



## Housing Strategy 2014-2019

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# Foreword

Welcome to the City of London Corporation's Housing Strategy for 2014 -19 which sets out our ambitions to deliver homes and housing services fit for the future in the Square Mile and central London.

Our ambitions have been shaped by the City of London's unique characteristics and the opportunities and challenges this presents. The City is small – just one square mile in size with a small residential population – but it is the world's leading international finance sector. It plays a vital role in the London and national economies. During the day it is home to a large workforce supporting many thousands of businesses. Together with our partners we are embarking on a number of major projects which will transform the City's landscape and help grow London's economy. But the City is also a popular place to live with thriving residential communities, high levels of demand for housing and acute pressure on the limited supply of land. Ensuring a good supply of high quality housing within the City and its surrounding areas is an essential part of our overall vision for the City and our ambitions to improve the quality of life for our residents and tenants.

Our vision with our partners is to:

“to support the City of London as a leading international financial and business centre in a way that meets the needs of its diverse communities and neighbours.”

Good housing contributes to this vision in many ways. It can improve people's health and wellbeing; help to provide the environment necessary for the effective education and development of children and the support of older or more vulnerable people; and support the economy by providing a stable base for people working in the City or other parts of London.

We have already taken steps to begin delivering that contribution. We provide high quality housing services for our residents and tenants who live in the Square Mile and our other housing across London. In recent years we have invested heavily in our stock, modernising all our homes. We have improved our repairs service and increased the numbers of staff working locally on our estates, making it easier to get in touch with us. And we have pioneered innovative approaches to tackling rough sleeping through the use of personal budgets, effective partnership working and our award-winning scheme, The Lodge.

However, housing demand and the pressures on the housing economy are currently increasing rapidly in London. Our ambitions for planning, improving and managing City housing over the next five years will need to build on these successes and support our plans to improve the quality of life for our residents and tenants who live in the City and our other housing across London: more homes, better homes and neighbourhoods, stronger communities and better support for those most in need. A key element of our approach will be our developing role as a housing provider. We have already begun an ambitious new programme of building affordable housing on our estates within the City. In addition to this, over the course of our strategy we will aim to relieve pressure in the London market by building on our estates in neighbouring boroughs and will explore opportunities with the Greater London Authority and other partners to acquire land in other parts of the capital to expand our

programme. We will also use our influence to continue to explore the potential of the private rented sector to provide innovative solutions to the current housing shortage across London.

Much of the City's housing, and the opportunity to provide more, lie beyond the Square Mile. Delivering more housing and better outcomes for people will require commitment and joint action not only across the City's services but also with our external partners in and beyond the City, including private businesses, community and voluntary organisations, and local authorities. We are grateful to the many people and organisations that have already helped us to improve housing provision in the City and across our other estates and look forward to working with existing and new partners in the future to deliver our ambitions.

Reverend Dr Martin Dudley  
Chairman of the Community and Children's Committee  
City of London Corporation

# Part 1 – Context and overview

## Strategic context

The City of London Housing Strategy sets out our ambitions for City housing in the Square Mile and beyond for the next five years. It outlines the key challenges we face as a strategic housing provider and the outcomes we want to deliver for the communities we serve. It looks at local need and supply, improvements needed in existing homes and services, and how we can make best use of our resources to meet those requirements. The Housing Strategy is an essential part of the wider planning framework that supports the City's priorities for the Square Mile and beyond. It fits with the Mayor of London's London Plan and London Housing Strategy and takes account of the Government's wider national agenda for housing. These local, regional and national priorities and requirements have helped to shape our strategy to ensure we continue to deliver excellent housing services, improvements in the quality of life for our residents.

## City priorities

Our Housing Strategy supports the City's ambitions for improving services and quality of life for its residents. These are reflected in the City's Corporate Plan:

- to support and promote the City as the world leader in international finance and business services;
- to provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes;
- to provide valued services to London and the nation.

Our Housing Strategy will work alongside other City strategies to help deliver these corporate aims. These include:

- The Local Plan which sets out how we intend to manage growth and development within the square mile, including housing development;
- The Health and Wellbeing Strategy which sets out our plans to improve the health of City residents and workers, and reduce health inequalities between local communities;
- The Safer City partnership which sets out how we intend to tackle problems such as anti-social behaviour and domestic violence.

The Housing Strategy is also supported by a number of other plans. These provide a more information about how we will implement many of the elements of our Housing Strategy. They are available on the City's website and include:

- The Adult Wellbeing Strategy;
- The Homelessness Strategy;
- The Housing Asset Management Strategy;
- The Housing Revenue Account 30 year business plan;
- The Department of Community and Children's Business Plan;
- The Housing Service Plan.

## Regional priorities

City housing and priorities are affected by other plans for the wider London region. The London Plan and the London Housing Strategy set out the Mayor's priorities for housing development and investment in the capital over the next decade. The Mayor's wider ambitions are also set out in his 2020 Vision. The London Plan contains targets for the number of additional homes it expects the City to deliver between 2011 and 2021 and beyond. The London Housing Strategy sets out the Mayor's priorities including increasing the supply and standard of affordable homes in the capital, tackling rough sleeping and an enhanced role for the private sector in meeting the demand for homes. We have adapted our plans for the next five years to ensure these aims are taken into account as we implement our own local priorities.

The City also has a wider role to play in London's housing beyond the Square Mile. The City is affected by what is happening in our neighbouring areas. The housing markets in these areas and more widely across Greater London can affect the City's labour market and our aim to support the City in its role as a leading international financial centre. Much of the City's social housing is located in neighbouring boroughs. This creates challenges for the way we deliver services and plan for future provision and these have been taken into account in developing our priorities and our strategic approach.

## National context

Since 2011 the Government has introduced a number of reforms to the national housing agenda. These include measures set out in its housing strategy 'Laying the Foundations', the Localism Act and a substantial programme of welfare reform. Changes to housing and council tax benefit, reforms to the right to buy and tenancies, and the way we allocate social housing will all have a significant impact on our existing tenants and those seeking our help with their housing requirements. There have also been changes to the funding of affordable housing and the way the Housing Revenue Account (HRA) is financed and managed.

