

HOMES FOR LONDON: THE LONDON HOUSING STRATEGY

Draft for consultation

INTEGRATED IMPACT ASSESSMENT

January 2014

1 INTRODUCTION

The draft London Housing Strategy (LHS) was published for consultation in November 2013. This integrated impact assessment of the draft strategy incorporates an assessment of the draft strategy's impacts on:

- equalities,
- health and wellbeing, and
- community safety.

A Strategic Environmental Assessment was undertaken separately, as part of the sustainability appraisal for the draft Further Alterations to the London Plan, thus this is not repeated here.

2 POLICIES AND EVIDENCE OF IMPACT

SETTING THE AMBITION	
Policy	Evidence of impact
Increasing the supply of new homes	
<p>P1 The GLA will work with partners to deliver 420,000 homes over ten years. This will comprise:</p> <ul style="list-style-type: none"> • 220,000 for open market sale • 50,000 for purpose-built long-term private rent • 150,000 affordable homes to rent or buy. 	<p>The impacts of this policy are covered by the integrated impact assessment and the Strategic Environmental Assessment for the Further Alterations to the London Plan. The documents are available here: http://www.london.gov.uk/priorities/planning/consultations/draft-further-alterations-to-the-london-plan-january-2014</p> <p>Delivering new housing, including affordable housing, is likely to have broadly positive benefits in relation to social and economic sustainability objectives such as improving health, reducing inequalities, increasing accessibility, and economic development.</p>
<p>P2 Developers will be encouraged to provide private rented homes on schemes with more than one phase, to deliver at least 5,000 homes per</p>	<p>The policy should contribute positively to the availability and quality of private rented homes, with benefits for private tenants, including those on low incomes, and the increasing number of families with children in the sector.</p>

<p>annum across London. These homes will be covenanted for long-term private rented usage for at least fifteen years.</p>	<p>This policy should also accelerate delivery of some schemes, delivering homes that might otherwise have taken much longer to be built, thereby, increasing the supply of homes.</p>
<p>P3 In the 2015-18 investment period, the GLA will seek to deliver 15,000 affordable homes per annum. This will comprise:</p> <ul style="list-style-type: none"> • forty per cent for low cost home ownership • sixty per cent for Affordable Rent <ul style="list-style-type: none"> - half at a “capped” rent - half at a “discounted” rent, of which 36 per cent will be family-sized. These will be targeted at low income working households. 	<p>The 40:60 intermediate:affordable split is the same as current London Plan policy. The integrated impact assessment for the London Plan 2011 can be found here: http://www.london.gov.uk/shaping-london/london-plan/docs/ia-2a-final-report-oct09.pdf</p> <p>Policies on providing a better mix of homes, including family-sized units, are largely positive in their effects on sustainability. This includes areas such as health and well-being, safety and security, and liveability. On equality and diversity, the provision of more family units has been identified by various stakeholders as being important for London’s sustainability. Therefore, this policy specifically addresses the housing needs of some equality target groups (BAME, children/families, older people and disabled people).</p> <p>The Department for Communities and Local Government published a full impact assessment of the Affordable Rent model in June 2011. The impact assessment demonstrates that, for a given level of capital subsidy, the Affordable Rent model could produce greater levels of new affordable housing supply than the previous system, with consequently greater economic and social benefits. http://www.communities.gov.uk/publications/housing/rentimpactassessment</p>
<p>P4 The number of First Steps homes delivered in the capital will be doubled by 2020, and doubled again by 2025, helping 250,000 Londoners.</p>	<p>High house prices in London are a major obstacle for those aspiring to home ownership; this impacts on many communities, particularly women and some BAME groups who are more likely to be on lower incomes. Increasing the number of First Steps homes should have a positive impact on equality and diversity outcomes.</p>
<p>Improving design</p>	
<p>P5 All new homes should be built to the London Housing Design Guide standards, as set out in the London Plan Housing Supplementary Planning Guidance.</p> <p>P6 New homes should be built to</p>	<p>These policies are the same as current London Plan policies. The integrated impact assessment for the London Plan 2011 can be found here: http://www.london.gov.uk/shaping-london/london-plan/docs/ia-2a-final-report-oct09.pdf</p>

