

<b>Housing Select Committee</b>			
<b>Title</b>	Key Housing issues		
<b>Key decision</b>	No	<b>Item no</b>	8
<b>Wards</b>	All		
<b>Contributors</b>	Executive Director for Customer Services		
<b>Class</b>	Part 1	10 January 2017	

## **1 Summary**

- 1.1 Key Housing Issues is a general report that aims to update the Housing Select Committee on current and new issues important to housing.

## **2 Update on legislation timetable**

- 2.1 Housing Select Committee will be aware that the government had been due to publish regulations relating to measures introduced by the Housing and Planning Act.
- 2.2 On 21 November 2016 the Housing and Planning Minister announced that the government has decided not to proceed with Pay to Stay. It was also subsequently confirmed on 24 November 2016 that the government will not be asking Councils for any payments relating to High Value Voids in the 2017/18 financial year, but it may do in subsequent years. DCLG have asked local authorities to submit additional data regarding their housing stock to allow them to carry out further analysis.
- 2.3 The government still intends to replace secure 'lifetime' tenancies with Fixed Term Tenancies. The regulations relating to Fixed Term Tenancies had not been published at the time of this report being submitted, but previous statements by the government have indicated that they intend for this change to begin from April 2017, and the maximum length of a tenancy will be ten years.

## **3 Autumn Statement**

- 3.1 At the Autumn Statement on 23 November 2016 the Chancellor made a number of announcements relating to housing, as summarised below.
- 3.2 Letting fees charged to tenants in the private rented sector will be banned. Citizens Advice estimate that the average fee charged to tenants by agents is £337 every time they move, with some charging up to £700. The ban on letting fees could therefore save private renters in Lewisham a significant amount of

money. DCLG is due to consult on the detail of this policy shortly.

- 3.3 The extended Right to Buy to Housing Association tenants will not be launched nationally in 2017 but will instead be further piloted in one region of the country.
- 3.4 It was announced that the funding of the Mayor of London's affordable housing programme 2017-2021 will be £3.15bn. More information about this programme is contained in section 4. It was also announced that London will receive a share of an additional £1.4b which the government has allocated for affordable homes.

#### 4 Homes for Londoners

- 4.1 On 29 November 2016 the GLA published the Mayor of London's *Homes for Londoners: Affordable Homes Programme 2016-21*.
- 4.2 The programme consists of £3.15 billion pound of funding and aims to deliver 90,000 affordable housing starts by 2021. This will be a mixture of low cost rent, London Living Rent and shared ownership.
- 4.3 There are also specific targets for supported housing (2,000 units) and move-on accommodation for rough sleepers and victims of domestic violence (770 units).
- 4.4 The programme will primarily fund three tenure types through this programme:
- London Affordable Rent
  - London Living Rent
  - London Shared Ownership

A variety of supported and specialised housing will also be funded.

- 4.5 London Affordable Rent is intended to help low-income households who are unable to secure or sustain housing on the open market. The GLA has published benchmarks for London Affordable Rents as shown below.

**Table 1: London Affordable Rent benchmarks for 2017-18**

<b>Bedroom size</b>	<b>2017-18 Benchmark (weekly rents, exclusive of service charge)</b>
Bedsit and one bedroom	£144.26
Two bedrooms	£152.73
Three bedrooms	£161.22
Four bedrooms	£169.70
Five bedrooms	£178.18
Six or more bedrooms	£186.66

- 4.6 London Living Rent homes will have rents set at one third of borough median household income levels, with variances based on the number of bedrooms and ward-level house prices. The median household income figure used by the GLA for Lewisham is £34,895 per year. The GLA sees this product as designed to

help households on average incomes who find market rents increasingly unaffordable. As well as helping to make sure that households do not have to spend more than one third of their income on housing costs, the GLA also sees the Living Rent product as a way to help households on average incomes to save for a deposit to buy their own home.

- 4.7 The indicative Living Rent published by the GLA for a two bedroom property in Lewisham is £954 per week and for a three bed it is £1,050 per week, however there are significant variances between wards and bedroom sizes as shown below.