We will address these reforms as we deliver our local priorities. The self-financing arrangements introduced for the HRA and plans for rent convergence will be particularly significant for the City's Housing Strategy and our ambitions to create more homes and improve our existing stock over the next five years. The City has already begun to respond to many of these reforms and more information about what we are doing can be found in the supporting plans to the Housing Strategy.

## City Context

### The place

The City is the historic heart of London beside the River Thames. The City shares a boundary with the London Boroughs of Lambeth, Southwark, Tower Hamlets, Hackney, Islington, Camden and the City of Westminster. Although just one square mile in size the City is an important visitor destination and transport hub and is densely developed. The City is the world's leading international financial centre with more than 6,000 businesses. The provision of high quality commercial space is essential to the City's offer to global business. Office space makes up 70% of all buildings and much of the City's small housing stock within the City is clustered in areas away from the commercial core. There are high levels of commercial and tourist footfall during the day and a growing night-time economy. Further growth in

the City's economy will lead to a higher density of building and activity. Major projects already underway such as Crossrail to the north and the regeneration of the Aldgate area are near some of the residential areas. These characteristics present unique challenges and opportunities and will have a significant impact on our plans for providing sufficient housing in a sustainable way.

## The population

The nature of the City's economy impacts on the profile of people working and living in the City and is very different to anywhere else in the country. The City has an international worker and resident community and an unusually large daytime working population - at more than 383,000, some fifty times larger than the resident one. This is projected to grow to 428,000 by 2026.

The City is an affluent area. Average annual earnings for people working full-time in the City of London are more than £54,000 a year, higher than most other local authority areas; the proportion of households earning more than £60,000 a year (around 36%) is the highest in London; the average weekly household income is £970, some £294 higher than the London average and £480 higher than the average across England. Despite this there are pockets of relative deprivation.

The number of people usually resident in the City is small, around 7,400. In addition, there are around 1400 people who have a second home in the City but live elsewhere. There are 4,390 households and large numbers of people of working age. The City has proportionately more people aged between 25 and 69 than Greater London. Conversely there are fewer young people. Only 10% of households have children compared to around 30% for London and the rest of the country. Average household size is small and many people (56%) live alone.

The population is predominantly white. The second largest ethnic group is Asian. This group which includes Indian, Bangladeshi and Chinese populations has grown over the past decade. The City has a relatively small Black population, less than London and England and Wales. Figures and changes since 2001 are shown in Table 1.

	City of London		Greater London		England and Wales	
	% 2001	% 2011	% 2001	% 2011	%2001	% 2011
White	84.6	78.6	71.2	59.8	91.3	86
Mixed	2.3	3.9	3.2	5	1.3	2.2
Asian	8.9	12.7	13.2	18.5	4.8	7.5
Black	2.6	2.6	10.9	13.3	2.2	3.3
Other countries	1.7	2.1	1.6	3.4	0.4	1

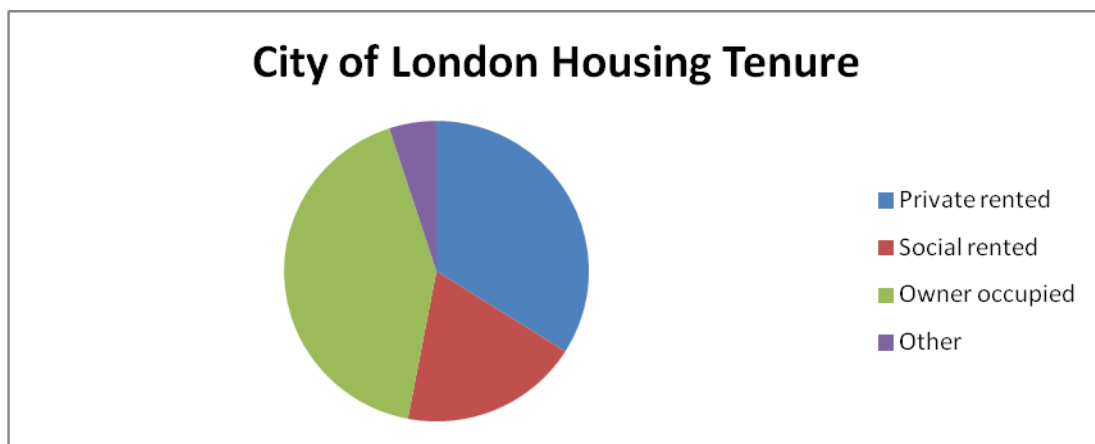
**Table 1: Ethnic Group 2001 and 2011**

**Source: Office of National Statistics© Crown Copyright**

## City housing

The type and clustered nature of the City's housing is unusual. The majority of dwellings (95%) are flats. Most housing is high-density and situated mainly on the City fringe. There are privately owned residential sites in Smithfield, the Temples, Queenhithe, Fleet Street, Carter Lane and Botolph Lane. Social housing in the City, including housing association homes, is concentrated in the estates in Golden Lane, Middlesex Street and Mansell Street. The City also manages the private Barbican Estate, providing specific landlord functions under the terms of the lease, service agreements and a dedicated asset management strategy.

