BARNET
LONDON BOROUGH

Housing Strategy

London Borough of Barnet

May 2018

DRAFT

Overview

- Barnet's Housing Strategy 2015
- Changes since 2015
- National/Regional context
- Context
- Delivery
- Emerging Themes

Barnet's Housing Strategy 2015

Preventing and tackling homelessness
- Early intervention and prevention
- Procurement of more private rented sector homes
- Welfare Reform Task Force
- Tenancy Strategy /Allocations Scheme

Support for vulnerable people
- Integrated Extra Care Housing/wheelchair homes
- Improve quality of advice and information
- Appropriate range of housing for Care Leavers
- Disabled facilities grants for all tenures

Rising demand for help with housing

Increase the housing supply
- Regeneration and growth
- Building new homes on Council land
- New council housing
- Bringing empty homes into use

Ensuring people can live independent lives

Efficient and effective services
- Review Barnet Homes management agreement
- Strategic review of role of Housing Associations

Rising housing costs

Sustaining quality particularly in private rented sector
- Landlord accreditation
- Additional regulation of Houses in Multiple Occupation
- Planning control of HMOs

More people living in private rented sector

Homes that people can afford
- Increase supply of rented homes at local housing allowance rate
- Rents policy to fund new affordable homes
- Promoting low cost home ownership

Context

- Current Housing Strategy dates from 2015
- Since then:
  - May 2016 - Housing and Planning Act (2016) royal assent
  - **May 2016 – New London Mayor**
  - June 2016 – EU Referendum
  - Feb 2017 – White Paper – Fixing our broken housing market
  - April 2017 – Homelessness Reduction Act (2017) royal assent
  - June 2017 – General Election
  - **June 2017– Grenfell Tower tragedy**
  - Sept 2017 – Budget with commitment to fix housing market
  - **Sept 2017 – Draft London Housing Strategy**
  - Oct 2017 – Supported Housing consultation
  - **Nov 2017 – Draft London Plan**
  - Feb 2018 – London Mayor publishes Good Practice Guide to Estate Regeneration

Context

National

- Housing and Planning Act (2016)
- White Paper – *Fixing our broken housing market (2017)*
- Review of fire safety and building regulations (2018)
- Green paper on social housing expected Spring 2018

Commitments:

- 1m new homes by 2020 + 500k by 2022
- Halve rough sleeping by 2022 and eliminating it by 2027
- £2bn additional funding for affordable housing +£1bn for council housing.

Regional

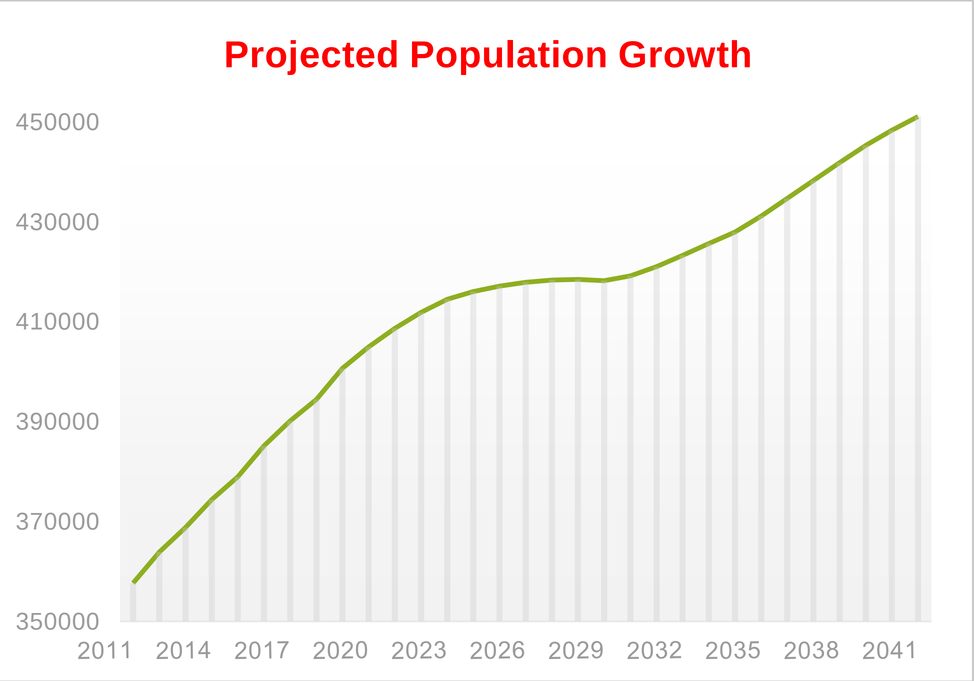
Draft London Housing Strategy

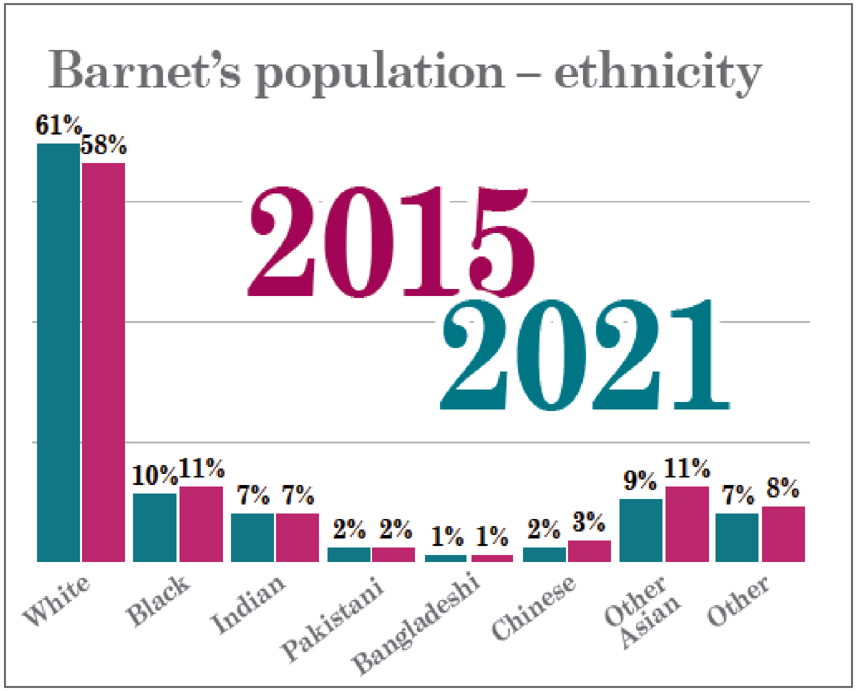
- Building more homes for Londoners
- Delivering genuinely affordable homes
- High quality homes and inclusive neighbourhoods
- A fairer deal for private renters and leaseholders
- Tackling homelessness and helping rough sleepers

