


LONDON BOROUGH OF WALTHAM FOREST

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| Meeting / Date | Cabinet 13 July 2023 | |
| Report Title | Affordable Housing Commission | |
| Cabinet Portfolio | Councillor Ahsan Khan, Deputy Leader (Housing and Regeneration) |  |
| Report Author/ Contact details | Stewart Murray Strategic Director – Place Stewart.murray@walthamforest.gov.uk | |
| Wards affected | None specifically | |
| Public Access | OPEN | |
| Appendices | Appendix 1: Final report of the Waltham Forest Affordable Housing Commission Appendix 2: Full evidence-base for the Affordable Housing Commission Appendix 3: Equalities Screening Report | |

1. SUMMARY

- 1.1 Waltham Forest is not spared by the national housing crisis. In the last ten years, house prices have more than doubled. Waltham Forest saw the fastest house price growth of any borough in London. In parallel, local earnings have not kept pace with house prices, and a house in the borough is now worth almost 16 times the average salary. This is despite Waltham Forest delivering more than 9,000 homes over the last ten years, and the highest proportion of affordable housing in London. It is in this difficult context that Waltham Forest launched its Affordable Housing Commission in January 2023.
- 1.2 The Commission, chaired by Geeta Nanda OBE and made up of seven other experts with strong academic, policy and delivery sector-based expertise, were asked to provide recommendations to the Council on how to maximise the positive impact of its housing growth approach for residents. The Commission discussed what homes the Council should build to address the needs of residents, how the Council could accelerate and maximise the delivery of genuinely affordable housing. It also examined how housing growth can make the greatest positive impact for residents, especially those who need affordable housing the most.

- 1.3 The Commission has now delivered its final report, including a set of 26 recommendations for the Council to consider (Appendix 1).

2. RECOMMENDATIONS

- 2.1 Cabinet is recommended to:
 - 2.1.1 Note and consider the final report of the Waltham Forest Affordable Housing Commission, including the final recommendations, as set out in appendix 1.
 - 2.1.2 Approve the proposed formulation of the Council's response to the report, including the development of an action plan, which will come back to Cabinet in the Autumn.

3. PROPOSALS

- 3.1 The Council wants to ensure that its approach to house building is evidence based, and brings benefits to all residents, from those who move into the new schemes to the already-existing communities, and the wider population who live and work in the borough. That is why Waltham Forest's Affordable Housing Commission was launched in January 2023. The Commission, chaired by Geeta Nanda OBE, was asked to consider the evidence and develop practical recommendations to inform the Council's future approach.
- 3.2 The Commission met over five sessions. Over the first three sessions, the Commission received evidence from an independent research partner, the consultancy PRD, and from Council officers. The full evidence report is attached as an appendix (2).
 - 3.2.1 The evidence highlighted the extent of the impact of the housing crisis in Waltham Forest. Some of the main figures the Commission considered are:
 - House prices increased by 118% between 2011 and 2021. This is the fastest house price growth of any borough in London. Average house prices in the Borough are now almost 16 times the average salary
 - The average private rent in Waltham Forest increased by 42% between 2011 and 2019. The average Waltham Forest residents was paying an estimated 44% of their basic pay on rent in 2019 – up from 38% in 2011.
 - 6,000 people are on the Housing Register, waiting for social rented housing in Waltham Forest.
 - 3.2.2 In parallel, the evidence also showed that Waltham Forest had a strong delivery record, with positive impacts:
 - 9,164 new homes were built in the borough over the last ten years. During that time, the Borough has had the most diverse tenure delivery in London, as 35% of total housing delivered since 2011 has

been non-market housing, compared to the London average of 21%. This represented 2,916 homes.

- Between 2012 and 2021, new builds have provided over 1,500 homes to housing waiting list tenants. 46% of residents moving into new-build social rented accommodation gained at least one additional bedroom compared with their previous accommodation.

3.3 In each of these sessions and after seeing the evidence, the Commission discussed how the Council could improve different aspects of housing delivery. The sessions were structured around three questions:

- 1) What homes should the Council build (in terms of location, size, design, tenure...)
- 2) How should the Council build? How can it creatively finance, accelerate and support the construction of affordable housing?
- 3) How can the Council make the greatest impact for residents? Who should new homes go to? How can we maximise the benefits of housing delivery for communities?

3.4 Those discussions led to the development of the final recommendations in the attached report, which were developed and agreed in the fourth session. The Commission were supported in the process by Council officers, who fed back on the impact and deliverability of potential recommendations.

3.5 In a final fifth session, the Commission delved deeper into the questions of viability around different tenures and the delivery mode the Council should take. This was to ensure that any recommendations around specific tenures or tenure mix is deliverable and impactful, and that the Council has the right structures in place, with strong accountability and governance.

