

Housing Strategy

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Scrutiny Sub-Committee

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Housing Strategy 2016-21: Delivery Themes



1. More affordable housing, economic growth and regeneration
2. Meeting people's housing needs
3. Raising private rented housing standards
4. Effective partnership working with residents and stakeholders

The Annual Delivery Report Housing and Homes (*Cabinet February 2022*) outlines in greater detail Housing Services key achievements over the last two years arising from the work and actions of Housing services under the delivery themes.



Key Data: Then & now

2016	2022
19,000 on CHR	21,697 (10 January 2022)
53.75% of households are in priority categories 1 and 2	60% of households in priority bands 1 and 2
7,078 of these households are overcrowded	10,335 (48%) Priority category 2 (Band 2A and 2B) which consists of homelessness applicants with children in priority need and overcrowded applicants.
Nearly 2,000 households in TA.	End of Q3 2020/21, LBTH had placed 2,595 in temporary accommodation.
Nearly 8,500 homes have been let in Tower Hamlets over the past four year	Council and RP Social Housing Lettings between 2016 – 2021 = 7,442 <u>NB</u> Pandemic impacted on social housing lettings in 2020/21.
The average cost of a property in LBTH is more than 14 times (£450,000) what a typical essential worker could earn in wages (£35,000)	Land Registry (November 2021) the average house price in Tower Hamlets was £460,472 which is 80% higher than the average house price in England for that same period of £288,130, although at present, the average house price in the borough is less than the London average of £519,934. This may be attributable to the instability and economic uncertainty arising from the pandemic causing lower than usual levels of housing transactions over the last year.
Population of Tower Hamlets to increase by 26% by 2026	GLA has projected the borough's population trend will continue, rising to 372,766 in 2030.
Almost 124,000 homes in the borough(2011), Tower Hamlets had approximately 67,209 homes in the private sector, of which 62% are in the private rented sector (owner occupier and privately rented).	DLUHC data on dwelling stock records for the borough show a figure of 126,103 for 2020. 9% identified as local authority stock, 26% PRP and 65% in the private sector (both owner occupier and privately rented accommodation).
Borough median rents per week in 2016 were as follows: Studio - £290; 1 bedroom - £334; 2 bedroom - £420; 3 bedroom -£522; 4 bedroom - £667	Between October 2020-September 2021, the average median monthly rent in Tower Hamlets was £1,550, compared to median monthly rents in England during the same period averaging at £755 per month.(Source: ONS Private rental market summary statistics in England: October 2020 to September 2021 published December 2021.)
Between 2012-15, LBTH delivered the most affordable homes in an English local authority area with 2,560 affordable homes, higher than any other borough in London and 25% more than England's second city, Birmingham which delivered 1,920 affordable homes.	Total number of affordable homes completions in the borough from 2016-2021 was 4,306. Over this five-year period, this averages at 861.2 homes per year which is meeting only 44% of the annual target of 1,965 affordable homes to be delivered. There have been more affordable homes completed in Tower Hamlets than in any other London Borough, with the second highest number completed by Newham (2,709)
In 2015/16 the Housing Options Team made 656 homeless decisions, during 2014/15 the Housing Options Team prevented over 672 households becoming homeless	In 2020/21, (most recently published and audited DLUHC data), 43.2% of 'homeless approaches' had their homelessness prevented/relieved (exceeding target of 29%). Housing Options worked with 1,935 households assessed as being owed a prevention or relief of homelessness duty and prevented or relieved the homelessness of 959 households

Analysis of data



- Since the last strategy, assumptions and context have been drastically changed and some actions became outdated, with events such as Brexit and the Pandemic overtaking and affecting housing priorities. (Brexit affected housing delivery, costs and availability of material, supply of labour and shortage of skills).
- Focus has been on additional building and fire safety work and the need to provide increased support to vulnerable residents during and after the pandemic – higher costs of living and increase in inflation evidence through rising use of food banks and increase in fuel poverty .
- Data shows the delivery themes remain very much the same.



Key achievements include



- Highest number of affordable homes completed of all London boroughs 2016-2021.
- Produced a self-build policy, guidance document and a list of self-build sites to support Mayoral commitment to support 50 self-build homes between 2018-22.
- Local priority for Intermediate Homes for the initial 3 months of marketing all new Intermediate Housing Schemes built within the borough and developed IHRI.
- Revision and extension of the council's management agreement with Tower Hamlets Homes.
- New ways of working for Housing Options introduced by legislative requirements of the Homelessness Reduction Act (2017) and ongoing work to continue improvements to the customer journey.



Key achievements include



- Publication of the council's current Homelessness and Rough Sleeping Strategy.
- Reviewed selective/additional licensing schemes for PRS with selective licensing scheme extended on 1 October 2020 for 5 more years covering all rented properties within the Weavers, Whitechapel, Spitalfields and Banglatown areas.
- Signed up to London Council's Capital Letters Scheme (PRS accommodation) and London Landlord Accreditation Scheme to improve regulation in the Private Rented Sector.
- Close working with PRS Landlords - a revised Landlord Forum, promotion of Landlord Accreditation and the development of the LBTH Private Renters Charter and forum.



Learning from current strategy



- Multiple actions in the current Housing Strategy (***starter homes, mandatory fixed term social housing tenancies, 'pay to stay', the levy/sale of higher value council housing stock to facilitate the Right to Buy for Housing Association tenants***) are now obsolete as government chose not to implement certain provisions from the Housing and Planning Act (2016).
- Some actions within the current strategy are more operational and should not have been included particularly those which refer to an action which is a statutory duty on local housing authorities (e.g. ***'The council will continue to undertake its statutory responsibilities to ensure private rented sector housing is safe to live in and is well managed'***.) In a new strategy, these will not be included.
- Some actions were deprioritised as a result of circumstances beyond the council's control which have diverted officer resources accordingly - additional building and fire safety work (post Grenfell Tragedy) and the need to provide increased support to vulnerable residents during the pandemic.
- Current strategy is 'heavy' - 72 pages, residents want to know the direction of travel that the council will be taking and the actions to achieve desired outcomes. Next iteration of the strategy should be more succinct and easy to follow with fewer and SMARTer actions which can be monitored over a shorter lifecycle.



Context for a new Housing strategy



- The Pandemic pushed the strategy refresh down the list of priorities and delayed local authority elections. The new administration will shape the council's housing priorities going forward.
- The pandemic has changed the assumptions on which the existing strategy is based so any new strategy will review the situation post-pandemic and Brexit.
- Impacts and duties arising from new and emerging legislation and the changing role of the Regulator of Social Housing. (*Fire Safety Act (2021), Building Safety Bill, Decent Homes Standard Review and impending Renters' Reform Bill*) will also need to be considered within new strategy.
- More recently, officers have been working to co-ordinate the council's efforts to support Afghan families evacuated by the government during Operation Pitting. New migrants and refugees housing needs may also need to be considered in a new strategy moving forward.



Next steps...



- Light touch refresh will be dependent on the incoming administration. Themes may remain broadly the same as previously but will need to reflect incoming administration's housing objectives for the next 4 years.
- Timeframe: scope will start being developed with a new lead member in May/June 2022.
- Scope of the strategy development will include data analysis, identifying priorities and tangible SMART actions, robust consultation and engagement of all stakeholders, and sign off process.
- Not only the Lead Members and Mayor, but all Members including Scrutiny members, and residents will be engaged and consulted during the strategy development process.