Commitments

- 90,000 affordable housing starts by 2021
- Aim for 50% of new homes as affordable
- 65,000 new homes a year (draft London Plan)

Evidence – a growing and increasingly diverse population





Barnet's Population in 2017- **390,127**

Expected Population by 2041- **451,040***

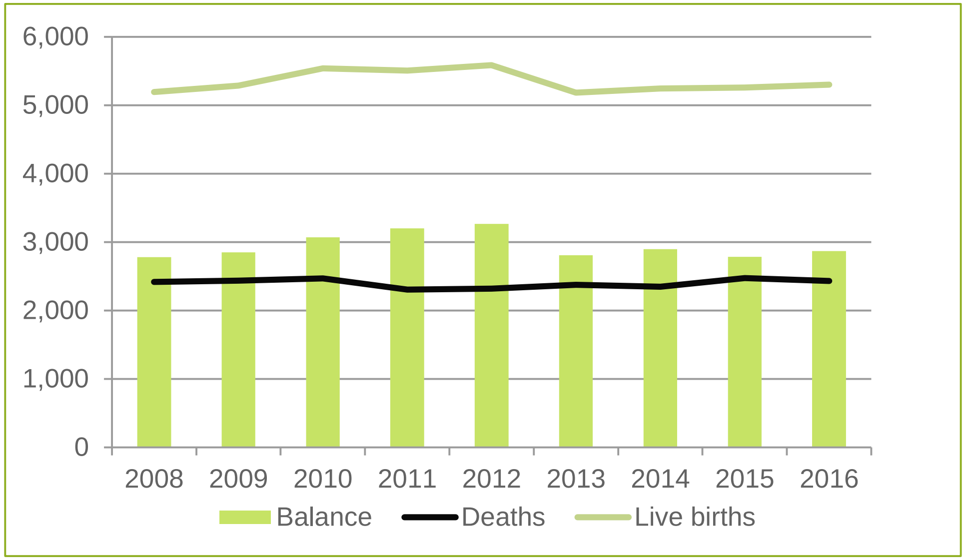
Projected increase **60,913/16%**

***2014 projection was 374,374**

180 languages other than English spoken by pupils in Barnet primary schools where Polish and Romanian are the most common languages spoken after English. In Secondary schools, 135 languages other than English are spoken with Polish and Gujarati most common.

Data Sources: GLA 2015 Round Borough Preferred Option (BPO) projections/ JSNA 2017, LB Barnet Insight team, LBB school census Jan 2016)

Evidence- What's driving population growth?



- Net migration is about +**2700** per annum
- International migration is about +**4600** per annum and has been rising
- Net difference between live births and deaths is about +**3000** per annum

Barnet Migration Figures

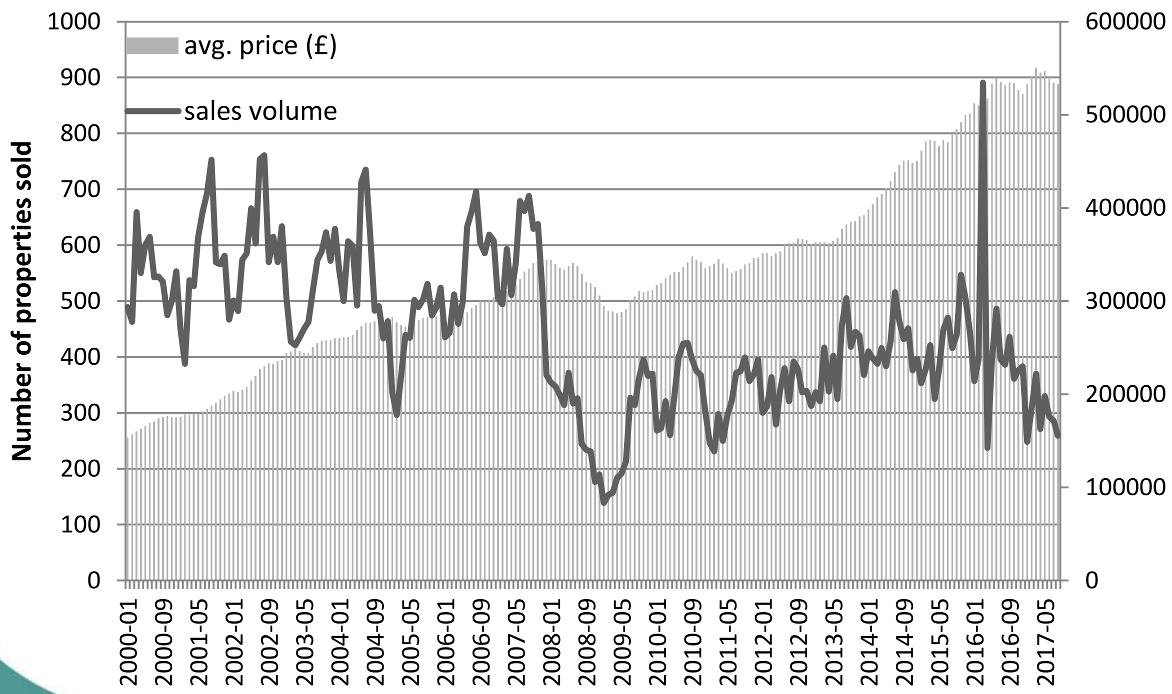
		2011/12	2012/13	2013/14	2014/15	2015/16	Overall
Long-term International	Inflow	6766	6102	7720	8220	8516	37324
	Outflow	2861	2190	2950	2813	3293	14107
	Net	**3905**	**3912**	**4770**	**5407**	**5223**	**23217**
Internal	Inflow	20777	20664	21984	21755	22812	107992
	Outflow	21611	22396	23868	25134	24591	117600
	Net	**-834**	**-1732**	**-1884**	**-3379**	**-1779**	**-9608**
Overall	**Net Change**	**3071**	**2180**	**2886**	**2028**	**3444**	**13609**

