BARNET
LONDON BOROUGH

Housing Strategy

August 2022

Overview

- Barnet’s Housing Strategy 2019-24
- Changes since 2019
- National and regional context
- Context
- Delivery
- Emerging themes

Barnet's Housing Strategy 2019-24

Tackling homelessness and rough sleeping in Barnet
Early intervention and prevention
Procurement of more homes
Tackling rough sleeping
Reducing use of Temporary Accommodation
Effective partnerships

High rents and house prices

More older people with support needs

Delivering more homes that people can afford
Regeneration and growth
Bringing empty homes into use
Local Plan and affordable planning guidance

Promoting independence
Independent living and support for mental health issues
Extra care housing
Family Friendly Barnet

High demand for housing (3,000 new homes per annum)

Raising standards in the private rented sector
LEAD agenda (Licensing, Enforcement, Advice, and Data)
Licencing scheme
Proactive targeting and increased enforcement

Safe and secure homes
Maintaining safety
Investment programme
Fire safety works
Partnership working to improve fire safety

Fire safety

National and Regional Context

- Current Housing Strategy dates from 2019.
- Since then:
    - December 2019 – General Election
    - March 2020 – COVID-19 pandemic starts in UK
    - March 2020 – Everyone In rough sleeping campaign
    - April 2020 – Rent Policy Statement ends rent reduction and allows increases of up to CPI +1%
    - November 2020 – Social Housing White Paper published
    - April 2021 – Domestic Abuse Act 2021 - Royal Assent
    - April 2021 – Fire Safety Act 2021 – Royal Assent
    - May 2021 – London mayoral election
    - December 2021 – Adult Social Care Reform White Paper published
    - February 2022 – Levelling Up White Paper published
    - April 2022 – Building Safety Act 2022 - Royal Assent
    - May 2022 – Barnet local election
    - June 2022 – A Fairer Private Rented Sector White Paper published
    - June 2022 – Social Housing Regulation Bill published

National and Regional Context

National

- White Paper – *The charter for social housing residents* (2020)
- Fire Safety Act 2021
- Building Safety Act 2022
- White paper – *People at the heart of care* (2021)
- White Paper – *A fairer private rented sector* (2022)
- White Paper – *Levelling Up the United Kingdom* (2022)

Commitments:

- 300,000 homes per year by mid-2020s
- £11.5bn affordable homes programme for 180,000 homes
- End rough sleeping by 2024

Regional

London Housing Strategy

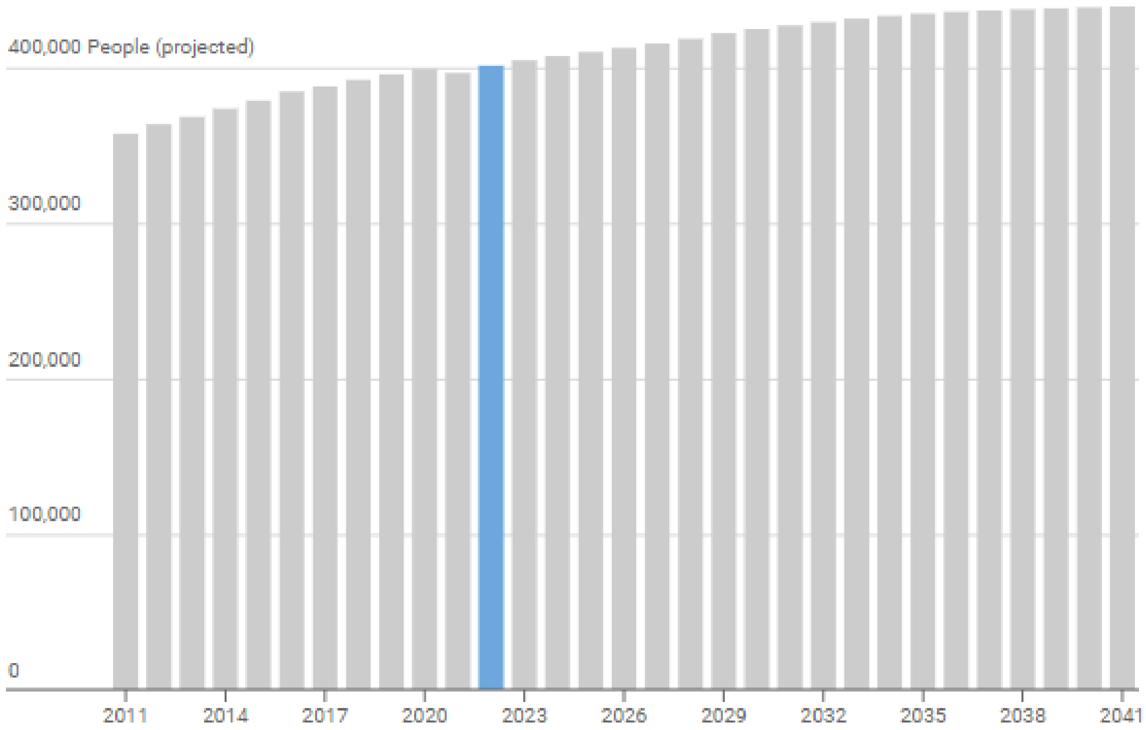
- Building homes for Londoners
- Delivering genuinely affordable homes
- High quality homes and inclusive neighbourhoods
- A fairer deal for private renters and leaseholders
- Tackling homelessness and helping rough sleepers

Commitments:

- *Homes for Londoners*
- £4.8bn affordable homes programme 2016-23
- £4bn affordable homes programme 2021-26

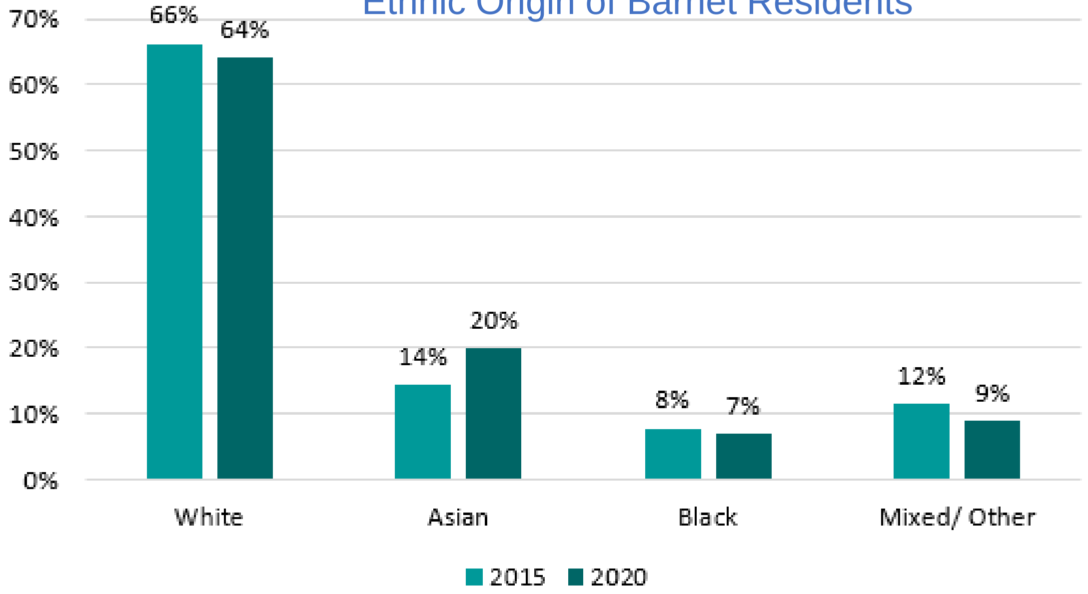
Evidence – a growing and increasingly diverse population

Projected Population Growth



- Barnet’s population in 2021 Census: 389,300
- Increase since 2011 Census: 9.2%
- Expected population by 2041: 451,040
- Projected increase: 61,740 / 15.6%

