

HACKNEY

A Place for *everyone*

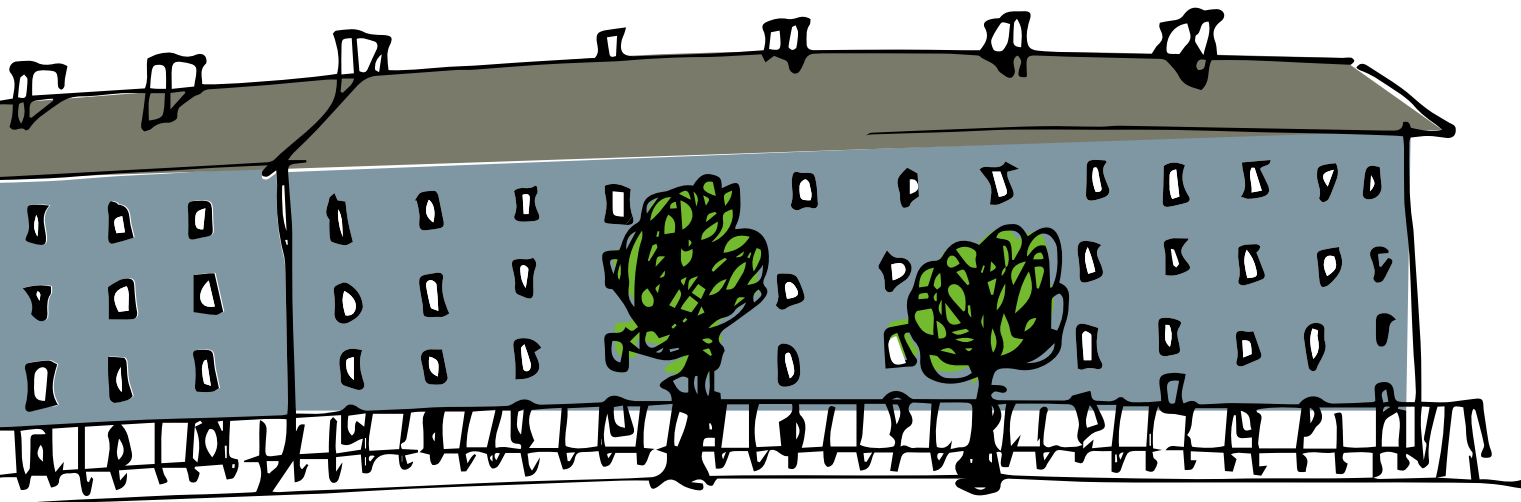
Meeting the
challenges...together

A new Housing Strategy for Hackney

Tell us your views on housing in Hackney, what you think Hackney Council should focus on and help shape the future of your community.



 **Hackney**



A Hackney that works for everyone

Hackney is experiencing an unprecedented housing crisis. Despite the Council's housebuilding programme and other action, we face a range of challenges as a result of national policy, market pressures and changing demand for housing.

In our borough and across our city, too many people cannot take advantage of the opportunities London offers because of the lack of genuinely affordable, high-quality and secure housing. We know you feel the same. Our year-long engagement with residents, 'Hackney: a place for everyone', showed that housing affordability is the top concern for you.

The cost of buying or privately renting a home in Hackney has risen even more sharply than in other boroughs, and over 12,000 people are on our waiting list for social housing. At the same time, Government welfare reforms mean those on families on lower incomes are struggling to make ends meet.

A national problem needs national solutions. But in Hackney, we are not prepared to stand by and do nothing. We want to build as many homes as we can, target our resources towards those that need them most and campaign for the changes that will help tackle the chronic shortage of affordable housing in London.

My vision is a Hackney that works for everyone. That's why we're developing a new housing strategy that helps more families have the home they deserve. It will set out the huge challenge before us, and the priorities and actions the Council and its partners can take over the next five years to help meet those challenges – such as building on our track record of delivering thousands of genuinely affordable homes, innovative ways to help residents priced out of the market onto the housing ladder, and improving our ability to tackle poor standards and practices by private landlords and letting agents.



But most importantly, we want to know what you think. This consultation gives you the chance to tell us what our priorities should be so we can make sure what we are doing reflects your views and that Hackney can be a place that works for everyone.

To respond to the consultation, please complete the questionnaire at: consultation.hackney.gov.uk

Philip Glanville
Mayor of Hackney

Our Approach

The Housing Strategy has a key role in helping meet the Mayor's vision that everyone in Hackney has a genuinely affordable, good quality, and stable home. It will build on what residents have told us already, and also recognise the wider contribution that the Council and other housing providers and partners can make towards building mixed and sustainable communities and improving the health and wellbeing of residents.

