

Title of Report	Housing Strategy Position Paper 2023	
Key Decision No	CHE S138	
For Consideration By	Cabinet	
Meeting Date	12 Dec 2022	
Cabinet Member	Deputy Mayor Guy Nicholson (Cllr)	
Classification	Open	
Ward(s) Affected	Two or more wards	
Key Decision & Reason	Yes	Significant in terms of its effects on communities living or working in an area comprising two or more wards
Implementation Date if Not Called In	19 Dec 2022	
Group Director	Rickardo Hyatt, Group Director, Climate Homes & Economy	

1. **Cabinet Member's introduction**

- 1.1. In 2018 the Council published its five-year housing strategy, 'Delivering the homes Hackney needs', setting out the steps we would take to address Hackney's housing crisis, from delivering genuinely affordable homes to tackling rogue landlords.
- 1.2. We've delivered on the commitments set out in that strategy – expanding our innovative, in-house Council Hackney is Building Council housing programme, pioneering new Hackney Living Rent homes for private renters, and enforcing tougher new private sector housing regulations through our Better Renting campaign.
- 1.3. But a number of dramatic changes have meant that the housing crisis is as acute as ever. These changes include but are not limited to: the UK's formal exit from the European Union; the climate emergency declaration; the COVID-19 pandemic; the cyberattack; the introduction of Universal Credit; the introduction of the charter for social housing residents; the post-Grenfell landscape continuing to bring to light building safety issues and amplifying residents' voices more than ever before; and the considerable impact of the cost of living crisis.

- 1.4. To commission an entirely accurate, representative and evidence-based housing needs survey and strategic housing market assessment (SHMA), we will not be able to begin work on the new housing strategy until mid-2023, following the full release of the recent census data which has been delayed. This means it will likely take until 2024 to have our new five-year strategy ready for publication. This paper aims to set out a position statement ahead of our next housing strategy - to fill the gap between the end of the current strategy and the start of the next.
- 1.5. We know that Hackney continues to experience an unprecedented housing crisis, and we know that this is making life harder for many people in the borough, even more so with the current cost of living crisis. Too many residents are still unable to take advantage of the opportunities available and are stuck in a broken housing system. We want to continue our work making the borough a better place for all our residents through the themes set out in this paper.
- 1.6. This position paper builds upon the existing themes presented in the previous strategy and refocuses them into the present context, setting out our commitment to continuing to do everything we can here and now to give as many Hackney residents as possible a good, safe, genuinely affordable home. The priorities of this position paper are centred around six key themes and these themes will continue to be delivered upon through both the work of the council and its partners.

2. **Group Director's introduction**

- 2.1. The previous Housing Strategy played a key role in helping meet the Mayor's vision that everyone in Hackney has a genuinely affordable, good quality, and stable home. Hackney continued delivering genuinely affordable housing through its direct delivery model, despite construction costs skyrocketing to unprecedented levels.
- 2.2. Ahead of the formal publication of the new Housing Strategy, this paper will lay out an assessment of how we delivered upon our previous aims and how we can continue to do so in the current climate. This paper has had cross-departmental input to ensure that it is aligned with a number of other internal strategies that the council has and will be putting forward in the coming months.
- 2.3. Though there is no statutory requirement for a council to publish a housing strategy, we believe it is vitally important to ensure that our residents and our partners in the borough know where we stand on such a critical issue as housing. The challenges from the previous strategy still remain, with some even more severe in the current landscape.
- 2.4. This position document serves as an overview of our approach to housing going forward from the previous strategy until the publication of the next. In

the interim, a new evidence base will be collated through the commissioning of the strategic housing market assessment and housing needs survey. A proper and full resident consultation and engagement exercise will be undertaken to ensure that residents' voices are included in the new housing strategy.

- 2.5. The actions listed in this document, either legacy commitments from the previous strategy or new commitments, can be monitored until the publication of the new strategy and/or incorporated as part of our new strategy.