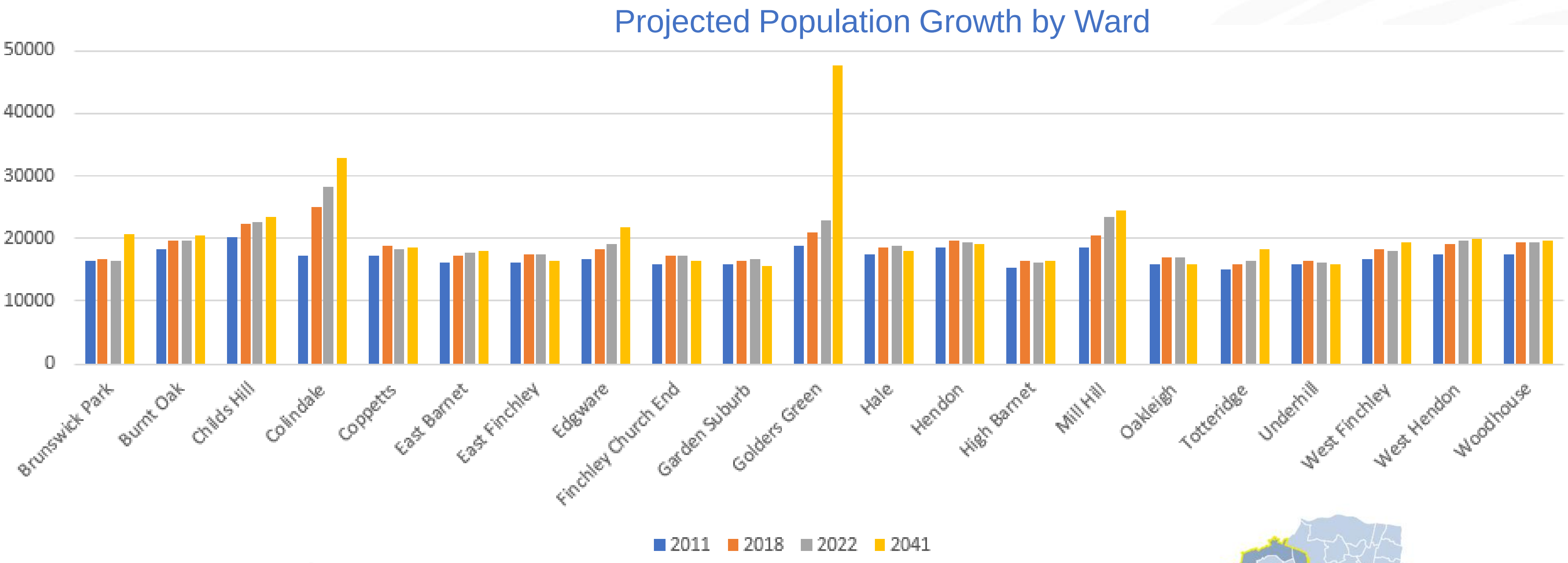
Ethnic Origin of Barnet Residents

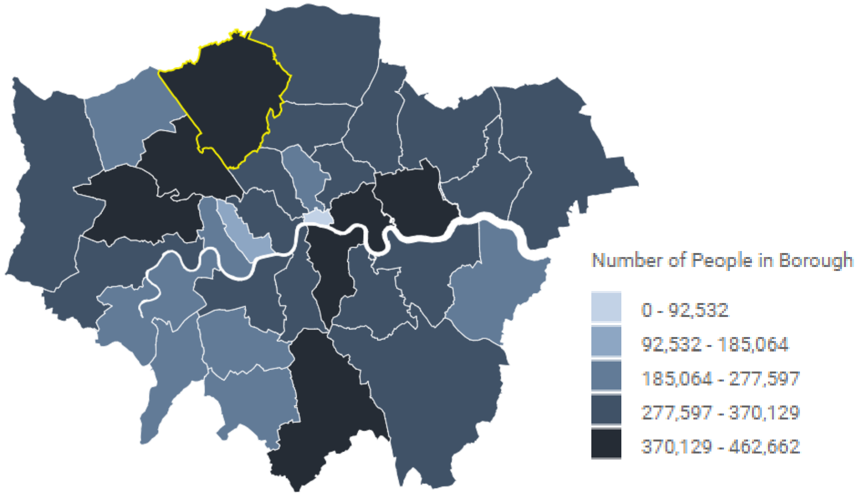


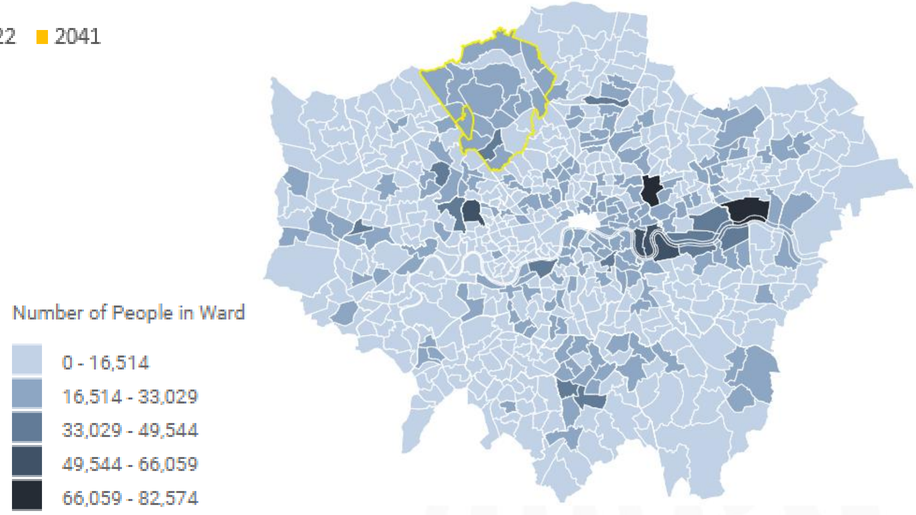
- **182** languages other than English are spoken by pupils in Barnet schools, where Romanian and Arabic are the most common languages spoken after English.
- In secondary schools, **163** languages other than English are spoken, with Polish and Arabic most common.

Sources: ONS Census 2021; GLA Demography 2020-based Population Projections; London Datastore; LB Barnet Insight team school census Jan 2022

Evidence – a growing population







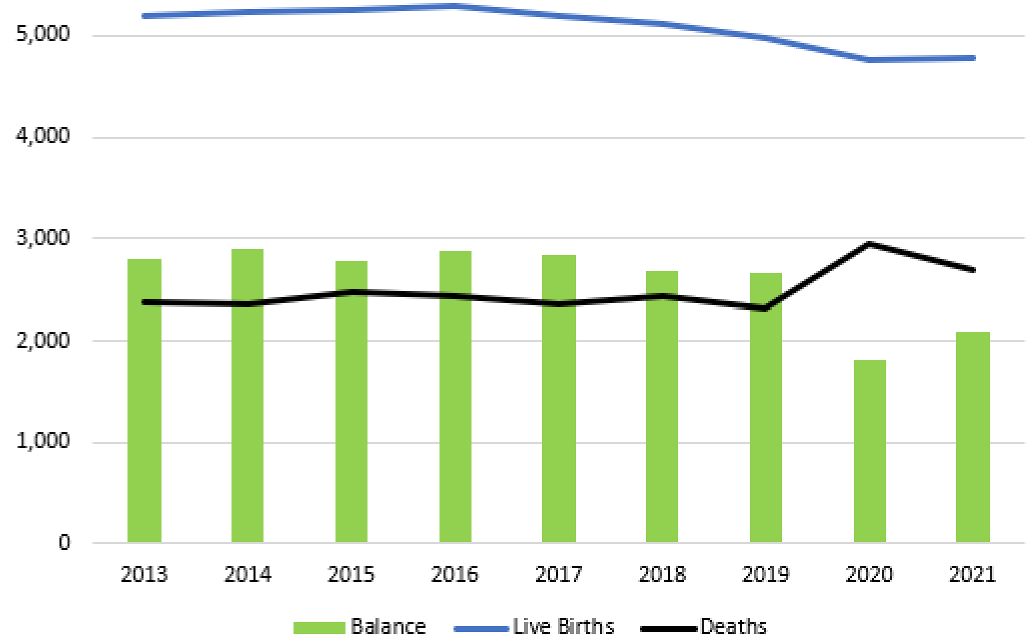
- Largest population increases by wards between 2011 and 2022 were Colindale (+64.5%) and Mill Hill (+26.4%).
- Smallest increases were Brunswick (+0.3%) and Underhill (+1.1%).

- Largest projected population increases between 2022 and 2041 are Golders Green (+107.2%) and Brunswick (+25.4%).
- Smallest projected increases are Garden Suburb (-6.2%) and Oakleigh (-5.3%).

Sources: GLA Demography 2020-based Population Projections;

Evidence – what’s driving population growth?

Barnet Live Births and Deaths



- Net migration (previous 5 years) is about **+1,382** per annum
- International migration (previous 5 years) is about **+4,056** per annum.
- Both are lower than in 2018 (+2,700 and +4,600 respectively). We might reasonably expect post-Brexit that there has been a decrease in migration from EU countries and an increase in other international migration.

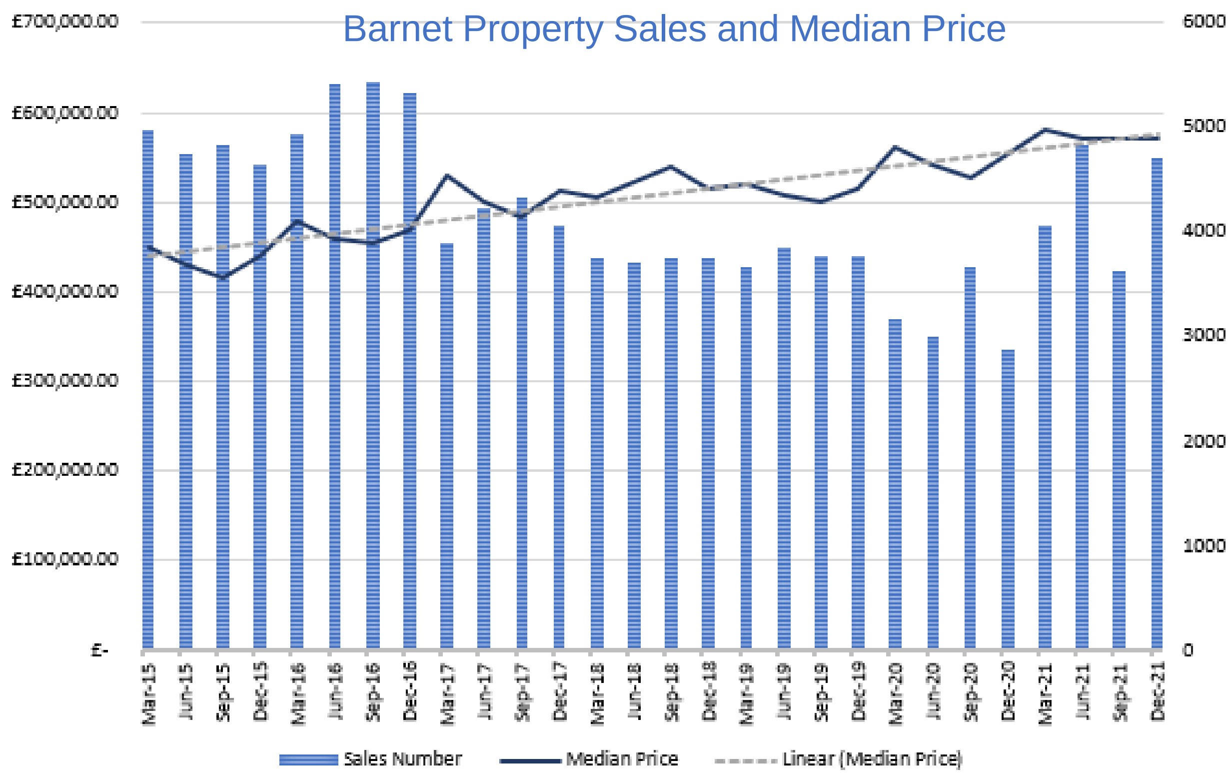
- Net difference between live births and deaths is about **+2,600** per annum (down from +3,000 in 2018)

Barnet Migration Figures

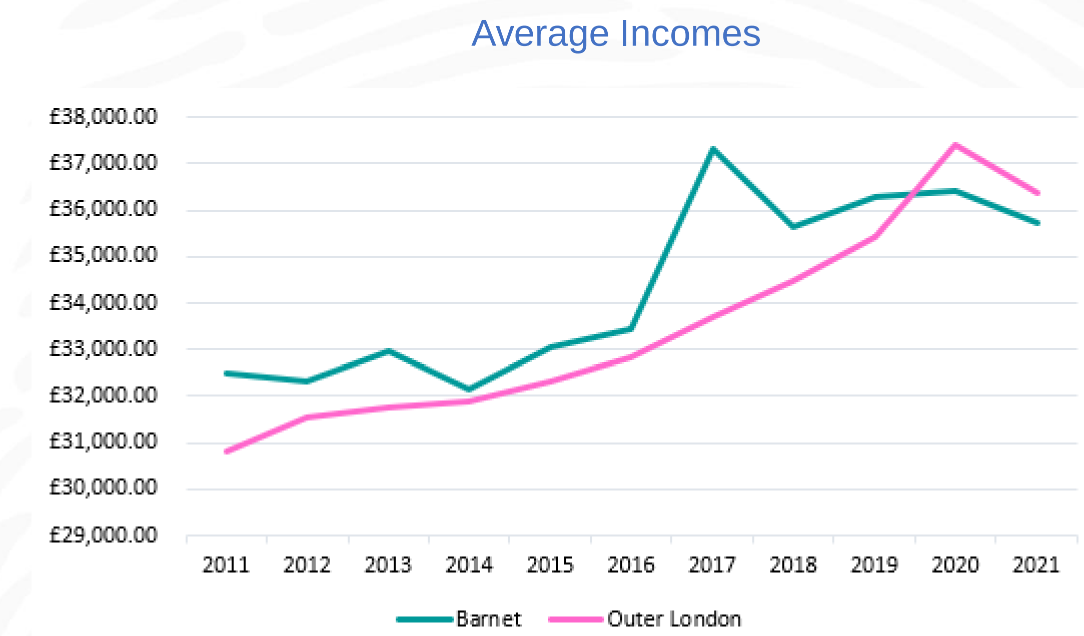
		2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Overall
Long-Term International Migration	Inflow	8,311	6,748	6,092	7,720	8,636	8,257	7,622	7,085	7,269	7,395	**75,135**
	Outflow	3,329	3,033	2,793	3,321	2,969	3,450	3,506	2,864	3,792	3,736	**32,793**
	Net	**4,982**	**3,715**	**3,299**	**4,399**	**5,667**	**4,807**	**4,116**	**4,221**	**3,477**	**3,659**	**42,342**
Internal Migration (within UK)	Inflow	19,948	20,777	20,664	21,984	21,755	22,812	25,028	25,364	26,583	22,984	**227,899**
	Outflow	21,296	21,611	22,396	23,868	25,134	24,591	28,885	28,084	28,906	25,676	**250,447**
	Net	**-1,348**	**-834**	**-1,732**	**-1,884**	**-3,379**	**-1,779**	**-3,857**	**-2,720**	**-2,323**	**-2,692**	**-22,548**
Overall	Net Change	**3,634**	**2,881**	**1,567**	**2,515**	**2,288**	**3,028**	**259**	**1,501**	**1,154**	**967**	**19,794**

Sources: Nomis – Official Census and Labour Market Statistics; ONS
- Local area migration indicators

