

London Borough of Lewisham Strategic Housing Market Assessment 2021/22 Update

London Borough of Lewisham

Final Report

March 2022

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Executive Summary

Introduction

The London Borough of Lewisham Strategic Housing Market Assessment (SHMA) 2021/22 update provides the Council with up to date evidence on housing need across all sections of the community over the period to 2040. The evidence will inform the update of the Local Plan, other strategies, policies and decisions of the Council and its partners.

The SHMA has been prepared in accordance with the July 2021 National Planning Policy Framework (NPPF) and associated Planning Practice Guidance (PPG).

Dwelling stock

There are 130,598 dwellings and 131,172 households across the borough in 2021. The vacancy rate is 1.9% which is below the rate for England (2.7%). The dwelling stock profile is:

- Flats 59.6%, houses 40.2% and bungalows 0.2%.
- One bedroom 27.6%, two bedrooms 33.1%, three bedrooms 29.7% and four or more 9.6%.
- 49.2% of households are owner occupiers, 27.4% rent from the council/housing association and 23.4% rent privately.

There are around 1,856 affordable home ownership properties in Lewisham.

House prices and rents

In 2020, lower quartile prices were £335,000 (London £350,000 and England £157,500) and median prices were £434,000 (London £477,500 and England £248,000).

In 2020, lower quartile private rents were £1,101 each month (£1,274 London and England £724) and median rents were £1,352 (London £1,651 and England £1,148).

Future dwelling mix and development priorities

The SHMA has carefully considered the future population and household projections over the period 2021 to 2039 (using MHCLG 2014-based household projections), the range of dwellings lived in by different households and their dwelling aspirations (likes) and expectations. This helps to determine an appropriate mix of dwellings to inform future development priorities to better reflect the housing needs of communities across Lewisham. Future housing need has been assessed under two options. Option A is the London Plan 2021 overall housing target of 1,667 each year for Lewisham. This aligns with PPG that clearly states the London Plan is responsible for establishing London-wide need and disaggregating this to individual Boroughs.

Option B is the need calculated using the government's standard method calculation which - takes in to account demographic change, an affordability uplift, capping the level of need based on the current Local Plan and a 35% cities uplift. Under Option B,

having applied the standard method to the borough, the result of household growth and affordability pressures results in a very substantial need for housing: 2,334 dwellings each year which includes a cap based on the 2021 London Plan figure. Without the cap, the minimum need is 3,336.

There is a net need for 2,818 affordable dwellings each year. The Council does not need to meet this in full as PPG says **‘the total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments’**. The Council have a 50% affordable housing target which is appropriate given the acute need for affordable housing but this needs to be balanced with an ongoing need to deliver market housing.

Given the justifiable concerns over the affordability of First Homes, the impact First Homes would have on the delivery of affordable rented products and the scale of affordability pressures evidenced in the housing register the recommended tenure split is 70% social/affordable rented and 30% affordable home ownership. The overall dwelling mix recommendations by tenure are set out in Table ES1 (using a recommended 70% social/affordable/30% intermediate split) using the Option A London Plan 2021 annual need of 1,667.

| Table ES1 Summary of overall dwelling mix by tenure (70% rented/30% intermediate split) | | | | |
|---|---------------------|-------------------|---------------------------|---------|
| Number of bedrooms | % of dwellings | | | |
| | Market | Affordable Rented | Affordable home ownership | Overall |
| 1-bedroom (including studio) | 7.9 | 19.0 | 10.0 | 12.1 |
| 2-bedroom | 15.6 | 35.5 | 40.0 | 26.2 |
| 3-bedroom | 51.4 | 32.4 | 35.0 | 42.3 |
| 4 or more bedroom | 25.1 | 13.1 | 15.0 | 19.4 |
| Total | 100.0 | 100.0 | 1000 | 1,667 |
| Number of bedrooms | Number of dwellings | | | |
| | Market | Affordable Rented | Affordable home ownership | Overall |
| 1-bedroom (including studio) | 66 | 111 | 25 | 202 |
| 2-bedroom | 130 | 207 | 100 | 437 |
| 3-bedroom | 429 | 189 | 88 | 705 |
| 4 or more bedroom | 210 | 76 | 38 | 323 |
| Total | 834 | 583 | 250 | 1,667 |

The needs of other groups

Particular needs which have been identified in the SHMA are:

- Increasing and diversifying the supply of specialist housing for older people. There is a need for 2,422 more units of accommodation for older people by 2040. This includes 1,969 C3 planning use class units such as Extra Care and sheltered/retirement housing and 453 units of C2 residential care units. This translates to an annual need for 98 C3 units and 23 C2 units.
- Given the ageing demographic of Lewisham and the identified levels of disability amongst the population, it is recommended that a policy to provide new homes built to accessibility standards is included in the Local Plan. On the basis of available evidence which takes into account the requirements of PPG and policy D9 Accessible Housing of the 2021 London Plan it is recommended that:
 - At least 10% of dwellings (which are created via works to which Part M Volume 1 of the Building Regulations applies) meet Building Regulation requirement M4(3) 'wheelchair user dwellings'.
 - All other dwellings (which are created via works to which Part M Volume 1 of the Building Regulations applies) meet Building Regulation requirement M4(2) **'accessible and adaptable dwellings'**.

It should be noted however that any percentage requirements for accessible housing are subject to cumulative viability testing. It is also recommended that needs are monitored closely given the ageing population over the plan period.

- Note that there is overlap between affordable, specialist older person and M4(3) need, so for instance the development of an older person's level access, wheelchair accessible affordable dwelling would help address three aspects of house need.
- There is a specific need for large family housing, driven partly by need from BAME communities.
- There is evidence of demand for self and custom build plots, with 175 households on the self and custom build register who are looking for opportunities to build exclusively within Lewisham.

1. Introduction

Background and objectives

- 1.1 The Borough of Lewisham Strategic Housing Market Assessment (SHMA) Update 2021 has been commissioned by the London Borough of Lewisham ('the Council') to provide an up-to-date evidence base to inform the development of the Council's Local Plan and other strategies.
- 1.2 The Borough of Lewisham SHMA 2021 updates the 2019 SHMA, in response to a number of fundamental changes in national and regional planning policy. It supports the requirements of the National Planning Policy Framework (NPPF) (July 2021) and associated Planning Practice Guidance (PPG), including:
 - December 2020 PPG: Housing Need Assessment which sets out the standard method for assessing housing need
 - May 2021 PPG: Housing Needs of Different Groups,
 - June 2019 PPG: Housing for Older and Disabled People and
 - May 2021 PPG: First Homes.
- 1.3 This SHMA includes a review of the housing market, an assessment of future need, the identification of the housing needs of specific groups and a consideration of the requirement for affordable housing.
- 1.4 New baseline data has been used to update some parts of the report, whilst retaining parts that still remain relevant today. This updated SHMA also seeks to:
 - Provide greater clarity regarding the Local Housing Need, now that the housing targets in the 2021 London Plan have been adopted.
 - Re-run the Housing Need Calculations.
 - Re-consider target mixes in terms of tenure and bedroom sizes.
 - Consider the introduction of First Homes.
 - Re-assess the housing need of specific groups, where updates are necessary.
- 1.5 Collectively, the overall evidence base will satisfy the requirements of government policy and guidance, as set out within NPPF and PPG.

Government policy and guidance

- 1.6 The evidence base needs to take account of the requirements of the National Planning Policy Framework (NPPF). The latest version was published in July 2021 and supported by Planning Practice Guidance (PPG). The NPPF 2021 sets out the government's planning policies for England and how these are expected to be applied. Paragraph 11 of the NPPF states that plans, and decisions should apply a '**presumption in favour of sustainable development**'. As part of this, in relation to plan-making, it sets out that this means that '**strategic policies should, as a minimum, provide for objectively assessed needs for housing...**'.

- 1.7 Paragraph 60 provides an important context to the policy for housing delivery, as follows:
- ‘To support the Government’s objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay.’**
- 1.8 Paragraphs 61 to 63 relate to the evidence base requirements which underpin this study:
- Paragraph 61: **‘To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.’**
- Paragraph 62: **‘Within this context, the size, type and tenure of housing need for different groups in the community, should be assessed and reflected in planning policies including but not limited to: those who require affordable housing; families with children; older people; students; people with disabilities; service families; travellers; people who rent their homes; and people wishing to commission or build their own homes.’**
- 1.9 Paragraph 63: ‘where a need for affordable housing is identified, planning policies should specify the type of affordable housing required’.
- 1.10 Paragraph 65 requires that: **‘strategic policy-making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the plan period. Within this overall requirement, strategic policies should set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations.’**
- 1.11 The Localism Act 2010 introduced the ‘Duty to Co-operate’ as a replacement for Regional Spatial Strategy and this requirement is also established in National Planning Policy (NPPF 2021, Paragraphs 24-27). Section 110 requires local authorities and other bodies, including Local Enterprise Partnerships to co-operate in maximising the effectiveness of strategic matters within development plan documents. The provision of housing development is a strategic priority and the Council will have to ensure that it is legally compliant with the Localism Act at Local Plan examination.
- 1.12 In the case of London Boroughs, the Greater London Authority (GLA) is the strategic regional authority, with powers over various functions including planning. The London Plan therefore forms part of the statutory development plan for the Borough of Lewisham.

1.13 Relevant PPG which relates to the SHMA evidence base includes:

- Housing and economic needs (with specific focus on affordable housing need);
- Housing needs of different groups;
- Housing for older and disabled people; and
- Housing optional technical standards.

Definitions

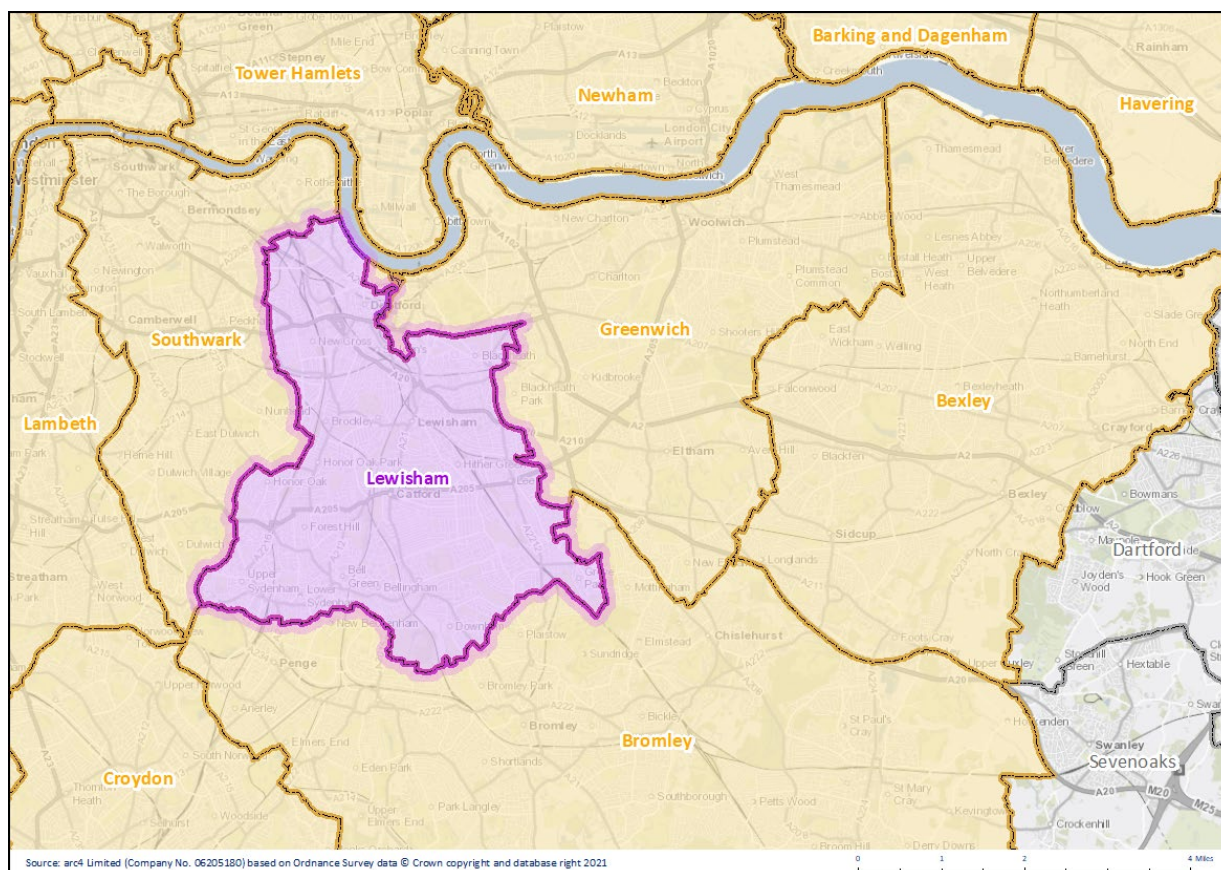
1.14 Definitions relating to affordable housing have been updated in NPPF 2021 Annex 2 and set out in Appendix A.

1.15 In addition, this SHMA recognises a further range of tenures which are being promoted by the Mayor of London in the Draft New London Plan:

- Homes based on **social rent** levels (which includes London Affordable Rent);
- **London Living Rent** which offers Londoners on average incomes a below-market rent, enabling them to save for a deposit. The Mayor has set out London Living Rent levels that vary by ward across London, set at a third of local average household incomes. When funded through the Mayor's Affordable Homes Programme, London Living Rent is designed to offer sub-market rents for up to 10 years, helping households to save for a deposit. Eligibility is restricted to households that are currently renting, with a maximum income of £60,000 and who are not currently able to purchase a home (including through shared ownership) in the local areas; and
- **London Shared Ownership** is based on the national shared ownership model but with extra assurances for Londoners over service charges.

Geography

1.16 Map 1.1 illustrates the geographical context of the Borough of Lewisham and the neighbouring local authorities.

Map 1.1 The Borough of Lewisham geographical context

- 1.17 The Borough of Lewisham is located within south east London, England, and forms one of the Inner London Boroughs. Covering around 3,515 hectares, the resident population of the borough is estimated at around 306,950 people in 2020 (source: GLA 2019-based BPO population projections: Local Plan scenario (standard)). To the east of the borough lies the Royal Borough of Greenwich, to the south lies the London Borough of Bromley, to the west lies the London Borough of Southwark. The River Thames runs along a section of the northern boundary, beyond which lies the Borough of Tower Hamlets.
- 1.18 The borough includes extensive residential areas, including older settlements and suburban infill development. The main town centres are Lewisham and Catford; there are also a range of district centres including New Cross, New Cross Gate, Deptford, Blackheath, Lee Green, Forest Hill, Sydenham and Downham.
- 1.19 In terms of access, the main road-routes through the borough are the A2 from Kidbrooke (east) to Old Kent Road (west), the A20 from New Cross to Eltham (east), the A21 from Lewisham to Bromley (south), the A202 from New Cross Gate to Peckham (west) and the A205 South Circular from Dulwich (west) to Eltham (east).
- 1.20 Suburban trainlines pass through Lewisham Station on route to Dartford (Kent) and Hayes (Bromley). The East London Line serves New Cross and New Cross Gate, with an extension to the London Overground network serving Brockley, Honor Oak Park, Forest Hill and Sydenham since 2010. There are proposals for a new station at New Bermondsey on the South London Line, linking to

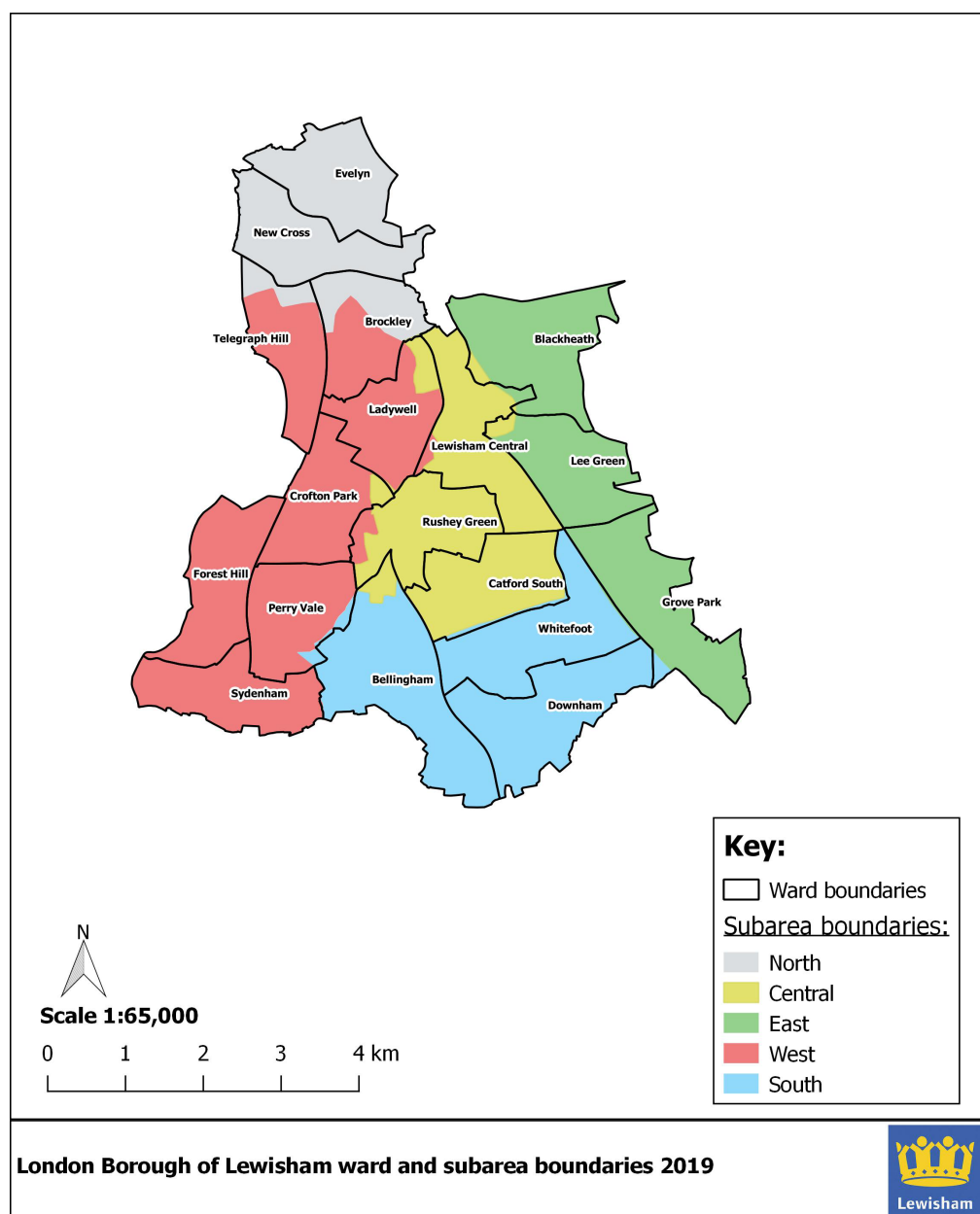
Clapham Junction. There are proposals for a Phase 1 extension of the Bakerloo Line through New Cross Gate to Lewisham and consideration for a further phase 2 extension south to beyond the borough boundary at Hayes.

- 1.21 Census data is available down to postcode level and for the purposes of this report, data has been presented based on the following wards, as shown by Map 1.2 as follows:

- Bellingham
- Blackheath
- Brockley
- Catford South
- Crofton Park
- Downham
- Evelyn
- Forest Hill
- Grove Park
- Ladywell
- Lee Green
- Lewisham Central
- New Cross
- Perry Vale
- Rushey Green
- Sydenham
- Telegraph Hill
- Whitefoot

- 1.22 New ward arrangements will come into force in May 2022. The boundaries of two wards (Forest Hill and Telegraph Hill) will remain the same, all others will change. Two wards (New Cross and Whitefoot) will no longer exist and there will be three new wards (Deptford, New Cross Gate and Hither Green).

- 1.23 Data have also been prepared for the five sub-areas as shown in Map 1.2. Within this report, reference is made to the 'borough' which is used as a short-hand term where information is being presented about the Borough of Lewisham.

Map 1.2 Wards and Sub-areas within the Borough of Lewisham

Research methodology

- 1.24 To deliver the Borough of Lewisham SHMA 2021 update, a multi-method approach has been adopted, which comprises:
- a review of existing (secondary) data including the 2011 Census, house price trends, CORE lettings data, MHCLG Statistics, GLA statistics and Council information;
 - 2019 SHMA stakeholder consultation responses; and
 - 2019 SHMA interviews with estate and letting agents.
- 1.25 All data sources are fully referenced.

- 1.26 The SHMA has drawn upon several population and household projection datasets. These include:
- MHCLG 2014-based household projections to align evidence to the standard method of calculating housing need.
 - ONS 2018-based household projections as these are the latest official estimates considering future household change.
 - GLA 2019-based BPO Local Plan (standard) projections which have been used in the preparation of the draft Local Plan.

Report structure

- 1.27 The Borough of Lewisham SHMA update 2021 report is structured in the same manner as the 2019 SHMA, as follows:
- **Chapter 2** reviews the national and regional policy context within which the research needs to be positioned.
 - **Chapter 3** considers the main features of the housing market including house price and rental trends, migration and travel to work patterns.
 - **Chapter 4** reviews the current housing stock and provides a detailed analysis of the main tenures.
 - **Chapter 5** considers future housing need which takes account of the government's standard methodology.
 - **Chapter 6** considers the need for all types of housing, including affordable housing need and a consideration of household groups with particular housing requirements.
 - **Chapter 7** sets out an assessment of dwelling type and mix for future housing development within the borough.
 - **Chapter 8** concludes the report with a summary of findings and a consideration of strategic issues.
- 1.28 A technical appendix, provides detailed material that underpins the core outputs of this report. The technical appendix includes:
- Affordable housing definitions (Appendix A).
 - Housing need calculations (Appendix B).
 - Stakeholder survey detailed findings (Appendix C).
 - Glossary of terms (Appendix D).

2. Policy and strategic review

National context

- 2.1 The housing policy landscape is entering a period of unusual fluidity and uncertainty. This fluidity is set to last for several years. Factors such as Brexit and the pandemic have been further complicated by the forthcoming Comprehensive Spending Review and the recent change in leadership in the rebranded Department for Levelling Up, Housing and Communities.

The 2021 Comprehensive Spending Review and Budget

- 2.2 The Comprehensive Spending Review announced in late October has a number of long term implications for the authority.
- 2.3 It is worth emphasising that the Comprehensive Spending Review re-confirmed that government support is targeted at producing home ownership and not homes for rent (either public or private).
- 2.4 The Affordable Homes Grant budget is £11.5 bn. This is still better than earlier in the decade. However, not as high as noughties' levels and is heavily subject on the now delayed review of Homes England's purposes.
- 2.5 The £1.8bn headlined for brownfield redevelopment was a considerable improvement. However, the spend is to regenerate underused land and deliver transport links and community facilities. The home numbers and hectareage suggests at best, that considerable amounts on non-brownfield land are assumed to be developed as well as the brownfield.
- 2.6 The benefits changes are a combination of swings and roundabouts. However, unless policies change, the combined impact of tax increases, reductions and inflation leave the average households £1,700 worse off by 2027. This is not consistent across all segments of society.
- 2.7 The Institute for Fiscal Studies reports that over the next year, middle earners on about £25,000 will find their pre-tax pay just about outpaces price rises. But once extra income taxes are due, their take-home pay will fall by about 1%, or £180 per year, after accounting for inflation.
- 2.8 For those on benefits, the loss of the £20 pandemic uprating is set to be partially offset by reductions in the Universal Credit taper rate to 55 pence. However, this is still a huge marginal "tax" rate and it is generally considered that impossible to gain work generating sufficient income to offset the £20 loss. These changes therefore may well impact on the ability of residents to afford rented housing. This will become a greater challenge as the value of Local Housing Allowance benefits (again increased during the pandemic) will decline in real terms relative to rents over the period.
- 2.9 The planning digitisation monies will be helpful. However, only 175 LAs will receive it. The increase of the living wage will further undermine the Care Home business model. Whilst not part of the Comprehensive Spending Review itself, the Office of Budget Review projects inflation rising sharply to over 4%. This has not been experienced for thirty years. This will impact on households' ability to buy or rent housing. Servicing mortgages will also become more difficult

given an expected gradual move from historically unfeasible negative real interest rates. The first step was a rise to a 0.25% Bank Rate in December 2021.

