

Acknowledgments

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Patricia Kavanagh.

***THE COMMITMENT TO
AFFORDABLE HOUSING
: A Tale of Two Boroughs***

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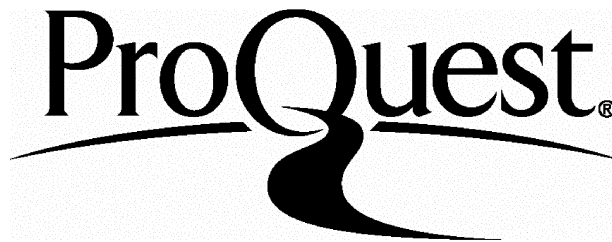
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Abstract for M.Phil Thesis.

The current challenge posed by the publication of affordable housing legislation for planning professionals has proved to be full of complexities and contradictions. The progress of affordable housing provision through planning policy, implementation has gone ahead but not with the ease that the Department of the Environment believes their Planning Policy Guidance Note 3, Housing permits. The intervention of many other factors, particularly economic market forces, have occasionally conflicted with the aims of affordable housing 'enablers' to facilitate maximum provision of these homes.

This thesis attempts to explore one aspect of intervening forces, that of political ideology. It focuses in on politicians at local government level and considers whether their political ideology has a direct effect on affordable housing provision in their respective boroughs. The two boroughs selected for this study are both situated in North London. For the purposes of this study they have both been selected because they have different political compositions.

The fact that political ideology is intrinsically linked to Members decision making may have made the hypothesis too obvious to bother testing. However, during preliminary discussions with colleagues some contra-indications had been suggested by planning officers. The basis of their argument was that because of the close connections that local politicians, particularly Members, had with their constituents and constituencies they were more likely to make decisions based on their knowledge of local needs. Finally the researcher decided to stick with the original hypothesis, which suggested political ideology did have an effect.

COMMON ABBREVIATIONS

ALBPO	Association of London Borough Planning Officers
ALA	Association of London Authorities
CHiCL	Campaign for Homes in Central London
DIYSO	Do It Yourself Shared Ownership
DoE	The Department of the Environment
DPOS	District Planning Officers Society
HAG	Housing Associations Grant
HALOG	Housing Associations Liaison Officers Group
HAT	Housing Action Trust
HC	Housing Corporation
HIP	Housing Investment Programme
LB	The London Borough of
LBA	The London Boroughs Association
LBB	The London Borough of Barnet
LBH	The London Borough of Haringey
LHU	The London Housing Unit
LRC	The London Research Centre
OPCS	The Office of Population and Census Statistics
PPGn3	Planning Policy Guidance Note 3, Housing
RTPI	The Royal Town Planning Institute
SEG's	Socio-economic groups

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CHAPTER 1 INTRODUCTION

1.1 PREAMBLE.

This research topic focuses on the subject area of Housing primarily because of the substantial moral and social implications involved in ensuring the correct and balanced provision of homes for all. This is obviously not to negate the importance of aiming for balanced provision for all other land uses, and I believe that Planning is exactly the correct 'domain' for regulation of local demand and supply and provision of all services and utilities. I have decided to narrow this area of study to 'Affordable Housing', also referred to as low cost housing. This sort of housing provision is of paramount importance to an increasing number of people and the subject of advice statements from the London Planning Advisory Committee (LPAC), guidance from the South East Regional Planning Committee (SERPLAN) and the Department of the Environment (DoE).

1.2 POLITICS, IDEOLOGY AND PLANNING.

The nature of the political administration of the last decade and in particular its attitude to the economy and local government and subsequent effects on housing in this country through the introduction of new legislation have pushed the issue of affordable housing to the forefront of political debate. The encouragement of the free market ideology in the 1980's in almost all aspects of economic and cultural life is widely accepted to have been radical whether one approved of it or not. In housing it led, among other things, to an increasing belief in the necessity of home ownership as opposed to renting your home. The political reforms applied to local government during this same period were as radical, and in the area of council housing for sale were politically controversial and needed delicate handling from within the

Conservative Party public relations machine.

It is primarily because of the strength of feeling which surrounds these issues, not just from a politicians perspective but also because of feelings held by the man in the street, that I felt affordable housing was going to be an interesting issue to watch develop.

Housing has always been a serious and potentially highly emotive subject, **'....food, clothing and a roof over your head....'** are the three basic requirements of life and survival. They are not luxuries and yet for an increasingly large number of people they are becoming precisely that through lack of affordability and attainability. The problem of not being able to afford decent housing is a universal one but one which perhaps the more fortunate perceive as being associated with the third world and perhaps only small groups of underclasses in the developed world. These days it is not just those disadvantaged groups in society who may never be expected to earn enough to afford a home of their own choice.

There are now a growing number of lower to middle income groups who have suffered as a result of the cultural, financial and ultimately social changes in ideology of the last decade. The home ownership ideology being the best available option as a matter of individual or even civic pride has been promoted and then endorsed through various pieces of legislation by a political administration which has a vested interest in encouraging these changes, for reasons which I will briefly touch on during the thesis.

Shelter, the politically independent housing charity, has recently published figures which estimate that more than two million families will need low cost homes to rent by 1995. The statistical backdrop to a Royal Town Planning Institute (RTPI) conference at the end of last year set the scene for discussions that concluded social housing should be both 'affordable and allocated'. It acknowledged the problems of providing rented housing, (for which there was the greatest social need), as against shared equity schemes. This they

felt was due to the vagaries of Housing Corporation finance on which nearly all schemes depended, which made development of shared equity schemes financially more attractive. Where local authorities have attempted to achieve some degree of affordable housing provision, targets have not always been successfully met and there are also problems where actual need is not being met by either targeted or actual provision. Some local planning authorities are more positive and progressive in their outlook with regard to achieving a balance between need and supply. York City, for example, have proposed strategies, details of which can be found in their Housing Investment Programme statements, to cope with the increasing need for affordable housing provision within the planning framework.

Recent guidance from the Department of the Environment (DoE) in the form of Circular 7/91, 'Affordable Housing' (Circular 7/91) and Planning Policy Guidance Note 3, 'Housing' (PPGn3) were the first indicators of a change from the far right ideological stance of the last decade, with regard to housing. The last decade has seen legislative changes which have eroded the extent of the planning system's powers and authority in this and other areas. There are reasons to question the commitment and motivation of the Government to tackle this issue effectively as both the Circular 7/91 and PPGn3 appeared to many interested parties to be rather a belated attempt to address this growing social problem. Secondly the advice does not clearly outline the mechanisms through which planners are supposed to achieve the 'desired end'.

The discussions in this thesis will generally debate the political philosophy surrounding regulatory intervention in affordable housing provision by the land use planning system. It will also attempt to explain the ways in which the planning system tackles this problem, which calls for a compromise between seeking to provide for a perceived need, and easing existing constraints in the implementation and development processes in order to realise the goal. These are potentially complex matters and the government has clearly laid the

responsibility as to how to combat the problem squarely on the shoulders of Housing and Planning Authorities.

In the political climate, of the last decade or so, the various administrations have been committed politically and ideologically to home ownership as a counterbalance to any potential political radicalism and to ensure the extension of profit accumulation. All planning advice issued during this period confirms that, for instance, Planning should be concerned with issuing permissions for *land use* to land owners or developers and those agencies giving them wider personal scope to develop as they wish in the absence of the more interventionist powers that local authorities used to have. The government have also stated that specifying social considerations in local plans are not within the remit of local planning authorities.

The arguments that the powerful lobbying organisation the House Builders Federation have put forward about the planning system is that it (not them) adds to the high land price increases by not releasing the 'correct' amounts of land in the 'correct' areas, (as defined by themselves). However, strictly speaking, there is no statutory requirement for any local authority to compile a register of land availability, although they do have to keep a record of the *quantity* of land available for housing development.

In broader terms the debate surrounding housing provision is no longer one of quantification only but increasingly one of a qualitative nature, ie what type (ie affordable) and quality of homes are we supplying ?. Following on from this if we work on the premise that house builders generally are motivated by gaining the maximum profit from housing provision, then there is very little proof based on past experience that they will provide affordable housing because of the lower or negative profitability that these schemes offer.¹ In fact in order to facilitate a balanced provision with the demand for affordable homes a complete reversal of opinion and ideology would need to be adopted to provide the

appropriate cultural backdrop in which a revision of existing mechanisms can take place.

In the last decade or so the Conservative governments of Thatcher and Major have promulgated the belief that the supply of this housing can be met, where necessary, within the arena of free market economics. As a consequence of this belief (and the continued assault on local government by central government) we have seen the enforced sale of large numbers of council homes owned by local authorities. These well aired arguments which suggest that giving property ownership access to those local authority tenants able to buy their properties was one aspect of the benefits of such a political move. However, on the other hand, for local authorities these sales meant council housing stock depletion and therefore a weakening in ability to continue to supply re-letted properties.

Opinions within the planning profession itself are mixed. Some need for intervention to balance the provision for supply and demand is without dispute, however the housing panel of the RTPI recently declared that a reform of the housing finance system was more important than the content of planning policies. Currently there remains ambiguity over the definition, methods of implementation, vague direction and commitment from central government and an unclear economic future all of which does not bode well for resolution of this matter.

The issue of affordable housing was initially brought to the attention of most planners with the publication of Circular 7/91. In local planning authorities the collective agreement was that it was rather belated and also that it was an ineffective piece of guidance in many respects. One of the areas of concern was that there was no clear guidance on how to use planning gain to extract an agreement for an element of affordable housing on a particular development. Another was the lack of specific advice on the urban affordable housing problem which was subsequently addressed when the later PPGn3

was published, but until then caused deep concern for housing and planning professionals working in the urban arena. Consequently the general lack of clarity in the circular has been reflected in local plans by the varying consistency of affordable housing policies.

I thought that it would initially be a good idea to track two individual local planning authorities progress in introducing, interpreting and implementing affordable housing policies. I would then compare their progress and make an analysis based on their willingness and the extent to which they were prepared to apply the contents of statutory advice. The hypothesis for this thesis is to investigate any differences in the way in which two local authorities with a different political composition approached the problems mentioned directly above in this paragraph.

That the ideology of a political group is intrinsic in virtually all of its decision making would perhaps seem to be too obviously true. However, after discussions with colleagues in my own planning department and an officer in another local planning authority who had already done some research on this subject I was advised to not to draw up an hypothesis based on the political will of the local authority to make provision for affordable housing. These planning officers felt that the politician at local government level was a sufficiently different political creature from his or her colleagues at the national level. The reasoning for this was that the level of personal contact and knowledge a local councillor has with his constituents and constituency may cause him to occasionally go against party lines when decided on an issue such as affordable housing provision. They suggested that I should instead continue with a straightforward comparison on how the planning departments interpret and implement the advice contained within the Circular.

I finally decided to revert to my original hypothesis for the purposes of this research.

1.3 THE BOROUGH.

The London Borough of Barnet was the first of my two comparisons. As my employer it would be relatively easy to access as much information as I would like from colleagues involved in policy making and implementation as well as having access to housing and planning information held on existing databases. My second choice was Barnet's adjoining neighbour Haringey. As a lifelong resident of this borough I felt that I was reasonably well equipped to remark initially on the perceived changes to housing stock and provision for at least some of the affordable housing in the borough.

Notwithstanding these advantages, these were not ideal comparisons to make, because they are both outer London boroughs. However, Haringey is sometimes regarded as an inner London borough because of the nature and density of some of its urban fabric, and its social and economic characteristics.

Barnet, on the other hand, has an almost suburban feel to it despite having densely populated and congested areas to the south and east of the borough (parts of Finchley and Cricklewood). In so far as this all relates to Planning the main idea was to set the challenge placed on local planning authorities with the introduction of Circular 7/91 and latterly the PPGn3 against planners' ability to provide adequate land for affordable housing. This would be set in a background of public expectation that affordable housing could be delivered once the legislation had been passed.

1.4 DATA SOURCES AND ACCESS TO INFORMATION.

The data sources which were intended to be used in this research included the existing Land Availability for Housing database at Barnet Council which contains information on all new build in Barnet from 1981, although I will actually focus on the period from 1986. There has always been a provision in this database to identify the ownership and agency type for each relevant planning application, so I was able to monitor housing association progress as against developments by private developers. The information held by Haringey was

unfortunately not collected in the same way and therefore not directly comparable to the information held by Barnet. The nearest equivalent was to be found in the Building Control department's Completions database. In the end it was decided to use both boroughs' housing department pipeline development information on housing associations and local authority activity (where the latter existed) as a comparison.

The Unitary Development Plans for the boroughs both contained early sources on their position regarding affordable housing, although presently Barnet has no policies but will be including them at the first review stage. Conversely Haringey had already incorporated affordable housing policies in their draft UDP and in fact have since revised them for entry in their deposit UDP.

Early relevant data sources have been identified through contacts with other researchers in the field, these are:- LPAC, the Housing Corporation, LRC, DoE, SERPLAN. Another contact based in the Planning Inspectorate at Marsham Street confirmed for me that there is no 'hidden agenda' regarding affordable housing, no special briefing sessions on newly emphasised topic areas and that decisions are made only on the individual case before them.

Several visits to the LRC to attend meetings on housing issues and in particular on affordability, were very useful, although they did tend to open up a pandora's box of new ideas requiring great self discipline in order not to be sidetracked. These visits to the LRC did highlight an interesting point, that I was a lone planner in an audience of housing professionals who did wonder why a planner would be interested in the subject. Another interesting aspect of these meetings held in late 1991 was that the housing professionals had not heard of Circular 7/91 or of any planning legislation regarding affordable housing which had potential implications for their work.

The other personal contacts I have made are within Barnet

Council's housing department and we have now established a joint working team to concentrate on how to implement the new affordable housing policies in practice. as a result of establishing this working group I now have an equivalent contact at Haringey.

At such an early stage of the affordable housing implementation process there was no need to use sophisticated methods of measurement comparison, between Haringey and Barnet. Apart from the questionnaire sent to the planning committee members and informal discussions with local authority officers in housing, planning and borough valuers departments, all other data collection and analysis has been conducted from researching secondary sources such as existing texts.

One of my first moves was the preparation of a questionnaire for completion by the Planning Committee Members at both Haringey and Barnet, with an emphasis on how they perceive the issues in and around affordable housing, how that affected their decision making (if at all), and how effective do they think they can be in addressing the problem of affordability locally. Unfortunately the results which should have been available were not forthcoming because the questionnaire was blocked in one case and in the second not completed through the incompetence of the designated distributor. Detailed explanation of the reaction to completion of these questionnaires is described in Chapters 5 and 6.

As far as secondary data sources are concerned the LRC News Information bulletin facility proved invaluable. In-house committee reports from Barnet and Haringey and advisory documents and reports from LPAC and SERPLAN were found to be the key source documents for the individual borough chapters.

Books on the subject are few in number, however work by Barlow & Chambers (1992), Bishop & Hooper (1991), Dunmore ((1992) and some LRC publications on this issue are useful, and in the case of Dunmore's book very practically oriented. The most useful explanatory references on Housing I have come

across so far is the Duke of Edinburgh's Inquiry into British Housing Report 1991, because it manages to explain the complexities of housing finance and administration without totally baffling the non expert.

The main problem with achieving a suitable revision of mechanisms revolve around the close relationship between statute and common law governing land ownership, allocation, use and development. The establishment of these closely related types of law reflects the powerful alliance of the state with corporate business and land owning interests, purporting to operate for the national benefit. Essentially the main opposing moral and political standpoints are a reflection of differing ideologies. Firstly those who feel affordable housing should not be an issue for public debate and more importantly public expenditure at all, and that it should be left to market forces to provide, where necessary, for this need. The other viewpoint maintains that the debate should be open to all, and financial provision should be made from the public purse. In planning terms all this opened up the debate as to whether affordable housing provision should be determined within the planning arena. Those who feel that they are planning in the Community's interest would undoubtedly feel that it should, these are traditionally represented by the left wing politicians. On the other (right) hand there are those who would oppose this kind of market intervention by the planning system. The latter, often best exemplified by the HBF, may argue that local needs policies could have the harmful effect of pushing up land and property prices to the ultimate detriment of those on low to middle incomes.

1.5 EXISTING LEGISLATION AND OTHER MECHANISMS.

Lack of effective mechanisms facilitating affordable housing provision within the planning system stems from an overall lack of consensus that underlying social and economic processes need to be addressed through policy formulation in a pro-active manner. Instead housing providers and

politicians have traditionally rested on the belief that existing policies are sufficient and legitimately founded when responding to community needs and demands through the 'consultation' processes in plan preparation. Another and probably more prohibitive factor is that as a result of the separate legislative and physical frameworks within which the planning and housing departments of local authorities operate, a corporate approach can be severely constrained. As an example planning authorities may formulate policies on renewal but cannot control the statutory tools available for carrying such policies out. Government reasoning behind this was to enable external (ie free market) pressures to intervene with fewer restrictions from the operations of local government.