Data Sources: ONS Local Area Migration Indicators, ONS Live Births, General Fertility Rates and Total Fertility Rates / ONS Deaths Registered by Area of Usual Residence, 2016 Registrations

Evidence - Relatively high incomes but house prices also high

Median Household Incomes		2015	2016	2017
Un-equivalised	Barnet	£41,468	£41,674	£43,873
	Outer London	£35,484	£35,925	£37,529
Equivalised*	Barnet	£36,202	£35,812	£36,071
	Outer London	£31,356	£30,417	£31,072

*Equivalised income estimates take into account the size and composition of a household and reflect the idea that a larger household would require a higher income than a small household in order to achieve an equivalent standard of living

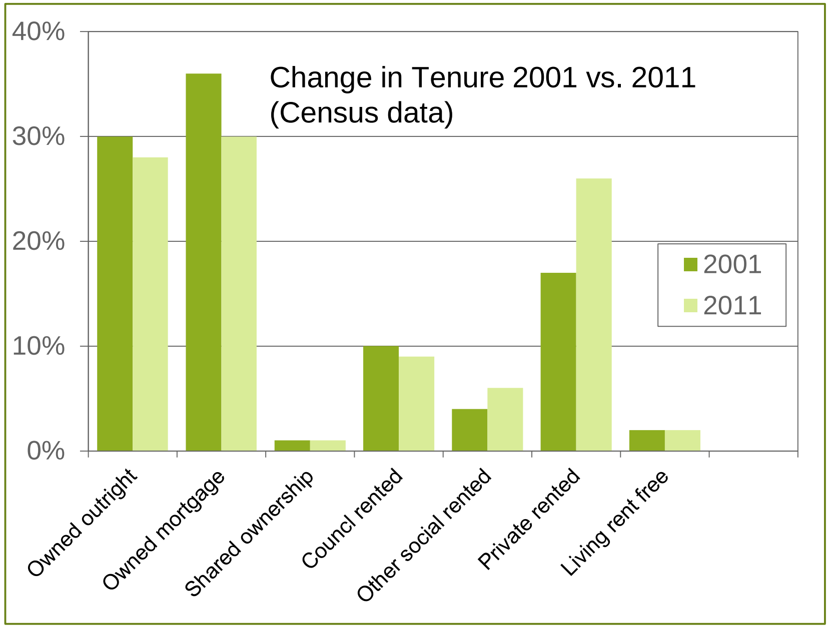


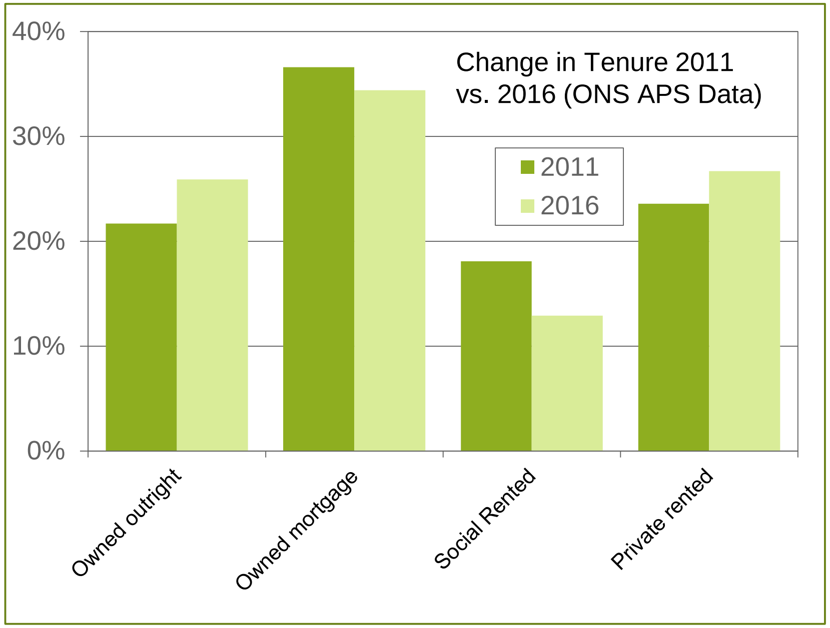
- Median equivalised household income in Barnet dropped by 0.4% between 2015-17, indicating a squeeze on standards of living.
- noticeable increase in the percentage of households earning £100-120k in Barnet
- Burnt Oak median un-equivalised household income is £28,912, while it is £59,884 in Garden Suburb.