<p>Lifetime Homes standards, with at least ten per cent wheelchair accessible.</p>	
<p>Improving existing homes and estates</p>	
<p>P7 The GLA will have a plan in place to retrofit every poorly insulated home in London by 2030.</p> <p>P8 All affordable homes in London should be retrofitted by 2020.</p>	<p>The Mayor’s 2011 Climate Change Mitigation and Energy Strategy sets out policies and programmes for retrofitting existing homes with energy efficiency measures and renewable energy supplies and for tackling fuel poverty.</p> <p>The integrated impact assessment for the draft Mayor’s Climate Change Mitigation and Energy Strategy is available here: http://www.london.gov.uk/sites/default/files/CCMES%20Intergrated%20Impact%20Assessment.pdf</p> <p>The policies should be positive across social, economic and environmental impacts. Given the extent of London’s built housing fabric, retrofitting existing stock should contribute significantly to the overall achievement of sustainable design and construction. Indirectly, this could contribute to improving the green skills and sustainability performance of the housing sector, which could provide long term benefits that can be applied to new build too. The policy appears positive in relation to equalities and health and wellbeing.</p> <p>The government’s impact assessment of the Green Deal can be found here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/43000/3603-green-deal-eco-ia.pdf</p>
<p>P9 All London borough landlords should be in a position to independently resolve their Decent Homes backlog by 2016.</p>	<p>This policy sets out the new responsibilities of the Mayor in terms of allocation and monitoring of Decent Homes funding, and in negotiating with boroughs regarding their investment plans. The greater co-ordination may benefit equality groups who experience poor quality housing conditions, including children in overcrowded homes, older people in poorly insulated or maintained homes, female-headed single parent households, some BAME households and other equality groups.</p> <p>The government’s 2010 equality impact assessment for the Decent Homes programme can be found here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6019/17958591.pdf</p>
<p>P10 No more than one per cent of</p>	<p>This policy is carried forward from the extant London</p>

<p>homes in London should remain empty for more than six months.</p>	<p>Housing Strategy 2010. The integrated impact assessment for the strategy can be found here: http://www.london.gov.uk/sites/default/files/archives/uploads-LHS_Impact_Assessment_Jun09.pdf</p> <p>Policy and actions related to bringing empty homes back into use should have a positive impact on health and well-being in two ways: by providing accommodation and helping families in housing need (housing being a key determinant of health); and by improving the local environment and quality of the neighbourhood (empty housing has a negative impact on house values and is linked to anti-social behaviour and crime).</p>
<h2 style="text-align: center;">FULFILLING THE COVENANT</h2>	
<p>Policy</p>	<p>Evidence of impact</p>
<h3>Supporting working Londoners</h3>	
<p>A more structured intermediate market</p> <p>P11 The GLA will continue to encourage providers to enable households to choose a First Steps home and then agree the appropriate financial package.</p> <p>P12 The GLA will agree to port equity loans for households who fall within the income thresholds for First Steps.</p> <p>P13 Intermediate homes funded by GLA programmes should be made available to all Londoners meeting the First Steps eligibility criteria, and should not be restricted by occupational definitions.</p> <p>P14 Affordable housing providers will be encouraged to offer tenants the right to part-buy their home, and the GLA will fund housing associations to do so.</p> <p>P15 Mortgage lenders will be</p>	<p>The First Steps programme is intended to help low and middle income working households who are otherwise unable to access home ownership, thereby overcoming the barriers to affordability. Children living in low income households are likely to be an important beneficiary group of the programme. The focus on improving the customer journey for prospective buyers has the potential to benefit people from equality target groups who may face particular barriers to taking advantage of the programme. The policy to consider eligibility in terms of income rather than employment is likely to contribute to enabling equal opportunities. Increased mobility for people living in intermediate housing is likely to be important to people sharing protected characteristics, in terms of their opportunities for physical mobility as well as for social mobility, to move for purposes such as new employment, to provide or receive care or in relation to social support networks.</p> <p>The impacts of the First Steps programme were considered in detail as part of the draft revised London Housing Strategy, published for consultation in December 2011. The integrated impact assessment can be found here: http://www.london.gov.uk/sites/default/files/RLHS%20EQIA%20for%20public%20consultation_URS%20RTF.rtf</p>