Building Safety Bill

- 2.10 The post-Grenfell Bill will apply to buildings of seven storeys or at least 18 metres in height. It has reached the committee stage in the House of Commons. It will:
- establish a legal regime to oversee higher-rise buildings;
 - establish a Building Safety Regulator to drive improvements in building safety and performance standards in all buildings;
 - ensure residents have a stronger voice in the system, and establish additional protections for leaseholders in relation to financing remediation works;
 - create a new Homes Ombudsman Scheme;
 - increase access to redress through the Defective Premises Act 1972;
 - strengthen the obligations under The Regulatory Reform (Fire Safety) Order 2005; and
 - provide a stronger and clearer framework for oversight of construction products.

Climate change

- 2.11 The Government's original 10 Point Plan has now developed along three routes:
- The Net Zero Strategy
 - The Heat and Building's Strategy
 - Wider Decarbonisation
- 2.12 Housing was not mentioned within the Glasgow Climate Pact's 20 pages. However, a third of emissions are ascribed to housing.
- 2.13 Funding is a key challenge. The Commons' Climate Change Committee has said that public investment for the transition needs to double. However, only around £7bn of new investment was announced in the Net Zero Strategy.
- 2.14 The 2021 Heat and Buildings Strategy is allocating a £450m budget for £5,000 grants for heat pumps from April 2022. However, this is only 10% of the scale of public funding required. Similarly, there is no funding for home insulation for the 60% of UK households, who own their own home and are not fuel poor.
- 2.15 The strategy signals the government's intention "to phase out the installation of new natural gas boilers (currently present in 85% of homes) from 2035". However, the alternative is not defined at this point. A proposal was announced to launch a Hydrogen Village trial to inform a decision on the role of that fuel in heating by 2026.

- 2.16 £3.9bn was allocated to support housing decarbonisation of which £800m was for the Social Housing Decarbonisation Fund. This is £3 billion below the 2019 manifesto commitment.
- 2.17 Notwithstanding, this all these commitments spending, heat and buildings remain a significant investment gap in green spending, with nearly £10bn additional investment needed this Parliament to get on track to net zero.
- 2.18 In December 2021, the Department for Levelling Up, Homes and Communities (DLUHC) announced changes to building regulations operational from June 2022 which will require new CO2 emissions from new build homes to be around 30% lower than current standards.
- 2.19 The £320 million Heat Networks Investment Project (HNIP), which supports the development of heat networks (e.g. derived from water courses) across England and Wales, allocated £19 million in 2022 for projects in Liverpool, Kensington and Chelsea, Bristol and Worthing.
- 2.20 The National Infrastructure Bank will fund investment via a new green gilt potentially covering an additional £16bn of green major infrastructure spending.

National Housing Market changes

- 2.21 Although not a policy change, and whilst it is too soon to be definitive, the pandemic may be generating new and significant structural alterations in housing markets. It will be important that the pre-pandemic aspirations of extant policies are recalibrated in the light of five emerging phenomena:
- the so called “race for space” linked in part with the emergence of more remote working;
 - the persisting aspiration for out of town housing in less populated locations;
 - the decline in town centre retail and replacement with web based purchasing;
 - the importance of local facilities and accessible open spaces close to where people live; and
 - possible changes in Higher Education residential requirements driven by more remote teaching approaches.
- 2.22 The lack of job security, lower employment and lower economic activity are predicted to depress sale prices in the medium term. Shortages in skilled (HGV drivers) and unskilled labour (crop pickers) and inputs (gas) combined with supply chain shortages suggest an increase in house prices and slower house building in the coming months.

London Plan

- 2.23 The 2021 London Plan is the statutory spatial development strategy for Greater London, prepared by the Mayor of London. This is the adopted development plan and is a material consideration in planning decisions. The plan covers the period to 2041 and sets out an integrated framework for the development of the

whole of London, taking into account economic, environmental, transport and social factors. It forms part of Lewisham's Development Plan.

- 2.24 The adopted 2021 London Plan seeks to be 'different' to previous plans (paragraph 0.0.18):

'It is more ambitious and focused than any previous London Plans. The concept of Good Growth – growth that is socially and economically inclusive and environmentally sustainable – underpins the London Plan and ensures that it is focused on sustainable development.'

- 2.25 **Policy GG4 Delivering the homes Londoners need** seeks to create a housing market that works better for all Londoners. Those involved with planning and development must ensure that more homes are delivered and support the delivery of the strategic target of 50% of all new homes being genuinely affordable. The supporting text to Policy GG4 draws on the findings of the London Strategic Housing Market Assessment 2017, setting out that London needs 66,000 new homes each year for at least 20 years, of which 43,000 should be genuinely affordable.
- 2.26 **Policy H1 Increasing Housing Supply** and associated Table 4.1 sets out ten-year targets for net housing completions that each local planning authority should plan for. For Lewisham, Table 4.1 of the plan establishes a target for 16,670 dwellings or an annual average of 1,667 dwelling completions each year.
- 2.27 **Opportunity Areas** are identified in the London Plan as places that offer scope for change and growth, including new homes and jobs. The scope for growth is strongly linked to existing or potential transport improvements. The Opportunity Areas identified within Lewisham include New Cross / Lewisham / Catford with an indicative 13,500 homes and 4,000 jobs and Deptford Creek / Greenwich Riverside (the latter part is located outside of the borough boundary) with an indicative 5,500 homes and 3,000 jobs.

Local context

- 2.28 The South East London Strategic Housing Market Assessment (SHMA) was undertaken by Cobweb Consulting on behalf of the South East London Housing Partnership (published in June 2014), covering the five boroughs of Bexley, Bromley, Greenwich, Lewisham and Southwark. The South East London SHMA identified a requirement for just under 7,200 dwellings per annum over the 2011-2031 period. However, it also identified a backlog of unmet need for affordable housing in South East London, identified at around 55,500.
- 2.29 Within the borough, the development plan consists of the London Plan (2021) and the Lewisham Core Strategy (2011), the Site Allocations Local Plan (2013), the Lewisham Town Centre Local Plan (2014) and the Development Management Local Plan (2014). These documents replaced the 2004 Lewisham Unitary Development Plan (UDP).
- 2.30 The Council has started work on a new Local Plan for the borough. This will provide the basis for future development, with a plan period of 20 years, 2020 to 2040. An initial Stage One Consultation on Main Issues was undertaken in 2015. A Regulation 18 consultation on the Lewisham Local Plan: Main Issues

and Preferred Approaches Document took place during January to April 2021. This included a chapter on housing and highlighted that the London Plan has increased the housing target for Lewisham to 1,667 net completions per year.

- 2.31 Affordable housing and delivering genuinely affordable housing are key issues for the Council. The Lewisham Corporate Plan 2018-2022 identifies a number of corporate priorities, one of which is tackling the housing crisis. It provides the following commitments:
- more social and genuinely affordable housing,
 - more mixed communities through a variety of tenure type in private developments,
 - improved standards across all housing sectors,
 - residents are supported to have a stronger voice.
- 2.32 The Council's commitment to tackling the housing crisis at the local level is also evident in two strategy documents: Lewisham Housing Strategy 2020-2026 and Lewisham Homelessness Strategy 2020-2022.

Concluding comments

- 2.33 The main purpose of this chapter has been to consider the general policy and strategic context within which this research needs to be positioned.
- 2.34 The importance of having robust and up-to-date information to help inform decision making at local authority level is evermore essential. In a challenging economic climate, this SHMA provides the Council with a range of material to inform the new Local Plan and shape local and sub-regional strategic housing priorities.

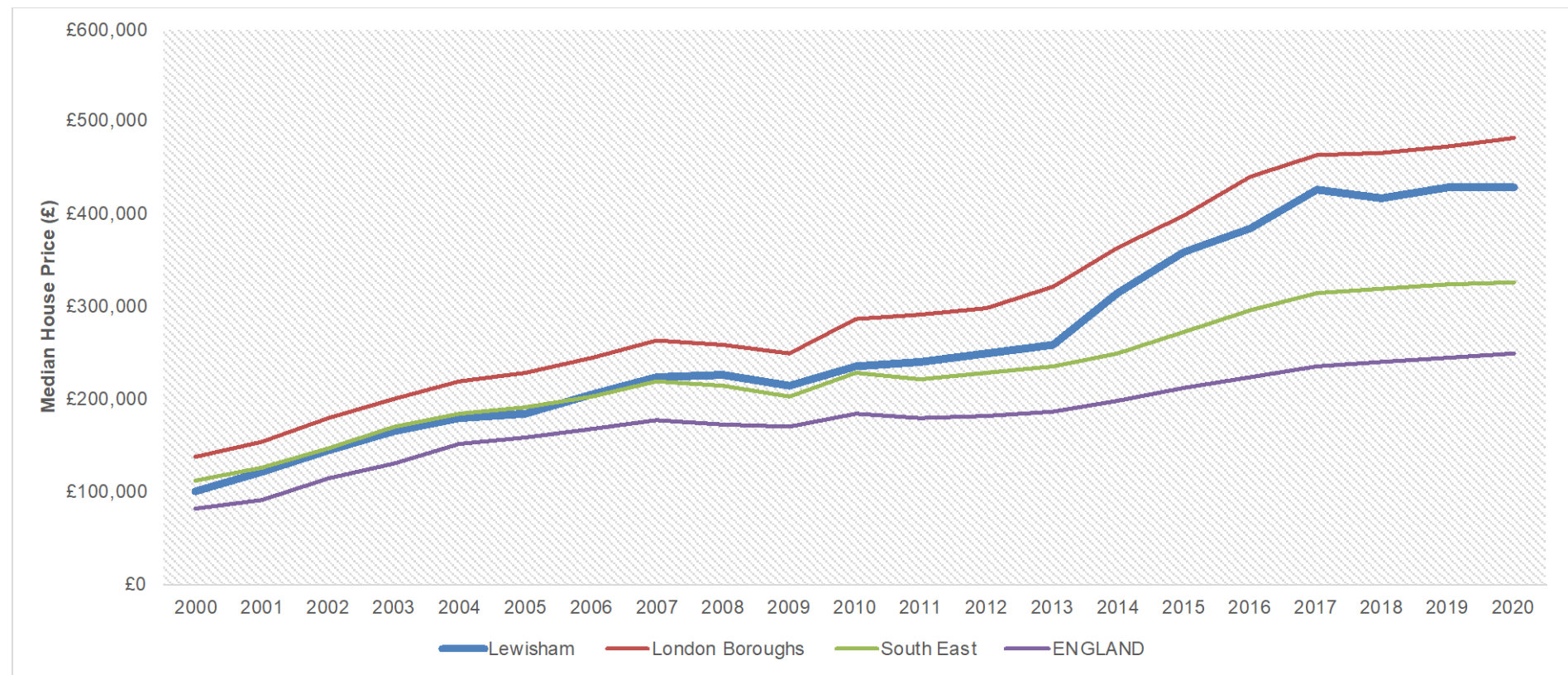
3. Understanding the housing market dynamics

Introduction

- 3.1 The purpose of this chapter is to assess the geographical context of the housing market in the borough and its inter-relationships with other areas. By reviewing house prices, migration and travel to work patterns, a picture of the dynamics of the housing market emerges.
- 3.2 This chapter considers house price trends, relative affordability, household migration, travel-to-work patterns and dwelling completions data for the borough. Qualitative research has been used to more fully understand other factors that are driving the housing market and how they vary across Lewisham's various "sub-areas". This provides a clear overview of the housing market dynamics of the area, providing the key evidence needed to determine the appropriate approach to assessing housing need.

House price trends

- 3.3 Figure 3.1 shows how house prices in the borough area have changed over the period 2000 to 2020, based on full-year Land Registry price paid data. This is compared with London as a whole (all borough areas), the south east region and England.
- 3.4 Median house prices in the borough have been consistently lower than those for the London region, but above those for England as a whole. Median house prices in the borough more than doubled in the period 2000-2007, rising from £99,995 in 2000 to £248,032 in 2007. The next five to six years saw price stagnation, reflecting regional and national trends, with median prices dropping to a low of £215,000 in 2009 and slowly recovering to £249,000 by 2012. Since 2013 there has been an accelerated rate of house price growth, with median prices rising from £259,848 (2013) to £430,000 by 2020.
- 3.5 Overall, median prices have increased from £99,995 in 2000 to £430,000 in 2020, an increase of 330%. This represents an increase, up from 312% in 2018 when the previous SHMA was prepared. Table 3.1 sets out comparative house price change over this period, comparing the borough with other neighbouring local authority areas, the London average, the South East average and the national average. This indicates that the rate of growth in the borough has been significantly higher than that experienced across the London Boroughs as a whole (+192%) and many of the neighbouring local authority areas such as Southwark (+241%) and Bromley (+237%). The rate of growth in Lewisham (+330%) is greater than all of the neighbouring boroughs identified, followed by the London Borough of Greenwich (312%) and Lambeth (250%).

Figure 3.1 Median house price trends 2000 to 2020: the Borough of Lewisham, London Boroughs, South East region and England

Source: Data produced by Land Registry © Crown copyright 2020

Table 3.1 Comparative house price change 2000-2020 with neighbouring local authority areas, London, the South East and England

| Location | Median price (£) | | % Change 2000-2020 |
|-----------------|------------------|----------------|--------------------|
| | 2000 | 2020 | |
| Lambeth | 157,000 | 550,000 | 250.3 |
| Southwark | 155,000 | 529,100 | 241.4 |
| Tower Hamlets | 162,500 | 508,250 | 212.8 |
| London | 138,000 | 483,000 | 250.0 |
| Bromley | 135,000 | 455,000 | 237.0 |
| Greenwich | 106,725 | 440,000 | 312.3 |
| Lewisham | 99,995 | 430,000 | 330.0 |
| Croydon | 110,000 | 390,000 | 254.5 |
| South East | 112,000 | 327,500 | 192.4 |
| ENGLAND | 82,000 | 249,000 | 203.7 |

Source: Data produced by Land Registry © Crown copyright 2020

- 3.6 Table 3.2 sets out how lower quartile and median prices have changed across the borough over the period 2000 to 2020. This shows particular price increase in 2002, 2003, 2014, 2015, 2016 and 2017. The table also illustrates how lower quartile and median household incomes needed to afford prices has changed assuming that properties cost no more than 3.5x a household income to be affordable.

| Year | House Price (£) | | Income to be affordable* | | Annual % change in income requirement | |
|------|-----------------|----------|--------------------------|----------|---------------------------------------|--------|
| | Lower Quartile | Median | Lower Quartile | Median | Lower Quartile | Median |
| 2000 | £76,000 | £99,995 | £19,543 | £25,713 | | |
| 2001 | £90,000 | £122,000 | £23,143 | £31,371 | 18.4 | 22.0 |
| 2002 | £113,500 | £145,000 | £29,186 | £37,286 | 26.1 | 18.9 |
| 2003 | £133,000 | £165,000 | £34,200 | £42,429 | 17.2 | 13.8 |
| 2004 | £146,000 | £180,000 | £37,543 | £46,286 | 9.8 | 9.1 |
| 2005 | £152,000 | £185,000 | £39,086 | £47,571 | 4.1 | 2.8 |
| 2006 | £160,000 | £204,300 | £41,143 | £52,534 | 5.3 | 10.4 |
| 2007 | £179,000 | £248,032 | £46,029 | £63,780 | 11.9 | 21.4 |
| 2008 | £180,000 | £227,000 | £46,286 | £58,371 | 0.6 | -8.5 |
| 2009 | £170,000 | £215,000 | £43,714 | £55,286 | -5.6 | -5.3 |
| 2010 | £180,000 | £235,000 | £46,286 | £60,429 | 5.9 | 9.3 |
| 2011 | £185,000 | £240,000 | £47,571 | £61,714 | 2.8 | 2.1 |
| 2012 | £190,000 | £249,000 | £48,857 | £64,029 | 2.7 | 3.7 |
| 2013 | £205,000 | £259,848 | £52,714 | £66,818 | 7.9 | 4.4 |
| 2014 | £241,000 | £310,000 | £61,971 | £79,714 | 17.6 | 19.3 |
| 2015 | £273,000 | £352,000 | £70,200 | £90,514 | 13.3 | 13.5 |
| 2016 | £300,000 | £380,000 | £77,143 | £97,714 | 9.9 | 8.0 |
| 2017 | £337,000 | £427,350 | £86,657 | £109,890 | 12.3 | 12.5 |
| 2018 | £330,000 | £418,500 | £84,857 | £107,614 | -2.1 | -2.1 |
| 2019 | £330,000 | £428,500 | £84,857 | £110,186 | 0 | 2.4 |
| 2020 | £335,000 | £430,000 | £95,714 | £110,571 | 3.0 | 0.3 |

Source: Data produced by Land Registry © Crown copyright 2020

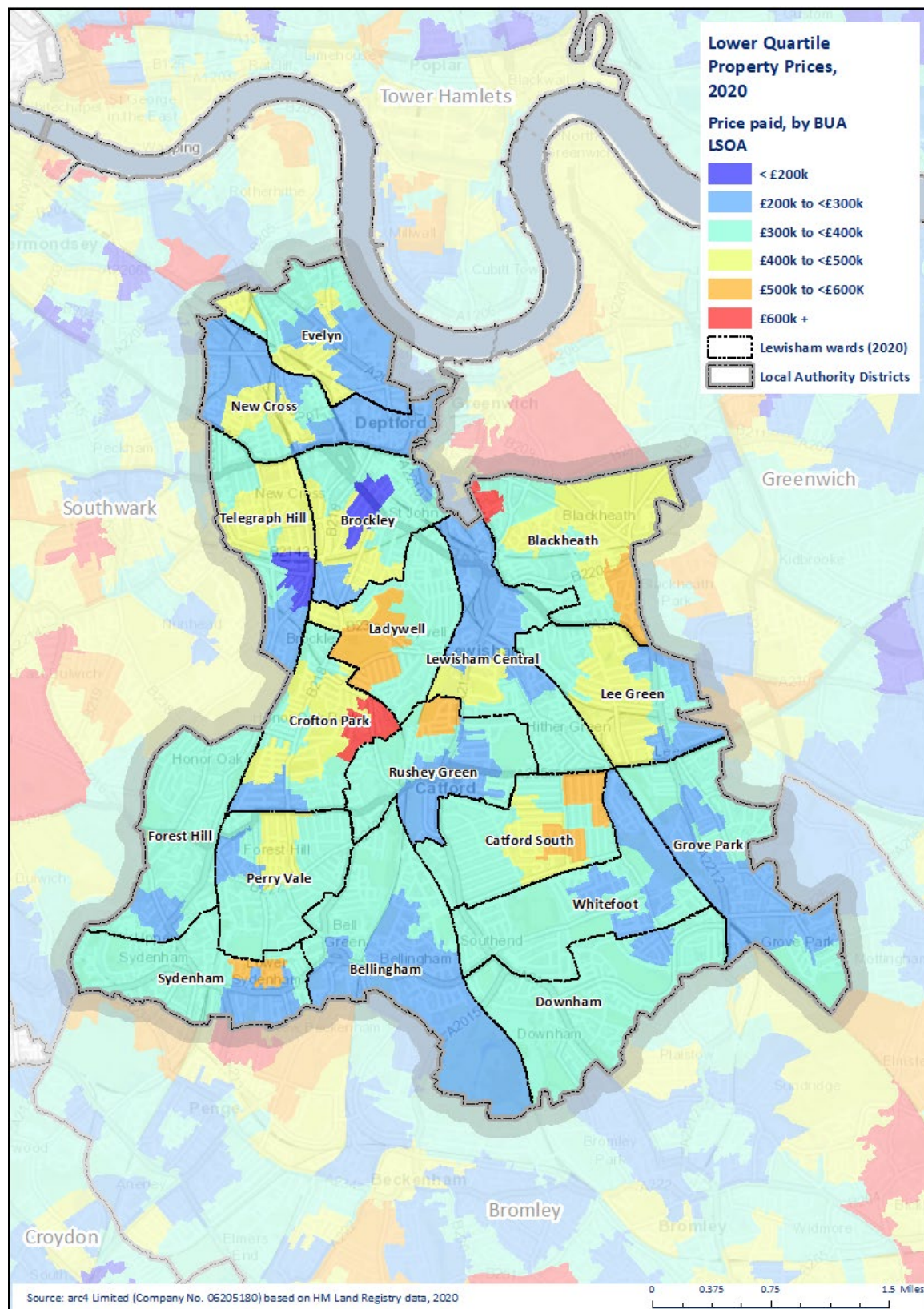
*Assumes a 3.5x income multiple

- 3.7 Table 3.3 considers how median prices have changed over the period 2007 to 2020 using land registry house price data by ward. This shows an overall change of 92.9% across the borough and in six wards median prices have more than doubled over this period.

