initiate awareness in schemes where high densities are planned and what impact they have.

We note with regret that the Estate Regeneration Good Practice Guide is yet to be published. We would reiterate that a final say for residents is an important way to ensure that resident involvement in plans for their homes is done in a meaningful way. We would therefore urge the inclusion of a commitment to balloting residents on all schemes where demolition is an option, or where a proportion of residents request them. Nothing can establish the popular legitimacy of such schemes in any competing way. However, we do not support ballots where a regeneration scheme does not involve demolition of existing homes, such as infill.

Ballots would need detailed guidance as to when they take place, who is balloted, the 'offer on the table' in terms of replacement, rehousing and compensation to leaseholders, how potential differences of opinions between residents of differing tenures may be resolved and guidance for campaigning around such a referendum for all parties.

Through the Housing Strategy and the Good Practice Guide the Labour Group ask the Mayor to work with London's community groups and other partners over the coming years, developing a protocol that could be respected and observed by all stakeholders.

While we welcome and support the Mayor's commitment to ensure no net loss of affordable housing on estate regeneration schemes, we would like this commitment to be more explicitly phrased to include both "social and affordable housing" and we would like it to go further in encouraging an increase in both social and genuinely affordable homes on all regeneration schemes.

The Labour Group would also want to see a fully transparent record of estates lying empty across the capital so that we can be assured that these homes have appropriate plans in place for their speedy replacement and redevelopment.

Regeneration & Social Infrastructure

The draft Strategy acknowledges that "new housing development needs investment in a wide range of services and facilities providing social infrastructure such as: health facilities; education and childcare; community space; cultural facilities; faith spaces; recreation and sports facilities; outdoor spaces, including children's playgrounds; facilities for emergency services; and public toilets."

However, apart from this statement there is little in the Strategy to reflect the importance of social infrastructure in creating neighbourhoods. In the final Strategy, a commitment to good quality social infrastructure should be mainstreamed throughout. It is critical that, if the Mayor is to deliver high quality homes with inclusive neighbourhoods, there is adequate funding and plans to deliver social infrastructure including community facilities to serve the young and old of London's ethnically and religiously diverse population. All Estate Regeneration Schemes and medium to major housing schemes such as those in intensification and Opportunity Areas should have adequate resources for physical and social infrastructure to create inclusive neighbourhoods and regenerate the locality. Additionally, all such developments should also explore innovative ways to link regeneration with social care and health.

Alongside this, the Housing Strategy is strangely silent on the importance of public open space, particularly given the Mayor's commitment to 'World Class Public Spaces' in his manifesto; there is no mention of amenities for residents, particularly for those in family size dwellings, such as balconies and immediate access to passive and active open spaces such as child play areas and green open spaces. While the draft London Plan contains very welcome sections on the importance of play space and local green and open space, the draft Housing Strategy does not reflect this. The final Housing Strategy should champion real open space (which are not pathways or gated gardens but land that is open for recreational use by all) and its importance to Londoners in making liveable neighbourhoods.

The final Strategy should also note that “greening schemes”, for example by including green walls or introducing more tree planting, while very welcome, are not the same as, and should not serve as a replacement to, usable open space.

Eco-efficient homes

While we welcome Mayor’s commitment to use his planning powers to ensure that new homes contribute to the necessary shift towards a zero carbon future and that he is committed to including his zero carbon target for new housing developments within his draft London Plan. We would also like to this commitment include the need to reduce the embodied carbon within the construction industry, including encouraging the use of low carbon materials. Such a policy would incentivise the use of OSM.

Empty Homes

The Labour Group welcome proposal 5.3 D “to address public concerns about empty homes and the impact of housing being bought for investment, particularly by overseas buyers, on the availability of homes for Londoners.”

London has 19,845 homes sitting idle for over 6 months, with an estimated combined value of £9.4 billion.¹⁹ The owners of these empty homes are often foreign investors who want a safe haven and market stability that real estate in London provides. A Hamptons report from December 2016 showed international buyers accounted for 60 per cent of the housing market in ‘prime’ areas of London.²⁰ Homes and flats are often left empty with owners hoping that the value rises considerably before they can sell the property on.

