

Westminster City Council

Westminster Housing Strategy

Direction of travel statement

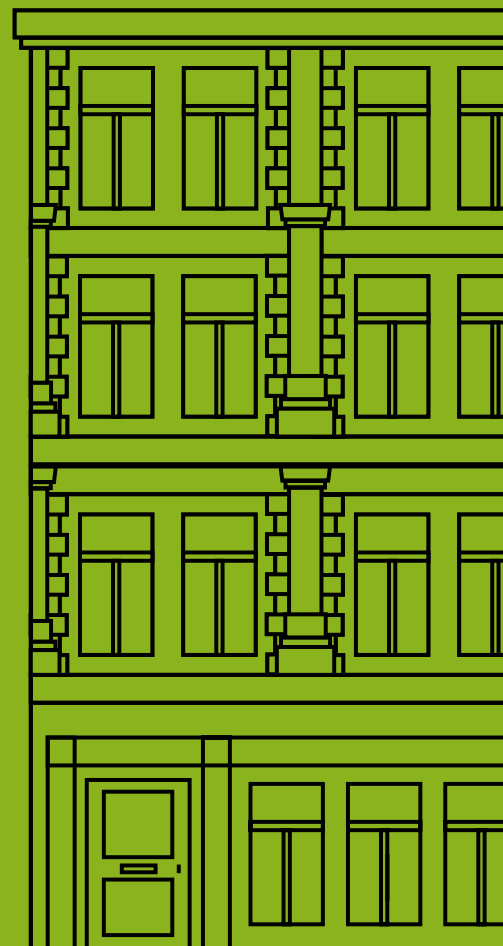
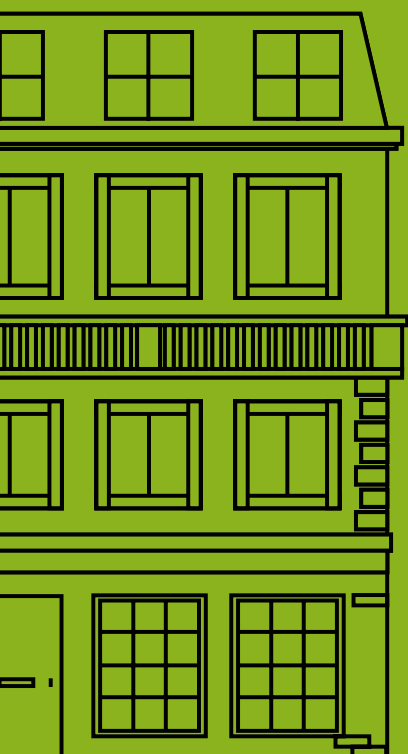
December 2015



City of Westminster

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Foreword





Since we published our draft housing strategy for consultation in the summer, much has changed.

The government is introducing a range of new policies which will both change the way councils provide, finance and manage housing and affect the demands on our services. At the same time evidence of the scale of housing need – and of the importance of meeting it – has continued to mount.

We face changes in housing on a scale that haven't been seen for a generation. They undoubtedly raise new challenges for councils like Westminster which recognise the central importance of housing to the wellbeing and success of their areas and people. These are challenges that we are determined to rise to with imagination and innovation.

The one thing that hasn't changed is our commitment to create a City for All, an unrivalled city of choice where everyone plays their part in and benefits from our city's continued success. Housing has a key part to play in making this a reality.

Our draft Housing Strategy was a good start. I am very grateful to everyone who went to the trouble of sending us their comments. Although inevitably there was not unanimity, I was pleased at the general support for our objectives of delivering more homes, helping the most vulnerable and supporting prosperity for all.

The extent of the changes announced since June means that it does not make sense for us to move straight to a final strategy as we had originally intended. Much of the detail is still being developed and the council is working with government about how the proposals will be implemented.

But the changes do not affect all the things we proposed. We have not stopped working while the debates continue. We are publishing this direction of travel to report back on the comments we have received and to explain what we will be doing between now and when we produce a completed strategy. We would be glad to receive any further views about how to deliver our ambitions in a changing environment.

Cllr Daniel Astaire

Cabinet Member for Housing, Regeneration, Business and Economic Development

Introduction



In June and July 2015 we consulted on a new strategy setting out ambitious plans for the future of housing in Westminster. We received nearly 60 responses to the consultation and spoke to over 250 people at meetings. We want to thank everyone who took the time to give their views.

