

LONDON TENANTS FEDERATION

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Response to draft London Housing Strategy

1. Introduction:

- 1.1 London Tenants Federation (LTF) is an umbrella organisation. It brings together borough- and London-wide federations and organisations of tenants (including leaseholders)¹ of social housing providers. Its membership also includes the London Federation of Housing Co-operatives and the National Federation of Tenant Management Organisations. A number of its member organisations involve both council and housing association tenants and a few (a minority) also involve some private tenants.
- 1.2 LTF has strong links with other community and voluntary sector organisations in London that also have an interest in housing, planning and community related issues
- 1.3 LTF's key focus is engaging its member organisations in London-wide strategic policy – particularly relating to housing, planning. It facilitates a consensus voice for tenants of social housing providers in the capital. LTF had representation on the Mayor's Housing Forum from 2005 until it was dissolved by the previous London Mayor, Boris Johnson. Its delegates are often invited to attend (as panel members) London Assembly Housing and Planning Committee meetings. One of its delegates was an invited panel member at the recent London Assembly Housing Committee meeting on the draft London Housing Strategy. LTF members have attended, by invitation, almost all the Examinations in Public of the London Plan, since 2007.
- 1.4 LTF, with London Federation of Housing Co-ops and the National Federation of TMO's, held a 'Linking the Local to the London-wide' conference on 28th October 2017. A presentation was made at the event by GLA officer James Clark and some of the workshops focused on issues relevant to the draft London Housing Strategy. The event was attended by more than 140 social-housing tenants and residents, most of them elected tenant representatives. This response draws from discussion at the conference, an LTF general meeting and LTF's agreed policy positions.

¹ When referring to tenants we mean both social tenants and leaseholders (as set in our Articles of Association)

- 1.5 The Mayor's office has a duty to provide and publish evidence-based documents on housing need in London and availability of land to build homes, upon which the strategy should be based. The Mayor has failed however to publish evidence base documents until a few days before to the end of consultation period, leaving member of the public with a very short period of time to consider them alongside the strategy.
- 1.6 In many instances the draft strategy lacks specific targets against which it may be monitored and any success or failure of the strategy measured.
- 1.7 In addition, while the London Housing Strategy refers to the Mayor's Good Practice Guide to Estate Regeneration, this document still has not been published. This could impact on the way that we and others respond to the draft London Housing Strategy.

2. Identifying and bringing forward more land for Housing

(a) Building more homes

- 2.1 The Mayor's housing strategy emphasises the importance of building more homes, and also refers to delivering the 'right mix' of homes. However, it is ineffective in demonstrating how those in greatest housing need will benefit.
- 2.2 The draft strategy continues to support development of market housing, growth in the private-rented sector and of property investment (subsidised by the public purse directly and through housing benefit) – providing greatest benefit to private sector landlords, property investors and developers. As a result, land will continue to be handed over to developers to deliver the wrong types of homes in terms of addressing evidenced housing need.
- 2.3 At meetings relating to the development of the London-wide evidence based documents – the Strategic Housing Market Assessment (SHMA) and Strategic Housing Land Availability Assessment (SHLAA), which we have attended as LTF representatives, GLA officers have been clear the Mayor's view is that delivering more market homes is the best way to bring down house prices.

However, an increasing range of media commentators assert that building more homes (regardless of type) will not deal with the housing crisis and particularly won't bring down house prices. A strategy that is based principally on demand and supply is faulty in respect of the housing market. Housing investment markets operate differently than user markets.

The Kate Barker national review of housing supply of 2004 recognised this, saying that even if private housebuilding roughly doubled from 120,000 to 240,000, house prices would still continue to rise on a trend of 1.1 per cent above inflation. The review said that to stop house prices rising at all would

imply a level of market housebuilding that would be “undesirable and unachievable”².

- 2.4 Since the first publication of the London Plan in 2004, targets for homes that might meet the needs of households with below median income levels have consistently been set at lower levels than would satisfy evidence of need and delivery has been much lower even than the targets set. The reverse has occurred for types of housing that meets the needs of households with above median income levels.
- 2.5 LTF’s analysis of delivery of London Plan housing targets between 2005 and 2015³ assesses that 124% of the London Plan targets for market homes and 80% of targets for intermediate homes were met and yet only 53% of London Plan targets (anyway much lower than assessed need) for social-rented and affordable-rent homes was met.
- 2.6 Professor of Housing Policy, University of York, Rebecca Tunstall’s publication ‘Who gained from new housing development in London 1981-2011’ also shows that in terms of access to space in homes, the worst housed Londoners made no gains in rooms per person, while the best housed fifth of Londoners saw significant increases. 22.1% of London residents were in the worst housed tenth in England and Wales. There is a direct correlation between deprivation of individual London boroughs, as measured by multiple of deprivation, and highest proportions of residents in the worst housed 10% of people nationally.
- 2.7 The evidence of need for social-rented homes in London is enormous. GLA housing needs assessments have consistently shown that around 50% of homes needing to be social rented if the backlog of need were to be met over a 10-year period, while only 17% of homes delivered between 2005 and 2015 were social or affordable rent homes. As the backlog of housing need has grown the response from the Mayor’s office has simply been to extend the time period to address backlog of need from 10 to 20 years.
- 2.8 A strategy is needed that will meet the serious levels of housing need in London for households below median levels by delivering secure low-cost, not-for-profit **homes** that enable people to set down roots, raise families, engage in sustaining their community and eventually grow old in – the basis for developing Lifetime Neighbourhoods. The draft London Housing Strategy does not seek to achieve this, but rather it maintains the status quo. Huge amounts of land, much of it public, will continue to be handed over for private property

² http://webarchive.nationalarchives.gov.uk/20120704150620/http://www.hm-treasury.gov.uk/d/barker_review_report_494.pdf

³ [http://www.londontenants.org/publications/reports/10%20years%20-%20housing%20targets%20\(FF\).pdf](http://www.londontenants.org/publications/reports/10%20years%20-%20housing%20targets%20(FF).pdf)

development and investment, while evidenced shows only 35% of new homes need to be market housing.