However after eleven years of radical Conservative leadership the extent and nature of these interventions need to be portrayed in such a way as being in the general public interest and so procedural devices have been produced to demonstrate these intentions. Consequently planning and housing departments are often the recipients of guidance circulars and advice notes which have specific aims but some have no clear guidance on how these are to be achieved.

In other cases advice is offered as to a particular approach that should be adopted by professionals, which displays governmental attitudes to public involvement and awareness in housing and planning matters, for instance Department of the Environment Circular 14/75 asks that **"....bearing in mind the dangers of 'anticipatory blight' authorities may not wish to carry out public consultation afterwards....."**. It is no wonder that given the kind of advice above that the public come to suspect that their participation in local plan production is an ineffectual exercise. Although this circular is not specifically related to affordable housing it exemplifies the tone of advice that currently prevails. Circular 7/91 does not advocate physical exclusion of the general public. Nevertheless it does exclude them from full participation in the whole process of affordable housing provision because interpretation of this document remains a

potential minefield of legal and financial implications.

In later statements following up the circular the planning Minister Tim Yeo attempted to clarify the procedures he expects local planning authorities to follow in order to prepare for the introduction of affordable housing policies where they do not already exist in Local Plans. He particularly highlighted the necessity for planners to determine local housing need by sitting down with their own housing departments. Arguably there may not be much hardship involved in making these arrangements but it is unsatisfactory if the conventions established to enable this functioning differ from authority to authority. The other major problem here is that no new legal or statutory framework has been evolved to cope with any potential unwillingness to comply with actual implementation (particularly of external agencies), and from the tone and content of continuing ministerial statements it seems that we should expect none. The status then of joint housing and planning groups are that they have no more importance than any existing working committees within local government.

Various independent organisations have expressed an interest in addressing the logistical problems of providing a more equitable housing system without any changes to the planning system. Among the suggestions is a now popular prevailing idea to radically reform housing finance by using money already spent on housing to better effect by phasing out Mortgage Interest Tax Relief. This would remove the inequity of an expensive subsidy which favours the better off and costs the country twice as much as Housing benefit for people on low incomes. The Report into the Joseph Rowntree Foundation's Inquiry into British Housing, 1990, (1991) explained how this would work.

The RTPI has suggested changes to the planning system in order to accommodate the provision of affordable housing. In recent debates involving their housing panel some members proposed inclusion of quota based policies which would specify

proportions of rented or shared equity social housing to be built in new schemes, other members thought a new social housing use class would be useful. All agreed that a closer relationship between Housing Investment Programmes and local plans was imperative to the success of affordable housing. Latterly local authorities seem to be using the suggested quota based idea in their local plans.

The Rural Development Commission are so concerned about the growing imbalance between need and supply that they made the following proposals to ministers at a 1991 meeting:-

- (i) **An increase in the size of the Housing Corporation's special rural programme**
- (ii) **Local authorities should be allowed to retain a greater proportion of the receipts from council house sales to reinvest in affordable housing, through housing associations**
- (iii) **The Rural Development Commission could help with the establishment of banks/land options in some counties (modelled on the Devon Land Bank) where this would speed the development process**
- (iv) **Commission encouragement for established housing associations (usually urban) to extend their activities to rural areas in the form of grants towards their extra administration costs**

A point worth making here is that if there is an under provision of affordable housing in rural areas there will continue to be additional pressure in urban areas.

1.6 CONCLUSION.

As land use planning attempts to regulate the overall demand and supply balance for housing in a given area, it seems appropriate that it does the same for affordable housing. By providing an estimated number of dwellings based on centrally produced statistical data forecasting a given population growth over a certain period of time, local plans should say that housing development of a maximum stated figure would be permissible and in fact necessary within a given time frame.

However, the growth in homelessness and recent disproportionately high number of home reposessions produces a completely different end result. This is the crux of the problem, that provision of homes for a growing population is not good enough. The land use planning system also needs to be able to say what kind of homes and what type of people should go into them. Given the fact that we have a housing crisis partly as a result of an unchecked free market economic approach we require less debating and more immediate action.

Measures which can be employed in the short term should be adopted such as the housing finance reform suggestions, and in the long term a relaxation of accumulated constraints on the planning system with more definitive powers to implement the growing number of affordable housing policies in local plans. In an article in the Planner magazine by David Lock (Professor of Town Planning at Birmingham Polytechnic), he pointedly remarked that the State's attempts to rely on the workings of the market had been a **"...foolish experiment that has caused much misery and wastefulness..."**. He further stated that circular 7/91 was a belated response to the problems and even the precise meaning of affordable housing was unclear. Most importantly he concluded that **"...planning procedures and implementation techniques must be created to deal with it..."**. In order for the land use planning system to regulate the demand and supply of affordable housing in these ways and to this extent calls ultimately for a complete re-orientation of political ideology which may not come from our current political administration.

The main implications of this thesis attempt to predict any possible changes to future governmental and or main opposition party policies or directives regarding affordable housing. It aims to come to a view on the effectiveness of Government's willingness to enable planners cope effectively with the problem of providing all those individuals and families who need affordable housing of their own. It also aims to highlight the inconsistencies in the processes of implementing affordable housing policies between Barnet and Haringey and to

set this within a London Context. Assumptions as to the reasons for any inconsistencies, which may exist, will then be discussed in an attempt to test the strength of the original hypothesis, that political ideology is directly related to the implementation of affordable housing.

FOOTNOTES ON CHAPTER ONE

- 1 *these arguments have been well aired by Ambrose (1990).*

CHAPTER 2 DEFINING AFFORDABILITY

2.1 PREAMBLE.

In order to come anywhere near solving the problem of providing enough affordable housing a clear cut definition of what 'affordability' is needs to be arrived at. In many ways the lack of a concise definition in previous advice documents such as the revised Planning Policy Guidance Note 3 section on affordable housing, serves to compound the potential complexities of any one or more individuals attempting to do this. What may seem to the outsider as being quite simple to define ie:- 'Affordable housing is something which I can quite easily manage to pay for', they know exactly what they mean, is fraught with interpretative difficulties with regard to relative meaning. For instance that which one household is prepared to spend on housing costs is not necessarily acceptable to another. Affordable housing, however, is not traditionally provided to aid those would be home buyers who can afford to pay for an adequate home on the open market but find the mortgage payments unacceptably high. However, the latter situation has changed because of the escalation of house prices and generally the cost of living the number of people on middle incomes affected is increasing, and a number of those individuals need access to affordable housing. We know that this kind of housing provision is targeted towards individuals whose incomes are sufficiently low enough to bar them from being able to enter the open market, whether that consists of them being able to buy or rent and may include people on low or middle incomes depending on local housing costs.

Shared Ownership which has been in existence for just over a decade is not a new housing option but is growing in popularity particularly in recent years. This non traditional housing option has expanded as a result of peoples needs to be given a 'helping hand' onto the home ownership

ladder, and therefore intrinsic in its conceptualisation was the issue of affordability. This mechanism was originally only applied in the sense of being able to effect home buying and not to consider directly the relationship between expenditure on housing costs and income. Although many financial consultants are now being involved in advising potential buyers and housing associations on the implications of these matters.

More recently as a result of the political and economic changes to the country in the last decade and the subsequent effects on the housing market the concept of affordability has changed. At one stage affordability had only been related to whether you could afford to buy a property and how much you could afford to spend, alternately you rented from either the private but preferably the public sector (Council homes). The debate on affordability of recent times questioned the individual households' ability to afford housing of any kind, particularly where the introduction of legislation resulted in steady and occasionally dramatic increases in rent as well as house prices. Increases in home repossessions and the consequences of adverse reactions to this trend on the economy and on the prevailing cultural ideology of home ownership spurred the issuing of central government advice on affordable housing.

2.2 HOUSING PROFESSIONALS' INTERPRETATION OF AFFORDABILITY

A great deal of work has been concentrated on resolving the practical problems surrounding the definition of affordability.

The National Federation of Housing Associations (NFHA) in conjunction with the London Housing Unit (LHU) convened a series of seminars in late 1991 to discuss the various methods used to calculate affordability, particularly, for housing association tenants. The main purpose of the seminars were to offer advice to housing association professionals regarding these matters.

At this time the Circular 7/91 had been published although at no stage during these seminars was any mention made of this advice.

When the researcher later queried what the housing professionals thought the effects of the Circular would have on their work it was obvious that no one was aware yet of this advice.

As stated above the seminars discussed the two main methods of affordability calculation. These are known as PROPORTIONAL MEASURE (PM) and RESIDUAL MEASURE (RM). What these trends comprise is an assessment of the relationship between expenditure on housing and pure income and housing and post benefit income.

The PM model is based on the mathematical relationship of, **Basic rent + Eligible service charges divided by Net Income + Estimated housing benefit.**

The RM model is calculated as follows, **Income - (Income support + 20%) - Gross rent + Housing benefit.**

The reasons behind having two trend measures and in particular the more sophisticated RM is that it was felt important to draw the distinction between a straightforward net income:rent comparison to that of income:rent + benefits. This is because the RM model shows more clearly any increases in housing benefit and/or income support to housing association tenants as a proportion of their income. Therefore it could be used to make fairly accurate statements about poverty levels, albeit only among housing association tenants.

These trends were invaluable in defining a distinct and technical marker for identifying an affordability problem in this country.¹ As a result they were able to collect statistical information on wage levels of housing association tenants which enabled them to show that not only are incomes not rising as fast as rents (120% to 180% respectively, since 1988) but that there is a growing convergence of wages in the whole of the rest of England and London.

The availability of this data not only showed an affordability problem but the NFHA could identify regions which may be suffering disproportionately to others. Overall the NFHA has highlighted the fact that although the intentions of introducing more market oriented rent increases in all housing tenures² seemed to be working in the sense that rents were still being paid despite increases higher than the norm, it was in fact not working because increasingly housing benefit was taking the burden off the tenant by paying for the larger amount of rent.

Their trends also showed that there was a growing divergence in rent due and rent actually paid and that housing benefit was taking the strain of higher rents to the extent that between 50% of all new households are now in receipt of housing benefit compared to 25% in 1989.³

These trends lead housing professionals to conclude that indeed a growing number of people are being drawn into the poverty trap. This is not the only consequence of increasing rents, there is the relatively new resurgence of the phenomenon of localised impoverishment, this occurs where a large number of social housing units are concentrated together and especially if the dwellings are in various states of disrepair. The implications of this on individuals, whole groups of people and the local economy are potentially devastating as they continue to take the strain of a large percentage of the neighbourhood living on or below the breadline. The problem could be partly alleviated, in planning terms, by ensuring that in future any new social housing provision is developed as either part of a larger scale development.

Many local planning authorities have recommended that this should happen by including affordable housing policies in their local plans advising a 25 - 30% provision of affordable housing or suggesting affordable housing on smaller sites where they would be surrounded by housing of different tenure types. The issue of affordability for planners has wider implications than just providing enough of these type of homes

to meet the need. Planners need to ensure that a way is found of providing numbers while attempting to diffuse these potential concentrations of poverty which will in turn alleviate associated problems of crime and discrimination. One way that this may be possible is to encourage the activity of mixed partnership developments ie:- local authorities with housing associations, housing associations with private developers and so on. This is one of the recommendations in the relevant advice which is discussed in the next chapter. These relatively small scale landlords are unencumbered by the bureaucratic strings which restrict any desires the local authority may have to meet their housing needs. However, all these changes would need to part of a joint venture between housing and planning departments of the local authority initially, since the legislative changes resulting from the 1988 Housing Act and the 1989 Local Government Act have disabled either department from launching these initiatives on their own.

The School for Advanced Urban Studies under the leadership of Glen Bramley have published a report called **'Bridging the Affordability Gap'** (1990). In this report they state that only 22% of new households across the whole country can afford to buy a new family home. The research they have undertaken also revealed that between 100-150,000 new social housing units were needed by local authorities and housing associations in 1990. They also endorse the findings of the NFHA, that access to accommodation is significantly more difficult in the south east where the report suggests only 10% of new households can afford to buy a family home.

The views and determination of Report into the Duke of Edinburgh's Inquiry into British Housing, 1990 (1991) are distinctly different in their motivation from other reports or studies mentioned here because their brief was to look at the general state and problems of British Housing as a whole and affordability was only a part of that whole. The other problems they encountered included insufficient/deteriorating housing stock and an inequitable central government funding

system which favoured the better off.

In this context they made a set of key recommendations which were interlinked with each other, the views on affordable housing within this framework were that the Inquiry advocated a 4% net return on rents (within a nationwide capital value rent setting system). Given that this suggestion would mean higher rents that some of the tenants would already be paying and that we know housing association tenants at least are disproportionately more dependent on income support and housing benefit, this would seem to compound the affordability problem were it not for the fact that the inquiry also recommended an introduction of a needs related housing allowance. Their perceptions of affordability are also different in that they make cultural assumptions about what is or is not an acceptable amount to spend on housing, depending on whether the householder is a home owner or renting the dwelling. They do however feel that social housing tenants should not spend more than 25% of their net income on housing, but that home owners could spend up to 50%, as they regard expenditure on home payments as a form of savings.

2.3 DEPARTMENT OF THE ENVIRONMENT - CIRCULAR 7/91 & PLANNING POLICY GUIDANCE NOTE 3

Circular 7/91 itself made no real attempt at defining affordability or even how to begin to assess it or the concept of need, which are all quite separate. In that sense the Circular was justly criticised as being too grey and lacking any effective guidance. After all how can local planning authorities devise affordable housing policies which must be able to stand up to scrutiny at appeal if the guidelines were not clearly set by the Department of the Environment at the outset. This has continued to be a serious problem for planners, until the recent statement from Sir George Young was made, which is explained later in this chapter.

However a recent survey by a student studying the potential of

Circular 7/91 for affordable housing provision in the south east,⁴ indicated that before the circular was produced approximately 47% of local authorities had affordable housing policies.⁵ Within this group of local authorities 54% had attempted to define affordability within their policy, 19% had not, 6% were intending to examine a definition in the next review stage, 21% failed to respond. For urban town planners another problem with the circular is that it addressed the problem of rural affordability in a separate section. This could have been seen as diminishing the importance of the problem in urban areas. This thesis tackles the issues of affordable housing and homelessness in London in the next chapter. While ambiguous language continued to mar what should have been clear government advice, even after the publication of PPGn3 it did offer local planning authorities the opportunity of trying to define and adapt the term to suit their own local needs both social and economic.

2.4 CONCLUSION

In summarising then, the approaches to defining affordability and affordable housing are many and varied, but they do tend to fall roughly into two groups depending on whether the authors are housing associations or planning departments. All parties agree that the problem exists at a sufficiently large scale that now requires radical change to effectively tackle it.

The Association of London Borough Planning Officers suggested that **'....failure to resolve this issue will impose a severe constraint on economic development and diminish the quality of life for a large section of London's population'**, The Planner (13.12.91), however, their definition highlights another problem of access to affordable housing for those in the labour market. Clearly a centrally defined definition should have been arrived at after negotiation with all associated parties, at an earlier stage.

Now that Sir George Young has broken the DoE's silence on affordability and expressed their opinion that up to 35% of a housing association tenant's income could be spent on rents, (Inside Housing, April 1993) that aspect of confusion has at last been resolved. Because the parameters on rent : income ratio have now been clarified, officers in housing associations and local planning authorities have a clearer picture of the framework within which they will be expected to provide affordable housing.

On a final note Christine Whitehead (Department of Economics, L.S.E.) has stated that **'....neither need nor affordability would require definition if private markets were able to achieve acceptable housing outcomes'**.

FOOTNOTES ON CHAPTER TWO

- 1 The National Federation of Housing Associations do not have complete coverage for the whole of the United Kingdom.
- 2 Since the introduction of the Housing Act 1988
- 3 Conference on Rents and Affordability, comments from Peter O' Kane, Director of the London Housing Unit, held at London Research Centre, November 1991.
- 4 Results from a questionnaire devised by Heidi Langston, Reading University, 1992.
- 5 Although this percentage figure also included provision of housing for special groups which has generally been included in local for some time and therefore distorts the overall figure.

CHAPTER 3 THE LEGISLATION AND ITS CONTEXT

3.1 PREAMBLE.

In response to the growing need for an alternative to the depleting supply of social housing in the UK generally, (particularly in metropolitan areas) the Government responded with DoE Circular 7/91, *Planning & Affordable Housing*, (now superseded). In March 1992, the DoE and the Welsh Office, in issuing a revised Planning Policy Guidance Note 3, *Housing* (PPGn3), repeated and consolidated the guidance given in Circular 7/91. The new PPGn3, is the most recent quasi legislation relating to all aspects of housing and, for the purposes of this thesis topic, affordable housing in particular. However the road to providing adequate advice for affordable housing in a comprehensive manner has been plagued with ambiguities, which this Chapter will discuss. As a consequence of queries from local planning authorities the DoE released a consultation paper. Despite the correspondence from local planning departments to the DoE regarding difficulties encountered while implementing affordable housing policies, the DoE were at pains to point out that this new explanatory note serves to elaborate not alter current policies.

