

# **Housing Strategy 2015 to 2025**

# 1. Introduction-Chair of Housing Committee

*To be added to final version*

***Councillor Tom Davey***

***Chair of Housing Committee***

## Housing Strategy 2015- 2025

### Executive Summary

#### Barnet's housing challenge and the Council's approach to meeting it

- The continued supply of good quality housing to accommodate a rapidly growing and changing population is perhaps the **single biggest challenge facing London**. Every one of London's [32] boroughs will need to contribute to meeting it.
- The challenge for Barnet – London's **second most populous borough** – grows ever more acute. Barnet is an attractive and popular borough; with some of the best schools in the country; acres of green open space; and strong transport links. This is why **people want to live in Barnet**. Whilst this is something to be proud of, it also creates a **significant housing challenge**.
- Barnet's current population of 362,000 is expected to grow by 83,000 over the next 30 years – an **increase of 22% per cent**. Within that, the number of children and older people will increase significantly. This means that, not only does Barnet need **more housing**, the **type of housing** required is also changing to reflect the borough's **evolving demographic profile**.
- One of the most effective long-term strategy for meeting demand for housing is to **increase supply** - by **building more homes that people can afford**; making **better use of existing housing stock**; and **bringing empty property back into use**. This lies at the heart of Barnet's Housing Strategy for the next decade.
- The Strategy provides a **blueprint** of how the Council will meet the significant housing challenge facing the borough. The Council will approach the task **responsibly**, protecting what makes the borough so attractive and ensuring that future development is **in keeping with the fabric of the borough**.

#### The scale of Barnet's housing need over the next decade

- Before developing a solution, it is first necessary to understand the **scale of the challenge**. The Council has commissioned a local **Housing Needs Assessment (HNA)** to help determine this.
- Barnet's HNA enables the Council to determine the borough's **overall housing need over the next 10 years** and the **different types of housing tenure** required.
- Barnet's HNA indicates that the borough has a potential need for an additional **27,000 dwellings** over this period.

#### Meeting Barnet's future housing need

- The Council's approach to meeting Barnet's future housing need – as set out in this Housing Strategy – covers a number of strands. Alongside **building new homes**, the Council will focus on **using the borough's existing housing stock – both publicly owned and private dwellings – more effectively** to meet future need.

### *Barnet's major regeneration schemes*

- In building new homes, the Council will focus on areas of the borough **where there is capacity to deliver**. The majority of the borough's growth will be focused on **Brent Cross/Cricklewood, Colindale, and Mill Hill East**, where there is capacity to deliver **20,000 new homes by 2025**.
- The regeneration of **Brent Cross/Cricklewood** will deliver **7,500 new homes** and up to **27,000 new jobs** over the next 20 years. **Colindale** will make the largest housing contribution to the borough over the next 10 years, with approximately **10,000 new homes**, and the regeneration of **Mill Hill East** will provide more than **2,000 new homes** over the next 15 years.

### *Regenerating Barnet's largest estates and building new council homes*

- The council's largest estates **in Grahame Park, West Hendon, Stonegrove/Spur Road and Dollis Valley are being regenerated**. Dilapidated, poor quality housing is being replaced with modern, high-quality mixed-tenure accommodation. The regeneration of Barnet's biggest estates will see 3,000 existing council dwellings replaced with **7,000 mixed tenure homes**.
- The Council has commissioned Barnet Homes – its Arms-Length Management Organisation – to **build 41 new council homes on a number of sites across the borough by 2016**. The first of these were completed in [month] 2014 - the first new council houses in Barnet for over 20 years.

### *Identifying the borough's future development pipeline*

- Alongside housing development already planned and underway, a key part of Barnet's Housing Strategy is to identify the borough's **future development pipeline**. So far, the Council has identified around **60 potential development sites** across the borough, with initial estimates suggesting that the first 15 sites could provide up to **700 new homes**.

### *Bringing empty properties back into use*

- Barnet's Housing Strategy will look at **bringing empty properties back into residential use**. Currently, there are approximately 1,300 homes in Barnet that have been empty for 6 months or more. Where owners wish to bring properties back into use, the Council will provide financial assistance in the form of **Empty Property Grants**.

### **In meeting the borough's future housing need, Barnet Council will:**

- ✓ Focus development in **Brent Cross/Cricklewood, Colindale, and Mill Hill East** where there is capacity to deliver **20,000 new homes by 2025**.
- ✓ Deliver **7,500 new homes** and up to **27,000 new jobs** at **Brent Cross/Cricklewood**.
- ✓ Deliver approximately **10,000 new homes** in **Colindale**.

- ✓ Delivery more than **2,000 new homes** in **Mill Hill East**.
- ✓ **Regenerate the council's biggest estates** in **Grahame Park, West Hendon, Stonegrove/Spur Road** and **Dollis Valley** – replacing 3,000 existing dwellings with **7,000 modern, high quality mixed tenure homes**.
- ✓ Build **41 new council houses** across the borough by 2016.
- ✓ Identify the borough's **future development pipeline**. To date, **60 potential development sites** have been identified, the first 15 of which could provide up to **700 new homes**
- ✓ Assist owners who wish to bring **empty properties** back into residential use through financial assistance in the form of **Empty Property Grants**.

## Delivering homes that people can afford

- **Increasing supply** will help ease the pressure on housing costs over the longer-term. However, **there is a more immediate need to address the issue of a lack of housing – across all tenures - that people can afford.**

### *Affordable housing in new developments*

The Council is revising its **Affordable Housing Supplementary Planning Document**, which guides applicants, agents, developers and planners through the affordable housing delivery mechanism and clarifies Barnet's application of Local Plan and London Plan policy requirements.

### *Rented homes at affordable prices*

- The Council believes that, for most people, including working households on modest incomes, 'affordable' means **rent at Local Housing Allowance (LHA) level** – meaning that residents will qualify for Housing Benefit if their income is low enough to qualify. As a result, the Council will seek to **increase the supply of rented homes at LHA level** by making use of available resources to develop new homes.

### *Simplifying rents policy and reinvesting to build more homes that are affordable*

- There is a **link between the level of rent that is charged for council housing** and the amount of **resource available to invest in the construction of more homes that are affordable.**
- The Council needs to strike the right balance between **setting council rents at a level which is fair** and **generating income to increase the total number of homes that are affordable.**
- In view of this, the Council will **charge an affordable rent at LHA level or 80% of average market rent whichever is lower for all new council homes it builds.** This will generate an additional income, to be **reinvested in building more homes that are affordable.**

- To **ensure consistency in relation to existing properties**, the Council will set **rents at LHA or 80% of the average market rent whichever is lower when empty properties are re-let**. For **existing tenants**, the Council will consult on proposals for increasing rents to LHA or 80% of average market rent whichever is lower. Each additional 1% increase will generate around £550,000 of additional income to be **reinvested in building more homes that are affordable**.

### **In delivering more homes that people can afford, the Council will:**

- ✓ **Increase the supply of housing over the longer-term.**
- ✓ Review its **Affordable Housing Supplementary Planning Document** to ensure affordable housing for rent and sale is delivered as part of new developments.
- ✓ Increase the supply of rented homes at **Local Housing Allowance level**.
- ✓ Strike the right balance between the level of council rents and the amount of resource available for building more homes that are affordable by charging rent at **LHA or 80% of average market rent whichever is lower** for **all new council homes**; **existing council properties that are re-let** to new tenants and, over time increase, for **existing council tenants**.
- ✓ Additional revenues generated through this change in rents policy will be **reinvested to increase the number of affordable homes across the borough**.

### **Sustaining quality in the private rented sector**

- Everyone wants to live in a home that is of **good quality** and makes them feel safe. As such, Barnet's Housing Strategy will seek to **improve the quality of housing across the borough**.
- In all new developments, the Council is committed to building **high quality new homes** where people want to live. At the same time, there is also a need to tackle the issue of **poor quality housing in the private rented sector**.
- The high demand for homes has seen an increase in the number of **Homes in Multiple-Occupation (HMOs)** – particularly through the conversion of family homes into properties shared by unrelated people which, in some cases, are not well managed.
- The Council will review how HMOs are **regulated** and **crack down on rogue landlords** and sub-standard properties, working directly with landlords and encouraging them to acquire formal accreditation through the **London Landlords Accreditation Scheme**.

### **In order to ensure high quality housing across the borough, the Council will:**

- ✓ Ensure that all new homes are built to **high quality standards**.
- ✓ Review regulations relating to **Homes in Multiple Occupancy**.

- ✓ Crack down on **rogue landlords** and encourage more of the borough's private landlords to acquire formal accreditation through the **London Landlords Accreditation Scheme**.

## Tackling homelessness

- Barnet Council has taken action to **reduce the number of people placed in temporary accommodation** and, in doing so, has successfully **avoided the use of bed and breakfast accommodation**.
- The Council's strategy for reducing the number of residents in temporary accommodation has focused on **increased incentives to private landlords** to increase the number of private lettings to homeless households; a greater focus on **homelessness prevention measures**; sourcing accommodation in **less expensive areas outside of Barnet**; and working in partnership with Job Centre Plus to create a multi-agency **benefits Task Force** to work closely with households affected by welfare reform to minimise the risk of homelessness.

### *Making best use of existing housing stock*

- Subsidised Council housing and Housing Association homes, have become increasingly scarce. In order to make the best use of existing stock, the Council has **changed the way that these homes are allocated** and restricted allocations to those households that are in the highest need.
- Barnet's housing allocations scheme also recognises the contribution that people who are **working** or **volunteering** make to the community by taking this into account.
- In order to **increase the turnover and availability of council homes**, most new tenants now receive a fixed term tenancy of five years,
- A review of the operation of the Barnet's Tenancy Strategy by February 2015 to ensure that its stated objectives are being achieved.

### **In tackling homelessness in Barnet, the Council has:**

- ✓ **Increased incentives to private landlords** to increase the number of private lettings to homeless households.
- ✓ Placed a greater focus on **homelessness prevention measures**.
- ✓ Sourced accommodation in **less expensive areas outside of Barnet**.
- ✓ Partnered with Job Centre Plus to create a multi-agency **Benefits Cap Task Force** to work closely with households affected by welfare reform to minimise the risk of homelessness.
- ✓ Reformed its **Tenancy Strategy** to recognise volunteering and introduce fixed term tenancies of five years for new tenants to **increase the turnover of council homes** and **make more homes available to those that need them**.
- Barnet's Housing Strategy represents a considered and achievable approach to meeting the housing challenge facing the borough over the next decade. The

Council is committed to the successful delivery of this strategy and will ensure that resources are prioritised to ensure success.



## Housing Strategy 2015- 2030

### Introduction

The Council's Corporate Plan identifies that **Barnet is an attractive and successful London Borough where people want to live**, and is **a growing and diverse borough and an enterprising place**.

The popularity of the borough and demographic trends means that we need more homes to accommodate the increasing population. It is important that new housing is provided that complements and improves upon what is an already successful urban environment.