Median house price in Barnet rose by **4%** during the year to Oct 2017. The Barnet median house price in October 2017, **£544,597** is **15X** the Barnet equivalised median income.
(in 2014, avg. price was £391k, 10X emi)

Data Sources: CACI Paycheck 2017, Land Registry for England & Wales

Evidence - tenure shift





2011 census showed significant shift in tenure

Increase in Private Renting - **53%**

Reduction in owner occupation - **12%**

Increase in Council/HA renting – **6%**

Annual ONS population survey shows increase in PRS has continued, but owned outright has also increased + significant reduction in affordable rented

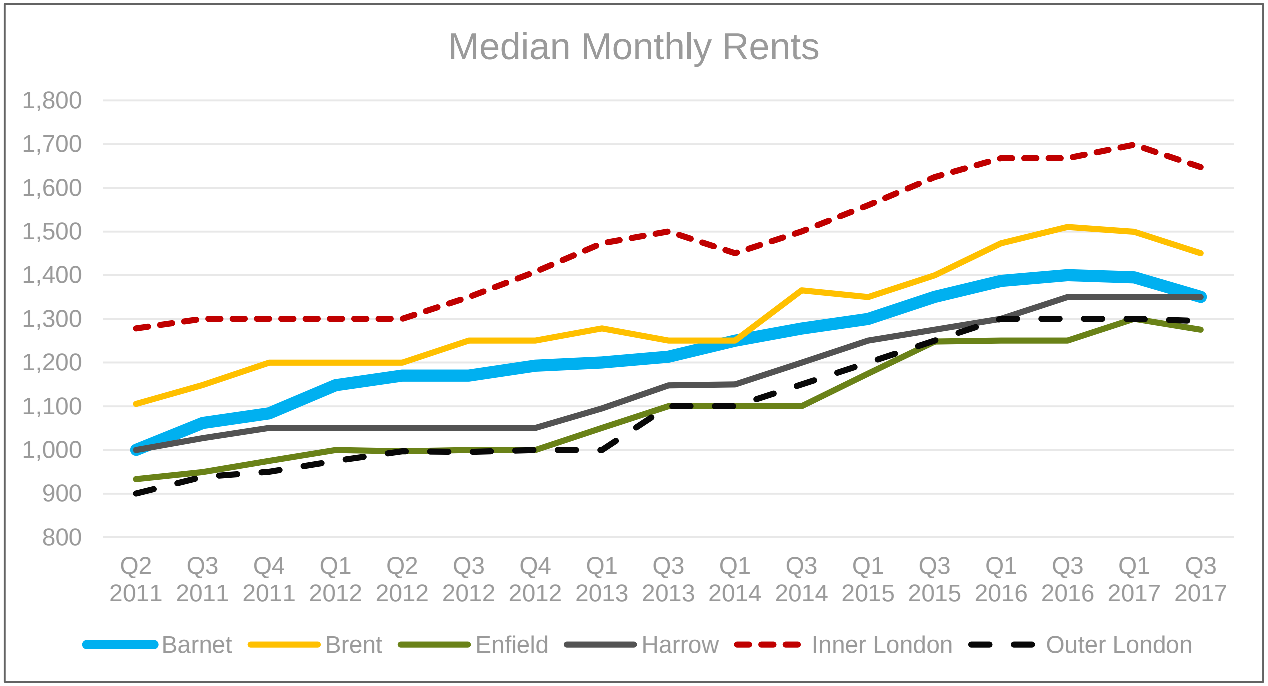
Increase in Private Renting - **13%**

Increase in owner occupation - **2%**

Reduction in Council/HA renting – **27%**

Data Sources: 2011 Census, ONS Annual Population Survey data 2017

Evidence – Private Sector Rents



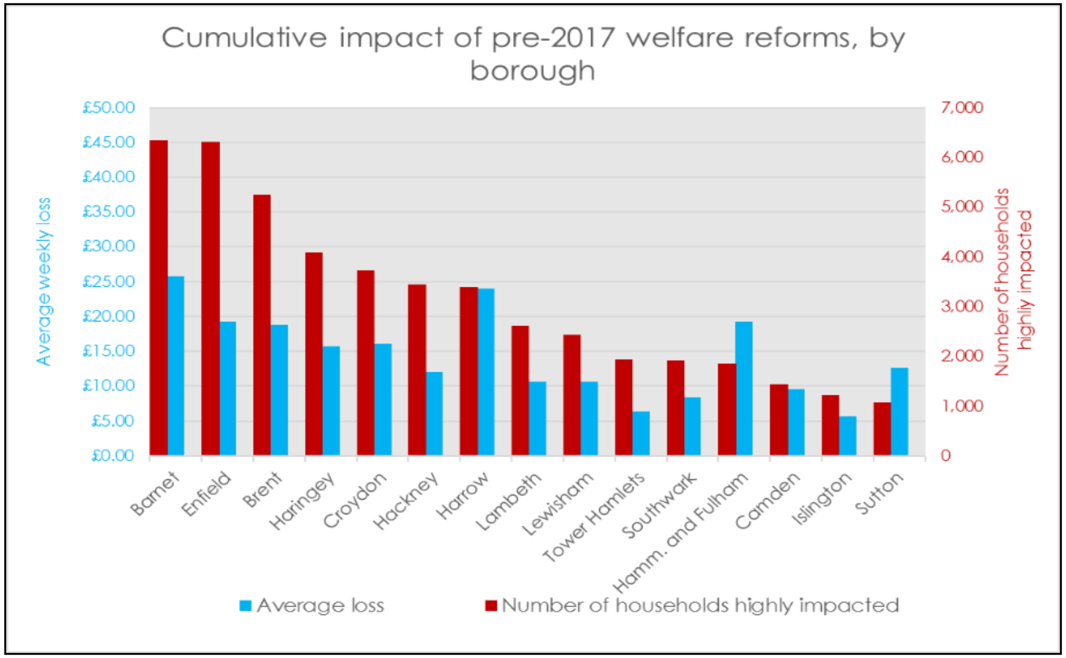
- Median monthly rent in Barnet is £1350* vs outer London median of £1295
- All but 1 median and 2 lower quartile rents are higher than local housing allowances in all areas
- Rents fell slightly in Q3 2017