Evidence – relatively high incomes but house prices also high



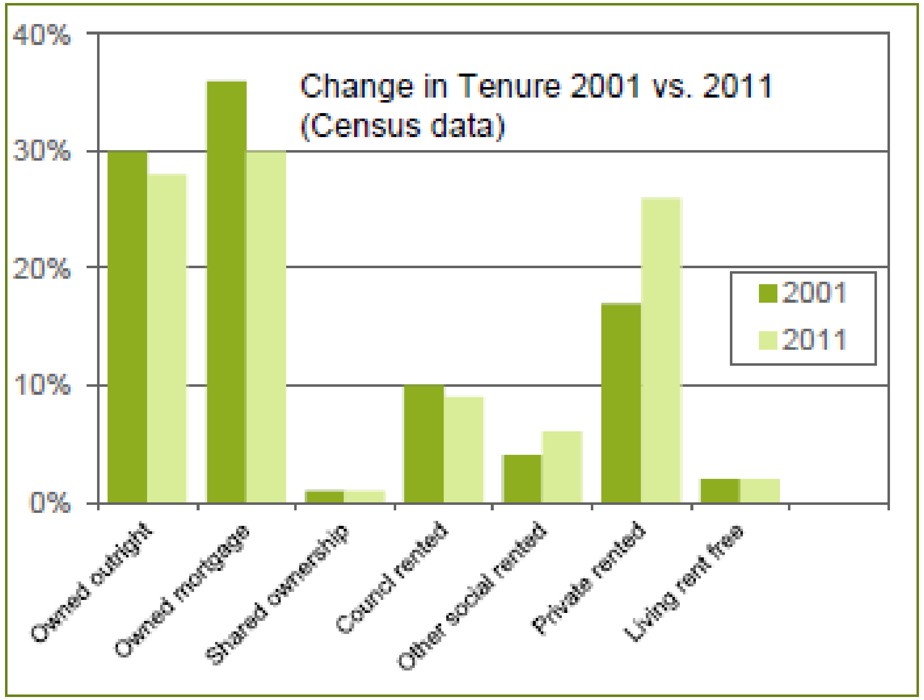
- Median house price in Barnet rose by 3.2% from 2020 to 2021.
- The Barnet median house price in October 2021 was £572,000, which was 15 x the median income of £35,716.
- In 2017, the average house price was £544,597, also 15 x the average income.

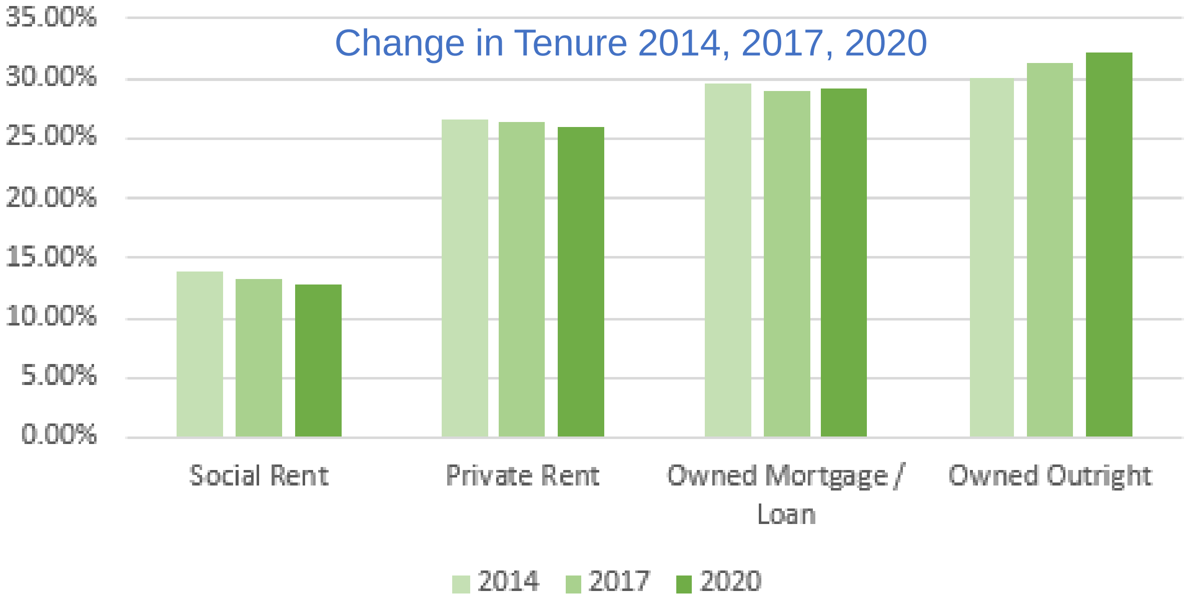


- Median income in Barnet decreased by 4.5% between 2017 and 2021, indicating a squeeze on standards of living.
- Median incomes in Outer London and Inner London increased during the same period by 7.6% and 8.5% respectively.

Sources: gov.uk live tables on housing market and house prices; Nomis – Official Census and Labour Market Statistics

Evidence – tenure shift





2011 Census showed significant shift in tenure:

- Increase in Private Renting (+53%)
- Reduction in owner-occupation (-12%)
- Increase in council / housing association renting (+6%)

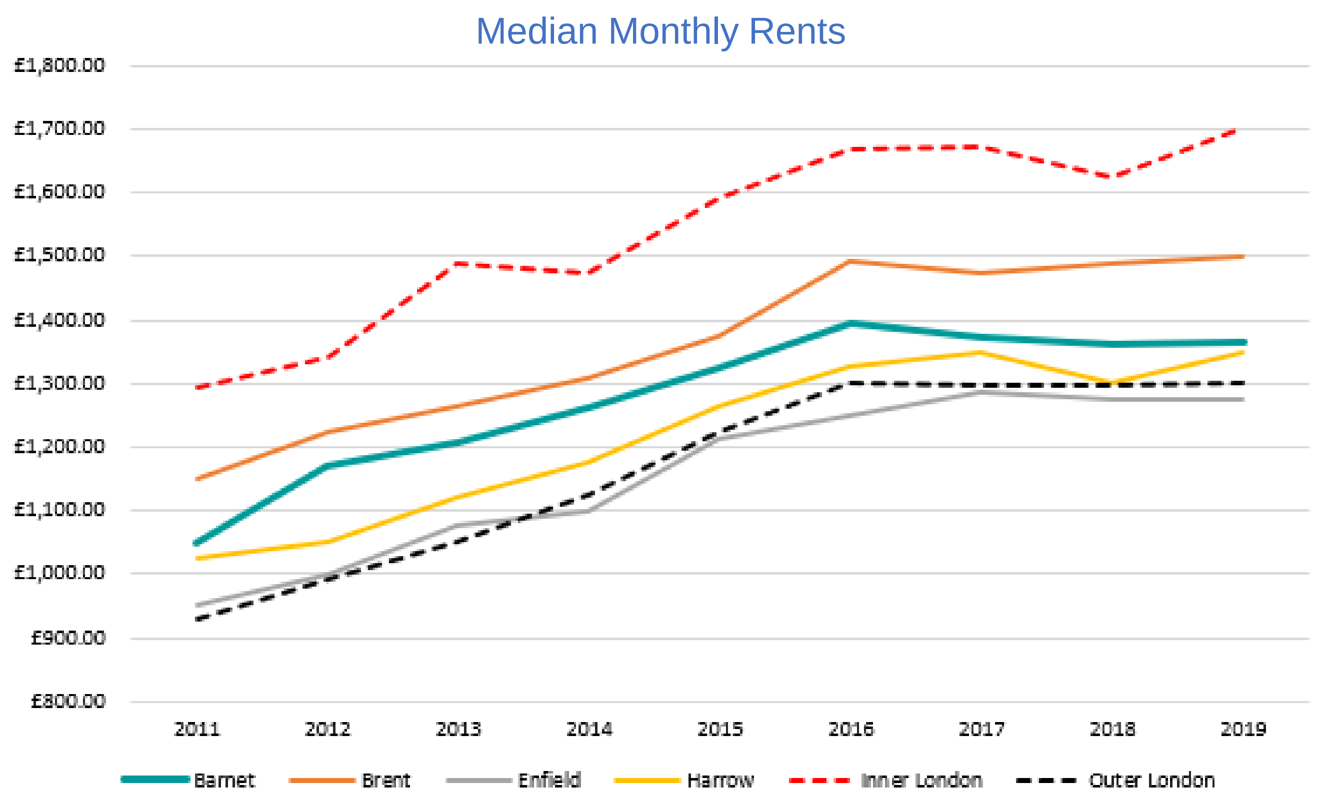
Annual ONS population survey shows a changing picture in the ensuing years. From 2017 to 2020:

- Decrease in council / housing association renting (-0.41%)
- Decrease in private renting (-0.41%)
- Increase in owner-occupation – especially in those owning their property outright (+0.82%)

In 2020, Barnet had the 26th highest proportion of households in social rented properties in London, the 16th highest in private rented, the 13th highest owner-occupied, and 8th highest owned outright.

Sources: 2011 Census; ONS sub-national estimates of households by tenure

Evidence – private sector rents



- Median monthly rent in Barnet in 2019 was £1,365 compared to Outer London's median of £1,300.
- Average rental prices decreased by 0.6% between 2017 and 2019.

Barnet Average Rent Prices

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Av. Rental Price	£ 1,048.33	£ 1,170.25	£ 1,206.50	£ 1,264.00	£ 1,325.00	£ 1,393.50	£ 1,372.50	£ 1,363.00	£ 1,365.00
Change (%)	-	*11.6%*	*3.1%*	*4.8%*	*4.8%*	*5.2%*	*-1.5%*	*-0.7%*	*0.1%*

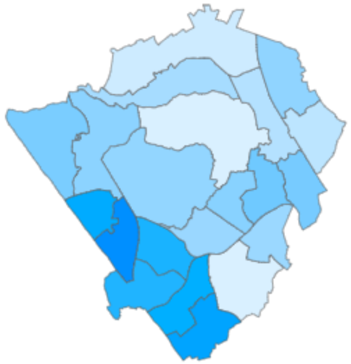
Evidence – welfare benefits and welfare reform

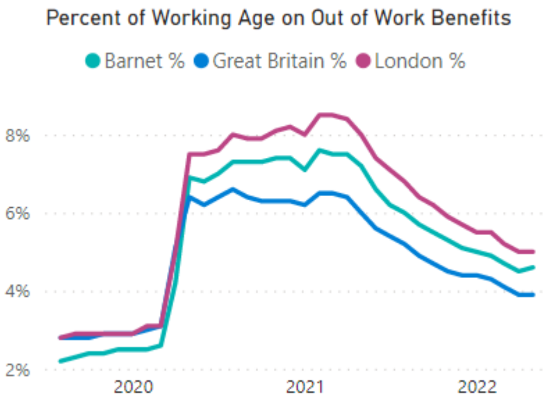
11650
Number of Out of Work Benefit Claimants

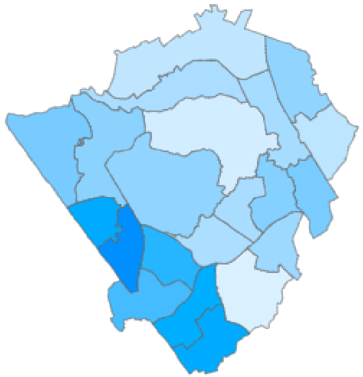
4.6%
% Working Age on Out of Work Benefits

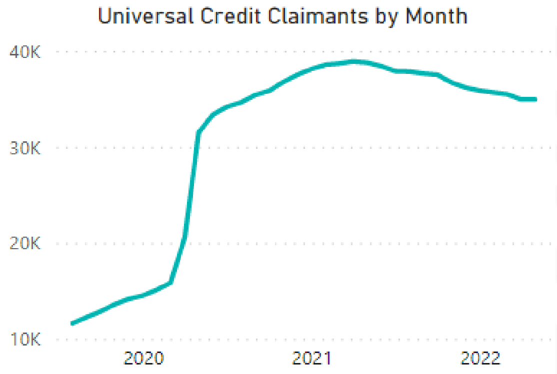
34949
Number of Universal Credit Claimants