The Council last reviewed the Housing Strategy in 2011 to take account of changes at a national level including the reform of welfare benefits, changes to the way that affordable homes are funded and the introduction of self-financing for council housing. These changes, which have provided opportunities and challenges, have now been largely implemented, and the Housing Strategy needs to be updated now that the impact of them is better understood.

In addition, the London Mayor has prepared a draft London Housing Strategy that has ambitious targets for the delivery of new homes, as well as plans to improve the existing housing stock, and we need to be clear about Barnet's role in relation to London as a whole.

In partnership with key stakeholders, the Council has carried out a review of housing and identified a number of issues that need to be addressed, along with a set of objectives that provide a framework for dealing with these.

High quality housing, excellent schools, attractive green spaces, low levels of crime and good transport connections mean that Barnet is a successful, enterprising and popular place where people want to work and live.

However, we have developed an evidence base that has highlighted a number of issues that need to be addressed, including:

**An increasing population:** with 362,000 residents, Barnet is already the second most populous London Borough, and is set to see more growth, with a projected population increase of 83,000 over the next 30 years.

The largest increases are expected among children and the elderly, and a particular challenge will be to provide appropriate housing choices for an increasing number of older people.

**Increased housing demand:** Increased demand for housing is already evident, with higher house prices and rents and increased levels of homelessness and people in emergency temporary accommodation.

Home ownership has fallen whilst private renting has increased as more people have found it difficult to buy their own home due to higher prices and reduced housing supply at affordable levels. Private renting is set to continue to increase and means that within 10 years half the properties in the borough are likely to be rented.

Rents are also rising and are increasingly beyond the reach of low income households which means that some people will need to consider living in more affordable areas outside of the borough.

**Financial Constraints:** Whilst Barnet is a relatively wealthy place, there are pockets of deprivation. More than 20,000 households have been affected by the Government's welfare reforms which are designed to help people back into employment by making sure that work pays. This means that some households have found it harder to meet their housing costs and the council has worked successfully with its partners, including Job Centre Plus, to help over 1,400 households since April 2013 with a focus on helping people access employment or finding more affordable accommodation.

The Council is required, by reduced funding from central government, to spend considerably less. By the end of 2020 the Council expects to have half the funding it had in 2010 and therefore is determined to provide services in a more cost effective way while seeking to maintain quality and customer satisfaction. The reform of council housing finance provides an opportunity to invest in housing in a way that helps reduce some of these costs as well as providing income.

**The impact of Growth and Regeneration:** Capacity for 27,000 new homes in Barnet has been identified in the Local Plan, and these will be primarily delivered through our growth and regeneration plans. The challenge will be to ensure that the new homes are provided in a way that enhances the borough by creating quality places and delivers the type of homes that we need and not just the quantity.

The council has already done much to address these issues, for example through its plans to deliver new homes at Brent Cross Cricklewood and Mill Hill East through growth and regeneration, and completion of the first new council homes for over 20 years. However, the extent of the housing challenges that face us mean that there are further actions we need to take and options to consider.

High demand for new homes from existing and new residents and rising housing costs mean that we will prioritise **Increasing the Housing Supply**, including the use of our own resources to build new houses, and the **Delivery of homes that people can afford**, including homes for rent at local housing allowance levels and low cost home ownership.

The increased level of private renting means that we will focus on **sustaining quality in the Private Rented Sector**, including supporting good landlords whilst using discretionary powers to control and manage houses in multiple occupation where rogue landlords fail to meet minimum health and safety standards.

We will continue to help those that need assistance by **tackling homelessness**, with a focus on prevention of homelessness as well as making best use of our existing housing stock.

**Providing suitable housing to support vulnerable people**, including older residents, those with disabilities and mental health problems and young people leaving care will be a priority. This is not only because these are people in need of more appropriate housing but also because by providing the right housing we reduce the other care costs for the Council.

We will ensure that housing finances are optimised to maximise the amount of money to invest in delivering new homes, including a review of our rents policy. For council and housing association homes in the borough we will work with Barnet Homes, our Arm's Length Management Organisation (ALMO) to review the housing services they provide to ensure that they are cost effective and more generally fit for the future and therefore, able to deliver our wider objectives and **deliver efficient and effective services to residents**. The Council will also be considering the development of purpose built private rented sector homes which will provide an income stream to the General Fund and help raise standards in the sector.

# 1. Increasing the Housing Supply

## A Growing Borough

Since 2001, Barnet's population has increased by 17% from 315,000 to 362,000, and it is now the second most populous London Borough. As Barnet grows and changes it is becoming more diverse; over a third of the population belongs to a black and ethnic minority group. Census data shows that ethnic minority groups as a percentage of the overall population have increased across all wards between 2001 and 2011 and the percentage of white groups has decreased.

This growth reflects the popularity of Barnet as a place to live, with high quality housing, good transport connections, excellent schools, attractive green spaces and low levels of crime. The population is expected to increase by a further 83,000 by 2041, the equivalent of a town the size of Bath.

Population growth is expected to be spread across all age ranges, but particularly amongst children and older people, which will present challenges for meeting the respective needs of these groups, with a need for more schools, family sized homes and housing options that meet the needs of an aging population.

The council's Local Plan has identified capacity to build 27,000 new homes in the borough. This provides an opportunity to make sure that the on-going housing needs of residents are met, as well as ensuring that the borough remains a vibrant and dynamic place where individuals and businesses can thrive.

## A Framework for Delivery

Barnet's Local Plan was adopted by the Council in 2012 and sets out our approach to ensuring that growth is delivered in a way that enhances the borough over the next 15 years. A key element of the plan is Barnet's three strands approach, which seeks to ensure that growth is focused in areas that need investment, improvement and to conserve the borough's classic interwar suburban environment and protect open spaces, particularly the green belt.

To better understand Barnet's changing population the council commissioned a local Housing Needs Assessment (HNA). Barnet's HNA shows the types of accommodation that will be needed to meet the expected increase in households as well as meeting existing unmet need.

The Barnet HNA estimates that 27,350 new homes will be required between 2015 and 2025, suggesting that housing need may have been underestimated and has possibly reached a level where it exceeds capacity as identified in the Mayor's Strategic Housing Land Availability Assessment (SHLAA) from which a new

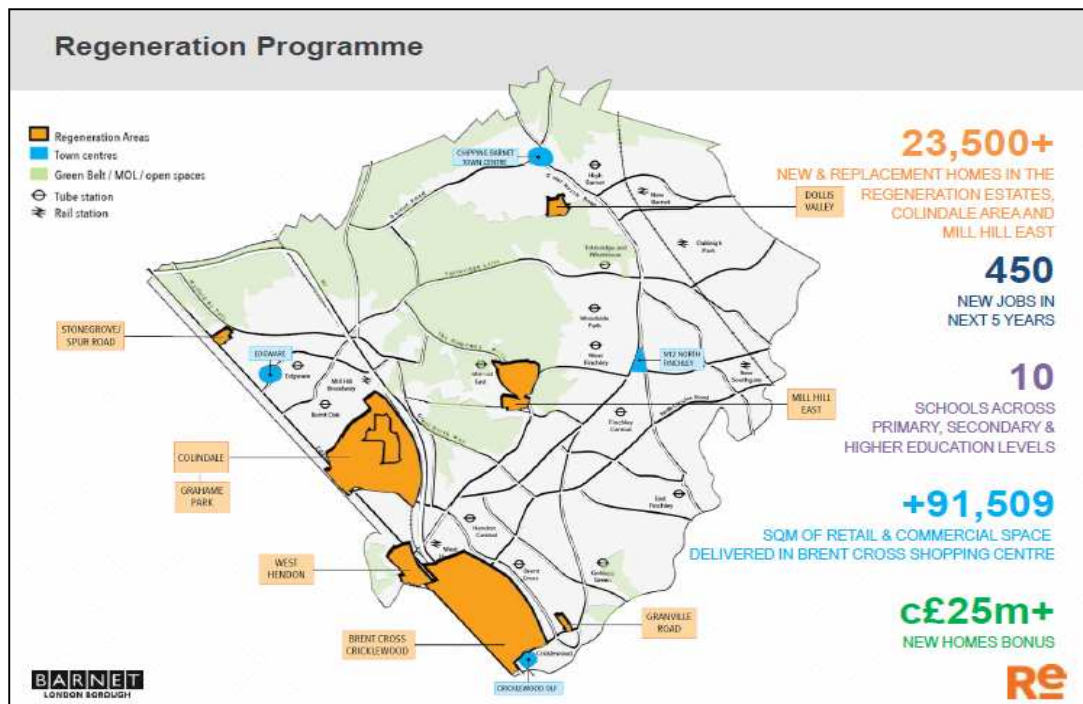
housing target of 23,490 new homes for Barnet between 2015/16 and 2024/25 has been set in Further Alterations to the London Plan.

The outputs from the HNA are summarised in the following table:

	1 bed	2 beds	2 beds shared	3 beds	3 beds shared	4 beds	Total	%
Total Requirement	831	456	786	277	224	161	2735	
Market for Sale	241	79	400	33	144	13	910	33%
Intermediate Ownership	364	193	231	119	56	58	1020	37%
Market Rent	79	102	86	67	12	50	396	14%
Affordable rent	148	82	69	58	13	39	410	15%

The Local Plan 2012 recognised the need for a range of accommodation tenures and sizes to reflect the needs of a changing and growing population, and, taking account of the market’s predisposition to provide one and two bedroom homes, prioritised larger family homes of 3 bedrooms or more across affordable, intermediate and private developments.

### Regeneration and Growth



The majority of the boroughs growth will be focused in Brent Cross/Cricklewood, Colindale and Mill Hill East. These areas have the capacity to deliver up to **20,000 new homes** by 2025/26 as well as opportunities for improvements to public transport and employment growth.

**Brent Cross/Cricklewood** - A long term scheme which will deliver **7,500 new homes** and up to 27,000 jobs over the next 20-30 years. In addition, the scheme will see a

doubling in size of Brent Cross Shopping Centre, improved transport infrastructure and new schools.

**Colindale**- represents an opportunity to deliver sustainable housing growth, a new compact neighbourhood centre in an area well served by improved public transport services and high quality public open space. Colindale will make the single largest housing contribution to the Borough over the next 10-15 years and one of the biggest in North London with approximately 10,000 new homes, of which more than half already have planning permission and significant numbers are under construction or have been completed.

**Mill Hill East**- represents a major development opportunity in the heart of Barnet which will provide more than **2,000 new homes**. Within 15 years the Mill Hill East area will have been transformed through one of the highest quality sustainable developments in North London. Within a green suburban context it will provide new homes and business opportunities with high quality community services, transport and access to open space and leisure facilities.

**Estate regeneration**- focuses on the council's largest estates, Grahame Park, West Hendon, Stonegrove/Spur Road and Dollis Valley, and seeks to replace poor quality mono-tenure estates with high quality and modern mixed-tenure developments. Much of this is achieved through taking advantage of existing low densities which provide the opportunity for a higher number of new homes financed through private sales. Once fully completed, estate regeneration will see 3,000 existing council dwellings replaced with almost 7,000 mixed tenure homes, with existing secure council tenants rehoused in new homes provided by housing associations.