The Royal Borough of Kensington and Chelsea acts as the hotspot for empty homes, where approximately 1,399 properties are currently left unoccupied - an 8.5% rise on 2015. There is evidence, which suggests that in some high value areas empty homes may have been purchased as buy-to-leave properties, directly impacting the housing market. This phenomenon referred to as ‘the ripple effect’, is used to reflect the outward movement of price rises deriving from central, high-value areas. As demand exceeds supply in central London, house prices rise in these areas, making buyers look further outwards to more affordable areas. This in turn leads to house prices in more affordable areas rising due to increased demand. According to Marsh and Parsons foreign investors are now vying with first time buyers and young professionals for better deals in Outer-London Boroughs.

A recent Transparency International report revealed that less than a quarter of homes built in 14 recent developments in London were sold to UK buyers. Therefore, we welcome the Mayor’s commitment to ensure that Londoners will have the opportunity to purchase new homes before they are marketed overseas; particularly those homes that ordinary Londoners are more likely to be able to afford. We would also like the Mayor to lobby the Government for

¹⁹ Business Insider; [There are almost 20,000 ghost homes sitting empty in London](#); April 2017 (accessed 28/11/2017)

²⁰ Transparency International: Understanding the Impact of Overseas Corruption in the London Property Market

similar powers to other world cities to restrict or limit overseas buyers of high value homes who then leave properties empty.

In addition, we would like the Mayor to consider funding and assisting boroughs in using Compulsory Purchase Order powers to create a revolving fund to bring homes that have been empty for a number of years back into use. This should be met with the establishment of a policy requiring boroughs to introduce planning restrictions on newly built property to prohibit the deliberate practice of letting properties lie empty.

We also support the Mayor's proposal for greater flexibility to be afforded to local authorities around the amount of council tax that could be levied on empty homes. Not only would this deter the practice of buy-to-leave, it would also generate additional funds to be invested in areas for the benefit of residents.

In addition to encouraging all councils to levy the empty homes Council Tax premium and lobbying the Government for changes to make it more effective, the Mayor should lobby the Government for changes to Empty Dwelling Management Orders to make them easier to issue.

PRIVATE RENTERS

Rent deposit schemes

The Labour Group welcomes the Mayor's commitment to tackling the problem of rent deposits, as high rental deposits, alongside agents' fees, restrict the ability of people to access the Private Rented Sector.

We would like to see the Mayor through this Strategy work to develop a system for private tenants to "passport" their deposits from one tenancy to the next. This would prevent situations where one landlord has not released a deposit on a previous property while the tenant needs to come up with a deposit on the new one, leaving them significantly out of pocket.

We very much welcome the proposal to "work with employers to widen access to Tenancy Deposit Loan schemes to help renters manage the upfront costs of renting". However, the issue of the high rate of deposits is felt particularly keenly in the case of young people exiting care or temporary accommodation. Centrepoint in North East England run a rent deposit scheme funded by a charitable foundation which has supported young people into independent living. With a failure rate of just 6% the scheme has enabled hundreds of young people over the past few years to access the private sector despite not having the money to pay a deposit. We would like to see the Mayor lend his support to developing such a scheme for London's young people.

We support the Mayor's commitments to work with councils and the Government to target enforcement resources against the minority of poor quality and criminal landlords, through both his database and supporting landlord registration schemes. We would like to see the Mayor encouraging best practice amongst landlords via these schemes, highlighting those who meet certain standards such as reducing gas/electricity/water use, and providing recycling facilities.

TACKLING HOMELESSNESS AND HELPING ROUGH SLEEPERS

Temporary Accommodation

Temporary accommodation (TA) is a priority issue across London. As the evidence base for the Housing Strategy shows, 90,000 children in 54,180 households are currently in TA households across the capital, accounting for 69% of the total England figure.²¹ The increasing number of TA households in London reflects huge cuts to council budgets, caps on housing benefit and the end of assured shorthold tenancy (AST). Before 2011-12 the proportion of households who qualified for TA in London, and reported the end of AST as the primary cause of their homelessness, ranged between 9% and 15%. It has subsequently increased to 39%.²²

The current London housing market constitutes a difficult environment in which to deliver TA services. There is a huge shortage of London social housing forcing many families into private tenancies with exorbitant rents that they have difficulty managing.