2.9 Re 3.53 We disagree with the London Mayor that public investment has an important role to play in accelerating and de-risking developer delivery of new homes. The Government and the Mayor's office spend far too much public money on propping up a proven failed and dysfunctional housing market.

The Chartered Institute of Housing's analysis of September 2017 shows 80% of the government housing budget will be spent on private housing – including on types of homes that London Mayor, Sadiq Khan, deems to be 'genuinely affordable'⁴.

LTF supports the recent comment made by Terrie Alafat, chief executive of CIH: "We know we need to build more homes to get to grips with our national housing crisis; our UK Housing Review briefing highlights that annual supply remains at least 30,000 homes short of household growth. But it's not just about building more homes – it's about building more affordable homes for people on lower incomes."

2.10 LTF members find it incomprehensible that the Mayor has chosen this strategic direction particularly given:

- the ongoing and unnecessary loss of social-rented homes in London through estate regeneration schemes, ongoing conversion of existing social-rented homes to (unaffordable) affordable-rent homes, and Right to Buy (without certainty of these homes being replaced at social rents);
- ever increasing levels of homelessness, hidden homelessness and overcrowding; general affordability problems and displacement including those relating to housing benefit and universal credit caps;
- widespread issues relating to arrears, debt and evictions.

2.11 Research carried out for Shelter in 2010⁵ provided evidence that inner London was, even then, pretty much unaffordable to private tenants that are dependent on Local Housing Allowance. Inner London boroughs have been moving homeless families to outer London boroughs and outer London boroughs moving their homeless families outside London, since 2011/12.

2.12 There is continued failure to monitor these levels of displacement of low income households from inner to outer London and indeed outside of London. LTF proposes that the Mayor has a duty to monitor this displacement.

2.13 LTF proposes that the Mayor must include in the London Housing Strategy a commitment that any land identified for housing must

⁴ <https://www.insidehousing.co.uk/news/news/80-of-government-housing-funding-is-on-private-housing-52398>

⁵ http://england.shelter.org.uk/__data/assets/pdf_file/0016/290041/CCHPR_final_for_web_2.pdf

deliver homes to address evidenced need for low income households that have been ignored for decades.

(b) Opportunity and intensification areas (large reservoirs of land that should have helped in addressing housing need)

2.14 LTF has carried out project work in large scale development areas (with Just Space) funded by Trust for London and UCL over the last five-year and is concerned that these areas are significant failures in terms of delivering homes that meet the needs of households in the bottom half (by income). Many are delivering high levels of exclusive development.

2.15 One example of low delivery of low-cost rented homes is in the London Mayoral Development Corporation Area of Old Oak and Pak Royal. The percentage of so-called affordable homes approved in this area, up to 13.09.17, was just 25% and the percentage of social/affordable rent homes just 5% (see table below). We will come back to this example in later sections of our response.

	total private	total social/affordable	total intermediate	overall total (units)	Total affordable and %	intermediate units (% of total units)	social/affordable rent (% total)	intermediate units, % of affordable offer	affordable/social rent units, % of affordable offer	
OPDC determined as of 13.09.17	648	106	262	1016	346	26%	10%	71%	29%	100.0%
Ealing determined (excl student housing)	464	0	199	663	199	30%	0	100%		
Student housing	603			603						
TOTAL	1715	106	461	2282	567 (25%)	20%	5%	81%	19%	

2.16 LTF proposes that the Mayor should:

- commit to carrying out monitoring of delivery of types of homes in existing Opportunity and Intensification areas to assess net gain of different types of homes and the percentages of homes that might be accessed by households with below median income levels (£39,000 in London);

- not identify further Opportunity and Intensification areas without evidence that these areas meet needs of all Londoners, particularly those with below median income levels;
- consider remedial action where there have been failures to deliver homes that meet needs of households with below median income levels;
- ensure Opportunity and Intensification Areas facilitate growth that meets evidence of need, supports, protects and builds on existing neighbourhoods and develops Lifetime neighbourhoods;

(c) Public Land

2.17 LTF has grave concerns about the Mayor's proposals to encourage wider sell off of public land (policy 3.1C) particularly as this fails to meet the evidenced need of around half of Londoners.

We propose it is essential that the Mayor

- protect public land from being sold to the private sector and secure it for ongoing employment uses and/or low cost (not-for-profit housing) and social infrastructure to enable long-term affordability and benefit to low income households;
- look at alternative methods of developing low cost rented homes on public land. We suggest he consider for example pension-fund funding and the proposals set out in the Guardian article 27.11.17 by Dag Detter, investment analyst and author on public commercial assets - *Councils are sitting on Assets. Why not use them for public housing*⁶;
- ensure that where councils 'unlock' land by CPO (Policy 3.2D) that this also secured exclusively for public use – low-cost (not-for profit) home and required community infrastructure.