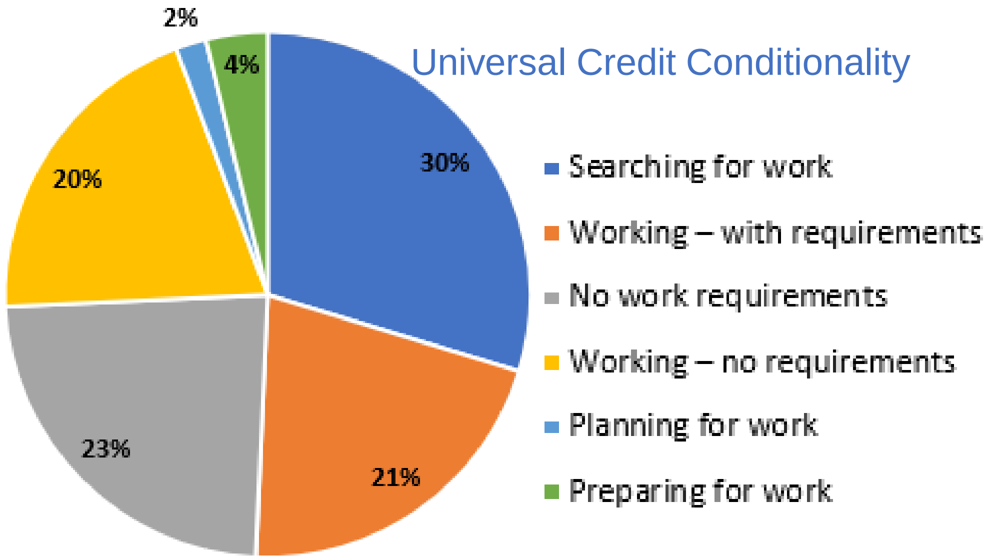
9.0%
% Population on Universal Credit







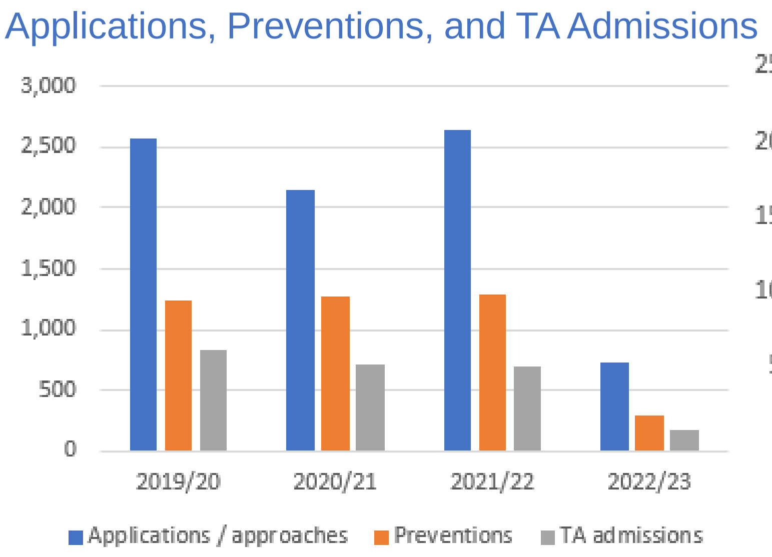


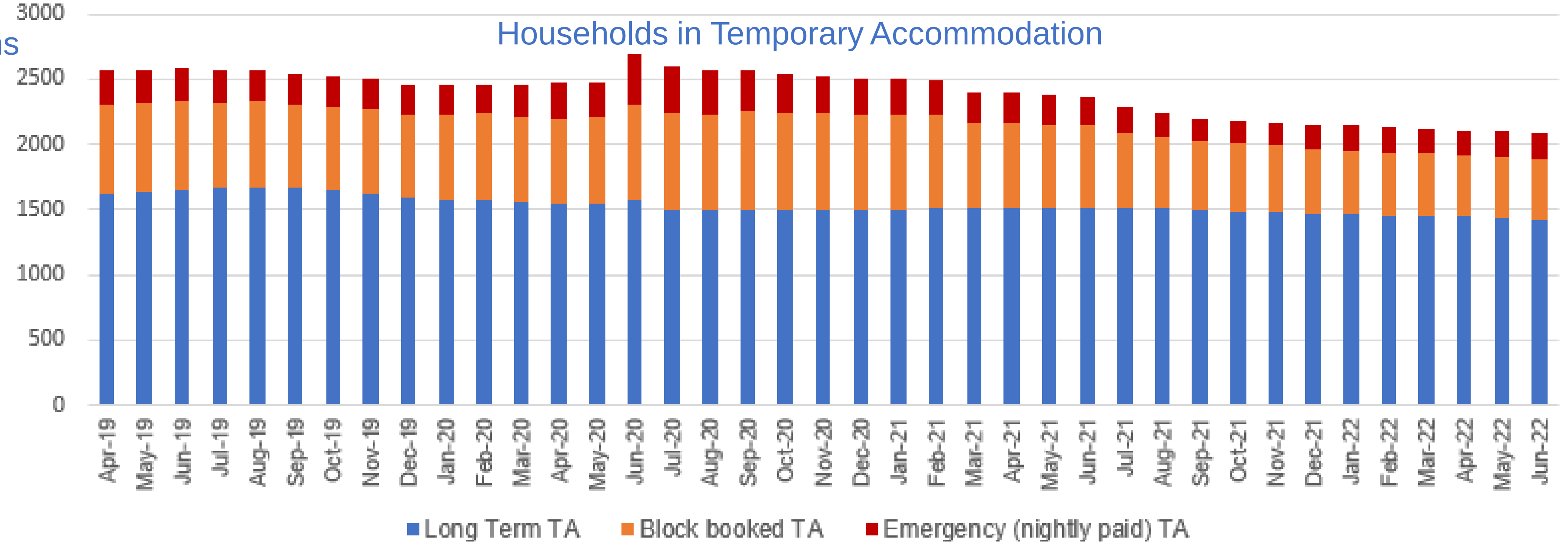


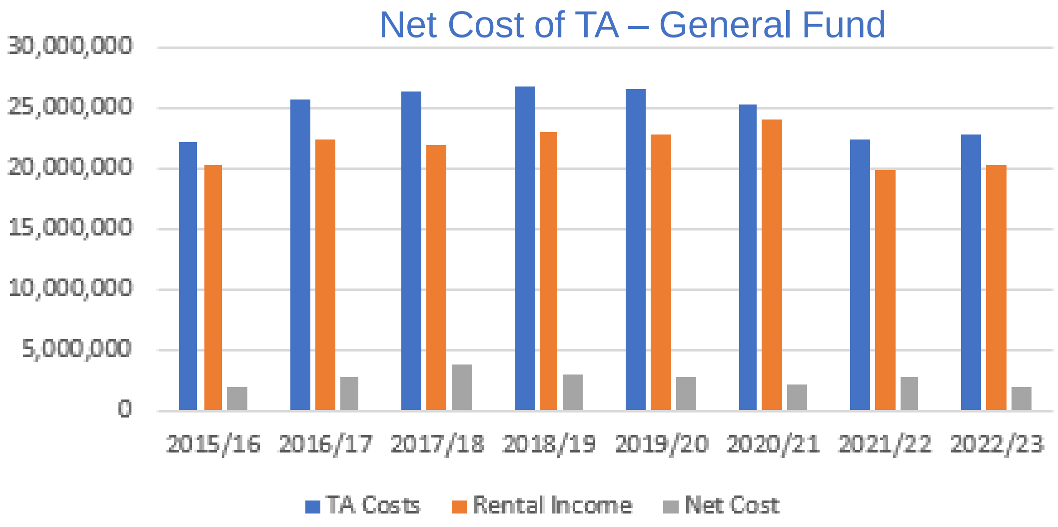
- As of March 2020, the number of Out of Work benefits claimants has risen sharply in Barnet and has been higher than Great Britain's but lower than London's levels. From June 2021 the number has slowly decreased. Barnet wards affected with the highest numbers of unemployment are Colindale, Burnt Oak and Child's Hill.
- The number of Universal Credit Claimants has more than doubled since 2020 and is equal to 9.9% of Barnet's population. The most affected wards are Colindale, Burnt Oak and Child's Hill, with Hendon, Golder's Green, West Hendon and Woodhouse following closely behind.