3.2 DEPARTMENT OF THE ENVIRONMENT'S CIRCULAR 7/91.

The advice documents mentioned above explain the mechanisms available by which local planning authorities can deliver affordable housing, the main method being the use of planning agreements to secure a proportion of affordable housing on certain development sites. There were trends in some local planning authorities showing the adoption of this planning mechanism for a number of years but they had quite distinct geographical origins in that they were responding to the needs of local residents in rural areas.

Circular 7/91 was initially welcomed by local planning authorities as a good will attempt to rectify some of the restrictive effects of recent housing legislation affecting social housing provision. However, it soon became apparent that there were technical problems with this document. The main criticism of this document was that while clarifying certain issues it failed to address others, notably problems surrounding urban affordable housing provision. Three quarters of the Circular addresses the rural affordable housing problem.

A further criticism of the Circular was its emphasis on large-scale new development as offering the most likely opportunities for negotiations between developers and planners regarding the provision of affordable housing. This had potential implications for boroughs (especially inner city boroughs) who rely greatly on conversions and small sites for future housing provision. However, the interpretation of what 'substantial scale' means for the planners at the Royal Borough of Kensington & Chelsea, if accepted by the Inquiry Inspector, may ease this problem. They have decided to interpret the meaning of new housing development on a substantial scale to be the overall strategic housing target for the whole borough, and as a result can apply affordable housing policies to all housing development irrespective of site area. The developers objecting against this interpretation are asking for a threshold size to be applied with a minimum of 40 proposed dwellings. By arguing for all sites to be considered, on the basis of their interpretation, the planners are maximising the opportunity to apply their affordable housing policy to every development. This is particularly important for Kensington & Chelsea since they do not have many opportunities to develop large sites. They are now waiting for the outcome of this debate which will be published later this year in the Inspector's UDP Inquiry Report.

Another weakness in the circular was the absence of a definition for a number of key concepts on which successful enforcement of the legislation hinged and which were explained only in broad terms. By their absence 'affordable housing', 'local need' and 'new housing on a substantial scale', placed local planning authorities in the interesting position of having to determine their exact nature. In my own opinion some authorities may have been happy to do this as they could use it to their own advantage, others may have felt uncomfortable with this inconsistent approach.

A study by the London Research Centre into affordable housing was conducted based on a survey of London Boroughs' interpretation of affordable housing policies and associated definitions, the results showed varying levels of consistency. The results contained in the publication **'Much Ado about Nothing ?'** (1991) showed two thirds of London boroughs in the survey had or proposed to have affordable housing policies which would encourage provision through planning agreements on new build sites. The other third had policies to 'encourage' provision or use indirect mechanisms which would also help to encourage affordable housing provision.

3.3 DEPARTMENT OF THE ENVIRONMENT'S PLANNING POLICY GUIDANCE NOTE 3 'HOUSING'.

The areas which had led to initial confusions in the Circular 7/91 were attempted to be clarified in the new PPGn3. This document makes eight key points with regard to affordable housing, resting on the main proposition that 'where a local authority has identified the need for affordable housing as a material consideration within the local plan, that authority may then negotiate with developers on a site by site basis for the provision of an element of affordable housing as part of the overall development'. The essence of these main points are as follows :

1. a community's need for affordable housing may be properly

taken into account in plan policy making as it now constitutes a 'material consideration'.

2. new housing development should include a 'reasonable mix' of house types and sizes to cater for a range of housing needs.
3. where a lack of affordable housing has been identified the local planning authority may issue an overall target for affordable housing provision for the whole plan area but also specific site targets based on site suitability and need.
4. local planning authorities may reasonably seek to negotiate with developers for an element of affordable housing to be included in On & Off plan sites and accordingly have policies declaring their intention to do so.
5. local planning authorities should clarify their definition of affordable housing through guidance on the local economics of housing provision and also specify the arrangements they would use to ensure future occupation for those who most need it.
6. policies should not predicate a preference for any form of tenure.
7. developers' willingness to include an element of affordable housing on land allocated for residential use should be a material consideration which the local planning authority should take account of when considering the application.
8. all plan policies for affordable housing must remain flexible to take into consideration all other factors which may need to be a matter for negotiation, precise scales of contribution to affordable housing may vary and uniform quotas are not permitted on each and every development.

Specifically paragraph 41 of PPGn3 confirms that occupancy of affordable housing can be facilitated through planning conditions and obligation restrictions where the **"criteria of eligibility"** has already been **"set out in local plan policy"**. In paragraph 42 the contradictions (and the fundamental problem) of affordable housing implementation is briefly recognised, by stating that tenure and price are not proper planning considerations. They then confirm that inclusion of planning conditions enabling a specific criteria of eligibility and thereby occupancy **"may have implications for both"** (tenure and price). It goes on to explain that

"Restricting those eligible to live in a property" then describing various local need groups (in the traditional housing need sense, homeless etc.,) this **"may also reduce the market price by reducing the number of people likely to be interested in buying or renting the property"**.

Any foresight and clarity of advice is then weakened by stating **"But such limitations or occupancy must be in furtherance of a legitimate planning objective..."**. The 'icing on the cake' in this section of the PPGn3 is then in paragraph 43, when after all the preceding clarification confirming that tenure and price are not proper planning considerations, the note then comments that **"...the best way of ensuring that affordable housing will be enjoyed by successive as well as initial occupiers of property is by....providing housing for rent or shared ownership"**, which by inference means a specific price and tenure.

The PPGn3 highlights the contradictions between what the land use planning system is expected to achieve and what it is allowed to because of the limitations placed on planning powers. It also exposes the dangers of developing local plan policies without demonstrating **"A community's need for affordable housing.."**. The note does not explain the requisite criteria for developing these policies, whether they can be done using available census information in conjunction with social and poverty indicators in some sort of mathematical formula, or whether a comprehensive survey of all the population's needs is preferable. So while seemingly providing fuller advice on how to provide for affordable housing the guidance note offers no greater certainty on how to do this.

While the main points of the PPGn3 have eliminated some of the ambiguities left over from the Circular 7/91, and in part redress the imbalance of policy emphasis towards rural areas, it is no more helpful in defining the key concepts that the circular had not addressed. There are also sections of the PPGn3 which clearly show how complicated the setting of

targets and the eventual provision of affordable housing through planning mechanisms are.

3.4 DEPARTMENT OF THE ENVIRONMENT'S DRAFT EXPLANATORY NOTE ON PLANNING AND AFFORDABLE HOUSING.

As mentioned at the beginning of this chapter a more recent document has emerged from Marsham Street the purpose of which was to explain and elaborate on the content of the PPGn3 relating to affordable housing. The reason for the note's publication was because the PPGn3 **'....is causing some local planning authorities' difficulty.'** there are no indications by reference as to the exact nature of these difficulties other than by stating that the main aims of the document was to (a) set out legally sound plan policies and (b) make decisions on affordable housing which Inspectors can support at appeal.

In the main the new draft explanatory note is a repetition of the PPGn3, there are a number of changes (eight) however, which either by substitution of words or elaboration of points alter or strengthen the original emphasis. Greater emphasis has been placed on four of the areas covered in the PPGn3, the importance of giving weight to the viability of each scheme, local authorities' responsibility on assessing local housing need, liaison with housing departments and no interpretation of any advice amounting to a new affordable housing use class. Three of the remaining changes all relate to points of elaboration. Density as a control (which should now be set out in the plan as well as in conditions/obligations), urban 'enabling deals' and model conditions for occupancy and delivery of affordable housing where housing associations are not involved in the development. The last change in the draft note from the PPGn3 is a small one, the replacement of the word **'is'** (in the sentence 'The community's need for affordable housing **is** a material planning consideration.') by the two words **'can be'**.

The use of these words alters the context of the phrase and by doing so introduces an ambiguity which was not present when the more emphatic **'is'** was in place. In summary the draft

note achieves its first aim by improving earlier advice and supplying examples of how to set out legally sound plan policies, its second aim remains more of a problem. The involvement of housing associations does not automatically guarantee the adequate provision of affordable housing, especially since the introduction of certain legislative changes in the Housing Act 1988. The effect of these changes called for rent adjustments to be made which would bring rent levels more in line with free market rents. Up to very recently when Sir George Young made a statement on what was an acceptable rent to income ratio, discussed below, no advice had been given on what constituted an acceptable rent. This made it difficult for planners to say what housing associations may be excluded from involvement in an application for affordable housing if their rents would not be truly 'affordable'. Even now that Sir George Young has clarified the situation the question needs to be asked how successful would planners be if they did attempt to refuse an application for affordable housing if the housing association charged rents which were not 'affordable'.

The absence of this advice is partly due to the fact that 'price' is not a proper planning consideration. Also despite the recent quote from Sir George Young in '**Inside Housing**' (April 1993), that if housing costs represent no more than 35% of net income that housing is affordable, the debate still continues as housing professionals maintain the percentage should actually be lower.

The matter of high density requirements may well be a perfectly reasonable suggestion in aiding the delivery of affordable housing, however there are several problems with this point alone. In practice high density proposals will not work in some localities and, as the HBF know to their cost, restrictive policies in these localities are preventing the exploitation of development opportunities for traditional owner occupation housing provision. Market led housing provision in the form of small starter homes with high densities are a popular method of delivering what developers

call 'low cost housing' but are not always popular with existing communities where there are low densities. The essentially protectionist attitude of local authorities and some communities to the low density character of certain neighbourhoods (particularly in suburban areas), arguably stultify, innovative and even sometimes sensitive designs which comprise higher densities than allowed in a local plan.

There are also risks attached to encouragement of higher densities in that they may result in poor schemes where clear limits on densities for affordable housing are not expressed.

Disappointingly there is no contingency for dealing with these possibilities in the draft note or the PPGn3. The PPGn3 does suggest indirect methods of delivering affordable housing, such as overall targets, targets for specific sites, material considerations and so on. In many ways this allows flexibility on individual sites for local planning authorities although the success of this interpretation will need to be tested. The specific suggestion of higher densities however raises the moral question of whether this should be the only direct method of delivering affordable housing suggested by the DoE given the potential for poor schemes to arise as a result. Rightly or wrongly higher densities, particularly for affordable housing, can be construed as an alternative way of delivering second class housing and for some people (including future residents) this is not always an acceptable alternative. Individuals who may have previously come from high density accommodation may wish to escape from close proximity to their neighbours and even family members, others who may have been brought up in lower density accommodation may equally not wish to experience the opposite.

This is not to discard completely the option of high densities but merely to point out that the absence of other options reduces the individual's right to choose what type of accommodation he or she would like. These choices form part of a larger long standing debate which has its origins in the overcrowded and dilapidated housing conditions in the metropolitan areas of Victorian England when the need for

adequate housing standards and densities were deemed a necessary solution to the problems of housing and society in general. Today the same arguments are still around but interestingly so are the voices of the powerful lobby group the House Builders Federation who advocate provision of smaller housing units with higher densities and who back these opinions forcefully at local plan inquiries and at Appeals.

The benefit of hindsight has shown us the disadvantages of higher densities and, while a percentage of new developments at these densities may be permissible and in many cases desirable to the intended occupants, a careful eye needs to be kept on the rate of these types of development. The issue for future occupants of affordable housing is choice, to be able to choose, but in this regard PPGn3 and the draft explanatory note have failed to facilitate exercising their right to choose by failing to suggest any other effective direct method of delivering affordable housing.

Because of the relative inability of developers to make any long term forecasts on development costs, profits, particularly during a recession where an individual developer is running a tight budget and a successful project depends on financial adroitness, economies may be pursued (some of) which may prove costly to the residents and housing associations (or other managers of the scheme) in the long run.

The final problem in the draft note is the issue of securing affordable housing in perpetuity or for an agreed period of time, for those who most need it. Neither the PPGn3 or the draft note adequately addresses this. The matter of resorting to **'other secure arrangements.....'** is now one for the local planning authorities, one suggestion is the involvement of housing associations, but as mentioned above housing association involvement cannot always be relied to retain all units in perpetuity for the occupancy of an identified group of people in housing need unless that housing association is a charitable one.

What local planning authorities do need to be aware of are the intricacies of housing association funding from the HC and how these depend on changes to legislation, varying levels of public funding from Central Government and occasional policy shifts which may concentrate funds, even temporarily, elsewhere. Local planning authorities will also need to look at the implications of these varying financial arrangements which could mean sales of housing association stock in order to 'balance the books' at the end of a financial year or withdrawing some of their intended developments from their own development pipelines. Securing affordable housing in perpetuity in these situations would be extremely difficult.

3.5 THE DISTRICT PLANNING OFFICERS SOCIETY

Several associated organisations have made certain comments as to how affordable housing could be delivered with more effect in addition to that contained in the advice. The District Planning Officers Society, for instance, released a report in 1992 of a survey which asked of its members what they thought of a variety of suggested alternatives to the government's proposals. The analysis of the survey concluded that affordable housing should be counted as part of overall housing provision in structure plans, currently there is no obligation for this to be done. The DPOS contend once a demonstrable lack of affordable housing for local needs has been proven the relevant quota may be applied to specific sites. The Society also suggest that extra powers (to the S.106 agreements facility) should be available to enable price and occupancy to be controlled and that the powers of control over subsequent occupation should lie with local authorities not housing associations. The notion of a social housing use class was not thought to be a viable mechanism for easing delivery of affordable housing by the Society, partly because they felt it would be potentially divisive in creating the notion of two types of home occupation and in any case was not consistent with the Use Class Order's purpose of regulating changes of use for environmental reasons.

The DPOS make several recommendations which look at the vagaries of housing financing at central and local government levels. Their first point is based on the assertion that in order to make affordable housing provision truly effective, HC finance needs to be substantially increased beyond current funding levels. The second discusses the politically sensitive issue of local authorities freedom to invest capital receipts from council house sales in affordable housing provision. Lastly, they demand greater encouragement (through fiscal incentives) for provision via the private rented sector.

Although the Society is geared to addressing relevant planning issues in mainly non metropolitan districts their perceptions of in built flaws contained in government advice are similar to those perceived by urban local planning authorities. They also take the increasingly common view that the level to which the planning system can contribute to affordable housing provision will be purely 'tokenistic'. This they believe is borne out by the results of an analysis undertaken by Barlow & Chambers (1992) for the Joseph Rowntree Foundation.

3.6 THE JOSEPH ROWNTREE FOUNDATION

The authors looked at 410 local authorities and 300 housing associations in the United Kingdom. Their survey showed that almost all of the councils interviewed made known their intention to use planning agreements, where possible, to secure affordable housing. In reality, only 18% had used this facility to negotiate quotas with private developers. The number of units which would arise through these negotiations would be a maximum of 2,000 a year. Part of the problem contributing to such a low response is the current state of house building in the recession and the large areas of undeveloped land with outstanding planning permissions. Negotiations on these sites cannot be undertaken until the planning permission expires and unless a new housing application is submitted and approved.

3.7 CONCLUSION

In summarising the advice as a whole there are a number of omissions which will continue to disappoint local planning authorities. These omissions are arguably due to conflicts between the attempt to regulate the supply of a particular type of land use which is inextricably linked to the issues of price, tenure and land ownership. If the government were to rectify the outstanding areas of concern by filling in the missing pieces, still causing concern to local planning authorities (if not with regard to policy formulation but successful decisions in their favour at Appeals) then they would expose the inefficiencies of existing market mechanisms in delivering the actual number of affordable housing units needed.

To define affordability and local housing need for all housing and planning departments to use as a guideline would in effect mean that central government accepts that the problems are nationwide and not just 'local' and 'rural' as was first inferred. If central government were to establish definitions these could then be held up to scrutiny. Pressure may perhaps be applied to redefine them if the housing (and associated) professionals feel, for instance, that all groups in housing need are not included. Another problem is that if agreed definitions are arrived at these models may officially expose the failure of free market economics in effectively delivering affordable housing. This would indeed be an embarrassment for the government and calls for greater public spending on housing would be financially out of the question since the last three budgets have called for sharp decreases in the public sector borrowing requirement. The chances of the DoE (on behalf of the government) providing these definitions are very slim as the financial and political costs would be too great and unless the social housing issue becomes one of priority for all political parties in the next few years the situation is unlikely to alter.