(d) Increasing density

2.18 LTF is concerned that high density can impact differently on different types of households, dependent on income levels. High density often fails to provide sufficient social and community infrastructure, green and play spaces. People who have minimal disposable income to them to travel with children to large open green spaces, for example, are more likely to spend the majority of their time in their neighbourhood / locality and need good access to local social and community infrastructure, green and play spaces. Likewise, elderly and disabled people. Combined with high levels of overcrowding in both the social

⁶ <https://www.theguardian.com/housing-network/2017/nov/27/councils-sitting-wealth-assets-use-them-public-housing>

and private-rented sectors, LTF feels it is essential that we have new density matrix that relates to delivery of adequate levels of green and social infrastructure and secures delivery of lifetime neighbourhoods.

2.19 The current London Plan density matrix already promotes higher densities and smaller units of housing in areas near to public transport, providing unequal distribution of family sized homes and good access to public transport for families across London. We suspect the 50% higher growth rate of housing in inner London in 2011-16, (draft LHS para 3.5), relates much to delivery of smaller-sized homes in this part of London.

2.20 Additionally, we fear that relating density to public transport accessibility assumes that we are building for communities that need to leave the areas where they live, to access work and leisure. This is contrary to notions of delivering walkable and Lifetime Neighbourhoods.

2.21 LTF proposes the Mayor

- **assert in the London Housing Strategy that density levels should be set to accommodate all sizes of households in all part of London;**
- **produce a Social Infrastructure Availability Level Matrix to ensure that adequate levels of social infrastructure, play and green spaces are accommodated, particularly in areas where high density housing is delivered;**
- **map (in as visual format) and publish details of density levels of new developments in London, along with sizes of properties provided, for purposes of transparency.**

3. Diversifying the homebuilding industry

3.1 Re: Policy 3.3A Build to Rent could potentially be a way of delivering private homes at less than market rents and avoid use of affordable housing grant to deliver London Living Rent homes. However, we haven't seen the evidence from the Mayor's office to show what levels of need there may be for this type of housing, nor the extent to which this might reduce grant funding spent London Living Rent homes.

3.2 The addition of Build to Rent to potentially deliver so-called 'affordable housing' adds to the already confusing range of affordable housing products that are not actually affordable to households with below median incomes and would seem to create difficulties in monitoring delivery of this product.

3.3 Re: Policy 3.3C and the many other references to 'Genuinely Affordable Housing'. **The Mayor should be clear about how many of these will**

actually be affordable or accessible to households with below median income levels. This should include an assumed level of money that London Living Rent tenants would need to put away for a deposit. We want to see access mapped according to household incomes levels, from the lowest 10%, with 10% incremental increases through to 50% (the median income level).

3.4 Para 3.87: LTF is keen to see local authorities build homes – especially where this meets the urgent need for social-rented housing. The London Housing Strategy mentions 1,800 homes delivered by councils over the last 6 years. However, this does not mean 1,800 social-rented or even affordable rent council homes. In 2016-17 local authorities in London delivered 310 homes but only around two third of these were affordable-rent home, none were social-rented and the rest were market homes. LTF’s view is that all public land should be held exclusively for public benefit – particularly delivery of not-for-profit social-rented homes.

4. Working towards half of new homes built being genuinely affordable.

(b) ‘Genuinely affordable housing’

4.1 In the run up to the Mayoral elections in 2016, LTF urged candidates to end the use of the misleading term ‘affordable housing’. The term is a catch-all for all types of homes that are less than market costs with enormous differences between the various types of less-than market-cost homes and thus which sections of society might actually be able to afford or gain access them.

4.2 Most ‘affordable homes’ are **neither affordable** or accessible to families that are homeless, living in overcrowded homes or who have been languishing for decades on housing waiting lists.

4.3 Sadiq Khan has failed to end the use of the term ‘affordable’, has added to the types of so called ‘affordable’ homes available; has rebranded some existing ones and is now referring to some that are least affordable as ‘genuinely affordable’.

Outrageously grant funding that was previously available to meet the needs of households eligible for social-rented homes (albeit likely in outer London areas) has now been diverted to supporting deliver homes that households deemed eligible for social housing are barred from accessing – that is London Living Rent homes - aimed at meet the needs of middle income households.

4.4 This will, without doubt, assist in delivering the Mayor’s 50% target, but will not meet evidenced need.

4.5 The previous Mayor's target for social / affordable rent homes was 60% (of 40% affordable homes) - the equivalent of 25% of total homes. This has been reduced to 'a minimum' of 35% of 50% (or more likely 35% 'affordable' homes) resulting in an equivalent of a target (of the whole) of 12% - 17.5% London Affordable Rent homes.

The likelihood that planning authorities will deliver more than this lower percentage figure of London Affordable Rent homes is slim. Authorities will simply calculate that overall 'affordable' housing targets will more easily be met by delivering homes for middle-income rather than lower-income households (as they are cheaper to deliver).

4.6 There is a long history of this occurring in London. From 2006 the delivery of social-rented homes (as a percentage of all homes delivered) reduced to facilitate delivery more intermediate/'keyworker housing'. Many social-housing tenants who had seen housing waiting lists ever increasing in their boroughs, rightly saw this as a form of 'queue jumping'.

For the three years up to and including 2005/06 22% of homes delivered in London were social-rented and just 10% intermediate. Despite the London-wide housing needs survey identifying that only 7% of households that were unable to meet the cost of market housing, could meet the cost of intermediate housing, Ken Livingstone's target was more than double this (15%). This resulted in increases in delivery from the 10% intermediate housing in 2005/06 to 14% intermediate housing in 2006/07, then to 18% in 2007/08 and 19% in 2008/09 while percentage delivery of social-rented housing delivery reduced. This has continued since then, with roughly equal amounts of social or affordable rent and intermediate housing regularly being delivered.