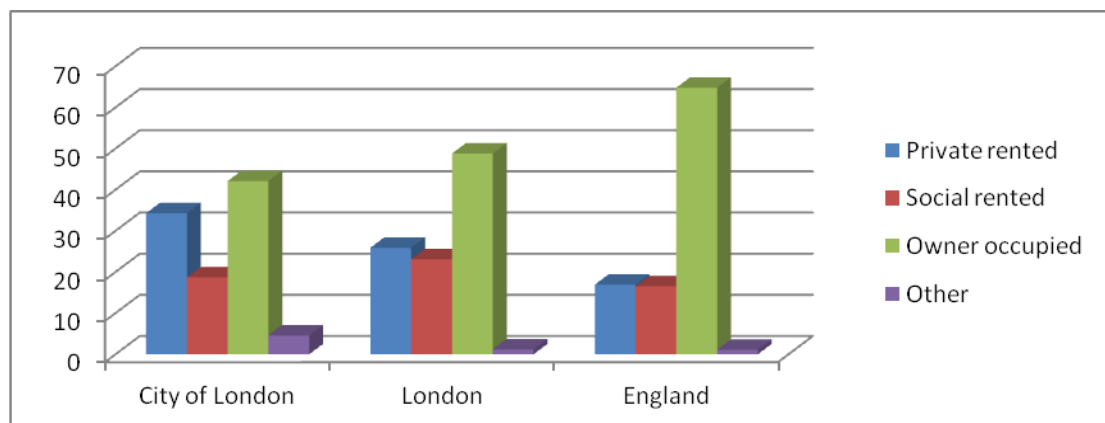
The housing market within the City reflects its unique size, economy and the mobility of some sectors of the population. A large private rented sector provides homes to about 34% of City households; around 19% of households live in social rented housing and 42% of homes are owner-occupied (**Chart 1**).



**Chart 1: Households by tenure type 2011**

**Source: Office of National Statistics© Crown Copyright**

The City's private rented sector is larger than both the London and national markets; conversely, owner-occupation is lower. The social rented sector is smaller than London's but larger than the national one (**Chart 2**). Dwellings in the owner-occupied and private rented sector tend to be larger, more than 30% having five or six rooms; in the social rented sector this figure falls to around 11%.



**Chart 2: Households by tenure type compared to London and England 2011**

**Source: Office of National Statistics© Crown Copyright**



The City's overall social rented stock totals 1,924. Unusually for a local authority most of the City's own social rented stock is located outside its boundaries: 467 dwellings are located in the Square Mile; the remaining 1,457 are located in estates in six other London boroughs. The condition of all of the City's social housing is good – most of our stock has been fully modernised.

## Key Challenges

Increasing the supply of housing within the City and its neighbouring areas will be the cornerstone of our strategy over the next five years. To bring about real and lasting improvement in the quality of life for our communities and residents, however, we will need to look beyond the provision of more and better housing. To develop sustainable neighbourhoods with safe, thriving, mixed communities able to afford to live locally and make an effective contribution to the City's economy we will need to address a number of growing challenges.

### Affordability

The costs of buying or renting a home in the City of London are increasing, reflecting trends nationwide. Prices are amongst the highest in London. The average price of a home in the City of London is now more than £692,000, half as much again as London average of £454,654. The average cost of renting a home is £1733 a month, third highest of all London local authorities. Affordability in the City continues to worsen, as price rises outstrip growth in incomes. Between March 2012 and March 2013 average prices rose by more than 38%. Lower quartile (or 'entry level') house prices are now more than 10 times lower quartile earnings in the City. Even taking into account the above average earnings and incomes of City workers and residents these costs are beyond the means of many lower and middle income households who might wish or need to live in the Square Mile. For these households affordable housing will remain the primary option.

### Supply pressures

Pressures on the supply of housing in the City are severe. The right to buy has had a major impact on the availability of social housing - more than 2,800 dwellings have been sold. Some of our estates are listed buildings which restricts our capacity to develop on them. The City's size and the nature of its economy restrict our ability to provide more housing within the City. Land costs and a high level of competition for land from the commercial sector make it difficult to develop housing that is affordable to most residents, including intermediate housing. The City's function as an employment centre for high earners means that the City has many second homes. There are around 1370 of these, reducing the availability of housing for permanent residents. Because of the high concentration of business premises and limited space available for housing we have, exceptionally, pursued a policy of developing social housing outside the City's boundaries.

### Demographic change and planning targets

The need for additional housing will continue to grow. The City's population and number of households have increased slowly to date but population levels are projected to accelerate. Over the past decade the population grew from 7,200 to 7,400, an increase of less than 3%. By 2021 the population is projected to be 9,190, an increase of more than 24%. The number of older people in the City is growing more rapidly. Over the same period the number of people aged 60 and over grew

from 1270 to 1500, an increase of 18%. This increase could rise to more than 25% by 2021. The City's economy is supported by a workforce that lives in neighbouring areas. Population growth and housing need are rising more quickly in these areas, with some indication of outward migration of more mature households to more affordable areas in outer London.

Our research supports the need for additional housing in the City, including market, intermediate and social housing. In his London Plan the Mayor has set a target of an additional 110 homes a year for the City through to 2021 and this is rolled forward to 2026 in the City's Draft Local Plan.

### Housing need, overcrowding and welfare reform

There is high demand for our social housing. In April 2013 there were more than 1,000 households on our housing register (or waiting list). Some of these households will have little priority for assistance under our housing allocations policy, or may in time be able to resolve their own housing problems. Others will continue to need assistance. Overcrowding is a challenge for the City. Around 1 in 3 of all households in the City live in accommodation lacking one or more rooms. In terms of demand for social housing, 326 of the households (218 applicants and 108 existing tenants) on our housing register are overcrowded. Although many of these currently live outside the City all will have a connection or need for social housing within the City or neighbouring areas. Overcrowding has implications for health and child development and impacts disproportionately on certain sectors of the population. Black and minority ethnic households are likely to be over-represented amongst these households. Overcrowding can contribute to noise nuisance and perceptions of anti-social behaviour, especially where people live in close proximity with neighbours. Most overcrowded households need one additional bedroom, but some are severely overcrowded and need two or more additional rooms. Welfare reform has increased financial pressure on households on benefits in costly private rented accommodation and those in social housing who under-occupy their accommodation.

### Homelessness and rough sleeping

Statutory homelessness in the City is comparatively low although the trend in applications for help is rising. In 2012/13 we received applications from 33 people and accepted a duty to rehouse 19. However, the City experiences more rough sleeping than most London local authorities. The physical and mental health problems often experienced by homeless people are significantly worse amongst the on-street population. High rates of hepatitis and tuberculosis are commonplace amongst rough sleepers who are three times more likely to suffer from respiratory and skin conditions, sensory impairment, and significantly reduced life expectancy. Most of the rough sleepers in the City are male and many have longstanding mental health and alcohol misuse problems.