We would like to see a commitment to the six-week limit on families staying in temporary B&B accommodation. Temporary accommodation forms a vital lifeline, but it should only ever be a short-term fix. This limit is often disregarded as local councils struggle to find proper accommodation. In the final Quarter of 2016, 710 households exceeded the six-week limit.²³

We would also like the Mayor to encourage the use of Pop Up housing as the first step in trying to take people out of expensive B&B accommodation. In the borough of Lewisham the council opened PLACE/Ladywell, the UK's first 'pop-up village'. The units provide temporary homes for 24 families registered homeless, and ground-floor space for community, with all units exceeding the current space standard requirements by 10%.²⁴

The intention is for the structure, which is built on land that is not due to be developed for several years, to remain on the Ladywell site for no more than four years, after which it will be deconstructed, moved and reconstructed elsewhere in the borough. The purpose of the scheme is to meet the shortfall in high quality temporary accommodation and provides a new, cost-effective and innovative way of tackling homelessness in the capital.

Hidden Homelessness

Homelessness in London remains an increasingly pertinent issue. Local authorities in the capital have accepted 18,070 household as homeless in the year to March 2017.²⁵ Meanwhile, the number of people rough sleeping in London has been estimated at 8,108 during 2016/2017.²⁶ The statutory definition of homelessness accounts for only a proportion of homeless

²¹ House of Commons, Households in Temporary Accommodation (England), Briefing 2017

²² NAO, Homelessness Report session 2017-2019

²³ Trust for London, Temporary Accommodation over Time, 2017 (accessed 22/11/2017)
<https://www.trustforlondon.org.uk/data/temporary-accommodation-over-time/>

²⁴ <https://www.lewisham.gov.uk/inmyarea/regeneration/lewishamtowncentre/Pages/placeladywell.aspx>
(accessed 29/11/2017).

²⁵ Statutory homelessness and Prevention and Relief, January to March (Q1) 2017: England, Department for Communities and Local Government, June 2017, (accessed 20/11/2017)

²⁶ Chain Annual Report, Greater London April 2016-March 2017 (accessed 20/11/2017)

households who present themselves to their local authority subsequently being assessed or gaining assistance. However, the definition does not take into consideration the issue of hidden homelessness. While, there is currently no official definition of hidden homelessness the term is often used to describe those who have not made a formal homelessness application to local authorities since they have become homeless.²⁷ Individuals are likely to be living in precarious situations ranging from 'sofa surfing' through to those living in overcrowded or concealed households. Therefore, we can expect the homelessness figures to be even worse than indicated by official data. The Mayor should play a leading role in tackling the issue of hidden homelessness.

The Labour Group welcomes the Mayor's commitment to prevent homelessness. However, we believe more could be done to collect data on hidden homelessness to accurately reflect the scale of the problem. It is believed that young LGBT people and women who are victims of domestic violence are most likely to be affected by hidden homelessness. However, local authorities often do not ask about the protected characteristics of those coming forward for assistance. As outlined by the London Assembly Housing Committee, the scale of the issue needs to be properly recorded and the Mayor should push for further consistency across London boroughs to provide a more detailed picture of the issue. Improved recording of protected characteristics would allow the Mayor and local authorities to target support appropriately and create a better understanding of London's homeless population. However, this should only be implemented following comprehensive training of staff about the collection and purpose of such monitoring.

We would like the Mayor to review the assessment of 'vulnerability' since we believe the current processes for assessing vulnerability are inconsistent. There are two definitions of vulnerability - a legislative definition and a dictionary definition. Anyone who is homeless is, by the dictionary, defined as vulnerable. However, providing evidence to support the decision that someone is vulnerable by the legislative definition is becoming increasingly difficult, and decisions are increasingly inconsistent both between and within boroughs. According to the Housing Committee, services have become so stretched that there is evidence to suggest that there is now a hierarchy of vulnerability being used by housing officers. Thus, we would like the Mayor to review the advice given to non-priority need applicants across London to create best practice guidelines for local authorities.

The majority of those who experience hidden homelessness have not sought advice or support about their homelessness from local authorities or support services. This is largely due to people knowing little about advice services available and how they work. Thus, we would like the Mayor to promote the use of existing homelessness advice and support services using Transport for London (TfL) advertising space. TfL has posters in place at every station and on vehicles across the network thus, using this advertising space to promote the availability of services would reach millions of Londoners easily and for very little cost. More prominent signposting to homelessness services could play a huge role in guiding more people toward support.

²⁷ London Assembly Housing Committee, Hidden Homelessness in London pp.3

Youth Homelessness

The scale of youth homelessness in London is difficult to quantify but government figures estimate that 35% of all homeless youths are in London. Youth homelessness remains a significant concern as evidence indicates that the experience of homelessness at an early age increases the risk of becoming homeless again and developing complex problems later in life.

