

Strand 1: Ensuring the Supply of High-Quality Homes





Glossary

Royal Greenwich Housing Band System

We operate a housing waiting list which uses a band system of A, B and C to determine the priority need of everyone who wants social housing in the borough.

Active downsizing policy

Downsizing is a voluntary scheme which means moving from a social housing property that has spare bedroom(s) you no longer use, to a smaller property that is more manageable for you. The council will support tenants throughout the downsizing process and with the move into your new home.

Median

The median is the number that is halfway into the dataset; for example, the 'median' household income in Royal Greenwich is £30,778 – meaning half of households in the borough have an income that is less than this, while the other half have a higher income.

London Affordable Rent

London Affordable Rent is a target rent for social housing that was introduced by the Mayor of London, Sadiq Khan. It is set at a level significantly below the upper limit for what can be defined as 'affordable rent' and is generally around 50% of market rents in Royal Greenwich.

Intermediate Housing

Means homes for sale and rent provided at a cost above social rent but below market levels. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent

Lifetime home standards

These are a set of criteria which homes should meet in order to be fully accessible and adaptable to suit the needs and lives of older people or people with disabilities.



Ensuring the supply of high-quality homes



Our Commitments

- Secure the delivery of council housing and affordable rented homes for those in most need.
- Ensure that intermediate housing is accessible for those who want it.
- Use our partnerships with housing providers and influence private developers to maximise affordable housing development in the borough.

Our key priority is to maximise the number of high-quality and genuinely affordable homes in the borough for all our residents, catering for people from a wide range of backgrounds and on different incomes.

This will allow us to address the area of greatest need and demand; with over 3,100 applicants in priority need (also known as Bands A and B) on our waiting list for social housing.

We will continue to invest in the pace and scale of our own ambitious council housebuilding

programme, Greenwich Builds, delivering 750 new council homes by 2024. Construction has already begun and will continue throughout the five-year strategy. We will outline future plans for sustaining our social housebuilding in the coming years. These new homes will continue to meet our commitments to carbon neutrality and national building safety standards.

We will continue to work closely with registered housing providers and private developers to ensure that the number of new affordable homes in the borough is maximised.



Affordability Pressures

The average household income in the borough is approximately £30,778. The average market rent for a two-bed property is around 53 per cent of the average household income before tax, service charges and any other expenditures. This is clearly not affordable. Although many households would be eligible for housing benefit to help cover the cost, it is unfair that people must

rely on benefits to afford private rented homes.

Homeownership is even more unaffordable, with the average price of a house being 13 times higher than the average household income. This makes homeownership near-impossible without assistance from family, friends or affordable home ownership schemes.

Market housing costs for sale and rent, mean that many people will struggle to afford a home without assistance.

Working in partnership with housing providers and private developers will be key to delivering the homes that our residents need in the borough. We will strengthen our existing partnerships to learn from best practice within the housing sector, which will inform our plans for housebuilding. We will also use our influence

as a local authority to make sure that the number of new and affordable houses built by partners is maximised.

To address the competing challenges in the borough and deliver the homes we need, we must come up with ambitious and practical solutions. We set out below different options to increase the overall supply of new and existing homes, alongside a multifaceted plan of how we will mitigate risks.



Secure the delivery of council housing and affordable rented homes for those in most need

- Build at least 750 new council homes and set out our future plans to sustain the development of affordable housing in the borough.
- Use off-site construction where possible to deliver new council homes quickly, efficiently and safely.
- Continue to tackle climate change by meeting our carbon neutrality commitment while ensuring high building safety standards in all our homes.
- Aim to meet the target for two and three-bedroom low-cost rented homes because this is the property type with the greatest demand for those in priority need.
- Aim for at least 35 per cent of on-site affordable housing units on schemes of ten or more homes, and at least 50 per cent on developments that are delivered on public land.
- Of these affordable homes, aim for 70 per cent to be available at London Affordable Rent (LAR) and 30 per cent to be intermediate housing. When planning applications do not meet these targets, we will negotiate with private developers to maximise the number of affordable homes.
- Develop an active downsizing policy that makes it easier for people who want to move to do so.



Strand 1

The level of demand and affordability pressures for low-income households in Royal Greenwich means that we will make delivering low-cost rented homes for those in priority need our primary focus. We will achieve this through our own housebuilding programme, Greenwich Builds, and by securing affordable housing on other private developments in the borough.