### Health inequalities and deprivation

Most City residents consider themselves to be in good or very good health (88% of all residents). However, around 1 in 8 households have a disability or suffer long-term health problems. This is less than in London or elsewhere nationally but there are variations in health between neighbourhoods. These patterns of health inequalities reflect the patterns of relative social and economic deprivation in the City. Poor health is more prevalent in the Portsoken and Golden Lane areas where ill-health and disability affects around 20% of households. Many of these have a

physical disability, are frail elderly or suffer with mental health problems and are most likely to require specialist forms of housing, adaptations or support services to help them to remain living independently in their home.

Across London increasing numbers of households in work are taking up benefits. Although unemployment in the City of London is well below the UK average a significant number of residents in the Portsoken area are in receipt of benefits or have low incomes. Pensioner poverty and child poverty in the ward are among the highest in the City. For some of these households fuel poverty may present a growing problem. These problems can affect educational attainment, health, ability to take up employment and lead to social exclusion. We have recently undertaken a major review of these problems in the Portsoken area. Our housing strategy will adopt a targeted approach with our partners to begin to address these.

### Meeting the requirements of an ageing population

The numbers of older people in the City are small but rising and projected to accelerate rapidly. Incidences of age-related health problems such as reduced mobility and dementia and the need for additional support and care are likely to increase. The provision of health, social care and housing will need to become increasingly inter-dependent if we are to build the mixed and sustainable communities we are aiming for. Many older people will wish to remain living independently in their own homes for as long as possible. We will aim to ensure that all new affordable housing is built to lifetime homes standards and that improvements to existing stock maximise the opportunity to make homes readily adaptable to the changing requirements of older people. However, not everyone will wish or be able to remain in mainstream housing as they grow older. For these people, more specialised forms of housing will be needed as care and support requirements change. We will assess the likely future need for this and the requirement for changes, for example to the way we currently provide residential care and sheltered housing, to ensure increased choice and quality of care for older people.

# Part 2 – Strategic Priorities

## Priority 1 - More homes – increasing the supply of homes

### Why is this a priority?

The City's residential population plays an important part in the life of the Square Mile. It makes the City livelier and safer outside working hours and supports shops and services for the City's workforce and visitors. The City's economy relies heavily on its workforce to commute in as it would not be possible to meet its housing requirements within City boundaries. But pressure is increasing on our capacity to ensure enough suitable accommodation locally. Population levels and the number of households in unsuitable accommodation in the City are rising. New housing has a key role to play in meeting the demand across all tenures, helping to rebalance local markets, develop more mixed and sustainable communities, and bringing in additional funding for investment and improvements.

### Key Challenges

- a growing population: the City's population is projected to rise from 7,400 to 9,190 between 2011 and 2021, an increase of more than 24% and faster than the previous decade;
- high demand: there are more than 1000 households on the housing register;
- worsening affordability: many households are unable to afford the cost of buying or renting rent privately;
- need to balance housing stock to take account of need for smaller units of accommodation and address under-occupation;
- regional planning: The London Plan and City Draft Local Plan require an additional 110 homes a year in the City between 2011 – 2026.

### What we plan to do

The City's unique circumstances - small size, limited supply of land, highly developed commercial sector and its role as a major contributor to London's economy – have shaped our strategic approach. They create both a pressing need and the opportunity to work closely in partnership with neighbouring boroughs and the private sector. Our aim will be to improve housing markets in the City and neighbouring areas, delivering an increased supply of new homes for City residents and others in need.

### Our strategic aims:

- promote the delivery of additional housing by private developers, using our planning policy to drive up standards that support our priorities and provide additional funding for our affordable housing programme;
- build more affordable housing on our estates to help City residents and tenants and those in need in neighbouring boroughs, and generate additional funding through sales and rental income for future investment;
- develop our role as a strategic housing authority to help increase supply in the private rented sector across London.

## Planning policy – using our influence to shape supply

Delivering more housing is a national and regional priority. The Mayor's London Plan has set standards and a target for the City of 110 additional new homes a year across all tenures until 2026 to address expected population growth. Our local plan reflects this and sets out our policies to address some of the challenges of providing suitable housing for City living.

We expect to meet our target of 110 new homes a year but there are constraints on our capacity to increase the supply of homes rapidly, and at the right mix. Most new housing in the City arises through small developments offering fewer than 10 units; the majority of these are one-bedroom; the opportunity for housing associations to develop in the City is severely limited. Much of the housing that is built will be at market prices, beyond the reach of most households seeking accommodation.

We want to ensure that the range of homes delivered by developers in the future helps us to achieve a sustainable and balanced housing market and address the key challenges we face. Much of the housing in the City is high-density, made up of flats with limited outdoor space. More affordable, larger housing will be needed if we are to meet the needs of many of the households on our housing register. A key element of our approach to planning for new supply will be working with the Mayor to implement London Plan standards for new housing that support our priorities and working pragmatically with private developers to provide on-site affordable housing or generate funding through S.106 agreements to provide affordable housing off-site on our own estates in the City and in neighbouring areas. Our requirement will be largely for social rented housing though we will also consider affordable rented and intermediate housing where possible. None of our developments will be grant-funded.

We will:

- address the challenge of a growing older population, ensuring all new housing meets Lifetime Homes standards and 10% meets wheelchair housing standards;
- ensure new housing increases residents' security and complies with the London Plan space standards, the Mayor's London housing design guide, and Secured by Design standards;
- ensure schemes support healthier lifestyles by providing amenity and leisure space for residents such as gardens, sports facilities and space for recycling;
- ensure that 30% of all new developments of 10 or more units will be affordable housing (or 60% if provided off-site) and use S.106 agreements to generate funding for affordable housing in the right mix to meet need.

