

**TOWARDS THE MAYOR'S HOUSING STRATEGY
CONSULTATION RESPONSE FROM THE
LONDON SUSTAINABLE DEVELOPMENT COMMISSION
January 2007**

The London Sustainable Development Commission welcome the opportunity to respond to 'Towards the Mayor's Housing Strategy'. We have supported the Mayor taking over the strategic responsibility for housing in London, which we feel increases the opportunities to promote and achieve a London as a truly sustainable world city.

We are aware that a number of organisations will be responding to each of the questions raised in the draft strategy. We are limiting ourselves to making more general points which we think relate to the sustainable challenges raised by the document. However, we have ordered these general points and under the section headings in the draft strategy.

Introductory comments

Overall we welcome –

- The recognition in the draft strategy that good housing is 'a major contributor towards good health, social inclusion and equality, educational attainment and improved life chances'. We support the focus in the draft strategy to the links between overcrowding and child poverty and the opportunities to tackle unemployment issues.
- The plurality of strategy which recognises a range of housing needs including housing for those with special needs, housing for those on low incomes and housing for people on modest and moderate incomes.
- The focus on climate change, but would encourage the Mayor to include more around the challenges faced in the existing housing stock.

We do have concerns that the strategy concentrates on new housing stock while we recognise that this is easier to influence. We think however that it should set out aspirations around the current stock, building on the opportunities to promote improving environmental standards in particular helping owner-occupiers and social landlords. This could be done by providing advice and support building on work that is already being undertaken by the GLA Environmental Team and the London Climate Change Agency to provide simple solutions to improving environmental performance for owner-occupiers. This might be extended to working with building societies to help with funding and with small builders to create some form of accreditation system for reputable builders who understand what is required.

We think building on this there are real opportunities to work with other agencies including the London Housing Federation, the Housing Corporation and London Councils to help social landlords respond to climate change when

improving their stock by having coherent and consistent guidance on effective actions and reliable, screened contractors to draw on to carry out work.

We are aware that the draft strategy has been the subject of an integrated assessment process. We have seen the draft of this and would support the creation of a series of indicators beyond those relating to unit numbers to test the effectiveness of the implementation of the strategy.

We are also keen to see the concept of virtuous cycles, as promoted by the LSDC's framework document, used in delivering this strategy to help connect together the Mayor's increasing statutory powers to create 'win, win, win' scenarios which allow the delivery of one strategy to aid in the delivery of a series of other strategies. We are happy to work with the Mayor and the new structures supporting the delivery of the final strategy to develop these integrated approaches.

Section 3 Putting people first

The shortage of good quality affordable housing in London has significant impact on the social and economic well being of the city. The lack of suitable housing for those on low incomes has led to families suffering overcrowding with consequent impacts on health, educational attainment and anti-social behaviour. For the homeless living in temporary housing affects life chances impacting on children's educational attainment and adult access to employment as well as contributing to poor physical and mental health and often resulting in repeat cycles of homelessness.

However, there are also issues for people on moderate incomes who have difficulty accessing housing suitable to their needs which they can afford – this is particularly true for families. It leads to people on moderate and middle incomes leaving London with the consequent impacts on the social and community balance in London with some locations now only providing housing for the poor, the rich and the young, childless and mobile. This in turn impacts on recruitment and retention in public services but also in the private sector and longer term will affect decisions around the location of business in a global market.

We therefore support –

- A focus on providing more family housing for those needing to rent and those able to buy part of their homes. We would particularly support new tenure models which:
 - Ensure that people can buy small shares in their homes and which enable stair casing up and down where people's economic situation has changed;
 - Result in a limit to the equity that can be bought. We are concerned that most shared ownership housing is bought outright which results in a relatively short time period losing the homes to the open market. While the majority of sale proceeds are recycled to create new homes, valuable stock in key locations is lost which cannot always be replicated. We therefore suggest fixed equity models where homes will remain

affordable to people on moderate incomes which we think is particularly important where the homes provided are for families.

- Creative approaches to tackling homelessness which would include using the existing social housing stock more effectively, providing positive encouragement for under-occupying households in social housing to downsize and projects such as 'working futures' which helps people in temporary housing access training and employment by dealing with the poverty trap.

We also think that through the new skills agency and the LDA there are real opportunities to build on a range of capacity building and training and employment programmes run by housing associations to ensure there are more coherent and financially secure offers for residents of those housing associations and others in the communities where housing associations operate. It is recognised that housing associations work with many of the poorest people in London and their local knowledge and approach to social entrepreneurship has resulted in a number of well-documented interventions that have positively changed Londoners' lives.

Section 4 Building more homes and Section 5 Building the right homes in the right places

We are very concerned that the draft strategy and its implementation result in providing the right homes in the right places. While the London Plan helped to promote the development of new homes many of these have been small one and two bedroom flats in very high-density blocks. The beneficiaries of the promotion of higher density standards have included:

- Landowners who have gained from the increase in land values as a result of being allowed higher density developments on their land and
- House builders who have increased their number of sales as a result of being able to develop more homes on a site without a commensurate increase in development costs, with many of the smaller units developed being sold off-plan to the buy to let market.

In extreme cases the homes built have been left empty by investors who have acquired purely as a form of investment.

The strategy needs to establish ways of –

- Using planning powers to be more specific about the density, form and mix and to create high density compact places not hyper density schemes. In particular it needs to promote a modern interpretation of high density inner urban Victorian housing which has remained popular and attractive and provides a very flexible built form which can be adapted to meet changing household needs overtime. In effect the Mayor needs to develop a domestic and attractive new architectural genre for housing for the 21st century taking account of the way Londoners want to live which is cost effective and as near to carbon neutral as possible.