Although hampered by the economic downturn, good progress has been made with the estate regeneration programme. A total of 388 new homes have already been delivered at Stonegrove/Spur Road, with the whole scheme expected to complete by 2018, and 194 new homes have been built at West Hendon. Grahame Park has proved more challenging, but 390 new homes have already been provided with 147 currently on site. Following the appointment of new delivery partners, Countryside Properties and London and Quadrant Housing Association, the first phase of Dollis Valley is now on site with the whole scheme expected to complete by 2018.

We recognise that regeneration can be a disruptive process for residents, particularly those that are living in non-secure accommodation, and will seek to minimise this disruption at the point that tenants are required to move by making use of flexibilities within our allocations scheme and providing advice and support.

We will also consider buying out leaseholders in financial hardship when this will assist in the regeneration process.

### Building new council homes

The reform of council housing finance in 2012 moved the council out of a national subsidy system which required a contribution of more than £10 million a year from council rents, to a position where the Council has enough funding to maintain existing council homes and build new ones. The reinvigorated Right to Buy has also provided additional receipts which the Council can spend on new homes to replace those that have been sold.

The Council has commissioned Barnet Homes the Council's Arm's Length Management Organisation (ALMO) to build 41 new council homes on a number of sites around the borough, the first for over 20 years, and the first 3 houses were completed in March 2014. This initial programme is expected to complete by 2016.



New Council Homes March 2014

In partnership its new joint venture with Capita, R<sup>e</sup>, and with Barnet Homes the Council is currently exploring the potential of council owned land for providing more new homes, including subsidised rent, and the best approach for delivery of these.

### Housing Development Pipeline

In the past, surplus Council land has been sold, often for development. With the established need for more housing especially affordable housing the Council has realised it needs to review its principles for decisions about surplus land and its development. The following principles have been agreed to govern this “development pipeline”:

- The decision whether to develop or sell a site, and what to develop on the site, should be based on assessment of what offers the best financial return to the Council while meeting need for different housing types. This might, for example, involve development of affordable or extra care housing, which offsets the costs of temporary accommodation or residential care respectively.
- While decisions will consider the Net Present Value of different options, the requirements of the Medium Term Financial Strategy may in some cases suggest that revenue savings are afforded a higher priority than Capital receipts.

- The Council will decide whether to develop using Barnet Homes, Re, or a third party developer dependent on the skills and specialisms required, and an assessment of the relative risk and reward of different options. Sites may be considered individually, or grouped into portfolios.

Subject to consultation with Ward Members, the Council has approved an initial list of five sites, including a mix of large and small sites, out of a pipeline of around 60 surplus sites with potential for housing development. These are:

- Land adjacent to Broadfields, Northway/Fairway and Whitings Hill schools.
- Land at Moxon Street High Barnet.
- Land at Coppetts Close, Finchley

In seeking to obtain planning consent the Council can optimise its planning and housing policy objectives rather than rely on the planning process to achieve these having disposed of its sites to a third party developer. This approach will be continued with the remaining 55 surplus general fund sites. Current estimates suggest the first fifteen sites in this pipeline will provide up to 700 new homes.

As well as general fund sites the Council also has Housing Revenue Account sites which it is estimated can provide over 600 additional homes.

Development plans are currently being compiled to build 500 homes in the period up to 2019/20.

### Quality homes and places

Our latest assessment of housing delivery in Barnet shows that 26,000 new homes are expected to be delivered by 2025/26. This significant growth will transform a number of places, particularly in the growth and regeneration areas in the west side of the borough. It is important to ensure that the new homes and places that are provided are of a high quality that complements and enhances Barnet's suburban character.

The Council will seek the highest standards of urban design in order to generate development proposals of landmark quality and create an accessible safe and attractive environment for people who live in, work in or visit Barnet's areas of housing and economic growth.

All new homes are required to meet Lifetime Homes and Lifetime Neighbourhood Standards<sup>1</sup> to provide accessible and adaptable accommodation for everyone, from

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<sup>1</sup> Lifetime Homes, Lifetime Neighbourhoods: A National Strategy for Housing in an Ageing Society – Communities& Local Government Feb 08



young families to older people and individuals with a temporary or permanent physical impairment. It is also a Local Plan requirement that 10% of new homes will be fully wheelchair accessible.

Larger new developments are more successful if they are supported by local facilities at an early stage; Beaufort Park, a mixed tenure development in Colindale, provides a good example of where this approach has created high quality new homes supported from an early point by a boulevard with shops, restaurants and bars, and a landscaped park.



Landscaped park at Beaufort Park

More details about Barnet's approach to ensuring the quality of new homes is set out in the Residential Design Guidance and Sustainable Design and Construction Supplementary Planning Documents adopted in 2013.

### Empty Homes

It is normal for an area to have a number of empty properties that are empty for short periods of time as a result of housing churn and it can be seen as an indicator of a healthy housing market. However some properties remain empty for long periods and over time can start causing problems such as disrepair to neighbouring premises, and acting as a magnet for squatters and fly tipping. It is these properties that are a drain on public sector resources and have an effect on the neighbourhood in relation to perceptions of crime and general sense of well-being.

In October 2013 Barnet had 1,273 properties registered with Council Tax that had been empty for 6 months or more. At 0.91% of the housing stock this is slightly higher than the London average of 0.71%. By September 2014 this figure has risen by 36% of which 533 have been empty for 5 years or more. This figure is slightly misleading as it does not include the 1,811 properties registered as second homes, which experience has proven are often also long term empty properties. There are sometimes legitimate reasons for homes being empty, for example whilst probate is being resolved, however in the majority of cases this is not the case. With the on-going pressure on the housing market it is important that the number of properties remaining empty is kept to a minimum. This is also to the benefit of the property owners as their asset could become an income stream if the property were to be made available for letting.

In order to deal successfully with long term empty properties the Council needs to understand the reason that the property became empty, and why it has remained empty. This strategy is aimed at bringing long term empty properties back into

residential use. This may include long term vacant sites and redundant commercial units where there is the potential for conversion or redevelopment for housing purposes.

The Council will assist empty property owners in bringing their property back into use through a combination of advice, and financial assistance in the form of Empty Property Grants. All Empty Property Grants will be administered in line with the Private Sector Housing Financial Assistance Policy. The Council will gain nomination rights through this funding for Barnet Homes. In cases where the owner will not work with the Council to bring the property back into residential use the appropriate enforcement action will be taken ranging from the service of minor works notices to compulsory purchase of the property. The Council currently has eight properties at varying stages of the compulsory purchase order process. All enforcement action will be completed in line with the London Borough of Barnet Development and Regulatory Services Enforcement Policy.

#### **Achievements:**

- Since April 2012 2,634 new homes have been delivered in the borough. This has included:
  - 2012/13- 469 new homes on the regeneration estates including 212 affordable
  - 2013/14 - 39 new homes on the regeneration estates including 38 affordable
- First new council homes for over 30 years completed at Alexandra Road and tenants moved in during April 2014
- Stonegrove/Spur Road awarded 'Gold' in Q17 Annual Design Awards 2012
- 2013/14 – Amendments to Planning consent agreed for Brent Cross/Cricklewood
- 2013/14 - Planning consent agreed for Phase 1 Dollis Valley and started on site
- 2013/14 – Construction work commenced on two more phases of Stonegrove/Spur Road which will deliver 198 new homes including 41 affordable
- Construction of new primary school under way at Mill Hill East
- 2013/14 – Construction work started on 219 new homes at West Hendon including 74 affordable.
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#### **Targets:**

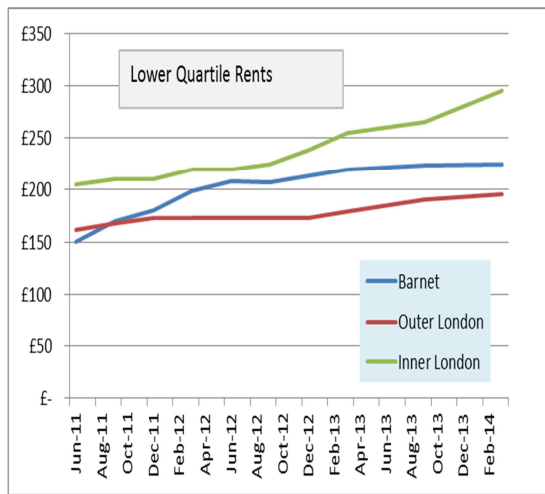
- 462 homes, of which 169 will be affordable, will be completed on the regeneration schemes during 2014/15 and 2015/16.
- 41 new council homes will be delivered by November 2015.
- Further 200 new council homes to be delivered on HRA land by Barnet Homes by 2016/2017
- Re to deliver a first tranche of development of 265 Homes on five sites

- Review of other potential housing infill sites to be used to develop more homes completed by November 2015
- 26,000 new homes will be delivered by 2025/26, including:
  - 5,070 at Brent Cross/ Cricklewood (30% affordable)
  - 10,840 at Colindale (30% affordable)
  - 190 at Dollis Valley (30% affordable)
  - 2260 at Mill Hill East (15% affordable)
  - 650 at Stonegrove Spur Road (45% affordable)
  - 1180 at West Hendon (25% affordable)
  - 130 at Granville Road
  - 400 at North London Business Park (150 units affordable)
- 100 properties returned to residential use annually following council involvement
- Initiate compulsory purchase action on a minimum of four empty properties annually

## 2. Delivery of Homes that people can afford

### Housing Market

House prices in Barnet have remained high and are continuing to increase as, in common with the rest of London, demand for homes outstrips supply. The median house price in the borough is now £405,077, nearly eleven times the median household income of £38,147 which has made home ownership increasingly difficult to access for many people, as evidenced by a fall in owner occupation of 12% between 2001 and 2011, and a corresponding increase in renting privately.



High demand and limited supply has also meant that private rents have increased, with lower quartile rents rising by 50% or £325 a month between June 2011 and March 2014, to become the 4<sup>th</sup> most expensive in outer London. Rental inflation has outstripped housing benefit entitlements making it increasingly difficult for lower income working households to find affordable accommodation in the borough.

Increasing the housing supply in the borough will help to ease the pressure on housing costs in the longer term, and as outlined elsewhere in this document the council has plans that will see 27,000 new homes built over the next 15 years.

The Council recognises that a range of affordable housing is needed across all tenures, and is revising its Affordable Housing Supplementary Planning Document, which guides applicants, agents, developers and planners through the affordable housing delivery mechanism and clarifies Barnet's application of Local Plan and London Plan policy requirements.

### Affordability

#### Rented homes at affordable prices

The Council recognises that different types of affordable housing are needed to meet a range of income levels and types of household across the borough. The rent regime for homes in the public sector, including council and housing association homes has become more complex. Council homes benefit from social rents which on average are £101 a week, or about 31% of the average private rent of £322 a week in Barnet. Housing Association tenants pay on average 25% more than council tenants

and for new homes will be charged affordable rents of up to 80% of market rents. The London Housing Strategy has proposed that two different approaches to affordable rents are used; with discounted rents at 80% of market rents for those not affected by the welfare benefit cap<sup>2</sup>, and capped rents of 50% for those who are affected by the cap.