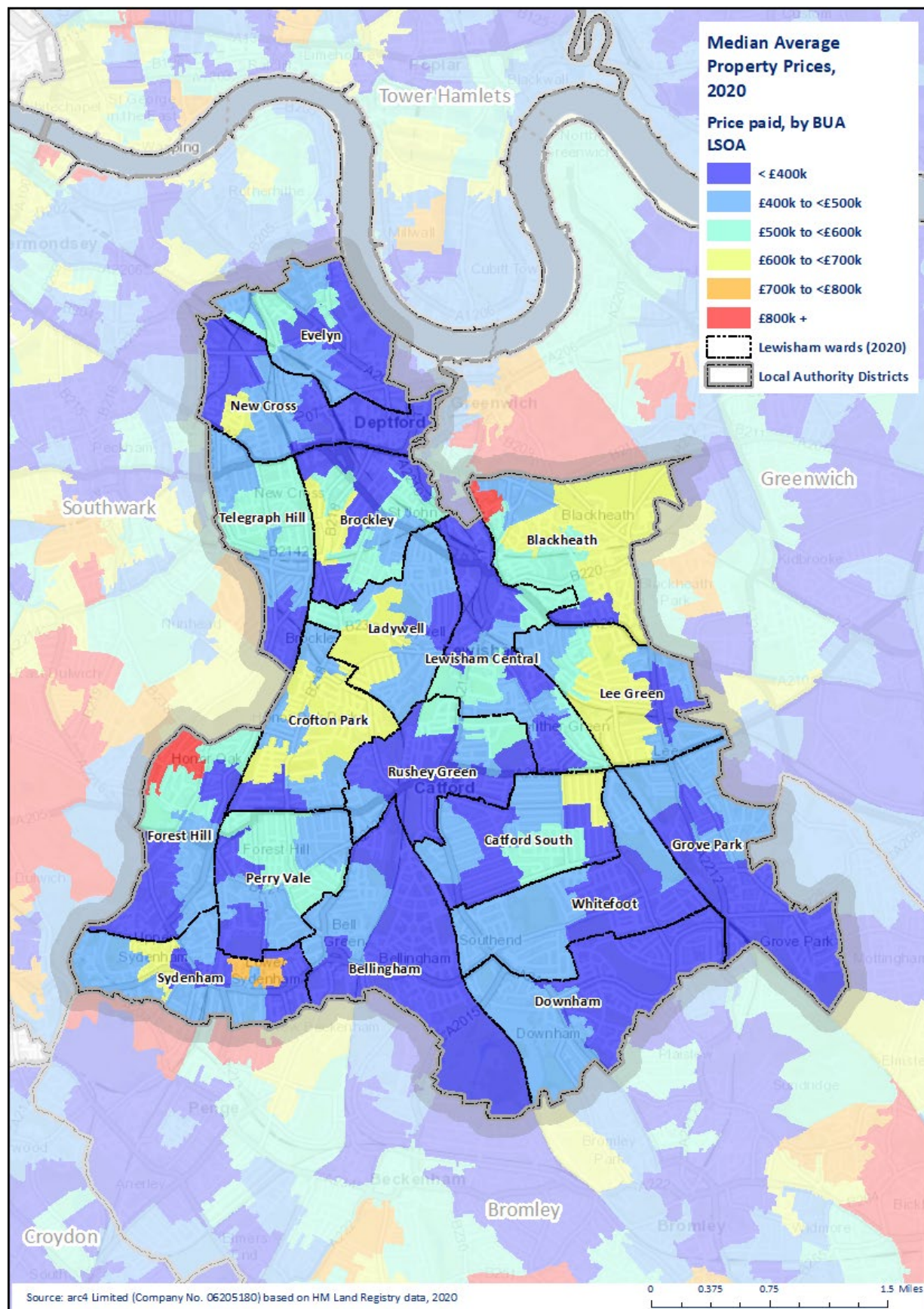
| Table 3.3 Median price change by ward 2007-2020 | | | |
|---|----------|-----------------|----------|
| Ward | 2007 | 2020 | % change |
| Bellingham | £200,500 | £367,000 | 83.0% |
| Blackheath | £306,250 | £575,000 | 87.8% |
| Brockley | £231,000 | £460,000 | 99.1% |
| Catford South | £248,750 | £485,000 | 95.0% |
| Crofton Park | £268,500 | £600,000 | 123.5% |
| Downham | £200,000 | £350,000 | 75.0% |
| Evelyn | £200,000 | £469,480 | 134.7% |
| Forest Hill | £241,612 | £417,500 | 72.8% |
| Grove Park | £205,000 | £380,000 | 85.4% |
| Ladywell | £250,000 | £482,500 | 93.0% |
| Lee Green | £249,973 | £517,500 | 107.0% |
| Lewisham Central | £213,440 | £376,250 | 76.3% |
| New Cross | £172,250 | £410,000 | 138.0% |
| Perry Vale | £235,000 | £470,000 | 100.0% |
| Rushey Green | £200,000 | £395,000 | 97.5% |
| Sydenham | £214,995 | £425,000 | 97.7% |
| Telegraph Hill | £233,000 | £490,000 | 110.3% |
| Whitefoot | £203,000 | £400,000 | 97.0% |
| Total | £225,000 | £434,000 | 92.9% |

Source: Data produced by Land Registry © Crown copyright 2020

- 3.8 During 2020, median prices across the borough were £434,000 and lower quartile prices were £335,000. The distribution of lower quartile and median house prices during 2020 is illustrated in Maps 3.1 and 3.2. This indicates particular pockets of higher prices in Crofton Park, Blackheath and Forest Hall. Lower prices were noted in Brockley and Telegraph Hill.

Map 3.1 Lower quartile house prices 2020 by super output area

Source: Data produced by Land Registry © Crown copyright 2020

Map 3.2 Median house prices 2020 by lower super output area

Source: Data produced by Land Registry © Crown copyright 2020

Relative affordability

- 3.9 The relative affordability of open market dwellings in the borough is compared with the other nearby London Boroughs in Tables 3.4 and 3.5. Also included in the tables are the ratios for London, the South East and England. These tables are produced by the MHCLG, based on a ratio of earnings to house prices using Land Registry Price Paid and ONS Annual Survey of Hours and Earnings data. Workplace-based and residence-based data are presented.
- 3.10 Table 3.4 ranks the boroughs by lower quartile affordability from least to most affordable in 2020 using resident-based data and also shows affordability ratios from 2017. Comparing lower quartile house prices with workplace-based earnings in 2020, the Borough of Lewisham had a ratio of 13.1, meaning lower quartile prices are 13.1x lower quartile gross earnings. On this measure, Lewisham was one of the least affordable boroughs and it has been consistently less affordable than the London-wide average (12.4x earnings in 2020), the South East region (10.2x) and England (7.2x).

| Table 3.4 Relative affordability of lower quartile prices by local authority area | | | | | | | | |
|---|-----------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|
| Area | Workplace-based | | | | Resident-based | | | |
| | 2017 | 2018 | 2019 | 2020 | 2017 | 2018 | 2019 | 2020 |
| Southwark | 15.39 | 13.99 | 14.29 | 13.12 | 16.22 | 15.31 | 14.38 | 14.24 |
| Lambeth | 15.47 | 15.11 | 14.5 | 14.68 | 16.00 | 14.72 | 14.67 | 14.04 |
| Tower Hamlets | 11.78 | 12.01 | 12.1 | 11.58 | 14.21 | 14.50 | 13.17 | 13.27 |
| London | 13.27 | 13.00 | 12.97 | 12.47 | 13.95 | 13.72 | 13.65 | 13.19 |
| Lewisham | 14.28 | 15.12 | 14.46 | 13.12 | 13.85 | 13.18 | 14.04 | 12.88 |
| Greenwich | 14.17 | 13.84 | 15.26 | 12.94 | 13.53 | 12.98 | 13.41 | 12.16 |
| Croydon | 12.32 | 11.43 | 11.48 | 12.99 | 12.12 | 11.47 | 11.84 | 11.99 |
| Bromley | 16.77 | 15.38 | 14.87 | 14.53 | 12.1 | 11.66 | 11.52 | 11.77 |
| South East | 10.61 | 10.81 | 10.4 | 10.21 | 10.3 | 10.51 | 10.13 | 10.09 |
| England | 7.26 | 7.34 | 7.26 | 7.15 | 7.26 | 7.34 | 7.26 | 7.15 |

Sources: ONS Ratio of house price to workplace and residence-based earnings

- 3.11 In terms of relative affordability based on median prices (Table 3.5), the Borough of Lewisham had a median work-place based income to house price ratio in 2020 of 12.3x. Based on median ratios, the Borough of Lewisham was relatively more affordable than Lambeth, Greenwich and Bromley; and less affordable than Southwark, Croydon, Tower Hamlets and London overall, the South East region and England.

Table 3.5 Relative affordability of median prices by local authority area

| Area | Workplace-based | | | | Resident-based | | | |
|-----------------|-----------------|--------------|--------------|--------------|----------------|-------------|--------------|--------------|
| | 2017 | 2018 | 2019 | 2020 | 2017 | 2018 | 2019 | 2020 |
| Southwark | 14.23 | 13.88 | 13.87 | 12.12 | 15.28 | 15.35 | 14.31 | 13.83 |
| Lambeth | 14.70 | 14.50 | 14.30 | 14.21 | 15.03 | 13.82 | 14.40 | 13.10 |
| London | 7.91 | 12.26 | 12.05 | 11.78 | 13.25 | 13.09 | 12.75 | 12.52 |
| Tower Hamlets | 9.82 | 9.85 | 10.67 | 9.98 | 12.88 | 12.73 | 11.5 | 12.12 |
| Greenwich | 12.87 | 12.97 | 13.77 | 12.73 | 12.67 | 11.95 | 12.72 | 12.00 |
| Lewisham | 12.61 | 13.65 | 13.27 | 12.33 | 12.28 | 12.2 | 12.74 | 11.55 |
| Bromley | 14.59 | 14.3 | 13.85 | 13.30 | 10.83 | 11.00 | 10.73 | 10.55 |
| Croydon | 11.21 | 11.09 | 10.83 | 11.34 | 10.73 | 10.46 | 10.97 | 10.41 |
| South East | 10.25 | 10.37 | 10.05 | 9.92 | 9.79 | 9.92 | 9.67 | 9.57 |
| England | 7.91 | 8.04 | 7.88 | 7.84 | 7.91 | 8.04 | 7.88 | 7.84 |

Sources: ONS Ratio of house price to workplace and residence-based earnings

Household migration

- 3.12 Data reported in the 2011 Census records 35,010 households in the Borough of Lewisham who moved address in the year preceding the Census. This data is set out in Table 3.6. It indicates that 44.6% of households who moved in the year preceding the census originated from within the borough and a further 40.0% from other London Boroughs (of which 9.2% were from neighbouring Southwark, 5.6% from Greenwich, 3.7% from Lambeth and 3.2% from Bromley).

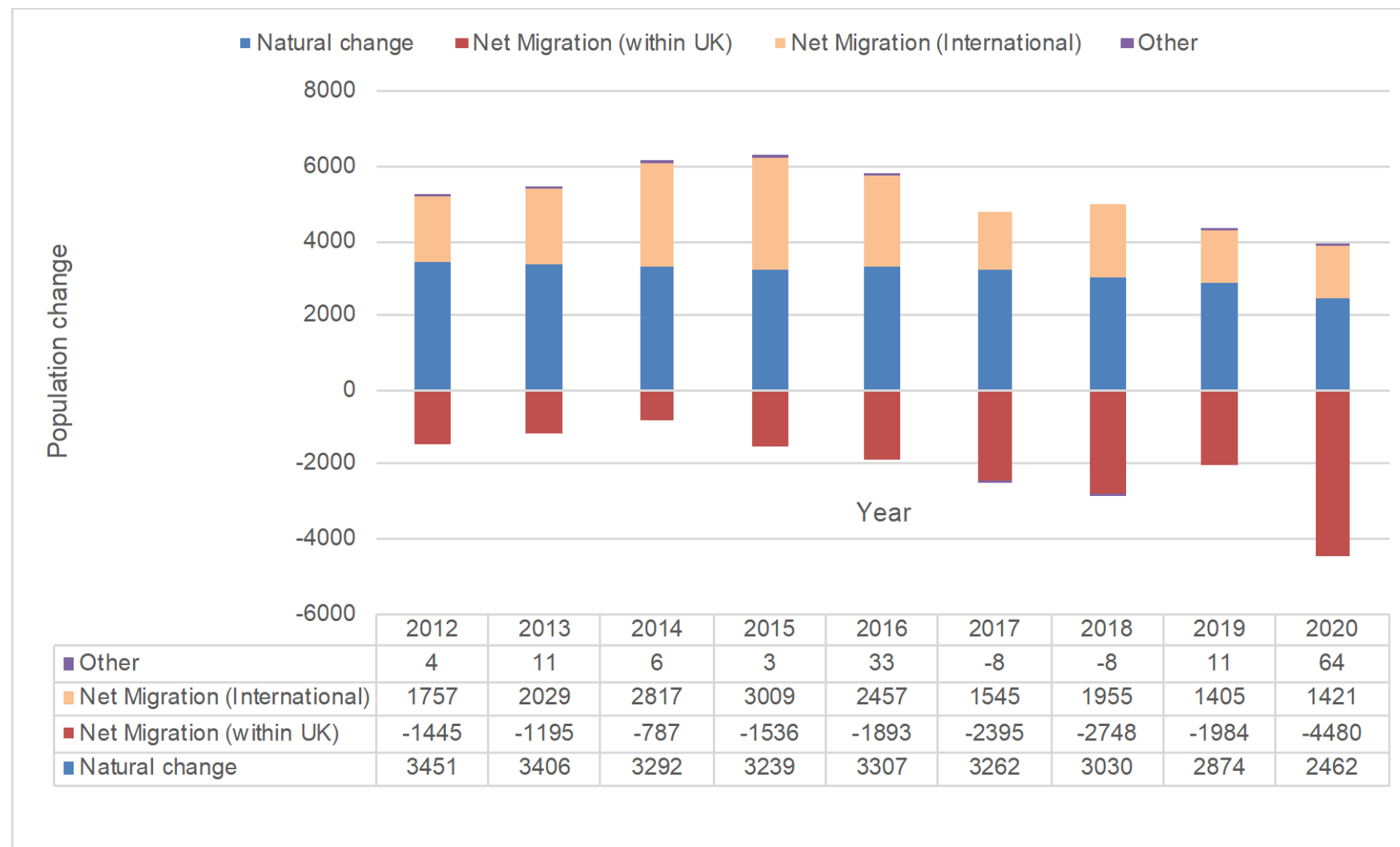
| Table 3.6 Origin of moving households | | |
|---------------------------------------|---------------|---------------|
| Place of Origin | Number | % |
| Lewisham | 15,626 | 44.6% |
| Southwark | 3,234 | 9.2% |
| Greenwich | 1,958 | 5.6% |
| Lambeth | 1,299 | 3.7% |
| Bromley | 1,126 | 3.2% |
| Other London Boroughs | 6,384 | 18.2% |
| South East | 2,013 | 5.7% |
| Elsewhere in UK | 3,370 | 9.6% |
| Total | 35,010 | 100.0% |

Source: 2011 Census

- 3.13 2011 Census indicates that of those moving out of the borough to elsewhere in the UK, 12.9% moved to Bromley, 10.9% to Greenwich, 10.8% to Southwark, 20.9% to elsewhere in London, 14.8% to the South East and 29.8% to elsewhere in the UK.

Components of population change

- 3.14 The ONS publish mid-year population estimates at local authority level which includes an analysis of components of population change, that is natural change, national migration and international migration. The component analysis also includes 'other' change which can include boundary adjustment and military population moves. The data for Lewisham Borough 2011-2020 is shown in Figure 3.2. Over the period 2011 to 2020, natural change following by net international in-migration has consistently had the greatest impact on population change. Net out-migration to the rest of the UK has been a consistent feature of population change which accelerated in the year ending to June 2020.

Figure 3.2 Components of population change 2011 to 2020

Source: ONS Components of Change

Migration trends 2012-2020

- 3.15 Table 3.7 presents a detailed analysis of internal and international migration by year and Table 3.8 summarises the data by broad age and year groups. The base numbers may differ slightly from the ONS components of change analysis due to rounding but provides useful insight into the age group of migrants, their origins and destinations and the relative importance of international migration.
- 3.16 Key trends in migration over the period 2012 to 2020 include:
- Overall net inflows to 2016 peaking in 2014 at 2,030 and net outflows since 2017.
 - There are several population flows underpinning migration trends: sustained and strong net inflows averaging 1,447 each year from Southwark, 729 from Lambeth and 435 from Tower Hamlets. Consistent and strong net outflows to Bromley averaging 1,553 along with Greenwich averaging 545 and Croydon averaging 383 each year.
 - Net international inflows have averaged 2,044 each year but fluctuated over the period, peaking at 3,009 in 2015 before reducing and in 2020 there was a net inflow of 1,421.
 - In terms of migration by age group:
 - Key inflow has been under 30s from Southwark and Lambeth and from international net in-migration which has been sustained throughout the 2012 to 2020 period.
 - For the 30-64 age group, in-migration from Southwark and Lambeth has been counteracted by outflows to Bromley and more significantly to the rest of England (outside Greater London). The level of outflow to the rest of England has been accelerating and in 2018-20 amounted to a net loss of 7,157 people.
 - For the 65+ age group, overall there has been an overall migration outflow (mainly to the rest of Greater London and England).
 - Net international migration is predominantly people aged under 30 and although this is a dominant population flow, the level of net international migration has been falling from a peak of 4,613 in 2012-14 to 3,480 in 2018-20.
- 3.17 An analysis of migration flows indicates that several migration flows have helped to increase the population of the borough, particularly through flows from Southwark and Lambeth and through international net in-migration. These have been counteracted by net outflows to Bromley and the rest of England.
- 3.18 It is anticipated that the borough's population and migration trends will change as a result of the longer term impacts arising from the Covid-19 pandemic and Brexit. This will need to be taken into account in future years, as and when new projections become available.

Table 3.7 National and international migration by year

| YEAR | Lewisham | GREATER LONDON REGION | | | | | | | ELSEWHERE UK | | | | TOTAL (UK internal) | International | TOTAL (internal & international) |
|------|------------------|-----------------------|---------|-----------|---------|------------------|---------|-------------------|----------------------|---------------------|----------|-------|---------------------------|---------------|--|
| | | Southwark | Lambeth | Greenwich | Bromley | Tower Hamlets | Croydon | Rest of LONDON | ENGLAND (rest of) | NORTHERN IRELAND | SCOTLAND | WALES | | | |
| 2012 | Migrated OUT to | 2,067 | 921 | 2,266 | 2,731 | 315 | 937 | 4,666 | 7,796 | 40 | 255 | 204 | 22,198 | 2940 | 25,138 |
| | Migrated IN from | 3,278 | 1,424 | 1,970 | 1,211 | 659 | 571 | 5,127 | 6,029 | 51 | 256 | 179 | 20,756 | 4697 | 25,453 |
| | NET | 1,211 | 503 | -296 | -1,520 | 344 | -366 | 461 | -1,768 | 12 | 1 | -25 | -1,442 | 1,757 | 315 |
| 2013 | Migrated OUT to | 1,967 | 874 | 2,231 | 2,698 | 385 | 964 | 4,841 | 7,823 | 52 | 317 | 231 | 22,382 | 2226 | 24,608 |
| | Migrated IN from | 3,647 | 1,702 | 1,805 | 1,091 | 642 | 662 | 5,361 | 5,779 | 47 | 238 | 214 | 21,187 | 4255 | 25,442 |
| | NET | 1,680 | 828 | -426 | -1,607 | 256 | -301 | 520 | -2,044 | -5 | -79 | -17 | -1,195 | 2,029 | 834 |
| 2014 | Migrated OUT to | 1,880 | 934 | 2,415 | 2,776 | 376 | 957 | 4,985 | 8,521 | 49 | 273 | 163 | 23,329 | 2371 | 25,700 |
| | Migrated IN from | 3,718 | 1,663 | 1,648 | 1,327 | 826 | 646 | 6,099 | 6,091 | 62 | 235 | 227 | 22,542 | 5188 | 27,730 |
| | NET | 1,838 | 729 | -768 | -1,449 | 450 | -311 | 1,114 | -2,430 | 13 | -38 | 65 | -787 | 2,817 | 2,030 |
| 2015 | Migrated OUT to | 1,973 | 943 | 2,515 | 2,808 | 437 | 1,077 | 5,320 | 8,724 | 84 | 310 | 225 | 24,415 | 2357 | 26,772 |
| | Migrated IN from | 3,514 | 1,843 | 1,813 | 1,149 | 894 | 777 | 6,193 | 6,201 | 52 | 222 | 219 | 22,879 | 5366 | 28,245 |
| | NET | 1,541 | 900 | -701 | -1,659 | 457 | -300 | 874 | -2,522 | -32 | -87 | -6 | -1,536 | 3,009 | 1,473 |
| 2016 | Migrated OUT to | 1,986 | 1,017 | 2,410 | 2,692 | 419 | 1,148 | 5,091 | 9,443 | 85 | 298 | 220 | 24,809 | 2666 | 27,475 |
| | Migrated IN from | 3,426 | 1,860 | 1,706 | 1,104 | 925 | 765 | 6,527 | 6,150 | 42 | 207 | 204 | 22,916 | 5123 | 28,039 |
| | NET | 1,440 | 843 | -704 | -1,588 | 506 | -383 | 1,436 | -3,294 | -43 | -91 | -15 | -1,893 | 2,457 | 564 |
| 2017 | Migrated OUT to | 2,050 | 1,047 | 2,323 | 2,726 | 505 | 1,289 | 5,961 | 10,423 | 65 | 348 | 222 | 26,959 | 3196 | 30,155 |
| | Migrated IN from | 3,541 | 1,846 | 1,893 | 1,158 | 1,015 | 894 | 6,705 | 7,011 | 37 | 232 | 232 | 24,564 | 4741 | 29,305 |
| | NET | 1,491 | 799 | -430 | -1,568 | 510 | -395 | 744 | -3,412 | -28 | -116 | 9 | -2,395 | 1,545 | -850 |
| 2018 | Migrated OUT to | 2,331 | 1,127 | 2,530 | 2,744 | 497 | 1,246 | 6,471 | 10,279 | 53 | 300 | 236 | 27,812 | 2863 | 30,675 |
| | Migrated IN from | 3,730 | 1,779 | 1,935 | 1,223 | 1,000 | 905 | 6,637 | 7,255 | 55 | 279 | 266 | 25,064 | 4818 | 29,882 |
| | NET | 1,399 | 652 | -594 | -1,521 | 503 | -340 | 167 | -3,024 | 2 | -21 | 30 | -2,748 | 1,955 | -793 |
| 2019 | Migrated OUT to | 2,452 | 1,178 | 2,490 | 2,775 | 583 | 1,278 | 6,719 | 10,615 | 61 | 281 | 283 | 28,714 | 3246 | 31,960 |
| | Migrated IN from | 3,875 | 1,812 | 2,101 | 1,223 | 1,127 | 841 | 7,308 | 7,839 | 51 | 291 | 263 | 26,730 | 4651 | 31,381 |
| | NET | 1,423 | 634 | -389 | -1,552 | 543 | -437 | 588 | -2,776 | -10 | 10 | -20 | -1,984 | 1,405 | -579 |
| 2020 | Migrated OUT to | 2,078 | 962 | 2,258 | 2,558 | 547 | 1,281 | 5,824 | 10,172 | 53 | 301 | 290 | 26,323 | 3364 | 29,687 |
| | Migrated IN from | 3,074 | 1,633 | 1,662 | 1,042 | 890 | 663 | 5,685 | 6,754 | 49 | 215 | 176 | 21,843 | 4785 | 26,628 |
| | NET | 996 | 671 | -596 | -1,516 | 343 | -618 | -139 | -3,417 | -4 | -86 | -114 | -4,480 | 1,421 | -3,059 |

Sources:

Internal: ONS detailed estimates of by origin and destination by local authorities age and sex**International:** ONS Detailed time series 2001- 2020 (Table: MYEB2)