We were particularly pleased to receive so much broad support for many of our plans. However, during the consultation government put forward new housing and welfare policies (and others have been announced since) that will affect what we will do and how we will do it:

- The extension of the right to buy to housing association tenants funded through the sale of high value local authority homes when they fall empty. The high value council homes sold are to be replaced in the “local area”.
- A 1% cut in social housing rents for four years from 2016.
- A Pay to Stay approach for social housing households earning more than £40k a year and a review of lifetime tenancies.
- A range of welfare reforms including the lowering of the household benefit cap to non-working households from £26k to £23k which may increase the numbers coming forward as homeless.
- A commitment to start 200,000 Starter Homes nationally by 2020 which will be sold to first time buyers at a minimum 20% discount on the market value. To this end government has proposed changes to the law affecting use of council planning powers to secure affordable housing so these focus on delivery of starter homes.

Although a Housing and Planning Bill has been introduced in Parliament, much of the detail of these changes has yet to be announced. The council is engaging with government as these policies are fleshed out, but given this uncertainty we have decided that now is not the right time to publish a full housing strategy. Instead, we are bringing forward this “Direction of Travel Statement”. This sets out the direction we intend to take; summarises our main proposals; and highlights the

responses received to them through the consultation. A more detailed Housing Strategy will follow when we know more about the national changes. This will include firm targets and commitments in a way that is not possible at the moment. Some of our proposals aren’t affected by the changes and where this is the case we will go ahead with them where they are supported.

The draft strategy which we consulted on, and the full report on the consultation responses can be found at:

www.westminster.gov.uk/housing-strategy-policy-documents

We continue to be interested in your views about our developing policies and approaches. Should you want to comment on our direction of travel, or our housing policies more generally, please contact:

housingstrategy@westminster.gov.uk

HOMES



New affordable housing

Key facts

8,300 households are waiting for affordable housing (4,500 households for social housing and 3,800 households for intermediate housing).

A typical wait for a 2 bedroom social home is over 10 years.

On average 183 new affordable homes have been delivered each year (140 social and 43 intermediate).

We intend to:

- Continue working with government to develop more new affordable homes. We will work with them for greater local flexibility to raise and use resources to increase the supply of affordable housing, including: more freedoms to borrow against existing assets; lifting the current Housing Revenue Account borrowing caps; and removing the barriers to reinvestment of right to buy and other capital receipts.
- Do all we can to maximise delivery of new affordable housing in Westminster. We will consider the implications of developing national policy and legislation for our planning policies on the delivery of affordable housing, in discussion with the Mayor and neighbouring boroughs.
- Support what we are doing to increase affordable housing supply in Westminster by working with government and the Mayor to empower local authorities to bring together their money, and planning powers to increase the delivery of affordable housing across London. In particular we want to work towards changes to planning law to allow us to use affordable housing contributions secured from private developments to fund affordable homes in places beyond our boundaries, where we can maximise delivery. We support London Council's in their lobbying for boroughs to work together to develop new homes (and to replace high value local authority homes sold under the new government policy) where there are mutual benefits.

In the draft strategy, our main proposals were to:

- Deliver 1,250 new affordable homes over the next five years.
- Make the best use of our assets, disposing to reinvest in new and more appropriate housing.
- Work with government to lift restrictions so we can borrow against our own assets to develop more affordable homes.
- Investigate the potential delivery of affordable homes beyond our borders.

What you told us about them

Many people/organisations responding to the consultation thought our target to deliver new affordable homes wasn't ambitious enough and more could be done. Some (particularly registered providers) however expressed the view that the target was too ambitious.

There was almost equal support and disagreement with our proposal to develop some homes outside Westminster. Often those disagreeing with the proposal were concerned about the impact it could have on communities. Those supporting it thought the level of housing need was so great that a new approach was needed.

A number of respondents queried how the proposals would be affected by the government plans to fund the extension of the right to buy to registered provider tenants, through the sale of local authority high value voids.

Intermediate housing

Key facts

Intermediate housing makes up only an estimated 1.5% of the stock in Westminster (1,600 homes) while social housing makes up 25% (27,000 homes).

There are 3,800 waiting for intermediate homes with a range of incomes from £18k to £85k.

Independent research found that we needed 420 new affordable homes each year: 240 intermediate and 180 social.