3. **Recommendations**

3.1. **Cabinet is recommended to:**

- **Agree the Hackney Housing Strategy Position Paper, attached as Appendix 1 to this report**
- **Adopt this temporary position ahead of the formal publication of the new five-year strategy**

4. **Reason(s) for decision**

- 4.1. Cabinet approval of the Housing Strategy Position Paper is sought in order to provide the Council and its partners with a vision and a roadmap to guide their housing and related activities until the publication of the new strategy. This is also intended to provide Hackney residents with a clear and accessible summary of the Council's priorities and approach to meeting the borough's housing challenges over the coming years.
- 4.2. We know that good quality, genuinely affordable housing is still severely lacking and too many people are trapped in overpriced rented accommodation. Home ownership is simply out of reach for the vast majority of residents with the average house price at nineteen times the average household income. It is essential to set down a targeted plan of action for the Council and its partners to help meet these challenges and work towards the provision of stable, high quality, safe, and genuinely affordable homes for all Hackney's residents.
- 4.3. The Council and its partners have an excellent track record in the provision of new affordable housing. Despite this, growing demand in London and severe and worsening housing affordability have meant that housing need is rising faster than supply.
- 4.4. We still have over 3,000 homeless households in temporary accommodation and over 8,500 on our housing waiting list. There are residents with increasingly complex medical conditions and disabilities, including large

multi-generational families caring for each other in the same dwelling. These more complex housing needs put even more strain on the housing register, health services and social care teams and make the need for more housing and more specialist housing even more acute. We are simply unable to continue delivering our key services and duties with our current stock if nothing changes.

- 4.5. An overpriced private rented sector is all that remains to those who are unable to access the open housing market, with 2-bed properties in Hackney having seen the fastest rent rise in Britain in the last decade. This sector has constricted further recently, with landlords leaving the lower end of the market and housing supply issues further driving demand for the sector. This means that affordable options to lower and middle income earners in the borough are few and far between and it is simply not a viable option without entering into an often expensive house share, or out of the borough entirely. With nearly a third of all residents in Hackney in the private rented sector, it is essential that we continue our work to protect private renters.
- 4.6. This position paper will build upon the existing themes presented in the previous strategy and refocus them into the present context. The priorities of this position paper will be centred around the six key themes below and these themes will continue to be delivered upon through both the work of the council and its partners:
 1. Delivering the homes that Hackney needs
 2. Improving homes, services and resident engagement
 3. Protecting private renters and leaseholders
 4. Supporting those in health and housing need
 5. Promoting employment and sustainable communities
 6. Preparing for a greener future
- 4.7. Officers have worked to ensure that there is close alignment between the proposed paper and other internal strategies, including the Resident Engagement Strategy, Inclusive Economy Strategy and the Local Plan. The Housing Strategy is also aligned with other housing-related and public health strategies.
- 4.8. While the Council is not statutorily required to have a Housing Strategy, if it chooses to have one, the strategy must have regard to Section 333D of the Greater London Authority Act 1999 (as amended in 2007) which requires that any local housing strategy prepared by a borough council must be in 'general conformity' with the Mayor of London's Housing Strategy.
- 4.9. A London Housing Strategy was published by the GLA in 2018 setting out the Mayor of London's approach and proposals in key housing policy areas. Hackney officers have an ongoing dialogue with the GLA's housing and planning officers regarding the alignment of housing strategy and policies, as

well as planning policies and guidance. This paper, as well as the previous strategy that was published, aligns with these strategies.

- 4.10. Adoption of the proposed Housing Strategy position paper does not itself have any direct financial implications. The Strategy contains a list of broad actions for the Council and partners that will provide a clear framework for ensuring that available resources are targeted towards meeting need. It is expected that the vast majority of actions could be delivered within existing or identified budgets.

5. **Details of alternative options considered and rejected**

- 5.1. As having a Housing Strategy is not a statutory requirement for local authorities, an alternative option for the Council would be not to produce this position paper or leave a gap between the former and the following. However, it was decided to produce a position paper because of the benefits that it offers. Some of these are set out below, and all of which could be lost if there was no strategy in place:

- It clearly articulates the Council's proposed response to the huge housing challenges faced by the Council and its residents.
- It provides a clear statement of the Council's vision and priorities for housing, for residents, partners and other stakeholders.
- For Council officers and partners in particular, it helps shape actions and helps target resources towards meeting the highest housing needs.
- It shows how housing and other services across Council will work together to help address the housing and housing-related needs and aspirations of residents.
- It highlights linkages and sets out how housing and housing providers can contribute to residents' health and wellbeing, as well as enabling residents to secure training and jobs.
- Together with planning policies and guidance, it provides other housing providers with an overarching statement of the Council's priorities and approach.
- It will directly shape a detailed action plan that will be drawn up and implemented if the proposed paper is adopted.
- It helps to address how we will approach our priorities in the present context, as there are a number of significant changes that have occurred since the previous strategy was published.