Sources: gov.uk Universal Credit statistics

Evidence - homelessness

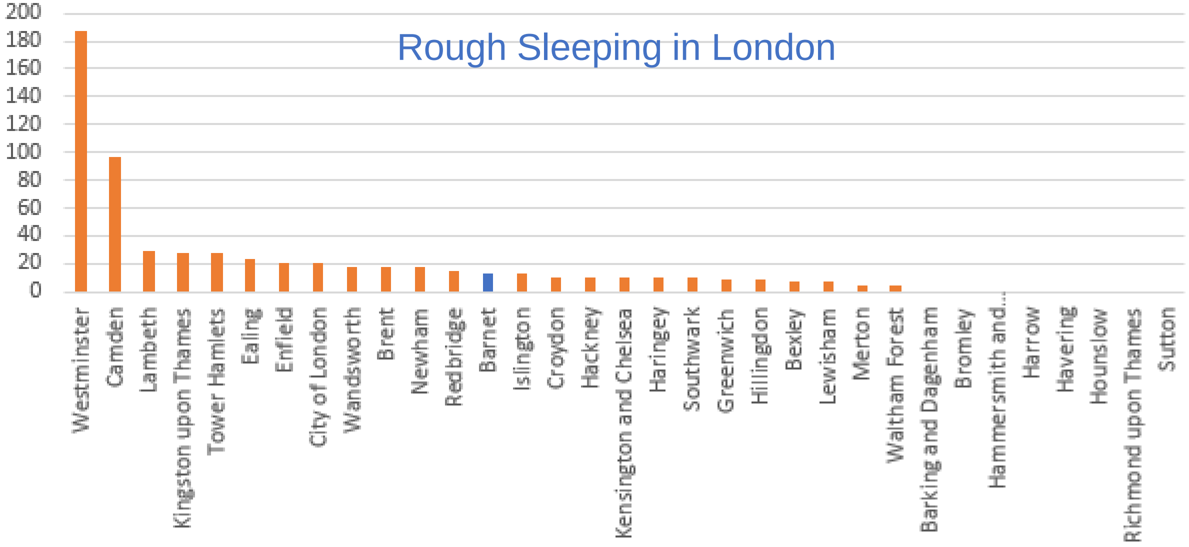


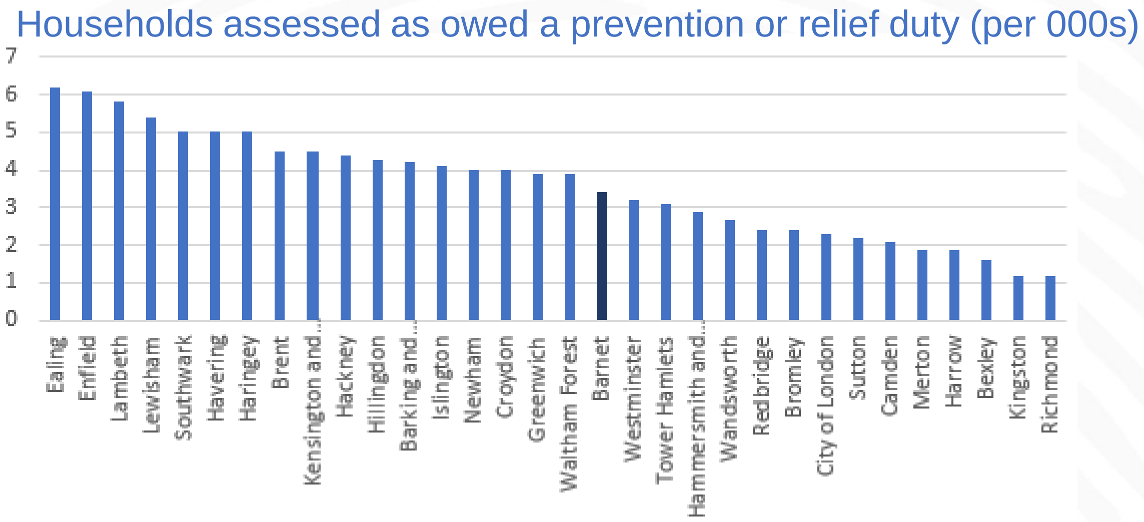




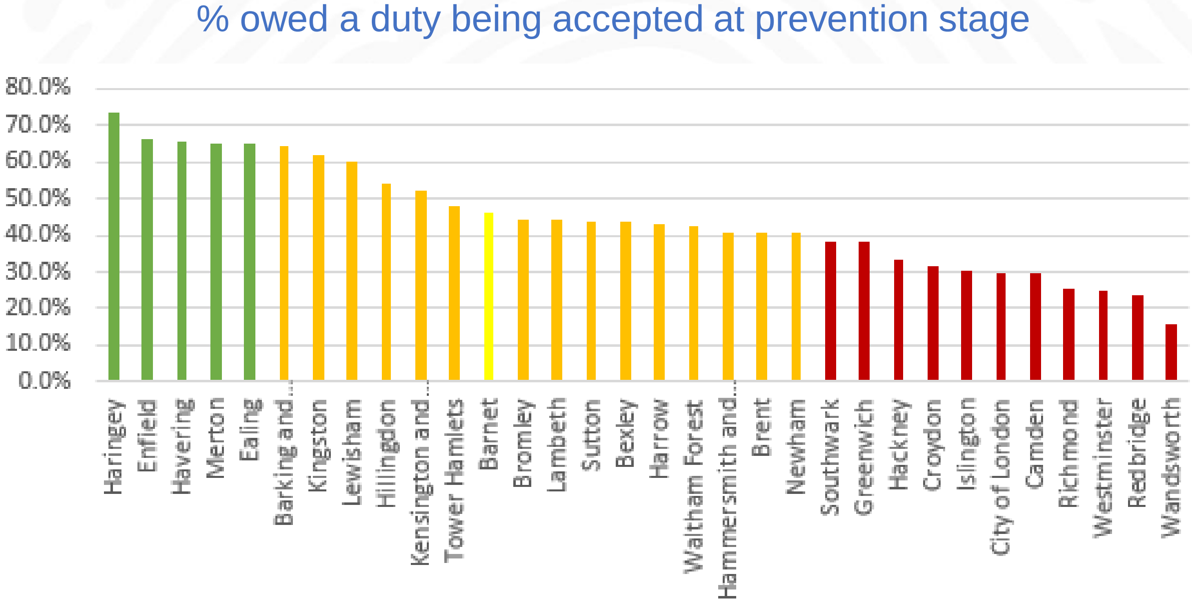
- Homelessness applications have remained high, but preventions have increased slightly, and use of TA has been reducing and in July 2022 was at its lowest in over 10 years.
- The projected net cost of temporary accommodation for 2022/23 is slightly lower than the previous year due to underspending on landlord incentives; the package currently offered is not competitive enough with the private market and in comparison with some other boroughs, resulting in less willingness for landlords to take on TA clients in private tenancies.
- Net costs are inclusive of TA payments, TA landlord incentives, TA rental income, and SDI rental income and costs.

Evidence - Homelessness performance comparison





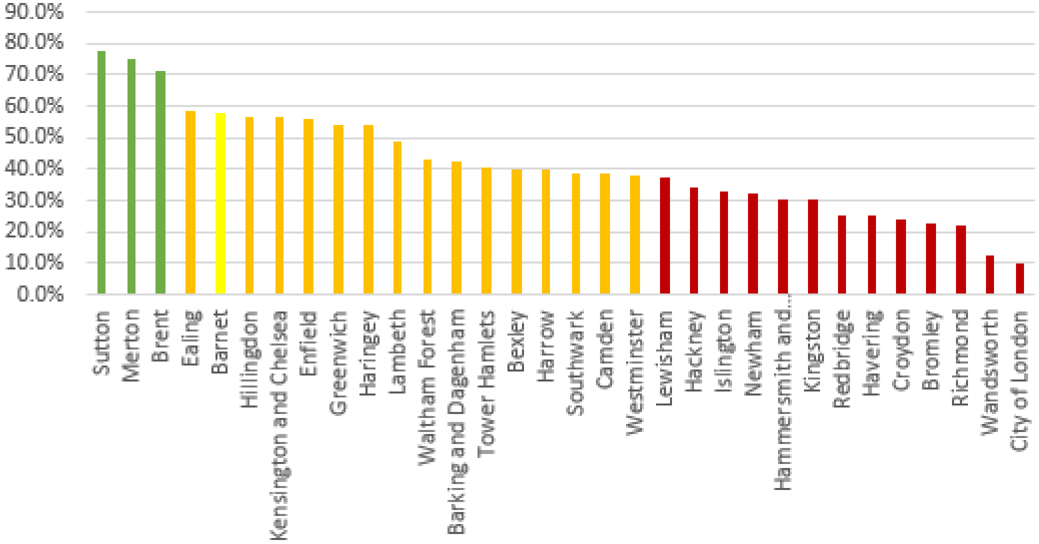
- Rough sleeping lower than London average in Barnet, and was lower in 2020 and 2021 than previous years.
- In the January – March 2022 quarterly data return on local authorities' actions under statutory homelessness legislation, Barnet performed in the middle two quartiles nationally.
- 12 of 27 London boroughs had no households with children in B&B accommodation for over 6 weeks, including Barnet.
- 26 of 27 London boroughs had no 16-17 year olds in B&B accommodation, including Barnet.



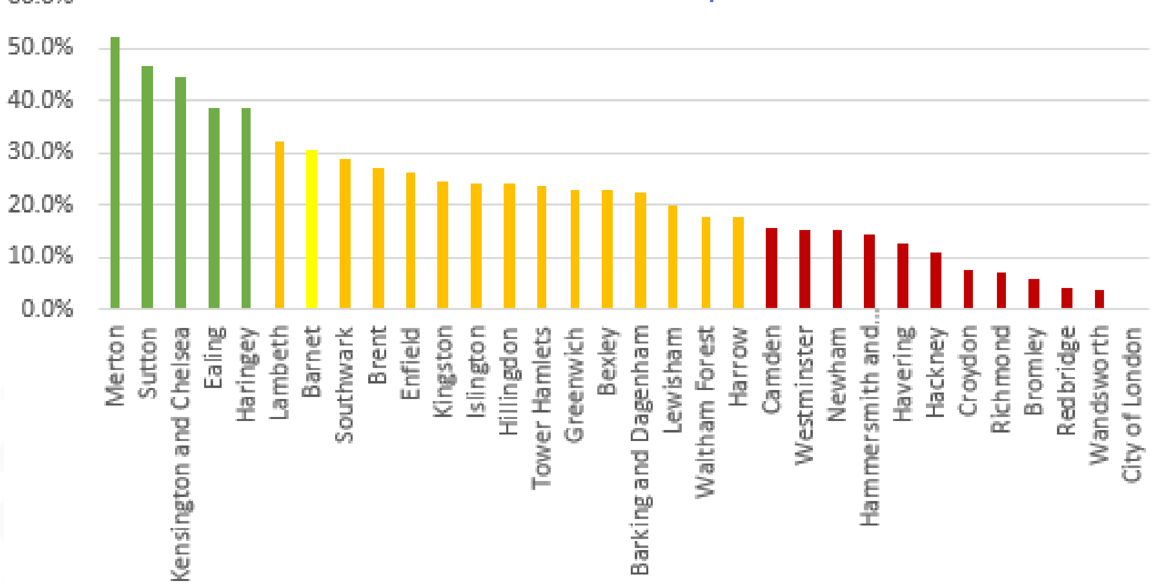
Source: DLUHC Annual Rough Sleeping Snapshot in England (Autumn 2021) , DLUHC H-CLIC Performance Dashboard Jan-Mar 2022

Evidence - Homelessness performance comparison

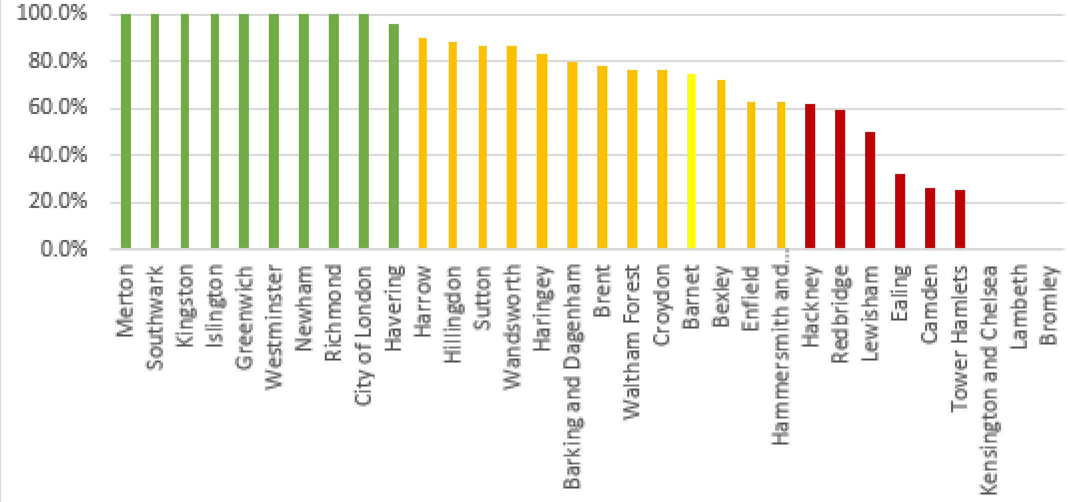
% prevention and relief duties owed that ended in accommodation secured