3.6 The full list of recommendations can be found in Appendix 1. They revolve around five themes:

- 1) Responding proactively to the challenging financial context to accelerate the delivery of more genuinely affordable homes
- 2) Acting on both the immediate and structural challenges facing private renters
- 3) Prioritising additional support for the Borough's most vulnerable residents
- 4) Ensuring Waltham Forest is set up to succeed
- 5) Pioneering bold solutions to decarbonise the Borough's housing

3.7 These recommendations will now be considered by the Council, in the context of producing a new Housing Strategy for 2023-28. An initial part of the Council response will be presented to Cabinet in early Autumn, in the form of a high-level action plan, delivered in collaboration with services across the Council. This Action Plan and the Housing Strategy

will form the Council's response to the Commission. Cabinet will be asked to recommend the new Housing Strategy to Full Council.

4. OPTIONS & ALTERNATIVES CONSIDERED

- 4.1 The Council could decide to continue the same path in terms of housing growth and not action the recommendations of the Commission. This is not recommended. The evidence made the extent of the challenge clear, as well as the need for innovative action to tackle the effects of the housing crisis in Waltham Forest.

5. COUNCIL STRATEGIC PRIORITIES (AND OTHER NATIONAL OR LOCAL POLICIES OR STRATEGIES)

- 5.1 The work of the Commission complements many of the Council's strategic priorities. Housing is intrinsically tied to other challenges such as climate, health, equality, and cost of living.
- 5.2 The recommendations put forward by the Commission reflect this. The Commission for example considered decarbonisation of housing, the impact of poor housing on health and how the Council can better support private tenants' wellbeing, the burden of housing costs and how they can be reduced, and how the Council can ensure homes go to those who need it the most.
- 5.3 In addition, much of the evidence the Commission considered was place-based, which will allow the Council to develop a delivery plan that considers the characteristics of different areas, in line with the organisation's 15-minute neighbourhood approach.

6. CONSULTATION

- 6.1 As part of the development of the evidence, the commissioned research organisation PRD led a series of engagement with residents. Findings of this engagement can be found in Appendix 2.
- 6.2 Nine focus groups took place, involving close to a hundred residents.
- 6.2.1 Four of them took place online and brought together people based on their circumstances. PRD spoke to:
- (a) People who live in social housing
 - (b) People who live in private accommodation (homeowners and renters)
 - (c) People who have health issues and/or additional needs that impact on their housing need
- 6.2.2 Another five face-to-face focus groups took place in areas of Waltham Forest that have seen significant housing growth to obtain a deeper understanding of the impact that development is having on specific communities.

- 6.3 The insights from this research was presented to the Commission as part of the third session. The Commission considered it as they developed the recommendations, to ensure they were responding to residents' concerns and challenges.
- 6.4 A meeting with key development partners and house builders within the borough also took place on 4th April to update them on the process, share the evidence and emerging findings, and seek feedback on key challenges and opportunities within the borough. This was summarised and fed into the final session of the Commission for the group to consider.

7. IMPLICATIONS

7.2 Finance, Value for Money and Risk

- 7.2.1 There are no direct financial implications as a result of this report. The Action Plan will outline how recommendations will be implemented, including how they will be funded.

7.3 Legal

- 7.3.1 None specifically as a result of this report.

7.4 Equalities and Diversity

- 7.4.1 The housing challenges faced by residents are felt in a more acute way by residents affected by structural inequalities. The evidence presented to the Commission made it clear that some groups of residents were more at risk of struggling to keep a decent roof over their heads because of a large spectrum of characteristics, from their ethnicity to whether they rent or own their home.
- 7.4.2 The Commission itself has been very clear that equality should be considered for every of the recommendation, as a cross-cutting principle. The final report considers an array of systemic challenges which frame the Commissioners' recommendations. Inequality tops this list.
- 7.4.3 The recommendations of the Commission are expected to have positive outcomes for those most impacted by structural inequalities, as they will improve housing conditions in the Borough.
- 7.4.4 An Equalities Analysis screening has been completed and there are no negative or adverse impacts identified (see Appendix 3).

7.5 Sustainability (including climate change, health, crime and disorder)

- 7.5.1 The report acknowledges the climate emergency as one of the wider systemic challenges that must be considered while producing and delivering recommendations.
- 7.5.2 Out of the five themes framing the Commission's recommendations, one is specifically focused on sustainability: "Pioneering bold solutions to decarbonise the Borough's housing". Within this theme, the Commission

has focused on things that can be pioneered within the Borough to meet local commitments.

7.5.3 The Commission has also made it clear that more homes are needed. Those new homes will be more energy and carbon-efficient than existing homes, and will help minimise increases in carbon emissions from new development and supporting infrastructure.

7.5.4 Those recommendations are expected to have a positive impact on the climate emergency, alongside improving affordability and residents' wellbeing.

7.5.5 In line with the Council's commitment to tackle the climate emergency, sustainability will be a key part of the Council's response to the Commission work.

7.6 Council Infrastructure

7.6.1 None specifically as a result of this report

BACKGROUND INFORMATION (as defined by Local Government (Access to Information) Act 1985)

None