6. **Background**

Policy Context

- 6.1. In 2018 we published our five-year housing strategy, 'Delivering the homes Hackney needs', in which we set out our long-term housing ambitions for Hackney based on our borough-wide consultation with residents.
- 6.2. Since the publication of that strategy, there have been a number of dramatic changes that have impacted residents' lives as well as how we deliver our services. These changes include but are not limited to: the UK's formal exit from the European Union; the climate emergency declaration; the COVID-19 pandemic; the cyberattack; the introduction of Universal Credit; the introduction of the charter for social housing residents; the post-Grenfell landscape continuing to bring to light building safety issues and amplifying residents' voices more than ever before; and the considerable impact of the cost of living crisis.
- 6.3. The housing crisis continues to create a chasm between the haves and have-nots, and the challenges the Council faces have become even more acute with Government cuts, the cost of living and the fallout of the COVID-19 pandemic. Unfortunately, it is still the case that a safe, secure and affordable home is not available to everyone.
- 6.4. Despite this, there have been many positive developments since the publication of the last strategy. There have been 1,500 homes started or completed by the Council since May 2018 – despite the challenges listed above, with more than half of these as genuinely affordable Council social rent, shared ownership or Hackney Living Rent. We have launched the first Hackney Living Rent homes through the council's housing company. Through continued campaigning, restrictions around Right to Buy receipts and the HRA borrowing cap have been lifted, giving us more flexibility to deliver social housing - though Government support for social housing is still far from where it needs to be.
- 6.5. To commission an entirely accurate and representative housing needs survey and strategic housing market assessment (SHMA), we will not be able to begin work on the new housing strategy until mid-2023, following the full release of the recent census data. This means it will likely take until 2024 to have our new five-year strategy ready for publication.
- 6.6. The position paper aims to set out a position statement ahead of our next housing strategy - to fill the gap between the end of the current strategy and the start of the next. The broad themes of the proposed new position can be summarised as follows:
- 6.7. 1. Delivering the homes that Hackney needs

There still remains a demand for more homes, we know that 1,750 homes were needed per year until 2031 and this number may change with the

newly commissioned SHMA. We still have over 3,000 homeless households in temporary accommodation and over 8,500 on our housing waiting list. There are residents with increasingly complex medical conditions and disabilities, including large multi-generational families caring for each other in the same dwelling. These more complex housing needs put even more strain on the housing register, health services and social care teams and make the need for more housing and more specialist housing even more acute. We are simply unable to continue delivering our key services and duties with our current stock if nothing changes.

6.8. 2. Improving homes, services and resident engagement

Hackney has a significant amount of housing stock and the majority of our social housing lettings each year are from the existing housing stock, rather than newly built social rented housing. We hold one of the largest council stock holdings in the country, making it essential that we make the best use of this existing housing stock and ensure that this stock is future proofed and intervene when necessary to bring homes up to standards. There are an increasing number of leaseholders within the council portfolio and there is substantial work underway to improve the services we offer in this regard.

6.9. 3. Protecting private renters and leaseholders

Around one third of Hackney residents live in the private rented sector and private renters have long been at the forefront of Hackney's housing crisis. Most private landlords take their responsibilities very seriously and a majority of private renters in Hackney are satisfied with their homes. However, there are unfortunately some who are subjected to a badly regulated sector which allows poor conditions, mistreatment from landlords, unstable tenancies and extortionate rents and we will do all we can to address this.

6.10. 4. Supporting those in health and housing need

Housing needs are wide ranging and severe in Hackney and this is due to a number of factors, of which the lack of supply of genuinely affordable housing and the impact of welfare reforms have had a significant impact. The Council's housing stock and the housing register both contain disproportionately high numbers of residents with social and health needs, including mental health problems - more than ever before. We currently don't have the housing to meet demand for all of these residents of different needs; whether it be homelessness, specialist support, domestic abuse or care leavers and the challenge to support our residents is greater than ever.