Table 3.8 Summary of national and international migration by year group and age group

| PERIOD | AGE GROUP | Lewisham | GREATER LONDON REGION | | | | | | | ELSEWHERE UK | | | | TOTAL (UK internal) | International | TOTAL (internal & international) |
|-----------|-----------|------------------|-----------------------|---------|-----------|---------|------------------|---------|-------------------|----------------------|---------------------|----------|-------|---------------------------|---------------|--|
| | | | Southwark | Lambeth | Greenwich | Bromley | Tower Hamlets | Croydon | Rest of LONDON | ENGLAND (rest of) | NORTHERN IRELAND | SCOTLAND | WALES | | | |
| 2012-2014 | <30 | Migrated OUT to | 2,985 | 1,365 | 3,272 | 3,595 | 600 | 1,453 | 7,040 | 12,803 | 68 | 430 | 320 | 33,932 | 4203 | 38,135 |
| | | Migrated IN from | 4,737 | 2,064 | 2,648 | 1,788 | 1,015 | 963 | 7,926 | 12,383 | 93 | 427 | 439 | 34,484 | 8816 | 43,300 |
| | | NET | 1,751 | 699 | -624 | -1,806 | 415 | -491 | 886 | -420 | 25 | -3 | 120 | 552 | 4,613 | 5,165 |
| | 30-64 | Migrated OUT to | 2,815 | 1,326 | 3,421 | 4,101 | 471 | 1,290 | 7,122 | 10,192 | 72 | 390 | 251 | 31,450 | 3183 | 34,633 |
| | | Migrated IN from | 5,699 | 2,659 | 2,642 | 1,703 | 1,106 | 880 | 8,467 | 5,223 | 65 | 283 | 171 | 28,900 | 4887 | 33,787 |
| | | NET | 2,885 | 1,333 | -779 | -2,397 | 636 | -410 | 1,345 | -4,969 | -6 | -107 | -80 | -2,550 | 1,704 | -846 |
| | 65+ | Migrated OUT to | 56 | 10 | 81 | 161 | 5 | 32 | 984 | 1,145 | 1 | 24 | 28 | 2,528 | 151 | 2,679 |
| | | Migrated IN from | 88 | 91 | 53 | 51 | 1 | 59 | 492 | 287 | 1 | 11 | 11 | 1,146 | 437 | 1,583 |
| | | NET | 31 | 81 | -28 | -111 | -4 | 27 | -493 | -858 | 0 | -12 | -17 | -1,383 | 286 | -1,097 |
| 2015-2017 | <30 | Migrated OUT to | 3,153 | 1,615 | 3,203 | 3,534 | 783 | 1,713 | 8,050 | 15,022 | 101 | 451 | 400 | 38,027 | 4833 | 42,860 |
| | | Migrated IN from | 4,765 | 2,463 | 2,629 | 1,627 | 1,441 | 1,295 | 9,148 | 13,749 | 95 | 400 | 490 | 38,102 | 9407 | 47,509 |
| | | NET | 1,611 | 848 | -574 | -1,907 | 658 | -418 | 1,098 | -1,273 | -5 | -52 | 89 | 75 | 4,574 | 4,649 |
| | 30-64 | Migrated OUT to | 2,738 | 1,317 | 3,785 | 4,229 | 568 | 1,665 | 7,971 | 12,330 | 122 | 479 | 245 | 35,450 | 3228 | 38,678 |
| | | Migrated IN from | 5,488 | 3,002 | 2,650 | 1,656 | 1,384 | 1,097 | 10,053 | 5,363 | 35 | 258 | 157 | 31,142 | 5346 | 36,488 |
| | | NET | 2,750 | 1,685 | -1,136 | -2,573 | 816 | -568 | 2,082 | -6,968 | -87 | -221 | -89 | -4,308 | 2,118 | -2,190 |
| | 65+ | Migrated OUT to | 19 | 0 | 8 | 4 | 8 | 5 | 1,368 | 1,237 | 10 | 26 | 21 | 2,706 | 158 | 2,864 |
| | | Migrated IN from | 21 | 118 | 6 | 10 | 5 | 73 | 671 | 259 | 0 | 6 | 6 | 1,174 | 477 | 1,651 |
| | | NET | 3 | 118 | -3 | 6 | -4 | 68 | -697 | -978 | -10 | -21 | -15 | -1,532 | 319 | -1,213 |
| 2018-2020 | <30 | Migrated OUT to | 3,543 | 1,704 | 3,227 | 3,449 | 911 | 1,770 | 9,383 | 16,677 | 63 | 382 | 448 | 41,557 | 5270 | 46,827 |
| | | Migrated IN from | 4,839 | 2,283 | 2,788 | 1,605 | 1,461 | 1,291 | 9,308 | 15,494 | 100 | 493 | 490 | 40,152 | 8750 | 48,902 |
| | | NET | 1,297 | 579 | -439 | -1,844 | 550 | -480 | -75 | -1,183 | 36 | 111 | 42 | -1,405 | 3,480 | 2,075 |
| | 30-64 | Migrated OUT to | 3,215 | 1,495 | 3,848 | 4,227 | 710 | 1,896 | 9,260 | 13,192 | 99 | 469 | 334 | 38,746 | 3984 | 42,730 |
| | | Migrated IN from | 5,601 | 2,851 | 2,762 | 1,722 | 1,543 | 1,057 | 10,059 | 6,035 | 54 | 285 | 204 | 32,174 | 5034 | 37,208 |
| | | NET | 2,386 | 1,356 | -1,086 | -2,505 | 833 | -839 | 799 | -7,157 | -46 | -184 | -130 | -6,572 | 1,050 | -5,522 |
| | 65+ | Migrated OUT to | 73 | 34 | 146 | 285 | 6 | 113 | 630 | 1,197 | 4 | 30 | 27 | 2,546 | 219 | 2,765 |
| | | Migrated IN from | 141 | 92 | 104 | 111 | 10 | 74 | 440 | 320 | 1 | 7 | 11 | 1,311 | 470 | 1,781 |
| | | NET | 68 | 58 | -42 | -175 | 4 | -39 | -190 | -878 | -3 | -23 | -16 | -1,235 | 251 | -984 |

Sources:

Internal: ONS detailed estimates of by origin and destination by local authorities age and sex**International:** ONS Detailed time series 2001- 2020 (Table: MYEB2)

Travel to work trends

- 3.19 The 2011 Census provides an analysis of travel to work patterns and the extent to which residents in the Borough of Lewisham travel to other areas together with details of how many people commute into the area.
- 3.20 The 2011 Census identified the travel to work patterns of 122,250 working individuals who live in the borough. Looking only at the workplaces that these working residents travel to from their home in the Borough of Lewisham:
- 32,134 (26.3%) lived and worked in the borough (including those who work at home);
 - 18.6% commuted into the City of London and Westminster; and
 - 9.6% commuted into nearby Southwark,
 - 41.1% commuted into other London Boroughs; and
 - 4.4% commuted elsewhere.
- 3.21 In addition, the 2011 Census reports a base of 53,500 individuals who work in the borough. Looking at the residents who work within the Borough of Lewisham:
- 20,625 people (38.6%) also live in the Borough of Lewisham;
 - 5,771 (10.8%) commute into Lewisham from the Borough of Greenwich;
 - 5,425 (10.1%) commute from Bromley;
 - 3,399 (6.4%) commute from Southwark;
 - 3,089 (5.8%) from Bexley;
 - 9,621 (18.0%) from elsewhere in London; and
 - 5,570 (10.4%) from outside London.

Housing development (past and planned)

Past trends in housing delivery

- 3.22 Over the ten years, 2010/11 to 2019/20 a total of 12,441 net housing completions have been achieved, with an annual average delivery of 1,244 net housing completions each year across the borough (Table 3.9). Although there has been some annual variation in delivery against targets over this period (Figure 3.3), the total number of net dwellings has exceeded overall targets by 515 dwellings.
- 3.23 Table 3.10 shows the tenure breakdown of net completions between market and affordable housing along with the range of affordable housing delivered by affordable tenure. Over the ten years 2010/11 to 2019/20, the overall tenure breakdown has been 8,848 market (71.1%) and 3,593 affordable (28.9%) dwellings. Of the affordable dwellings built, 2,011 (56%) were genuinely affordable social/London affordable rent and 1,582 (44%) were other affordable rent and intermediate products.

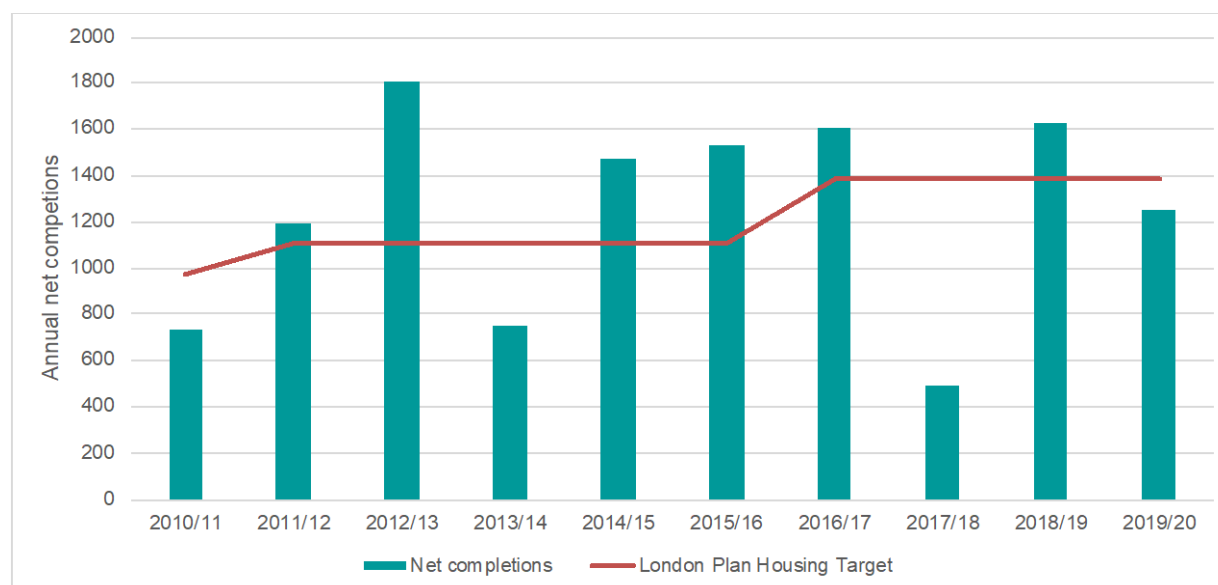
| Year | Gross completions | Net Demolitions / Conversions | Vacants brought back into use | Housing target | Net completions (excluding vacants) | Overall change in available dwelling stock (Net completions plus vacants) | Housing target - net completions |
|---------------------------------------|--------------------------|--------------------------------------|--------------------------------------|-----------------------|--|--|---|
| 2010/11 | 728 | 0 | 368 | 975 | 728 | 1096 | -247 |
| 2011/12 | 1360 | -172 | 465 | 1105 | 1188 | 1653 | 83 |
| 2012/13 | 2074 | -269 | 167 | 1105 | 1805 | 1972 | 700 |
| 2013/14 | 842 | -90 | 176 | 1105 | 752 | 928 | -353 |
| 2014/15 | 1565 | -97 | 308 | 1105 | 1468 | 1776 | 363 |
| 2015/16 | 1592 | -59 | 169 | 1105 | 1533 | 1702 | 428 |
| 2016/17 | 1668 | -64 | 177 | 1385 | 1604 | 1781 | 219 |
| 2017/18 | 489 | 0 | 185 | 1385 | 489 | 674 | -896 |
| 2018/19 | 1738 | -110 | 215 | 1385 | 1628 | 1843 | 243 |
| 2019/20 | 1342 | -96 | 120 | 1271 [^] | 1246 | 1366 | -25 |
| 2011-2020 (Total) | 13,398 | -957 | 2,350 | 11,926 | 12,441 | 14,791 | 515 |
| Total (past 5 years) | 6,829 | -329 | 866 | 6,531 | 6,500 | 7,366 | -31 |
| Annual average (past 5 years) | 1,366 | -66 | 173 | 1,306 | 1,300 | 1,473 | -6 |
| Annual average (past 10 years) | 1,340 | -96 | 235 | 1,193 | 1,244 | 1,479 | 51 |

Source: Borough of Lewisham Annual Monitoring Reports

[^] The target for 2019/20 was reduced by the Government to 1,271, in recognition of the impact Covid-19 had on the development industry during March 2020.

| Table 3.10 Net completions by tenure | | | | | | | | |
|--------------------------------------|-----------------------|------------------------|----------------------------|--------------------------------------|-----------------------|-----------------------------|---|-----------------------------------|
| Year | Net completions total | Of which: | | Net affordable completions by tenure | | | Summary of affordable completions | |
| | | Net market completions | Net affordable completions | Social Rent/London Affordable Rent | Other Affordable Rent | Other intermediate products | Genuinely affordable (social rent/London Affordable Rent) | Other affordable and Intermediate |
| 2010/11 | 728 | 369 | 359 | 259 | 0 | 100 | 259 | 100 |
| 2011/12 | 1188 | 634 | 554 | 357 | 0 | 197 | 357 | 197 |
| 2012/13 | 1805 | 1241 | 564 | 229 | 70 | 265 | 229 | 335 |
| 2013/14 | 752 | 528 | 224 | 45 | 119 | 60 | 45 | 179 |
| 2014/15 | 1468 | 1018 | 450 | 273 | 13 | 164 | 273 | 177 |
| 2015/16 | 1533 | 1322 | 211 | 157 | 5 | 49 | 157 | 54 |
| 2016/17 | 1604 | 1277 | 327 | 110 | 98 | 119 | 110 | 217 |
| 2017/18 | 489 | 450 | 39 | 1 | 5 | 33 | 1 | 38 |
| 2018/19 | 1628 | 1028 | 600 | 438 | 0 | 162 | 438 | 162 |
| 2019/20 | 1246 | 981 | 265 | 142 | 0 | 123 | 142 | 123 |
| 2011-2020 (Total) | 12,441 | 8,848 | 3,593 | 2,011 | 310 | 1,272 | 2,011 | 1,582 |
| Total (past 5 years) | 6,500 | 5,058 | 1,442 | 848 | 108 | 486 | 848 | 594 |
| Annual average (past 5 years) | 1,300 | 1,012 | 288 | 170 | 22 | 97 | 170 | 119 |
| Annual average (past 10 years) | 1,244 | 885 | 359 | 201 | 31 | 127 | 201 | 158 |

Source: Borough of Lewisham Annual Monitoring Reports

Figure 3.3 Dwelling completions compared with the annual target

Source: Borough of Lewisham Annual Monitoring Reports

- 3.24 The 2021 London Plan is the latest adopted plan and this establishes a 10 year target of 16,670, equivalent to 1,667 per year.
- 3.25 Table 3.11 sets out the price of new build dwellings sold over the period 2015-2020 and compares prices with overall property sales. Over the past two years, the premium on newbuild has been around 25% for lower quartile and 17% for median priced properties.

| Table 3.11 Recent trends in newbuild prices compared with all property sales | | | | | | |
|--|----------------|----------|----------------|----------|--------------------------------|--------|
| Year | Newbuild price | | All Sales | | % Premium/Discount of newbuild | |
| | Lower Quartile | Median | Lower Quartile | Median | LQ | Median |
| 2015 | £301,000 | £358,250 | £272,550 | £354,500 | 10.4 | 1.1 |
| 2016 | £296,425 | £370,000 | £300,000 | £379,000 | (1.2) | (2.4) |
| 2017 | £396,000 | £488,000 | £320,000 | £412,000 | 23.8 | 18.4 |
| 2018 | £380,995 | £423,175 | £320,500 | £415,000 | 18.9% | 2.0% |
| 2019 | £410,000 | £495,000 | £322,500 | £422,500 | 27.1% | 17.2% |
| 2020 | £415,000 | £511,700 | £335,000 | £434,000 | 23.9% | 17.9% |

A qualitative perspective on housing market dynamics and drivers

- 3.26 Previous sections of this report have focused on describing the policy context and the widely accepted 'big picture' quantitative indicators such as price and affordability trends and flows of people. However, the price and rental maps

3.1 and 3.2 illustrate that housing costs vary considerably across Lewisham. An understanding of why price and affordability vary across Lewisham is crucial. The following qualitative research is designed to explain this at a local level and add context to the analysis of Lewisham's sub areas in later chapters of the report.

- 3.27 The information is quite detailed, so we lead with the key findings with supporting evidence below.

Interviews with estate and letting agents and observations made when visiting the borough

- 3.28 Interviews and observations carried out for the 2019 SHMA revealed that:

- the Borough of Lewisham is playing a significant role within the wider Greater London housing market;
- Lewisham is largely urban in nature being densely developed and populated, however Blackheath to the east, is an area of relatively large, high cost housing; other areas to the east and south east are more suburban in nature;
- whilst the urban areas of Lewisham and Catford are closely connected in terms of road and rail links, they differ in role and character;
- local housing markets are a good fit to Local Plan sub-area boundaries;
- supply from re-sale and re-let market housing is curtailed because of uncertainty arising from the Brexit process;
- a key feature of the local area is that a great deal of family housing has been acquired by investors over time and sub divided to form smaller more affordable lettings, the planning policy response has been to resist this;
- the processes of gentrification, regeneration and planning policy is putting many low to medium income households at risk of displacement to more affordable areas within and outside the borough.

Introduction

- 3.29 The following information has been obtained from a small sample of interviews with estate and letting agents and from our observations when visiting the borough. We have reported agent views and perceptions as stated by them. Our aim was to get a better understanding of housing market dynamics and the geography of sub markets. The following narrative is based upon the 5 Local Plan sub-areas (Map 1.2).
- 3.30 Most estate agency brands operate from local branches and are self-contained with the branch area of operation being the town in which the branch is located. Letting agencies tend to be managed from a single office with local branches providing key holding and viewing services. Therefore, the information provided for each sub area below is a summary of information provided across several branches.

- 3.31 Throughout the investigation we sought to understand the options available for older people seeking more suitable housing as they aged. No agent raised this as being an issue. We were subsequently advised by council officers that the supply of modern apartments with lift access were readily available for market sale and rent affordable to many older people seeking to downsize from higher priced housing.

The south and west sub-areas

- 3.32 This contains the Sydenham, Forest Hill and other areas as far north as Brockley.
- 3.33 The area is typically low and medium rise, detached, semi-detached and terraced houses some of which have been subdivided into flats. Other flats are purpose built. The area has main service centres in the form of high streets but there are many smaller local service centres. Key to communications is the overground railway line that connects New Cross, Brockley and Sydenham to Croydon and beyond.
- 3.34 Agents told us that prices tend to be higher in the northern parts of the sub area. They told us that supply had been severely affected by Brexit uncertainty with many households choosing to stay put rather than find more suitable housing. Tenants are also staying put, anticipating change to the practice of agents charging fees.
- 3.35 There is a ripple effect due to households relocating from central and north London and local people moving south in the event that their existing housing is unsuitable.
- 3.36 We were told that it was difficult to gauge local market gaps as many households actively seeking housing currently lived outside the borough. They told us that family housing for rent was always in short supply and would let very quickly. Prospective tenants in receipt of benefit were almost entirely dependent on social tenancies as were older private rented sector tenants seeking suitable secure housing. Older home owners with significant equity had more choice due to the significant and growing apartment market.
- 3.37 Agents told us that landlords could help to meet growing demand for rented accommodation but are frustrated in doing so by planning policy that resists conversion of houses into flats. We were told that there is a growing practice of letting by room.

The north sub-area

- 3.38 Deptford and New Cross form this sub area.
- 3.39 A distinguishing feature of the sub area is its student population. Goldsmiths University is located at New Cross and Trinity Laban also have their main campus located within Lewisham. Greenwich is also located to the east of the borough. Students from these institutions live in purpose built and private rented sector housing in Deptford. New Cross agents told us that some students studying outside of the borough choose to live in the area and

- commute to their place of study as private rented sector student lettings tend to be more affordable.
- 3.40 Agents told us that there was little evidence to suggest that demand for private rented sector HMO student housing was weakening due to the increasing supply of purpose-built student housing. This is because many students could not afford purpose-built accommodation. There was a balance between student HMOs and residential housing, both shared and self-contained as some landlords preferred not to let to students.
- 3.41 Agents told us that they anticipated that forthcoming large-scale development of Convoys Wharf will have a considerable impact on the town of Deptford. It is anticipated that around 3,500 new homes will be established. Agents anticipate that this will be occupied mostly by young professionals both owning and renting facilitated by easy access to the Docklands Light Railway (DLR). They believe that this will stimulate the local economy and lead to the transformation of Deptford town centre in terms of its character, housing and retail offer. The area has a reputation for supporting people working, studying in the performing arts sector which will be displaced by a local economy geared towards professionals. Pubs will be replaced by bars and restaurants and as a consequence some commercial buildings will be converted into residential accommodation.

The central sub-area: Lewisham and Catford

- 3.42 We note the legacy of housebuilding in the Victorian and Edwardian eras within this corridor. Large detached, semi-detached and terraced homes were established to support London's expanding middle class during and after the industrial revolution. Smaller suburban type dwellings found elsewhere in South London's metro land are not apparent until the southern part of the borough along the A21, south of Catford. The A205 South Circular road cuts through Catford and we experienced significant congestion where the two roads meet.
- 3.43 Agents told us that Lewisham town has seen significant housebuilding and investment with appreciating house prices and rents from the point that the DLR extension was proposed for the town. Since then the town has continued to attract young professionals partly due to the continuing level of new build housing, particularly high-rise apartment blocks close to Lewisham station.
- 3.44 Agents told us that Catford town was already seen by individuals and investors as an investment opportunity, and owners were tending to 'stay put' due to the potential for capital appreciation of their property. As one agent put it investors were now 'after the scraps' being short lease properties or those subject to probate problems. He also commented that the ban on conversions was 'biting' resulting in an undersupply of rented housing as growth in the sector was not keeping up with demand. The agent also told us that some potential purchasers seeking a Victorian or Edwardian house in Catford or Lewisham for their families, avoided dwellings with a poor street scene. This was a consequence of a high proportion of houses being subdivided and insufficient space for car parking and wheelie bins.

The east sub-area

- 3.45 Blackheath village is a high-quality environment offering a distinctive retail offer and lifestyle to those who can afford it. There are a number of distinctive dwellings that sit within premium housing that is untypical of the rest of the borough.
- 3.46 However, Blackheath is bounded by Lewisham to the west and Hither Green to the south which is part of the East sub-area. The character of these areas is very similar on the eastern outskirts of Lewisham town and in Hither Green almost to the south circular road (A205). This area mostly consists of larger detached and semi-detached residences, a very high proportion of which have been subdivided, some into family sized apartments. Approaching the south circular road and south of it the character slowly changes to smaller dwellings built in a later era, with fewer subdivided. More recent purpose-built apartments are apparent around Grove Park. The area also contains clusters of social rented and former social rented houses and apartments.
- 3.47 Agents told us that the area as a whole is less densely built than the Lewisham town centres and attracted slightly higher prices. However, agents also explained that the market was sluggish, around 10% of homes advertised had not sold after 6 months of being offered on the market.
- 3.48 Agents at Catford and Blackheath drew our attention to the large Berkeley Homes development at Kidbrooke, east of Lewisham town and Blackheath on the Royal Borough of Greenwich. We asked if they were aware of whether this development was having any impact on the borough's housing market. Agents in Blackheath thought there was some interest in the scheme from local households. Lewisham agents believed that existing and potential households would prefer to live in Lewisham due to its DLR link. Agents in Catford thought that it, and any new development in Catford would not be affordable to local people.

The spare room market

- 3.49 One agent referred to room letting by landlords. We investigated this via the www.SpareRoom.com portal. Other similar portals carried the same vacancies, so we have based our analysis on this portal only as it is one of the larger ones.
- 3.50 We have noticed over several years that the spare room market has changed from mostly individuals letting spare rooms in their home, which attracts a tax break, to landlords offering rooms in rented housing. Some will be self-contained, others will share facilities. Also in the mix are short and longer term lettings, week day lettings, whole house shares etc.
- 3.51 There were 1,100 vacancies advertised as at July 2018 with over half being in New Cross and Deptford. Whilst these are student housing areas, none were being marketed to attract students, as is apparent in other university towns and cities we have researched.
- 3.52 There are relatively few room lettings in the south of the borough especially Sydenham and Forest Hill.

Concluding comments

- 3.53 The purpose of this chapter has been to consider the general housing market context of the Borough of Lewisham and its inter-relationships with other areas. By reviewing house prices, relative affordability, migration, travel to work patterns and dwelling completions, a picture of the market dynamics of the borough emerges.
- 3.54 House prices in the borough remain lower than those for London as a whole. In 2020, the median house price in the borough was £430,000 compared with £483,000 for Greater London and £249,000 for England.
- 3.55 Relative affordability, taking account of average earnings, shows a similar trend. Based on median ratios, the borough was relatively more affordable than Lambeth, Greenwich and Bromley; and less affordable than Southwark, Croydon, Tower Hamlets and London overall, the South East region and England.
- 3.56 2011 Census migration data indicates that 35,000 living in the borough had moved into their home during the year preceding the census. Of these, 44.6% moved from within the borough and 40.0% had moved from other London boroughs. Over the period 2012 to 2020, there has been consistent net in-migration from Southwark, Lambeth and from outside the UK; and outflows to Bromley and the rest of England. Strongest inflows have been of people under 30 and for the 30-64 age group, the level of net out-migration to the rest of England has been accelerating.
- 3.57 In terms of travel-to-work patterns, the 2011 Census indicates that 26.3% of those residents of the borough who are employed work within the borough area. This means that almost three-quarters of employed residents travel out of the borough to their place of work. In contrast, of the individuals who work in the borough, 38.6% also live within the Borough of Lewisham. Out-commuting is therefore considerably higher than in-commuting.
- 3.58 In terms of housing development, there was an average of 1,244 net dwelling completions each year over the ten-year period 2010/11 to 2019/20. Although there has been some annual variation in delivery against targets over this period, the total number of net dwellings has exceeded overall targets by 515 dwellings. The London Plan 2021 Table 4.1 sets a target of 1,667 dwelling completions in the borough over the period 2019/20-2028/29.