We intend to:

- Move ahead our proposal to develop new types of intermediate housing which better meet needs. Working with an affordable housing partner, we will take forward a new type of intermediate rented housing which enables people to grow a deposit so they can move on into home ownership.
- Continue developing policies to help extend the intermediate sector, while also considering the impact of national policy and legislative changes on this.
- Work with our partners to build up the intermediate sector from a low base and to meet the needs of different income groups, in ways that do not compromise our ability to provide social housing for vulnerable and homeless households.
- Develop our own intermediate housing where it makes sense
- Bring more mobility into the intermediate sector – so one product leads onto another - and so intermediate housing provides a “step up” and is part of a housing journey, but is not always a home for life.

In the draft strategy, our main proposals were to:

- Change planning policy so that in new developments we will ask for 60% of new affordable housing to be intermediate and 40% social rented to better match demand.
- Develop and offer our own intermediate housing products where it makes sense to do so, to help plug the gaps in the current product range - which currently tends to cater predominantly for households with incomes above £40k and with savings.
- Carry out a review of intermediate housing to ensure it promotes mobility and allows future generations to benefit.

What you told us about them

Our proposal to build up the intermediate housing sector from a very low base to better meet the range of demand in Westminster received much support. Where respondents didn't agree with it, they were generally concerned that it would reduce the supply of social housing for vulnerable people, or that the properties wouldn't be affordable to lower income workers.

A number of respondents queried how the proposal to grow the intermediate sector would be affected by recently announced government changes and whether it would be possible if social supply for vulnerable and homeless households would reduce.

There was a lot of interest in developing new types of intermediate housing – intermediate rent for example - and many questions about how much the rents would be and how long tenancies would be offered for. There was a general acceptance that shared ownership didn't work well in a high value area such as Westminster as it was too expensive.

Disposal of affordable properties

We intend to:

- Go ahead with our proposal to work with registered providers, so receipts from the disposal of any stock they have in Westminster – including right to buy sales - benefit Westminster housing applicants and residents (this could either be by stock being replaced in Westminster or through the council having nominations into stock which is replaced further afield). Developing policy and legislation may affect how we approach this issue.
- Lobby government and work with our partners and the Mayor to ensure all high value social homes that are sold in Westminster, as required by the national policy changes, are replaced at least on a one for one basis, and that we have full access to these replacements.

In the draft strategy, our main proposals were to:

- Work with local registered providers to ensure disposal receipts are reinvested in Westminster, and promote stock rationalisation among registered providers where this is financially viable.
- Seek to negotiate nomination rights to homes delivered outside Westminster where registered providers are unable to reinvest disposal receipts back in the city.

What you told us about them

There was strong support for the proposal that receipts from the sale of properties owned by registered providers in Westminster should be reinvested here.

There was also concern about the national policy that will require the council to sell some of its high value social housing when it becomes vacant, and questions about how or where these could be replaced.



Reviewing CityWest Homes

We intend to:

- Move ahead with our proposal to work with CityWest Homes to implement the actions which arose from the recent review of different housing management options - focusing on reducing costs, improving customer engagement and improving value for money. We will also work with CityWest Homes to consider the suggestions from respondents about how they could improve, including: improving resident engagement; training front line staff to offer broader support to customers and sharing more services with registered providers.

In the draft strategy, our main proposals were to:

- Implement the actions arising from our review of housing management options, focusing on costs and value for money.

What you told us about them

This question attracted comments mostly from residents.

There were mixed views about retaining CityWest Homes as our housing management provider from those that responded. Some residents had concerns about their landlord while others thought they did a good job.



The private rented sector

Key facts

Westminster's private rented sector is the largest in England making up an estimated 43% of the stock or 45,000 properties.

We did not propose to change our current approach to the private rented sector, so it was not covered in the draft Housing Strategy. However as many respondents said it should be included, our intended approach is set out below.

We intend to:

- Continue our work with landlords and lettings agents where there are bad practices and poor conditions, taking legal action as appropriate. Our Residential Environmental Health Team inspects around 2,000 private rented properties each year to investigate reports of poor condition. The team works with private landlords to improve properties; where necessary, they take legal action against them as a last resort. They also license houses in multiple occupation in line with the law.
- Have regular reviews of whether there is a case for an additional or selective licensing scheme in Westminster. This is licensing over and above the current statutory requirements. It would mean all, or some, landlords and managing agents, would need a license to rent out their property, and could be refused one on the basis they are “not a fit and proper person” to manage a property. Some boroughs have introduced these types of schemes, but in order to do so specified criteria have to be met. While there is not a case for a scheme in Westminster at this time, we recognise things can change.
- Continue to ensure that private rented housing offered to any homeless households is of good quality.
- Consider how new enforcement powers that are being introduced by government to deal with rogue landlords will be used by the council. We will continue to lobby government for stronger local powers to address and control short term private lets, as this is an area where we would like to do more. Short lets are often associated with complaints about anti-social behaviour and they can be a problem for longer term residents. We would like to control them through planning law, particularly in areas where there are high numbers and they are causing problems.
- Use the new council wide approach to resident engagement (see Involving People in the PEOPLE chapter) to enable engagement between the council and private tenants. This will help us to better understand their issues and concerns so we can improve our services.