Actions and options for the Housing Strategy

The actions (things we have already begun doing) and options (things we propose to do) in this paper set out how the Council and its partners aim to meet the Mayor's housing-related ambitions over the next five years.

These are grouped into six key themes:

1. Building high quality, well-designed, and genuinely affordable new homes
2. Strategic response to worsening housing affordability
3. Making best use of new and existing homes
4. Addressing standards and affordability in the private rented sector
5. Meeting people's housing needs and helping tackle housing-related health and support needs
6. Promoting employment and sustainable communities

In delivering the strategy, the Council will work closely with partners such as housing associations, other London boroughs, and with the Mayor of London, who has ambitious aspirations for tackling the lack of genuinely affordable housing, well as the shortage of new homes more generally.



new affordable homes delivered by Hackney Council and its partners in the past 5 years

55,000 more people living in Hackney since 2001



HACKNEY'S tenure



2800 HOMELESS people living in temporary accommodation

12,000 PEOPLE WAITING for a home on Hackney Council's housing register

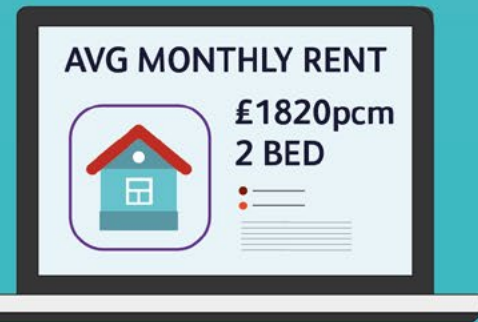


IN HACKNEY...

Private rent levels have risen 36% since 2011



House prices have risen 71% in the past 5 years



17x THE AVG HOUSEHOLD INCOME

UP TO THE YEAR 2031

HACKNEY WILL NEED 1700 NEW HOMES EVERY YEAR

HACKNEY'S POPULATION will increase to 312,000

Hackney will deliver 3000+ new homes in the next 10 years



1 Building high quality, well-designed, and genuinely affordable new homes

We are doing everything we can to increase the supply of genuinely affordable housing in the borough, both by building our own new homes and by working with housing associations. Over the past five years, the supply of new social housing and shared ownership homes in Hackney was the third highest of all boroughs in London, and one of the top five highest in the country.

To meet demand, we estimate that 1,750 social and private homes need to be built each year between now and 2033. In 2015, 1,640 homes were built.

Despite our track record, we need to do more, with over 12,000 households waiting for a home on the Council's housing register, and over 2,800 homeless households living in temporary accommodation.

The Mayor's manifesto sets out commitments to increase the number of genuinely affordable homes being built in Hackney – including laying the groundwork to double the number of homes built by the Council from 2018 and starting work on a plan to build 500 affordable private rental homes.

The need for more new genuinely affordable housing in Hackney has never been higher, but new homes must also meet high design and quality standards. Standards, including those relating to density, environmental sustainability and health, will be reviewed and updated as part of the review of the Local Plan.

We want to address this by:

- Continuing to build our own genuinely affordable homes for rent and low cost home ownership
- Working more closely with housing associations, including considering funding housing association housebuilding using our Right to Buy receipts and money from the forced sale of council homes, as well as working together to manage the impact of the extension of Right to Buy to their tenants, who may understandably want to take up this offer
- Considering whether we should set up a local housing company to deliver new homes, with the advantage that the company would operate under different regulations and financial rules and could enable more homes to be built
- Given the changes in the housing market, have more flexible Council guidance regarding how we use developer money (commuted sums) for building new homes 'off-site', having regard to mixed and sustainable communities, which could enable more homes to be built
- With housing providers and other partners, delivering new Supported Housing in Hackney that meets the borough's highest unmet needs
- Campaigning for national policy changes that would help us fund new homes, including raising the Government's artificial cap on the Council's borrowing, and retaining full receipts from Right to Buy sales and the forced sale of council homes – and ensuring these homes are replaced like-for-like
- Ensure that design and quality standards help deliver new homes that meet the needs of people with disabilities, or can be easily adapted
- Achieve high quality and design standards in all the Council's own housebuilding programmes.

2 Strategic response to worsening housing affordability

Housing affordability is the top concern for residents, with much of the market unaffordable to residents on low and middle incomes.

The Mayor of London's Affordable Homes Programme will provide funding to help some housing schemes achieve 40% or more affordable housing, and his London Living Rent policy will set rents for some new homes at a third of average local incomes. The Mayor's London Living Rent homes are aimed at private or social renters earning less than £60,000 per year to help them save for a deposit to purchase the home on shared ownership terms.