<b>GLA's indicative monthly London Living Rents for Lewisham</b>						
Ward	One bed	Two bed	Three bed	Four bed	Five bed	Six bed
Bellingham	£ 726	£ 807	£ 888	£ 968	£ 1,049	£ 1,130
Blackheath	£ 1,018	£ 1,131	£ 1,244	£ 1,357	£ 1,470	£ 1,583
Brockley	£ 931	£ 1,034	£ 1,137	£ 1,241	£ 1,344	£ 1,448
Catford South	£ 783	£ 870	£ 957	£ 1,044	£ 1,131	£ 1,218
Crofton Park	£ 954	£ 1,060	£ 1,166	£ 1,272	£ 1,378	£ 1,484
Downham	£ 712	£ 791	£ 870	£ 949	£ 1,029	£ 1,108
Evelyn	£ 1,047	£ 1,163	£ 1,279	£ 1,396	£ 1,512	£ 1,628
Forest Hill	£ 892	£ 991	£ 1,090	£ 1,189	£ 1,288	£ 1,387
Grove Park	£ 732	£ 813	£ 894	£ 976	£ 1,057	£ 1,138
Ladywell	£ 928	£ 1,031	£ 1,134	£ 1,237	£ 1,340	£ 1,443
Lee Green	£ 843	£ 937	£ 1,031	£ 1,124	£ 1,218	£ 1,312
Lewisham Central	£ 879	£ 976	£ 1,074	£ 1,172	£ 1,269	£ 1,367
New Cross	£ 783	£ 870	£ 957	£ 1,044	£ 1,131	£ 1,218
Perry Vale	£ 879	£ 976	£ 1,074	£ 1,172	£ 1,269	£ 1,367
Rushey Green	£ 830	£ 922	£ 1,014	£ 1,107	£ 1,199	£ 1,291
Sydenham	£ 892	£ 991	£ 1,090	£ 1,189	£ 1,288	£ 1,387
Telegraph Hill	£ 936	£ 1,040	£ 1,144	£ 1,248	£ 1,353	£ 1,457
Whitefoot	£ 698	£ 775	£ 853	£ 931	£ 1,008	£ 1,086
<b>Average</b>	£ 859	£ 954	£ 1,050	£ 1,145	£ 1,241	£ 1,336

- 4.8 Councillors will be aware that Lewisham pioneered the concept of living rent through the Besson Street project. Officers have been in close contact with the GLA throughout the development of the living rent product and will continue to work with them as it is further refined.
- 4.9 London Shared Ownership will be a standard shared ownership product but the GLA will be seeking an additional commitment from providers to work together on a 'charter' for service charges which would aim to standardise, and where possible reduce, these charges.
- 4.10 Officers will be examining the prospectus in more detail and working with partners in order to secure the maximum possible investment in new affordable homes in the borough. Authorities and housing providers will be able to submit

funding bids from 31 January 2017 until 13 April 2017 with awards announced in the summer.

## **5 GLA Draft Good Practice Guide to Estate Regeneration**

5.1 As part of the Mayor of London's Homes for Londoners programme, the GLA has produced a draft guide setting out the practice it would expect local authorities and other providers to follow before they commence estate regeneration. These say that regeneration should only happen where:

- there is a clear statement of the aims and objectives of the borough or housing association in maintaining and improving at housing estates
- there has been full and transparent consultation and resident engagement
- proposals should offer full rights to return for displaced tenants and a fair deal for leaseholders
- demolition should only be followed where it does not result in a loss of social housing, or where all other options have been exhausted

5.2 The Council's current estate regeneration projects already meet these criteria, whilst proposals for future projects will also be designed to meet these principles. The GLA is consulting on the draft guidance until 14 March 2017 and officers will be considering the draft in more detail to inform the Council's response.

## **6 Homelessness Prevention Trailblazer Funding**

6.1 DCLG had previously announced that boroughs could bid for funding under the following two programmes:

- £20 million to establish a network of ambitious Homelessness Prevention Trailblazer areas to develop innovative new approaches to prevent homelessness
- a £10 million rough sleeping grant fund to enable local areas to intervene early with rough sleepers before their problems become entrenched

6.2 Lewisham successfully bid to become a Homelessness Prevention Trailblazer area. The successful project will work across council departments and alongside existing Digital Transformation projects to combine council data to identify households at risk of homelessness. The second part of the project will be to then develop a range of support interventions for households at risk of homelessness to 'up-stream' prevention. The first of the funding will be awarded in January and then it will operate over the subsequent two financial years.

6.3 Lewisham also successfully bid along with Bexley, Bromley and Greenwich for funding under the rough sleeping programme for a No First Night Out (NFNO) Shared Accommodation Scheme. The scheme will work with housing services in boroughs and voluntary sector agencies to identify single people at imminent risk of rough sleeping. A virtual NFNO panel will link single people referred to the scheme to local support services and refer them to the NFNO Shared Accommodation Scheme. The Shared Accommodation scheme will be a commissioned service procuring and managing shared accommodation in the

private rented sector. The scheme will source 180 units of shared accommodation and work with over 300 people at risk of rough sleeping in South East London.

## **7 Legal Implications**

7.1 There are no specific legal implications arising from this report.

## **8 Financial implications**

8.1 The purpose of this report is to update Members on current housing issues. As such, there are no specific financial implications arising from the report itself.

## **9 Crime and disorder implications**

9.1 There are no crime and disorder implications arising from this report.

## **10 Equalities implications**

10.1 There are no equalities implications arising from this report.

## **11 Environmental implications**

11.1 There are no environmental implications arising from this report.

## **12 Background Documents and Report Originator**

12.1 If you have any queries relating to this report please contact Jeff Endean on 020 8314 6213.