



Maida Hill Neighbourhood Forum (MHNF) Written Evidence to Westminster City Council Examination in Public

June 2020

Matter 4 - Housing

Inspector's Questions and Maida Hill Forum ('The Forum') Responses:

Why is this issue important to Maida Hill Forum?¹

- Harrow Road Ward is one of the most deprived wards of Westminster, with parts of the ward in the 10% most deprived nationally according to the Index of Multiple Deprivation. It is densely populated, with around 14,000 residents.
- Our ward has large numbers of low-income families with children dependent on benefits, and higher unemployment than the City average (10% vs 7%, pre-COVID). 43% of residents in 2014 lived in the social rented sector, nearly 65% more than the City average. The 2017 City Survey found 9% of residents reported they were struggling financially, compared with 5% across Westminster as a whole.
- The lack of affordable housing was one of the top issues raised in MHNF's consultations with the community and the most common area where residents want to see us influencing development locally.
- While Harrow Road ward is more affordable than other parts of Westminster, house prices here are still 16.9 times the median local salary. Our ward is a 'hotspot' for homelessness, with by high numbers of approaches to the Housing Solutions Service (see Figure 1 on following page), and large numbers of homeless hostels based locally.
- 30% of housing in Westminster is overcrowded, the third highest in the country.
- The Lydford Estate in our ward is a possible future site for regeneration by CityWest Homes.

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¹ Data sources: Harrow Road Ward Profile; Westminster City Council Homelessness Strategy; Forum consultation data; Labour Westminster, "Deprivation in Westminster"

Also, there is a clear relationship between areas of deprivation in Westminster and homelessness as shown below.

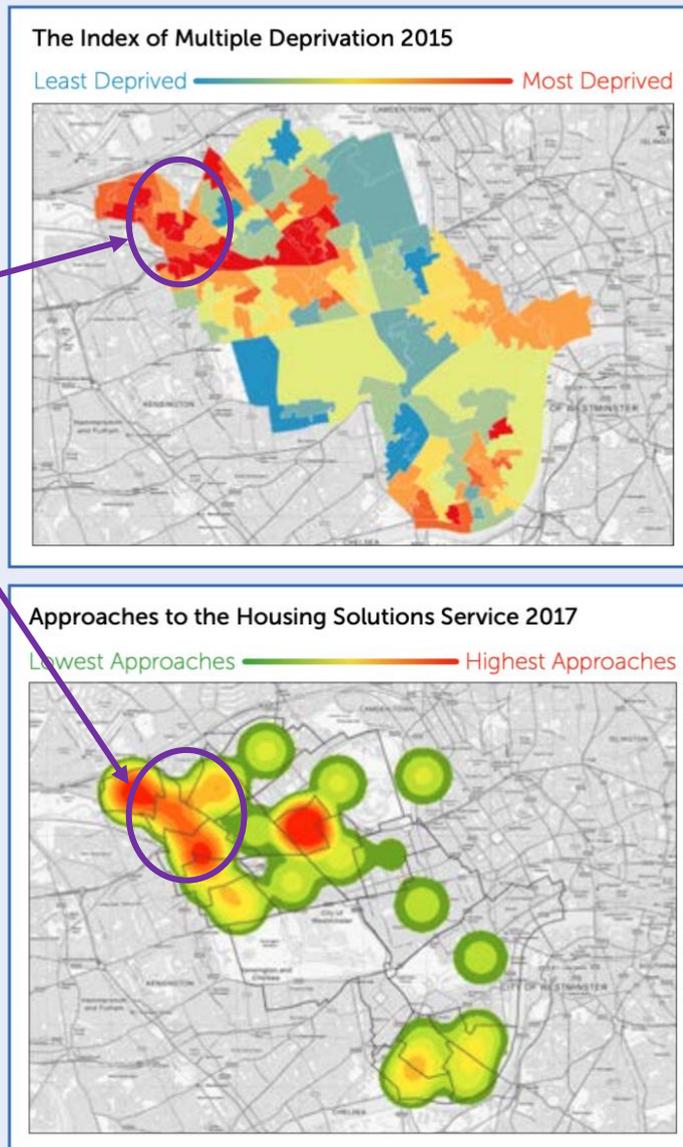


Figure 1: Deprivation and Homelessness in Westminster, showing Harrow Road Ward, (Source: Westminster Homelessness Strategy, 2019, page 11)