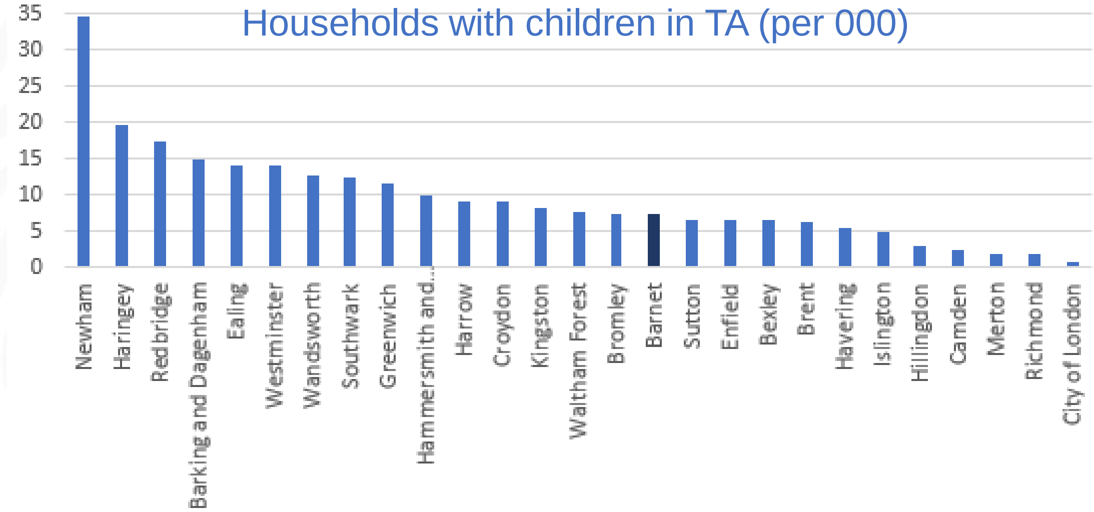
% duties owed that were prevented



% main duties that ended in accommodation secured

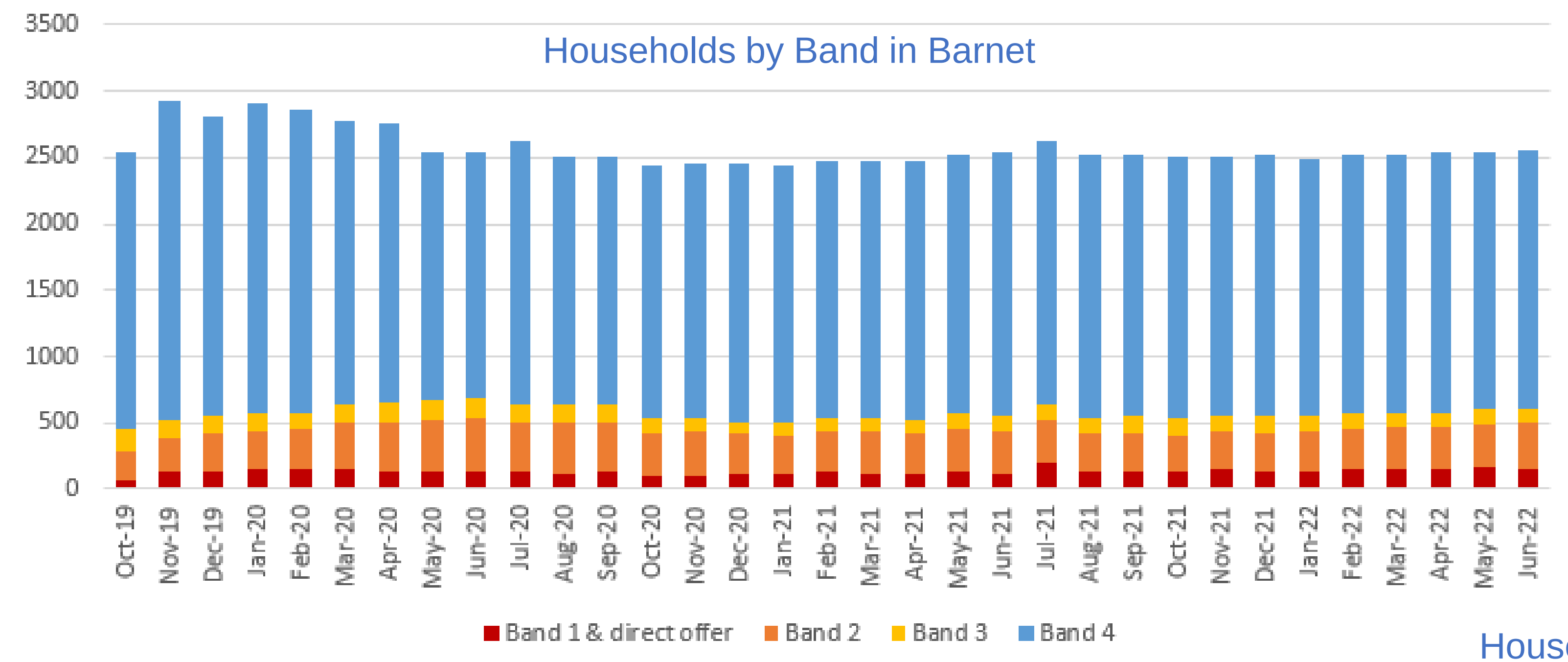


Households with children in TA (per 000)



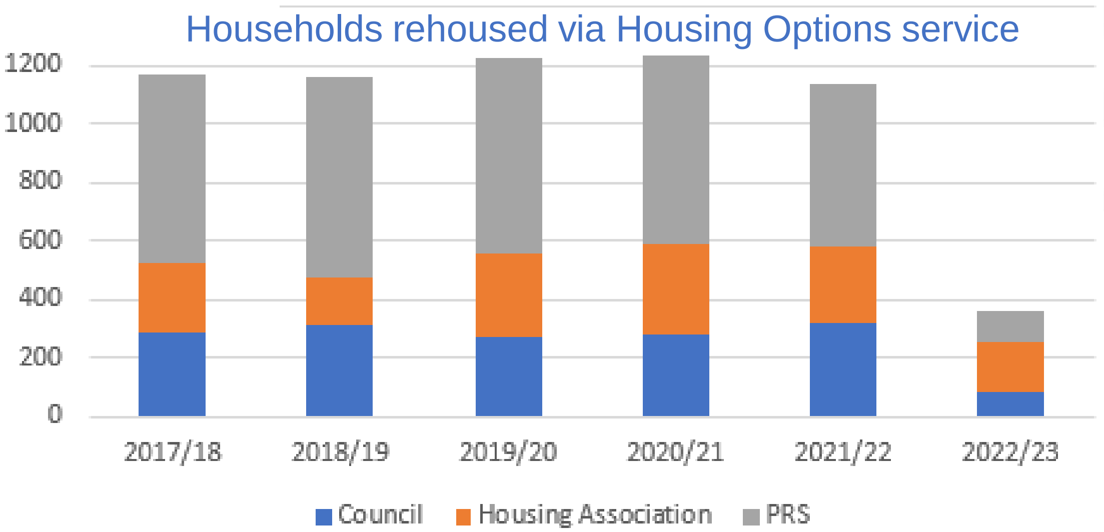
Source: DLUHC H-CLIC Performance Dashboard Jan-Mar 2022

Evidence - housing needs



- Housing demand has remained high, with an increase in households being placed in Bands 1 and 2.

- The supply of social rented / affordable homes has fallen slightly.
- Since April 2021 the private rented market has become increasingly challenging, with a reduction in supply of 35% across London, PRS rents increasing by 16% in 2022, and more households declining PRS offers.



Source: Barnet Homes

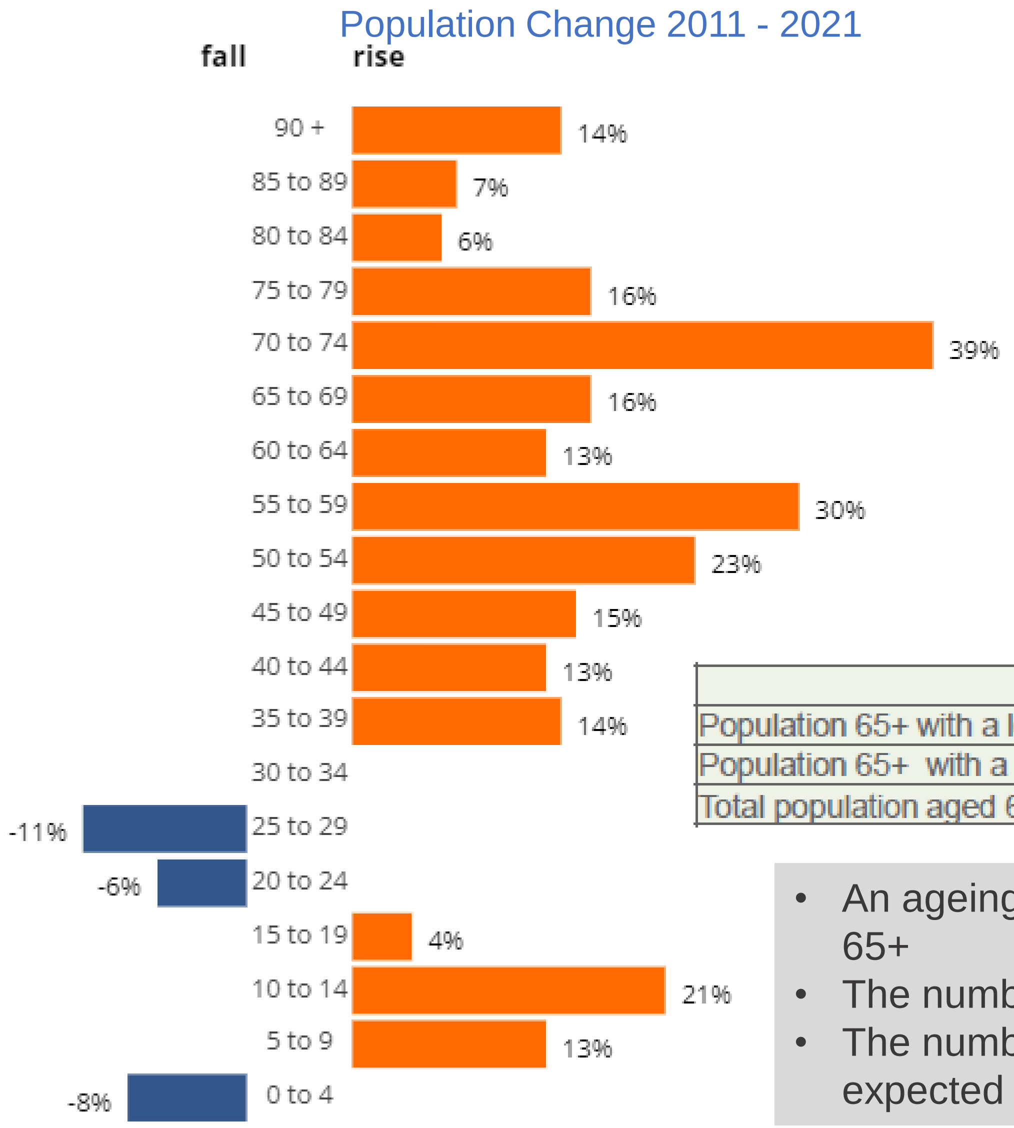
Evidence – housing supply and high priority demand

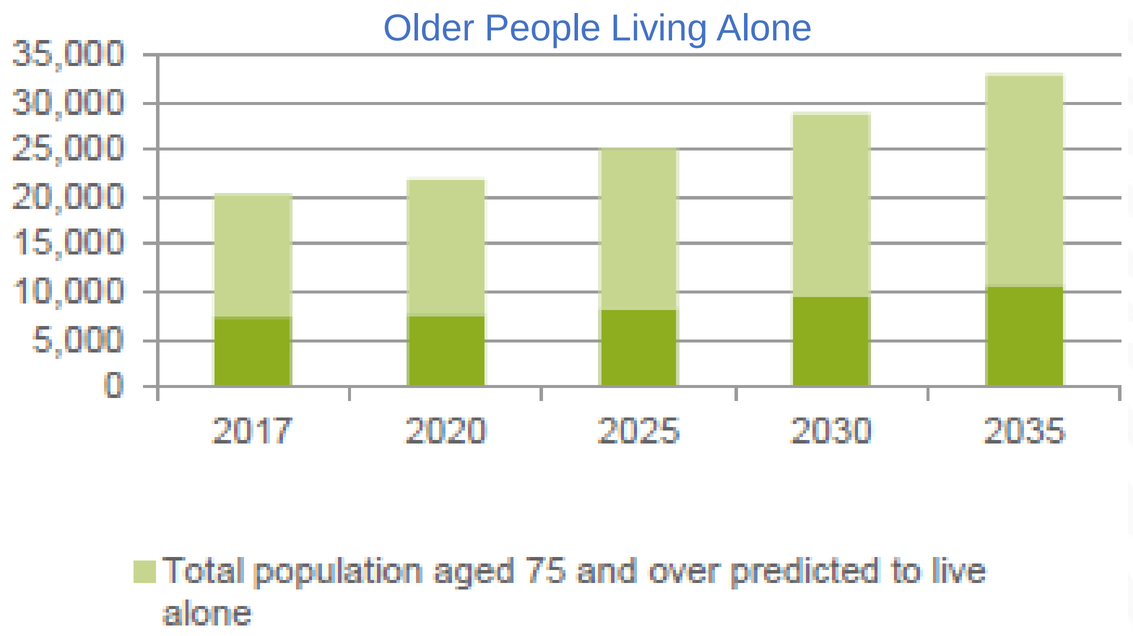
Projected supply vs. demand						
Bed size	Category	Y1 22/23	Y2 23/24	Y3 24/25	Y4 25/26	Y5 26/27
Studios	Supply	77	84	60	71	60
	Demand	39	40	38	40	40
	Difference	38	44	22	31	20
1-beds	Supply	365	277	294	342	347
	Demand	353	428	445	340	405
	Difference	12	-151	-151	2	-58
2-beds	Supply	375	233	318	320	474
	Demand	142	224	205	172	217
	Difference	233	9	113	148	257
3-beds	Supply	227	140	195	237	207
	Demand	288	296	305	274	276
	Difference	-61	-156	-110	-37	-69
4-beds	Supply	73	49	44	62	66
	Demand	155	162	152	155	159
	Difference	-82	-113	-108	-93	-93

- Focusing on the demand from housing applicants in Bands 1 and 2, direct offers, and regeneration and ad-hoc decanting schemes, there are particular housing supply pressures regarding 1-bedroom properties, 3-bedroom properties, and 4-bedroom properties.