## More affordable housing – our role as a housing provider

Our local housing market is one of the most expensive and densely built in the country. Relieving overcrowding and affordability problems related to under-occupation and welfare reform is a major challenge for the City. A key feature of our strategic approach will be our growing role as a housing provider to support the delivery of our Housing Revenue Account 30 year business plan. Section 106 agreements provide most of the funding available for affordable housing. We currently have around £24m of funding available with potential for further substantial sums subject to planned private development programmes. Increased financial freedom and control over investment decisions created by the new housing finance

system and the use of receipts from Right to Buy sales present a unique opportunity for the City to invest in an ambitious programme of building affordable housing.

This approach will give us greater control over the type and pace of delivery of new schemes. It will allow us to deliver housing of the mix and quality standard that best meets our strategic aims, ensure the sustainability of our housing offer by increasing our asset base and rental income, and reduce our management costs. The high cost of land in the city means we will need to explore where we can use these freedoms to explore new ways to maximise the delivery of affordable housing for those seeking our help and our partners.

The City is reliant on the vibrancy of housing markets and communities in neighbouring areas to meet the housing requirements of much of the City's workforce. In addition to seeking opportunities to build more affordable housing in the City we will also work closely with our partners in neighbouring boroughs to provide housing for our tenants and communities on our estates in other boroughs, improving the affordable housing market in our sub-region. We propose to deliver our programme in three ways:

- locally, building on land available on our existing estates to deliver more homes for City residents and support the delivery of our annual targets in the London Plan;
- on our estates in neighbouring boroughs, relieving pressure on local markets and waiting lists through nomination agreements for affordable housing with neighbouring local authorities;
- acquiring land in other boroughs, where available, for the development of affordable housing schemes.

To meet the key challenges we currently face and support priorities within our strategy we will need to facilitate market housing through our planning policies and deliver affordable housing. A mix of sizes will be needed. Larger units will address backlogs in demand from overcrowded households; smaller units will be built to meet expected demand from households affected by welfare reform and a growing older population and to reduce levels of under-occupation. Where possible we will deliver improvements in the streetscape and community facilities on estates. We will be careful take into account the views of those already living in areas where we are planning to develop more homes. Consultation with existing residents will be an essential feature of our approach if we are to deliver on our aim of building sustainable communities.

Work is already underway. Our affordable housing programme has already delivered 24 new homes locally on our Middlesex Street estate in 2013. We have a number of other objectives that we want to deliver over the course of this strategy.

We will:

- deliver 61 homes on two sites in the London Borough of Southwark by December 2014; work with partners to obtain planning permission and develop feasibility studies to deliver a further 299, locally and in other boroughs, by December 2016;
- assess a number of other sites to examine potential for a further 150 units beyond 2016;
- be flexible in our plans, responding to opportunities as they arise to maximise delivery, and continue to work with the Greater London Authority (GLA) over the



term of this strategy to explore the possibility of acquiring further sites across London for development;

- enhance and improve the sustainability and community facilities of our existing estates.

## Developing our role as a strategic housing authority

As a strategic housing authority we need to ensure that local and surrounding housing markets meet local needs and help support our wider social, economic and environmental objectives. Providing more affordable housing and new homes for sale is unlikely to meet all of our housing requirements. Increasing access to the private rented sector housing will be an important component of our strategy, helping to meet demand, create a more flexible labour market for the City and London, and support the City's contribution to the London Mayor's London Housing Strategy.

The City has a large private rented sector. The market rents for many of these properties are, however, beyond the means of most households working or living in the City and many do not meet the demand for security provided by longer tenancies. Whilst further development opportunities within the City are limited by land values and supply, increased access to private rented sector housing in adjacent boroughs and across London more widely would help drive London's economic growth and support those sectors of the City's daytime working population workforce needing or wishing to live nearer to the workplace.

We have taken steps to develop our strategic role in this area, building on the recommendations from the Montague Review, which looked at the barriers to institutional investment in the private rented sector. We have hosted London-wide exploratory discussions with key players and sponsored published research into ways to promote increased institutional investment and partnership working in this sector of the housing market. We will continue to explore opportunities and seek ways to use our influence to develop innovative solutions to the housing shortage in London where possible. In the short to medium term we need to examine other ways of increasing access to private rented housing and other models of housing provision.

We will:

- seek to encourage innovative public and private sector working in the use of land and planning regulations to stimulate interest and investment;
- work with social enterprises, the private sector and other housing providers to lever in investment to increase the supply of private sector housing for households unlikely to qualify for social housing;
- review our rent deposit scheme and work closely with landlords and local authorities in neighbouring areas to increase the access to private rented housing at local housing allowance rental levels;
- continue to cooperate with the Greater London Authority to develop proposed opportunities in the London Housing Strategy for investment in affordable housing across the capital.

## Priority 2 – Making better use of our existing homes

### Why is this a priority?

Building more homes will help us to meet the need for more housing. But high levels of demand and long waiting times will not be reduced quickly, even with more housing. Overcrowding and welfare reform are creating additional pressure and financial uncertainty now for many households. We will need to make better use of the City's existing housing stock if we are to address these challenges effectively.

### Key Challenges

- high demand for social housing and overcrowding: many of City households lack one or more rooms, including 239 in our social rented housing;
- high levels of ill-health and disability on some estates: in the Portsoken and Golden Lane areas ill-health and disability affects around 20% of households.

### What we plan to do

Working closely with other housing providers to maximise choice and access to all tenures, and managing our resources to make sure we are helping those most in need will be an important part of our approach.

Our strategic aims:

- maximise choice for those seeking our help, improving advice and exploring all housing options available to ensure those who are able to rent or access market housing are enabled to do so;
- continue to manage the demand for social housing fairly and transparently, giving priority to those in greatest need and making efficient use of our housing by tackling overcrowding and under-occupation.