<p>encouraged to treat lending for intermediate homes more like lending for open market ownership.</p>	
<p>Supporting home ownership</p> <p>P16 The Mayor will lobby government for legislative changes that make it easier for private sector leaseholders to obtain the right to manage.</p> <p>P17 The Mayor will lobby government to ensure there is long-term stability around interest rates for home owners.</p> <p>P18 The Mayor will work with the Council of Mortgage Lenders to encourage lenders to offer in-principle mortgage approvals for nine months.</p> <p>P19 The Mayor will explore with the development and finance industry the potential options for an extension of Help to Buy to support development finance.</p>	<p>The government’s impact assessment on the right to manage is available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8372/2106007.pdf</p> <p>The impacts of supporting home ownership were considered as part of the draft revised London Housing Strategy, published for consultation in December 2011. The integrated impact assessment can be found here: http://www.london.gov.uk/sites/default/files/RLHS%20EQIA%20for%20public%20consultation_URS%20RTF.rtf</p> <p>The policy to support the aims of the government’s Help to Buy scheme, and to explore its potential for expansion, has the potential to respond to the barriers to home ownership experienced by various groups sharing protected characteristics, including particular age groups that struggle to afford initial deposits, low income BAME households, women on lower incomes (reflecting persistent pay and income gaps between men and women), families with children living in low income households and households with disabled people (reflecting pay gaps and low incomes that disadvantage many disabled people).</p>
<p>Recognising the importance of the private rented sector</p> <p>P20 The London Rental Standard will be implemented, with a target to accredit 100,000 landlords and agents by 2016.</p> <p>P21 The GLA will work with boroughs to optimise enforcement action against rogue landlords and to understand the operation of the housing health and safety rating system.</p> <p>P22 The GLA will explore how longer tenancies can be promoted, within the framework of the assured shorthold tenancy regime.</p> <p>P23 The GLA is seeking to offer its employees interest-free loans of up</p>	<p>The policies to improve access to, and the condition of, the private rented sector should have a number of positive impacts and should improve the quality of private rented accommodation, in particular through wider accreditation of landlords. The increasing number of children living in the private rented sector are likely to be an important beneficiary group.</p> <p>The actions related to the London Rental Standard should have an indirect positive effect on security and equality of access. The policies should promote health and well-being, security, empowerment and potentially access to work for vulnerable and homeless households, by providing access to appropriate private sector rented accommodation when social rented housing is in short supply. It should also empower and increase the financial security of private sector tenants on lower incomes by improving information on rent levels and by protecting rental deposits.</p> <p>The policy to encourage private landlords to offer tenancies that are for a longer period than the statutory</p>

<p>to £5,000 towards private rental deposits, and will promote this initiative to London’s employers.</p> <p>P24 Major employers in the capital will be encouraged to invest in subsidised housing products to reduce the costs of renting for their employees.</p>	<p>minimum provides important mitigation for the reduced security of tenure in the private rented sector. This is relevant to a range of equality groups who disproportionately experience homelessness.</p> <p>The impacts of improving the private rented sector were considered as part of the draft revised London Housing Strategy, published for consultation in December 2011. The integrated impact assessment can be found here: http://www.london.gov.uk/sites/default/files/RLHS%20EQIA%20for%20public%20consultation_URS%20RTF.rtf</p>
<p>Rethinking affordable housing allocations</p> <p>P25 Local authorities and other affordable housing providers should give greater priority to working households for lettings.</p>	<p>This policy encourages London boroughs to ensure local priority groups have access to social housing, but expects boroughs to continue to meet the needs of people in reasonable preference categories, providing a safeguard for vulnerable households, including people sharing protected characteristics.</p> <p>Incentivising work and volunteering is potentially beneficial to groups of people sharing protected characteristics who are in low paid work or who lack work and seek to move to an area with better employment opportunities. Groups with particularly high rates of unemployment include young people, certain BAME groups, older people, disabled people, single parent households (mainly headed by women).</p> <p>The government’s impact assessment of reforms to social housing allocations is available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6051/1829768.pdf</p>
<p>Facilitating mobility</p> <p>P26 In order to encourage mobility and to enable best use of stock, affordable housing providers are encouraged to consider the use of fixed-term renewable tenancies.</p> <p>P27 For Affordable Rented homes funded through GLA programmes, five to ten per cent will be let on a pan-London basis, and ten per cent will be retained for nominations by the registered provider. This will replace the current system of sub-regional nominations.</p> <p>P28 The Mayor will explore the</p>	<p>The government’s impact assessment of fixed-term tenancies is available here https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6051/1829768.pdf</p> <p>The emphasis on promoting mixed and balanced communities is likely to be beneficial in terms of promoting good relations between different groups and beginning to reverse historic patterns of residualisation in social housing, which tended to result in concentrations of benefit-dependent, non- working households, including disproportionate numbers of households sharing certain protected characteristics with regard to ethnicity, disability and gender, in certain neighbourhoods. The inclusion of working households as a priority group by many boroughs will result in more mixed, balanced communities.</p>