In the interim period planners and housing professionals can continue to develop their working relationships and develop awareness of the economics of housing provision for themselves and developers. But unless there are changes to existing Housing and Planning legislation, the contribution that current planning advice has to offer to effect affordable housing provision will not be as large as hoped for.

The Government's response to the affordable housing problem has been disappointing for many. On the one hand restraints have been imposed on housing associations by offering grant funding which is reduced. The risk here is that a deficit between supply and demand may occur but also the risk of poor schemes may arise due to economic pressures. Secondly the planning legislation introduced through the PPGn3 and clarified in the draft explanatory note implies greater ease of delivery of affordable housing when in actual fact the economics of government funding via the HC really decides production levels.

A recent article by Genevieve Kirkwood and Martin Edwards (1993) outlines the key problem for affordable housing providers in planning. The essence of their argument is that although, following advice contained in PPGn3, **'a community's need for affordable housing'** may be grounds for approving a scheme which includes affordable housing, the opposite is not true. If a developer does not wish to provide affordable housing then that alone is not sufficient reasoning for refusal of any application since the argument contained in the **'reasonableness test'** (found in Circular 22/83) can be applied. This could mean that **'...an attempt to extract an element of affordable housing from an unwilling developer amounts to an extraneous benefit and, as such, fall foul of the 'reasonableness test'....'**

Because PPGn3 is an advice document and does not have the full weight of statute law behind it there is no compulsion for developers to accede to requests for an element of affordable housing to be included in their proposed schemes. This very

matter has recently been debated at the local plan inquiry into Kensington & Chelsea's proposed UDP. The Council's counsel at the local plan inquiry recognised that the Royal Borough of Kensington & Chelsea's H24 policy in the UDP '.... **to seek the inclusion a reflection of a significant proportion of affordable housing....**' could not be grounds for the refusal of a planning application containing no affordable housing. A recent article by Kirkwood & Edwards (1993) in their article have presented a very similar argument. What this means is that while there may be a plan led system for other land use provision there is only a market led one for affordable housing. The only resolution of this for planners is to receive amended or repealed advice, or for provision of affordable housing to become part of statute law.

To this extent the PPGn3 and subsequent notes may give the false impression that when affordable housing policies are in place and (if) compromises are reached in solving outstanding problems, that the adoption of suggested approaches and mechanism will deliver affordable housing in the numbers and to the standards that would be required.

CHAPTER 4 THE LONDON CONTEXT

4.1 PREAMBLE.

The main purpose of this chapter is to provide a backdrop for the following two chapters which are the case studies of the two London boroughs. At the same time as providing a setting for the boroughs it is intended to remind the reader of the reasons for and implications of homelessness and lack of affordable housing that are peculiar to London. The researcher believes the importance of doing this is to re-emphasise the status of the Capital and existing communities.

It looks at the stresses London boroughs have to deal with in coping with the new housing legislation and proposes suggest strategies for doing so.

The housing problems that face Barnet and Haringey are shared problems to greater or lesser degrees with the whole of the greater London area. However, more recent increases in homelessness in boroughs which have not traditionally experienced stresses on their housing resources, have encouraged a greater commitment to resolving the debate. Increases experienced by boroughs such as Barnet have in part at least been caused by a knock on effect of the inability of traditionally pro active social housing providers like Haringey to cope with the ever increasing numbers of people requiring affordable housing. Boroughs with a higher percentage of council and housing association stock have accordingly attracted larger numbers of people requiring this type of accommodation.

4.2 RENTS AND LONDON'S ECONOMY.

Some boroughs with a large number of residing immigrants may attract a disproportionate number of immigrants and refugees many of whom will not have the resources or fulfil the necessary criteria to obtain a mortgage and enter into home

ownership on or shortly after arrival. The most obvious problem is although not all of these particular households can be housed local authorities have a statutory obligation under the homelessness legislation to house as many as they can, only if these households are in priority need and homeless (London Housing Statistics, 1991). The effects of chain migration has been known to produce settlement patterns concentrating in particular places sometimes near airports or other transport termini. In other cases some refugees and immigrants may be referred to housing departments through the Refugee Arrivals Project (set up by the ALA and LBA in June 1990). While others go to boroughs which have large existing communities of their fellow countrymen already resident, and are referred to housing departments by their own internal support groups. This obviously stretches housing authorities resources and restricts their ability to house those on their waiting lists who usually have a longer and often familial connection with the area.

In general some people, who may not actually be categorised as being in priority need, feel that they have a better chance of being housed by a borough which does not suffer greatly from the pressures mentioned above. Since the law relating to accepting people presenting themselves as homeless does not exclude people who were previously resident in one borough from registering in another, recent trends suggest that those who feel that they have no hope of being housed in the borough with which they had a former connection are going to the next nearest borough who they perceive may be in a better position to offer them a home. However, boroughs do not actually have to house people who can not prove a local connection with the area.

The social effects of lack of sufficient housing in the London area are by far the most important, because although they are initially localised and so can be easily identified and treated, they cannot be contained ad infinitum. The relative inability for council tenants to move on from poor standard housing in a socially deprived area compounds the problem and

increases the risk of perpetuating the trends. The obvious effects for boroughs where these situations exist are a constant strain on the local economy and unless funding from external sources such as Estate Action or City Challenge grants are directed to them the running down process would be extremely difficult to reverse. One of the main reasons for this growing trend is the change in government policy in linking rents to the property price. So as property prices in London (and the South East) are higher than elsewhere, accordingly council and housing association tenants' rents in this region are higher. This reduces the amount of disposable income which individual households normally have available and in cases where employed residents already have very little disposable income this change in their economic situation may result in some households opting out of employment and into dependency on Income Support¹ and especially Housing Benefit.

The effects of these economic changes on tenants is not restricted to the public sector, some residents in the private rented sector who are on low and occasionally middle incomes are also forced into the same poverty trap through the combined effects of higher rents and reduction in government subsidies for housing benefit.

Rent Officers have a responsibility to set a suitable rent for the different types and sizes of accommodation within a borough.

Housing benefit officers can be penalised for authorising housing benefit pay-outs when these exceed the levels set by the rent officers. This penalty takes the form of a reduction in government subsidy to the borough for housing benefit payments which is equal to the total amount that exceeds all rent pay-outs approved by the rent officers. Any deficit that exists eventually has to be found by the tenant.

Not only do private rental sector tenants have to find these extra monies to pay the difference between housing benefit and the actual rent charged but in some instances they are also paying for substandard accommodation.

Although the Assured tenancies option still exists some tenants now also have less permanent security as a result of the introduction of Assured Shorthold Tenancies in the Housing Act 1988 for all new tenancies. For some tenants uncertainty as to whether all of their total rent will be covered by housing benefit until after they have occupied their homes. All these conditions can be a source of conflict between rent officers, housing benefit officers, claimants and landlords, by engendering an atmosphere of mutual distrust. All in all rent levels in London vary widely, the explanation for this given by the Institute of Rent Officers is that **'It is how the property market as a whole operates - an underlying consistency can be traced, but never an exact and totally explicable set of conforming figures, be it in the markets for sale or to rent for residential or commercial premises'**.

As previously stated in purely economic terms lack of affordable housing in London has serious implications on the economy of that area, but in actual fact the ripple effect caused by this dearth and by higher housing costs extend beyond borough boundaries. The higher costs of all housing tenures and the under supply of affordable housing causes an inflationary spiral peculiar in this case to London. Because accommodation is more expensive so people provoke greater wage claims this in turn activates costs increases in goods and service provision in London.

Another tendency is because there is no viable alternative to home ownership the purchase of homes by some households occurs when they may have otherwise been considering further or higher education or some form of job training. Once a home has been purchased the low incomes that students or trainees normally receive are no longer sufficient. Compared to the prices of accommodation (in all tenures) across the UK this means that the capital has a lower percentage of individuals prepared, or able, to build up skills that would help them contribute to the capital's economic growth. This aspect of nationwide disadvantage can also be compared to the growing unfavourable status of London at the international level as

many other (particularly European) countries are not suffering the same extremes of housing problems.² The tourist industry is also suffering because local housing departments are using a large number of Bed & Breakfasts as temporary accommodation for the homeless which is good news for the proprietors of these establishments but bad news for the national economy.

The most recent figures available for assessing London's homelessness problem are difficult to rely on as representing an accurate reflection of the overall picture. Most of the official figures are drawn from the HIP submissions from local authorities and these have very clear restrictions on definitions, and on what groups to include. The actual homelessness figure for London stood at 38,127 in the financial year ending 31 March 1991. The collated figures exclude concealed households and those households who may aspire to have social rented accommodation, where there is no obligation to house them. It would also require an annual survey to assess individual households' living and economic circumstances and even their aspirations. This information should be kept as up to date and as accurately as possible. The cost of such an exercise can vary depending on the extent and scope of the survey but would be at the very least upwards of £30,000,³ and it should encompass all tenure types. The PPGn3 suggests that this procedure is one of the best ways forward for assessing local housing need, however the cost implications of such a practice would be particularly hard to bear for London boroughs.

Some boroughs are suffering extreme levels of capping on their standard spending assessment and as a result are shedding jobs and services to counteract the negative effects of capping. They therefore find themselves in the position of not being to finance a borough wide survey without sacrificing another council service or more employees jobs. On the other hand it is difficult to see how more accurate information on housing needs can be gained without an exercise of this sort being conducted if not on an annual but at least a regular basis. Information from such an exercise would also give greater

strength to the local planning authorities's bargaining hand if and when negotiating for an element of affordable housing inclusion on a development scheme. It would also help to provide a truer picture of the overall extent of London's housing need.

4.3 STRATEGIES FOR MEETING AFFORDABLE HOUSING NEED.

Despite the absence of accurate housing need figures for the London area the answer to its housing problem is the provision of adequate numbers of affordable housing. So that the immediate problem of growing homelessness is resolved the Association of London Authorities (ALA) calculated in 1991 that a minimum of 150,000 new rented homes over the five years from 1991 to 1996 were required to stem the increase. This they believe could be achieved if 90,000 homes were newly built for the public sector, 15,000 provided through renovation and improvement of existing public sector stock and a sale of 45,000 private sector units to the public sector, (Inner London Outta Housing, LHU, 1991).

However, the main problem would not be the process of delivering these units but the methods of funding their provision. This the ALA suggest would require principal funding by borrowing, which in return would require a release in government restrictions on council borrowing and spending. This would ultimately require a return to the financial regime for housing associations which existed before the Housing Act 1988. In return for public expenditure to this extent a figure of £100 million in savings would be generated over the initial two years for Hotel, Bed & Breakfast and PSL expenditure, and the best time to commence a new housing programme is at the moment while interest rates are still fairly low.

Despite suggestions from organisations such as the ALA on how to provide the estimated number of units required for London, in reality it is unlikely to be realised in the recommended

time span. The number of new house building completions from 1981-1990 achieved was only 143,416⁴ and that included all tenure types. The actual trends in tenure provision show, as would be expected, a decrease in council house new builds of which there were 123 starts in 1991 and 2,101 completions for housing associations in the same year. The most interesting trend is that although private sector completions have increased dramatically from 1981-1991 these numbers have not compensated in absolute terms for the decrease in social housing generally.

One of the government's responses to the calls for extra money allocated for affordable housing provision has been to combine attempts to stimulate the recovery the housing market with extra funding to the HC. This recently took the form of a £750 million grant to the HC to help housing associations purchase 20,000 empty private sector homes and a relaxation of spending rules⁵ relating to local authority capital receipts up to December 1993. While the extra funds were welcomed by all concerned they were seen very much as a short term response to a long term problem. The overall benefits from this cash injection would be almost negated by the later announcement from the DoE that there would be a cut in allocations for council capital spending in the two years 1993-94 and 1994-95 of £400 million and the HC grant for 1993-94 would be cut by £250 million. However this sort of ad-hoc response to the national housing problem (particularly London's) is not what housing and planning professionals actually want or need. They would prefer a longer term commitment in the form of increases in public subsidies and restructured policies so they can begin to provide housing that is needed while addressing their individual debt problems.

The housing problems which London as a whole and central London in particular experience, are distinct enough to warrant the establishment of a new forum. The main emphasis of the forum will be to concentrate on key areas of concern regarding existing communities and their continuing vitality and the effects of government policy bias on central London

(and also parts of outer London). The proposition that a forum should be established arose from a series of meetings convened by CHiCL (Community Homes in Central London) to discuss a housing and planning strategy for central London. These meetings were attended by representatives from the DoE, HC, London Federation of Housing Associations, LPAC, LRC, Chairs of local authority housing and planning committees, private sector interests, community groups and senior officers from central London boroughs.

The main issue is, of course, the mechanism of funding which the forum believe effectively discriminates against development in central London and some outer London boroughs.

This they maintain is as a result of the changed financial regime which introduces the new value for money approach that housing associations are expected to promote. This means that more units should be developed for every pound of grant received. This immediately represents fewer units being developed in London where development costs are higher, and therefore those in housing need in this region are disadvantaged compared to their counterparts in the rest of the south east. On these grounds one could argue that given these circumstances the only mistake that Londoners' make was being born or migrating here. On the basis that unit costs are of overriding importance, the forum believes that strategic thinking should be directed to the efficient provision of a wide range of housing needs in the short and long term, with a strong focus on the vitality of existing communities. They do in fact advocate the establishment of a London wide strategic planning authority which they would like to see backed by the DoE, relevant local authorities and the HC. They see the main task of this group as setting targets for new homes, identification of opportunities for development and necessary procedures to facilitate these new mechanism. As far as planning policy can aid the aims of the forum they would like to see an exceptions policy approach for urban and not just rural areas. Some of the ways in which this approach may work is to give local planning authorities stronger powers to designate sites for social housing, through

a new planning use class for affordable housing.

4.4 CONCLUSION

Some of the aims of the new forum are ambitious but necessary, particularly the call for a London wide strategic planning authority. This would help to promote a more consistent approach to affordable housing provision by all boroughs. By acting as advisors and a central information holding centre the policy development and implementation for affordable housing would be conducted in a better informed climate than at present.

Certain anomalies could also be avoided such as the absence of some affordable housing policies in London borough plans before the publication of Circular 7/91. More than two thirds of boroughs had or intended to have policies which would encourage affordable housing, through S.106 agreements on new build sites. In the case of the boroughs surrounding Barnet and Haringey some did have policies before the advice and others did not. The LB Harrow had a housing policy which sought to encourage provision of small units and starter homes. LB Enfield had no affordable housing at all, although they already had established working groups involving the housing and planning departments. In the LB Brent there actually had been an affordable housing policy which encouraged the use of S.106 agreements to secure 25% rented accommodation. While the LB Islington had an advocative policy which generally encouraged the provision of rented accommodation, in the public sector.

In respect of London boroughs' policies on the sale of council owned land for affordable housing, this too was approached with little consistency. The Housing Associations Liaison Officers Group (HALOG) confirmed that across the London area 45% of boroughs were not offering a subsidy, 35% were and 20% had not yet has to and so information on what they would do was not yet available. The decision to offer a subsidy or

not was not divided across political party lines.