The council recognises that new homes provided with the aid of grant will need to comply with the regime of affordable rents as described above. However, we think that for many people, including working households on modest incomes, affordable will mean a rent at local housing allowance (LHA) level, which means that they will qualify for support in the form of Housing benefit if their income is low enough to merit this. In view of this the Council will seek to increase the supply of rented homes at LHA level both by making use of its own resources to develop new homes directly and in partnership with others.

We will also explore innovative solutions to increase the supply of affordable rented homes, including the encouragement of institutional investment in the private rented sector and modern new homes designed specifically for renters.

## Rent Policy

As shown above, the average council rent of £101 a week is about one third of average private sector rent, and significantly below the rent levels for new affordable homes at either capped or discounted rents that will be delivered through the London Mayor's housing programme.

Any increase in income will provide money that can be used to support the delivery of new affordable homes, and the council will charge an affordable rent at 65% of the average market rent for any new council homes that it builds. In addition, the council will seek to increase rents for existing homes, by increasing rents for properties that become empty to LHA level or 80% of the average market rent whichever is lower when they are re-let.

For existing council tenants, the council will develop detailed proposals for increasing rents to LHA level or 80% of average market rents whichever is lower over a period of time and consult with tenants on these. It is estimated that each additional 1% increase will generate an income of £550,000 which could be invested in building more affordable homes for local residents.

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<sup>2</sup> The benefit cap limits the total benefits, including Housing Benefit that a household can receive to £500 a week for couples or households with children and £350 a week for single adults.

## Promoting Home ownership

We recognise that the aspiration that the majority of people have to own their own home has become increasingly difficult to achieve, as house prices have increased and access to mortgages has become harder, particularly for first time buyers.

The government has reinvigorated the Right to Buy, which has helped more council tenants in Barnet to purchase their home, as well as providing funds that the council can use to provide new affordable homes for rent. In addition, a number of residents have been able to take advantage of the Help to Buy scheme, and the council will carry out more research to see if there is more that needs to be done to help people access this scheme.

Through the Borough's affordable housing programme, 362 new homes for shared ownership have been delivered in Barnet since April 2011, and the council will continue to work with developers and housing providers to deliver more low cost ownership options as part of its growth and regeneration plans.

We will also explore other means of helping people access home ownership, for example the potential for building smaller more affordable starter homes which benefit from an exemplary design. One such model has been developed by Pocket Homes, whose properties are available to people who have lived and worked in the host borough for at least a year, and whose income is less than £66,000 a year. They are generally 20% cheaper than comparable properties in the area, providing an opportunity for people on middle incomes to access home ownership. A restrictive covenant ensures that Pocket Homes remain affordable in perpetuity.

### Achievements:

- 362 new homes for shared ownership have been delivered in Barnet since April 2011
- 958 new affordable homes for rent delivered in Barnet since April 2011

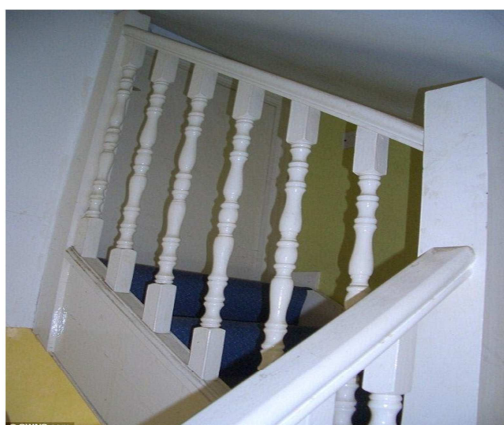
### Targets:

- Develop programme of new private rented sector homes at LHA level
- Establish approach on innovative private rented sector offer
- Develop clear plans for delivery of more low cost home ownership
- Develop local rent policy for council homes for implementation from April 2015

### 3. Sustaining quality in the Private Rented Sector

The role of the private rented sector in meeting the housing needs of the borough has increased significantly over the last decade. Between 2001 and 2011, the number of private rented homes rose from 17% to 26% of homes in the borough. Our analysis of affordability and housing need going forward suggests that the private rented sector will continue to grow over the next ten years by a further 9% to represent 25% of homes in the borough.

The private rented sector provides homes for people in a way that provides flexibility and choice. However, the nature of the market means that there are many small scale landlords often with only one or two properties, which makes it more difficult to ensure a consistent quality across the sector.- In addition, due to the high level of demand for housing, there has been a tendency towards an increase in the number of homes in multiple-occupation (HMOs) in the borough, particularly through the conversion of family homes into properties shared by 3 or more unrelated people, which in some cases are not well managed.



**Illegal conversion which could only be accessed by stooping tackled by Barnet's private sector housing team**

The Council already works with local landlords to raise standards through a landlord forum run by Barnet Homes and by encouraging them to acquire formal accreditation through the London Landlords Accreditation Scheme.

In addition, through services provided by **R<sup>e</sup>**, Barnet works jointly with the Police and other partners to address sub-standard housing conditions in the private sector, including Houses in Multiple Occupation, “beds in sheds” and squats.

Along with more than 100 other Local Authorities the Council has signed up to support *Shelter's* “Evict Rogue Landlords Campaign”<sup>3</sup>.

In order to ensure that the growing private rented sector continues to offer good quality and safe homes, the Council intends to review how HMOs are regulated and consider other options, for example making use of its discretionary powers to introduce Additional Licencing for HMOs across the borough and a planning direction which would mean planning permission would be required for all new HMOs.

<sup>3</sup> [http://england.shelter.org.uk/campaigns/fixing\\_private\\_renting/evict\\_rogue\\_landlords](http://england.shelter.org.uk/campaigns/fixing_private_renting/evict_rogue_landlords)

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**Achievements:**

- 463 landlords accredited through the London Landlord Accreditation Scheme (27% increase since 2011/12)
- Signed up to Shelter's "Evict Rogue landlords Campaign"
- 174 tenanted properties were made free from Category 1 hazards<sup>4</sup> following intervention by the Private Sector Housing Team (50% increase since 2011/12)
- 132 licenced HMOs (50% increase since 2011/12)

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**Targets:**

- Review completed of HMO regulation by early 2015 and any agreed changes, for example Additional Licensing, implemented in 2015
- Decision on whether to issue Article 4 planning directive in place requiring planning permission for all new Houses in Multiple Occupation early in 2015
- 570 landlords accredited through the London Landlord Accreditation Scheme by 2020

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<sup>4</sup> Housing Health and Safety Rating System



## 4. Tackling Homelessness

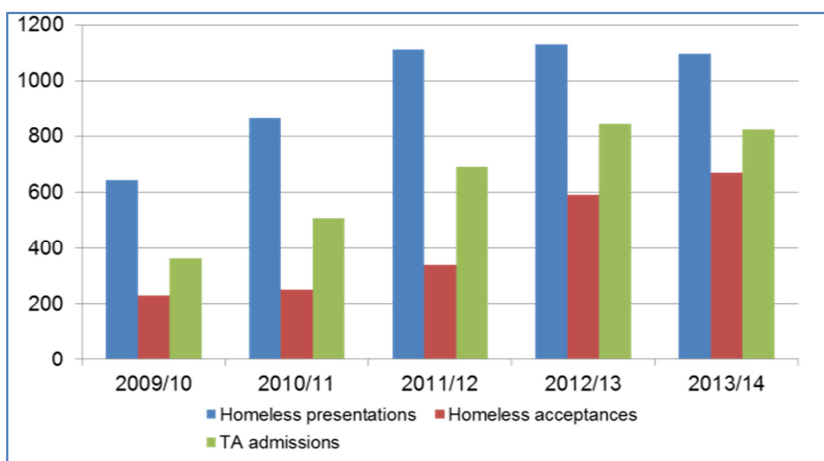
### Temporary Accommodation and Homelessness

The Council, through its Arms- Length Management Organisation (ALMO) Barnet Homes has successfully avoided the use of bed and breakfast accommodation since 2012, although the number of households in emergency self-contained temporary accommodation increased from 204 in April 2011 to over 600 by March 2013. Steps have already been taken to reduce this number which had fallen to 471 by March 2014, including:

- Increased incentives to private sector landlords, so that the number of private lettings to homeless households increased from 133 in 2012/13 to 321 in 2013/14
- A greater focus on homelessness prevention measures, such as youth mediation
- Sourcing accommodation in less expensive areas outside of Barnet
- Formation of welfare benefits task force to work closely with households affected by welfare reform to minimise the risk of homelessness.

Barnet has also embarked on a programme of building new council homes for the first time in over 20 years as described in section 3, and will also explore the possibility of purchasing homes directly in more affordable areas which could be let to households who can no longer afford to remain in the borough.

The number of households presenting as homeless and the number of households being accepted as homeless has increased significantly over the past five years. The number of new temporary accommodation admissions has also risen.



The key reasons for the increased demand on services include:

- Increased housing costs combined with restrictions on housing benefit has resulted in more households moving out of Central London to Outer London boroughs, including Barnet. This is evidenced by a significant increase in the number of households claiming housing benefit in Barnet and a fall in housing benefit claims in Central London.
- The number of households seeking help with their housing has been increasing throughout London because of the high cost of owning or renting a home.

- Private sector rents have increased faster in Barnet than in other parts of London and they are the 4<sup>th</sup> highest out of 16 Outer London boroughs, meaning that more low-income households may approach the Council for assistance with their housing.

Welfare reforms designed to help people into work, have meant that more households have been at risk of losing their home, and the council has worked closely with its partners to work with those affected with a focus on helping them into employment, and we will continue to take this approach as Universal Credit is implemented.

It has become increasingly difficult to procure accommodation in the private sector at Local Housing Allowance rates. This has resulted in a significant increase in the use of emergency temporary accommodation<sup>5</sup>, often at a cost that cannot be fully met through the housing benefit system, resulting in a pressure on the Council's General Fund budget. In 2013/14, 471 such units had to be procured at a cost of £829k (£1.418m including bad debt provision). At the end of May 2014, the average nightly rate for emergency temporary accommodation was £41.36 and average nightly rent that could be charged through the housing benefits system was £36.95 meaning a net average cost to the Council of £4.41 per night per unit.

### **Making best use of existing Housing Stock**

Subsidised housing, including council and housing association homes have become increasingly scarce, and the council has already made changes to the way that these homes are allocated, including restricting the our allocations scheme to those households that are in the highest need and expecting housing applicants to accept the first suitable offer of accommodation they receive. At the same time, our scheme recognises the contribution that people who are working or volunteering make to the community. We are currently consulting on additional changes which include an extension of local connection and will continue to keep the scheme under review.

The Council's Tenancy Strategy has been implemented and most new tenants now receive a fixed term tenancy of five years, with the aim of increasing the turnover of council homes and increasing the availability of council homes for those that need them. We will complete a review of the operation of the Tenancy Strategy by February 2015 to ensure that its stated objectives are being achieved.

#### **Achievements:**

- Let2Barnet private landlord service launched by Barnet Homes in 2013 resulting in an increase in the supply of private rented accommodation for homeless people
- Local placements policy implemented in 2013 to ensure that housing applicants are offered accommodation that is affordable.