- There is also a limited expected supply of wheelchair-adapted properties to meet the present need from Band 1 applicants.

Evidence – older people



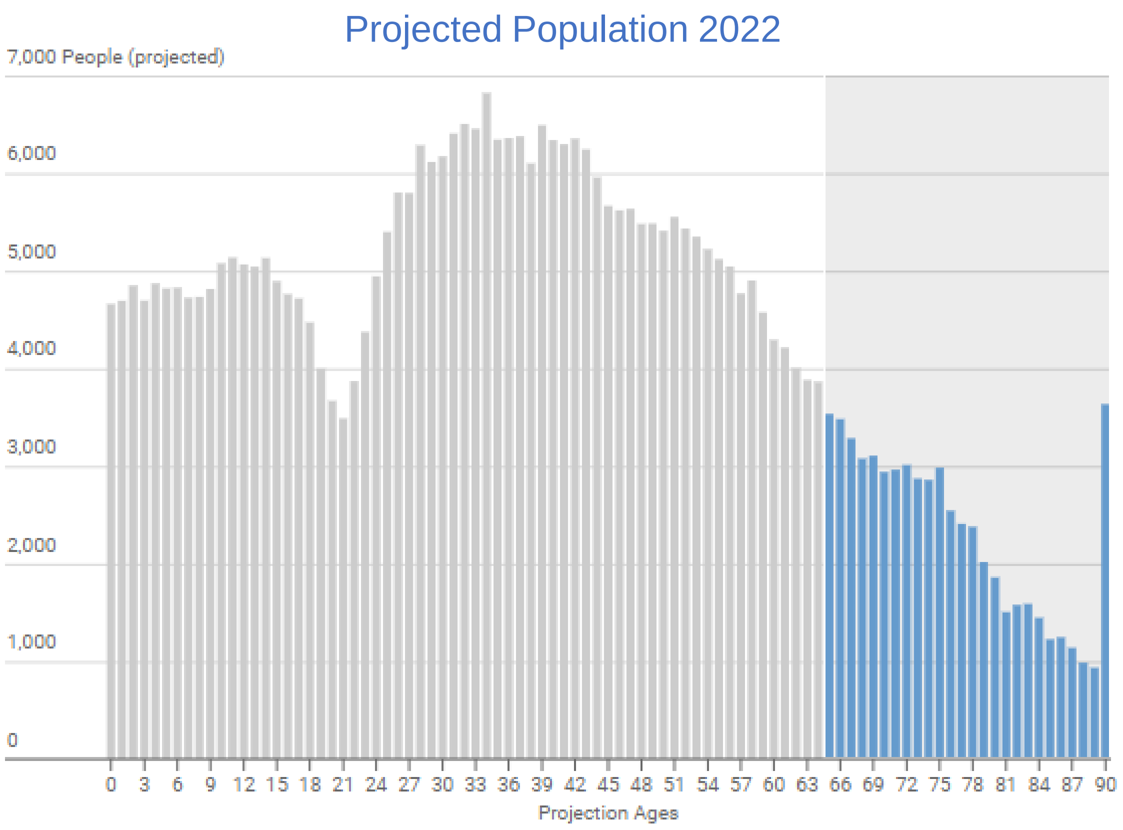


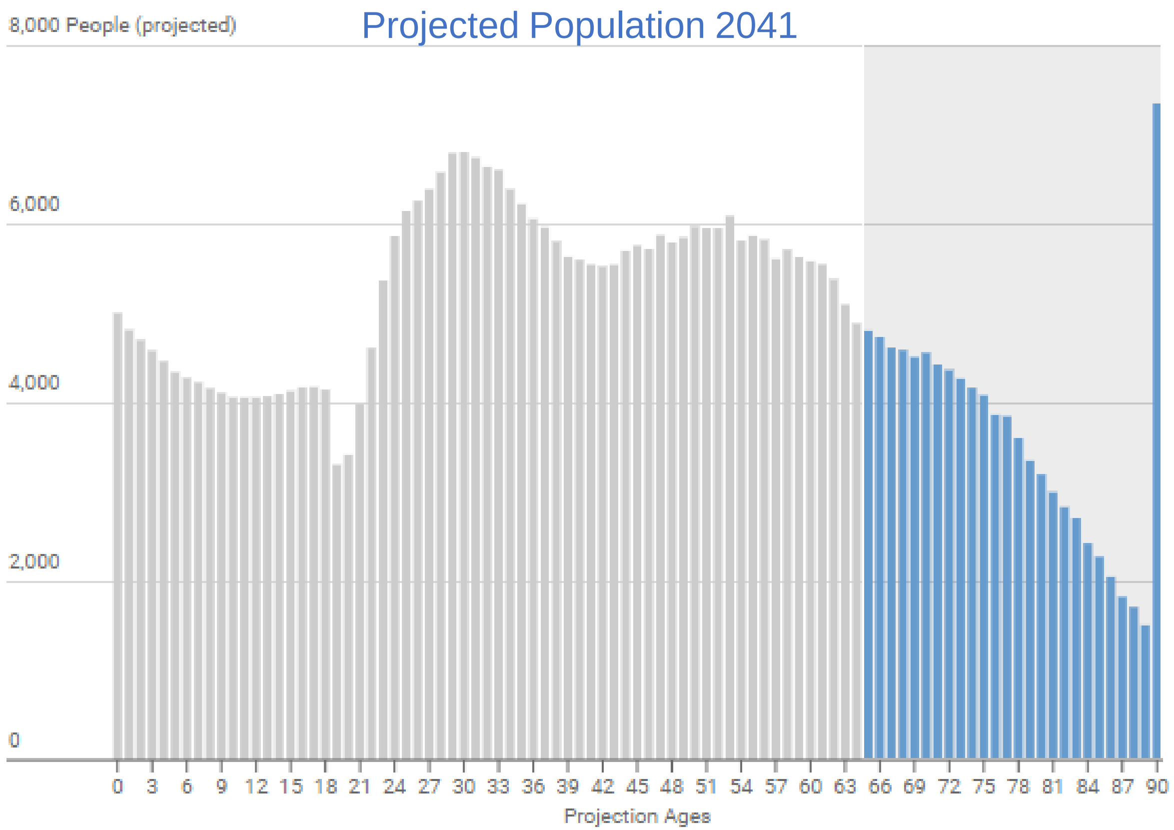
	2017	2020	2025	2030	2035
Population 65+ with a long term illness whose day-to-day activities are limited a little	13,151	14,102	16,138	18,512	21,061
Population 65+ with a long term illness whose day-to-day activities are limited a lot	11,804	12,725	14,696	17,011	19,727
Total population aged 65 and over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

- An ageing population, although below the national average: 18.3% increase in those aged 65+
- The number of people living alone is expected to increase.
- The number of older people with long-term limiting health conditions and dementia is expected to increase.

Sources: ONS Census 2021; POPPI (Projecting Older People Population Information)

Evidence – older people



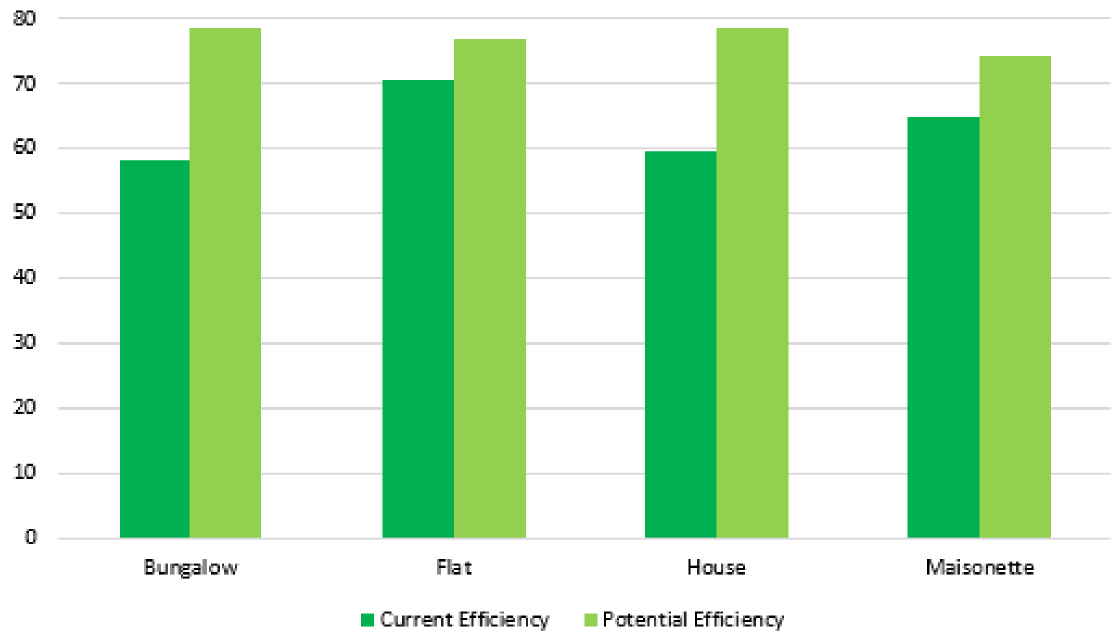


- Projections indicate an increase in people aged over 65 in Barnet by 2041.
- Population of those aged 0-17 projected to decrease by 11.6% by 2041.
- Population of those aged 18-64 projected to increase by 5.7% by 2041.
- Population of those aged 65+ projected to increase by 56% by 2041.

Sources: GLA Demography 2020-based Population Projections

Evidence – stock condition

Current and Potential Energy Efficiency by Property Type



Domestic Property Energy Efficiency Rating

Ratings	Energy Rating (%) 2022	Energy Rating (%) 2018
A (92+)	**0.2%**	*0.1%*
B (81-91)	**14.6%**	*12.3%*
C (69-80)	**30.5%**	*27.4%*
D (55-68)	**37.2%**	*36.5%*
E (39-54)	**14.7%**	*18.5%*
F (21-38)	**2.2%**	*4.4%*
G (1-20)	**0.4%**	*0.9%*

- Across all postcode areas, domestic properties have an average of 9.4 improvement points to reach potential energy efficiency levels (down from 11 in 2018).
- On average, flats in Barnet have the highest current levels of energy efficiency (average score 70), while bungalows (58) and houses (60) are the lowest.

- Most domestic properties in Barnet have a current energy performance certificate rating of either C or D.
- Since 2018, the proportion of domestic properties with an EPC of B, C, or D has increased, and of A, E, F, and G has decreased.