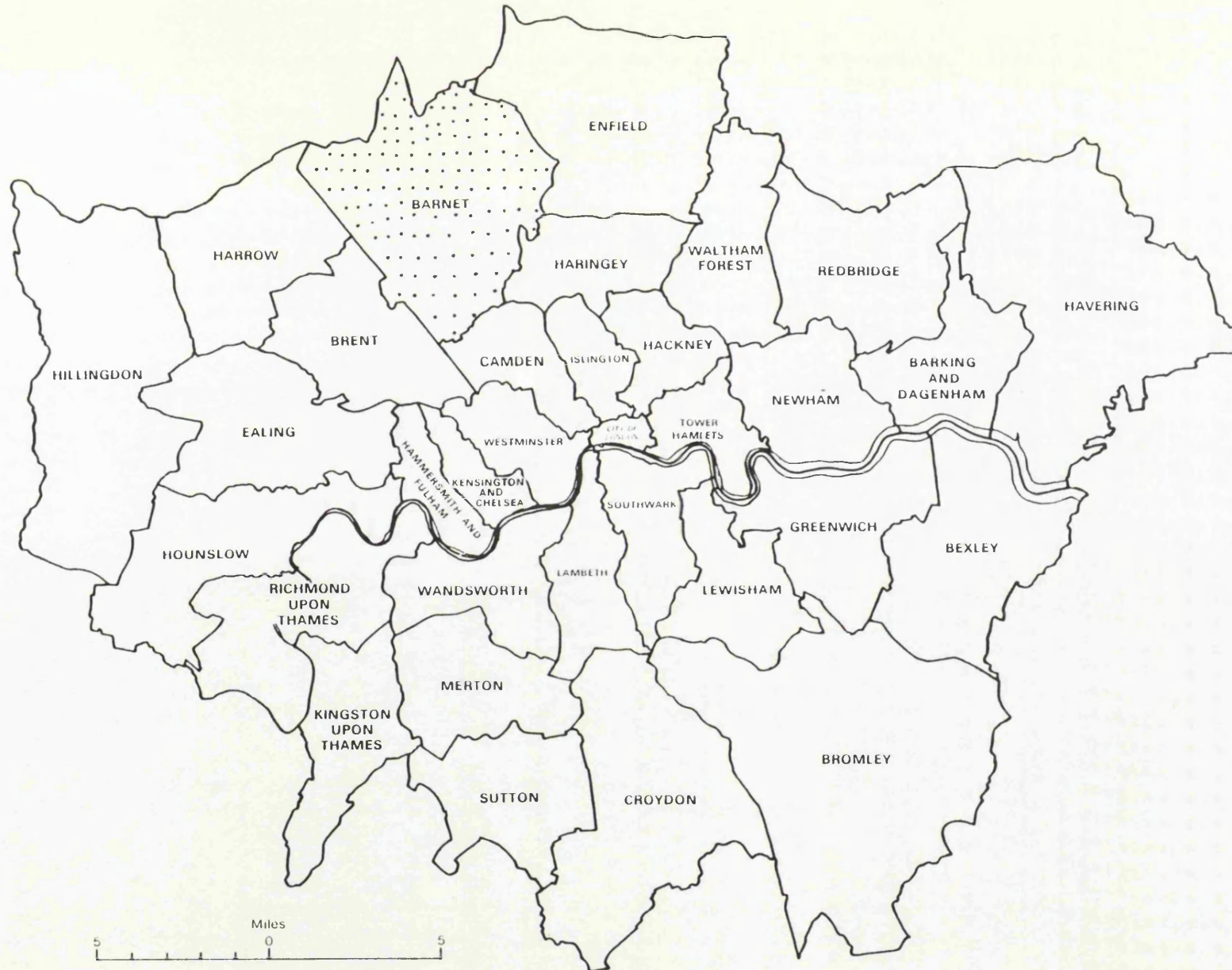
In this particular 'enabling' aspect of affordable housing provision the thesis hypothesis that political ideology has a direct effect on the implementation of affordable housing policies can be seen to have been tested and failed. The true extent of party political influences on the overall process of affordable housing delivery could only be clearly seen by investigating as many aspects as possible of how affordable housing provision was 'enabled' by two London boroughs.

The first of the two case studies follows in the next chapter.

FOOTNOTES ON CHAPTER FOUR

- 1 not unemployment benefit initially, as this would be suspended for six months, due to the claimant making themselves intentionally unemployed.
- 2 Germany, Holland, France and Spain have a greater number of private rented sector and social housing units.
- 3 this was the estimated cost of the East Hampshire Housing needs survey 1989.
- 4 figures from Housing and Construction Statistics 1980-90 and LRC estimates.
- 5 Chancellor of the Exchequer's Autumn Statement, 1992.

THE LONDON BOROUGHS



CHAPTER 5 LONDON BOROUGH OF BARNET

5.1 PREAMBLE.

The first of the two London case studies is the London Borough of Barnet. Barnet is a Conservative controlled borough with 39 Conservative, 18 Labour and 3 Social & Liberal Democrats.

Particularly noticeable in this borough is the acceleration of interest in affordable housing provision since the publication of the relevant legislation as described in Chapter 3. Therefore LBB's study is one of a pre and post legislative stance which, as will be discussed, shows a reactive response to the advice. It aims to show what the corporate relationships were and are now between the Housing, Planning and Borough Valuers Departments in LBB. By examining the UDP section on Housing, the contents of the 1993/94 HIP statement and the levels of subsidy offered on council owned land sold to developers for affordable housing provision this chapter aims to show where inter departmental conflicts occur.

5.2 THE GROWTH OF BARNET

The London Borough of LBB is situated in the north of the Greater London area, and it was formed in 1965 as a result of merging the old urban district councils of Hendon, Finchley, Friern Barnet and Chipping Barnet. The settlement patterns which exist today are mainly based on historic settlements situated on traditional thoroughfares which have naturally expanded. Consistent with much mid to late 19th century development parts of LBB grew alongside the new railway links of that time. This resulted in two main stretches of railway induced settlement resulted in the growth of the eastern side of the borough around East, New, Friern and Chipping Barnet and the western side of the borough around Mill Hill, Hendon

and Cricklewood.

Chipping Barnet, or High Barnet as it is also referred to, was, in the 18th Century, a staging post along the Great North Road (A1000). At least two coaching inns on their original sites exist today and part of the 'Village' forms the Wood Street Conservation area. This conservation area is one of thirteen in the borough and is indicative of the special regard LBB places on townscape and design, which in turn influences decision making in planning and development control. To the south east of High Barnet are the residential suburbs of New and East Barnet, these areas grew rapidly after the expansion of the **Great Northern Railway line** from Kings Cross in 1850. This expansion was not only designed to bring workers to the city but in conjunction with landowners and property developers (who often funded these projects through Share ownership) to be partly instrumental in new urban residential growth. These organisational (and financial) arrangements in LBB, particularly along this line, have resulted in at least two of the four stations constructed en route being in areas with virtually no pre railway settlements.¹ These arrangements led to the development of these suburbs and their coalescence into nearby existing settlements to form the eastern new line of settlement in LBB.

The A1 and M1 pass through LBB on the western edge of the borough. The old Roman road which roughly translates into the route along the Edgware Road (A41) has determined the existence of some historical small coaching settlements. Further to the west and running alongside the very edge of the borough's western boundary is the A5, it is between these two roads (the A41 & A5) that some of the denser urban growth in LBB has occurred. Running parallel with the A5 and the M1 is the **British Rail line** to St Pancras which has stations serving Mill Hill Broadway, Hendon and the Cricklewood areas. These roads and latterly the railway line having provided the impetus for, particularly, the large scale 19th and 20th

century residential developments.

This part of the borough also contains two distinct and well known housing estates, firstly the WATLING ESTATE in Burnt Oak and the HAMPSTEAD GARDEN SUBURB in Golders Green. Both are protected against potential adverse development by special status afforded them in the borough's Unitary Development Plan. After the main thrust of housing development in this part of the borough had taken place the London Transport system constructed the Edgware branch of the Northern line which was completed in 1924.

5.3 BARNET'S POPULATION AND HOUSING NEEDS.

The 1991 census recorded a population for LBB of 293,564. This figure is less than was originally projected by both the OPCS and the LRC offices who had anticipated between 301,400 and 303,000 between 1988 (mid year estimate) and 1991. The overwhelming characteristic of the borough is suburban and residential and there is an emphasis on protection and conservation of a number of important localities and neighbourhoods. The concern of the borough over these issues is shared by the large number of tenants associations. These associations were shown to be committed and well informed during the public inquiry into the Deposit Unitary Development Plan in late 1990 when they formed 21% of the total number of objectors participating at the inquiry.

The main essence of their objections concentrated on the protection and conservation of the residential character and amenities of their neighbourhood as well as associated concerns with their local open spaces. The relative affluence of Barnet's residents compared to its neighbouring boroughs explain many of these attitudes. There are for instance a large number of the A, B and C1 socio economic groups and, broadly speaking, these groups tend to be more

articulate than other SEG's, know how to access information and have the resources when required to be able to make use of them. The affluence of an area has a direct relation to the demands placed on the local authority by the residents. Consequently, although LBB is perceived as an affluent borough the need for health and social services provided is substantial in the Burnt Oak, East Barnet, East Finchley and Woodhouse wards. The London Planning Advisory Committee has also defined Burnt Oak as a key area of social need.

Although traditionally regarded as being a relatively affluent borough with a pronounced suburban feel to it, in recent years LBB has experienced increasing pressure in housing its homeless. There are local problems with overcrowding and poverty within LBB as there are in any local authority area and therefore a greater demand for local authority housing originates in these higher pressure areas.²

In the boroughs 1993/94 HIP statement grave concern was expressed regarding the significant increase in homelessness in 1990/91 and the first quarter of 1991/92. The statement goes on to say that though the reasons for persons presenting themselves as homeless are varied they are in fact consistent with those experienced in other boroughs. What was particularly interesting about the homeless trends in LBB was not just the dramatic increase in the homeless, but that total numbers were disproportionately higher than the national trend and also higher than neighbouring boroughs (apart from Harrow: see table 5.1). The rate of increase can best be seen by comparing the figures for the total numbers of homeless accepted in priority need in 1988/89 which stood at 344 persons and 1991/92 at 901 persons. It is now fairly obvious that LBB, as a result of having to deal with a housing problem which is increasing disproportionately in scale to most of its neighbours, will have to rethink its housing strategy as it becomes exposed to more of the pressures that inner London authorities (and some outer London boroughs with similar

TABLE 5.1

AUDIT COMMISSION FAMILY COMPARISON

BOROUGH	1990/91	1991/92	% change
Barnet	654	901	38 %
Croydon	1625	1696	4 %
Harrow	388	540	39 %
Merton	419	n/a	
Kingston	339	269	-21 %
Redbridge	438	n/a	
Bromley	804	958	19 %
Richmond	370	393	6 %
Sutton	386	379	-2 %
TOTALS	619	706	14 %

Increases in homeless acceptances from 1991-1992

characteristics) have had to deal with for a longer time.

Accordingly, in the HIP statement 1993/94 the housing department has acknowledged the need to take various new courses of action and have also **'.....reluctantly removed policies which were more generous than required by statute.'**

By reviewing policies with regard to their statutory responsibilities LBB believe that they have now reached a position where they have no further scope to reduce the level of responsibility to rehousing their homeless and so have introduced a series of measures.

Firstly, we have a complete review of policy and procedures to facilitate targeting resources to those most in need and whom the Council is obliged to rehouse by statute. Secondly, they are intending to use the Private Sector Leasing scheme to reduce the expenditure on, and use of, Bed & Breakfast accommodation. This move is a particularly interesting one since the Government subsidies which were once available for this form of leasing are to be phased out, and although LBB intend to rent properties on assured shorthold tenancies from housing associations which would maximise subsidy via housing benefits, this would not be as cost effective as it was intended to be when first introduced as a temporary private alternative to permanent social housing. The number of units they intend to provide through the first stage of this scheme will be 150 through 9 housing associations. The fourth measure aims to tighten existing working relations between Barnet's Housing Department, the Housing Corporation and housing associations. The aim here was to develop schemes to meet the growing housing need while attracting increased funding for new schemes and this was reflected in the 1993/94 HIP statement recommendation for an increase in the Basic Credit Approval for that period to be increased to £19 million.

The fifth measure addresses possible avenues of the 'enabling' capacity which was placed on local housing and planning authorities by central government. LBB intends to pursue new initiatives with the private sector to meet need (ie:- to look for alternatives to social housing). The options for consideration here are co-operating with private developers to identify large vacant properties which may be suitable for conversion to hostels, increased use of vacant flats over shops, as well as encouraging further development of shared ownership schemes and further promoting the Do It Yourself Shared Ownership (DIYSO) scheme in the borough.

However, the contribution of the private rented sector to alleviating the housing problem is not considered to be particularly effective despite the fact that the number of new lettings registered with the Rent Registration Officer increased during 1991/92. The main reason for this lack of optimism is the cost of rented accommodation in the borough.

The HIP statement gives examples of £110 per week for a two bedroom flat to £192 for a three bedroom house. These prices bring those sorts of units outside the financial reach of many families. The sixth and seventh measures LBB will be pursuing will have less immediate impact and they are two specific small scale projects. The first is the development of a twelve roomed hostel in 1992/93 and the second the establishment of a working group looking at all aspects of the needs of homeless people.

Consistent with the greater emphasis on their role as an enabling authority Barnet's housing department feel that they already have a history of acting adequately in developing policies in order to satisfy housing need through the private and independent sectors. However, reluctance and inability of the private sector to commit itself to meeting affordable housing need has led to LBB adopting policies to make these ventures more attractive and to counterbalance the stultifying effects of high base lending rates by disposing of council

owned land at less than full market value for affordable housing development. This policy was approved and adopted on 10th December 1991.³ Finally there is one reference to planning and affordable housing in the HIP statement, the section concerned discusses the possible contribution of planning gain to affordable housing provision and at the time of writing concluded that '**....instant solutions....**' could not be offered by implementing these mechanisms, rather it was to be seen to be as a supplementary aid to existing initiatives within the council.

5.4 PLANNING AND AFFORDABLE HOUSING PROVISION IN THE UDP.

LBB published its draft UDP in November 1989 and its deposit plan in April 1990. The public inquiry into the plan was conducted in the Autumn of 1990 and it was finally adopted a year later in November 1991. The UDP was the first of its kind to be put through all stages to final adoption. As such it provided a useful yardstick to other local planning authorities on issues relating to the adoption process, devising policies, consulting with objectors and other interested parties, scheduling arrangements, procedures for conducting the inquiry itself, and mechanisms devised to organise these procedures and participants. As the Circular 7/91 was not published until after the public inquiry was conducted and the Inspector's report into the inquiry was completed, the effect of this timing was to exclude any statutory requirement for LBB to write in any specific affordable housing policies, and as a result of this absence of requirement none were present.

The adopted plan contains policies on housing supply, special needs, residential amenity, density, conversions, extensions and loss of dwellings, and although there was some reference in the general policy context of the requirement to respond to the needs of existing and prospective tenants, including

homeless people this is not elaborated on or investigated as to how this may be achieved. In all fairness to the authors, at the time of writing the UDP, there were no obvious indications that the rate of homelessness would rise so dramatically in the borough.⁴

The homeless increase which LBB has seen in the last two years can be explained in part through the greater number of refugees and those discharged from institutions presenting themselves as homeless. The latter group has increased by 70% and given the central government advice (regarding those ex patients of institutions such as Friern Hospital, now fully closed), that this group would be safely absorbed into homes of their own, the pressures on housing demand was unfortunately not widely debated by planners while it was an issue for housing managers.

Since the publication of Barnet's UDP, fuller discussion of the debate on affordable housing was translated into more succinct advice in the new PPGn3, and the planning department decided to include at its review stage an affordable housing policy. The development of this policy was to be the remit of an affordable housing project team, who with the benefit of hindsight were to investigate all other existing proposed and draft affordable housing policies, and arrive at a policy, a target for housing need and a justification for that target.

The new interim affordable housing policy which will be included at the first review stage of the UDP reads as follows

'....The Council will seek to secure the maximum reasonable provision of permanently available affordable housing by:-

- **including targets for such affordable housing provision in planning briefs for the residential or mixed development of specific sites.**
- **seeking to negotiate agreement under S.106 of the Town & Country Planning Act 1990 to secure such affordable housing provision on each substantial new housing development site and to ensure that the housing provision will continue to be affordable housing for successive**

occupiers.

- seeking a significantly higher than usual proportion of affordable housing provision in proposals for any substantial non residential sites where, exceptionally, housing development may be acceptable.'

The policy contains no reference to site sizes or quotas and this was because of a policy decision not to look at percentages or overall quotas at all. Instead there was to be a target figure produced by the project team showing all those deemed to be in housing need. For instance, when referring in the policy to '**....substantial non residential sites where....**' there is no indication of what substantial means which leaves the whole issue of site scales and sizes open to interpretation. This may work in LBB's favour but it could be considered ambiguous enough to benefit developers, or generally to work against affordable housing provision on these sites. The policy section's interim policy guidance note advises that the means by which affordable housing will be '**....reserved over time....for those who need it....**' would be using the S.106 mechanism and that it would '**....usually likely to be through the involvement of a housing associations or other social body.**'

Since there is a limited supply of employment generating land in the borough and given the protectionist nature of the Plan's policies on residential character LBB have stated in the issues paper on affordable housing that '**No proposed affordable housing which contravenes other UDP policies will be acceptable.**' This statement suggests that greater weight will systematically be given to all other UDP policies and immediately constrains the extent to which the affordable housing policy may be applied. It is curious to know why it was necessary to categorically state the position of the borough in this matter as each proposed development for affordable housing on non residential land would warrant separate consideration, depending on the variety of factors and circumstances relating to each application.

For the purposes of the Issues paper and to provide the appropriate setting for the affordable housing policy LBB have defined affordability for housing in the borough. **'That which is provided at or below comparable housing association rent levels in the borough'** is the new definition. This type of housing can best be provided as stated above by the involvement of a housing association or other such social bodies, although they later state that **'...it should not be taken to imply that, to be affordable, housing must be of any specific tenancy or ownership type.'**

On one hand LBB seem to be promoting the use of housing associations etc as affordable housing providers/managers and on the other they are cautiously stating they have no exclusive preference for them. In this sense they closely follow the guidance in the relevant legislation.

Therefore applications submitted to the planning department for affordable housing are being considered within the context of the original UDP's policies on housing and being weighed up against any other material considerations. As there were no affordable housing policies in the local plan for LBB preceding the UDP this could mean that greater weight may be given to other policies in the UDP.