What you told us about them

A number of respondents thought the private rented sector should be mentioned in the Housing Strategy, particularly as it is the largest tenure in Westminster.

Some said the council could do more to address poor standards and that there should be a dialogue with private renters.

Making homes more energy efficient

We intend to:

- Go forward with our proposal to work with our partners to lobby for a fairer share of national funding for energy efficiency programmes for our residents. Every resident through their energy bills pays for the national programme of energy efficiency measures - in Westminster this is in the region of £5m each year. Our residents do not get back this amount in measures. This is because properties in central London are “difficult to treat” as they are often in conservation areas or are flats in multi-ownership, which means there are legal or regulatory barriers to making alterations and improvements. We think there is a case for a requirement that a greater proportion of this money is spent in central London and for an investigation to be undertaken into how some of the issues which make work of this kind difficult, can be resolved.
- Develop and deliver a range of initiatives to improve energy efficiency including: investment to tackle cold and damp in council homes (see Improving residents’ health in the PEOPLE chapter); tackling poor conditions in the private rented sector (see page 12) and our housing renewal programme, as the new homes will be built to high standards (see Housing renewal section in the PLACES chapter).
- Work with government, developers and our partners to make a case for retention of the current London energy efficiency standards set by the Mayor for new housing developments.

In the draft strategy, our main proposals were to:

- Lobby with our partners for a fairer share of funding for energy programmes for central London.

What you told us about them

Only a small number of respondents commented on this proposal.

Some suggested that the council should also lobby government for more energy efficiency funding to tackle poor conditions in all tenures.





PEOPLE



Improving residents' health

Key facts

Excess cold, damp and condensation are the main health hazards in poor housing. They can lead to increased winter deaths and a greater risks of heart attacks and strokes, particularly in older people.

We intend to:

- Implement our proposals to invest £12m to tackle damp, cold and condensation in council homes and identify 450 tenants most at risk of ill-health to help them improve their living conditions.

In the draft strategy, our main proposals were to:

- Invest £12m to tackle damp and cold in council homes.
- Identify 450 council tenants most at risk of poor health and work with them to improve their living conditions.

What you told us about them

Both proposals received considerable support from respondents and there was interest into how these proposals would work.



Housing and support for vulnerable people

We intend to:

- Take forward our proposal to review the services we commission for vulnerable adults. Our aim is for services to be more efficient and joined up to avoid vulnerable people having to approach multiple services and to enable us to make the best use of our resources. Any new ways of working will be integrated into our Housing Options Service when it is re-commissioned.
- Continue our work to respond to the requirements of the Care Act 2014. We will offer our programme of training (which covers giving advice and information to vulnerable people about services) to registered provider staff to help reduce the need for care provision.

In the draft strategy, our main proposals were to:

- Work with partners to jointly identify the housing needs of vulnerable people so we can commission the right services for them.

What you told us about them

There was a positive response to this proposal and a view that when we commission services, we should take account of peoples' wider needs – not just their housing needs.

Older peoples' housing

Key facts

Westminster's population of older people is growing. The population aged 65+ is projected to increase by 43% over 20 years and the population aged 85+ is projected to double in the same timeframe.

42% of our sheltered homes are studios and only 5% are fully wheelchair accessible.

We intend to:

- Act on our proposal to review Westminster's portfolio of sheltered housing for older people (also known as community supportive housing). This will help to ensure the stock is fit for the future. We need to consider a range of options, including ways that our sheltered housing stock could play a greater role in preventing the need for older people to go into care in the future, meeting their aspirations and also help address the increased demands on care services.

In the draft strategy, our main proposals were to:

- Review our older persons' sheltered housing portfolio so it is fit for the future.

What you told us about them

Respondents supported a review and there were a number of suggestions made about what this should look at.

A running theme through the comments to the question "what do older people want and need in terms of housing in Westminster?" was that it was important to look beyond just bricks and mortar and consider wider issues and services.