Most new private housing is currently built for sale, even though it may be purchased by investors and let to private tenants. Private renting is often the only alternative available to those who are unable to take a first step on the housing ladder. Homes built specifically for rent (Build to Rent) could provide better quality, better managed, and potentially more affordable housing. Such schemes could include some homes let at below-market rents, affordable to those on middle incomes. In Hackney, where there is a shortage of privately rented housing for families, this new programme may be a first step in providing additional homes.

Government welfare reforms have introduced new caps and freezes to benefit levels, which have removed the link between benefits and market rents, including a further reduction in the overall Benefit Cap to £23,000, and a four-year freeze in the Local Housing Allowance rate. These changes will make it increasingly difficult for some Hackney residents receiving benefits to meet their housing costs.

Younger people under 35 face specific issues trying to access relatively affordable housing in London. Many younger singles and couples share housing in the private rented sector and, if in receipt of housing benefit, may only be eligible for the Shared Accommodation Rate.

We want to address this by:

- With partners, driving increases in the supply of new genuinely affordable homes, including social housing, London Living Rent and shared ownership
- Being the first borough to see 500 homes for 'London Living Rent' built, with rent levels set at one third of the local average incomes
- Reviewing the approach to assessing the financial viability of new housing developments, through the planning system, in order to maximise affordable housing, in line with the Mayor of London's proposals
- Considering whether good quality, well-managed shared housing can help address affordability, especially for younger single people and couples
- Considering how Build to Rent could improve affordability and options for Hackney residents, whether in developments by housing associations and private developers or the Council's own housebuilding programmes – including some at London Living Rent.

3 Making best use of new and existing homes

Over 40% of Hackney's housing stock is social housing, either managed by the Council or by housing associations. The majority of social housing lettings each year are from the existing housing stock, rather than newly built homes.

Government housing policies – such as the forced sale of Council homes to fund the extension of Right to Buy to housing association tenants – mean the stock of genuinely affordable social housing could be significantly reduced.

There are widespread concerns about the number of new private homes in central and inner London sold to investors, often from overseas, rather than sold to Londoners – with some left empty to make a profit rather than used as a place to live. The Mayor of London has announced a comprehensive inquiry into the impact of foreign investment on London's housing market, including how many homes are sold to buyers based overseas and how many are kept empty.

We want to address this by:

- Campaigning against Government measures to reduce the stock of social housing in the borough, such as the forced sale of council homes and extension of Right to Buy unless all these homes are replaced like-for-like, and taking all measures possible to lessen their impact
- If the policy is implemented, negotiating with the Government to maximise the money we keep from the forced sale of our homes to help fund the building of replacement homes within the borough
- Developing an agreement with housing associations to minimise the impact of Right to Buy sales and maximising like-for-like replacement, within the borough, of homes sold

- Working with the Mayor of London, considering how to give Hackney residents first priority for the purchase of newly built homes ahead of overseas and other investors – including through planning measures to deter homes being left empty
- Ensuring the mix of bedroom sizes in new developments meet existing and future housing needs
- Exploring how to improve energy efficiency in existing Council homes, to reduce fuel poverty
- Reviewing the Council grant regime for offering incentives to owners of private sector empty properties, and the enforcement options for bringing homes back into use
- Making sure empty Council homes awaiting demolition on estates undergoing regeneration are used for temporary accommodation, unless they are unfit for occupation
- With partners, reviewing whether existing supported housing is meeting the needs of priority residents; offering help to older people who could benefit from moving into supported housing, and reviewing the type, bedroom size and affordability of 'move-on' properties from supported housing
- Preparing for Government requirements for most new Council tenants to have a fixed-term tenancy – including speaking to residents about alternative options.

4

Addressing standards and affordability in the private rented sector

Around one third of Hackney residents now live in the private sector – double that of ten years ago. While a majority of private renters in Hackney are satisfied with their homes, there are too many properties suffering from poor conditions and management. Renters also face insecurity, often with six-month tenancies and high or unpredictable rent rises.

We work with landlords to help raise standards and meet demand by providing training and forums, and we will increase our enforcement action to tackle the minority who break the law.

Government housing reform proposals include new measures that could help tackle the problem like a database of rogue landlords and agents, landlord banning orders, and a ban on letting agent fees being charged to tenants.