<sup>5</sup> In Barnet all emergency temporary accommodation consists of self-contained units which is paid for on a nightly basis

- 
- 3 new council homes were delivered in 2013, the first homes built by the council since 1991.
  - Welfare benefits task force has contacted 1,403 households since April 2013. Of these 439 have gained employment and 86 have moved into more affordable accommodation.
  - Barnet Homes helped 63 council tenants affected by the under-occupancy reduction to move into smaller homes (including 45 trade downs and 18 mutual exchanges) during 2013/14
- 

**Targets:**

- Develop a detailed Homelessness and Temporary Accommodation action plan by April 2015
  - Barnet Homes will increase the number of private lettings to 500 a year by 2015.
  - Barnet Homes will host 4 London Landlord Accreditation Scheme landlord development courses per year to increase the number of accredited landlords.
  - Barnet Council will work with Barnet Homes, Job Centre Plus and Registered Providers on a local support framework for universal credit to ensure that the potential for homelessness is minimised
  - Finalise changes to the Council's Housing Allocations Scheme – February 2015
  - Complete review of Tenancy Strategy – February 2015
-

## 4. Providing suitable housing to support vulnerable people

### Older People

We know that the older population in Barnet is set to increase significantly over the next 30 years. However, older people should not be viewed as a homogenous group and a variety of housing options will be needed to meet their needs and expectations.

National research by the *New Policy Institute* suggests that as people become older, some will decide to move to improve their lifestyle, for example to the coast or even abroad, whilst others will plan ahead and move to a home that anticipates that their existing accommodation may become less suitable as they get older. A third group will only move when there is a crisis, such as an accident or ill health that means that they can no longer cope in their existing home, and are more likely to end up in a care home that is not their preference or best suited to their needs.

- The over 60 population is 64,690 now and is projected to be 109,849 by 2041- an increase of **41%**.
- The over 90s population is set to increase fourfold from under 3,000 in 2011 to almost 12,000 in 2041.
- There will be more over 90 year olds than 85-89 year olds from 2035

Age	2012	2020	Change
65-74	8,608	10,288	+1,680/+20%
75-84	7,976	9,241	+1,265/+16%
85+	4,336	5,653	+1,317/+30%
<b>All 65+</b>	<b>20,920</b>	<b>25,182</b>	<b>+4,262/+20%</b>

#### Older People with limiting long term illness

Whilst many older people will remain independent for longer, it is inevitable that as the older population rises that the number of people requiring care will also

increase, particularly amongst those that live beyond the age of 85, and figures from the Department of Health suggest that the number of people over 65 with limiting long term illnesses, including heart conditions, dementia, and diabetes is likely to increase by over 4,000 by 2020.

The Council would like to make it easier for residents to plan ahead for their housing needs as they approach old age and recognise that as people remain active into their old age that many of them will not require specialist older people's housing. Instead many older people will need homes that are adaptable to their changing needs and close to facilities including local shops and transport, or support to remain in their existing home.

We also know that good housing and local supportive communities contribute positively to enabling older people to live independently for longer and reduce the

factors that contribute towards people requiring social care or residential care - social isolation and loneliness, poor health and breakdown of carer's support. It is important, therefore, that a range of housing options are provided to meet the varied needs of older people, including homes that meet the specific needs of an increasing number of people with learning disabilities amongst this age group.

### **New Homes**

Barnet's growth and regeneration programme will deliver in excess of 26,000 new homes by 2025/26. Many of these will be suitable for people to grow older in as they are designed to lifetime standards, comply with current energy efficiency standards, are sited close to transport and amenities and offer a range of choices in terms of size and number of bedrooms. Some older people have already taken advantage of the new developments and moved to a newer property which is easier to manage.

### **Co-Housing**

In April 2013 Planning permission was given for a site in High Barnet to be developed as the UK's first senior co-housing community – OWCH (older women's co-housing). The scheme will be up and running in 2015 and will provide homes for women aged over 50 in 25 flats which they will control and manage. Designed with the help of the women themselves, the scheme will have amenities like a common room, guest room, laundry and a garden as well as one to three bedroomed flats. There will be a mix of owners and social renters and all the women moving in will have been active for some time in planning this development. It means they will know who their neighbours are the security of a friendly group 'signed up to be neighbourly'.

#### **Co-housing in a nutshell**

Co-housing communities are created and run by their residents. Each household has a self-contained, personal and private home but residents come together to manage their community, share activities, eat together. Co-housing is a way of combating the alienation and isolation many experience today, recreating the neighbourly support of the past.

### **Sheltered Housing**

There are over 1500 sheltered housing properties in Barnet managed by a range of providers, including private sector housing providers. Over 400 of these are managed by Barnet Homes on behalf of the Council and have very low vacancy levels.

### **Supported Housing Options**

It is important that the right sort of housing is provided to help older people with a range of support needs requiring help with managing everyday tasks. The Council has identified that there is already a shortfall in supply of supported housing for older people as an alternative to residential care homes, with the former providing a

more flexible approach that can help older people live more independently for longer. Approximately 80 people each year would benefit from a better outcome if they could be placed in supported housing.

There are currently 136 Extra Care Housing (ECH) flats in Barnet all of which are owned and managed by registered providers (RPs) and charitable service providers. An additional 50 homes will be delivered by 2017/8, by Barnet Homes. In addition the council is considering plans to provide 100 specialist integrated homes on a hub and spoke model where accommodation is linked to health and care support and other community facilities to be delivered by 2020 – including 50 homes for sale.

### **Adapted and Accessible Older Properties**

The Care and Repair Service provided by R<sup>e</sup> helps vulnerable residents to live at home in greater warmth, comfort, safety and security. It is the primary source for advice on housing adaptations, repairs and improvements, funding suitable contractors, grant funding streams and other financial assistance (including charity funding) as well as benefit entitlement. Whilst residents can choose to deal with the arrangement of their own adaptation and building works, the majority opt for the supported service provided by Care and Repair which covers minor and major building works to improve quality of life and independence for vulnerable people. The supported service covers all aspects from completing the application form for a Disabled Facilities Grant, to getting estimates and supervising the works through to completion. We will consider how can further expand the service offer for older people requiring assistance with home maintenance.

### **Advice**

It is also important that older people have access to high quality advice, to plan for their older age, particularly if they are thinking about moving for lifestyle reasons or to be nearer their family, or even abroad. We will strengthen the range of advice and information that is available and develop recommendations to improve these, based upon feedback from local residents on their key priorities.

### **Housing for adults with disabilities**

Demand for good quality supported housing is increasing. Supported housing can provide settled accommodation, offer security of tenure and provide increased opportunities for independent living.

In the longer term we wish to stimulate provision to provide a variety of options for housing and support rather than one size fits all. A recently- developed model of supported housing in Barnet is developing a model that separates accommodation

and support arrangements so that individuals moving in select and organise their own support arrangements, maximising choice and control.

In terms of accommodation type, we recognise the need for homes which can offer level access for wheelchair users and those with decreased mobility, and have stipulated that all new homes must meet the Lifetime Homes Standard, and that 10% must be fully wheelchair accessible. In addition, we will provide a number of wheelchair accessible homes on council owned land supported by the Housing Revenue Account Investment Programme, including 9 new build fully accessible wheelchair properties currently planned and a further 5 new wheelchair properties every 2 years. Generally self-contained accommodation is preferable, although we are considering the potential for small shared settings for friendship groups who wish to live together. In terms of provision benefiting specific care groups, Adults and Communities priorities are for:

- People with dementia
- People with learning disabilities
- People with autism including those with Asperger's and complex needs
- People recovering from brain injuries
- People with physical, neurological and sensory disabilities
- People with problems of substance misuse including drugs and alcohol, impacting on mental health
- People with mental health problems.

#### **Winterbourne View**

The Winterbourne View Joint Improvement Programme and Concordat requires local authority housing and social care and health commissioners to work closely together to develop creative solutions to find and develop appropriate housing for people with learning disabilities who are ready to leave hospital.

We will work closely with Adults and Communities to meet the needs of people with learning disabilities who are ready to move from hospital settings to supported accommodation within the community.

The Barnet Joint Strategic Needs Assessment (JSNA) 2011-2015 reports that approximately 1% of the Adult population

has an Autistic Spectrum Condition which, as further stated in the JSNA, equates to 2,600 people in Barnet. The 2013/14 Insight report also noted that in 2012/13 170 social care clients were recorded as having autism as a care need.

According to the 2013/14 Barnet Insight Report, during 2012/13, 57 (35%) service users with autism were living in residential care homes, which suggested that there was a need for more specialist supported housing schemes. Barnet is currently undertaking a project to move eligible service users from residential care to

Speedwell Court, a new local development for people with high functioning Autism-Asperger’s syndrome.

Speedwell Court has 10 self-contained studio flats, where residents can live for up to two years. Currently 9 out of the ten flats are let. The supported living scheme enables service users to gain important life skills for independent living to support their move-on plans. The move-on pathway for service users is for them to transfer to more independent accommodation with access to specialist support if they need it. Barnet currently funds, ‘Working for you’ a short term service for people with Learning Disabilities and Autism.

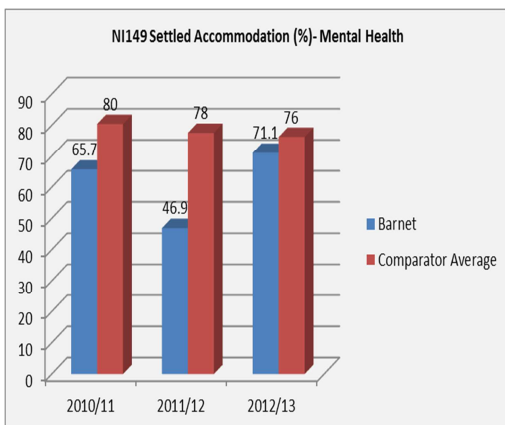
National forecasts show the numbers of young adults with Autism are expected to increase by 2.7% over the next 5 years, with a local increase of 8.7% expected within Barnet. There is therefore a need to have a clearer picture on the needs of people with autism to inform the planning of services.

### Views of the people with learning disabilities (PWLD)

A housing workshop was held with the Learning Disabilities Partnership Board in April 2014. Participants identified their main issues and barriers to moving:

- Lack of choice of accommodation and location, importance of PWLD living close to family, friends and support networks how can this fit with personalisation
- Changes to welfare benefits and increasing costs of housing , affordable properties are often very small
- Need greater access to adaptation services.
- Importance of having accessible and independent information including examples of all the types of housing schemes and options
- Having the right support from family, social worker or key worker to make the right choices - are the right tools available to work through realistic options?
- Making sure we are planning for future needs particularly people with complex needs
- Making sure private landlords understand the needs of PWLD.

### Mental Health



Approximately 40,000 people experience common mental health conditions such as depression and anxiety in Barnet. A further 4000 people experience severe mental health conditions such as schizophrenia and other psychotic disorders. The prevalence of mental illness in Barnet has slightly increased from 0.79% in 2006/07 to 0.94% in 2011/12. The prevalence in Barnet is lower than London but higher than England.