<p>expansion of the Housing Moves and Seaside & Country Homes schemes for under-occupiers and those in employment.</p>	<p>The impacts of improving mobility were considered as part of the draft revised London Housing Strategy, published for consultation in December 2011. The integrated impact assessment can be found here: http://www.london.gov.uk/sites/default/files/RLHS%20EQIA%20for%20public%20consultation_URS%20RTF.rtf</p> <p>Policies to promote mobility are likely to benefit people belonging to equality groups who seek to move for employment, care or social reasons. This may be a potentially important policy for addressing wider inequalities of worklessness and income poverty, by enhancing the ability of people sharing protected characteristics who disproportionately experience worklessness and income poverty to access new opportunities. This is likely to be significant among certain BAME communities. Older people and disabled people may particularly benefit from opportunities to move for care reasons, as well as women, who disproportionately take on informal carer roles.</p>
<p>Towards a London rental policy</p> <p>P29 Private sector landlords should consider the use of longer tenancies, tied in with greater certainty over rents, where this is viable.</p> <p>P30 Affordable housing providers should consider adopting a high earners' contribution in line with the First Steps income thresholds.</p> <p>P31 Providers of low cost home ownership should ensure that rent and service charge increases are proportionate and in line with rent increases more generally.</p>	<p>The policy to encourage private landlords to offer tenancies that are for a longer period than the statutory minimum provides important mitigation for the reduced security of tenure in the private rented sector. This is relevant to a range of equality groups who disproportionately experience homelessness. The increasing number of children living in the private rented sector are likely to be an important beneficiary group.</p> <p>The government's Pay to Stay scheme and social housing rent increases were announced as part of the Spending Review 2013. HM Treasury's impact assessment is available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209039/spending-round-2013_impact_on_equalities.pdf</p>
<p>Meeting a range of housing needs</p> <p>P32 The provision of older people's housing should deliver a range of products, including shared equity, in mixed tenure developments.</p> <p>P33 The GLA will undertake a review of equity release products.</p>	<p>The provision of older people's housing was considered as part of the draft revised London Housing Strategy, published for consultation in December 2011. The integrated impact assessment can be found here: http://www.london.gov.uk/sites/default/files/RLHS%20EQIA%20for%20public%20consultation_URS%20RTF.rtf</p> <p>Increasing access and choice for older people is likely to have positive impacts on health and reduce health inequalities. The associated actions on increasing tenure</p>

	<p>mix should have a positive impact on equalities, safety and security, accessibility and liveability. For example, retired older people, many of whom are likely to spend a majority of their time at home or within their local neighbourhood during the daytime, offer a positive neighbourhood “ears and eyes” capacity, contributing towards informal neighbourhood surveillance.</p> <p>Lifetime Neighbourhoods is a potentially valuable approach to enhancing the quality of life of older people living in deprived communities, promoting older people’s social inclusion and for fostering good relations between different age groups within regenerated neighbourhoods.</p>
<p>P34 The level of severe overcrowding in affordable rented housing should be halved by 2016.</p>	<p>This policy is carried forward from the extant London Housing Strategy 2010 and the draft revised London Housing Strategy, published for consultation in December 2011. The integrated impact assessments for those strategies can be found here: http://www.london.gov.uk/sites/default/files/archives/uploads-LHS_Impact_Assessment_Jun09.pdf</p> <p>http://www.london.gov.uk/sites/default/files/RLHS%20EQIA%20for%20public%20consultation_URS%20RTF.rtf</p> <p>This policy has a range of positive social and economic impacts, including health and wellbeing, education and employment. Measures to tackle overcrowding particularly benefit equality groups who experience disproportionately high levels of overcrowding, including children and young people, BAME communities, as well as overcrowding where pregnancy or maternity is a factor. Young people in overcrowded households can suffer ill health, poorer educational attainment and could be at greater risk of getting involved in, or being a victim of, anti-social behaviour/crime if time is spent on the streets.</p>
<p>P35 The Mayor will work with boroughs and other partners to ensure no one new to the streets sleeps rough for a second night, and no-one lives on the streets of London.</p>	<p>Issues around rough sleeping were considered as part of the draft revised London Housing Strategy, published for consultation in December 2011. The integrated impact assessment can be found here: http://www.london.gov.uk/sites/default/files/RLHS%20EQIA%20for%20public%20consultation_URS%20RTF.rtf</p> <p>The No Second Night Out initiative has important benefits by preventing people entering rough sleeping and experiencing the associated health risks and dangers to their safety. This policy should be positive for health,</p>