- Taking account of the running costs of new homes. Higher density flatted housing creates ongoing costs as a result of the need to run and maintain lifts and other equipment alongside the management and maintenance costs required to keep the common parts of schemes in good order. In the past, social housing higher rise schemes have fallen into disrepair as costs of management and maintenance have been eroded to reduce public expenditure. There is a real risk of this happening in the future and attention needs to be paid to designs which minimise service charges. The reduction of the need for communal areas and lifts and their associated costs also reduce energy take and therefore potentially reduce carbon emissions.

We would recommend that as part of the strategy the Mayor develops a coherent approach to high density schemes drawing on the work done by the London Housing Federation, the LSE and others and particularly to the higher density toolkit publication recently developed by East Thames Group which draws together a range of good practice into practical advice for developers, landlords, local authority councillors and officers, residents and community groups.

Critical to the delivery of new homes is access to land. We are aware that it is increasingly difficult to purchase land at a price which allows the development of homes with the appropriate mix of sizes, types and tenures. A significant proportion of new affordable housing is through section 106 arrangements with house-builders and this generally further impacts on the size of homes and their quality.

We think there are opportunities to better access land particularly public land which would allow development which meets the requirements set out in the draft strategy. We would support work that we are aware is being undertaken by the Mayor's family currently to allow land to be sold at a price which allows appropriate development with a focus on mix, high design standards and energy efficiency. This would be by selling an equity stake in the land to allow the development and retaining equity which also means equity participation in any development surpluses.

We think that this should sit alongside an approach which actively seek lands to involve the long term owners/managers of the affordable housing at the beginning, which includes housing associations in particular being chosen at the beginning of significant projects and actively contributing to design development. Many of the larger housing associations in London are large developers capable of leading developments and a number have housing for sale subsidiaries and work in complex development partnerships with house-builders and commercial developers. Their charitable status and social purpose make them natural partners in delivering the draft strategy including providing special needs housing.

Section 6 Designing places where people want to live

Our responses to the earlier sections confirm the Commission's commitment to good appropriate design for new homes. We are concerned that there is a plethora of design advice and would suggest that Design for London draw on

this and work with other agencies which exert influence in this area such as the Housing Corporation, DCLG and CABE to ensure that wherever possible design requirements and advice is both coherent and streamlined.

We are particularly keen on promoting good green design and would emphasise the need to move away from 'pilot' projects to a standard approach. To do this cost effective and practical guidance needs to be developed drawing on good practice but also establishing new standards.

We are also concerned in any design standards to improve space standards as this is fundamental to creating homes that will last. We know that it is easier to do this in the social housing sector but would urge the Mayor to find ways of encouraging the private sector to create homes with bigger rooms and better storage. At present owner-occupiers of new homes rely on under occupation to provide them with decent living spaces.

We also view the creation of external space as essential and wherever possible this should be providing private gardens, good sized private balconies and terraces. Small areas of communal space add to service charge costs and are often poorly used and maintained. We would prefer to see private space and local pocket parks with clearly identified ways of funding their maintenance and promoting their use.

The Mayor is in a good position to influence the Decent Homes standard and programme in a way that better reflects the sustainability agenda and would support any move in this direction.

We feel that it is important for the Mayor to recognise achievements in house building, via some sort of award scheme or kite mark, to leave a legacy of quality housing (not just increased numbers).

Section 7 Reviewing intermediate housing

We support the creation of intermediate housing to provide homes for people on modest incomes. It will be critical to ensure that this is for a range of household sizes and as we have already indicated we favour models which allow flexibility in terms of the equity bought and also favour fixed equity models which mean that the pool of intermediate housing is not lost to the open market.

We also think that intermediate housing should not just be for the narrow range of key workers as currently defined but should be opened up to Londoners more generally who fall into the income levels prescribed for schemes.

Section 8 Promoting choice and mobility

We support the work being undertaken by the GLA, London Housing Federation and London Councils on creating a pan London mobility scheme for affordable housing. However, we think that sat alongside this needs to be support for many of those wishing to move which would help them through the process including connecting to schooling and GPs and training and employment opportunities as well as helping with the physical move.

This will be critical in encouraging people who under-occupy to move alongside some form of financial package. It will also be required to encourage people from across London to move into the major growth areas particularly to east London and is part of ensuring those new projects provide homes and neighbourhoods which people from all backgrounds have chosen to live in.

Section 9 Tackling climate change

We strongly welcome the focus in the draft strategy on climate change. We are keen to support programmes and initiatives which help all Londoners tackle this issue in their homes.

The Strategy offers the opportunity for the Mayor to confirm his approach of only supporting housing investment for carbon neutral housing. It is important to counter the myth that London cannot have affordable **and** sustainable housing and thus set a clear message to house builders concerning the Mayor's climate change imperative.

We are aware of the work that the GLA family are already doing in this field some of which is referred to in the draft. We think it is critical to provide clear and simple advice to owner-occupiers, private landlords and social landlords about how to improve the energy efficiency of existing homes as well as on new homes. We also support the impact this would have on reducing fuel poverty.

We are also keen at looking at ways of retrofitting housing and building new housing to cope with higher temperatures to avoid the additional carbon emissions that would arise from an increase in the use of domestic air conditioning systems.

We also support a focus on helping people adapt their lifestyles in the forthcoming strategies the Mayor will be providing on Climate Change and Energy and Climate Change Adaptation.