4.7 The likelihood is that with the Mayor taking money away from delivery of social-rented/affordable rent homes to deliver more intermediate homes will now routinely further reduce delivery of homes to meet the needs of low (below median income) households

4.8 LTF members fear that a game of smoke and mirrors is being played out - with the Mayor working to being seen to be addressing housing affordability for those in greatest need. In reality, the needs of middle income households, who are already working and renting a home are to be prioritised at the expense of ever-longer suffering of low-income homeless and overcrowded households.

4.10 LTF proposes that:

- in order to support middle income households in London, the Mayor should seek ways to reduce the costs of market housing and focus all affordable housing grant on building homes for low

income households who have gained so little (and in ever decreasing amounts) for so many years;

- the Mayor end the use of the term ‘affordable housing’ and ‘genuinely affordable housing’. Both terms are a sham. The Mayor should identify the individual types of housing produced with affordable housing grant and explain which sections of London’s communities might be able to afford or access each of them. In order to be very clear and transparent he should specify what percentage of households with below median income levels might be able to access any of them.

(b) London Affordable Rent

4.11 London Affordable Rents are ‘affordable rent’, not SOCIAL-RENTED homes.

The referencing of London Affordable Rent homes as being based on or being social-rents, by the Deputy Mayor, James Murray, at the London Housing Assembly meeting on Wednesday 8th October and in planning officer’s reports from the Mayor’s Development Corporation in Old Oak and Park Royal (see section 4.14) is not only incorrect, but seems intended to fudge the quite significant difference in cost terms for this type of housing.

Since 2011/12, no government grant-funding has been available to deliver social-rented homes, although in October 2017 the government did announce an additional £2b grant, nationally, which they say can be used to deliver social-rented homes⁷.

4.12 London Affordable Rents are based on formula rent levels⁸ that reflect the formula or target rent that it was intended social-rents would reach through ‘rent restructuring’ (introduced by the Labour Government in 2002). Rent restructuring aimed to bring council rents up to higher housing association rent levels over a 10-year period and began a process of rents reflecting market property values.

A rent formula was applied through which actual rents were to gradually move towards a national target or formula rent (a process called convergence). The formula in part (70%) reflected local manual earnings and, in part (30%) local property values. Annual rent increases were set at no more than £2 per week + RIP + 0.5%.

⁷ <https://www.gov.uk/government/news/2-billion-boost-for-affordable-housing-and-long-term-deal-for-social-rent>

⁸ Table 1 from the Mayor’s Homes for Londoners affordable Homes Programme 2016-21
<https://www.london.gov.uk/sites/default/files/homesforlondoners-affordablehomesprogrammefundingguidance.pdf>

'Convergence' did not occur within the 10 years and the Coalition Government continued the convergence process until 2015/16, after which, it said, social rents would rise by CPI plus 1% for 10 years.

However, in July 2015, the government changed track in an attempt to reduce the national housing benefit bill. It announced that social housing rents would be reduced by 1% a year, for four years, to bring about in a 12% rent reduction by 2020/21.

While convergence was 'achieved' in some parts of the country by 2015/16, in high value property areas such as London⁹, the gap between target rents and average social rents remained wide and differences between council and housing association rents had, in fact, widened.

4.13 If we assume that a three-bedroom sized home is the 'average', London Affordable Rents are £53.07 (almost 50%) higher than average council rents and £35.75 (28%) higher than average housing association rents.

While this might seem to be more or less the same for someone with wages as high as those of the Deputy Mayor, this is a significant difference for low-income households. It is of note that average council rents rose 27% between 2010-11 and 2014-15; four times faster than wage growth.¹⁰

In cost terms, London Affordable Rents are also pretty much the same as the previous Mayors 'capped affordable rents', except that the previous Mayor's definition included service charges, while formula rents don't. Service charges can result in which can result in a significant additional housing cost. The table below is from the planning officer's report on the Oaklands development in the OPDC area. It shows service charges at £35 a week (as well as referring to London Affordable Rent as 'social rent').

4.14 In addition, London Affordable Rent homes will, immediately have annual rent increases of CPI + 1%, while existing social tenants will have reductions in rent of 1% each year until 2020/21. By 2020 the gap between actual social-rents and London Affordable Rent will be even higher.

⁹ Page 20 - House of Commons Library Briefing Paper on Rent Setting (social housing June 2017) - <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN01090>

¹⁰ <http://www.independent.co.uk/news/uk/home-news/council-house-tenants-rents-rise-four-times-quicker-than-average-wages-a6847421.html> (Independent - 01/02/16)

Table 5.3 Indicative rent levels for social rented and affordable rented units without service charge

Unit type	Open market rent	Social rent	Social rent % of market rent	Affordable rent	Affordable rent % of market rent
1B2P	£251.00	£120.38	48%	£165.00	66%
2B3P	£298.00	-	-	£195.00	65%
2B4P	£339.00	£143.60	42%	£200.00	59%
3B5P	£354.00	£154.92	44%	-	-
3B6P	-	£154.92	-	-	-

Table 5.4 Indicative rent levels for social rented and affordable rented units with indicative service charge

Unit type	Open market rent	Social rent	Social rent % of market rent	Affordable rent	Affordable rent % of market rent
1B2P	£286.00	£155.38	54%	£200.00	70%
2B3P	£333.00	-	-	£230.00	69%
2B4P	£374.00	£178.60	48%	£235.00	63%
3B5P	£389.00	£189.92	49%	-	-
3B6P	-	£189.92	-	-	-

(c) London Living Rent

4.15 Although announced as being ‘genuinely affordable’ this product is pretty much a rebranding of the previous London Mayor’s ‘discounted’ affordable rents (cost wise, on average, being at around 70% market rents).