To a certain extent the negative effects of this situation is mainly based on supposition, unless and until extensive research is carried out into the success, or otherwise, of planning applications for affordable housing. However there are some early indicators of activity which can be seen by looking at the applications submitted to the planning department for affordable housing over the period 1.1.91 - 31.12.92. These show that the majority of these sites were on land previously owned by the council or land in other types of public ownership and on most of the sites the developments approved were quickly under way. In this regard LBB is approaching the sale of publicly owned land for affordable

housing provision in a manner consistent with other local authorities. The sale of council owned land for affordable housing has hitherto not included any subsidy on land costs, and the approach of the Property Services department has been that if the Housing Corporation are prepared to pay full market value for land then they will charge them accordingly.

However, they do admit that because they have previously done so well from the sale of council owned land to the Housing Corporation, they are unlikely to be able to gain as many benefits in negotiations as they did last year. Land sales up to the financial year ending 31.3.93 were disposed of with no subsidy. In addition, there is obviously not an infinite supply of council land for sale in LBB and therefore the pressure to negotiate for more money from buyers will have to be balanced against increased pressure from the Housing Corporation to reduce the total land sale value. The first signs of those changes are present in the recent 50% subsidy negotiated on land sales with the Housing Corporation.

5.5 AFFORDABLE HOUSING PLANNING INSPECTORATE APPEALS

Where difficulties are more likely, and for the purposes of the researcher more interesting, is what happens in the case of planning applications submitted for affordable housing on land in private ownership. In these cases the absence of any form of direct subsidy such as those that are potentially available through discounted sale of land in public ownership means that developers have to look elsewhere to claw back a saving in the initial development. The PPGn3 and later draft explanatory note suggests that one method of delivering affordable housing could be by controlling density to provide higher density developments at the lower end of the market. This recognises the importance of profit margins for developers and consequently the reality of affordable housing provision. In most cases savings on profit margins come in

the shape of higher densities for affordable housing. In a borough like LBB with its essentially 'suburban' feel, attempting to implement higher density developments in residential areas strikes a particularly raw nerve. The attitude of LBB and residents' groups to higher densities applies to both social and market housing and therefore is related to the aspect of aesthetics and not any social bias to affordable housing per se.

Council members and planning officers were reminded during the public inquiry into the proposed UDP that residents in certain areas were opposed to greater intensification of the existing character of their neighbourhoods. This was particularly clear when new house building occurred mainly on the grounds of detracting amenity and character. Recent clarification on density matters regarding affordable housing in a draft explanatory note from the DoE, supports the views of residents associations and individuals in LBB that policies for higher housing densities may be used **'....on sites..no longer likely to be used again for office or industrial purposes.'**, and that introduction of such policies require **'....safeguarding the quality of life for existing residents....'** but this in itself poses another problem for planners.

The most recent appeal case applications to the DoE's Planning Inspectorate relating to proposed developments for affordable housing have all been on land in private ownership. There were four of these, three of the four were previously in residential use and the fourth was an old electrical engineering works. Of the three which were in residential use one was withdrawn by the appellant while the remaining two were dismissed by the Inspectors on the grounds that the developments because of their greater proposed density standards conflicted with the established character and amenity of the existing area. The appeal case relating to the old electrical engineering works site was the **only** one of the four appeals that was allowed. The main objection of

LBB's planning department to this application was that it would result in the loss of employment generating land. In this case LBB did not argue the case for detracting of character although objections from residents consulted in the process did. Despite these objections the Inspector found in favour of the appellants, although admitting in LBB, where the amount of employment generating land was so scarce, that the arguments for and against were finely balanced.

In all four of these appeals one of the arguments against the necessity of further housing development in the borough submitted to the Inspector by the planning department was that the DoE's Strategic Housing Target for the plan period was being satisfactorily achieved. While it is true to say the housing target for the whole borough is being adequately met it is premature to assume that the borough's affordable housing need is also being met. The project team had only just submitted a preliminary estimate of that need in the review document and therefore no figures were available at the time of preparing appeal briefs for these cases. In all these cases the Inspectors recognised the fundamental flaw of this argument and since LBB was unable to back this claim with actual documentary proof this aspect was not given its desired weight.

Analysis of the results of these planning appeals provide an insight into the present and future problems of attempting the maximum permissible amount of affordable housing provision in LBB. The present overriding limitation is the absence of an affordable housing policy in the UDP and no established affordable housing need target and consequently no local guidance for development control officers in this matter. Once the proposed affordable housing policy is endorsed by the planning committee and then adopted at the review stage the problems for development control officers in their decision making processes will be relieved at least in part. The main limitations that the introduction of an affordable housing

policy will have in LBB is where land which has previously been in residential use will not be suitable for proposed higher densities in affordable housing developments because the residential character and amenity of these areas will be deemed to suffer.

There are implications for LBB regarding this aspect of the legislation, this is because of the essentially residential nature of the borough, suburban character of many of its existing housing and the presence of strong character and amenity policies in the UDP. These strong conservation type policies will make the introduction of affordable housing difficult unless on council owned land. The limitation may also be compounded by the lack of substantial employment generating land and subsequent protectionist policies for such existing land uses in the borough. Finally the other aspect of conservation and protection covered by LBB in their UDP is the area of Green Belt and other open land. This in turn places yet more restraints on affordable housing provision, although it has yet to be tested in an appeal case, however, because of the tendency towards higher densities in affordable housing design the problem is doubly difficult.

The lasting effects of these limitations on the built environment in LBB are the possibility of 'ghettoisation'. For instance, if affordable housing densities are not congruent with the densities of larger residential areas in the borough then they stand a good chance of not being allowed. As the recognised need for this type of housing becomes more obvious, through greater demand and awareness of the constituent need groups in the borough, affordable housing may well be forced into areas of existing higher densities. This is unless a large proportion of the need can be catered for in non-residential sites in existing residential areas with low to moderate densities. However, local planning authorities might not oblige developers to commit their developments to a specific site such as those mentioned above

because developers may wish to develop a site that they believe could yield a greater financial return and that usually means residential units in an existing residential area. There are, of course, a multiplicity of considerations and applications on any individual site and therefore it is impossible to hypothesise what the outcome may be.

The possible polarisation which may occur in housing density, as previously discussed should be noted. Areas with low densities tend to stay that way and alternately others with higher will tend to attract favourable decisions on planning applications and therefore any policy development needs to take this into account. If this is not addressed through policy formulation, areas which already contain large numbers of social housing at higher densities may become the 'easy option' for future affordable housing provision and ghettoisation with all its attendant stresses on the environment will become an increasing burden for all and for which the Council has the ultimate responsibility and will bear the financial cost.

5.6 THE QUESTIONNAIRE

The broader issues of social and balance of infrastructure with regard to affordable housing is an aspect of town planning which all officers involved in development control will be familiar with and the generalities of these broader issues are things that members of the Planning Committee are also familiar with. This knowledge is a necessary prerequisite of sound decision making.

In order to understand the extent of the level of committee members knowledge regarding these matters at LBB a questionnaire was devised to measure their individual scope.⁵

It was also intended to look at what, if any, differences existed between the organisational approaches of the political

groups which comprised the Planning Committee panel. The questionnaire was firstly vetted and approved by the Head of Planning at LBB after which agreed changes were made. Before final editing of layout and formal submission to all committee members, the questionnaire was then submitted to the Chairman of the Planning Committee for his approval this he did. Unfortunately after the questionnaire had been accepted in its revised format by the Chairman and received by him for distribution to the other committee members it was returned some weeks later, blank.

The explanation for the return was conducted in a formal interview session with two Chief Planning Officers from LBB.

The main reasons given were that although the individual questionnaires were designed so that the respondents remained anonymous their political emphasis was thought to be too heavy. The Chief Planning Officer who had been asked to return the questionnaire advised that several of the offending questions should be removed and in certain cases rephrased after which it could be re-submitted. This, of course, would have been methodologically unacceptable, since the identical set of questions had been sent to the LBH's planning committee members, and so this particular line of investigation had to be discontinued because of the late and changed notice given as to the questionnaire's suitability.

The belated and surprising response of the Chairman and the indirect manner by which it was relayed back to the author could in fact invoke a great deal of speculation. For instance why such sensitivity when the subject of the thesis was known by the Chairman through correspondence with the author, (particularly since there is no affordable housing policy to measure the committee's performance against). The Chairman had originally expressed concern as to the relatively technical nature of some of the questions but since it was agreed that not all planning committee members would have this level of knowledge and that these questions would be used

purely as a yardstick to measure the whole committee's contribution to the decision making process, the questions were allowed to remain. In any case the questions which the Chairman reportedly based his decision to not co-operate on were the overtly political ones which do suggest that the sensitivity lay in the exploration of this area.

5.7 CONCLUSION

The position of LBB with regard to affordable housing provision had shifted substantially from the absence of any policies on affordable housing before Circular 7/91 to the establishment of a project team concentrating on production of housing need targets and policies post legislation. As stated earlier in this chapter there was no obligation for LBB to include affordable housing policies before Circular 7/91.

However, such policies could have been included, had the will to include them existed.

There are also conflicts, as can be seen in the appeal cases discussed in this chapter, between LBB's desire to maintain its mainly open and special residential character and the likely provision of affordable housing in the form of higher densities. LBB's housing needs will still need to be addressed but trends suggest that if affordable housing is not provided on previously council owned land or exceptionally on privately owned non residential land then it may only be acceptable in areas with existing higher densities. If this is encouraged to happen the socio-economic differences of areas within LBB may be compounded.

Even after publication of this early advice no systematic arrangements were made to increase cooperation between the Housing and Planning departments. This was reflected in the brief reference to planning and affordable housing in the 1993/94 HIP statement for LBB which comprised two sentences

noting the introduction of the legislation. Although they referred to '....a recent report by the London Research Centre....' which '....concludes that planning gain could not be seen as a single policy alternative but rather a useful supplement to the range of initiatives available to the Council.'

The most interesting point is the failure of the corporate approach in dealing with affordable housing between the Borough Valuers (Property Services Department) and the Housing Department. In this case there are direct conflicts between the former department's desire to act in such a way that will deliver the maximum price for a piece of council owned land being sold off for affordable housing provision and the adopted housing policy which advocates such land being sold at less than full market value.

This coupled with the unwillingness to apply a percentage figure to an affordable housing policy and the inference of a hierarchy of planning policies suggests that LBB is not yet prepared to exploit the legislation to its fullest potential.

FOOTNOTES ON CHAPTER FIVE

- 1 Oakleigh Park and New Barnet.
- 2 the LRC Cluster Analysis for Barnet, 1990, showed that in Burnt Oak and Colindale overcrowding was above average and that unemployment was comparable to inner city levels.
- 3 HIP statement 1993/94, pp 23-24, para 7.1 & 7.2.
- 4 total accepted in priority need in 1989 - 344 persons
in 1990 - 454 persons.
- 5 see Appendix A.

THE LONDON BOROUGHS



CHAPTER 6 THE LONDON BOROUGH OF HARINGEY

6.1 PREAMBLE.

Haringey Council is currently a Labour controlled borough in North London. There are 59 Councillors, 16 of whom are Conservative and 43 Labour. It has often attracted adverse publicity in the past at local and national level. This publicity has usually focused on the actions of the council when they have been involved in what the right wing press and politicians came to call 'loony left' policies.

Haringey as the second of the two borough case studies was chosen because it was perceived to have a pro-active approach to many issues particularly the social ones and especially social housing provision. In the introductory chapter the researcher explained that these perceptions were in part due to my her own understanding of what the borough's political ideology and therefore its priorities were and are. She also became personally aware of the increasing pressures on the housing department from the time she first registered on the Waiting List in 1980, until buying into a Shared Ownership scheme in the borough in 1992.

During this period the council decided to abolish the old points system for those on the waiting list, as they felt they now only had the resources to cope with the needs of the homeless in the borough. This meant that they would concentrate on this section in the community at the expense of those living in concealed households and in other kinds of non priority housing situations.

The researcher was interested in studying the extent to which this pro-active stance that the housing department took was reflected in planning policies before and after the appropriate legislation was published. In other words

whether the political ideology of the council regarding social housing provision was consistently approached in a Corporate fashion, and whether it was reflected in the planning policies.

6.2 HISTORICAL DEVELOPMENT.

The London Borough of Haringey was created in 1965 as were a number of other London Boroughs including Barnet. It combined the old Urban Districts of **Hornsey, Tottenham and Wood Green**. Because of the particular nature of the expansion of these districts alongside railway lines there are greater communications with areas to the north and south of the borough.

Although there were settlements in Haringey in Norman times, the Haringey that most people know now was mainly developed during the late 1800's. This settlement was facilitated by the building of the railways which often determined the location and ultimately the urban sprawl of new housing areas within the borough.

Railway line expansion into London's hinterland was not the cause of urban population growth initially but was a market response to the needs of an ever growing City and its working population. The needs of different groups of individuals and their families were catered to quite specifically and separately by railway companies and house developers working within the constraints of the physical terrain. The end result of the organisation of these events and physical limitations is a peculiar '**East-West**' divide in the borough.

Research by Murray (1977) on the urban growth of Haringey explains the effect of the contribution that railway development made to different areas within the borough. Four main lines were built from 1840 to 1872, the earliest was the **Great Eastern Railway Company** which ran from London through to Tottenham Hale and Northumberland Park in 1840. This line had

no initial impact on housing development as it was too far from existing settlements and only 'took off' much later on when later lines were added.

The coming of the **Liverpool Street line** in 1872 which ran through to Enfield Town transected the historic settlements in that part of the borough. This resulted in large tracts of farmland being sold off around the old village of Tottenham to companies for cheap speculative housing construction. A later phase of housing development around these first post railway settlements were built to house white collar workers who could afford to live a little further out especially now that the railway companies were offering cheap workmens' return tickets on some early trains for a shilling a week.

Despite some hefty local opposition the line was built and the population of the area which had been 3,622 in 1801 grew to 157,772 in 1931 by which time nearly all the flat land of the River Lea valley was densely urbanised by small terraced and some cottage type housing.

This population and transportation growth was given another boost when the branch line of the **Tottenham and Hampstead Railway** spawned light industrial development and a transference of industry from Shoreditch and Hackney. So the cheap speculative housing built as a result of housing land demand following the construction of the Liverpool Street line and increased communications with the East End determined the social characteristics and subsequent house styles of this part of Haringey.

The **Great Northern Railway** (Seven Sisters to Palace Gates Junction) built in 1855 no longer exists but branched out the line from the City to Wood Green, resulting in the expansion of the old settlement of Wood Green. Because of the comparatively higher terrain in this area less terraced houses were built than in Tottenham. On the western slopes of the Northern Heights (where Alexandra Palace now stands) Villa residences and superior terraced housing were built and on the

flatter areas surrounding the slopes the **Noel Park Estate** (1866-96), one of the first model housing estates of its kind, was constructed by the Artisans & Labourers General Dwelling Company. The socio-economic mix of this area was dominated by blue collar workers partly because of the type of housing built here but also because this railway company had not offered cheaper tickets to commuters travelling their line. Very little industry came to Wood Green and only three fifths of the area was built on. All these factors lent this area an atmosphere of pleasant suburbia.

Areas of Crouch End, Hornsey and Muswell Hill were developed much later than Tottenham and Wood Green, mainly because they largely occupied the high ground on the Northern Heights which made railway construction more costly and cheap speculative housing construction unsuitable. Two lines affected housing development here, firstly the **Great Northern Railway** which reached the village of Hornsey in 1850, and latterly the middle class commuter suburb line from **Finsbury Park to Edgware** opened stations in Crouch End and Highgate in 1867. Muswell Hill had always remained relatively isolated because of its high position and because of this the largest number of villas built in Haringey at this time are to be found there. Crouch End also had large houses and some spectacular examples of Victorian Gothic style mansions still remain. These areas were not solidly middle or upper middle class in composition as there were small areas which formed breaks in the rigidity of the social make-up in each area. It is true to say, however, that a large number of working class enclaves, particularly in Crouch End existed largely as a source of servant employment for the large houses nearby.

6.3 HARINGEY'S CHARACTERISTICS.

The borough of Haringey is usually considered as an outer London borough, however its socio-economic characteristics and

needs are more typical of an inner London borough. This has an impact on the range of choices available to the average resident, particularly with regard to housing options.

Traditional manufacturing industries in the eastern and southern parts of the borough have suffered a large number of closures and these losses have not been sufficiently replaced by jobs in the service sectors and high technology industries. The effect on local economies in these areas has been quite dramatic and various indices of deprivation confirm this. Since the development of these industries occurred mainly in the south and east of the borough the depressive effects of their closures has been largely localised.