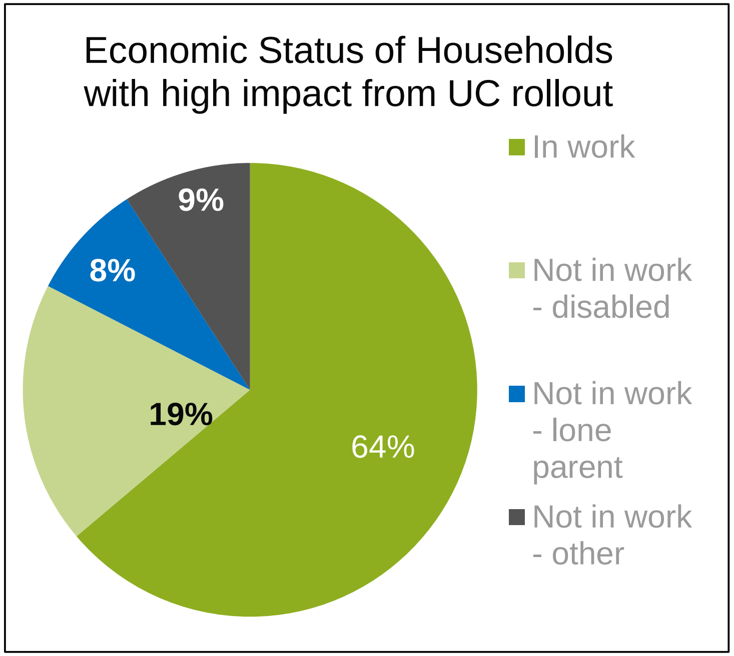
*up from £1278 Q3 2014

Barnet Rents Q3 2017	Shared/ Room	1 Bed	2 Bed	3 Bed	4 Bed	
Barnet Median Private	**£138**	**£253**	**£314**	**£414**	**£575**	> than all LHA areas
Barnet Lower Quartile Private	**£120**	**£230**	**£288**	**£374**	**£481**	**> Than 2 LHA areas**
NWL LHA	£87	£191	£242	£303	£374	< all LHA areas
ONL LHA	£91	£200	£255	£315	£389	
INL LHA	101	£263	£302	£354	£417	

Data Sources: Valuation Office Agency, LB Barnet

Evidence- welfare reform





Barnet has seen high impact from welfare reforms to date

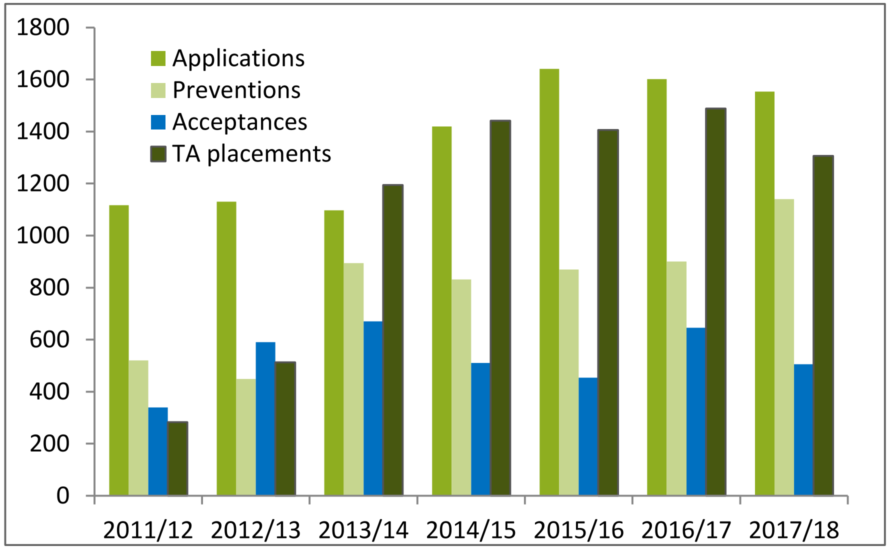
Impact of welfare reforms on households in Barnet

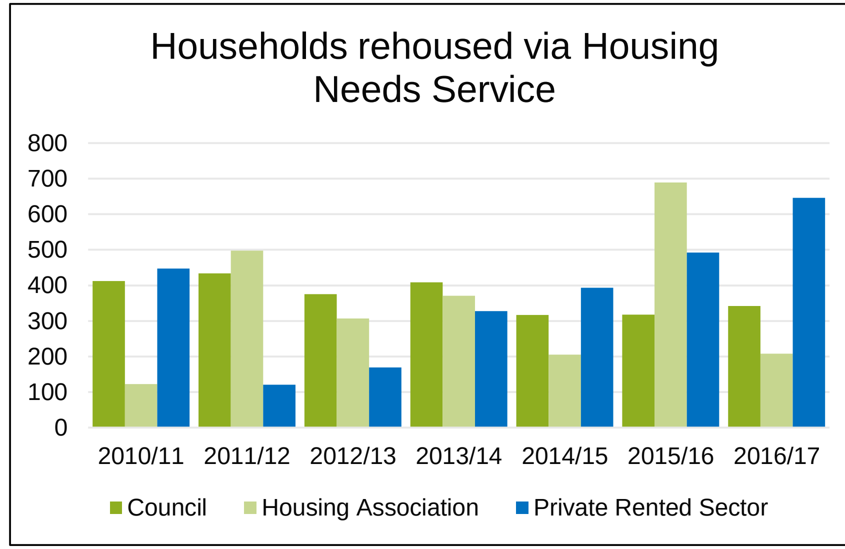
	Households	Avg. reduction pw	Annual total
Under-occupation charge	948	-£22.55	-£1,111,641
LHA Cap	10,173	-£61.60	-£32,583,800
Benefit Cap	784	-£48.53	-£1,978,434
Council Tax support	25,342	-£4.14	-£5,455,626