The big difference, however, is that unlike discounted affordable rents, London Living Rent homes are **only** accessible to middle income households that have an income of no more than £60,000 and who can **also afford to put money away to save for a deposit to buy or part-buy a home**. They are not accessible to households registered on housing waiting lists or households that need to claim benefits to meet rental costs.

So, with a sleight of hand this rebranded affordable rent housing is now only assessible to people with higher ‘middle incomes’. They are necessarily more affordable to these households than they would have been to low-income households.

4.16 While London Living Rents also being trumpeted as being much fairer - as based on a third of average incomes in each ward rather than market rents, in reality average incomes are high in exactly the same areas where there are high market rents – not really so different – particularly in central and SW London (as can be seen on the GLA website map).¹¹

On income basis alone, households that have a less than the London median income level (£39,000) will only be able to afford the lowest two levels of London Living Rent homes; generally, at the edges of outer London.

¹¹ https://www.london.gov.uk/sites/default/files/ward_map_2017.pdf

4.17 LTF proposes that for purposes of transparency around the cost of this type of housing, the Mayor should also specify a sum of money that London Living Rent tenants might be expected to put away each week or month for a deposit to buy / part-buy a home and include this in the London Living Rent map and other data on the GLA website.

(d) Shared ownership

4.17 This is yet another scheme that generally supports households that have incomes above the median level, some considerably so. Share ownership provides 'genuinely affordable' housing to households with incomes of up to £90,000 (almost two and a half times the London median). In addition, when nationally household incomes of £70,000 are in the top 5%, it is likely that households with incomes of £90,000 are in the top 10% in London. With such high levels of housing need amongst low income households it seems totally inappropriate and unacceptable that tax payers – most with lower incomes than this to be supporting this product and households with such high income levels.

4.18 We question the assertion in policy 4.1C that this is a successful model. While indeed, quite large numbers of households have taken up on subsidised home ownership schemes, the bigger question is who benefits? Bert Provan, Occasional Senior Research Fellow at the Centre for Analysis of Social Exclusion at the LSE and who worked for many years as a Senior Civil Servant in the DWP and DCLG, argues recently (using DCLG data) on an LSE blog¹² that nationally only one in five households that benefit from help to buy schemes (such as shared ownership) have incomes below the median. He highlights that for three out of five households it simply helped them to buy sooner, as a lower deposit is required.

(e) Increasing delivery of affordable homes

4.20 Re Policy 4.2B - many housing zone areas are in relatively poor areas of London so a target of 65% of homes being non-affordable will result in delivery of more market housing than needed, will increase in housing costs and ultimately displace low income households from these areas.

4.21 LTF proposes that housing zone areas are ideal for being developed as a mix of public and community-led housing alongside protection and refurbishment of existing social-rented homes. Given that there is potential to deliver such high levels of homes in these areas it is essential that there is a net target for 50% to meet evidenced need. Where funding is not currently available to

¹² <http://blogs.lse.ac.uk/politicsandpolicy/how-help-to-buy-helps-the-privileged/>

deliver social-rented homes, land should be held aside until money is available to achieve this – rather than to continue with more over-development of market homes.

(f) Building Genuinely Affordable Housing on TFL land

4.23 The example of the 50% affordable housing development at Kidbrooke station (Box 7) is a small part of the overall development that occurred following demolition of the Ferrier Estate. In total this scheme entails a total loss of 995 social-rented homes.

Ferrier Estate, which had 1,900 social rented homes, was demolished between 2007 and 2013. It is still being replaced with 4,763 new homes with 35% (1,667) affordable homes, only 738 of these being social-rented.

This is an example of not only a significant loss of social-rented homes but also an overall loss of affordable home.

Given that the Mayor has said in the public domain that he does not want to see loss of social rented homes – a different example should be provided here.

(e) Protecting London's Affordable Homes

4.24 Policy 4.3 is, sadly, not strong enough to protect existing social-rented homes. Few of social-rented homes that are being demolished are structurally unsound. For most, a process of refurbishment would be both cheaper and more environmentally sound than demolition and rebuild.

4.25 LTF proposes that the Mayor set out in the London Housing Strategy that he will:

- (i) require a full social, economic and environmental analysis of any estate regeneration scheme (which must be provided to all tenants and residents impacted) to ensure that the best strategy is developed and that homes are not unnecessarily being demolished;
- (ii) expect that tenants and residents of social housing estates will (in a democratic and accountable fashion) lead on, or determine, what they want in terms of regeneration of their homes / estates and are provided with full information on the financial resources available to carry out any major improvements;
- (iii) require evidence that tenants and homeowners support regeneration schemes for their estates through a ballot;

(iv) confirm that like for like means that social-rented homes are replaced with social-rented homes not 50% higher London Affordable Rent homes;

5. High quality homes in inclusive neighbourhoods.

Quality and safety of existing homes

- 5.1 In the past it was acknowledged that full engagement of tenants in a democratic and participatory way was the best way to ensure good management and maintenance of homes, greatest tenant satisfaction and the most effective use of finances.

This was generally achieved within the local authority sector through organised elected tenants' associations on housing estates or specific areas. Elected members were required to hold regular meetings and be accountable to others.

At the borough-wide level a range of tenants' federations and organisations met regularly to share and exchange, facilitating a democratic way of engaging with their landlords.

This, as with all tenant involvement or engagement, was facilitated financially through tenants' rent payments.