4. Housing stock review

Introduction

- 4.1 The purpose of this chapter is to explore the characteristics of the London Borough of Lewisham housing stock focusing on the current stock profile, condition and tenure characteristics. This includes a detailed analysis of the major tenures: owner occupation, the private rented sector and affordable accommodation.

Estimates of current dwellings in terms of size, type, condition, tenure

- 4.2 The 2021 SHMA update assumes a total of 130,598 dwellings in the borough based on 2021 council tax data. There are an estimated 2,490 vacant dwellings representing 1.9% of dwelling stock. This compares with a vacancy rate of 2.2% across London and 2.7% across England (2020 MHCLG dwelling stock and vacancy estimates). The vacancy rate in the borough is below the 'transactional vacancy level' of 3%, which represents the proportion of stock which would normally be expected to be vacant to allow movement within the market.
- 4.3 Baseline dwelling statistics for wards is set out in Table 4.1 and sub-areas in Table 4.2.

| Table 4.1 Dwelling stock by ward | | |
|----------------------------------|-----------------|--------------|
| Ward | Total Dwellings | (%) |
| Bellingham | 6,790 | 5.2 |
| Blackheath | 7,041 | 5.4 |
| Brockley | 9,027 | 6.9 |
| Catford South | 6,073 | 4.7 |
| Crofton Park | 6,482 | 5.0 |
| Downham | 6,291 | 4.8 |
| Evelyn | 9,358 | 7.2 |
| Forest Hill | 6,995 | 5.4 |
| Grove Park | 6,418 | 4.9 |
| Ladywell | 5,187 | 4.0 |
| Lee Green | 6,390 | 4.9 |
| Lewisham Central | 11,201 | 8.6 |
| New Cross | 8,441 | 6.5 |
| Perry Vale | 6,955 | 5.3 |
| Rushey Green | 7,539 | 5.8 |
| Sydenham | 7,221 | 5.5 |
| Telegraph Hill | 7,026 | 5.4 |
| Whitefoot | 6,163 | 4.7 |
| Borough of Lewisham Total | 130,598 | 100.0 |

Source: Council Tax 2021

| Table 4.2 Dwelling stock by sub-area | | |
|--------------------------------------|-----------------|--------------|
| Sub-area | Total Dwellings | (%) |
| Central | 24,813 | 19.0 |
| East | 19,849 | 15.2 |
| North | 17,799 | 13.6 |
| South | 19,244 | 14.7 |
| West | 48,893 | 37.4 |
| Borough of Lewisham Total | 130,598 | 100.0 |

Source: Council Tax 2021

Dwelling type and size

- 4.4 The 2020 Valuation Office Agency data provides details on overall dwelling stock by type, number of bedrooms and council tax band. Table 4.3 presents the overall dwelling stock profile of the borough compared with London and England. Table 4.4 summarises dwelling type and size data for the Borough of Lewisham.
- 4.5 In summary, Tables 4.3 and 4.4 show:
- 33.7% of dwellings in Lewisham are council tax band A or B properties and 63.4% are bands C to E and 3.0% are Band F;
 - 59.6% of dwellings are flats, 40.2% are houses (32% terraced, 7.3% semi-detached and 0.8% detached) and 0.2% are bungalows; and
 - 27.6% of dwellings have one bedroom, 33.1% two bedrooms, 29.7% three bedrooms and 9.6% four or more bedrooms; and
 - Lewisham has proportionally more flats and smaller properties (1 and 2 beds) but less houses, bungalows and larger properties (3 and 4 beds) than London and England.
- 4.6 How property type varies by ward is set out in Table 4.5 and by sub-area in Table 4.6.
- 4.7 Map 4.1 illustrates the predominant dwelling type across the Borough by Lower Super Output Area. This shows the predominance of flats and terraced houses across most LSOAs, notable exceptions being semi-detached houses in parts of Catford South, Whitefoot, Grove Park, Forest Hill and Downham.

| Table 4.3 Dwelling type, number of bedrooms and council tax band for Lewisham and comparator areas | | | | | | | |
|--|------------------|-------|-------|-------|-----------------------|--------------|---------------|
| Dwelling type and size | Council Tax Band | | | | Dwelling stock totals | | |
| | A | B | C-E | F+ | Lewisham Total | London Total | England Total |
| Bungalow 1-bedroom | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.2% | 1.1% |
| Bungalow 2-bedrooms | 0.1% | 0.0% | 0.0% | 0.0% | 0.1% | 0.8% | 4.7% |
| Bungalow 3-bedrooms | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.5% | 3.0% |
| Bungalow 4 or more -bedrooms | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.6% |
| Flat 1-bedroom | 5.7% | 15.4% | 6.0% | 0.0% | 27.1% | 23.5% | 10.8% |
| Flat 2-bedrooms | 0.8% | 9.0% | 15.7% | 0.0% | 25.5% | 24.0% | 10.6% |
| Flat 3-bedrooms | 0.1% | 2.2% | 4.0% | 0.0% | 6.3% | 6.9% | 1.8% |
| Flat 4 or more-bedrooms | 0.0% | 0.2% | 0.4% | 0.0% | 0.6% | 1.2% | 0.5% |
| Terraced house 1-bedroom | 0.0% | 0.0% | 0.3% | 0.0% | 0.3% | 0.3% | 0.5% |
| Terraced house 2-bedrooms | 0.0% | 0.0% | 7.1% | 0.0% | 7.1% | 5.6% | 8.8% |
| Terraced house 3-bedrooms | 0.0% | 0.0% | 18.4% | 0.2% | 18.5% | 16.0% | 15.0% |
| Terraced house 4 or more-bedrooms | 0.0% | 0.0% | 5.4% | 0.7% | 6.1% | 4.2% | 2.4% |
| Semi-detached house 1-bedroom | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% |
| Semi-detached house 2-bedrooms | 0.0% | 0.0% | 0.3% | 0.0% | 0.3% | 1.0% | 3.8% |
| Semi-detached house 3-bedrooms | 0.0% | 0.0% | 4.3% | 0.2% | 4.5% | 9.2% | 17.7% |
| Semi-detached house 4 or more-bedrooms | 0.0% | 0.0% | 1.2% | 1.2% | 2.4% | 2.9% | 2.6% |
| Detached house 1-bedroom | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Detached house 2-bedrooms | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.2% | 0.7% |
| Detached house 3-bedrooms | 0.0% | 0.0% | 0.1% | 0.2% | 0.3% | 1.2% | 5.9% |
| Detached house 4 or more-bedrooms | 0.0% | 0.0% | 0.0% | 0.5% | 0.5% | 2.3% | 9.3% |
| Lewisham Total | 6.7% | 27.0% | 63.4% | 3.0% | 100.0% | | |
| London Total | 3.7% | 13.0% | 68.0% | 15.2% | | 100.0% | |
| England Total | 23.7% | 19.7% | 47.4% | 9.1% | | | 100.0% |

Source: VOA 2020

| Table 4.4 Dwelling type, number of bedrooms and council tax band summary | | | | | | | |
|--|------------------|-------|-------|------|----------------|--------|---------|
| Dwelling type | Council Tax Band | | | | Lewisham Total | London | England |
| | A | B | C-E | F+ | | | |
| Bungalow | 0.1% | 0.0% | 0.1% | 0.0% | 0.2% | 1.6% | 9.5% |
| Flat | 6.6% | 26.9% | 26.1% | 0.0% | 59.6% | 55.6% | 23.6% |
| Terraced | 0.0% | 0.1% | 31.1% | 0.9% | 32.0% | 26.0% | 26.7% |
| Semi-detached | 0.0% | 0.0% | 5.9% | 1.4% | 7.3% | 13.1% | 24.2% |
| Detached | 0.0% | 0.0% | 0.2% | 0.7% | 0.8% | 3.7% | 16.0% |
| Total | 6.7% | 27.0% | 63.4% | 3.0% | 100.0% | 100.0% | 100.0% |
| Number of bedrooms | Council Tax Band | | | | Lewisham Total | London | England |
| | A | B | C-E | F+ | | | |
| 1-bedroom | 5.7% | 15.5% | 6.3% | 0.0% | 27.6% | 24.1% | 12.6% |
| 2-bedrooms | 0.9% | 9.0% | 23.2% | 0.1% | 33.1% | 31.6% | 28.6% |
| 3-bedrooms | 0.1% | 2.3% | 26.8% | 0.6% | 29.7% | 33.7% | 43.4% |
| 4-bedrooms | 0.0% | 0.2% | 7.1% | 2.3% | 9.6% | 10.6% | 15.5% |
| Total | 6.7% | 27.0% | 63.4% | 3.0% | 100.0% | 100.0% | 100.0% |

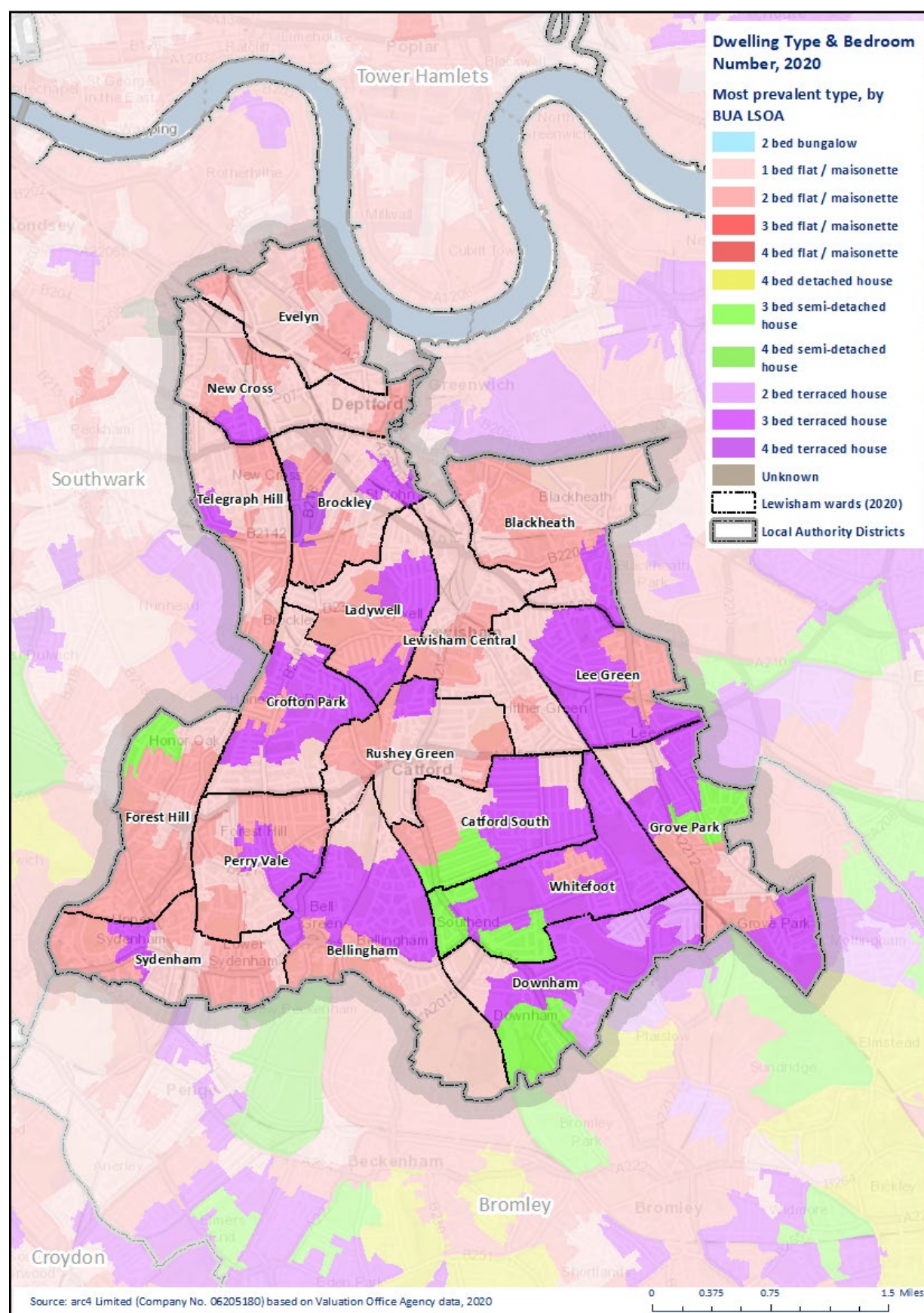
Source: VOA 2020

| Table 4.5 Dwelling type and number of bedrooms summary by ward | | | | | | | | | | | | | |
|--|--------------------------------------|------------------------|----------------------------------|----------------------|---------------------------|-----------------------|----------------------------------|---------------|----------------|--------------|--------------|--------------|-------------|
| Ward | Dwelling type and number of bedrooms | | | | | | | | | | | | |
| | 1 or 2- bedroom house | 3- bedroom house | 4 or more bedroom house | 1 bedroom flat | 2 or 3 bedroom flat | 1 bedroom bungalow | 2 or more bedroom bungalow | Total | Base | 1 bed | 2 beds | 3 beds | 4+ beds |
| Bellingham | 8.8% | 37.5% | 4.2% | 23.7% | 25.7% | 0.2% | 0.0% | 100.0% | 6,420 | 23.7% | 32.2% | 39.3% | 4.8% |
| Blackheath | 2.7% | 14.0% | 10.5% | 27.3% | 45.5% | 0.0% | 0.0% | 100.0% | 6,440 | 27.2% | 37.7% | 23.6% | 11.5% |
| Brockley | 3.9% | 9.3% | 12.1% | 37.0% | 37.7% | 0.0% | 0.0% | 100.0% | 7,930 | 36.8% | 34.4% | 16.0% | 12.7% |
| Catford South | 9.1% | 42.9% | 14.7% | 18.1% | 15.2% | 0.0% | 0.0% | 100.0% | 5,800 | 18.3% | 22.6% | 44.5% | 14.7% |
| Crofton Park | 7.4% | 34.2% | 14.0% | 19.3% | 24.8% | 0.0% | 0.2% | 100.0% | 6,060 | 19.8% | 27.2% | 38.8% | 14.2% |
| Downham | 27.1% | 42.9% | 6.4% | 13.3% | 10.3% | 0.0% | 0.0% | 100.0% | 6,250 | 13.4% | 34.9% | 45.0% | 6.7% |
| Evelyn | 4.5% | 5.3% | 3.4% | 35.2% | 51.5% | 0.1% | 0.0% | 100.0% | 8,740 | 35.6% | 42.0% | 18.0% | 4.5% |
| Forest Hill | 4.5% | 17.0% | 11.9% | 25.5% | 40.6% | 0.3% | 0.2% | 100.0% | 6,580 | 25.5% | 34.2% | 26.9% | 13.4% |
| Grove Park | 15.8% | 40.7% | 5.5% | 16.9% | 20.6% | 0.3% | 0.2% | 100.0% | 6,230 | 18.5% | 32.9% | 42.9% | 5.8% |
| Ladywell | 5.9% | 28.3% | 19.5% | 21.0% | 25.2% | 0.2% | 0.0% | 100.0% | 4,780 | 21.1% | 27.8% | 31.4% | 19.7% |
| Lee Green | 9.5% | 32.0% | 10.6% | 21.4% | 26.3% | 0.2% | 0.0% | 100.0% | 6,140 | 21.8% | 32.1% | 35.2% | 10.9% |
| Lewisham Central | 4.2% | 11.7% | 5.4% | 41.9% | 36.7% | 0.1% | 0.0% | 100.0% | 10,370 | 41.9% | 34.5% | 17.6% | 5.9% |
| New Cross | 5.8% | 14.3% | 3.0% | 38.8% | 38.0% | 0.0% | 0.0% | 100.0% | 7,470 | 39.0% | 33.6% | 23.4% | 4.0% |
| Perry Vale | 7.6% | 23.9% | 10.9% | 25.7% | 32.0% | 0.0% | 0.0% | 100.0% | 6,690 | 25.9% | 32.7% | 29.6% | 11.8% |
| Rushey Green | 8.5% | 16.3% | 9.9% | 36.3% | 28.9% | 0.0% | 0.0% | 100.0% | 7,060 | 37.0% | 33.9% | 19.1% | 10.1% |
| Sydenham | 7.7% | 18.8% | 7.4% | 24.1% | 41.7% | 0.3% | 0.0% | 100.0% | 6,750 | 24.4% | 38.8% | 28.9% | 7.9% |
| Telegraph Hill | 4.2% | 11.8% | 16.4% | 30.0% | 37.4% | 0.0% | 0.2% | 100.0% | 6,390 | 30.0% | 31.9% | 21.3% | 16.7% |
| Whitefoot | 9.4% | 47.9% | 4.9% | 15.1% | 21.3% | 0.0% | 1.5% | 100.0% | 5,970 | 15.1% | 24.8% | 55.3% | 4.9% |
| Borough of Lewisham | 7.9% | 23.5% | 9.1% | 27.3% | 32.1% | 0.1% | 0.1% | 100.0% | 122,070 | 27.6% | 33.1% | 29.7% | 9.6% |

Source: VOA 2020

| Table 4.6 Dwelling type and number of bedrooms summary by sub-area | | | | | | | | | | | | | |
|--|--------------------------------------|-----------------|-------------------------|----------------|---------------------|--------------------|----------------------------|--------|---------|-------|--------|--------|---------|
| Ward | Dwelling type and number of bedrooms | | | | | | | | | | | | |
| | 1 or 2-bedroom house | 3-bedroom house | 4 or more-bedroom house | 1 bedroom flat | 2 or 3 bedroom flat | 1 bedroom bungalow | 2 or more bedroom bungalow | Total | Base | 1 bed | 2 beds | 3 beds | 4+ beds |
| North | 5.1% | 9.5% | 3.2% | 36.9% | 45.3% | 0.1% | 0.0% | 100.0% | 16,210 | 37.1% | 38.1% | 20.5% | 4.3% |
| Central | 6.7% | 20.9% | 9.1% | 34.2% | 29.0% | 0.0% | 0.0% | 100.0% | 23,230 | 34.5% | 31.3% | 24.8% | 9.3% |
| West | 5.8% | 19.7% | 12.8% | 26.7% | 34.8% | 0.1% | 0.1% | 100.0% | 45,180 | 26.8% | 32.8% | 27.0% | 13.5% |
| East | 9.3% | 28.8% | 8.9% | 21.9% | 31.0% | 0.2% | 0.1% | 100.0% | 18,810 | 22.5% | 34.3% | 33.8% | 9.4% |
| South | 15.1% | 42.6% | 5.2% | 17.4% | 19.1% | 0.1% | 0.5% | 100.0% | 18,640 | 17.5% | 30.7% | 46.3% | 5.5% |
| Borough of Lewisham | 7.9% | 23.5% | 9.1% | 27.3% | 32.1% | 0.1% | 0.1% | 100.0% | 122,070 | 27.6% | 33.1% | 29.7% | 9.6% |

Source: VOA 2020

Map 4.1 Predominant dwelling type and size

Source: Valuation Office Agency 2020

Property age and condition

- 4.8 The age profile of dwelling stock in the Borough of Lewisham is summarised in Table 4.7. The majority of the borough's dwellings (55.2%) were built before 1945 and around 15% have been built since 2000.

| Table 4.7 Age of dwelling | | |
|----------------------------------|----------------|---------------|
| Age of Dwellings | Number | % |
| pre-1919 | 45,780 | 36.4% |
| 1919-44 | 23,690 | 18.8% |
| 1945-64 | 12,670 | 10.1% |
| 1965-82 | 16,190 | 12.9% |
| 1983-99 | 9,110 | 7.2% |
| 2000 onwards | 18,290 | 14.5% |
| Total | 125,730 | 100.0% |
| Unknown | 4,450 | |
| Grand Total | 130,180 | |

Source: Valuation Office Agency 2020

- 4.9 The English Housing Survey produces national data on dwelling condition. Applying national trends to the stock profile of the borough based on age would suggest that around 20.7% of dwelling stock is non-decent, which is around the national average of 20.6% (Table 4.8). The number of dwellings likely to fail the minimum standard of decent homes criteria is estimated to be 13.2% (compared with 11.9% nationally). However, this is only indicative and based on national data applied to the borough.
- 4.10 A full definition of what constitutes a decent home is available from MHCLG (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7812/138355.pdf) but in summary a decent home meets the following four criteria:
- It meets the current statutory minimum for housing;
 - It is in a reasonable state of repair;
 - It has reasonably modern facilities and services; and
 - It provides a reasonable degree of thermal comfort.

| Table 4.8 Dwelling stock condition in England and Lewisham estimates | | | | | | | | |
|--|--------------------|--|------------------|--------------|--------------------------------|-----------------|------------------------------------|--------------|
| England | | % of dwellings that fail decent homes criteria | | | | | All dwellings in group (thousands) | % dwellings |
| Dwelling age (ehs) | - | Non-decent | Minimum standard | Repair | Modern facilities and services | Thermal comfort | | |
| pre-1919 | - | 33.5 | 23.3 | 7.4 | 3.9 | 9.7 | 4,952 | 20.5 |
| 1919-44 | - | 20.1 | 12.1 | 5.0 | 2.2 | 6.5 | 3,694 | 15.3 |
| 1945-64 | - | 17.2 | 9.0 | 4.8 | 1.9 | 5.0 | 4,621 | 19.1 |
| 1965-80 | - | 13.7 | 7.1 | 1.0 | 0.9 | 6.5 | 4,732 | 19.6 |
| 1981-90 | - | 18.0 | 4.2 | 0.7 | 3.0 | 12.3 | 1,946 | 8.1 |
| post 1990 | - | 2.7 | 2.5 | * | * | * | 4,228 | 17.5 |
| Total | | 20.6 | 11.9 | 4.6 | 1.9 | 7.5 | 24,174 | 100% |
| Lewisham | | Fails decent homes criteria (estimate) | | | | | All dwellings | % dwellings |
| Dwelling age (ehs) | Dwelling age (voa) | Non-decent | Minimum standard | Repair | Modern facilities and services | Thermal comfort | | |
| pre-1919 | pre-1919 | 15,336 | 10,667 | 3,388 | 1,785 | 4,441 | 45,780 | 36.4% |
| 1919-44 | 1919-44 | 4,762 | 2,866 | 1,185 | 521 | 1,540 | 23,690 | 18.8% |
| 1945-64 | 1945-64 | 2,179 | 1,140 | 608 | 241 | 634 | 12,670 | 10.1% |
| 1965-80 | 1965-82 | 2,218 | 1,149 | 162 | 146 | 1,052 | 16,190 | 12.9% |
| 1981-90 | 1983-99 | 905 | 211 | 35 | 151 | 619 | 5,030 | 4.0% |
| post 1990 | post 1999 | 604 | 559 | * | * | * | 22,370 | 17.8% |
| Total | | 26,005 | 16,594 | 5,377 | 2,844 | 8,285 | 125,730 | 100.0 |
| % of all stock in Lewisham | | 20.7 | 13.2 | 4.3 | 2.3 | 6.6 | | |
| National % (as above) | | 20.6 | 11.9 | 4.6 | 1.9 | 7.5 | | |

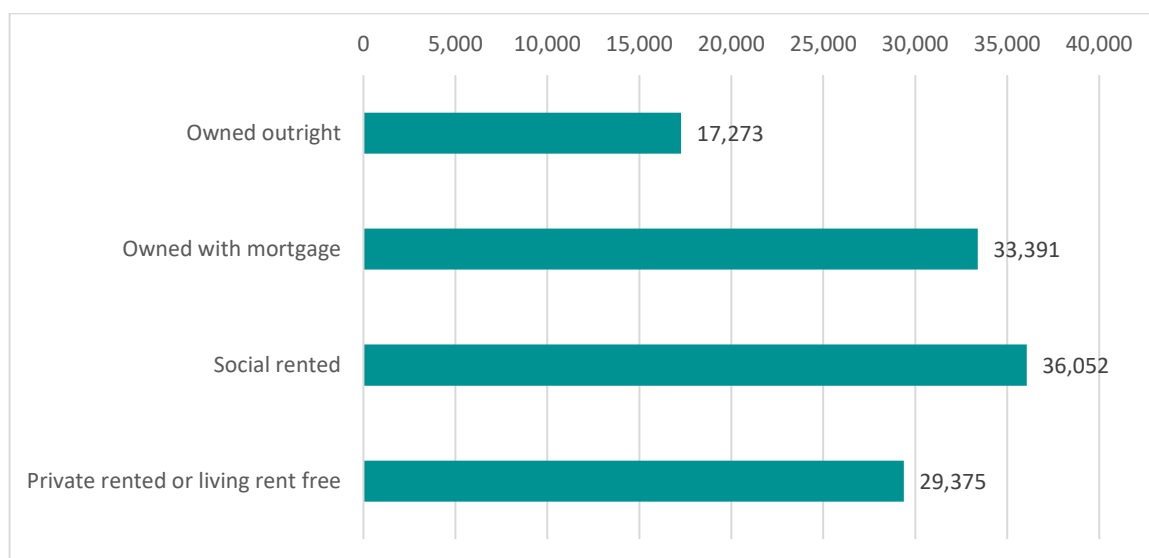
Source: English Housing Survey 2013 data applied to 2020 Valuation Office Agency dwelling stock age profile

Note '*' indicates sample size too small for reliable estimate

Property tenure

- 4.11 Greater London Authority (GLA) data for 2018 based on the Annual Population Survey (APS) estimates that 49.2% of the housing stock in Lewisham is owner occupied, 27.4% social rented and 23.4% private rented.
- 4.12 Based on the 2011 Census, the tenure profile of the borough is summarised in Figure 4.1. Overall, 43.6% of occupied dwellings are owner-occupied, 31.0% are rented from a social housing provider and 25.3% are private rented (including tied accommodation).