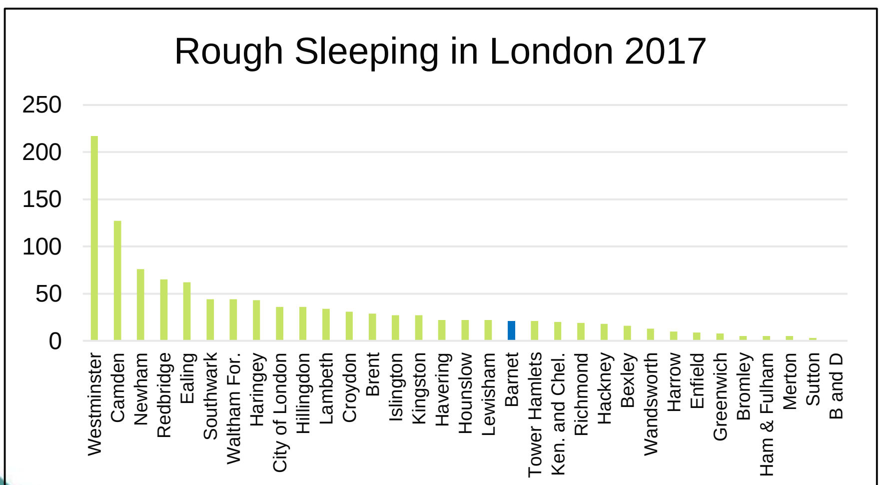
- **25,000+** households affected by C.TAX and HB reforms
- **10,000+** households have a shortfall between their rent and Local Housing Allowance rate
- Looking ahead UC rollout most like to have high impact on working households and those with a disability

Data Sources: The cumulative impact of welfare reform in Barnet , Policy in Practice January 2017

Evidence - Homelessness



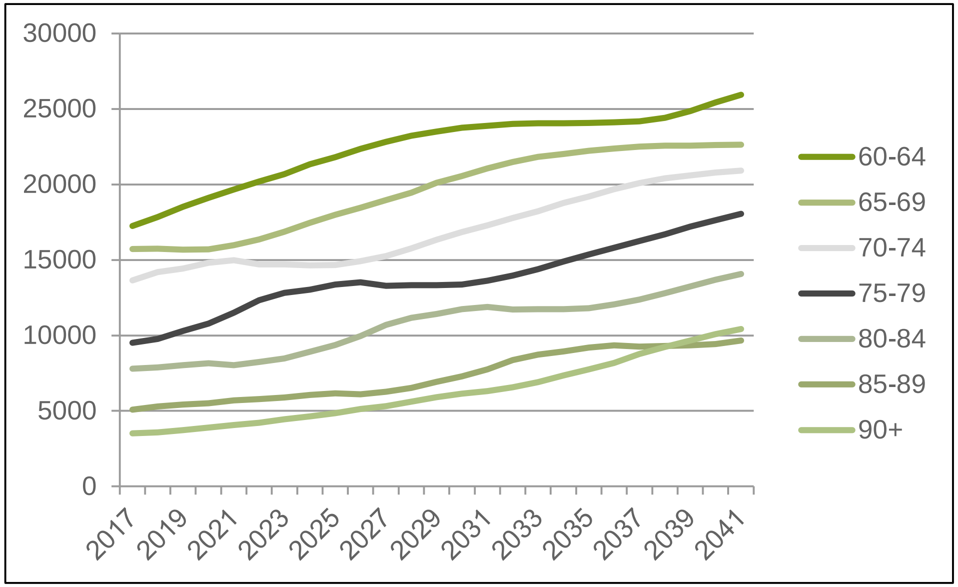


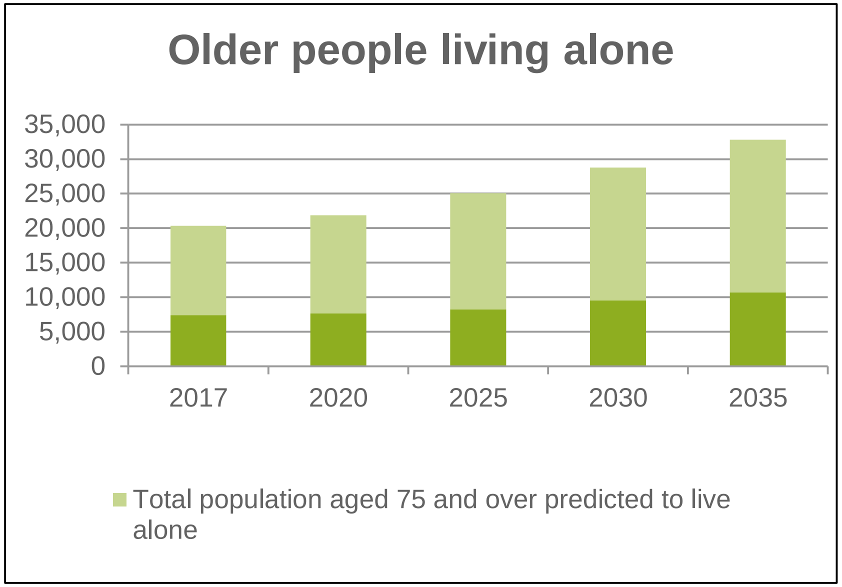


- The supply of social rented/affordable homes has fallen, but Barnet Homes have successfully increased the number of private sector lets available for housing applicants.
- Homeless Applications have remained high, but preventions have increased and use of TA has started to reduce.
- Rough Sleeping lower than London avg. in Barnet