- 5.2 The independence of tenants' voices has, however, reduced over some years, with landlords' tenant engagement policy and practice often shifting to selection of tenants and leaseholder (long-term tenants) to be involved on housing panels to scrutinise their landlord performance. In this process, selected tenants have no remit to engage with other tenants to find out their views, nor a remit to feed back to them. Many LTF members feel this process is about supporting landlords' needs rather than those of tenants.

LTF members and their member TRAs consistently (at general meetings, conferences and events) highlight their concerns that there is a need for social landlords to more fully engage tenants in an independent, organised, democratic and participatory fashion at the local, borough- and London-wide level. Increasingly social housing tenants feel isolated as structures through which they may share and exchange have been closed down.

LTF is now looking to engage individual TRAs as associate members in an attempt to fill an increasing gap and unmet need.

- 5.3 LTF members feels that that the failure of the Kensington and Chelsea ALMO to hear the voices of tenants of Grenfell tower represents the most horrendous example of failures in terms of tenant engagement. However,

other tenants' groups also report their struggles to find effective ways to highlight sometimes quite serious issues with their landlords. While this not the case with all social landlords, we note increasing expressions of concern about the gradual breaking down of networks of formal social housing tenants' groups at the local level and necessarily a weakening of tenants collective voice.

5.4 We propose that the London Mayor should:

- **positively encourage social landlords to facilitate democratic, accountable and participatory engagement of tenants by social landlords, in his London Housing Strategy (particularly since tenant engagement is supported through tenants' rent payments). This should be justified as a way of not only ensuring that any serious health and safety issues can be appropriately highlighted and taken notice of at an early as possible stage, but also to ensure that funding available to manage, maintain, improve and protect social-rented homes is spent effectively through the intimate knowledge that tenants and their associations have about their homes;**
- **require social landlords that apply for grant funding to deliver new affordable homes provide the Mayor with information on how they engage their tenants, fairly and openly, around the management and maintenance of their homes;**
- **reserve the right to see positive improvements in landlord's tenant participation practices before funding is allocated.**

5.5 LTF members are also concerned that there is a need for independent advice and guidance on health and safety issues in social housing and that standard practice around this is applied equally across social landlords. Key issues that have been raised by LTF member organisation are that:

- (i) fire risk assessment should be carried out independently by the fire brigade, not officers of landlord organisations;
- (ii) any major works carried out particularly to high-rise blocks need to be fully and independently checked to ensure that any potential breaching or compromising of compartmentalisation or other fire risk issue is fully considered. (While checks post major works / refurbishment should be carried out as a matter of good practice, it is clear that often they are not done thoroughly or effectively enough and that often there is a lack of audit trails relating to both the works carried out and the funding streams used;

- (iii) detailed information on all major works and any post-work checks relating to health and safety issues (including fire risk) should be available within the public domain;
- (iv) while social landlords are busy trying to justify that they are doing everything they can to address issues that have arisen post Grenfell, there is a high level of scepticism amongst tenants' organisations;
- (v) fire practices should be carried out regularly on high-rise block, as occurs in large work places;
- (vi) tenants should have access to independent advice on health and safety issues – just as might be provided in a work place.

5.6 LTF proposes that the Mayor consider whether any of the above may be implemented and included in the London Housing Strategy immediately, without any changes to national regulations / policy.

Other comments on high quality homes in inclusive neighbourhoods

5.7 The London Mayor should

- (i) **emphasise the importance of delivering Lifetime Neighbourhoods. LTF has consistently supportive of this London Plan policy. Its own definition was included in DCLG guidance and informed the first Lifetime Neighbourhoods policy in the London Plan. Lifetime Neighbourhoods should be considered as supporting sustainable communities. Principally this should be about developing neighbourhoods that are accessible and inclusive of all ranges and types of households and ages. They should have good quality homes, jobs, shops, services, green, play and leisure facilities that meet the majority of needs – without having to take long journeys to access them.**
- (ii) **ensure that as many new homes as possible are lifetime homes that might be accessible throughout people's lives and facilitate any need for wheelchair users (including visitors)**
- (iii) **set a clear target for adaptations to existing homes to meet evidenced need;**
- (iv) **set a target for the length of time that homes should last for. Given that London still retains a large number of Georgian dwellings that are of between 200 and 300 years old, the Mayor could / should consider that a target for homes will last last for at least 150 years or more would not be unreasonable;**
- (v) **set policy to prevent development of segregated 'poor doors' in mixed tenure developments.**

Meeting London's diverse housing needs

5.8 Policy 5.2A is very broad brush – lacking in detail around how policy will be put into practice and lacking targets that might facilitate monitoring of what the Mayor proposes.

LTF members want more new and existing homes to be appropriate for and accessible to disabled and older Londoners (see section 5.7(ii) and (iii) of this response).

5.9 LTF members also want to see clear targets for delivering family-sized homes that meet evidenced need and go incrementally towards dealing with the shockingly high levels of overcrowded homes particularly in parts of London that also have high levels of deprivation.

We note that at our joint conference with the NFTMO and London Fed of Housing Co-ops that James Clark highlighted the need for single person dwellings. We also note data included in the London Assembly Planning and Housing Committee report of March 2011 – ‘Overcrowding in London’s social housing’. This shows clearly that a strategy for building larger family sizes homes facilitates a chain move up from a smaller to larger home addressing overcrowding and, at the end of the chain, providing a smaller-sized home. A specific example in that document showed how that provision of a 6-bedroom home could provide in total 36 people being moved from overcrowded homes. This is a far more effective and sensible strategy than simply building more one-bedroom homes.

