

LONDON SUSTAINABLE DEVELOPMENT COMMISSION (LSDC) RESPONSE TO DRAFT SUPPLEMENTARY PLANNING GUIDANCE NOTE - AFFORDABLE HOUSING

Introduction

The London Sustainable Development Commission (LSDC) was established in 2002 to advise the Mayor of London on ways to make London a sustainable, world-class city. The Commission is an independent body advising, supporting and challenging policy makers to promote a better quality of life for all Londoners, both now and in the future, whilst also considering London's wider global impacts.

Draft Supplementary Planning Guidance

The LSDC welcomes the publication of the supplementary planning guidance, and the opportunity to comment on it. LSDC considers that the provision of homes that people can afford without recourse to benefits is a major sustainability issue facing London and Londoners, and such a provision would effectively contribute to community cohesion. In its most recent Quality of Life Indicators Report 2008/09¹ the LSDC identified threats to community cohesion as a key issue that needs to be tackled.

Our comments concern the following minor alterations:

- The definition of affordable housing
- The inclusion of this definition of affordable housing in the planning provision for social housing
- The off-site provision for social housing.

Comments on the Guidance

1 *Definition of Affordable Housing*

The DSPG indicates that the definition is as follows;

- a) Meet the needs of eligible households including the availability at a cost low enough for them to afford, determined with regards to local incomes and local house prices.
- b) Include provisions for the home to remain at an affordable price for future eligible households
- c) If these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.

LSDC have received evidence that in certain more deprived London Boroughs in London a very high percentage of the community can not afford to be housed without recourse to benefits. For instance in Newham and Tower Hamlets:

- 44 percent of Newham households unable to reasonably afford a 2 bed property at Affordable Rent Model rent levels; 65 percent unable to afford 3 bed property.²
- 63 percent of Tower Hamlets households unable to reasonably afford a 2 bed property at Affordable Rent Model rent levels; 74 percent unable to afford 3 bed property³
- Newham is ranked 2nd and Tower Hamlets 3rd in the Indices of Deprivation 2010⁴

We consider this to be a major sustainability issue, **and therefore it would be important that the definition specifically state that affordability should be *without recourse to benefits*.**

¹ http://www.londoncdc.org/documents/qol_reports/QoL_indicators.pdf

² http://www.east-thames.co.uk/assets_cm/files/pdf/impact_of_the_affordable_rent_model_newham.pdf

³ http://www.east-thames.co.uk/assets_cm/files/pdf/impact_of_the_affordable_rent_model_tower_hamlets.pdf

⁴ <http://www.communities.gov.uk/documents/statistics/xls/1871689.xls>

2 *The inclusion of this definition of affordable housing in the planning provision for social housing*

The government have indicated that 'affordable' rents can be as much as 80% of the market rent in an area; from the evidence that we have received it appears likely that these 'affordable' rents will breach the definition of affordability as set out in the DSPG.

LSDC therefore consider that it would be inappropriate for this level of rented accommodation to be included in the social housing quota as set out in the London Plan as it would hinder the level of new homes being built that are actually affordable to a large number of the population.

3 *The Off-site provision for social housing*

Whilst the DSPG indicates that there will be a preference for on-site provision, it does permit an element of off-site provision for social housing. LSDC considers that unless new housing provides accommodation for integrated communities, community cohesion would be at risk. The DSPG should have a greater presumption that social housing be on-site.