It is partly because of these circumstances and the existing differences caused by early housing provision for different social groups compounded by the topographical limitations placed on house building that the borough is often regarded as having an '**East-West divide**'. The relatively large older housing stock, the average age is 70 years old (two thirds of which was built before 1919), has serious implications for rehabilitation and renewal costs for the borough and as with many local authorities, it requires a fine balance of prioritising to ensure that all aspects of housing are adequately seen to.

Recent research by the **London Research Centre** into deprivation and affluence in London (1991) state that ten Haringey wards show above average deprivation and that all of these wards are in Tottenham. The **Jarman Index** used to measure social deprivation which was applied in an exercise by Haringey Health Authority (1991) also showed high measures for the borough but particularly for Tottenham.

6.4 HARINGEY'S HOMELESS AND HOUSING NEEDS.

As a result of high levels of unemployment (19.5% of the population in April 1992 against a UK average of 9.5%) there are large numbers of residents who are becoming increasingly

dependent on state benefits. In April 1992 60% of Council tenants were in receipt of housing benefit, and residents who were working were suffering the lowest levels of pay in London.

Statistics held by the Housing Department on residents who bought their first home in the peak year of the housing boom of 1988 show that 64% are in a position of 'negative equity' that is where they have mortgages at more than the current market value of their properties. Some of these households have mounting arrears problems and are experiencing repossession of their properties. Finally those who have lost their home are presenting themselves to the borough for housing, adding to the increasing numbers of homeless.

Haringey's ability to provide new housing has been severely affected by the recession and has resulted in a sharp drop in the completion rate for both new builds and conversions. Building Control completion inspections for the financial year ending March 1992 show that 79 units were completed against 152 in March 1988. Haringey's capacity for new house building is also constrained by dense development of the borough as a whole and relatively few major tracts of vacant or derelict land available for housing. Despite this, housing association activity in the borough has been targeted to produce 443 units in the financial year ending March 1994.

Figures supplied by the Housing Department in their 1993-94 Housing Investment Programme Statement show there is no sign of the homelessness problem in the borough abating. Analysis of trends show homelessness increased by 5% in 1991-92 from 1990-91.

Common problems of the recession and depression of the housing market and the subsequent effects on waiting lists are suffered by all London boroughs to varying degrees. Haringey housing department, however, suffers disproportionate stresses as a result of a large and consistent influx of refugees. This is primarily due to the existence of large ethnic

communities already in the borough from African countries and Turkey acting as a magnet attracting refugee households from their respective countries. Despite the establishment of a Refugee Rota system aimed at ensuring, among other things, that this scenario does not occur, the London Research Centre (who monitor the effectiveness of this system) show that only 12% of refugees accepted by local authorities go through these channels. Immigration authorities also refer refugees to community organisations within the borough for general advice and assistance. These organisations in turn refer their housing needs to the borough which has gradually built up a knowledge and expertise in dealing with these households. The fact that obligations placed on local authorities to house refugee households in addition to their traditional remit to house local people, naturally compounds the problem of meeting demand with supply. Because Haringey has to cope with more refugees, increasing exploitation of this situation has arisen with entrepreneurs offering accommodation for refugee households in expensive and overcrowded private rented accommodation in and around Haringey.

6.5 THE DRAFT UNITARY DEVELOPMENT PLAN 1990

Traditionally Haringey has been very much aware of the housing needs of its resident population and latterly its potential capacity for housing provision in the wider regional context. It has demonstrated this approach by continuance of long term relationships with housing associations and voluntary organisations in the borough through a variety of programmes. It clearly sees its role as being that of an 'Enabler' in the traditional sense. Indeed, before legislation clarified that this should be the future approach of planning and housing departments in affordable housing provision, the borough had joint inter-departmental working groups facilitating these aims.

The draft Unitary Development Plan for Haringey was written before the publication of Circular 7/91. Despite the

absence of any central government planning advice, specifically regarding affordable housing, Haringey had already conceived an affordable housing policy. Since this time and in response to publication of later advice the planning department have rewritten their original policy. This is contained in the deposit plan (1993). In devising their original policy (which comprised three parts) they referred to the L.P.A.C. guidance on policy formulation, where with regard to affordable housing issues they said that assessments needed to be included '**....of the need for low cost housing**' and that U.D.P.'s should seek to '**....include a minimum which would be affordable to low income groups and first time buyers**'. Haringey's stated objective addressing the problem of affordable housing is '**....To improve access for those on low and middle incomes to suitable housing....**'.

The original policy says that '**....The Council will ENCOURAGE diversity in the tenure of new housing, both that created by new development and by conversion. In particular, the Council will seek to maintain an adequate supply of Housing for development, and, in this respect, will as far as powers and resources permit:-**

1. **Seek to increase the amount of rented housing obtainable within the means of residents.**
2. **Seek to ensure, through negotiation and agreement, that proposals for new developments contain a significant proportion of housing obtainable within the means of residents.**
3. **Seek to enter into S.106 agreements with developers of larger new build sites (25 housing units or more) to usually provide 25% or more of those units affordable for purchase or rent to those on lower incomes who are unable to gain access to the housing market of the locality.'**

The intention of the policy was explicit and clearly aimed to adopt the main sentiments of LPAC's advice. While appearing to apply this advice, particularly relating to encouraging diversity of tenure, in section 1 of the policy they use their own view of what type of rented housing would be more appropriate within the policy. The L.P.A.C. advice and the

Department of Environment's guidance (consistent with the prevailing political ideology of the times), suggests to authorities that a wider tenure mix is more acceptable. In this case Haringey is acknowledging that within the context of affordable housing, not all rented tenure types are appropriate and that by stressing '**....within the means of residents.**' they were allowing consideration of private rental sector options but only where it could show its capacity to be '**affordable**'.

6.6 THE DEPOSIT UNITARY DEVELOPMENT PLAN 1993

Since the policy was first written in the draft UDP all the relevant advice documents have been published by the DoE explaining what approaches to enabling affordable housing local authorities should take. Due to a number of other intervening factors (mainly the existing commitments of the planning team resources to the City Challenge project) this original policy was not rewritten for some time. Haringey have however now revised this and other policies and placed the UDP on deposit on 25 March 1993. The revised policy reads as follows :-

'All major housing developments (including where appropriate schemes for conversion) will be expected to make a contribution towards meeting the Borough's need for affordable housing. The Council will make every effort to secure at least 25% of all dwellings provided during the plan period as affordable housing. In order to achieve this level of provision the Council will negotiate with developers on the maximum contribution that can reasonably be expected in any individual scheme. In producing planning briefs for sites the Council will, taking account of market and site conditions, assess the level of affordable housing to be provided. Additional guidance will be provided in a Supplementary Planning Advice Note.' The wording of the new policy initial appears to be less specific than the earlier policy. This is primarily in order to take account of the

clarification of what constraints are perceived to be contained in the PPGn3 and, particularly, following the publication of Draft Advice Note.

Consequently **'.....seeking to ensure.....'** all new developments have a significant proportion of affordable housing in the earlier policy has been completely replaced. The focus in the new policy is on major housing developments but is now more flexible as it was requested in the PPGn3 local planning authorities should try to be, **'Where an element of low cost provision is appropriate, its precise scale will vary from case to case, and will need to be a matter for negotiation. Policies should not seek to impose an uniform quota on all developments, regardless of market or site conditions.'**

Included in the new policy is a reference to production of Planning Briefs and assessment of each individual site's capacity to provide affordable housing. The main difference between the old policy and the new is that Haringey have clarified what they mean by affordable housing, and give examples of the type of housing this is, **'Examples include Council and Housing Association accommodation for rent, where rents are significantly lower than market rents for equivalent local properties and shared ownership schemes'.**

This leads on to a discussion of what type of housing offers an acceptable level of cost expenditure. The PPGn3 and draft explanatory note suggest that one option is providing high density developments which may deliver small affordable housing to be sold on the open market. Haringey, however, state that this sort of low cost housing is not the same as affordable housing. This is likely to become a sticking point with many local planning authorities and the House Builders Federation who have in recent years promoted this type of housing. In the latter part of this particular section Haringey states its willingness to review the economics of housing provision in its area together with house price/income comparison data to assist definition, in order to

comply with the requirement that some form of local assessment be made of local housing need to back up the policy. To this end a supplementary planning advice note has been prepared which contains the information that is to be reviewed.

The second explanatory part of the policy describes the process by which sites for affordable housing will be identified and how arrangements for securing the same should be approached. Here they reiterate their 25% minimum target for affordable housing as an desirable target to aim for while allowing for flexibility in order to accommodate the economics of each individual site (this was a particular stipulation in the revised Planning Policy Guidance Note 3 on Housing, that developers should not have an inflexible quota by which they would be economically constrained and in certain cases would make a development inviable). They also define what number of housing units constitute a major housing and mixed use development, which are developments of 20 or more dwellings.

The negotiation process with developers, in which, local planning authorities are meant to consider market or site conditions allows for a minimum overall target to be aimed at, while acknowledging there may be difficulties for developers on individual sites in achieving this. The guidance that Haringey intend to use during these negotiations is contained in the supplementary planning advice note. Finally in this section Haringey indicate that, (taking into consideration market and site conditions) they will assess the level of affordable housing to be provided within the planning briefs.

This last point will probably be quite difficult to achieve since, as market and site conditions can vary, and despite there being a depression of the housing market, the dynamics of house prices are not very well known by planners who may be at a disadvantage if a developer should appeal against any overall target that may be contained in a planning brief. It could be overcome by the affordable housing target in a brief being reassessed, but this may mean developers would want this to be done each time an application is submitted relating to the site, which naturally has a resource implication.

The last explanatory part of the affordable housing policy contains information on how to secure affordable housing for people who need it and how to make it available for successive occupiers. The main way in which the latter is to be facilitated is by using the mechanisms of planning obligations or agreements between themselves (Haringey) and developers. At this point they re-state their preference for using housing associations, trusts or co-operatives to secure in perpetuity this arrangement. The emphasis on using housing associations etc., as the main providers of affordable housing is consistent with the content of their first policy and with their belief that housing associations have an existing understanding of the needs of those requiring affordable housing. Housing Associations also already have an established framework, both financial and administrative, which is more readily geared to coping with any increases in affordable housing provision.

Haringey have been careful not to exclude the possibility of using other potential housing providers by using the phrase **'....usually encourage...housing associations....to secure this agreement'**, while obviously stressing their preference for housing associations. This preference is to be expected from a borough which has traditionally maintained a higher proportion of social housing, currently 33% of its overall housing stock than many other London boroughs. However, as a result of changes in Housing Association Grant (HAG) funding, local authorities have been encouraged to develop partnerships with private developers as well as housing associations etc.. To this end Haringey have been involved in two recent projects with Thornsett Homes and McAlpines who have built a substantial number of dwellings in the borough which when completed will be sold off to housing associations, who will be the permanent future managers of these homes. In the main, however, these developments represent a smaller proportion of the number of units being developed for social housing in Haringey and the private sectors' most active role is in provision of temporary accommodation such as Hostels, Hotels and more recently private sector leasing (PSL)

Haringey's use of PSL represents over 1,000 units and has alleviated the considerable pressure of expenditure on Hotels and Bed & Breakfast which are costly and, generally, less desirable for the occupant.

The approach that Haringey have taken to subsidies on disposed council owned land where affordable housing developments have been proposed has been similar to Barnet's. They offer no subsidy at all. This is a deliberate policy because although the housing and planning departments would like to be in a position where some level of subsidy could be offered, the main priority is to get the best possible price to help offset their mounting capital debt. What Haringey do offer in certain cases are subsidies of up to 50% on land **with** housing units already on it, this is obviously a pure economic consideration, as land with planning permission is more attractive to developers than land with existing housing stock some of which may need renovation or refurbishment. The subsidy is therefore given on the land which has a lower initial return on investment, and is consistent with Haringey's aim of encouraging the maximum amount of social housing provision through a number of alternative methods while at the same time offering a subsidy for one of those alternatives. Since there are no housing or planning policies in existence which conflict with the arrangements for subsidies on land previously in council ownership then the approach that Haringey have taken is consistent in the Corporate context.

6.7 AFFORDABLE HOUSING APPEALS

Information from the Development Control department in Haringey has revealed that in the last two years most planning applications for affordable housing have been granted. In that time only two were refused, latterly one of those two was given permission when a housing association became involved in the development. Finally only one application went to the appeal stage process after being refused by Haringey on three

grounds, firstly development within Metropolitan Open Land, secondly loss of employment generating land and thirdly density standards. After submission of a later plan with more sensitive lower densities Haringey withdrew their objection to the density standards but maintained their stance on employment and M.O.L., in particular. Finally the Inspector found against the appellant and although it acknowledged the great need for affordable housing in their borough, he stated that the loss of employment and undermining the open nature of the site in question would outweigh the intended benefits of the scheme. Interestingly the basis of part of the argument that Haringey put against affordable housing provision in this case was that **'....35% of the expected housing provision has been achieved within 15% of the relevant period....'**. However, this is of course the strategic housing target and not an affordable housing target and therefore could be regarded as a slightly spurious argument, despite the fact that the majority of housing development activity in the borough is by housing associations.

6.8 THE QUESTIONNAIRE

The same questionnaire that was issued to the Planning Committee Chairman at LBB was given to the Chairman of the equivalent committee at Haringey. Because there had been no previous contact with the Chairman of this committee all introductions were formalised through correspondence and establishing a point of contact at the committee section's administrative offices at the Civic Centre in Wood Green. After consent to cooperate in the project was given, the questionnaire was sent to the chairman via the committee clerk who was to monitor its progress and remind the chairman, should it have been necessary, of the return date.

When the original return date expired and no questionnaire was received, another copy with a cover letter was despatched to the clerk, who had apologised on behalf of the chairman and

explained that the reason for the non-return was because the questionnaire had been lost. Unfortunately, the second questionnaire which had been given a return date for a month on from the time it was issued also did not arrive. Since I was not able to contact the chairman directly, further phone calls, regarding what the next step should be, had to be conducted through the clerk. As time was beginning to run out I was finally advised to visit the chairman in his capacity as a ward Councillor at his constituency surgery on a Saturday.

This was now two weeks before the thesis was due to be submitted. This I duly did but at his surgery was informed that he had not attended for some weeks and should call back a little later to check if he had arrived, this I did but he had not.

At this stage I decided that I could not dedicate any more of my time to a job which I could not guarantee would be successfully concluded. This turn of events was disappointing as I know that the information was there but I was unable to tap the source. As a result of misinformation given on surgery times and places and a bureaucracy which does not provide the facility for councillors to speak directly with *legitimate* inquirers no direct contact was ever made with the chairman of the planning committee. To give the chairman the benefit of the doubt he may well have been so busy with Council duties that this caused him to lose the first copy of the questionnaire and forget to ask for a duplicate. In the case of the second questionnaire which I had been advised had been completed and posted back to me by the Chairman but never received, I must conclude that this too had been lost.

6.9 CONCLUSION

The position of LBH was not any different either before or after the relevant legislation was published, since there were affordable housing policies in the draft plan. The only difference was that the policy was further refined for

inclusion in the deposit plan. The final policy was explicit in its references to income and the type of tenure it considered to be the best possible method of delivering affordable housing. This shows that the borough had thought about planning and affordable housing well in advance of the advice being published.

The arrangements for the meeting of the housing and planning working party have been well established for a number of years. Its underlying objective was to improve understanding of their respective disciplines and to encourage a consistent approach to policy development.

Haringey had traditionally been favourable to applications from developers which included an element of affordable housing and this was clearly shown to be the case from the approval of virtually every application received.

Apart from the fact that no subsidies were offered on land for affordable housing which was previously in council ownership, except that which contained housing units. The perceptions that the researcher had of the pro-active nature of the borough's policies, in particular towards issues of a social nature, were found to be correct.

FOOTNOTES ON CHAPTER SIX

- 1 the draft UDP was published on 22 November 1990.

CHAPTER 7 CONCLUSION

7.1 PREAMBLE

When this study was first commenced two years ago the property market was well into its recession and it was hoped that by the time the study was concluded the market would be in recovery. There was also an expectancy that the separate problem of providing adequate numbers of affordable housing would be seriously tackled by the Government. In the event of these happenings the Planning System could have been endowed with one or more pieces of legislation which would have allowed it to effectively play its part in the revival. For Planners to be given an opportunity to play their part in the recovery process was an exciting and challenging prospect and so when the first advice Circular 7/91 was issued from the DOE it is fair to say that it was received with cautious optimism. Caution stemmed from the knowledge that the Conservative Party have never been traditional supporters of the social housing provision and their ideology had been stamped on various pieces of legislation when they have held office. But the optimism originated from the fact that statistics from reputable sources showed that by concentrating, politically and economically, on home ownership the Government was failing to address the problems of affordable housing provision, and because of this they must now surely see that it had to be tackled. There was however, less optimism about the will of Government to help resolve the affordable housing debate mainly from within the Housing profession itself. This doubt was based on years of working alongside the Government and being subjected to legislative changes which altered their organisational and financial frameworks.