Figure 4.1 Borough of Lewisham: tenure profile of occupied dwellings



Source: 2011 Census

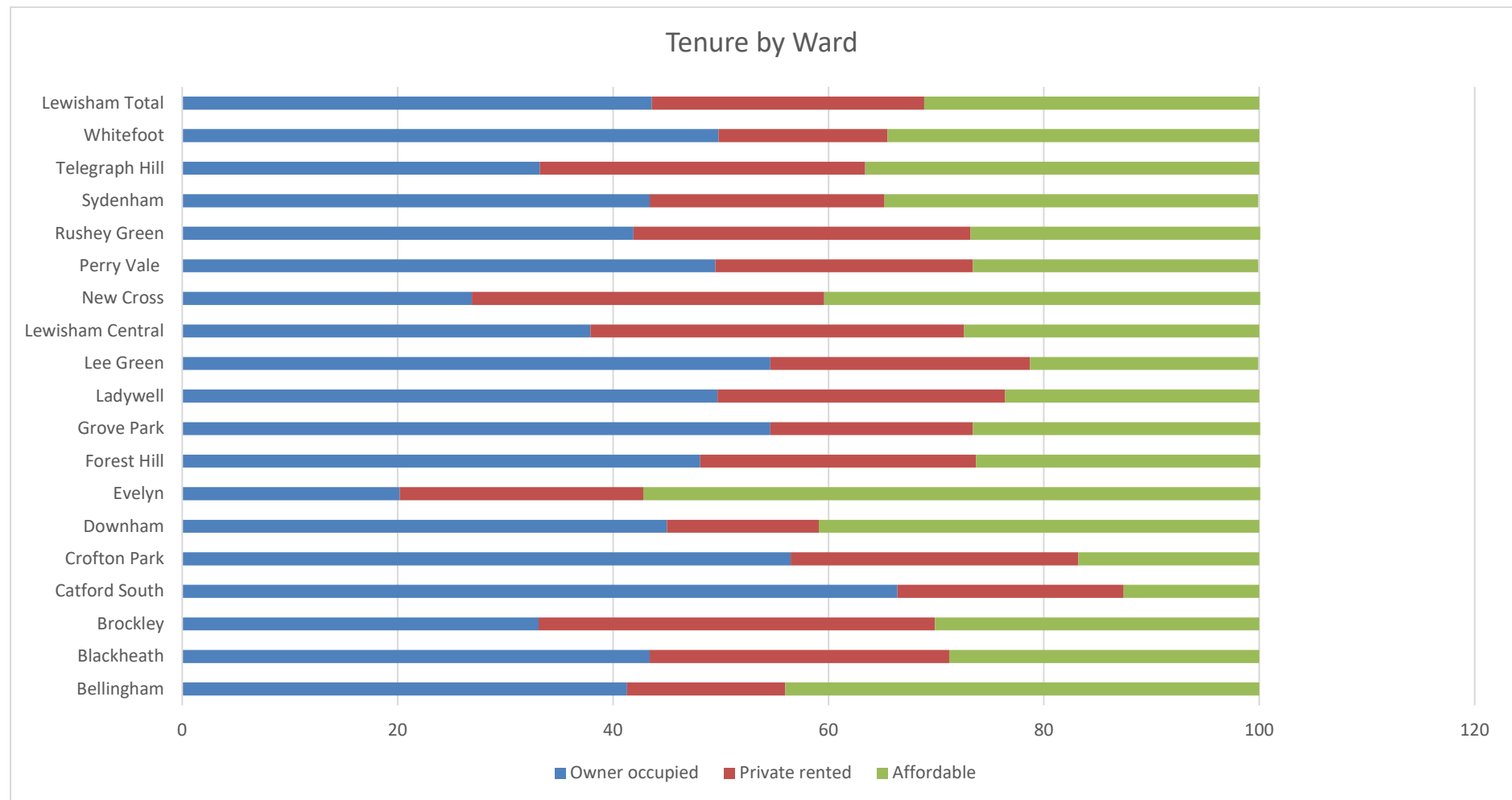
- 4.13 The tenure profile varies across the borough, as set out in Tables 4.9 (ward), Table 4.10 (sub-area) and Figure 4.2, based on Census 2011 data. Ward-level analysis (Table 4.9) indicates that the proportion of owner-occupied dwellings is highest in Catford South (66.4%). In comparison, the highest proportion of affordable housing can be found in Evelyn Ward (57.3%) and the highest proportion of private rented properties is in Brockley (36.8%).
- 4.14 Regarding sub-areas (Table 4.10), the highest proportion of affordable housing is in North (42.2%); private renting is highest in West (27.2%) and Central (26.9%); the highest proportion of owner occupiers are in East (56%).

| Table 4.9 Housing tenure by ward (%) | | | | |
|---|-----------------------|-----------------------|-------------------|----------------|
| Ward | Owner occupied | Private rented | Affordable | Base |
| Bellingham | 41.3 | 14.7 | 44.0 | 6,107 |
| Blackheath | 43.4 | 27.8 | 28.8 | 6,423 |
| Brockley | 33.1 | 36.8 | 30.1 | 7,435 |
| Catford South | 66.4 | 21.0 | 12.6 | 5,712 |
| Crofton Park | 56.5 | 26.7 | 16.8 | 6,263 |
| Downham | 45.0 | 14.1 | 40.9 | 6,061 |
| Evelyn | 20.2 | 22.6 | 57.3 | 6,883 |
| Forest Hill | 48.1 | 25.6 | 26.4 | 6,506 |
| Grove Park | 54.6 | 18.8 | 26.7 | 6,182 |
| Ladywell | 49.7 | 26.7 | 23.6 | 5,762 |
| Lee Green | 54.6 | 24.1 | 21.2 | 6,320 |
| Lewisham Central | 37.9 | 34.7 | 27.4 | 7,722 |
| New Cross | 26.9 | 32.7 | 40.5 | 6,576 |
| Perry Vale | 49.5 | 23.9 | 26.5 | 6,707 |
| Rushey Green | 41.9 | 31.3 | 26.9 | 6,257 |
| Sydenham | 43.4 | 21.8 | 34.7 | 6,793 |
| Telegraph Hill | 33.2 | 30.2 | 36.6 | 6,855 |
| Whitefoot | 49.8 | 15.7 | 34.5 | 5,527 |
| Lewisham Total | 43.9 | 25.1 | 31.0 | 116,091 |

Source: 2011 Census

| Table 4.10 Housing tenure by sub-area (%) | | | | |
|--|-----------------------|-----------------------|-------------------|----------------|
| Sub-area | Owner occupied | Private rented | Affordable | Base |
| Central | 39.5 | 26.9 | 33.6 | 19691 |
| East | 56.0 | 20.6 | 23.4 | 18925 |
| North | 33.8 | 24.1 | 42.2 | 13459 |
| South | 52.9 | 23.2 | 23.9 | 17695 |
| West | 40.4 | 27.2 | 32.4 | 46321 |
| Lewisham Total | 43.9 | 25.1 | 31.0 | 116,091 |

Source: 2011 Census

Figure 4.2 Property tenure by ward

Source: Census 2011

| Table 4.11 Lewisham tenure profile and comparator areas | | | | |
|--|-------------------------|-------------------------|---|------------------|
| Location | Owner Occupied % | Private Rented % | Affordable Total (SR/RP/ Intermediate) (%) | Total (%) |
| Lewisham | 43.9 | 25.1 | 31.0 | 100.0 |
| Inner London | 34.3 | 29.8 | 35.9 | 100.0 |
| London total | 48.3 | 26.4 | 25.4 | 100.0 |
| England | 63.3 | 18.2 | 18.5 | 100.0 |

Source: 2011 Census

- 4.15 Table 4.11 compares the tenure profile of Lewisham with other areas. Note that the profile is broadly comparable with the London average, although the proportion of households living in affordable dwellings is higher and more comparable with the Inner London average. Lewisham also has proportionally more private rented and affordable properties but less owner occupied housing than England.

Owner-occupied sector

- 4.16 According to the 2011 Census, 43.6% of households across the borough are owner occupiers. 14.9% of all households (17,273) own outright and 27.5% of all households (31,955) have a mortgage or loan.
- 4.17 GLA 2018 data (based on the Annual Population Survey) estimates that 49.2% of the housing stock in the borough is owner occupied, which is a slightly higher proportion than the 2011 Census figure.
- 4.18 In terms of dwelling type, 2011 Census data indicates that 66.8% of owner-occupied dwellings in the borough are houses. Of these, 43.1% are terraced, 20.0% semi-detached and 3.7% detached. 33.2% of the owner-occupied dwellings in the borough are flats, compared with 55.3% of total stock across the borough.
- 4.19 With regards to dwelling size, 2011 Census data shows that 42.1% of owner-occupied dwellings in the borough have three bedrooms and a further 17.6% have four or more bedrooms. 40.4% of the owner-occupied stock comprises of smaller dwellings with one or two bedrooms (11.7% one bedroom and 28.7% two bedroom). This compares with 58.5% of the total stock that has one or two bedrooms, 30.2% three bedrooms and 11.3% four or more bedrooms.
- 4.20 As summarised in Table 3.2, over the period 2000 to 2020, Land Registry data reveals that lower quartile, median and average house prices across the borough increased dramatically. In the year 2000, a household income of £19,543 was required for a lower quartile price to be affordable; by 2020 this had increased dramatically to £87,429. In comparison, an income of £25,713 was required for a median priced property to be affordable in 2000 compared with £110,571 in 2020.

- 4.21 A range of socio-economic and demographic information on borough residents has been obtained from the 2011 Census. Some interesting observations relating to owner-occupiers include:
- In terms of household type, 14.0% of owner occupiers are older (65 or over) singles and couples, 16.5% are couples (under 65 with no children), 20% are couples with children under 18, 6.4% are couples with non-dependent children, 22.4% are singles (under 65), 4.9% are lone parents with adult children, 4.5% are lone parents with children under 18 and 11.2% are other household types;
 - 77.3% of Household Reference People (Heads of Household) living in owner occupied dwellings are in employment and a further 17.9% are wholly retired from work.
- 4.22 19.4% of households in owner occupation are aged over 65. 80.6% are aged under 65, with 28.1% being between the ages of 50 and 64 and 38.5% aged between 35 and 49. Only 14% of owner occupiers were aged under 35.
- 4.23 The online survey of stakeholders (set out in full in Appendix C) carried out as part of the 2019 SHMA found that high house prices are a key factor into why people employed in the Borough of Lewisham commute in from other boroughs. High demand for open market housing was particularly identified in the north of the borough, including New Cross and Deptford, and also close to railway stations. It was considered that parts of south Lewisham are not so well served by transport links and proximity to main employment centres; hence slightly lower demand. Houses were noted as being particularly popular amongst buyers, with the trends towards high density developments of flats/apartments potentially driving away households who would prefer traditional houses.
- 4.24 A mixed demand demographic was reported by stakeholders, including new families looking for houses and single people looking for flats. In-migration was mentioned, with new households moving into the borough from elsewhere and driving up demand. However, homelessness was also highlighted, with one stakeholder expressing the view that the gentrification of the area is driving poorer families to homelessness.
- 4.25 Stakeholders were asked for their views on house price and rental price trends in the borough. Increasing house prices in Brockley, Forest Hill, Hither Green, Sydenham and New Cross were mentioned, with a knock-on effect on other areas. Some stakeholders felt that prices have now stabilised, part of a general downward trend across London impacted by interest rates, availability of mortgage finance and the size of deposits which has the potential to improve the relative affordability of prices. Affordability tests from lenders are also considered to have softened demand slightly, but supply shortfalls have resulted in higher prices. Respondents felt that uncertainties arising from Brexit may dampen market sentiment in the short term, but prices are expected to recover as the fundamental supply and demand issues will remain.
- 4.26 One stakeholder reported that there is weakening demand for Buy to Let, driven by tax changes, but this may have a positive effect of helping first-time buyers to compete in the market. One social landlord stated that requests to buy homes from existing tenants peaked after Right to Buy (RTB) discounts were

increased but have decreased since; even with high RTB discounts some working tenants cannot afford the cost of buying their house.

- 4.27 Stakeholders considered housing affordability to be an issue across the entire borough, but with some spatial variation: 'some parts are hugely unaffordable, some affordable to the higher earners, all unaffordable to those on low income'. It was noted that affordability is a particular problem for single people and those on fixed incomes.

Private rented sector

- 4.28 The private rented sector has become an important tenure in both meeting people's housing needs and providing flexible housing options for those moving for employment and to respond to changing circumstances. Across the borough, the proportion of households renting increased from 14.3 in 2001 to around 23.4% in 2018 (GLA tenure estimates). Increasing house prices pre-2007 and the struggling sales market when the downturn came are both factors that have underpinned the growth of the rental market for both 'active choice' renters and 'frustrated would-be' homeowners. Tenure reform and less accessible social rented housing are also likely to be an increasing factor to the growth in the private rented sector and the sector clearly now plays a vital role in meeting housing need, affordable need as well as providing an alternative to homeownership.
- 4.29 Local authorities have an important enabling and regulatory role in ensuring that the private rented sector helps to meet housing need. Balancing good quality supply with demand will help to stabilise rents and encouraging good quality management will improve the reputation of the sector and encourage longer term lets and lower turnover. However, this is a challenging task where existing partners need to be encouraged to participate and new partners and investors need to be identified.
- 4.30 The 2011 Census indicates that the private rented sector accommodates around one quarter (25.3%) of households across the borough (29,375 households). GLA data (based on the Annual Population Survey) estimates that 23.4% of dwellings in the borough are private rented. This is comparable with the census information.
- 4.31 In terms of dwelling characteristics, almost three-quarters (73.5%) of the private rented sector stock in the borough comprises flats/apartments. Just over one-quarter (26.5%) of dwellings are houses, of which 15.4% are terraced, 8.0% semi-detached and 3.2% detached houses. Private rented dwellings tend to be smaller than the borough average, with around three-quarters (74.1%) of properties being one or two bedrooms (35.8% one bedroom and 38.3% two bedrooms); 18.2% of properties have three bedrooms and 7.7% have four or more bedrooms.
- 4.32 Considering the cost of renting, Tables 4.12 and 4.13 set out the comparative median and lower quartile rents for the borough, London and England as a whole. In 2020 lower quartile monthly rents were £1,101 and median rents were £1,352. These rents were lower than the London average but higher than the English average. Over the period 2010 to 2020, lower quartile rents have

increased 38% and median rents 45% which are both higher than London and England increases.

| Table 4.12 Comparative lower quartile rental price 2010-2020 | | | |
|---|---|-------------|---------------------------|
| Location | Lower quartile price by year (£) | | % change 2010-2020 |
| | 2010 | 2020 | |
| Borough of Lewisham | 797 | 1,101 | 38.1 |
| London | 1,036 | 1,274 | 23.0 |
| England | 598 | 724 | 21.1 |

Source: Zoopla price paid 2020

| Table 4.13 Comparative median rental price 2010-2020 | | | |
|---|---------------------------------|-------------|---------------------------|
| Location | Median price by year (£) | | % change 2010-2020 |
| | 2010 | 2020 | |
| Borough of Lewisham | 927 | 1,352 | 45.8 |
| London | 1,408 | 1,651 | 17.3 |
| England | 893 | 1,148 | 28.6 |

Source: Zoopla price paid 2020

- 4.33 Map 4.2 shows 2020 median rents by LSOA. Highest rents are in Blackheath, Crofton Park, Downham and Evelyn Wards as well as pockets of high rents spread through five other wards. Rents towards the south of the borough tend to be lower, with lowest rents in parts of Whitefoot Ward, Downham and Catford South.

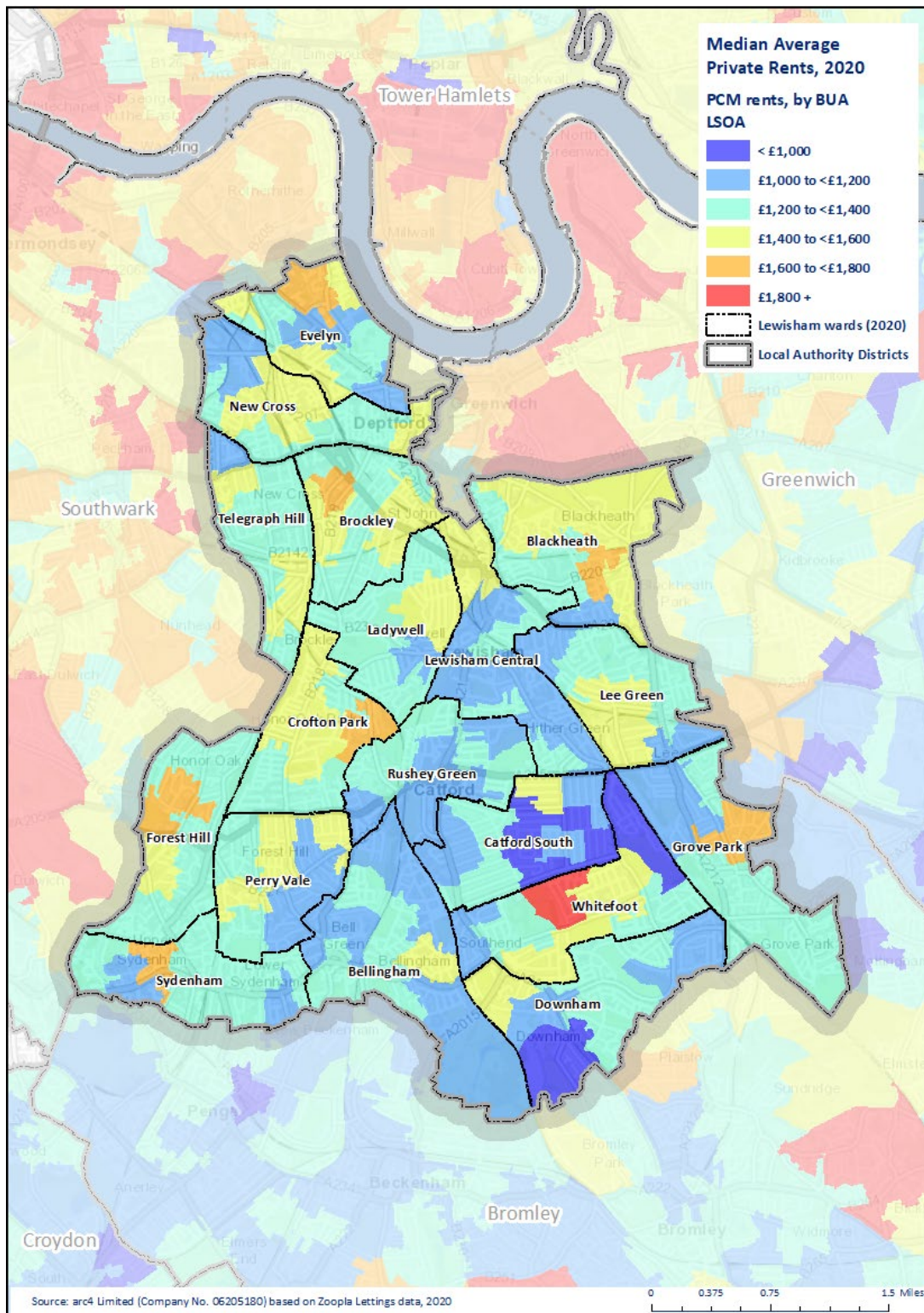
Build to Rent

- 4.34 Build to Rent schemes have a number of benefits. Schemes can quickly increase supply and provide improved quality and wider choice in housing markets; the accommodation and service offer provide better tenure options for households looking to rent longer term compared to what is available in the current PRS. Standards are more professional, tenancies longer and by introducing an affordable offer (minimum 20% below market rents), these schemes can meet an identified and specific need as affordable rental accommodation.
- 4.35 Local authorities already have tools and powers at their disposal to support Build to Rent. For example, as part of their plan-making and decision taking processes, authorities can:
- Identify sites in their Strategic Land Availability Assessments which might be well suited to particular types of development.
 - Include policies in their Local Plans on Build to Rent

- Choose whether or not to deploy the nationally described space standard, taking into account viability and need considerations.

4.36 Local authorities also have non-planning powers at their disposal through which they can support Build to Rent, such as using their own council land holdings.

Map 4.2 2020 median rents across Lewisham by LSOA



Source: Zoopla PPD 2020

- 4.37 Regarding Local Housing Allowance rates, the borough is within the Inner South East London and Outer South East London Broad Rental Market Areas (BRMA). NB: Broad Rental Market Area is an area **‘within which a person could reasonably be expected to live having regard to facilities and services for purposes of health, education, recreation, personal banking and shopping, taking account of the distance of travel, by public and private transport and from those facilities and services’**. A BRMA must contain **‘residential premises for a variety of types, including such premises held on a variety of tenures’** PLUS **‘sufficient privately rented residential premises, to ensure that, in the rent officer’s opinion, the LHA for the area is representative of the rents that a landlord might reasonably be expected to obtain in that area’** (Source: VOA BRMA statistics).
- 4.38 The weekly LHA rates for Inner South East London in October 2021 are: -
- Shared accommodation rate - £118.87 per week
 - 1-bedroom rate - £264.66 per week
 - 2-bedroom rate - £310.58 per week
 - 3-bedroom rate - £385.48 per week
 - 4-bedroom rate - £506.30 per week
- 4.39 The weekly LHA rates for Outer South East London in October 2021 are: -
- Shared accommodation rate - £103.56 per week
 - 1-bedroom rate - £205.97 per week
 - 2-bedroom rate - £253.15 per week
 - 3-bedroom rate - £299.18 per week
 - 4-bedroom rate - £368.22 per week
- 4.40 Table 4.9 (above) indicates the proportion of stock made up of private rented dwellings by ward. This indicates that the highest proportions of private rented stock are found in Brockley Ward (36.8%).
- 4.41 Census 2011 data on private rented tenants indicates that: -
- 27.2% of households living in the private rented sector are singles aged under 65, 16.2% are couples with no children, 14.3% are couples with children, 12.3% are lone parents, 3.4% are older (65 and over) single and couples, 2.2% are students and 24.5% are other households (for instance friends sharing);
 - 78.1% of Household Reference People (Heads of Household) living in private rent are in employment. Of the remainder, 6.1% are unemployed, 2.9% are students, 4.4% are retired and 8.5% are other economically inactive;
 - 51.4% of households in private rent are aged between 16 and 34, 34.9% are aged between 35 and 49, 9.1% are aged between 50 and 64 and 4.6% are aged over 65.

