Housing the Growth City: the case of London

Mark Kleinman: Head of Housing, Greater London Authority

Housing in the New Marketplace: Urban Policy Issues and Solutions
New York City
March 20th 2003
For the first time in over half a century, London is growing
Jobs and People

Employment and population in Greater London

- Workplace jobs plus self-employment
- Population (right hand scale)
Driven by both international migration and natural increase

**Figure 1.2 Changes in population (1991-2000)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Thousands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Change</td>
<td>300</td>
</tr>
<tr>
<td>Int. Migration</td>
<td>600</td>
</tr>
<tr>
<td>UK Migration</td>
<td>200</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
</tr>
<tr>
<td>Total Net Change</td>
<td>1100</td>
</tr>
</tbody>
</table>
Growth isn’t all good news…

26 London’s housing costs compared with the UK and regions
The Greater London Authority

- 2000: directly elected mayor and separately elected assembly of 25 members, each for a term of four years.
- A new form of governance in Britain, with clear separation of powers between the mayor and assembly.
- The mayor is responsible for strategies for transport, planning, the environment, economic development and culture.
The Mayor sets the budget for the GLA and the four functional bodies that make up the GLA ‘family’. He appoints most of the members of these bodies.
Partnership working

• *GLA* has *strategic* role: total budget of GLA ‘family’ is about £5 billion

• *32 boroughs + City Corporation* provide most local services such as education. *Boroughs* own 17% of the housing stock

• Non-profit *housing associations* own 9% and provide new affordable housing

• *Housing Corporation* funds new affordable housing

• Total *public sector expenditure* (by Whitehall, the GLA, the boroughs and quangos) in London of about £45 billion.
The Draft London Plan
Purpose of the London Plan

- Statutory responsibility under the Greater London Authority Act 1999
- Strategic Plan for integrated social, economic and environmental development to 2016
- Sets London-wide context within which boroughs set their planning policies
- Sets policy framework for Mayor’s involvement in major planning decisions
London Plan: drivers of change

• Population growth – 700,000 people
• Economic growth – 636,000 jobs
• The environmental imperative
• Lifestyles and values
• Impact of New Technology
• Social Justice
A More Compact City

• High density, mixed-use development

• Integrate land use, transport and economic development

• 15-20 year investment programme of improving public transport
## London Plan Timetable

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Event Description</th>
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</thead>
<tbody>
<tr>
<td>June 2002</td>
<td>Draft London Plan published</td>
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<tr>
<td>June-end Sept</td>
<td>Formal public consultation</td>
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<tr>
<td>Oct-Jan</td>
<td>Consider responses</td>
</tr>
<tr>
<td>Feb/March 2003</td>
<td>Examination in Public</td>
</tr>
<tr>
<td>May/June</td>
<td>Inspector’s Report</td>
</tr>
<tr>
<td>Late 2003</td>
<td>Publication of the London Plan</td>
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</table>
Housing policies

- *Increase supply*, esp. by higher density around public transport nodes
- More *affordable housing* to meet household growth and existing need
- Maintain *existing stock*
- Better use of *empty properties*
- Improve *design quality*
Housing supply

• 23,000 additional homes per year to 2016, as a minimum target
• Half of these should be ‘affordable housing’
• As a guide 35% social housing and 15% ‘intermediate’
New strategic arrangements

• March 03: London Housing Board - GLA + boroughs + government. Makes strategic decisions on housing investment in London

• Mayor’s view: allocation of housing resources should be with GLA. But new arrangements a first step to devolution.

• Integrate housing with economic and social development strategies – e.g. housing for ‘key workers’.

• GLA developing a strategic approach to homelessness in London
Growth areas

• The Government plans for major growth in four areas in the South East including **Thames Gateway** and **London-Stansted-Cambridge**.

• **Thames Gateway**
  – covers an area 43 miles long by 20 miles across
  – Close to London and in a strategic location on major transport links to the continent.
  – Large concentration of brownfield sites
  – Could provide 300,000 new jobs by 2031.
  – Funds available for additional affordable and keyworker housing as well as land assembly, site preparation and neighbourhood renewal
Thames Gateway
Responding to housing pressures – the role of the GLA

• Planning
  – Draft London Plan - strategic plan for the next 15 years
  – Integrate social, economic and environmental policies; integrate land use and transport

• Persuasion
  – Legitimacy: Mayor ‘speaks for London’
  – Regional strategic authority

• Publicity and Practicalities
  – Promote demonstration projects and good practice
  – Evidence-based policy-making: providing research, data analysis and information