### Maximising choice, improving advice

The City cannot accommodate all those who wish to live in the Square Mile. Supply will never match demand for a home in the City and many people seeking social housing will not qualify for our help under our allocation policy; others living here may wish to move out. The lack of larger social housing and the pressure on household incomes caused by welfare reforms may mean that, for many households, finding a home in another area or the private rented sector is the most realistic solution to their requirements. For others, accessing intermediate (part-buy, part-rent) housing in the City or elsewhere may be a solution. All tenures will need to be considered in meeting need and demand. Providing high quality advice and helping people exercise choice and find their own solutions to their housing problems will be an important part of our approach.

We will:

- ensure we explore all housing options across a range of needs and incomes for those seeking our help, for example through the Mayor's First Steps scheme;
- provide help and advice to those in the private rented sector whose current housing may be threatened by the impact of welfare reform;
- provide advice and support to enable people to remain in their homes where they are at risk of losing them.



## Managing demand and tackling overcrowding and under-occupation

In addition to making the most of the market and private rented sectors we must use our own social housing efficiently to help manage demand fairly and transparently giving priority to those in greatest need. This means getting the right people into the right homes. There are currently more than 1000 households on our waiting list; many of these are existing tenants requiring a transfer. In allocating our housing we must ensure we balance housing need with the requirements to maintain stable and sustainable communities on our estates. We need to tackle imbalances between occupancy levels and property sizes and illegal occupation. We must also let our homes efficiently, minimising the time they remain empty.

We will always ensure that households are given a home big enough for their needs when we let it to them. But changes in households over time mean that some homes get overcrowded whilst others become under-occupied as children grow up and leave. Around 1 in 3 households in the City are overcrowded. Many of these may be content to remain where they are living, but demand for rehousing remains comparatively high. Of the households on our waiting list for social housing more than 320 are lacking one or more bedrooms, including more than 100 households already living in our housing. But under-occupation is a growing problem too. With larger family accommodation in short supply, under-occupation makes it more difficult for some households to access social housing; equally, many of those under-occupying will now face changed financial circumstances because of reforms to housing benefit. Others on our waiting list may be homeless or vulnerable or need to move for health or other urgent reasons. Some properties may become illegally occupied over time, reducing the availability of housing for those in most need.

We have recently revised our allocation policy to address some of these challenges, focus resources where they are most needed, ensure fairness, and tackle overcrowding.

We will:

- ensure equality of access, allocating housing according to housing need regardless of tenure;
- give priority to those in greatest need and focus resources on those least able to afford housing in the private rented or market sector, for example by limiting eligibility for social housing to those with incomes of less than £60,000 a year and prioritising those who work in the City who earn less than £26,000 a year;
- give high priority and financial incentives to under-occupying households who wish to move to help them avoid financial hardship and release larger properties for overcrowded households;
- review the mix of general needs and sheltered housing in our stock to make sure we have got the balance right;
- provide clear advice and information about the way we allocate our housing and what people need to do to apply;
- reduce the time and cost it takes to re-let our properties when someone leaves;
- tackle tenancy fraud and illegal occupation of our homes;
- review our tenancy policy and assess how short-term tenancies may help us make more effective use of our stock to alleviate need.

## Priority 3 – Better homes, better neighbourhoods

### Why is this a priority?

More homes will help meet the rising demand for housing. But for many residents others improvements in their living conditions and neighbourhood will be equally important. The health, wellbeing and safety of our residents and tenants are major priorities for the City. For children, growing up in a secure, healthy environment can help reduce inequalities and improve educational opportunities. Well-maintained and designed homes and estates can help people feel safer, prevent ill-health and accidents and improve quality of life for people with disabilities. We also need to ensure our homes are fit to address the challenges of a growing older population and reduce our environmental impact.

### Key Challenges

- high levels of mental and physical ill-health and disability on some estates: in our Portsoken ward ill-health and disability affects around 20% of tenants;
- a growing older population: the number of people in the City aged over 60 grew from 1270 to 1500, an increase of 18%;
- welfare reform, increasing numbers of working poor, older people and high numbers of pensioners living alone increase the risk of fuel poverty, social isolation, and the need for adaptations and homes that meet lifetime standards;
- elements of our housing stock are reaching the end of their life and need updating to maintain the health, safety and comfort of our residents and help us reduce our environmental footprint.

### What we plan to do

Improving and updating our homes through our new asset management strategy will be a major component of our strategy, helping us to provide the homes and well-designed estates to tackle some of the key challenges we face. We will work more flexibly and closely with our residents and tenants to identify priorities and help develop more sustainable neighbourhoods and the strong communities that will help support them through all stages of their lives.

Our strategic aims:

- tackle ill-health and fuel poverty by improving energy efficiency and safety in the home through the improvement programmes we carry out in our homes, and using lifetime design criteria to better meet the needs of older people and those with disabilities;
- build better, safer and more sustainable neighbourhoods through improvements to security, access, outdoor spaces and community facilities on our estates, and tackling anti-social behaviour;
- support and empower our residents to co-design and help plan the delivery of lifetime neighbourhoods.

### Better homes

We want our homes to be safer, cheaper to run and more adaptable to people's needs as households change and people live for longer. Following investment over past decade all of our homes have now been modernised and, as part of our

preparations to make our Housing Revenue Account self-financing, we have undertaken a number of stock condition surveys. Our asset management strategy sets out the next phase of investment and improvements to our homes over the next five years. We will develop new ways of carrying out planned maintenance and major works to deliver savings, maximise income, and provide the further investment needed to tackle the challenges of a growing older population, health inequalities and the need for greater energy efficiency. We have recently completed a programme of fire safety improvements on a number of our estates but more remains to be done.

We will:

- undertake adaptations to homes for those with disabilities and older people to enable them to live independently and in their existing homes for longer;
- incorporate features of lifetime design in our homes as we carry our internal improvement programmes so that they more easily meet the changing needs of our households as they grow older;
- make our homes warmer and more energy efficient, replacing windows and heating systems, reducing fuel poverty and CO2 emissions;
- actively promote energy conservation and efficiency in homes across all housing tenures in the City through better advice and access to external schemes and support.