6.11. 5. Promoting employment and sustainable communities

Hackney has seen dramatic change over recent years and the popularity of Hackney as a place to live has not only driven up the cost of housing in the borough, but also has brought vast economic opportunities for local

residents. However, many are still not benefitting equally from the opportunities available and may feel excluded from this growth.

There still remains high levels of poverty and inequality, and, like many other London boroughs, the most deprived in society can often be living over the road from immense wealth and these social inequalities drive significant health inequalities. It is the diversity of Hackney that has made it such an exciting place to live and do business in, we need to ensure that all people, community groups and businesses can benefit from opportunities that Hackney's economy brings.

6.12. 6. Preparing for a greener future

With the advent of the ecological crisis, Governments have stepped up to take action to ensure global warming doesn't reach 1.5 degrees celsius above pre-industrial levels that would cause irresistible damage being done to our planet's climate. The UK Government has attempted to lead the way in the transition to net zero by using the legacy of COP26, but has since come under scrutiny with its Net Zero Strategy being taken to court and a High Court determining the strategy to be "unlawful" and "inadequate" and has provided Ministers until March 2023 to publish a revised version of the strategy. While the high court ruling lays bare the failures of UK top-down policies to combat climate change, the possibility for Local Authorities to reduce UK emissions remains greater than ever. At Hackney, we recognise the scope to influence and are presently taking action to transition all council functions to net zero by 2040 on the back of our climate emergency declaration in 2019.

Equality impact assessment

- 6.13. A comprehensive EQIA was carried out for our previous housing strategy which is included in the appendices. As many legacy commitments are continued the principles are likely to remain the same, but there is the possibility that they may need to be amended in light of data gleaned from the housing needs survey and other research. Overall, the proposals in the position paper will be overwhelmingly positive for groups with Protected Characteristics. They are intended to help improve the housing and related options for Hackney residents, particularly those on low incomes who are in housing need.
- 6.14. However, we are aware that within the time frame since the publication of the previous strategy, there are new things to consider such as the impact of the pandemic, which we know disproportionately affected those from Black and Global Majority Communities and those in social housing. We are aware from our own work to support local residents through lockdown, as well as statistics recently published by the Office for National Statistics (ONS), that people who were already at greater risk of poverty and of growing inequalities were more likely to be exposed to the virus and its after-effects and by the economic impacts of this pandemic.

- 6.15. When we adopted our previous strategy, increasing local prosperity by harnessing the benefits of local growth seemed far more feasible than it does now. The cost of living crisis and the current recession, bring more economic uncertainty to residents and businesses across London, in addition to Brexit, the pandemic and Levelling Up, which is already moving resources out of London.
- 6.16. As mentioned in this paper, we will be carrying out a housing needs survey and the results will be analyzed by an equality group to understand any disproportionate impacts. In addition to this, an extensive engagement will be carried out with people from each of the protected characteristics as part of the process of developing the housing strategy to ensure we develop a sophisticated and nuanced understanding of their needs, so these can be addressed in the strategy.

Sustainability and climate change

- 6.17. The proposals related to increasing housing supply, whether homes built by the Council or by Housing Associations or other developers, will have impacts on the physical and social environment of the borough. However, the Council's ambitions are not just about the number of new homes built but equally about creating high-quality, sustainable homes and communities.
- 6.18. We will continue to ensure that all homes built continue to meet high design and quality standards, including those relating to density, building safety, environmental sustainability and health.
- 6.19. The Private Rented Sector section outlines our commitment to continuing our licensing and enforcement activity in the private rented sector to improve physical standards, as well as our work addressing cold homes and fuel poverty in the private rented sector.
- 6.20. As well as this there is an entire section of this paper which covers our commitments to achieving net zero, including our retrofit programme and promoting the use of net zero construction materials - encouraging more developers to build energy-efficient and net zero developments and exploring ways to encourage developers to create low carbon buildings.

Consultations

- 6.21. While there is no statutory requirement to consult on a Housing Strategy, the Council decided to carry out a thorough consultation for the previous strategy - with residents, partners and other stakeholders, beginning in 2015. Under 'Hackney: a place for everyone', the Council heard from 4,500 local residents and businesses. Some of the findings are still relevant in the position paper.

- 6.22. This paper has been consulted upon internally between related teams. However, there has been no formal external consultation that has taken place for this position paper.
- 6.23. Ahead of the next strategy there will be a housing needs survey that will feed directly into the evidence base for the next strategy, as well as the potential for formal consultation events prior to publishing.