Inspector's questions and Forum Responses

Other aspects of Policy 8

18. What is the evidence base for the limit of 200sqm Gross Internal Area for new homes (Part B) and is the approach justified?

n/a

19. What is the evidence base for the approach on existing housing (Part C) and is the approach justified?

We note the proposed minor modification at Para 8.10 in response to our earlier consultation response. We discuss in detail Westminster's approach to needs assessment and affordability below.

Analysis by London Tenants Federation / University of Leicester² shows how development and regeneration contribute to the loss of social housing in London. Social housing is regularly being replaced with more expensive 'affordable' and market housing. 15 London boroughs showed a net loss of social rented homes between 2004 and 2018. This is exacerbating affordability and homelessness problems in the capital.

Hence protecting existing housing is justified, and is supported by the Mayor of London's New London Plan.

The policy is not however justified in failing to provide stronger protections. It still falls short of the requirements of the New London Plan for 'like for like' replacement of existing housing. Westminster has also not complied with Mayoral policies on a ballot of existing residents before regeneration can go ahead.

We welcome the Westminster Homelessness Strategy commitment to build 1,850 new affordable housing units in the City by 2023. However, many of these are likely to replace demolished social housing. Hence stronger protections are justified.

20. What is the evidence base for the approach to short term sleeping accommodation (Part D) and is the approach justified? How will this be implemented and how does the approach relate to situations where planning permission is not required? Is the approach to purpose-built student accommodation justified?

Maida Hill Forum strongly supports Westminster Council's commitment to regulating the growth of short-term lettings. There has been massive growth in short-term lettings throughout the City of Westminster, which has diverted residential property into visitor accommodation, restricting housing supply and exacerbating affordability problems. It is very difficult to enforce the 12-week limit on short-term lettings, due to the high burden of proof. Being able to prevent new conversions under planning law is an important tool.

It is hard to overstate the problem. A search at the time of writing for 'entire properties' in our ward for one night in July yields 175 available properties. This is before lockdown has been lifted when such stays are, in theory, not yet legal to book. A 'tale of two blocks' illustrates the impact. There is a new-build block of eight flats in our ward where the entire block has been listed for rental on AirBnB (there are six listings there now). In contrast, a very similar block was bought by Kensington & Chelsea Council, and now houses survivors of the nearby Grenfell Tower disaster. The latter is more in keeping with the goals of sustainable development supported by national policy.

² Available on the estatewatch.london/research/ and londontenants.org websites

21. Are the proposed modifications necessary for soundness? Are any other modifications necessary?

As identified under question 19 above, changes are required to Part C to achieve conformity with the London Plan. We defer to the Greater London Authority on the detail of such changes, but wish to pass on the concerns of local residents.

Affordable Housing Policy 9

22. What is the evidence of the need for affordable housing in terms of numbers and tenure?
23. What is the basis for the target of 35% and the approach to site size thresholds?
24. Is the reference to 1,000sqm appropriate and consistent with national policy?
25. How has viability been taken into account in formulating the policy and how would the viability of schemes be taken into account?
26. Is the policy justified in terms of the approach to on-site and off-site provision and payments in lieu? Is there sufficient flexibility? Is there sufficient clarity as to how the policy will be implemented in practice, particularly in terms of the calculation of payments in lieu?
27. What is the basis for the approach to tenure split and the type and size of affordable housing sought?
28. In overall terms is the policy in general conformity with the London Plan? How would the London Plan and City Plan interrelate on this issue in terms of dealing with specific proposals?
29. Are the proposed modifications necessary for soundness? Are any other modifications necessary?

The Council's Revised 2019 Housing Needs Assessment Technical Appendix, restated in the November 2019 Housing Topic Paper, diverges in significant ways with national guidance in its assessment of the need for different tenures of affordable housing. In addition the evidence does not support its assertions.