## Better neighbourhoods

It is not just our homes but also our neighbourhoods that have a significant role in keeping us well and independent as we grow older. Improving the physical environment of our estates can help tackle the impact of disability and social isolation and reduce crime and anti-social behaviour. We want residents to feel safe, to be able to get out and about in their neighbourhoods and connect more easily with other people and services. We will work with our residents and use our asset management strategy to identify priorities and plan improvements to our estates that promote safety and better, inclusive access, and provide facilities and outdoor spaces that promote social contact and help build communities.

We will

- commission independent risk assessments in our high-rise estates to assess fire safety;
- review security arrangements such as controlled access and the use of CCTV on our estates to improve security and reduce crime;
- create dementia-friendly environments by reviewing and renewing signage on all of our estates to improve orientation and navigation;
- review the provision of lifts and our outdoor environments to improve accessibility for people of all ages and ability;
- support community activities and development by investing in and improving community facilities on our estates;
- investigate the potential for improving access to broadband on our estates to promote digital inclusion where this will help to reduce social isolation;
- review tenancy and leasehold agreements to ensure they support our aim to improve our neighbourhoods, for example through linking better enforcement action against anti-social behaviour with action that supports victims.

## Stronger Communities

Self-reliant and empowered communities are essential to our aim to build better neighbourhoods. We want to enable our communities to set their own priorities and agendas and work with providers and service commissioners to get the services that they need. We know our residents would like us to listen more closely to their views about the homes and estates they live in. Over the past two years we have recruited more tenants to help shape and improve our services, made it easier to get in touch with staff on the phone and locally on our estates, and created plans with our residents for cleaning and maintenance standards for all of our estates. Looking forward we want to support our residents to develop resident-led activities and promote the involvement of the business, community and voluntary sectors to help plan for lifetime neighbourhoods.

We will:

- consult widely with residents about the priorities and implementation of improvement programmes on our estates;
- set up a community fund to enable residents to help decide local estate spending priorities;
- work with our residents to promote volunteering and inter-generational activities on our estates;
- develop the use of digital and social media and a new resident engagement plan within our corporate arrangements to promote greater and more inclusive contact with our residents;
- work with partners to improve financial inclusion and employment opportunities for households and young people;
- roll out our good neighbour scheme on all our estates and improve joint working with health and social care partners to support vulnerable people.

## Priority 4 – Supporting people within their communities

### Why is this a priority?

Promoting the independence of our residents is a major part of the City's ambitions. Improving our homes and neighbourhoods will help with this for many of our residents. But for some, for example those who are homeless or people with disabilities, extra help to access housing and ongoing support to enable them to live independently will be vital. A growing older population means that the need for specialist housing with extra care services is likely to increase in coming years. Providing those in need with advice, specially designed accommodation and personal support can prevent the breakdown of tenancies and homelessness, and avoid the need for more costly forms of provision or intervention.

### Key Challenges

- increasing homelessness: rates of homelessness are low but rising;
- rough sleeping: street homelessness is high and persistent - over the course of 2012/13 more than 280 people were recorded sleeping rough in the City; around 60 % of these were long-term or returning rough sleepers, whilst 40% were new to the streets;
- need for move-on accommodation: extra capacity for some single homeless people;
- 1 in 20 residents require personal care or housing-related support;
- a growing older population: an increase in age-related conditions such as dementia may require new types of supported services like extra-care housing;
- health inequalities and welfare reform are impacting disproportionately on some communities.

### What we plan to do

Prevention, promoting independence, and earlier intervention will be central to our approach. In addition to preventing homelessness we want to help rough sleepers to leave the streets and do more to move people on from hostels into permanent accommodation where appropriate. Having a settled home of the right type and in the right place is fundamental to helping people with a range of support needs. We will increase our focus on supporting vulnerable and older people to live independently within the community, reducing the need for more costly forms of provision such as residential care. And we will intervene earlier with targeted housing-related support to help reduce the impact of health inequalities and welfare reform in the more deprived areas of the City. We will also develop our relationships with other authorities to ensure a fully coordinated approach to supporting people and communities who live on our estates in other London boroughs.

### Our strategic aims:

- preventing homelessness through closer partnership working, addressing the impact of welfare reform and improving access to support;
- reducing rough sleeping by providing better, more specialist accommodation;
- reviewing specialist housing provision for people with disabilities and older people to promote greater independence and reduce reliance on more costly institutional settings;

- reduce inequalities in our more deprived areas through a targeted, area-based approach to earlier intervention.

## Preventing homelessness

We have worked hard to improve the support and accommodation we provide for homeless households in recent years. Through our rent deposit scheme with private landlords all homeless households are now provided with self-contained accommodation avoiding the need for bed and breakfast hotels. Homelessness in the City is low compared to many local authorities but has begun to rise again over the past three years. Our aim in the immediate future will be to tackle the rising trend in homelessness and develop our capacity to deal with the added demand this places on our housing resources.

We need to identify earlier those who are at risk of homelessness. We will work more closely with other agencies, intervening earlier where households are threatened with homelessness, providing benefits advice and debt counselling to mitigate the impact of welfare reform, and supporting those who may be at risk of losing their homes. The majority of people at risk of homelessness in the City are single, vulnerable and need help to access accommodation - for example people with mental health needs, substance abuse problems, care leavers and those fleeing domestic abuse. To help people access and leave services in a more planned way we will develop supported accommodation pathways to ensure we identify those at risk of homelessness, assess need quickly and provide access to the right sort of supported accommodation.

We will:

- improve information sharing and develop shared strategies with our partners through our Welfare Reform Group to reduce the impact of welfare reform on rates of homelessness in the City;
- increase support to vulnerable people and reduce the risk of recurring homelessness, by increasing financial inclusion, building clearer pathways to access accommodation and improving tenancy support to develop the skills needed to live independently;
- work with the voluntary and private rented sector to increase the supply of accommodation for homeless households, allowing them to be re-housed more quickly and permanently and providing a greater choice of areas to live in.