- 4.42 The online stakeholder survey (Appendix C) asked stakeholders what they felt about the size of the private rented sector (PRS) in the borough. One stakeholder felt that the PRS must be too small because of the continued high level of demand; others expressed the view that the PRS appears to currently be in line with demand and is 'OK'. One respondent stated that quality is a bigger issue, rather than size of the sector.
- 4.43 The characteristics of the PRS in Lewisham were considered to include private landlords who have invested for the purposes of their own pension: these buy-to-let (BTL) landlords typically hold a small number of units and are unregulated. These PRS properties are located across the borough, although often focused in areas that were formerly Housing Action areas or in ex-council houses. In addition, an increasing number of major Build to Rent (BTR) developers were reported, providing private rented properties through new-build schemes which often comprise of flat/apartment blocks with property managers, concierge and wi-fi. It was noted that the larger London-based PRS operators tend to focus on high density schemes that are located in town centres or close to mainline train stations.
- 4.44 Demand for PRS was considered to be strong across the borough, with some of this attributed to the lack of other housing options for people who cannot afford to buy and are not eligible for social rented housing. One stakeholder reported that close to the town centres the PRS demographic is mainly young professional couples or sharers, with a split of approximately 60/40 between UK nationals and people from abroad coming to find work in London. However, stakeholders reported that there is demand for PRS from a wide range of tenants overall, with the profile varying depending upon pricing and location within the borough. For example, larger landlords with flagship schemes in central locations may have strict criteria for prospective tenants which results in predominantly young professional sharers and a small number of mainly foreign students. Less restrictive landlords attract a wider range of tenants, and families and lower income households often live in the PRS as a default because there are no other tenure options available to them. In addition, some single people live in the PRS following relationship breakdown, often middle-aged men who have been asked to leave their family home. In terms of movement between tenures, it was noted that some households end up 'trapped' in the PRS: it is very difficult for those on lower incomes to access social housing and rental prices are such that raising a deposit and mortgage to access home ownership is impossible for many households.
- 4.45 Whilst Buy to Let (BTL) was considered to have played a significant role in the PRS in Lewisham, stakeholders noted that some landlords are now selling up because of the 'landlord tax', interest rate rises and increases in stamp duty. Other recent changes reported by stakeholders include a drop in the number of tenants coming to work in London from abroad, attributed to uncertainty surrounding Brexit. Welfare changes were also considered to have had an impact, with Universal Credit and benefit cuts making it very difficult for some tenants to meet their housing needs through the PRS, particularly those who really need social housing. This results in benefit-dependent families being forced into low-quality PRS housing. It was noted that some landlords will not accept tenants that are claiming benefits. The trend towards landlords selling up is also resulting in a lot of tenants being evicted from their properties. Issues

of quality and security therefore remain an ongoing concern in the PRS market overall.

Houses in multiple occupation

- 4.46 A house in multiple occupation (HMO) is a property rented out by at least three people who are not from one 'household' (for example a family) but share facilities like the bathroom and kitchen. A licence is required for a 'large' HMO, defined as a property where all of the following apply:
- It is rented for 5 or more people who form more than 1 household;
 - Some or all tenants share toilet, bathroom or kitchen facilities; and
 - At least one tenant pays rent (or their employer pays it for them).
- 4.47 According to 2019/20 Local Authority Housing Statistics, there are an estimated 6,000 HMOs across the borough, 1,000 licensable HMOs and 376 which were licenced. In 2021 there were 827 licenced HMOs. This compares with an estimate of 14,810 HMOs in 2016/17, 1,150 licensable HMOs in 2016/17 of which 275 were licenced.
- 4.48 Given the lack of affordability of housing in Lewisham to lower income households described in Chapter 3, growth in demand for houses in multiple occupation is likely. This demand is partially being met by 'spare room' lettings, however, more, well managed HMO accommodation, that are well designed and are in suitable locations, would be a more affordable solution especially for younger, single person households. However, this needs a balanced approach in order to avoid the loss of family sized housing and avoid an over concentration of HMOs in any particular area. The conversion of family-sized housing to HMOs is also hindering the Council's ability to buy back suitable properties for affordable housing.

Affordable sector

- 4.49 The 2011 Census reported around 36,000 households living in social rented (affordable) housing across the borough, accounting for 31% of all occupied dwellings. This is slightly higher than the GLA data (Annual Population Survey) estimate of 33,000 households (27.4%).
- 4.50 The latest Regulator of Social Housing Statistical Data Return 2020 data reports a total of 39,800 affordable dwellings:
- 14,622 local authority rented dwellings (36.7%);
 - 25,178 registered provider dwellings (63.3%).
- 4.51 These figures include 2,432, supported housing/housing for older people dwellings and 1,856 low cost home ownership dwellings.
- 4.52 Census data indicates that 71.4% of the affordable stock comprises of flats/apartments and 28.6% of the stock is houses, of which 17.8% are terraced, 8.0% semi-detached and 2.8% detached. 71.5% of affordable dwellings are smaller properties with one or two bedrooms (32.8% one

bedroom and 38.7% two bedrooms); 23.3% of affordable dwellings have three bedrooms and 5.3% have four or more bedrooms.

4.53 Census 2011 data on residents living in affordable housing indicates that:

- Around 22.2% of household reference people are aged under 35, 34.5% are aged between 35 and 49, 23.6% are aged between 50 and 64 and 19.7% are aged 65 and over;
- Around 48.6% of household reference people within the affordable sector are in employment. 9.3% are unemployed, 19.7% are wholly retired from work, 11.2% are long-term sick or disabled and 11.8% are other economically inactive; and
- Around 28.4% of households were singles under 65, 21.1% lone parents, 12.2% couples with children, 5% couples with no children, 14.8% older (65+ singles/couples). Notably 3.1% were couples with non-dependent children and 6.9% were lone parents with non-dependent children and 8.5% were other household types.

4.54 The online survey of stakeholders (Appendix C) included a number of registered providers and housing associations who work within the borough. They reported managing a range of affordable housing accommodation within the borough, including houses, flats and shared accommodation.

4.55 High demand for social rented and affordable housing was reported across the borough. No areas of particular high or low demand were identified by stakeholders. Three of the respondents identified that their organisations have been involved in building affordable housing within the borough. However, barriers to development were identified, particularly including site availability and costs, the costs of building and financial viability.

4.56 The survey asked stakeholders whether they felt that the reductions in rental income imposed by the government in July 2015 have had an effect on the number and type of affordable housing developed since. Stakeholders reported that this has had an impact upon their development activity, having negatively affected their financial modelling and the investment value of rented stock. One respondent stated that their organisation has had to increase the amount of subsidy they put into their rented developments in order to offset the reductions caused by the policy; another stated that the policy has caused them to build less rented and a higher proportion of shared ownership accommodation.

4.57 When asked whether they consider that the reinstated rent settlement (Consumer Price Index plus 1% from 2020) will encourage organisations to develop further social housing one stakeholder felt that this may be possible, but noted that it would be dependent upon the availability of small sites. Another stakeholder felt that this change increases the scope of opportunities to bring schemes forward and the quantum of rented accommodation that is deliverable.

4.58 Three of the stakeholders reported that their organisation is developing affordable housing products including social rent, affordable rent and London Living Rent. Two stakeholders identified that their organisation is developing home ownership products; both stated shared ownership. In addition, one of the stakeholders said that they have developed some Help to Buy products.

- 4.59 Households purchasing affordable home ownership products were identified as predominantly young singles and couples. One respondent reported that across London boroughs, one-bedroom properties always sell the quickest and those with three or more bedrooms take the longest to sell.
- 4.60 Two stakeholders were aware of anti-social behaviour (ASB) issues within the affordable stock in the Borough of Lewisham. Parts of Deptford, New Cross and Downham were mentioned, but one of the stakeholders noted that these incidents are very localised, with good processes in place and well-trained staff to deal promptly with reports. Stakeholders reported good levels of customer satisfaction amongst affordable housing tenants.

Relative affordability of housing tenure options and defining genuinely affordable housing

- 4.61 The relative cost of alternative housing options across the borough and the ward areas is considered in the SHMA from two perspectives. Firstly, analysis considers prevailing prices at ward level across a range of market and affordable tenures and the incomes required to afford these properties. Secondly, analysis considers what is genuinely affordable to households based on local incomes and assumptions around the proportion of income that should be spent on renting and the multiples of income for buying. The analysis of what is genuinely affordable also considers the incomes of selected key workers and those on minimum and London living wages.

Range of tenure options

- 4.62 Table 4.14 sets out the range of market and affordable tenures considered in analysis and any assumptions relating to the cost of properties.

Cost of alternative tenure options

- 4.63 Table 4.15 sets out the cost of alternative tenure options by ward.

Income required for tenure options

- 4.64 Table 4.16 sets out the indicative incomes required based on rental property being affordable if up to 35% of household income is spent on rent; and owning is affordable based on a 3.5x household income multiple. Table 4.17 uses a higher 5x household income multiple to illustrate the considerable impact this has on income required for a property to be affordable (for instance the household income required for a lower quartile property reduces from £86,143 to £60,300). Analysis also assumes deposits of up to 10%. The impact of higher deposits on the income required to service a mortgage are summarised in Table 4.18 based on borough prices; this demonstrates the considerable reduction on income requirements for a property to be affordable through higher deposits.

| Table 4.14 Summary of tenure, price assumptions and data sources | | |
|--|---|---|
| Tenure | Tenure price assumptions | Data Source |
| Social rent | 2020 prices | Regulator of Social Housing Statistical Data Return 2020 |
| Affordable rent | 80% of median rent | Zoopla 2020 |
| London Affordable Rent | Affordable homes based on social rent levels for low income households | Regulator of Social Housing Statistical Data Return 2020 |
| London Intermediate Rent ('London Living Rent') | Homes for middle-income households struggling to save for a deposit based on a third of average local household incomes and adjusted for the number of bedrooms – a significant discount on market rent in most London Boroughs. Average LLR is shown based on 2021/22 GLA data | Source: https://www.london.gov.uk/what-we-do/housing-and-land/improving-private-rented-sector/london-living-rent |
| Market Rent – lower quartile | 2020 prices | Zoopla 2020 |
| Market Rent – median | 2020 prices | Zoopla 2020 |
| Market Rent – upper quartile | 2020 prices | Zoopla 2020 |
| Market Sale – lower quartile | 2020 prices | Land Registry Price Paid |
| Market Sale – median | 2020 prices | Land Registry Price Paid |
| Market Sale – average | 2020 prices | Land Registry Price Paid |
| Starter Home | 20% discount on full value (assumed to be median), 10% deposit on discounted portion, remainder mortgage based on 3.5x income | Assumptions applied to Land Registry Price Paid data |
| London Shared ownership (50%) | Total price based on median price and 50% ownership. Mortgage based on 40%. 10% deposit required, annual service charge £395, Annual rent based on 2.75% of remaining equity | Assumptions applied to Land Registry Price Paid data |

| Table 4.14 Summary of tenure, price assumptions and data sources | | |
|--|--|--|
| Tenure | Tenure price assumptions | Data Source |
| London Shared ownership (25%) | Total price based on median price and 25% ownership. Mortgage based on 20%. 5% deposit required, annual service charge £395, Annual rent based on 2.75% of remaining equity | Assumptions applied to Land Registry Price Paid data |
| Help to buy | Total price based on median price. Mortgage based on 75% equity. 20% loan and deposit of 5%. Loan fee of 1.75% in year 6 of outstanding equity loan increasing annually from yr7 at RPI+1% | Assumptions applied to Land Registry Price Paid data |
| Discounted home ownership 30% | 70% of median price | Assumptions applied to Land Registry Price Paid data |
| Discounted home ownership 25% | 75% of median price | Assumptions applied to Land Registry Price Paid data |
| Discounted home ownership 30% | 80% of median price | Assumptions applied to Land Registry Price Paid data |

Table 4.15 Cost of alternative tenures by ward

| Tenure option | Price (2020) | | | | | | | | | |
|--|--------------|------------|----------|---------------|--------------|----------|----------|-------------|------------|----------|
| | Bellingham | Blackheath | Brockley | Catford South | Crofton Park | Downham | Evelyn | Forest Hill | Grove Park | Ladywell |
| Social Rent (monthly) | £439 | £439 | £439 | £439 | £439 | £439 | £439 | £439 | £439 | £439 |
| Affordable Rent (monthly) | £998 | £1,162 | £1,082 | £998 | £1,162 | £998 | £1,178 | £1,082 | £998 | £1,040 |
| London Affordable Rent (monthly) | £769 | £769 | £769 | £769 | £769 | £769 | £769 | £769 | £769 | £769 |
| London Living Rent (monthly) | £993 | £1,271 | £1,216 | £1,078 | £1,253 | £939 | £1,313 | £1,169 | £980 | £1,219 |
| Market Rent - Lower Quartile (monthly) | £1,001 | £1,248 | £1,200 | £797 | £1,148 | £823 | £1,300 | £1,049 | £1,049 | £1,049 |
| Market Rent - Median (monthly) | £1,248 | £1,452 | £1,352 | £1,248 | £1,452 | £1,248 | £1,473 | £1,352 | £1,248 | £1,300 |
| Market Rent - Average (monthly) | £1,239 | £1,539 | £1,474 | £1,196 | £1,501 | £1,169 | £1,520 | £1,351 | £1,307 | £1,416 |
| Market Sale - Lower Quartile | £280,000 | £385,000 | £350,000 | £341,000 | £410,000 | £315,000 | £393,600 | £330,000 | £280,000 | £380,000 |
| Market Sale - Median | £367,000 | £575,000 | £460,000 | £485,000 | £600,000 | £350,000 | £469,480 | £417,500 | £380,000 | £482,500 |
| Market Sale - Average | £376,476 | £738,905 | £505,257 | £480,035 | £567,559 | £392,330 | £529,478 | £731,412 | £410,814 | £554,378 |
| London Shared ownership (50%) | £183,500 | £287,500 | £230,000 | £242,500 | £300,000 | £175,000 | £234,740 | £208,750 | £190,000 | £241,250 |
| London Shared ownership (25%) | £91,750 | £143,750 | £115,000 | £121,250 | £150,000 | £87,500 | £117,370 | £104,375 | £95,000 | £120,625 |
| Help to buy | £367,000 | £575,000 | £460,000 | £485,000 | £600,000 | £350,000 | £469,480 | £417,500 | £380,000 | £482,500 |
| Discounted Home Ownership (30%) | £256,900 | £402,500 | £322,000 | £339,500 | £420,000 | £245,000 | £328,636 | £292,250 | £266,000 | £337,750 |
| Discounted Home Ownership (25%) | £275,250 | £431,250 | £345,000 | £363,750 | £450,000 | £262,500 | £352,110 | £313,125 | £285,000 | £361,875 |
| Discounted Home Ownership (20%) | £293,600 | £460,000 | £368,000 | £388,000 | £480,000 | £280,000 | £375,584 | £334,000 | £304,000 | £386,000 |

| Tenure option | Price (2020) | | | | | | | | |
|--|--------------|------------------|-----------|------------|--------------|----------|----------------|-----------|---------------------|
| | Lee Green | Lewisham Central | New Cross | Perry Vale | Rushey Green | Sydenham | Telegraph Hill | Whitefoot | Borough of Lewisham |
| Social Rent (monthly) | £439 | £439 | £439 | £439 | £439 | £439 | £439 | £439 | £439 |
| Affordable Rent (monthly) | £1,040 | £1,058 | £1,074 | £1,040 | £960 | £1,040 | £1,082 | £960 | £1,082 |
| London Affordable Rent (monthly) | £769 | £769 | £769 | £769 | £769 | £769 | £769 | £769 | £769 |
| London Living Rent (monthly) | £1,142 | £1,131 | £1,131 | £1,193 | £1,162 | £1,162 | £1,235 | £944 | £1,141 |
| Market Rent - Lower Quartile (monthly) | £1,101 | £1,148 | £1,101 | £1,049 | £901 | £1,101 | £1,027 | £849 | £1,101 |
| Market Rent - Median (monthly) | £1,300 | £1,322 | £1,343 | £1,300 | £1,200 | £1,300 | £1,352 | £1,200 | £1,352 |
| Market Rent - Average (monthly) | £1,375 | £1,342 | £1,409 | £1,337 | £1,203 | £1,337 | £1,472 | £1,190 | £1,404 |
| Market Sale - Lower Quartile | £375,000 | £310,000 | £311,000 | £353,000 | £301,000 | £324,000 | £377,600 | £320,000 | £335,000 |
| Market Sale - Median | £517,500 | £376,250 | £410,000 | £470,000 | £395,000 | £425,000 | £490,000 | £400,000 | £434,000 |
| Market Sale - Average | £597,318 | £458,281 | £480,169 | £513,925 | £438,321 | £497,109 | £584,054 | £389,430 | £521,810 |
| London Shared ownership (50%) | £258,750 | £188,125 | £205,000 | £235,000 | £197,500 | £212,500 | £245,000 | £200,000 | £217,000 |
| London Shared ownership (25%) | £129,375 | £94,063 | £102,500 | £117,500 | £98,750 | £106,250 | £122,500 | £100,000 | £108,500 |
| Help to buy | £517,500 | £376,250 | £410,000 | £470,000 | £395,000 | £425,000 | £490,000 | £400,000 | £434,000 |
| Discounted Home Ownership (30%) | £362,250 | £263,375 | £287,000 | £329,000 | £276,500 | £297,500 | £343,000 | £280,000 | £303,800 |
| Discounted Home Ownership (25%) | £388,125 | £282,188 | £307,500 | £352,500 | £296,250 | £318,750 | £367,500 | £300,000 | £325,500 |
| Discounted Home Ownership (20%) | £414,000 | £301,000 | £328,000 | £376,000 | £316,000 | £340,000 | £392,000 | £320,000 | £347,200 |

Source: Data produced by Land Registry © Crown copyright 2020, Zoopla 2020 MHCLG, RSH SDR 2020

Table 4.16 Household income required for alternative tenure options (based on 35% for income for rents and 3.5x income multiple for buying)

| Tenure option | Income required 2020 (based on 35% household income for renting and 3.5x income multiple for buying) | | | | | | | | | |
|---------------------------------|--|------------|----------|---------------|--------------|----------|----------|-------------|------------|----------|
| | Bellingham | Blackheath | Brockley | Catford South | Crofton Park | Downham | Evelyn | Forest Hill | Grove Park | Ladywell |
| Social Rent | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 |
| Affordable Rent | £47,923 | £55,757 | £51,917 | £47,923 | £55,757 | £47,923 | £56,563 | £51,917 | £47,923 | £49,920 |
| London Affordable Rent | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 |
| London Living Rent | £47,646 | £60,992 | £58,367 | £51,744 | £60,134 | £45,084 | £63,003 | £56,121 | £47,031 | £58,513 |
| Market Rent - Lower Quartile | £48,048 | £59,904 | £57,600 | £38,256 | £55,104 | £39,504 | £62,400 | £50,352 | £50,352 | £50,352 |
| Market Rent - Median | £59,904 | £69,696 | £64,896 | £59,904 | £69,696 | £59,904 | £70,704 | £64,896 | £59,904 | £62,400 |
| Market Rent - Average | £59,472 | £73,872 | £70,752 | £57,408 | £72,048 | £56,112 | £72,960 | £64,848 | £62,736 | £67,968 |
| Market Sale - Lower Quartile | £72,000 | £99,000 | £90,000 | £87,686 | £105,429 | £81,000 | £101,211 | £84,857 | £72,000 | £97,714 |
| Market Sale - Median | £94,371 | £147,857 | £118,286 | £124,714 | £154,286 | £90,000 | £120,723 | £107,357 | £97,714 | £124,071 |
| Market Sale - Average | £96,808 | £190,004 | £129,923 | £123,438 | £145,944 | £100,885 | £136,151 | £188,077 | £105,638 | £142,554 |
| London Shared ownership (50%) | £62,632 | £97,546 | £78,243 | £82,439 | £101,743 | £59,779 | £79,834 | £71,109 | £64,814 | £82,020 |
| London Shared ownership (25%) | £47,559 | £73,930 | £59,350 | £62,520 | £77,100 | £45,404 | £60,552 | £53,962 | £49,207 | £62,203 |
| Help to buy | £73,400 | £115,000 | £92,000 | £97,000 | £120,000 | £70,000 | £93,896 | £83,500 | £76,000 | £96,500 |
| Discounted Home Ownership (30%) | £69,730 | £109,250 | £87,400 | £92,150 | £114,000 | £66,500 | £89,201 | £79,325 | £72,200 | £91,675 |
| Discounted Home Ownership (25%) | £74,711 | £117,054 | £93,643 | £98,732 | £122,143 | £71,250 | £95,573 | £84,991 | £77,357 | £98,223 |
| Discounted Home Ownership (20%) | £79,691 | £124,857 | £99,886 | £105,314 | £130,286 | £76,000 | £101,944 | £90,657 | £82,514 | £104,771 |