Settled accommodation and inclusion are key protective factors of mental health. The proportion of people with mental health conditions known to the Council in settled accommodation is lower than the average across comparative boroughs<sup>6</sup> so that in 2012/13, 1135 people (71%) with mental health conditions were in settled compared to the benchmark average of 76%.

2013/14 has seen an increase in the numbers of people requiring inpatient admissions as a result of acute mental health crisis resulting in an increase in the requests for residential care placements. In 2013/14, there was a three-fold increase in the numbers of residential placements, (20, compared to 7 in 2012/13) the majority of who could be safely placed in supported housing.

### Young People Leaving Care

The council recognises the responsibilities it has to help young people in care to find and keep appropriate accommodation as they reach adulthood. This means ensuring that young people leaving care are helped to prepare for living independently and supported through the transition from living in a care setting to their own home. Young people in this situation need advice on managing their finances, flexibility about when they move out of care to minimise disruption, for example to their education, and access to accommodation in other areas, for example if they want to go to university in another part of the country.

Barnet Homes, who manage the allocation of homes for the council, works closely with the council's Onwards and Upwards team that provides support for young care leavers, and a clear referral pathway between the two organisations has been established for new referrals. In addition, there is active joint management of cases to ensure that issues that may be hampering a young person from securing or keeping accommodation, such as rent arrears or anti-social behaviour are addressed. A range of housing options are in place for care leavers, including a Foyer, supported housing and shared accommodation, and a training flat has been established where young people can spend time learning how to manage their own home. Barnet Homes has also established the *Get Real Project*, which provides shared accommodation for young people, including care leavers.

In recognition of its corporate parenting role, the council is proposing changes to its Housing Allocations Scheme to give young care leavers more priority for council or housing association homes.

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<sup>6</sup> Comparator Boroughs: Bexley, Brent, Bromley, Croydon, Ealing, Enfield, Harrow, Havering, Hillingdon, Hounslow, Merton, Redbridge, Richmond, Sutton, Wandsworth

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**Achievements:**

- Site identified and funding agreed for new Extra Care Housing Scheme
- Planning permission granted for Co-housing project
- Development of additional Sheltered Housing Plus
- Re-commissioning of housing related floating support services
- Supported Living Housing Scheme established at Speedwell Court
- 220 Disability Facility Grants were approved in 2013/14.

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**Targets:**

- Increase in supported housing options, including provision for people with dementia by 150 units by 2020.
- Promote and expand housing advice offer for older people in 2015
- Work with adults and Communities to produce accessible information for people with learning disabilities
- Increase in the number of adaptations or moves to more suitable accommodation through using the advice service.
- We will reduce the average time for the administration of Disabled Facilities Grant works to 186 days from 2015.
- We will increase the number of people supported to remain in their homes through the Disabled Facilities Grant scheme.
- Work with Adults & Communities to ensure a broad, suitable housing offer is available for people with mental health issues that supports recovery and inclusion.

## 5. Deliver efficient and effective services to residents

### Management of Council Housing Services

Currently Barnet Homes delivers the full housing management services for the 10,000 tenanted and 4,000 leasehold properties owned by the Council. It also provides the housing options and homelessness services to the whole of the borough. It is a private company limited by shares, set up in 2004 as an Arm's Length Management Organisation (ALMO). In February 2012 it became a subsidiary company along with Your Choice Barnet, to The Barnet Group, a local authority trading company, wholly owned by Barnet Council. Your Choice Barnet (Limited) is an adult social care company providing services to adults with learning and physical disabilities.

The ALMO was created to deliver improvements to the condition of the Council's housing stock through the government's Decent Homes programme and to improve services to tenants and leaseholders. Barnet Homes was successful in delivering the Decent Homes programme and improving tenant satisfaction, and in 2010 the Council's Housing Strategy confirmed that the Council wanted to keep the ALMO and explore the potential for Barnet Homes to provide more services. In January 2012 the Council transferred the Housing Needs Service to The Barnet Group, with Barnet Homes responsible for delivering the service.

The Council will work with The Barnet Group to review the current arrangements, to assess value for money and to explore options for the future delivery of services to meet the Council's strategic needs. This will include options for the delivery and management of new homes and a mixed economy of private, social and affordable rents. Revised arrangements will be in place by April 2016.

### Regional Enterprise (R<sup>e</sup>)

R<sup>e</sup>, a joint enterprise between the Council and Capita, was established in October 2013 following a competitive tendering exercise. The objective of this approach is to make use of Capita's private sector expertise to increase the efficiency of and grow the services provided by R<sup>e</sup> to both save the Council money whilst also ensuring that services which are essential to support growth and prosperity in the borough are maintained and improved.

As well as providing planning, environmental health, highways and trading standards services, R<sup>e</sup> also manages services responsible for taking forward the Council's growth and regeneration plans and planning and housing strategies including the Local Plan and Housing Strategy. In addition, as part of the Environmental Health function R<sup>e</sup> delivers regulatory services for the private rented sector, including registration of

Homes in Multiple Occupation, as well as delivery of the council's strategy for bringing empty private sector homes back into use.

### Housing Associations

Housing Associations, also known as Registered Providers, have a key role to play in providing low cost housing in the borough and helping the Council to deliver its wider housing objectives, including our Estate Regeneration programme. Housing Associations currently manage over 7000 homes in Barnet, including for rent and low cost home ownership, and are the main providers of new affordable homes in the borough, with more than 600 homes built since April 2012, exceeding targets set by the Council.

As well as providing new homes, it is important that high quality services are provided to people living in housing association properties, and the Council carries out regular monitoring and benchmarking of the performance being delivered by registered providers.

We have been working proactively with local housing providers to deliver the outcomes of Welfare Reform to ensure a tailored service is provided to all residents who have been affected by the changes to help them get back into work, and we are now working to meet the need for improved employment and training opportunities available in Barnet.

The Council will continue to work closely in partnership with Housing Associations to deliver more affordable homes and maintain high standards of service, including through the Barnet Housing Association Liaison Group which remains an excellent opportunity for housing providers to share experiences, promote good practice and highlight areas for increased partnership working.

#### Achievements

- Housing Needs service transferred to Barnet Homes to provide a unified housing service
- **R<sup>e</sup>**, a joint venture with Capita which will deliver the council's growth and regeneration programme established
- More than 600 new affordable homes delivered by housing associations since April 2012

#### Targets

- The Council will work with Barnet Homes to establish arrangements for the future of homelessness and housing management services beyond 2015/16 by April 2016

## Appendix 1 – Financing the Housing Strategy

### 1. Council Housing and Housing Needs Services

The Council's Medium Term Financial Strategy (MTFS) includes a general fund saving of £300k for 2015/16. A target has been set for a 20% reduction of management costs in the Housing Revenue Account (HRA) for the period from 2016-20. This equates to a baseline adjustment of £4.2 million and work is currently underway to identify how that can be achieved. This savings assumption has been built into the proposals for funding new build and ensuring that use of right to buy receipts is maximised. The table on the next page shows the currently modelled available build budget and the maximum numbers of units capable of being built on HRA land assuming:

1. Current RTB projections
2. Delivery of the Barnet Homes HRA saving of £4.2 million between 2015/16 and 2019/20
3. A rent policy of annually increasing rents 0.5% above CPI plus 1% (the current rent increase cap)
4. Holding HRA reserves at a minimum of £7 million
5. Build cost of £150,000 per unit
6. Accumulated surpluses are achieved at end of each year and are available for subsequent year investment

<b>HOUSING REVENUE ACCOUNT</b>											
	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
<b>Income</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Dwelling rents	(53,164,530)	(54,168,612)	(54,109,790)	(53,664,026)	(52,570,966)	(52,570,616)	(52,931,902)	(53,669,114)	(53,929,970)	(54,080,819)	(54,995,817)
New Build Dwellings	0	0	(4,504,491)	(4,956,361)	(6,301,029)	(7,879,214)	(9,861,261)	(12,348,971)	(15,119,698)	(18,430,912)	(22,128,153)
Non-dwelling rents	(1,596,622)	(1,689,506)	(1,675,027)	(1,648,791)	(1,603,124)	(1,591,130)	(1,590,099)	(1,600,213)	(1,595,999)	(1,588,537)	(1,603,386)
Tenants Charges for services and facilities	(4,088,289)	(3,858,931)	(3,930,169)	(3,882,849)	(3,844,793)	(3,854,227)	(3,886,731)	(3,941,302)	(3,966,476)	(3,990,929)	(4,052,800)
Leaseholder Charges for Services and Facilities	(2,898,389)	(2,945,732)	(2,983,940)	(2,995,690)	(2,954,934)	(2,998,687)	(3,027,174)	(3,086,575)	(3,137,714)	(3,204,498)	(3,278,110)
<b>Total Income</b>	<b>(61,747,830)</b>	<b>(62,662,781)</b>	<b>(67,203,417)</b>	<b>(67,147,718)</b>	<b>(67,274,846)</b>	<b>(68,893,874)</b>	<b>(71,297,167)</b>	<b>(74,646,176)</b>	<b>(77,749,857)</b>	<b>(81,295,696)</b>	<b>(86,058,266)</b>
<b>Expenditure</b>											
Repairs and Maintenance	7,650,000	7,650,000	7,650,000	7,687,310	7,457,970	7,385,863	7,364,770	7,395,195	7,359,340	7,308,622	7,360,468
Supervision and management											
General	14,207,510	13,127,510	12,166,510	11,574,469	10,918,657	10,276,274	10,467,497	10,673,025	10,871,423	11,072,224	11,297,048
Special	6,756,617	6,756,617	6,756,617	6,986,794	7,161,464	7,340,500	7,524,013	7,712,113	7,904,916	8,102,539	8,305,102
Rents, Rates, taxes and other charges	121,500	121,500	121,500	124,538	127,651	130,842	134,113	137,466	140,903	144,425	148,036
Contribution to capital programme	33,489,000	32,683,000	23,024,000	22,171,000	19,494,000	17,312,130	18,100,739	17,266,245	18,214,464	18,678,109	19,232,713
Impairment write off for HRA commercial properties	820,000	840,500	861,513	883,050	905,127	927,755	950,949	974,722	999,090	1,024,068	1,049,669
Debt Management Costs	7,424,728	6,588,108	8,803,092	8,376,508	8,307,310	8,172,716	8,006,805	7,951,121	7,804,717	7,732,436	7,623,892
Increase in bad debt provision	615,000	615,000	615,000	615,000	615,000	615,000	615,000	615,000	615,000	615,000	615,000
<b>Total Expenditure</b>	<b>71,084,355</b>	<b>68,382,235</b>	<b>59,998,232</b>	<b>58,418,668</b>	<b>54,987,178</b>	<b>52,161,080</b>	<b>53,163,885</b>	<b>52,724,888</b>	<b>53,909,853</b>	<b>54,677,423</b>	<b>55,631,929</b>
<b>Net Cost of HRA Services</b>	<b>9,336,525</b>	<b>5,719,455</b>	<b>(7,205,185)</b>	<b>(8,729,049)</b>	<b>(12,287,668)</b>	<b>(16,732,794)</b>	<b>(18,133,282)</b>	<b>(21,921,288)</b>	<b>(23,840,004)</b>	<b>(26,618,273)</b>	<b>(30,426,337)</b>
Interest and investment income	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)
<b>(Surplus) or deficit for the year on HRA services</b>	<b>9,256,525</b>	<b>5,639,455</b>	<b>(7,285,185)</b>	<b>(8,809,049)</b>	<b>(12,367,668)</b>	<b>(16,812,794)</b>	<b>(18,213,282)</b>	<b>(22,001,288)</b>	<b>(23,920,004)</b>	<b>(26,698,273)</b>	<b>(30,506,337)</b>
Right to buy receipts retained	(6,778,360)	(8,261,540)	(8,261,540)	(8,261,540)	(8,261,540)	(8,261,540)	(8,261,540)	(8,261,540)	(8,261,541)	(8,261,542)	0
<b>(Surplus) or deficit contributing to HRA balances</b>	<b>2,478,165</b>	<b>(2,622,086)</b>	<b>(15,546,726)</b>	<b>(17,070,589)</b>	<b>(20,629,209)</b>	<b>(25,074,334)</b>	<b>(26,474,822)</b>	<b>(30,262,828)</b>	<b>(32,181,545)</b>	<b>(34,959,815)</b>	<b>(30,506,337)</b>
No. of Newbuilds Base Case		412	19	85	88	102	121	125	142	146	155
No. of Newbuilds with 4.2m		0	5	12	18	25	33	36	40	45	49
No. of Newbuilds CPI+1%+0.5%		0	1	4	6	9	11	13	17	22	26
<b>Maximum build total each year.</b>		<b>412</b>	<b>25</b>	<b>101</b>	<b>112</b>	<b>136</b>	<b>165</b>	<b>174</b>	<b>199</b>	<b>213</b>	<b>230</b>
											<b>Total Maximum New Homes – 1,767</b>