	<p>since rough sleeping is very risky for individuals, with high rates of serious illness and early death among rough sleepers. It contributes to improving liveability and place by seeking to end rough sleeping, and increasing access to hostels and supported housing in order to keep people off the streets. In addition, foreign nationals sleeping rough represent a significant challenge. This policy could, therefore, be beneficial in addressing this challenge.</p>
<p>P36 Boroughs should continue to make appropriate use of mechanisms such as NOTIFY and the pan-London inter-borough accommodation agreement when placing homeless households in out of borough accommodation.</p>	<p>Issues around NOTIFY and temporary accommodation were considered as part of the draft revised London Housing Strategy, published for consultation in December 2011. The integrated impact assessment can be found here: http://www.london.gov.uk/sites/default/files/RLHS%20EQIA%20for%20public%20consultation_URS%20RTF.rtf</p> <p>Actions related to improving the use of NOTIFY, which includes notifying education authorities about children and families in temporary accommodation, should improve educational attainment by increasing links between education and those in such accommodation. The use of NOTIFY should contribute to integrating people in temporary accommodation into health, education and social services where needed.</p>
<p>DELIVERING THE VISION</p>	
<p>Policy</p>	<p>Evidence of impact</p>
<p>Financing housing delivery</p>	
<p>P37 The GLA will lobby government for changes to housing finance arrangements in the capital. This will include:</p> <ul style="list-style-type: none"> • the relaxation of local authority borrowing rules for housing purposes • the devolution of the full suite of property taxes to London Government • exploratory work on how SDLT can be made more equitable and efficient. 	<p>These policies all have the broad aim of increasing housing supply. The impacts of increasing supply are covered by the integrated impact assessment and the Strategic Environmental Assessment for the Further Alterations to the London Plan. The documents are available here: http://www.london.gov.uk/priorities/planning/consultations/draft-further-alterations-to-the-london-plan-january-2014</p> <p>Issues around new investment and delivery models were considered as part of the London Housing Strategy 2010. The integrated impact assessment for the strategy can be found here: http://www.london.gov.uk/sites/default/files/archives</p>

<p>P38 The GLA will make greater use of equity investment or loan guarantees in future spending rounds, where it is able to recover and reinvest its original investment.</p> <p>P39 The GLA will work with partners to explore the concept of the London Housing Bank model and will publish a discussion paper in 2014.</p> <p>P40 The GLA will work with the regulator to explore how housing associations can be incentivised to maximise development capacity.</p> <p>P41 Targeted disposals and conversions of properties should be utilised to unlock capacity, but only within the context of a contract with the GLA to deliver an affordable housing programme.</p>	<p>/uploads-LHS_Impact_Assessment_Jun09.pdf</p>
---	--

Bringing forward land for development

<p>P42 The GLA will work with boroughs to review estate regeneration appraisals to bring forward development. This could include creating a long-term investment portfolio.</p> <p>P43 The Mayor will prioritise efforts and investment to bring London's major Opportunity Areas forward for development. Within this, up to ten Housing Zones could be identified.</p> <p>P44 The GLA will have an exit strategy in place by 2016 for all its transferred landholdings.</p> <p>P45 The GLA will promote garden suburbs on sites such as Barking Riverside.</p> <p>P46 The GLA will act as a conduit for all public sector land in London,</p>	<p>These policies all have the broad aim of increasing housing supply. The impacts of increasing supply are covered by the integrated impact assessment and the Strategic Environmental Assessment for the Further Alterations to the London Plan. The documents are available here: http://www.london.gov.uk/priorities/planning/consultations/draft-further-alterations-to-the-london-plan-january-2014</p>
--	---

<p>and will encourage public land holders to use the structures the GLA has in place, such as the LDP and its public land register, to bring forward landholdings.</p> <p>P47 The Mayor will work with boroughs and other partners to support housing-led, high density, mixed-use town centre renewal.</p> <p>P48 The potential to manage the release of surplus industrial land around transport nodes for higher density housing will be explored, taking into account London Plan policies.</p>	
<p>Increasing development capacity</p>	
<p>P49 The GLA will encourage institutional investment in London’s PRS, including through its own landholdings.</p> <p>P50 A programme to encourage and support small and medium-sized builders to enter the London market will be developed, including for custom and self-build.</p>	<p>These policies all have the broad aim of increasing housing supply. The impacts of increasing supply are covered by the integrated impact assessment and the Strategic Environmental Assessment for the Further Alterations to the London Plan. The documents are available here: http://www.london.gov.uk/priorities/planning/consultations/draft-further-alterations-to-the-london-plan-january-2014</p> <p>The policy to promote institutional investment in the private rented sector should be positive in social and economic terms, especially for families with children who will benefit from better standards in the sector.</p> <p>The policy to encourage small and medium sized builders should have a positive economic impact for those businesses and local people seeking employment and apprenticeships.</p>