Firstly the Council's methods do not comply with national policy.

- Its assessment introduces an arbitrary adjustment to the NPPF guideline method for estimating affordable housing need: 'propensity to stay'. National policy requires the borough to treat lack of affordability as a justification for *increasing* demand for affordable housing. However Westminster uses it in the opposite direction. It notes that, because of lack of affordability, 2,700 households from the Borough are in temporary accommodation. Because some of these are placed out-of-borough, it argues they are likely to settle elsewhere, justifying lower demand. That is, a lack of affordable housing leading to homelessness is used to justify *lower* delivery of affordable housing. This is clearly not compatible with the NPPF.
- The Assessment also does not sufficiently take into account overcrowding, which is required by the NPPF. Yet overcrowding is clearly an important issue in the borough: it is mentioned in the City's Homelessness Strategy as the lead cause of homelessness. The Technical Appendix estimates 41 households a year would need housing due to overcrowding (Table 2, p11). Yet it was previously estimated that 26

households would need this *just in Harrow Road ward*. And again, the arbitrary 'propensity to stay' adjustment (45%) has been applied.

The council fails to take into account the available evidence on need:

- In the Housing Topic Paper, the Council asserts that, due to affordability pressures in the borough and the large number of 'middle income' households in the borough, there is a greater need to build intermediate housing than social housing. However, the evidence shows that intermediate housing at up to 80% of market rents in Westminster is not affordable for the great majority of those in the identified 'middle income' groups. Shared ownership is similarly out of reach in the borough except to those on very high incomes – case studies even in outer London note minimum incomes needed of £55,000+.³ Building this kind of intermediate housing will not relieve affordability pressure in our area and will preclude opportunities to alleviate housing need as expressed by overcrowding and homelessness in the borough.
- In Tables 2 and 3, the Council asserts that households in the private rented sector who depend on housing benefit, and overcrowded PRS tenants with affordability issues, will be able to afford intermediate housing. Yet analysis by Shelter⁴ shows that a low-income family in London (which we assume such households are) can only afford social rents.
- The policy notes high levels of shared accommodation and multiple occupation in the borough. Yet sharing is likely to be a reflection of affordability problems, and therefore implies greater levels of demand for affordable housing. The Council's calculation doesn't take this into account.

The Council wants to create more 'mixed communities'. But we note that this is mixing primarily to be achieved by introducing intermediate housing in low-income areas, rather than by providing more genuinely affordable housing in wealthier and central areas. Such development cannot be sustainable if it 'crowds out' the only genuinely affordable housing in a very expensive area.

As noted above under 'Why this issue matters to Maida Hill Forum' this issue is of deep concern to us, given the prevalence of homelessness in our ward and its impact on local people. This is having an impact on our neighbours' lives.

The policy also is much weaker on requiring affordable housing contributions than the New London Plan, leading to potential delays in delivery as strategic applications are 'called in' by the Mayor. On viability: while land values in Westminster are high, the NPPF is clear that land costs are not sufficient justification for failing to deliver affordable housing. Land sale values have been shown to adjust where a clear policy expectation is made on developers on their affordable housing contributions.

³ "A high price to pay: is shared-ownership 'affordable' for the average Londoner? You must be joking" <https://www.homesandproperty.co.uk/property-news/is-sharedownership-working-crippling-service-charges-and-added-rent-put-affordable-homes-beyond-a125071.html>

⁴ Shelter, "A Capital In Crisis" (February 2020), Table 1.

On this, Westminster's policy of creating a loop-hole of off-site delivery and contributions *in lieu* harms the viability of developments. By creating the possibility of an opt-out, or lower cost option, and creating an incentive to negotiate for an exception, the council increases the value of land and reduces the viability of its own policies. The council is undermining its own position in unsustainable ways. These loopholes should be removed – if developers anywhere can afford contributions, it's in Westminster. It is important to give developers certainty that they must contribute, particularly in current circumstances.

Westminster's approach is not justified when compared with the alternative of requiring the provision of more social housing, removing loopholes and conforming with the London Plan.