5.11 The Mayor should provide, within the London Housing Strategy, clear information that might be scrutinised relating to targets (supported by a clear evidence base) that addresses need and equality of access. This does not seem to be the case in respect of households with below median income levels. We are particularly concerned about the extent to which low income households housing needs are not met, relative those of middle and higher income households.

Community Support for Homebuilding

5.12 Regarding policy 5.3A LTF has consistently argued that the Mayor should encourage community-led housing development and, in the past, has argued that he set a proportion of land that he has control over specifically for delivery of community-led housing.

5.13 LTF proposes that

- the Mayor work closely with existing, newly formed or developing London-based co-operatives, TMOs and CLT’s to assess their existing and future potential (including resources

and capacity) to develop new low-cost rented homes and that he set aside public land that might be available to them to deliver community-led housing;

- the Community Hub should effectively comprise organisations listed above who should be provided with support and expertise required to meet their needs – including on obtaining low interest loans, carrying out viability assessments and taking collective ownership of land, homes and community infrastructure;
- the Community Hub should also have a pro-active role in matching areas of public land where residents that are keen to facilitate small community-led developments within their estates or neighbourhoods with community led builder organisations. This could be done through support of an online map;
- the Mayor should provide support for social tenants generally who wish to manage and / or collectively own their homes.

5.14 LTF supports greater transparency around delivery of housing (Policy 5.3C) – particularly the profits made by developers in London. LTF members would like to see the Mayor and boroughs set a limit on developer profit margins and end the selling off public land to developers.

5.15 LTF members support policy 5.3D which encourages council to address empty homes by levying the empty homes Council Tax premium and lobbying Government for changes to make it more effective.

5.16 We feel that the impact of homes being bought for investment (also 5.3D) on the availability of homes for Londoners should be a key part of the London Housing Strategy. The draft strategy does not do enough to prevent the large-scale property investment / overdevelopment of market housing comparative to evidenced need. It should focus a great deal more on development of not-for-profit public and community-led housing.

Listening to views of social housing tenants and leaseholders

5.17 Regarding Policy 5.3E LTF is keen to see the Mayor provide effective protection for social housing tenants, including those affected by estate regeneration and ensure their views are properly heard. It's not clear how this section relates to 'community support for home building'.

5.18 We are very concerned that the Mayor is taking so long to publish his final good practice guide on estate regeneration and that this is mentioned in the London Housing Strategy without first being published.

5.19 Social tenants' voices should be fully heard and acted on in relation to all aspects of management and maintenance of our homes. As already highlighted we believe and indeed past policy asserted the best way to achieve effective management and allocation of funding for tenants' homes was through establishment of strong and active tenants and residents' participation.

Some of our members also ask that the London Mayor support the re-establishment of local authority housing committees, to which social housing tenants may at times request to speak at. We feel this would also provide a way in which serious issues such as those around health and safety (including fire risk) could potentially be raised by tenants' groups.

5.20 We are pleased to see section 5.66. However, as already highlighted in this response that the Mayor could do a lot more to support tenants' (including leaseholders) voices being heard by their landlords in London. We hope that he might include our proposals in the final draft of the London Housing Strategy.

We also feel that the London Mayor could also show himself to be a good example by involving tenants along with other formal voluntary and community groups, whose work relates to housing, in the development and monitoring of London-wide housing strategy. LTF representatives were involved in the past in the Mayor's Housing Forum and it is very disappointing that current Mayor is not looking for a way to involve community sector groups in a similar way. Surely involving communities that are impacted by the Mayor's strategy is an important remit for the Mayor. If he did, this could go a long way in terms of encouraging social landlords to listen to tenants (including leaseholders) in a fair, democratic, accountable and participatory fashion.

5.21 Attached is a proposal that LTF was encouraged to submit to the Mayor by the previous GLA head of housing and homelessness earlier this year. This was submitted with the LTF response to the Mayor's 'A City for All Londoners'. Sadly, we never received a response to this. We hope the Mayor might now seriously consider our proposal.

5.22 Regarding the Social Housing Regulator. While there would be no major disagreement with the Mayor calling for a review of the test of serious detriment, this is not an issue that has ever been raised as a matter of concern at LTF meetings or events and we are not certain that this would have effectively address issues relating to Grenfell tower.

We are very concerned, however, regarding Mayor's proposal for a Commissioner for Social Housing Residents, that he has held no formal consultation with social housing residents about this proposal.

LTF members feel that this could be a rather patronising proposal that would not effectively facilitate tenants' views being heard.

As already highlighted above, a key priority for our members is that social housing tenants are empowered to express their own needs, views and concerns through organised, democratic, fully participatory and accountable tenant organisations.