Evidence - Delivery of new homes

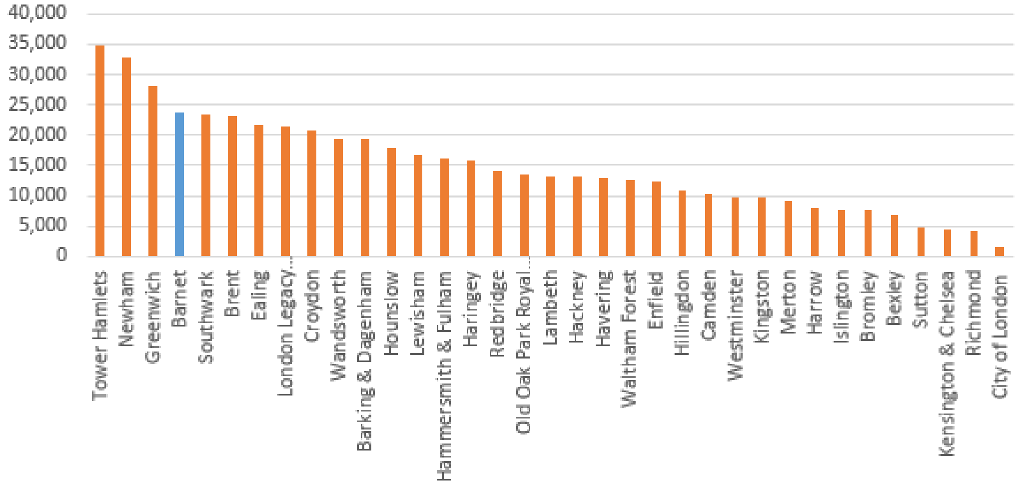
- 2,086 new homes delivered on regeneration schemes between 2018 and 2020
- 1,572 new homes to be delivered on regeneration sites, of which 520 will be for affordable rent, and 1,052 will be affordable homes for purchase

Barnet Homes	2023	2024	2025	2026	Type
Stag House	51				Extra Care
Cheshire House	51	75			Extra Care
Upper Lower Fosters		142			100% affordable
Broadfields			30		100% affordable
The Grange			50		100% affordable
Little Strand		35			100% affordable
Coppetts	16				100% affordable
Burnt Oak Rooftop		18			100% affordable
Potential future programmes			10	600	Mix of 100% & 50% affordable
Total	118	270	90	600	

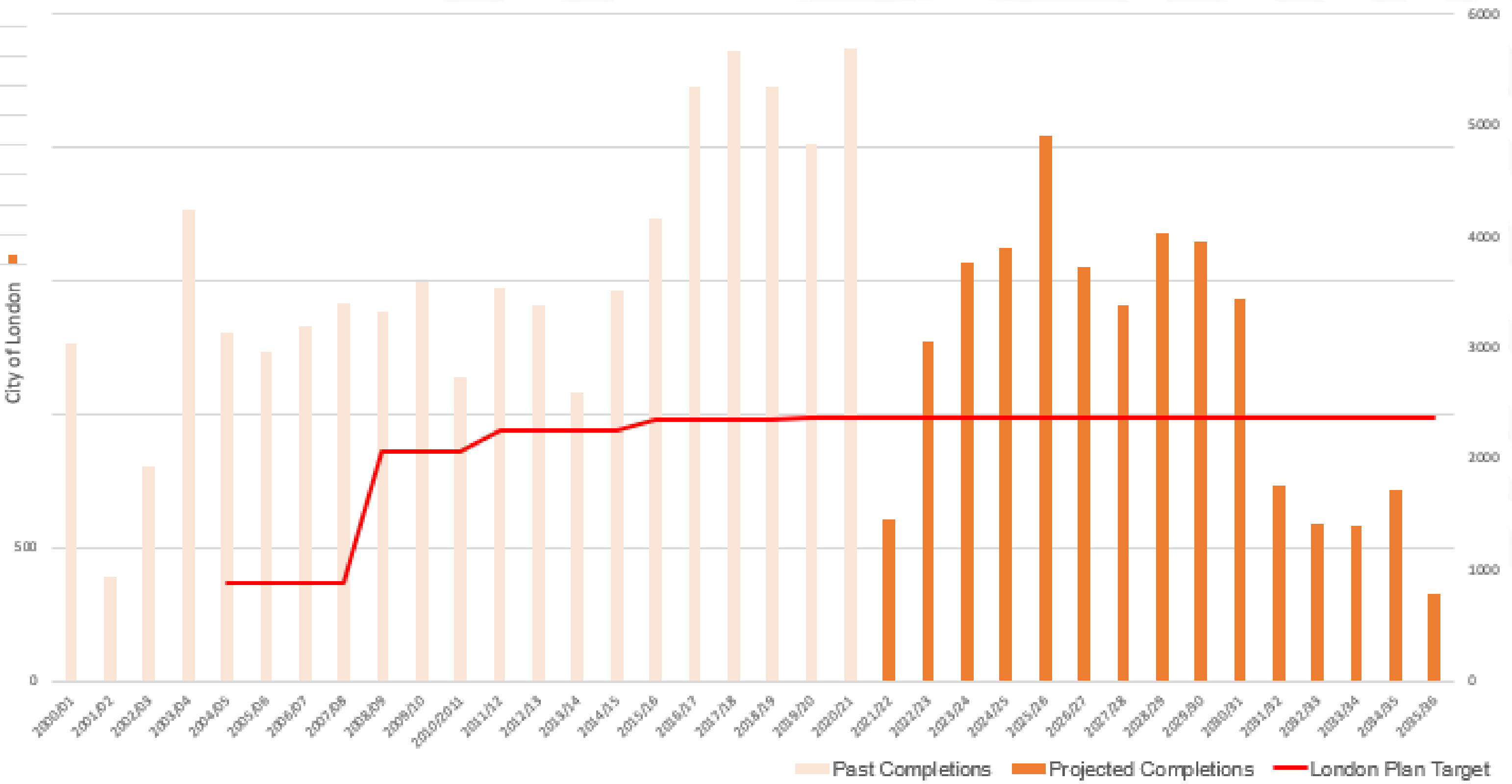
Regeneration sites	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Dollis Valley	42			94							
Granville Road	28	18									
West Hendon		78	71	34	96	19					
Grahame Park			209		190	66	72	78	190	229	11
Total	70	96	280	128	286	85	72	78	190	229	11

Evidence - Context – targets for delivery of new homes in London

The London Plan's ten-year targets for housing completions in each London planning authority (2019/20 to 2028/29)

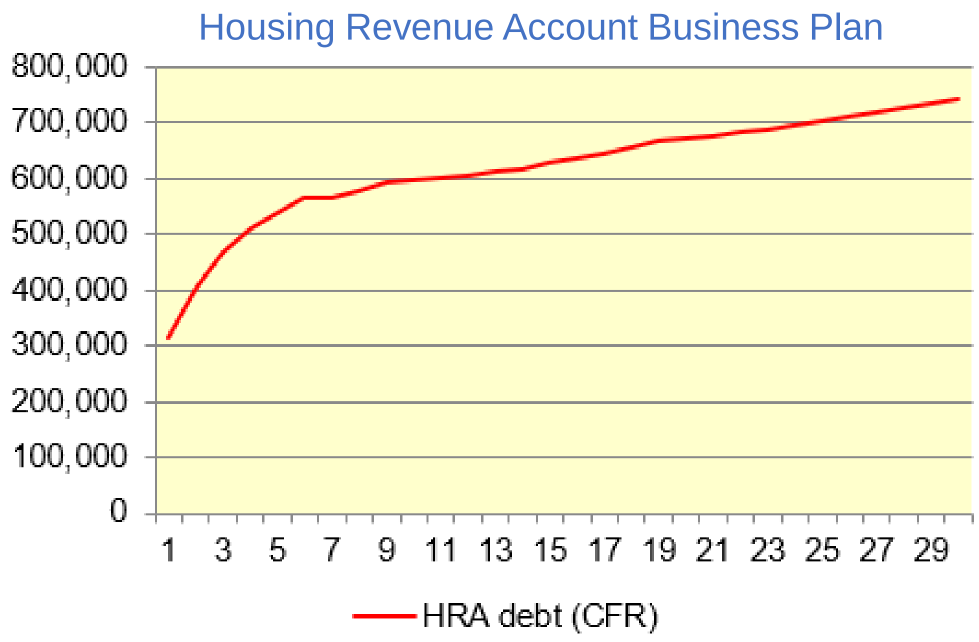


Barnet's London Plan housing trajectory



Barnet's housing trajectory shows that the borough will exceed the target in the London Plan.

Evidence - Financing the strategy



General Fund Medium Term Financial Strategy

2022/23 approved budget through MTFS March 2022 Full Council	2022/23 Budget (£)	2023/24 (£)	2024/25 (£)	2025/26 (£)	2026/27 (£)
Expenditure	31,197,791	30,791,145	29,590,261	29,482,966	29,482,966
Income	-25,854,760	-25,955,760	-26,085,760	-26,099,760	-26,099,760
Net Expenditure	5,343,031	4,835,385	3,504,501	3,383,206	3,383,206
		-507,646	-1,838,530	-1,959,825	-1,959,825

- Housing Revenue Account Business Plan as at February 2022 shows we are operating within minimum reserve levels.
- All fire safety works included in HRA – totally £47.4m.

- General Fund Medium Term Financial Strategy includes future budget savings and pressures.
- Issues that may affect the MTFS include rental income from temporary accommodation (TA), impact of cost of living increases, the capital programme for Opendoor Homes for affordable TA, private sector landlord incentives, and reductions in FHS Grant.

Sources: Barnet Homes; London Borough of Barnet

Emerging themes

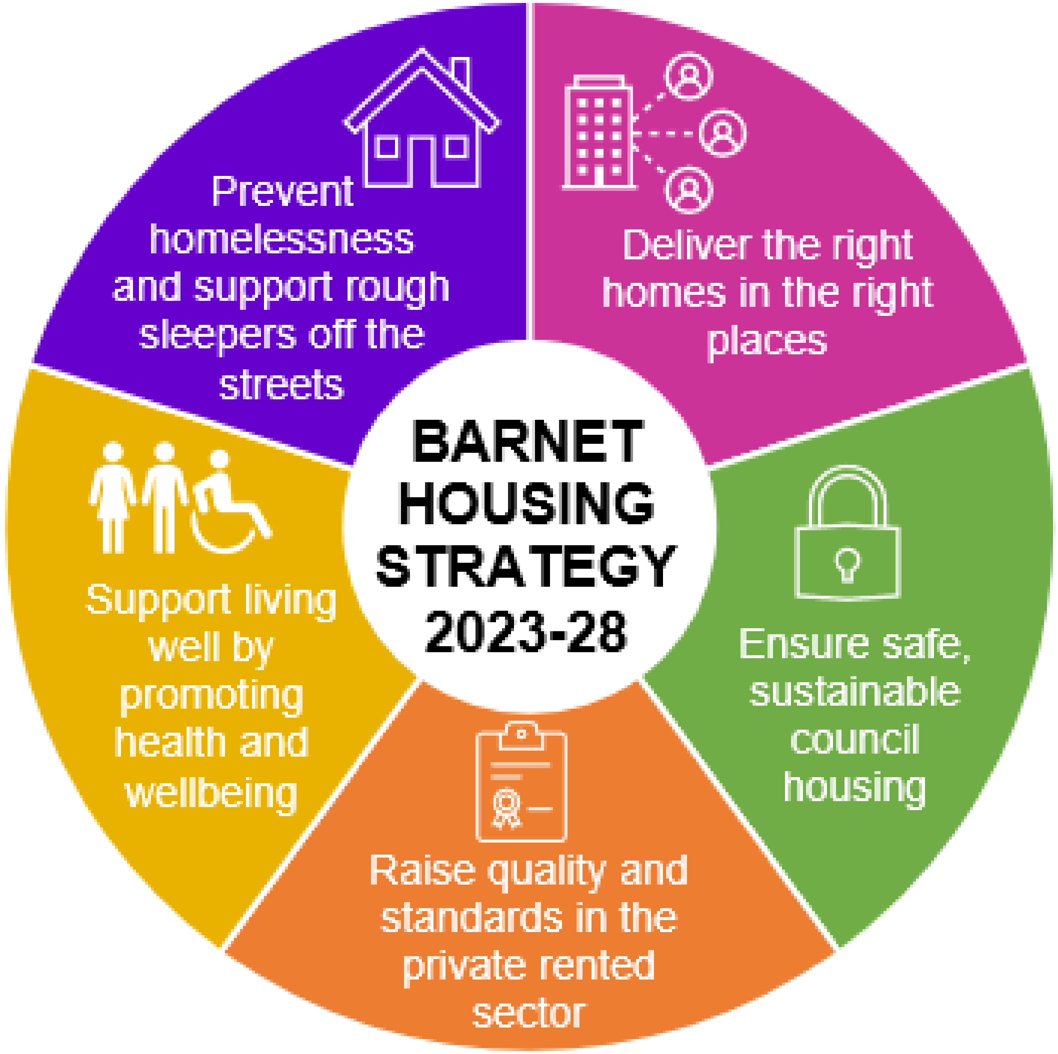
High demand for affordable housing

High rents and house prices

Housing supply challenges

Cost of living and inflation pressures

More older people with support needs



High numbers in private rented sector

Evolving regulation and legislation

Support and tenancy sustainment

Fire and building safety requirements

Energy efficiency targets