Addressing homelessness

Key facts

We accept between 600 – 700 homeless households each year and have statutory housing duties towards them. We are in the top ten of London boroughs in terms of homeless acceptances.

Due to the shortage of housing, households can wait for over ten years in temporary housing before a permanent property is available and even up to 25 years for a very large home.

There are 2,500 homeless households in temporary accommodation (which is private rented housing) waiting for a permanent home. Fifty per cent of temporary accommodation is out of Westminster, mostly in greater London as there is not enough private rented housing in Westminster which is affordable to homeless households.

We intend to:

- Go ahead with our proposal to discharge our housing duty to homeless people by offering those that can manage a tenancy, good quality private rented accommodation. This will reduce the length of time people stay in temporary accommodation and provide them with more settled accommodation more quickly. The properties may be outside Westminster, as they need to be in areas which are affordable and sustainable to people over the long term and where they can put down roots. We will offer appropriate support to anyone that is moving into a private tenancy outside Westminster.
- Procure temporary accommodation for homeless households in areas which are affordable in the medium term.
- Work with our partners and government to consider the best way of addressing homelessness in the capital so there are better outcomes for everyone
- Link all homeless households to employment support. Getting people into jobs is the best way of helping them to have more housing choice and to address disadvantage.

In the draft strategy, our main proposals were to:

- Stimulate a debate across London on the best way of tackling London's homelessness problem.
- Discharge our housing duty to homeless households that can manage a tenancy into the private rented sector where this is possible.

What you told us about them

There was support for the proposal to have a debate about the best way of tackling homelessness.

Some respondents also made suggestions about other ways to address homelessness, such as using empty properties and building denser housing to increase supply. There were very few comments about the proposal to discharge our housing duty for homeless households into the private rented sector.

Involving people

We intend to:

- Put in place a new resident engagement structure for our council housing residents during 2016. This aims to: encourage more residents to participate; enable them to take a more active role in scrutinising CityWest Homes; and ensure more effective consideration of key issues.
- Engage with more people from different tenures on housing issues to help us improve our services. We hope to do this through the new council-wide approach to resident engagement called Open Forum. Residents will be able to give us their views on different topics in more flexible ways i.e. through both online and face to face meetings.

In the draft strategy, our main proposals were to:

- Review how the council engages with people and gets their views on its services and priorities for the future.

What you told us about them

Many good ideas were suggested through the consultation about the best way to involve people and get their views on housing issues such as “virtual local forums”, online ballots and prizes for answering questionnaires.

In addition, a number of respondents thought there was always an ongoing need for face to face engagement. While the ideas mostly focused on engaging with social housing residents - there was also a suggestion that the voice of private tenants should be better heard.

PLACES



Delivering estate renewal

We intend to:

- Deliver our current programme of housing renewal at Tollgate Gardens, Ebury Bridge Estate and at Church Street. This includes a second phase of redevelopment at Church Street, around the Edgware Road, as we have successfully secured “Housing Zone status” for this area. Having Housing Zone status means development can happen more quickly as additional funding is brought in.
- Continue to move towards housing renewal becoming ‘business as usual’. However, given the additional constraints on resources as a result of national policy changes, our approach is to focus on delivering our existing programmes.

In the draft strategy, our main proposals were to:

- Focus on high quality delivery of the existing estate renewal schemes.
- Continue to review our estates so that, once Phase 1 of the renewal programme is delivered, renewal becomes ‘business as usual’.

What you told us about them

A number of estates and areas were suggested for housing renewal as part of the consultation and our proposal for housing renewal to become “business as usual” was generally welcomed.

Better management and use of buildings and a different approach to public services

We intend to:

- Go ahead with our proposal to meet customers' needs in one place. We are looking at all council owned buildings and considering where there are opportunities to co-locate services and to explore different models and ways of providing more integrated services from a single point. One idea we are examining is the creation of Health and Wellbeing Hubs where a range of health and preventative services are provided in one place. The aim is to encourage and make it easier for people to take up services at an early stage, which would help stop their health from deteriorating and becoming more difficult and expensive to treat.
- Review the 16 CityWest estate offices to see if they can be reduced in number in ways that reduce costs for tenants and leaseholders, while also maintaining existing high standards of service and satisfaction.
- Explore ways in which all public services, including housing services, can be reconfigured so they are more efficient, better support people and families and are delivered in ways which promote self-sufficiency and less reliance on public services.

In the draft strategy, our main proposals were to:

- With CityWest Homes, explore establishing partnerships with other housing providers, as well as healthcare, social and employment organisations in order to meet customers' needs in one place.