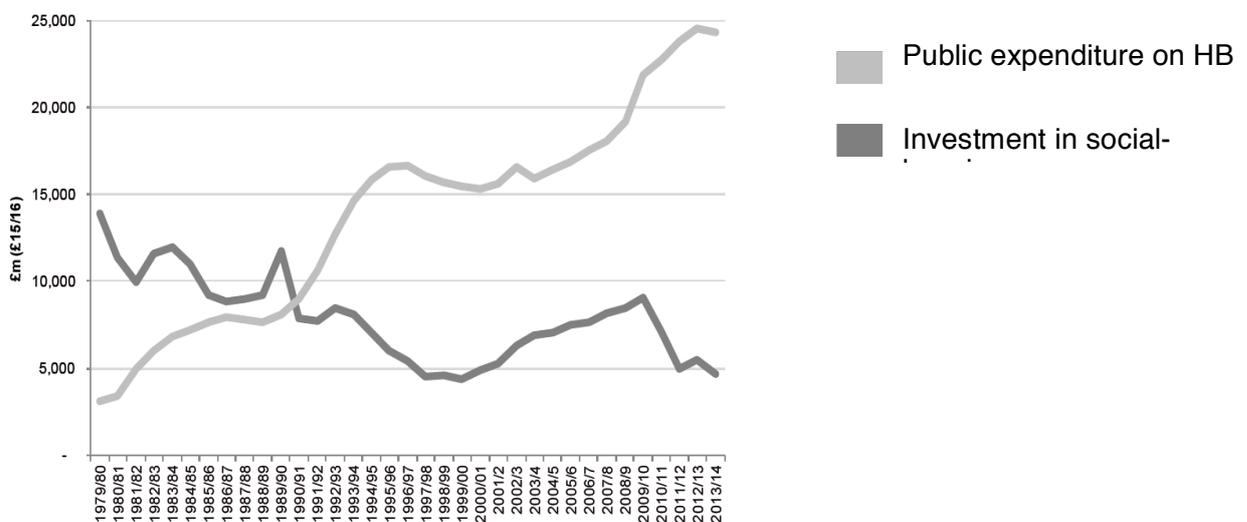
We welcome the Mayor championing this in London this and would be happy to work with the Mayor on a good practice guide on effective tenant engagement in London.

If tenants are starved of ways to engage collectively at the local estate or neighbourhood level and with other tenants' groups the result is isolation and disengagement and likely more individual / consumer complaints or in the worst case scenario the kind of failures we have seen at Grenfell.

6. Improving standards for private renters

6.1 LTF members feel that private rented housing is seldom the tenure of choice. The transient nature of private-rented accommodation is particularly harsh on low income households with children.

6.2 We have consistently expressed concern that hundreds of thousands of households that need and are eligible for social-rented homes have been housed in private-rented homes at costs way above their means at and that this has consistently raised housing benefit costs. See graph below - from a presentation that John Perry, (CIH) provided to a London Tenants Federation meeting in November 2015



This can only be addressed by delivering more homes that meet the needs of low income households and by the Mayor ending a failed market-led strategy that has consistently failed to address housing need in London. This not insignificant section of the private rented sector will not benefit from allocation of grant funding for affordable homes being spent on London Living Rent.

- 6.3 We support the Mayor working with local authorities to improve standards, licensing schemes and a landlord registration scheme. We support attempts to enhance security of tenure and deal generally with bad landlords.
- 6.4 There is a need to encourage funding and support for private tenants at the local level as occurs in Camden and Brent. LTF gets phone calls and emails almost on a weekly basis from private tenants who are having problems - including around the condition of their homes, un-returned deposits and lettings agents' fees which would seem to be wide-spread. As we lack the remit and expertise to deal directly with private tenants, we redirect where we can - but from our own evidence there is a huge lack of independent support at the local level.
- 6.5 LTF proposes that the Mayor establish, as with the social-rented tenant sector, an effective way of private tenants' groups such as Renters Rights London to have regular involvement with the Mayor's office, particularly in terms of monitoring the effectiveness of London Housing Strategy policy at the grass roots level. This could be achieved through the establishment of a voluntary and community sector housing forum, comprising groups that are involved in housing, tenants' issues and rights, homelessness and overcrowding, as a part of their core work (as highlighted above).

Reforming and improving leasehold

- 6.6 **In sympathy with the ethos of and in support of the Mayor's proposals, we propose the Mayor ask all London boroughs to encourage existing leaseholders to meet on a regular basis for two purposes:**
 - (i) **in recognition of the fact that whilst a reformed "Leasehold Advisory Service" can provide essential advice on law and precedence if leaseholders are to accurately synthesise statements as to their problems as they see them then they need to have a chance to share their experiences;**
 - (ii) **if leasehold law is to be reformed then it will be a once in a generation chance to make the alterations that will address all the issues rather than just the few that currently have the attention of the media.**

The London Leaseholders Network (unfortunately now inactive) advises that there had been some 35 attempts to reform leasehold law since 1880; approximately one reform every five or six years. The last reform before 2017 was the Commonhold and Leasehold Reform Act 2002. This Act attempted to establish Commonhold as a choice. However, the choice provided was one to be exercised by landlords and not tenants (leaseholders) and given a choice, landlords will choose a continuing interest in the property as provided by traditional leasehold.¹³ Landlords have been able, in time, to recover the land and redevelop. The current issues concerning developments of leasehold houses have exposed developers bundling up freeholds for sale in a manner reminiscent of the bundling of mortgages prior to the 2008 crash.

Further LTF proposes that the Mayor should

- **include in section 6.3(B) leaseholders (in addition to council, housing association and industry groups);**
- **insert in section 6.45 insert '*leases on their*' – between 'purchase' and 'homes';**
- **add 'It seems particularly unfair that some with shared ownership, in addition to paying rent in respect of the percentage of the lease that they do not own, find themselves paying service charges for a percentage of their lease higher than the percentage that they own';**
- **expect that leaseholders are provided with professional advice in any regeneration scheme and that it is they, not landlords, that choose who provides that advice;**
- **provide space for borough-wide leasehold groups to come together so that they can provide the Mayor with a consensus of what is needed by way of reform.**

Your sincerely

Pat Turnbull and Ron Hollis
LTF regional delegates

¹³ For an authoritative view on the extent to which the 2002 Act failed to achieve its original objectives the Mayor should refer to Barry Gardiner MP for Brent North who was deeply involved at the time when the Bill was being formulated and subsequently amended in Parliament.

For London Tenants Federation