Policy 10

30. What is the basis for seeking affordable housing contributions from office and hotel developments in principle? Is the approach justified, consistent with national policy and in general conformity with the London Plan?
31. How would the policy affect commercial growth?
32. What is the basis for the percentage contributions and floorspace thresholds?
33. How has viability been taken into account in formulating the policy and is the evidence on viability sufficiently comprehensive and robust?
34. How would the viability of particular schemes be taken into account?
35. Is the policy justified in terms of the approach to on site and off-site provision and payments in lieu? Is there sufficient flexibility? Is there sufficient clarity as to how the policy will be implemented in practice?
36. Are the proposed modifications necessary for soundness? Are any other modifications necessary?

Maida Hill Forum strongly supports the requirement for hotels to make affordable housing contributions. Our area is projected for growth in hotels. We are not enthusiastic about this as we are aware of plans to close hotels elsewhere due anti-social behaviour problems.

If hotels are developed regardless, developer contributions could have a huge benefit for our area. As an example: we were recently involved in an extended community engagement process around the development of a large (286 room) long-stay hotel on the boundary of our ward with Westbourne Park. It was estimated that, by passing planning under the old City Plan, the development avoided an £11m affordable housing contribution. Instead, the developer committed £100,000 per year (<1%) to a community grants fund.

To show what impact this has: the total amount of Neighbourhood CIL for our area last year was £400. There is a severe lack of funding for local community infrastructure.

Policy 11

37. What is the basis for the approach towards family sized homes and is this justified?
38. Is the figure of 25% intended to be a strategic target and if so, how will it be achieved in practice?
39. Is the approach towards specialist housing justified?
40. Is the approach towards purpose-built student accommodation justified?

41. What is the relationship with the London Plan in terms of identifying accommodation needs for Gypsies and Travellers and setting out a policy approach?
42. Does Part J of the policy provide a sufficiently clear and effective approach towards Gypsy and Traveller sites in terms of the criteria?
43. Is it justified and consistent with national policy?
44. Are the proposed modifications necessary for soundness? Are any other modifications necessary?

No answer.

Policy 12

45. Is the policy justified?
46. How would it be implemented in practice?
47. Are the proposed modifications necessary for soundness? Are any other modifications necessary?

No answer.

Policy 13

48. What is the basis for each of the specific standards referred to in the policy?
49. How has the impact on viability been taken into account?
50. How would the policy relate to policies in the London Plan?
51. In overall terms, is the policy justified and consistent with national policy? Is it in general conformity with the London Plan?
52. Are the proposed modifications necessary for soundness? Are any other modifications necessary?

Maida Hill Forum believes the clear design policies and standards in the City Plan are justified, consistent and in general conformity with the London Plan.

We have previously been involved in supporting the Council around the idea of a Design Review Panel, and are keen that this should go ahead. We welcome Westminster's proposed modifications. We particularly welcome Westminster's affirmation that design policies apply to conversions of existing homes, noting that such conversions are often to become either short-term lets, or low-quality, high density HMOs which don't meet space standards for housing yet more homeless households. Developers squeeze such units in, creating problems for the occupants, which can spill over into the community.

We have also seen the impact of poor design in introducing maximised density, bad development in our area. As Forum volunteers we spend our free time objecting to planning applications for dark basement flats which barely meet national space standards, have no outside space and no access to amenities, and often overshadow their neighbours.

In relation to the hotel mentioned before, although we are not the biggest fans, the developer did engage with the community and take on board feedback from neighbours about the design. This led to welcome improvements.

Thank you for your consideration of our contributions. We would be happy to discuss any of the content further.

Background:

Maida Hill Forum is the designated Neighbourhood Forum for Harrow Road Ward in the north of the London Borough of Westminster. The Forum brings together residents, workers and businesses to tackle current issues and influence future development.

We aim to:

- a) prepare a neighbourhood plan in partnership with the council
- b) encourage community support and involvement in the plan
- c) promote or improve social, economic and environmental wellbeing of the area

The Forum has a membership of 400 local people and an active volunteer committee of 15 people.

Response prepared by: Susie Dye, Forum Co-Secretary, June 20 2020