The case studies of the two boroughs were used as potentially exemplative tools to test the hypothesis that political ideology was directly related to implementation of affordable housing policies in planning. It was therefore testing

whether the conflicts between the officers and local politicians Government arose from ill-founded mutual distrust and intransigence, or because the political ideology of Government was totally or partially incompatible with the remit of housing professionals.

7.2 POLITICAL CLAIMS & REALITY

The Conservative Party in their last Campaign Guide claim that the '... quality and standard of housing in Britain is now higher than ever before.' and unquestionably this is true for most people. More people own their homes than they have ever done and this is still the most popular form of tenure in the country. The Council Tenants Charter (1992) encourages the development of tenant participation schemes which has bestowed new rights to council tenants allowing improved rights to repair, information on waiting lists and Housing Benefit and the collective right to ask for transfer of an estate to a HAT. These are all positively better improvements for the tenants and the Government. Even the controversial 'right to buy' scheme for council tenants has given a great opportunity to households who would never otherwise have been able to buy to own their own home. However, this particular incentive went badly wrong for prospective tenants when the Government left out a duty to replace each home sold. Although housing associations were eventually supposed to take over the role of social housing providers from local authorities, it would naturally take time for them to build up the number of homes needed.

In the meantime those in housing need would still be there and in growing numbers but with fewer council houses to house them in. The Government was always aware of the imbalance of demand and supply and apart from encouraging the growth of housing associations it hoped that through reviving the private rented sector this imbalance would be rectified. The Government also lost credibility in the council housing for sale debate when they backtracked on their earlier promise to

allow councils to spend the capital receipts from sales on replacement homes, when the whole process was first implemented. It is important to understand that these and other issues, such as the reluctance of government to change the accounting rules which dictates that any expenditure on or receipt from council properties affect the PSBR (but does not affect other public sector bodies), are part of the reason why the Conservative Party are seen to be discriminating against council housing. The other part is because the political role of, urban local authorities as traditional social housing providers is in conflict with the political ideology of home ownership of the Conservative Party. Consequently local authorities became **'... prey to harsh cutbacks; frequent attack and totally unacheivable, conflicting Central Government goals -sell property, house the homeless, upgrade estates, stop spending, privatise services, don't profiteer with public money.'** (Power, 1992). Power argues that 'Although local authorities rightly claim they have been pushed into a residual role and have been heavily penalised by central government, the extra resources local authorities would need to restore their housing function is unlikely to materialise.' In other words Power believes that even if local authorities were allowed to spend their receipts the scale and form of the housing problem is now so different that local authorities with their **'... diffused functions and conflicting public pressures.'** are not best suited to coping with it. As with Power the Conservative Party, in acknowledging there is a need for social housing provision, believe that it should be provided by single purpose, dedicated landlords such as housing associations, and this belief has been translated into the Housing and Local Government Act 1989, giving housing associations greater power.

However, despite the positive efforts and initiatives undertaken by the government it is still unwilling to go as far as the housing professionals and other political parties have requested they should. The junior housing minister Tim Yeo was quoted in the Guardian (8.6.91) saying that **'...**

existing planning regulations allowed councils to ensure that low-cost homes were included in housing developments...' obviously referring to Circular 7/91. But in the same statement he refuted the opinion that housing associations output needed to double to 100,000 homes a year to cope with the full extent of the problem.¹ Sir George Young also disputed the target figure when he was asked at the ROOF DEBATE (4.2.92) by John Perry of the Institute of Housing why had all three political parties avoided the issue of setting a target for more affordable houses in Britain. His reply was that 'We've never accepted the figure of 100,000 because we've never accepted the assumptions on which it is based.. What I would accept is if you put it on a global scale...How many homes do we need, both affordable and unaffordable, where are they going to be, and does the planning system cope?.'. This is and has been a main area of concern, that is whether the present administration is fully committed to resolving the affordable housing debate. However, many of their political opponents and housing professionals believe it is not because of the level of priority and funding it has been given set against that which is needed.

That the political ideology of a local authority has a direct effect on affordable housing implementation for the purposes of this thesis the hypothesis was testing whether the implications in the accusations placed at the governments door, were also true for local politicians. For the results of the research we will now look at the Boroughs.

7.3 THE FINDINGS.

In the best traditions of research using case examples, Barnet and Haringey were not the best choices to compare. They have social, economic and cultural differences, which in spite of their physical proximity could make them almost worlds apart. Nonetheless they did have a few similarities. For instance, both has specific areas which are economically disadvantaged compared to other parts of the boroughs, the eastern and south

eastern parts of Barnet, Edgware, Burnt Oak and Cricklewood and the western parts of Haringey, Tottenham and Edmonton. Local councillors would have been aware of the separate requirements that these areas had in terms of extra resources to help counteract the negative effects of poverty and unemployment. Both boroughs also experienced development at approximately the same time and mainly as a result of the expansion of the railway system in the latter part of the 19th century. The nature of this expansion, on a north to south linear pattern, determined transportation and communication was easier if you wanted to reach the north or the south but as with many London Boroughs it militated against East to West movement. Consequently, the parts of both boroughs mentioned above are not just economically and socially distinct from neighbouring wards but they are also physically isolated from them if they lie in an easterly or westerly direction. The two boroughs have shown similar demographic trends as they have both suffered a decline in population from the 1981 census figures. They have also been subjected to the same changes in family size which has in turn caused a gradual shift in providing housing for larger families to smaller and sometimes single households. These changes in the traditional demographic make up have meant that the two boroughs (and almost every other borough) have been subjected to equal pressure from developers to provide low cost small starter homes.

There the similarities end. Barnet and Haringey are political opposites. The former is a Conservative stronghold and the latter Labour. Both boroughs have a number of marginal wards but in the main these are few and therefore their political power bases are never under threat of being undermined.

For the most part this is good news for the local politicians, particularly of the controlling party, and the boroughs themselves in terms of continuity in policy implementation. It can also mean that the officers employed by the borough have a reasonable understanding of the political setting that they are required to make decisions in. It is generally

understood that they first use their own professional judgement and offer this up, in the case of committee reports, in a report or in the case of deciding a planning application, approving or refusing an application. What actually happens in reality is that professional judgement is used, based on existing knowledge of a prevailing situation combined with the use of appropriate legislation relating to that situation. The result is then presented to senior officers for checking, after which changes may or may not be recommended. The methodology behind this checking regime is quite clearly, to ensure that a) technical errors are not made and b) the Council's policies are consistently applied. This is a well established and practically reasonable system, which operates at local government level throughout the country. However conflicts do occur when an officer's original recommendation is altered to ensure consistency of policy application and, in particular, when the policy is a corporate one and not one relating to that department. Occasionally this may result in recommendations being altered or even reversed.

Barnet was a good example of how officers use their perception of what is or is not acceptable to consider, when making recommendations. In the very first instance there were no affordable housing policies in the draft, deposit and finally the adopted UDP. Although there was a reference in the General Policy Context of the adopted UDP which stated that **'....it may be appropriate to encourage or negotiate the provision of subsidised housing.'**, no policy was formulated to specifically tackle this issue. In the sense that no advice existed that made the inclusion of an affordable housing policy a requirement, Barnet's planning department was not doing less than that which they were professionally required to. But there were early signs available (at the same time as the UDP was still undergoing its consultation process) from the housing department that homelessness in the borough was beginning to increase rapidly. In that year which ended in March 1991, Barnet had the 13th highest number of homeless acceptances out of all the London boroughs compared to the previous year when they had 18th position and the year before

when they were 23rd. On the basis of this information alone the planning department could have included an advocative affordable housing policy at the very least.

When finally an interim affordable housing policy was written it did not include any site size or quota parameters and because of this it would probably not be seen to be restricting the developers profit margin. It would also provoke less controversy because there would be no site sizes or quotas for developers to take issue with. When the author of the interim policy was questioned, he agreed that notwithstanding the importance of affordable housing provision it was more important for this borough that Green Belt be protected and the existing residential character of parts of the borough be maintained. So by stating this, he was admitting that there are effectively a hierarchy of planning policies in Barnet and that affordable housing was not at the top of that list. By relegating affordable housing policies into a position behind Green Belt and residential character policies, Barnet's planning department can be seen to have acted in a reactive and not proactive way to affordable housing provision. While obviously not negating the importance of Green Belt and residential character policies it does seem harsh to discriminate against affordable housing policies in favour of others. It also shows that the political ideology of the majority political group in Barnet has had a direct effect in the policy making of the UDP.

Social housing is a sensitive issue for the Conservative Party nationally, and it is because of the criticism which has been levelled at the Party by housing professionals that it has taken such a defensive stance. The series of events which led to Barnet's refusal to co-operate with the researcher in completing the questionnaire can be construed as political sensitivity at the local level. That an officer should be admonished for asking questions which the Chief Planner relayed were considered to be too **'politically loaded'** reinforces the charge that LBB Councillors on the Planning Committee and Chief Planning Officers are sensitive to

questions being asked about the politics of affordable housing implementation.

The final confirmation of political intervention in affordable housing provision came when land previously in council ownership was sold to developers. Despite the existence of a housing policy which recommended the disposal of such land at less than full market value, the property services department went against this and sold all land for affordable housing provision at full market value. While the impetus for this approach was the economic consideration of profit maximisation it displays an internal contradiction between the desires of the housing department to promote affordable housing and the financial reasoning which motivates the property services department. One of the most responsible tasks of the checking regime in local government is to ensure that no recommendations or policies are passed without first making sure that they are compatible with established policies. The obvious question in this case is, why was this coherent corporate position not maintained ?.

Earlier evidence drawn from the absence of an affordable housing policy in the plan, a hierarchy of planning policies which offers greater stature to Green Belt and residential character policies, refusal to participate in completing the questionnaire and the Chief Planning Officers' cautioning of the researcher, all suggest that as affordable housing is not a priority issue for the borough, it would not be in the interests of the political ideology of the controlling party group to stop the land sales being sold without a subsidy. So for the LBB the hypothesis has been tested and found to be true.

In the LBH the situation with regard to policies for affordable housing was very different from that in Barnet. Firstly, Haringey had written an affordable housing policy which was quite detailed into their draft UDP before the Circular 7/91 had been published. This policy included references to the financial circumstances of potential

residents in discussing their ability to pay for their accommodation. It also recommended a target 25% quota for negotiation purposes with developers which was retained when the policy was later rewritten for inclusion in the deposit UDP.

Haringey has a large percentage of public housing stock (currently representing 32% of the total housing stock). The fact that the public housing stock is still so large is due to the lack of political support for the Right to Buy scheme in Haringey which has resulted in fewer sales than would have otherwise occurred.

The relationship between the Housing and Planning departments have been characterised by the formation of ad hoc working parties. These working parties meet whenever they wish to discuss or resolve mutual problems. An example of the kind of joint project that the working party has produced is manifest in the contribution of planners in Haringey's HIP statement 1993/94. In this case Chapter 8 on 'The Enabling Role' of the borough's housing and planning departments was written by a planner, it contained information on how the PPGn3 was to be applied and the relevance of this advice to the workings of the housing department.

The approach that LBH have adopted to subsidies on council owned land for sale to developers for affordable housing provision has been as stated, to offer no subsidy, unless the land in question already has housing units on it. In Haringey's case there are no inter departmental conflicts on policy. The reason for offering no subsidy to developers for this land use given by the Head of Development Control was that the money from land sales was greatly needed to help offset the borough's debt problem. So although the LBH would have wished to offer sale subsidies in their land they were constrained by economic pressures.

A study of the appeals against refused applications for affordable housing in Haringey revealed that in the last five

years only two were refused. One of the two was later given permission when a housing association became involved in the development and the higher densities present in the first application were lowered. When asked why there was eventually only one refusal in this time period, the Head of Development Control confirmed that quite simply the borough wished to encourage as many affordable housing applications as possible even when proposed densities were higher than they would normally permit. This attitude of general encouragement reflects the traditionally pro active stance of the borough with regard to social housing provision.

With the exception of no subsidy on council land (without housing units) almost every aspect of the LBH's involvement in the affordable housing implementation process is consistent with the wider political approaches of the majority political group on the Council. Therefore, as far as the hypothesis is concerned the political ideology of the Labour Party nationally can be seen to have fed down to local government level in Haringey and subsequently directly affected affordable housing implementation in that borough.

FOOTNOTES ON CHAPTER 7

- 1 *This figure was derived from material produced at the end of 'National Housing Week' (1991)*

Any queries please do not hesitate to contact me,
 Patricia Kavanagh on 081 (evenings) or
 081 446 8511 x4648 (tuesdays to fridays).

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PLANNING GROUP QUESTIONNAIRE

- 1) Of which political party are you a member ?

- 2) Are you aware of the current government advice relating to
 affordable housing ?
 YES..... NO.....
- 3) Have your group had meetings to brief your party colleagues
 on the issues of Housing ?
 YES..... NO.....
 Affordable housing ?
 YES..... NO.....
- 4) Do you meet on a regular basis to discuss these issues ?
 YES..... NO.....
- 5) Does your Committee group attend inter-committee working
 groups within the housing or property services departments
 to resolve or debate mutual problems ?
 YES..... NO.....
- 6) If yes, how long have these been running ?

- 7) If no, do any of your colleagues or council officers, that
 you know of participate in working groups, ?

Please bear in mind that some of these questions are essentially
 subjective in nature and are therefore able to be answered in the
 context of your own personal experiences.

- 8) Does your head office advise you on your party's political position regarding Housing ?

YES..... NO.....

Affordable Housing ?

YES..... NO.....

- 9) Which, if any, party advice documents do you refer to ?

.....

- 10) Has your local party groups' attitude changed with regard to affordable housing as an important issue ?

YES..... NO.....

- 11) If yes was this as a result of your own party advice ? YES..... NO.....
 Circular 7/91 ? YES..... NO.....
 relevant section in PPG3 ? YES..... NO.....
 any other publication, which ?.....

.....

- 12) How do you regard the housing problem in your borough in terms of homelessness etc compared to other London boroughs on a scale of one to ten (1 equalling not bad and 10 being acute) ?

.....

.....

Please bear in mind that some of these questions are essentially subjective in nature and are therefore able to be answered in the context of your own personal experiences.

3

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- 13) Do you feel there should be a quota based affordable housing policy in the Unitary Development Plan ie ;
 What % of affordable housing on larger sites (over .4 ha) do you think we should aim for ?

.....

- 14) Please list five areas of the borough which in your view are in most need of affordable housing using your own local knowledge of the boroughs housing problems, starting with the most needy

- a)
 b)
 c)
 d)
 e)

- 15) Are you familiar with Planning Policy Guidance Note 3 (PPG3) and what it says about affordable housing ?

YES..... NO.....

- 16) In your opinion what do you think are Barnet's most important priorities, please tick,

- A) Economic development
 B) Transportation
 C) Housing

Please bear in mind that some of these questions are essentially subjective in nature and are therefore able to be answered in the context of your own personal experiences.

- D) Environmental issues
- E) Leisure/Recreation/Tourism
- F) Shopping & Town Centres
- G) Community Services

17) (The PPG3 asks planners to define and prove local housing needs and negotiate with developers on the proven basis of those needs). Can you briefly describe your interpretation of local housing needs ?.....

.....

18) What else could be done to assist the local authority to improve their performance in affordable housing provision?

- a) Increased funding from the Housing Corporation ? Y... N...
- b) Relaxation of regulations governing spending of capital receipts from the sale of council houses ? Y... N...
- c) Greater financial assistance from central government through direct grants such as Estate Action, City Challenge projects and Housing Action Grant ? Y... N...

19) Do you think that there should be a separate affordable housing requirement for the borough as distinct from the Governments total housing requirement for the borough ?

YES..... NO.....

20) Do you think there should be a new use class code for

Please bear in mind that some of these questions are essentially subjective in nature and are therefore able to be answered in the context of your own personal experiences.

Any queries please do not hesitate to contact me,
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affordable housing ?

YES..... NO.....

- 21) Do you believe Housing Associations will be able to fulfill the role as social housing providers in the borough ?

YES..... NO.....

- 22) Do you believe the council should have the right to nominations in housing association (& other) developments?

YES..... NO.....

- 23) If yes, please tick what % you think they should have:-

- a) 25% or less of all dwellings
- b) 25 - 50%
- c) 50 - 75%
- d) 75 - 100%

Many thanks for your co-operation in the completion of this questionnaire, if you do wish to have a brief analysis of the results please leave your name and contact address below.

.....

Please bear in mind that some of these questions are essentially subjective in nature and are therefore able to be answered in the context of your own personal experiences.

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