Data Sources: Barnet Homes

Evidence – Older People





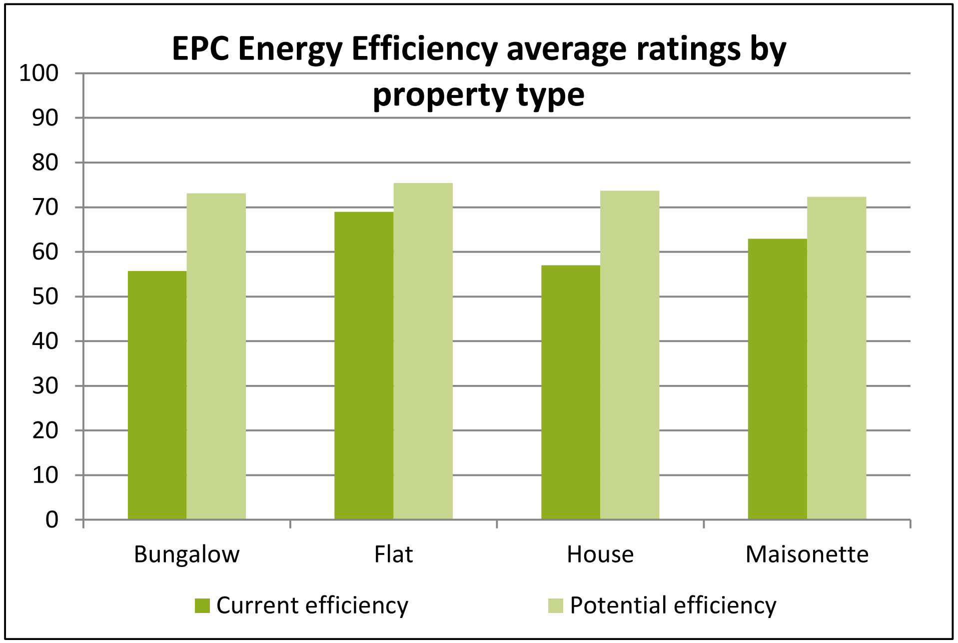
	2017	2020	2025	2030	2035
Population 65+ with a long term illness whose day-to-day activities are limited a little	13,151	14,102	16,138	18,512	21,061
Population 65+ with a long term illness whose day-to-day activities are limited a lot	11,804	12,725	14,696	17,011	19,727
Total population aged 65 and over predicted to have dementia	4,136	4,502	5,236	6,261	7,407

- The over 60 population is currently 72,519* and is projected to be 121,701 by 2041# - a 68% increase
- The over 90 population is set to increase from 3,519 in 2017 to 10,420 by 2041.
- The number of older people living alone is expected to increase
- The number of older people with long term limiting health conditions and dementia will increase

******2014 projection was 70,411 #2014 projection was 109,849*

Data Sources: GLA 2016-based Demographic Projections: London Ward population projections Housing-led Model; POPPI (Projecting Older People Population Information)

Evidence– Stock Condition



A (92+)	0.1%
B (81-91)	12.3%
C (69-80	27.4%
D (55-68)	36.5%
E (39-54)	18.5%
F (21-38)	4.4%
G (1-20)	0.9%

Most domestic properties in Barnet have a current energy performance certificate rating of either C (27.4%) or D (36.5%).

- Across all postcode areas, domestic properties have an average of 11 improvement points to reach potential energy efficiency levels.
- On average, flats in Barnet have the highest current levels of energy efficiency (avg. score 69), while bungalows (56) and houses (57) are the lowest.