Risk assessment

- 6.24. In terms of the gap between housing strategies, the main risk for the Council would be reputational if there is no formal housing strategy in place in the midst of a housing crisis.
- 6.25. A list of actions are listed throughout the paper. These actions will be monitored. Risks associated with the individual actions will be assessed by lead officers, and risks will be registered on team, service, divisional, and/or directorate risk registers as necessary.
- 6.26. In the case of some actions, robust risk assessment, management and mitigation processes are already in place, for example in relation to delivery of the Council's Estate Regeneration and Housing Supply Programmes.]

7. Comments of the Group Director of Finance and Corporate Resources.

- 7.1. There are no direct financial implications resulting from this update report. Any expenditure relating to the wider scope of the Housing Strategy during the interim period will either be covered by existing budgets or requested separately. A budget has already been earmarked to cover the costs relating to the Housing Needs survey and Strategic Housing Market Assessment (SHMA), which will inform the new Housing Strategy.

8. VAT implications on land and property transactions

- 8.1. Not applicable

9. Comments of the Director of Legal, Democratic and Electoral Services

- 9.1. The Director of Legal, Electoral & Democratic Services has been consulted in the preparation of this Report.
- 9.2. Under section 41 of the Greater London Authority Act 1999, as amended, ("GLAA99"), it is a general duty of the Mayor of London to prepare and publish a London housing strategy. Under section 333D of GLAA99, any local housing strategy prepared by a local housing authority in Greater

London must be in general conformity with the Mayor of London's London housing strategy.

- 9.3. Under section 8 of the Housing Act 1985, local housing authorities (including Hackney Council) shall consider and review on a periodical basis the housing conditions in their area and the housing needs of the area with respect to the provision of further housing accommodation. Section 3 of the Housing Act 2004 further imposes a duty on Local Housing Authorities to keep housing conditions in their area under review.
- 9.4. [Section 87](#) of Local Government Act 2003 which requires Local Authorities to have Housing Strategy in place ceased to have effect in England on (26.5.2015) by virtue of [Deregulation Act 2015 \(c. 20\)](#), **ss. 29(1)**, 115(3)(c).
- 9.5. The Secretary of State in the 2007 Green Paper "Homes for the future: more affordable, more sustainable" developed the reference to the local housing authority's strategic role as follows: "The local authority strategic housing role is made up of the strategic decisions and activities associated with effective planning and delivery, in order to meet the housing needs of all residents across all tenures. Strong performance in this role will support effective place shaping and help ensure delivery of the wider sustainable community. This requires vision, leadership, planning and delivery at a strategic level to: - assess and plan for the current and future housing needs of the local population across all tenures; - make the best use of the existing housing stock; - plan and facilitate new supply; - plan and commission housing support services which link homes to the support and other services that people need to live in them; - work in partnership to secure effective housing and neighbourhood management on an ongoing basis" Page 5 of 6 58908834-1
- 9.6. Section 225 of the Housing Act 2004 states that "housing" (for the purposes of carrying out the housing needs review required by section 8 of the Housing Act 1985 and for the purposes of preparing a housing strategy under section 87 of the Local Government Act 2003) includes the accommodation needs of Gypsies and travellers residing in their area.
- 9.7. The Public Sector Equalities Duty ("PSED") set out in section 149 of the Equalities Act 2010 obliges the Council in performing its functions "to have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it"
- 9.8. The Housing Strategy document itself is not a formal Planning document and consequently will not form part of the statutory Development Plan. While it

will be a material consideration, it will not carry significant weight in the development management process.

- 9.9. The following general principles of consultation apply: - That consultation must be at a time when proposals are still at a formative stage; - That the proposer must give sufficient reasons for any proposal to permit intelligent consideration and response; - That adequate time must be given for consideration and response; and - That the product of consultation must be conscientiously taken into account in finalising any statutory proposals.
- 9.10. Approval of the Housing Strategy following consultation is a function reserved to Full Council by Article 4.2 of the Council's Constitution.
- 9.11. There is no legal reason why the Cabinet should not adopt the recommendation in this Report.

Appendices

Appendix 1 - Hackney Housing Strategy - Position Paper 2023

Appendix 2 - EQIA 2017-22

Exempt

Background documents

None

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