During the 2019/20 financial year, there were 1,199 social homes allocated through our social housing waiting list. In comparison, there are over 3,100 households in priority need on the waiting list. The demand for affordable housing is clearly outstripping the supply and is something we need to urgently address.

To tackle this, we will continue to build high-quality council homes over the next five years, while outlining future plans for sustaining our housebuilding. These new homes will continue to meet our commitments to reach carbon neutrality by 2030, while ensuring all of our homes meet national building safety standards.

Evidence shows that the biggest demand for social housing in the borough is two and three-

bedroom homes. In 2019/20, there were 228 social housing allocations for three-bedroom homes, compared to the over 900 households on the waiting list. We will continue to monitor the supply of new and existing affordable rented homes and the demand from people in the most need, to make sure that we have social housing available for those who need it.

On new housing developments built by partners and private developers, we will aim to ensure that at least 35 per cent of their on-site builds are affordable housing on schemes of ten homes or more. This target will increase to 50 per cent of homes which are built on public land, and we will continue to seek the maximum-allowed proportion of affordable rented homes of 70 per cent, at London Affordable Rent levels.

For the supply of existing social homes, we will develop an active downsizing policy to make it easier for our tenants to find a smaller, more manageable home and give your old house to a family that needs the extra space and who are on our priority need waiting list.



Ensure that intermediate housing is accessible for those who want it

- Develop a new Intermediate Housing Policy which will help us match the demand for housing with the needs in the borough.
- Establish a process for matching homes with the residents who need intermediate housing and home ownership schemes.
- Identify the priority categories for intermediate housing to ensure that the homes are matched to households in demand.

We want to establish a policy and process for matching the supply of low-cost housing and properties with the demand, to help ease housing pressures in the borough and support the people who can afford them.

The extent of housing affordability pressures in Royal Greenwich means that even for households with above-average incomes, housing costs can be unaffordable and home ownership near-impossible without financial support. For example, the average cost of a home in Royal Greenwich is now eight times higher than higher-

than-average household incomes (which is approximately £52,000 in London).

National housing planning policy requires that at least 30 per cent of all new affordable housing is intermediate/low-cost (e.g. low-cost rent below the market or shared ownership schemes). This means that there is a steady supply of low-cost homes, which are designed to help people onto the housing ladder. By establishing a standardised process for matching people to intermediate homes, we will help priority households find the right home more easily.



Use our partnerships with housing providers and influence private developers to maximise affordable housing development in the borough

- Establish our relationship with Meridian Home Start as our preferred provider of Build-to-Rent housing in Royal Greenwich.
- Encourage partnerships to develop homes with non-profit organisations that are committed to meeting the needs of current and future residents.
- Review how we allocate Right-to-Buy funding to maximise take-up from registered providers.
- Work with the NHS and our health partners to explore opportunities to develop housing for key workers and lifetime homes alongside neighbourhood health and wellbeing hubs.
- Deliver two pilot sites for the community land trust model, which is a form of community-led housing that is set up and run by local people to develop and manage homes.
- Establish a standard for the supply of high-quality licensed and regulated accommodation with some shared facilities targeting young, single people.

Working in partnership with private developers and other housing providers in Royal Greenwich, and using our influence as a local authority, will help us to bridge the gap between the supply and demand for high-quality homes and affordable housing options. We want to influence the decisions our partners make, to ensure the housing needs of our borough are met and our residents' best interests are kept at the heart of planning.

New partnerships should be of clear benefit to our residents. We will use our influence to increase the number of affordable homes, reduce housing costs, improve physical or social infrastructure and shorten the housing development cycle so homes are ready for people to move into more quickly. This will allow us to extend our influence and resident-focus beyond our own housing development programme, Greenwich Builds.

Following the recent changes to how income from Right-to-Buy sales can be legally spent,

we will look at how we can use this to ensure that more affordable rented homes are built by partners. The changes mean that Right-to-Buy receipts can fund 40 per cent of each new home (up from 30 per cent) and the deadline to spend them has been increased from three to five years. This means we can spend more money per home and have longer to plan.

We will continue to work with our partners in health services to explore opportunities to develop housing for key workers, implement lifetime home standards and neighbourhood health and wellbeing hubs. This will help to ensure that on new developments and estates there is a focus on promoting the health and wellbeing of residents.

The council established not-for-profit housing provider Meridian Home Start, which build and let properties at intermediate rents. We will strengthen our relationship with Meridian Home Start as our preferred provider of Build-to-Rent housing in Royal Greenwich.