Current government policies are likely to exacerbate the youth homelessness problem in the capital, particularly among young LGBT+ people. Most notably the Government's decision to strip housing benefit entitlement from 18-21 year olds. While exceptions are included, such categories are broad and homelessness charities have warned that to prove such potential harm would be so difficult that many young people would opt to sleep rough or sleep on friends' sofas instead.²⁸ The London Labour Group welcomes the Mayor's commitment to tackling youth homelessness, as well as his commitment to making the case for a reversal of the decision to remove 18 to 21-year-olds' automatic entitlement to the housing support element of Universal Credit.

We also support Centerpoint's call for the Mayor to ask the Government to extend the exemption from the shared accommodation rate of local housing allowance. Currently, claimants under 35 are only entitled to the shared accommodation rate but those leaving hostels can claim the one bedroom rate once they turn 25. However, many young people are ready to move on before they turn 25, and being limited to the lower rate of local housing allowance prevents them from living independently.

The London Labour Group, along with Centrepoint, urge the Mayor, in addition to addressing benefit issues, to set aside a percentage of 'move on' properties solely for under 25's as part of his commitment to tackling youth homelessness.

Violence Against Women and Homelessness

The London Labour Group welcomes the strategic aim to focus on preventing homelessness caused by violence against women and girls (VAWG). Domestic abuse remains an increasingly significant cause of homelessness in the capital; from January 2015 - December 2015, of the 18,650 applicant households found to be eligible for housing assistance and in priority need, 1,190 left their last home due to violence from a partner.²⁹ This is in addition to a 1% increase in notifiable domestic offences in the year to June 2017 compared to the previous year, with women accounting for over 3 out of 4 victims.³⁰ However, despite this increase, funding for domestic abuse services has decreased by an average of 38% since 2010.³¹

Moreover, authorities still lack guidance around tenancy rights in cases of domestic abuse. In practice, local authorities are reluctant or unable to remove the perpetrator from the property, and due to an awareness of the shortage of social housing, this often means that women are very hesitant to give up their social tenancies and leave the property themselves. For many women who have experienced abuse, leaving their home where the perpetrator is living is the

²⁸ The Guardian; Housing benefit cuts 'put young people at risk of homelessness'; 6 March 2017 (accessed 28/11/2017).

²⁹ Safer London, [Pan- London Domestic Violence Needs Assessment Report Executive Summary](#) (accessed 27/11/2017)

³⁰ MOPAC, London Datastore, [Domestic and Sexual Violence Dashboard](#) [accessed Nov 2017]

³¹ Independent; [London refuges have funding slashed as rates of domestic violence soar](#); March 2017

only way to escape violence. However, irrespective of their vulnerable status and entitlement to housing, survivors find it increasingly difficult to get accepted by local housing authorities.

We therefore welcome the Mayor's commitment in his draft Housing Strategy to protect the social tenancy status of survivors, in order to prevent them from becoming homeless. We particularly welcome the Mayor's introduction of a new priority in his Housing Moves Scheme for survivors of domestic abuse. This amendment will allow survivors to secure safe accommodation away from perpetrators and will complement the Pan-London Reciprocal Agreement.

As noted in the Mayor's Draft Strategy, there is also significant variation amongst London Boroughs in the number of beds available for women fleeing domestic abuse. Overall, there is an estimated shortfall of over 320 refuge bed spaces in London, with a particularly acute lack of provision for certain groups such as young people, BAME victims and people with complex needs. Furthermore, as funding for domestic abuse services is not ring-fenced, individual councils determine how much is spent on these services. As a result, there is a huge discrepancy in spending between boroughs.³²

Considering this disparity, the Labour Group welcomes the Mayor's commitment to work with the Government and the boroughs to establish a pan-London approach to commissioning accommodation services for survivors. As part of this commitment, it is essential that the Mayor works with London Councils and Women's Aid to utilise UK Refuges Online, an online database containing up to date information on domestic and sexual violence services across the UK and vacancy information on refuge bed spaces. This will help to inform the Mayor's work, by providing information regarding where supply is failing to meet demand, resulting in women being turned away from crisis accommodation.

We would also like the Mayor to explore the possibility of requiring local authorities to provide a minimum number of beds across the city, to increase provision and minimise the current postcode lottery of services.

³² [Ibid](#)