## 2. Delivery of Affordable Housing

Delivery of new council homes will be supported by a combination of HRA headroom, right to buy receipts and GLA grant. The Savills modelling tool shows that in addition to the existing commitments<sup>7</sup>, a new build programme of 500 new council homes over 5 years could be supported subject to the availability of suitable land, as well as two further extra care housing schemes (100 units).

In addition, Barnet Homes have secured £2.47m funding from the GLA 2015/18 affordable housing programme to support building 101 new homes at a total cost of £19.1m.

## 3. Tackling Homelessness

Containing budget pressures associated with the costs of temporary accommodation continues to be a challenge especially with the demand to bring forward early decanting for regeneration. Detailed plans are in place to contain those costs and this will be monitored through existing governance structures.

## 4. Barnet Homes Capital Programme:

Investment to refurbish General Fund hostels and 3 new council homes at Alexandra Road.

2014-15	TOTAL CAPITAL FUNDING £'000					
General Fund	2014-15	2015-16	2016-17	2017-18	2018-19	Total
Alexandra Road <sup>8</sup>	24					24
Hostel Refurbishment Programme	270					270

## 5. Current HRA Capital Programme:

Investment to ensure that council owned housing stock is well maintained and that statutory health and safety obligations are met. Also includes investment to improve Granville Road and deliver 38 new council homes.

2014-15 TO 2018-19	TOTAL CAPITAL FUNDING £'000					
Housing Revenue Account	2014-15	2015-16	2016-17	2017-18	2018-19	Total
Major Works (excl. Granville Rd)	8,519	8,520	8,438	8,101	6,331	39,908
Granville Road	293					293
Regeneration <sup>9</sup>	4,623	2,301	2,506	2,065	1,684	13,181
Misc. - Repairs	1,316	942	2,020	2,073	2,348	8,698
M&E/ GAS	14,101	15,014	8,254	8,079	6,826	52,273
Voids and Lettings	1,980	1,712	1,806	1,853	2,305	9,655
38 New Affordable Homes	6,832					6,832
<b>Totals</b>	<b>37,664</b>	<b>28,488</b>	<b>23,024</b>	<b>22,171</b>	<b>19,493</b>	<b>130,840</b>

<sup>7</sup> Existing Barnet Homes programme for 41 units, Extra Care Housing at Morton Close, Advanced Acquisitions of Leasehold properties on Regeneration Estates

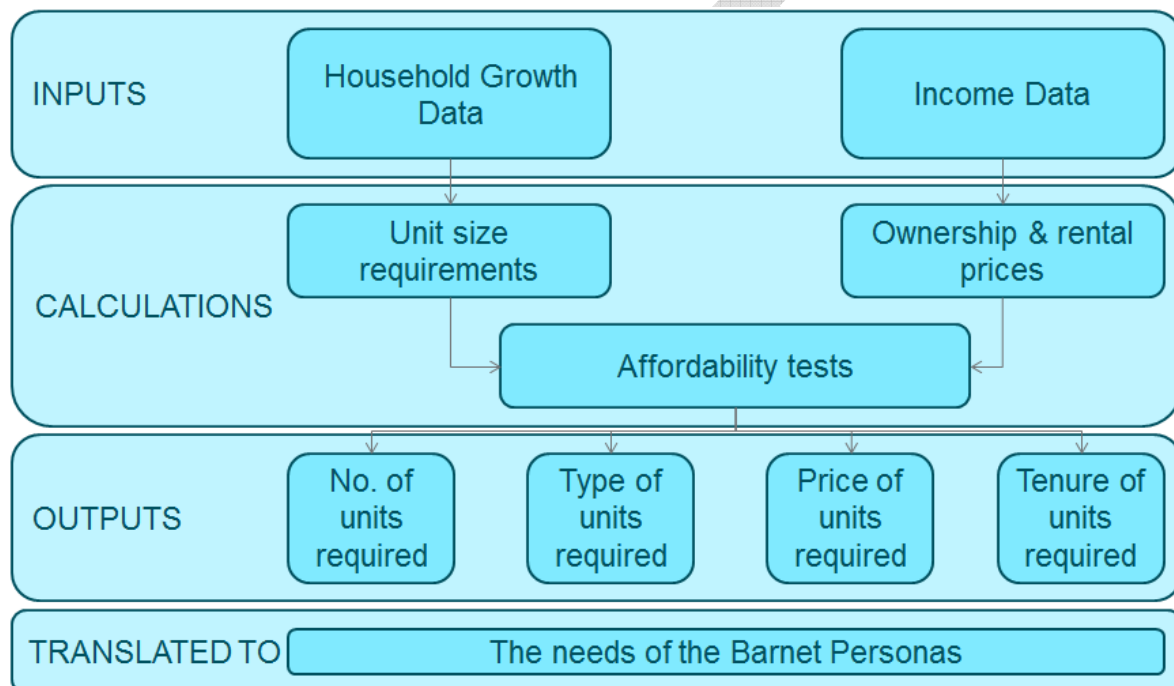
<sup>8</sup> Alexandra Road was appropriated into the General Fund for legal reasons

<sup>9</sup> This expenditure is recoverable at a later date through land receipts

## Appendix 2- Housing Needs Assessment

We know that Barnet’s population is increasing, and it is important to understand the type of homes that will be needed to accommodate this growth. The council have commissioned a Housing Needs Assessment to provide analysis of the expected household growth, existing unmet need and affordability, and provide an estimate of the number, size and tenure mix that will be needed over the next 10 years. The assessment also considers how housing need is distributed across a set of personas that represent the type of households living in the borough.

The approach taken is summarised in the following table.



In addition, affordability was assessed on the basis of Department of Works and Pensions figures for the minimum household income needed after housing costs have been taken into account + 10% as follows, examples of which are:

- £ 6,656 for a single adult
- £11,440 for a couple
- £18,564 for a couple with 2 children

Using the approach, the assessment identified that over the next 10 years a total of 27,350 new homes will be required, and that the majority of households housing need could be met by the private rented sector as follows:



**Barnet Housing Market Assessment 2015/16 – 2024/25**

	1 bed	2 bed	2 Bed Shared	3 Bed	3 Bed shared	4 Bed	Total	Comment
Total Requirement	8309	4555	7864	2768	2240	1614	27350	This is the total number of units needed
80% Market Rent	8309	4555	7864	2768	2240	1614	27350	Households who could afford 80% market rent
Market Rent	7523	3536	7001	2099	2123	1111	23393	Of the total, this many could afford market rent
Shared Ownership	6043	2714	6307	1519	1998	717	19298	Of the total, this many could afford shared ownership
Owner Occupation	2406	785	4002	334	1440	134	9101	Of the total, this many could afford to buy a home with a mortgage

This suggests that over the next ten years, there will be an annual need for 2735 new homes each year. The household projections show that two thirds of the new households in the borough will be couple or single people without children, generating a need for smaller units or accommodation that is suitable for sharing.

In addition, whilst 86% of new households could afford the private rented sector, increasing to 100% at 80% of local market rents, only 33% will be able to afford home ownership at full market rates, although this rises to 71% for shared ownership.

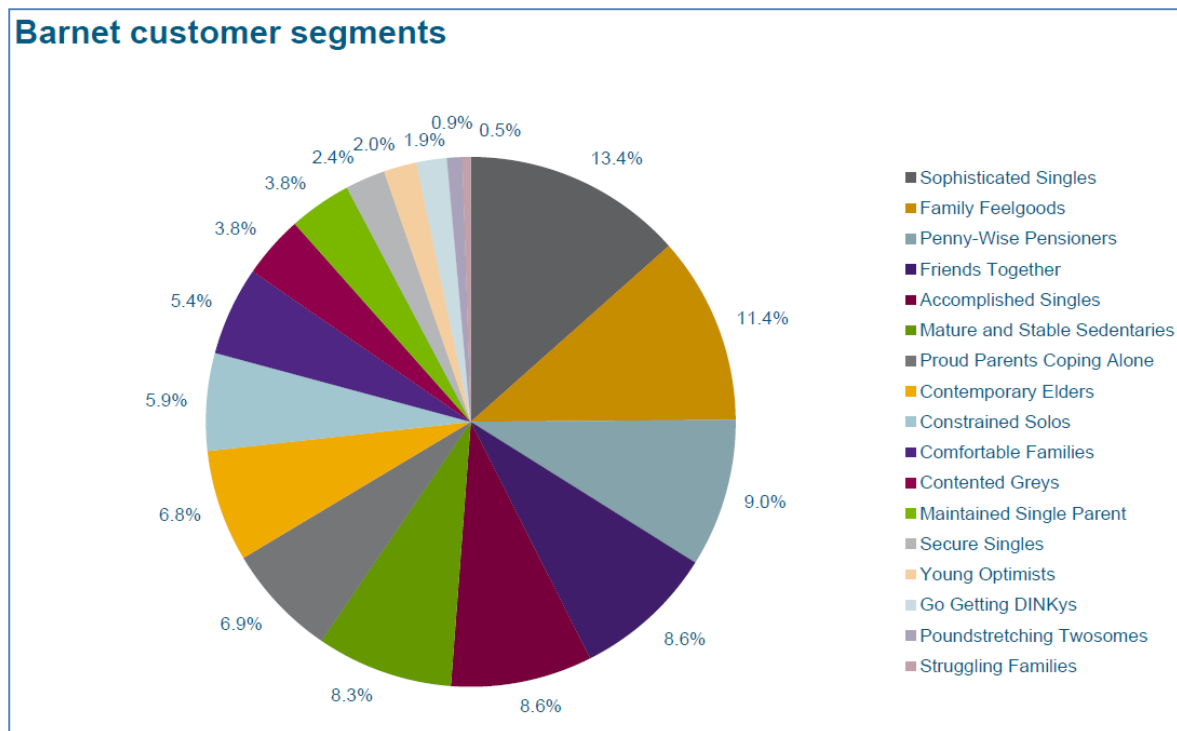
In terms of size, the overall mix of accommodation needed to meet housing need, will be 30% one bedroom homes, 46% two bedroom homes, 18% three bed homes and 6% 4 bed or larger. Within this, the projections show that higher proportions of two and three bedroom homes will be required for those that can afford home ownership.