We want to address this by:

- Expanding our enforcement action and the way we approach it, to improve management and physical standards in the private rented sector
- Influencing Government housing reforms to ensure letting agent fees to tenants are banned in full, that new policies give us the powers we need to help private tenants and tackle rogue landlords, and making sure we make the most of those powers
- Lobbying the Government to introduce inflation-capped rent increases in the private rented sector as soon as possible, to avoid sudden massive rent hikes
- Increasing the supply of genuinely affordable privately rented homes by reviewing the work of our social lettings agency and working with the Mayor of London's proposed agency
- Ensuring that our discretionary grants to homeowners go to those most in need of help to improve the condition and warmth of their home.

5

Meeting people's housing needs and helping tackle housing-related health and support needs

Hackney faces severe and wide-ranging housing needs, as a result of a lack of genuinely affordable housing and the Government's welfare reforms. As the population of London increases, housing needs such as homelessness and overcrowding are also expected to intensify.

Our homelessness work already aims to improve prevention and provide solutions for those threatened with losing their home. We already have in place a Homelessness Strategy and specific strategies relating to temporary accommodation and rough sleepers.

You have told us that we should be honest with you about the likely availability of housing – including social housing – given significant funding cuts and reform by the Government. The amount of available social housing is, despite the Council's best efforts, unlikely to keep pace with demand over the coming years, and will become even more restricted in future. Unless the Government takes action, the Council and residents will therefore have to consider alternative options to meet need, including intermediate housing and greater use of the private rented sector.

Housing has an important role in helping to meet the health needs of residents – from poor physical conditions like damp, mould and cold affecting families' wellbeing, to social isolation or worries about paying rent causing stress and anxiety.

Some Hackney residents need differing levels of support to live in their homes or in specialist housing, for example some older people, people with mental health needs, and people with learning disabilities. The Council will always try help people to remain active, independent and healthy in their own homes but, where this is not possible, we provide a range of specialist housing with support through our partners.

We want to address this by:

- Offering a choice for those in under-occupied social housing to move to smaller, more suitable homes, freeing up larger family homes – as well as providing support and advice to residents affected by the benefit cap and the 'bedroom tax'
- Raising awareness of the housing options that are likely to be available to those seeking housing in the borough, including providing realistic advice to young people who will be seeking housing in future
- Building closer links between housing and health providers to improve services across the private and social housing sectors
- Promoting health initiatives with social housing providers, and wherever possible helping people remain active, independent and healthy in their homes with flexible and affordable services
- Promoting affordable warmth, and targeting older and other vulnerable residents for support in both the public and private sectors
- Reviewing Supported Living and prevention services to target resources at those in most need, including for older people, people with mental health needs, and people with learning disabilities, and developing an older people's housing strategy
- Reviewing refuge and move-on options for people at risk of domestic violence, as well as support options for those who do not enter a refuge

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Promoting employment and sustainable communities

Hackney residents are overwhelmingly positive about and satisfied with the borough as a place to live, with most thinking it is a cohesive and a neighbourly place where people have a strong sense of belonging, and that offers an excellent quality of life.

At the same time, housing affordability is the top concern for residents, many of whom do not see the market catering for anyone but the wealthiest. Almost half of all residents think that Hackney has become a more unequal borough – with some highlighting the loss of informal support networks as people are forced to leave the borough, and a lack of housing for young people, key workers and first time buyers. Some long-standing communities feel they can't access the new jobs and opportunities that come with Hackney's economic growth.

A stable, decent home is important to allow everyone – regardless of income or background – to access the opportunities that London brings. The Council and housing providers have an important part to play in advising and supporting residents to find work and training, including promoting the initiatives that are available.

Intermediate housing, such as shared ownership, plays a key role in providing the first step to home ownership for Hackney residents earning middle incomes. New London Living Rent homes will also begin to meet their needs.

As well as helping individual first-time buyers who are priced out of the open market, intermediate housing benefits the local economy by enabling some of those working locally to be able to live close to their place of work. Intermediate housing also provides housing opportunities to the groups of workers we all depend on, such as nurses and teachers, where we know that the cost of housing is causing recruitment problems.

We want to address this by:

- Expanding the Ways into Work programme with our partners, to ensure that more local people get jobs from Hackney's growing economy
- Maximising the opportunities created by the new Apprenticeship Levy for contractors working on housing estates or other new housing developments to provide new training opportunities
- Considering creating affordable workspaces on council estates, to help support new businesses
- Giving high priority to the provision of new intermediate housing, especially for priority groups where staff recruitment and retention is challenging

To respond to the consultation, please complete the questionnaire at:
consultation.hackney.gov.uk

If you wish to respond by post, please contact **Chris Smith** on **020 8356 7980** to request a copy of the questionnaire.

Closing date for completed questionnaires: **22 May 2017**