## Tackling rough sleeping

Rough sleeping and street begging continue to present a persistent and serious problem in the City. Rough sleepers are amongst the most excluded members of society and many suffer from multiple health problems and reduced life expectancy. Since 2009 our outreach service has worked successfully with rough sleepers in the City providing help to access accommodation, health and other specialist services, such as those for mental health and substance abuse, and working to re-connect people with support services in their own community or country of origin.

Our long-term objective is to ensure that no-one lives on the City's streets, that those supported to leave do not return, and that those new to the streets do not spend a second night out. We have had considerable success in providing supported accommodation to help prevent rough sleepers returning to the streets. Supported



accommodation focuses on helping residents acquire skills that will enable them to live independently and on linking them into services that address other needs. Working with other local authorities and partners in the voluntary sector we developed The Lodge, a hotel- style supported scheme for long-term rough sleepers; we have also pioneered the use of personal budgets to increase support and independence for rough sleepers. The number of rough sleepers has reduced steadily since 2009. But we need to do more to reduce pressure in our schemes by enabling ex-rough sleepers to move on to more permanent accommodation. We are developing a range of options in partnership with the police and voluntary sector agencies through the City's Rough Sleepers Strategy Action Group to help increase capacity.

We will:

- develop 'Lodge 2' with St Mungo's, building on the success of The Lodge to provide permanent supported accommodation for long-term ex rough sleepers;
- continue to reduce numbers on the streets through work with the police and our outreach service to develop pop-up hubs and address the 'living on the streets population' through initiatives such as the social impact bond and 'no-one left on the streets';
- continue to monitor and develop our special projects move-on arrangements providing access to general needs housing for ex-rough sleepers where appropriate;
- ensure the City remains represented on and contributes to the Mayor's Rough Sleeping Group and its aim to end rough sleeping.

### Supported living for people with disabilities

Improving our specialist housing and support services for people with disabilities and mental health needs will continue to be an important part of our strategy. The City commissions supported living accommodation for around 35 residents who need close support to enable them to live independently. Some of our residents may need to stay within a supported living environment long-term. For others it is a temporary step whilst they develop the skills and confidence to live more independently. We have recently reviewed our supported living provision and through this strategy we will be focusing more on supporting people to live independently in the community and providing the services to enable them to do so.

We will

- re-commission supported living services for people with disabilities and mental health needs to help them develop skills necessary for more independent living, and enhance training and employment opportunities;
- work with our partners in the voluntary and private sector to develop a wider range of housing options for those who are ready to move on.

### Supporting older people

The City has a number of services that support older people to remain living independently in their own homes. Some of these are personal care such as help with bathing or food preparation. Others are housing-related, such as our tenancy (or floating) support service, and accommodation-based support, such as sheltered housing. However, the growing number of older people in the City means we need to anticipate the changes in need and demand that will arise in the next five to ten

years. In our recent review of supported living arrangements across the city we identified the need to look further at how we might make better use of new technology and how to make better use of sheltered housing to help reduce reliance on residential care. We are currently reviewing our housing services for older people. We will focus on how to develop our sheltered housing service so that it is integrated more efficiently into a wider spectrum of adult care and other support services.

We will:

- review how best to use sheltered housing to reduce reliance on residential care and help older people to remain living independently in their own homes;
- assess the need and potential to develop extra-care and community-based provision at our sheltered housing schemes;
- assess how to make best use of the benefits of assistive technology, telecare and floating support.

### Intervening early to reduce inequalities and tackle deprivation

Some areas of the City experience higher levels of deprivation than others. Earlier intervention in our more deprived neighbourhoods will be a priority for us in the coming year. Ill-health, disability and pensioner poverty are higher amongst residents of our Middlesex Street and Mansell Street estates in Portsoken ward than the rest of the City, and reflect the higher levels of deprivation to be found in these areas generally. We are developing an area-based, multi-agency approach to address these issues and coordinate services and target resources where they are most needed. We will examine how our housing services can work more effectively on these estates with our health and social care partners, local communities and other agencies to deliver real improvements in the way services are delivered at a local level.

We will:

- provide intensive support for our local residents associations in Portsoken ward through our new community development officer to build and increase community capacity;
- work with health and social care partners and other providers to develop a 'One Portsoken' forum of local providers to improve multi-agency coordination of community services;
- work closely with our information and advice service, City Advice, to develop a welfare reform intervention service, support households on low incomes and those affected by welfare reform, and tackle pensioner poverty.



# Part 3 – Delivering our strategy

The Housing Strategy is an essential part of the City's wider planning framework. It identifies specific housing-related priorities and actions which directly support the City's vision and corporate priorities and help to improve the social, economic and environmental wellbeing of City residents, workers and businesses. The strategy works alongside and complements other major City strategies, such as the Local Plan, the Health and Wellbeing Strategy, the Adult Wellbeing Strategy and the Safer City Partnership.

## Implementation

Successful delivery of our Housing Strategy will require a multi-agency approach. The actions and commitments we have set out will require joint working between the City's services and our partners in the public, private, community and voluntary sectors. The City has an established framework of partnerships, Boards and joint forums to deliver its key strategies. The Housing Strategy priorities will shape and inform our work with partners and help us to identify where we can coordinate services, build innovative, cross-cutting programmes of action, and use or pool our resources more effectively to deliver on shared aims.

Within the City the Housing Strategy will be translated into action through our business planning process, and delivered and resourced through departmental, service and commissioning plans. The Community and Children's Departmental Business plan links our budgets and financial resources directly to a range of objectives and targets within these plans, including those elements of the Housing Strategy which will be delivered through our housing, social care and public health commissioning services.

## Monitoring and oversight

Delivery of the Housing Strategy will be monitored through our performance management and delivery framework, and scrutinised and overseen through our corporate governance process. Within the City, departmental and service plans supporting elements of the Housing Strategy will be monitored and overseen by the relevant Committees. Oversight and review of the full Housing strategy will be undertaken by the City's Community and Children's Services Committee which will receive regular progress updates. Reports for information about the strategy will be provided other Committees, Partnerships and Boards as required.