The above analysis can be used to give the following annual requirement for new homes:

	1 bed	2 beds	2 beds shared	3 beds	3 beds shared	4 beds	Total	%
Total Requirement	831	456	786	277	224	161	2735	
Market for Sale	241	79	400	33	144	13	910	33%
Intermediate Ownership	364	193	231	119	56	58	1020	37%
Market Rent	79	102	86	67	12	50	396	14%
Affordable rent	148	82	69	58	13	39	410	15%

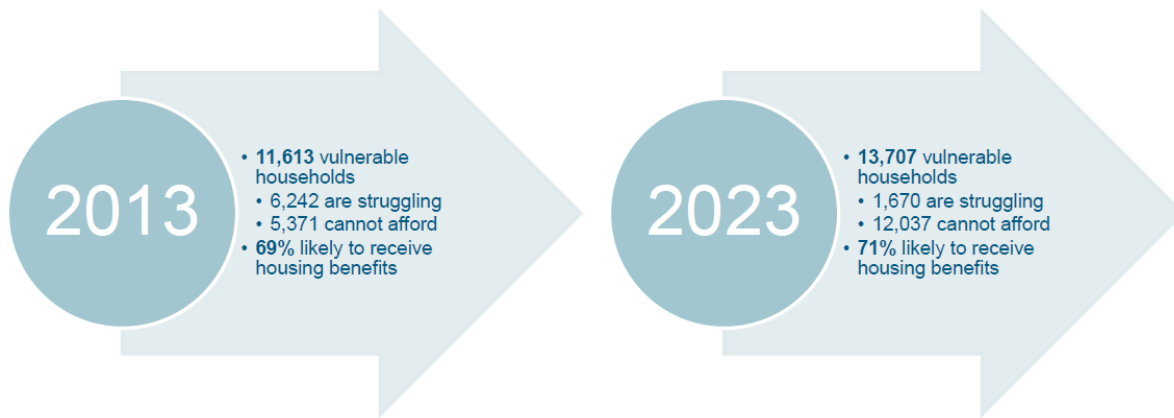
## Barnet Customer Segments and affordability

In addition to the Housing Needs Assessment, we have also carried out a study into the affordability of housing and how this is likely to change over the next 10 years. This study looked across a set of representative personas that have been developed based on Call Credit Cameo data (CAMEO classification system provides detailed customer analysis & customer segmentation).



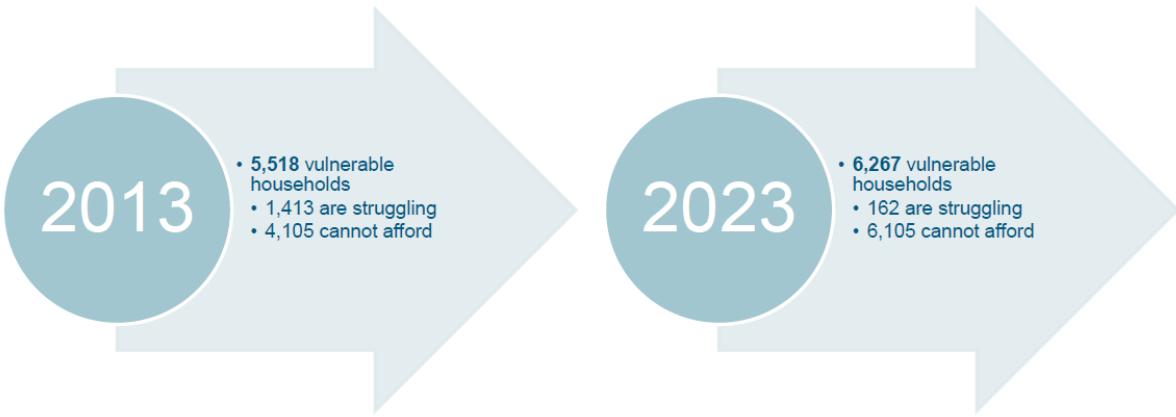
The study considered the types of housing each household could afford at present, and assumes that incomes will increase by 23% and housing costs by 40% over the coming ten years, based on how these have changed during the last few years. This inevitably shows that more people will find struggle to meet their housing costs by 2023.

For rented accommodation, the assessment shows that there are currently an estimated 11,613 households who have difficulties with paying their rent, including 5,371 who have less than the DWP minimum household income once they have paid their rent, suggesting that they cannot afford private rented accommodation. The overall number who are likely to have difficulties with rent payments increases to 13,707 by 2023, but within this 12,037 will be below DWP minimum household incomes once they have paid their rent.



<b>Rent Affordability 2013</b>	30-40k	25-30k	20-25k	15-20k	10-15k	10k
Friends Together					740	444
Comfortable Families	856	578	395			
Mature and Stable Sedentaries			517			
Young Optimists						
Constrained Solos					505	377
Struggling Families				242	57	48
Proud Parents Coping Alone				837	1,046	795
Penny Wise Pensioners						1,390
<b>Rent Affordability 2023</b>						
	37-50k	30-37k	25-30k	18-25k	12-18k	12k
Pound-stretching Twosomes			331	98		
Friends Together					814	489
Comfortable Families	933	630	430			
Mature and Stable Sedentaries			625			
Young Optimists						
Constrained Solos					526	392
Struggling Families				266	63	53
Proud Parents Coping Alone			268	921	1,151	875
Penny Wise Pensioners						1,390
<b>RED=Number who cannot afford rent</b>		<b>Amber = Number Struggling to pay rent</b>				

The number of households that will not afford to keep up with existing mortgage payments will increase by 49% in 2023, to over 6.1k. This is because most household groups that struggle to make their mortgage payments at present will not be able to afford making them at all. It is likely that they were in another lifestyle segment when they bought the house, but in their new circumstances they cannot afford a mortgage.



<b>Mortgage Affordability 2013</b>				
		15-20k	10-15k	10k-
Pound Stretching Twosomes		<b>9</b>		
Friends Together		<b>418</b>	<b>394</b>	<b>161</b>
Young Optimists		<b>263</b>	<b>293</b>	<b>113</b>
Constrained Solos		<b>732</b>	<b>674</b>	<b>450</b>
Proud Parents Coping Alone		<b>529</b>	<b>991</b>	<b>491</b>
<b>Mortgage Affordability 2023</b>				
	25-30k	18-25k	12-18k	12k-
Pound Stretching Twosomes		<b>11</b>		
Friends Together		<b>460</b>	<b>433</b>	<b>177</b>
Young Optimists		<b>274</b>	<b>304</b>	<b>118</b>
Constrained Solos		<b>835</b>	<b>768</b>	<b>513</b>
Proud Parents Coping Alone	<b>162</b>	<b>581</b>	<b>1,090</b>	<b>540</b>
<b>RED=Number who cannot afford mortgage</b>	<b>Amber = Number Struggling to pay mortgage</b>			

### Appendix 3- Regeneration Schemes in Barnet

Scheme	Housing delivery	Infrastructure delivery	Partners	Status October 14
<b>Brent Cross</b>	Replacing the existing 217 homes with up to 7,500 new homes	BXC North- New Living Bridge and footbridge	BXC North- Hammerson and Standard Life	BXC North- phase 1A an expected start on site is in late 2015 with completion by 2017/18
	BX North- Hammerson is re-providing up 60 new homes-31 social rent 29 private/shared equity	Major Transport improvements  BXC South- new schools and community facilities	RP to be selected by end of 2014  BXC South- Council is undertaking a procurement process to select its preferred development partner for this scheme. Procurement will be concluded in early spring 2015	BXC North- start on site tbc
<b>Dollis Valley</b>	441 existing properties that will/have been demolished,  and replaced with a new 631 unit scheme -	New Community Centre  New Community Nursery School	Countryside & London & Quadrant	Works started 4 <sup>th</sup> Feb 2014 estimated completion within 7 years)  First occupation - Spring

Scheme	Housing delivery	Infrastructure delivery	Partners	Status October 14
	230 social rent 20 intermediate 381 Private Sale			2015
<b>Grahame Park</b>	Replace 1,314 existing homes with 2,977 new homes: 889 social rent, 165 low cost home ownership and 1,923 private units  Stage B is to be reviewed	Barnet College re-location, major highways and infrastructure works, replacement library, Children's Centre and Centre for Independent Living, re-provision of Health Centre and Community Centre. New Heybourne Park	Genesis Housing Association (Choices for Grahame Park)	Phase 0 completed 32 new homes  Phase 0 completed 39 new homes  Phase 1a completed 319 new homes.  Phase 1b(i) – On site due to complete 31 <sup>st</sup> March 2015.  Lanacre Avenue Shift on site and due to complete early 2015.

Scheme	Housing delivery	Infrastructure delivery	Partners	Status October 14
<b>West Hendon</b>	<p>Demolition of existing estate and part of West Hendon Broadway</p> <p>Creation of approximately 2,000 new homes:</p> <p>219 social rent</p> <p>287 low cost home ownership</p> <p>1494 private sale</p>	<p>Creating linkages through from the estate to West Hendon Broadway and Welsh Harp reservoir</p> <p>New education &amp; community facilities as well as retail and commercial space</p> <p>Appropriate landscaping, open space and parking provision</p>	Barratt Metropolitan LLP	Phase 3a is on site and will be completed in April 2015. The whole scheme is due to be completed by 2029.
<b>Stonegrove</b>	Replacing the existing 603 homes with 937 new mixed use housing; comprising of 417 affordable units and 520 private units	Joint Church and Community Centre replacing existing St Peter's Church and hall, including a new community hall	Barratt London Family Mosaic Barnet Homes	Pilot phase delivering 62 new social housing units have been completed. A new school has been completed. 450 homes have been delivered including 314 affordable

Scheme	Housing delivery	Infrastructure delivery	Partners	Status October 14
		<p>New school replacing the existing secondary school</p> <p>Commitment towards delivering employment and training benefits</p> <p>Improved landscaping and open spaces to benefit the wider community</p> <p>New roads and improvements to traffic management</p>		<p>homes. Planning Permission for new joint church and community facility has been approved with construction expected to commence in new year.</p>