What you told us about them

There was considerable support for the proposal to have a range of local services, including housing services, together in one place to meet a range of customers' needs.

Working with registered providers

Key facts

Over 40 registered providers own or manage approximately half the affordable housing in Westminster.

Only 4 of the main registered providers have local offices.

We intend to:

- Take forward our proposal to work with any registered provider interested in having a local presence, either by looking for opportunities for them through our review of council buildings, or by investigating if CityWest Homes could manage some of their stock.
- Go ahead with our proposal to work towards all social landlords having a common approach towards tackling anti-social behaviour in Westminster.
- Encourage registered providers to work closely with our Residential Environmental Health Team to drive up housing conditions in Westminster, by them signing up to a joint working protocol in relation to investigations about conditions and repairs.
- Work pro-actively with our registered provider partners to help meet housing need across the City.

In the draft strategy, our main proposals were to:

- Work with registered providers to have a joined up ambition for a local area and investigate with them how we can jointly respond to anti-social behaviour.
- Offer registered providers the opportunity to run services and community programmes from council buildings, and investigate options for offering them CityWest Homes' management services where they don't have a local presence.

What you told us about them

There was considerable support for our proposal to offer registered provider landlords the opportunity to run services and community programmes from our buildings.

A local presence and face to face contact was seen as important by a number of respondents.

PROSPERITY



Flexibility in allocating social housing

We intend to:

- Take forward our proposal to allocate some social housing to low income working households that wouldn't ordinarily have priority for it – but starting with low numbers and building them up gradually where supply allows.

In the draft strategy, our main proposals were to:

- Allocate some social housing to low income working households that wouldn't ordinarily have priority for it. Our long term ambition is to let 100 social homes each year to this group, but only where supply allows, and in ways that also take account of our duty to the homeless.

What you told us about them

There was support for this proposal and some respondents thought it would help create more balanced communities and a more prosperous city.

There were ideas about who should benefit from this housing – for example people that contribute to the community in some way or shift workers. Where respondents disagreed with the proposal, it was generally due to concern that it would reduce social housing for the most vulnerable.

Helping long-term unemployed residents

Key facts

There are an estimated 20,600 working-age social housing tenants in Westminster. Of these, 9,100 are without work, an employment rate of 55.9%.

Within social housing over half (52%) of those that are economically inactive are long term sick and disabled.

We intend to:

- Implement our proposal to work with partners to provide tailored employment support to the long term unemployed. This will include improving access to employment; tackling the barriers which affect peoples' ability to find work and to sustain employment; and putting this approach at the heart of our housing and related services. We consider having a job is the best way out of disadvantage and the best way of improving housing choices.

In the draft strategy, our main proposals were to:

- Work with partners to provide intensive, tailored support to social housing residents experiencing long-term unemployment to help them move towards work.

What you told us about them

The consultation asked for views on new approaches we could implement to help the long term unemployed.

Respondents suggested a range of approaches, such as a greater focus on helping homeless households into work; the promotion of volunteering to build up skills; and offering incentives to homeless and overcrowded households if they found work.



Glossary



Adult Social Care

The team at the council that offers advice and support to people who need support or are at risk.

Affordable housing

This is housing for eligible people who are unable to afford market housing. There are two different types:

- **Social housing:** rented housing which is let by local authorities or registered providers (housing associations).
- **Intermediate housing:** homes for sale or rent which are below market prices but higher than social rents.

Community Supportive Housing (also known as sheltered housing)

In Westminster this is housing for people aged 60 or over which includes a person alarm, a link line (so residents can alert help if they need it) and a scheme manager.

Disposal receipts or Capital receipts

Money generated when a council or registered provider property is sold.

Housing Options Service

The service at Westminster which gives advice, help and support to anyone that is, or is about to become, homeless.

Housing Revenue Account

The account which council rents and service charges are paid into. It is kept separate from other council accounts. There are rules and restrictions on how money in the account can be spent and on how much councils can borrow against it.

Intermediate housing

Homes for sale or rent, which are below market prices but are higher than social rents. The most common forms are:

- **Shared ownership** – where a minimum share of 25% in the home can be bought and a discounted rent is paid on the proportion which is not owned
- **Intermediate rent** – where a sub market rent is paid. The tenancy may be renewed or offered for a fixed period depending on the policy of the provider.

Registered providers (also known as housing associations)

Not for profit organisations, which provide, develop and manage affordable housing.