Data Sources: DCLG, EPC Open Data

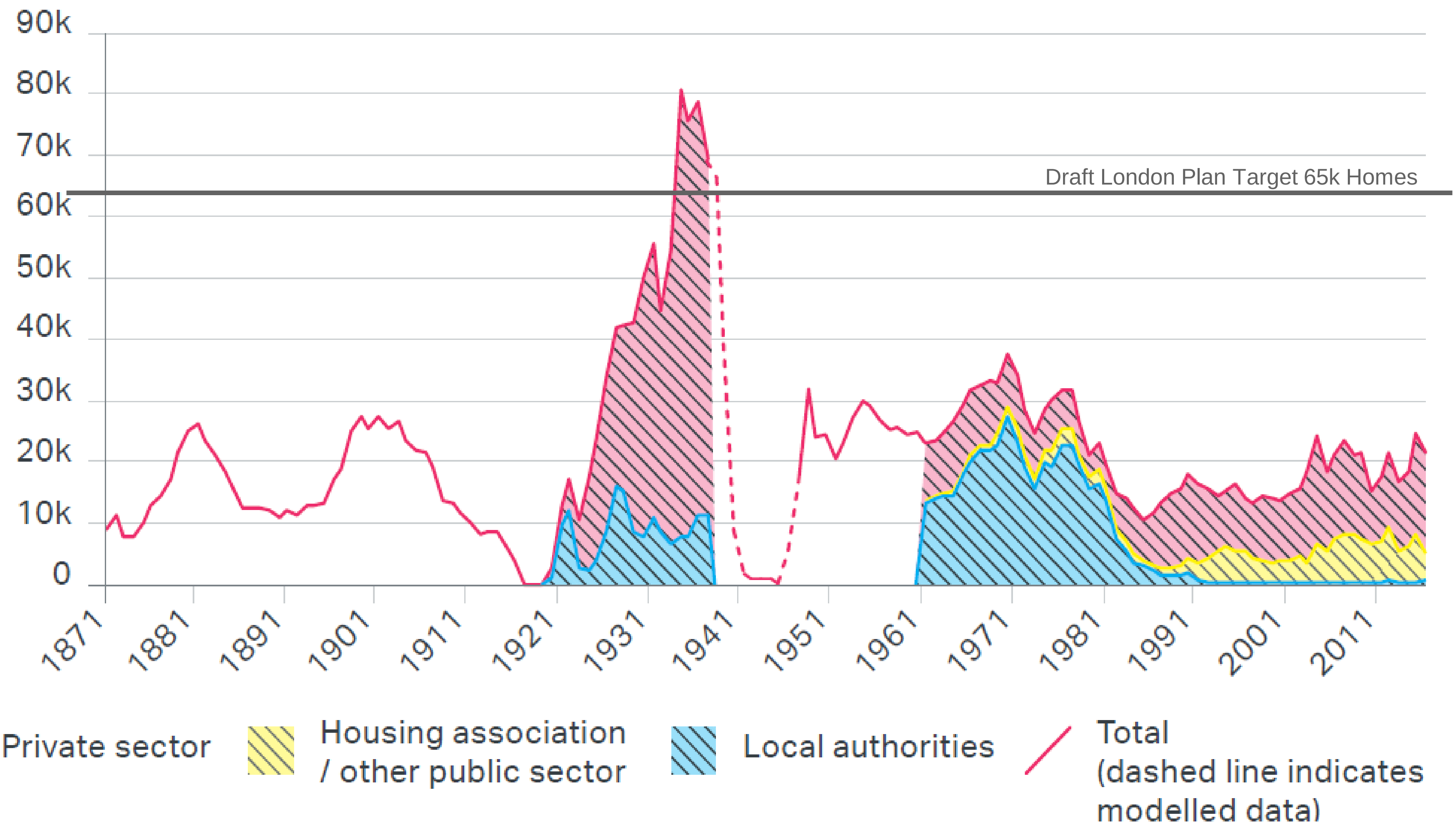
Delivery of New Homes

Barnet Pipeline 2011-2026 and beyond	2011-2016	2016-2021 (in brackets = already delivered)	2021-2026	Beyond 2026	Totals
Brent Cross/Cricklewood	0	99	1500	5648	7247
Colindale (Inc. Grahame Park)	3400	2745 (455)	2725	742	9612
Mill Hill East	300	905	941	0	2146
North London Business Park	0	300	700	0	1000
Granville Road	0	37	74	0	111
Dollis Valley	60	41 (41)	48	0	149
Stonegrove/Spur Road	180	118 (107)	0	0	298
West Hendon	380	200	641	515	1736
Other sources (e.g. small schemes, town centres)	4080	7810 (1042)	3319	0	15209
Totals	**8400**	**12255 (1645)**	**9948**	**6905**	**37508**

Data Sources: Draft Annual Monitoring Report 2016/17

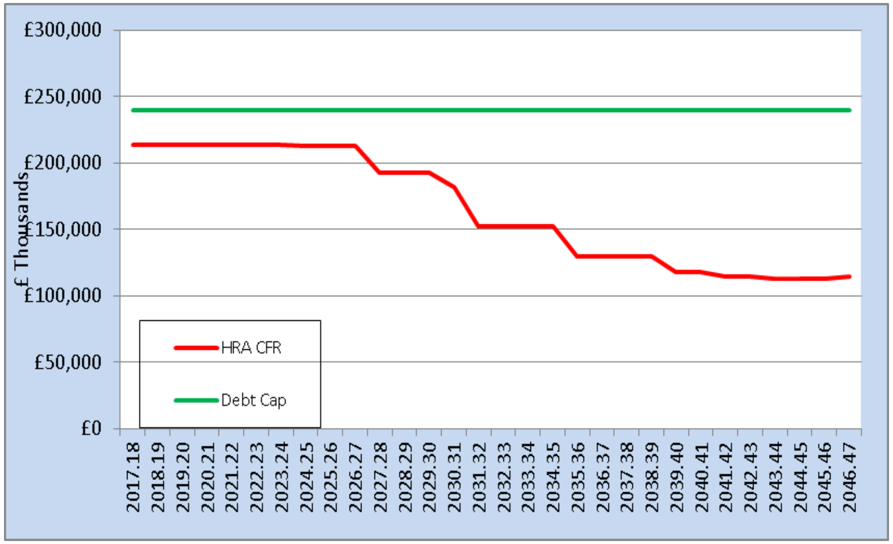
Context – Delivery of new homes in London

Figure 3.1: Estimated number of new homes built in Greater London, 1871 to 2016



Data Sources: Greater London Authority

Financing the Strategy



- HRA Business Plan October 2017 shows we are operating within our Headroom, includes 17.5m fire safety works
- Currently under review
- Containing General Fund pressures remains a challenge

Housing General Fund	2017/18 Budget	2017/18	2018/19	2019/20	2020/21
Provisional Out turn Apr 2018	£'s	£'s	£'s	£'s	£'s
Expenditure	31,407,999	31,412,743	29,826,043	28,493,040	26,585,658
Income	-24,548,250	-23,878,219	-22,337,110	-21,219,910	-19,054,378
Net Expenditure	6,859,749	7,534,524	7,488,932	7,273,130	7,531,280
Budget Pressure		**674,775**	**629,183**	**413,381**	**671,531**

Emerging Themes

Preventing and tackling homelessness
- Early intervention and prevention
- Procurement of more homes
- Welfare Reform Task Force
- Tenancy Strategy /Allocations Scheme
- Tackling Rough Sleeping

Support for vulnerable people
- Integrated Extra Care Housing/wheelchair homes
- Engage with new funding proposals for short term supported housing
- Family Friendly Barnet

High Demand for Housing **3000** new homes per annum

Increase the housing supply
- Regeneration and growth
- Ensuring Quality
- Bringing empty homes into use

More older people with support needs

Efficient and effective services
- PSR review
- HRA Business Plan
- Maintaining safety of our tenants and residents

High rents and house prices

Sustaining quality particularly in private rented sector
- Landlord accreditation
- Rogue Landlords
- Mandatory Licensing extension

More people living in private rented sector

Homes that people can afford
- Increase supply of affordable homes on council land
- Innovation
- Access additional funding from MHCLG/GLA