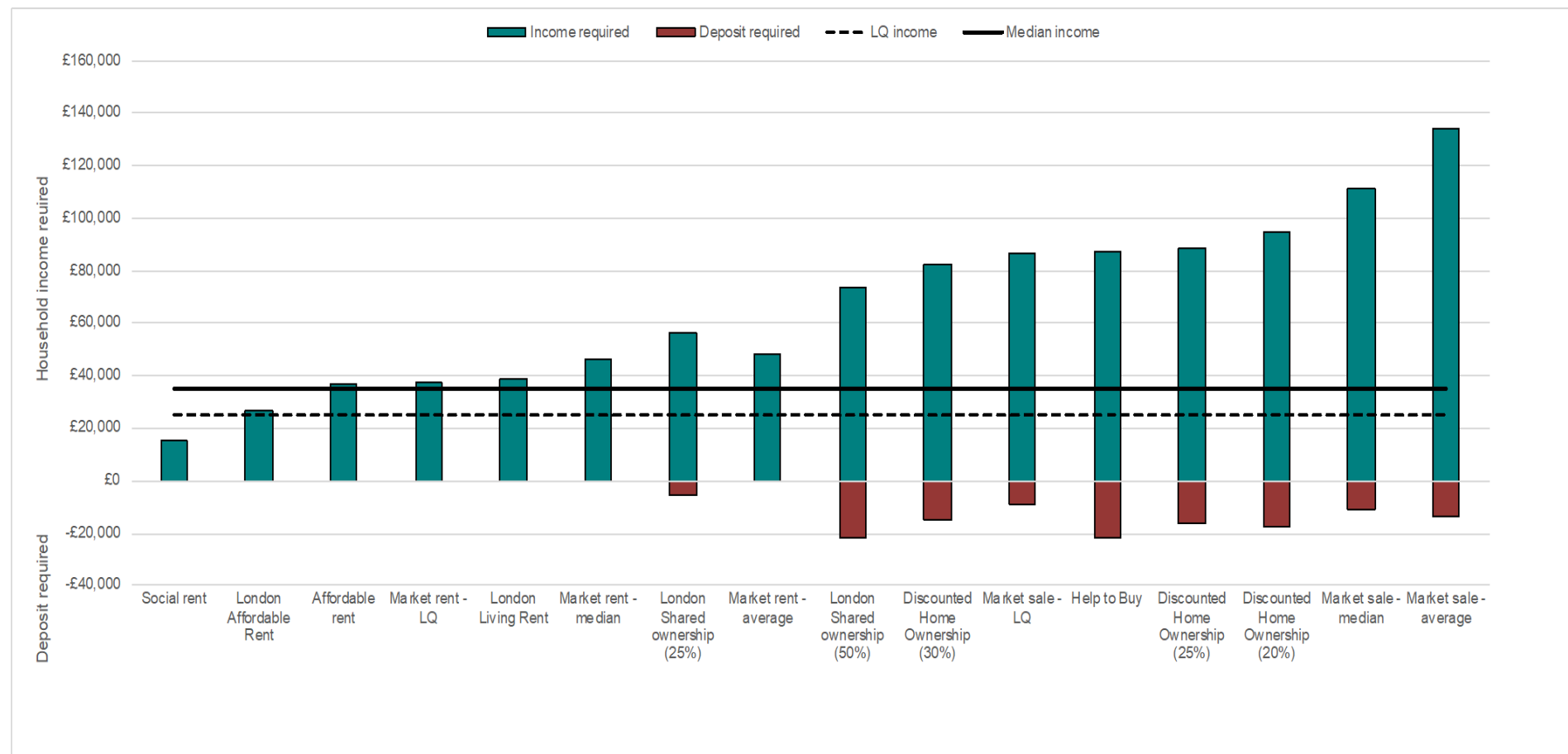
| Tenure option | Income required 2020 (based on 35% household income for renting and 3.5x income multiple for buying) | | | | | | | | |
|---------------------------------|--|------------------|-----------|------------|--------------|----------|----------------|-----------|---------------------|
| | Lee Green | Lewisham Central | New Cross | Perry Vale | Rushey Green | Sydenham | Telegraph Hill | Whitefoot | Borough of Lewisham |
| Social Rent | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 |
| Affordable Rent | £49,920 | £50,765 | £51,571 | £49,920 | £46,080 | £49,920 | £51,917 | £46,080 | £37,083 |
| London Affordable Rent | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £26,374 |
| London Living Rent | £54,818 | £54,306 | £54,306 | £57,244 | £55,794 | £55,753 | £59,276 | £45,289 | £39,104 |
| Market Rent - Lower Quartile | £52,848 | £55,104 | £52,848 | £50,352 | £43,248 | £52,848 | £49,296 | £40,752 | £37,749 |
| Market Rent - Median | £62,400 | £63,456 | £64,464 | £62,400 | £57,600 | £62,400 | £64,896 | £57,600 | £46,354 |
| Market Rent - Average | £66,000 | £64,416 | £67,632 | £64,176 | £57,744 | £64,176 | £70,656 | £57,120 | £48,137 |
| Market Sale - Lower Quartile | £96,429 | £79,714 | £79,971 | £90,771 | £77,400 | £83,314 | £97,097 | £82,286 | £86,143 |
| Market Sale - Median | £133,071 | £96,750 | £105,429 | £120,857 | £101,571 | £109,286 | £126,000 | £102,857 | £111,600 |
| Market Sale - Average | £153,596 | £117,844 | £123,472 | £132,152 | £112,711 | £127,828 | £150,185 | £100,139 | £134,180 |
| London Shared ownership (50%) | £87,895 | £64,185 | £69,850 | £79,921 | £67,332 | £72,368 | £83,279 | £68,171 | £73,879 |
| London Shared ownership (25%) | £66,640 | £48,732 | £53,011 | £60,618 | £51,109 | £54,913 | £63,154 | £51,743 | £56,054 |
| Help to buy | £103,500 | £75,250 | £82,000 | £94,000 | £79,000 | £85,000 | £98,000 | £80,000 | £86,800 |
| Discounted Home Ownership (30%) | £98,325 | £71,488 | £77,900 | £89,300 | £75,050 | £80,750 | £93,100 | £76,000 | £82,460 |
| Discounted Home Ownership (25%) | £105,348 | £76,594 | £83,464 | £95,679 | £80,411 | £86,518 | £99,750 | £81,429 | £88,350 |
| Discounted Home Ownership (20%) | £112,371 | £81,700 | £89,029 | £102,057 | £85,771 | £92,286 | £106,400 | £86,857 | £94,240 |

Table 4.17 Household income required for alternative tenure options (based on 35% for income for rents and 5x income multiple for buying)

| Tenure option | Income required 2020 (based on 35% household income for renting and 5x income multiple for buying) | | | | | | | | | |
|---------------------------------|--|------------------|-----------|---------------|--------------|----------|----------------|-------------|---------------------|----------|
| | Bellingham | Blackheath | Brockley | Catford South | Crofton Park | Downham | Evelyn | Forest Hill | Grove Park | Ladywell |
| Social Rent | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 |
| Affordable Rent | £47,923 | £55,757 | £51,917 | £47,923 | £55,757 | £47,923 | £56,563 | £51,917 | £47,923 | £49,920 |
| London Affordable Rent | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 |
| London Living Rent | £47,646 | £60,992 | £58,367 | £51,744 | £60,134 | £45,084 | £63,003 | £56,121 | £47,031 | £58,513 |
| Market Rent - Lower Quartile | £48,048 | £59,904 | £57,600 | £38,256 | £55,104 | £39,504 | £62,400 | £50,352 | £50,352 | £50,352 |
| Market Rent - Median | £59,904 | £69,696 | £64,896 | £59,904 | £69,696 | £59,904 | £70,704 | £64,896 | £59,904 | £62,400 |
| Market Rent - Average | £59,472 | £73,872 | £70,752 | £57,408 | £72,048 | £56,112 | £72,960 | £64,848 | £62,736 | £67,968 |
| Market Sale - Lower Quartile | £50,400 | £69,300 | £63,000 | £61,380 | £73,800 | £56,700 | £70,848 | £59,400 | £50,400 | £68,400 |
| Market Sale - Median | £66,060 | £103,500 | £82,800 | £87,300 | £108,000 | £63,000 | £84,506 | £75,150 | £68,400 | £86,850 |
| Market Sale - Average | £67,766 | £133,003 | £90,946 | £86,406 | £102,161 | £70,619 | £95,306 | £131,654 | £73,947 | £99,788 |
| London Shared ownership (50%) | £48,476 | £75,368 | £60,500 | £63,732 | £78,600 | £46,279 | £61,726 | £55,005 | £50,157 | £63,409 |
| London Shared ownership (25%) | £40,088 | £62,225 | £49,986 | £52,646 | £64,886 | £38,279 | £50,995 | £45,463 | £41,471 | £52,380 |
| Help to buy | £51,380 | £80,500 | £64,400 | £67,900 | £84,000 | £49,000 | £65,727 | £58,450 | £53,200 | £67,550 |
| Discounted Home Ownership (30%) | £48,811 | £76,475 | £61,180 | £64,505 | £79,800 | £46,550 | £62,441 | £55,528 | £50,540 | £64,173 |
| Discounted Home Ownership (25%) | £52,298 | £81,938 | £65,550 | £69,113 | £85,500 | £49,875 | £66,901 | £59,494 | £54,150 | £68,756 |
| Discounted Home Ownership (20%) | £55,784 | £87,400 | £69,920 | £73,720 | £91,200 | £53,200 | £71,361 | £63,460 | £57,760 | £73,340 |
| Tenure option | Income required 2020 (based on 35% household income for renting and 5x income multiple for buying) | | | | | | | | | |
| | Lee Green | Lewisham Central | New Cross | Perry Vale | Rushey Green | Sydenham | Telegraph Hill | Whitefoot | Borough of Lewisham | |
| Social Rent | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | £15,041 | |
| Affordable Rent | £49,920 | £50,765 | £51,571 | £49,920 | £46,080 | £49,920 | £51,917 | £46,080 | £37,083 | |
| London Affordable Rent | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £36,924 | £26,374 | |
| London Living Rent | £54,818 | £54,306 | £54,306 | £57,244 | £55,794 | £55,753 | £59,276 | £45,289 | £39,104 | |
| Market Rent - Lower Quartile | £52,848 | £55,104 | £52,848 | £50,352 | £43,248 | £52,848 | £49,296 | £40,752 | £37,749 | |
| Market Rent - Median | £62,400 | £63,456 | £64,464 | £62,400 | £57,600 | £62,400 | £64,896 | £57,600 | £46,354 | |
| Market Rent - Average | £66,000 | £64,416 | £67,632 | £64,176 | £57,744 | £64,176 | £70,656 | £57,120 | £48,137 | |
| Market Sale - Lower Quartile | £67,500 | £55,800 | £55,980 | £63,540 | £54,180 | £58,320 | £67,968 | £57,600 | £60,300 | |
| Market Sale - Median | £93,150 | £67,725 | £73,800 | £84,600 | £71,100 | £76,500 | £88,200 | £72,000 | £78,120 | |
| Market Sale - Average | £107,517 | £82,491 | £86,430 | £92,507 | £78,898 | £89,480 | £105,130 | £70,097 | £93,926 | |
| London Shared ownership (50%) | £67,934 | £49,672 | £54,036 | £61,793 | £52,096 | £55,975 | £64,379 | £52,743 | £57,139 | |
| London Shared ownership (25%) | £56,105 | £41,072 | £44,664 | £51,050 | £43,068 | £46,261 | £53,179 | £43,600 | £47,219 | |
| Help to buy | £72,450 | £52,675 | £57,400 | £65,800 | £55,300 | £59,500 | £68,600 | £56,000 | £60,760 | |
| Discounted Home Ownership (30%) | £68,828 | £50,041 | £54,530 | £62,510 | £52,535 | £56,525 | £65,170 | £53,200 | £57,722 | |
| Discounted Home Ownership (25%) | £73,744 | £53,616 | £58,425 | £66,975 | £56,288 | £60,563 | £69,825 | £57,000 | £61,845 | |
| Discounted Home Ownership (20%) | £78,660 | £57,190 | £62,320 | £71,440 | £60,040 | £64,600 | £74,480 | £60,800 | £65,968 | |

| Table 4.18 Impact of alternative deposits on income required for open market properties | | | | | |
|--|-------------------|----------|----------|----------|---------------|
| Lewisham | Amount of deposit | | | | Borough price |
| | 10% | 20% | 30% | 40% | |
| Market Sale - Lower Quartile | £301,500 | £268,000 | £234,500 | £201,000 | £335,000 |
| Market Sale - Median | £390,600 | £347,200 | £303,800 | £260,400 | £434,000 |
| Market Sale - Average | £469,629 | £417,448 | £365,267 | £313,086 | £521,810 |
| Household income required (3.5x multiple) | | | | | |
| Market Sale - Lower Quartile | £86,143 | £76,571 | £67,000 | £57,429 | |
| Market Sale - Median | £111,600 | £99,200 | £86,800 | £74,400 | |
| Market Sale - Average | £134,180 | £119,271 | £104,362 | £89,453 | |
| Household income required (5xmultiple) | | | | | |
| Market Sale - Lower Quartile | £60,300 | £53,600 | £46,900 | £40,200 | |
| Market Sale - Median | £78,120 | £69,440 | £60,760 | £52,080 | |
| Market Sale - Average | £93,926 | £83,490 | £73,053 | £62,617 | |

- 4.65 Figure 4.3 summarises the relative affordability of alternative tenures at the borough level, setting out the income and deposit required for different options set against prevailing lower quartile and median earnings derived from 2020 CAMEO data.
- 4.66 This indicates that only social renting and London Affordable Rent is affordable for households on lower quartile incomes. By comparison, households on lower quartile or median incomes could not truly afford any of the intermediate tenure affordable products at the current borough prices, including London Intermediate Rent (London Living Rent) and London shared ownership. Similarly discounted home ownership and market sales are unaffordable to households on lower quartile and median incomes.
- 4.67 This comparison of local incomes with the cost of local house prices and rents illustrates the affordability challenge faced by residents within the borough. It shows the particular problem faced by households who do not have either existing equity or savings.

Figure 4.3 Borough of Lewisham household income and housing costs

Source: Data produced by Land Registry © Crown copyright 2020, Zoopla 2020, CAMEO 2020, RSH SDR 2020

Note: The deposit requirements are shown on the table as a negative number

What is genuinely affordable housing in the Lewisham context?

- 4.68 Having considered what a household needs to earn to afford alternative tenures, consideration is now given to the actual incomes of households across the borough and how this relates to prevailing prices. This analysis helps to establish what is genuinely affordable based on reasonable income multipliers for renting and buying. The analysis takes into account:
- lower quartile and median household incomes from the 2020 CAMEO data;
 - 2020 entry-level incomes from a range of key worker occupations;
 - incomes associated with 2020 minimum and living wages (using single, dual income and 1.5x income measures);
 - the proportion of income a household would need to spend on rent;
 - the extent to which affordable rental options are genuinely affordable to households; and
 - the extent to which households could afford home ownership based on multiples of household income, with up to 3.5x and 5x being affordable.

Genuinely affordable rents

- 4.69 Having considered what a household needs to earn to afford alternative tenures, consideration is now given to the actual incomes of households across the borough and how this relates to current market prices and rents. The analysis helps to establish the extent to which different tenures are affordable and what are genuinely affordable prices and rents based on local incomes.
- 4.70 Table 4.19 focuses on the affordability of market renting and shows the cost of renting a lower quartile and median priced property by ward, sub-area and borough; how this compares with incomes; and what would be genuinely affordable based on local incomes. For example, lower quartile rents are £1,101 across the borough where the lower quartile income is £2,083. This means that a household is spending 52.8% of income on rent. To be genuinely affordable, that is, costing no more than 35% of gross income, a lower quartile rent should be £521 each month and median rent should be £729 each month (which means that rents are genuinely affordable to median income households). Table 4.19 demonstrates acute affordability challenges across most wards.
- 4.71 Table 4.20 focuses on the affordability of home ownership and shows the cost of buying a lower quartile and median-priced property. This shows that prices are in excess of 3.5x household incomes and borough-wide a property should cost no more than £87,500 to be affordable to households on lower quartile and £122,500 to households on median incomes to be affordable based on a 3.5x income multiple. Using a 5x income multiple the lower quartile price increases to £125,000 and median to £175,000.

Table 4.19 Affordability of private rents by ward and sub-area

| Geography | | LQ Rent and Income | | | | Median rent and income | | | |
|-----------|------------------|---------------------|--|---|---|-------------------------|--|---|---|
| | | Actual LQ rent 2020 | LQ Gross household income 2021 (Monthly £) | % LQ income required to be spent on LQ rent | What would be an affordable rent based on 35% of actual LQ income | Actual Median rent 2020 | Median Gross household income 2021 (Monthly £) | % median income required to be spent on median rent | What would be an affordable rent based on 35% of actual median income |
| District | Lewisham | £1,101 | £2,083 | 52.8 | £729 | £1,352 | £2,917 | 46.4 | £1,021 |
| Sub-area | North | £1,200 | £1,250 | 96.0 | £438 | £1,426 | £1,250 | 114.1 | £438 |
| | Central | £1,083 | £2,083 | 52.0 | £729 | £1,300 | £2,917 | 44.6 | £1,021 |
| | West | £1,101 | £2,083 | 52.8 | £729 | £1,352 | £2,917 | 46.4 | £1,021 |
| | East | £1,148 | £2,083 | 55.1 | £729 | £1,352 | £2,917 | 46.4 | £1,021 |
| | South | £923 | £1,250 | 73.8 | £438 | £1,248 | £2,083 | 59.9 | £729 |
| Ward | Bellingham | £1,001 | £1,250 | 80.1 | £438 | £1,248 | £2,083 | 59.9 | £729 |
| | Blackheath | £1,248 | £2,083 | 59.9 | £729 | £1,452 | £3,750 | 38.7 | £1,313 |
| | Brockley | £1,200 | £1,250 | 96.0 | £438 | £1,352 | £2,083 | 64.9 | £729 |
| | Catford South | £797 | £2,917 | 27.3 | £1,021 | £1,248 | £2,917 | 42.8 | £1,021 |
| | Crofton Park | £1,148 | £2,917 | 39.4 | £1,021 | £1,452 | £2,917 | 49.8 | £1,021 |
| | Downham | £823 | £1,250 | 65.8 | £438 | £1,248 | £2,083 | 59.9 | £729 |
| | Evelyn | £1,300 | £1,250 | 104.0 | £438 | £1,473 | £1,250 | 117.8 | £438 |
| | Forest Hill | £1,049 | £2,083 | 50.4 | £729 | £1,352 | £2,917 | 46.4 | £1,021 |
| | Grove Park | £1,049 | £2,083 | 50.4 | £729 | £1,248 | £2,083 | 59.9 | £729 |
| | Ladywell | £1,049 | £2,917 | 36.0 | £1,021 | £1,300 | £2,917 | 44.6 | £1,021 |
| | Lee Green | £1,101 | £2,083 | 52.8 | £729 | £1,300 | £2,917 | 44.6 | £1,021 |
| | Lewisham Central | £1,148 | £2,083 | 55.1 | £729 | £1,322 | £2,917 | 45.3 | £1,021 |
| | New Cross | £1,101 | £1,250 | 88.1 | £438 | £1,343 | £2,083 | 64.5 | £729 |
| | Perry Vale | £1,049 | £2,083 | 50.4 | £729 | £1,300 | £2,917 | 44.6 | £1,021 |
| | Rushey Green | £901 | £2,083 | 43.2 | £729 | £1,200 | £2,917 | 41.1 | £1,021 |
| | Sydenham | £1,101 | £2,083 | 52.8 | £729 | £1,300 | £2,917 | 44.6 | £1,021 |
| | Telegraph Hill | £1,027 | £1,250 | 82.2 | £438 | £1,352 | £2,083 | 64.9 | £729 |
| | Whitefoot | £849 | £1,250 | 67.9 | £438 | £1,200 | £2,083 | 57.6 | £729 |

Key

| | |
|-------------------------|----|
| Up to and including 25% | 24 |
| Between 25% and 35% | 32 |
| 35% or more | 40 |

Sources: Zoopla PPD 2020, household income from 2021 CAMEO

Table 4.20 Affordability of owner occupation by ward and sub-area

| Geography | | Actual LQ price 2020 | LQ Gross household income 2021 (Annual £) | Income multiple required (assumes 10% deposit) | What would be an affordable property based on a 3.5x income multiple | Actual median price 2020 | Median Gross household income 2021 (Annual £) | Income multiple required (assumes 10% deposit) | What would be an affordable property based on a 3.5x income multiple |
|-----------|------------------|----------------------|---|--|--|--------------------------|---|--|--|
| District | Lewisham | £335,000 | £25,000 | 12.1 | £87,500 | £434,000 | £35,000 | 11.2 | £122,500 |
| Sub-area | North | £355,000 | £15,000 | 21.3 | £52,500 | £436,450 | £15,000 | 26.2 | £52,500 |
| | Central | £317,500 | £25,000 | 11.4 | £87,500 | £407,500 | £35,000 | 10.5 | £122,500 |
| | West | £360,000 | £25,000 | 13.0 | £87,500 | £471,000 | £35,000 | 12.1 | £122,500 |
| | East | £347,000 | £25,000 | 12.5 | £87,500 | £450,000 | £35,000 | 11.6 | £122,500 |
| | South | £310,000 | £15,000 | 18.6 | £52,500 | £367,000 | £25,000 | 13.2 | £87,500 |
| Ward | Bellingham | £280,000 | £15,000 | 16.8 | £52,500 | £367,000 | £25,000 | 13.2 | £87,500 |
| | Blackheath | £385,000 | £25,000 | 13.9 | £87,500 | £575,000 | £45,000 | 11.5 | £157,500 |
| | Brockley | £350,000 | £15,000 | 21.0 | £52,500 | £460,000 | £25,000 | 16.6 | £87,500 |
| | Catford South | £341,000 | £35,000 | 8.8 | £122,500 | £485,000 | £35,000 | 12.5 | £122,500 |
| | Crofton Park | £410,000 | £35,000 | 10.5 | £122,500 | £600,000 | £35,000 | 15.4 | £122,500 |
| | Downham | £315,000 | £15,000 | 18.9 | £52,500 | £350,000 | £25,000 | 12.6 | £87,500 |
| | Evelyn | £393,600 | £15,000 | 23.6 | £52,500 | £469,480 | £15,000 | 28.2 | £52,500 |
| | Forest Hill | £330,000 | £25,000 | 11.9 | £87,500 | £417,500 | £35,000 | 10.7 | £122,500 |
| | Grove Park | £280,000 | £25,000 | 10.1 | £87,500 | £380,000 | £25,000 | 13.7 | £87,500 |
| | Ladywell | £380,000 | £35,000 | 9.8 | £122,500 | £482,500 | £35,000 | 12.4 | £122,500 |
| | Lee Green | £375,000 | £25,000 | 13.5 | £87,500 | £517,500 | £35,000 | 13.3 | £122,500 |
| | Lewisham Central | £310,000 | £25,000 | 11.2 | £87,500 | £376,250 | £35,000 | 9.7 | £122,500 |
| | New Cross | £311,000 | £15,000 | 18.7 | £52,500 | £410,000 | £25,000 | 14.8 | £87,500 |
| | Perry Vale | £353,000 | £25,000 | 12.7 | £87,500 | £470,000 | £35,000 | 12.1 | £122,500 |
| | Rushey Green | £301,000 | £25,000 | 10.8 | £87,500 | £395,000 | £35,000 | 10.2 | £122,500 |
| | Sydenham | £324,000 | £25,000 | 11.7 | £87,500 | £425,000 | £35,000 | 10.9 | £122,500 |
| | Telegraph Hill | £377,600 | £15,000 | 22.7 | £52,500 | £490,000 | £25,000 | 17.6 | £87,500 |
| | Whitefoot | £320,000 | £15,000 | 19.2 | £52,500 | £400,000 | £25,000 | 14.4 | £87,500 |

Key:

| | |
|---------------------|-----|
| Up to 3.5x | 2.9 |
| Between 3.5x and 5x | 4.2 |
| 5x or more | 6.5 |

Sources: Land Registry © Crown copyright 2020, household income from 2021 CAMEO

Affordability of prices and rents to selected key workers and households on minimum/living wages

- 4.72 The extent to which borough-wide open market rents are affordable to selected keyworkers and households on minimum and living wages are explored in Table 4.21. Key workers on entry-level grades are generally having to spend more than 40% of their income as a minimum rent.
- 4.73 Table 4.22 considers the income multiples needed to buy a property based on the incomes of selected key workers and households on minimum/living wages. Analysis assumed that a 10% deposit was available and indicates that multiples well in excess of 3.5x were needed when buying a property. Only 25% shared ownership equity shares were broadly affordable to households.

Table 4.21 Incomes of key workers and households on minimum/living wage and rental affordability

| Income/Occupation/ Wage | Gross household income 2021 (Annual £) | Gross household income 2021 (Monthly £) | LQ Rent | Median Rent | LQ Rent | Median Rent |
|----------------------------|--|---|------------|----------------|------------|----------------|
| Police officer | | | | | | |
| Pay Point 0 | £21,402 | £1,784 | 61.7 | 75.8 | £1,101 | £1,352 |
| Pay Point 2 | £25,902 | £2,159 | 51.0 | 62.6 | £1,101 | £1,352 |
| Pay Point 4 | £28,158 | £2,347 | 46.9 | 57.6 | £1,101 | £1,352 |
| Nurse | | | | | | |
| Band 1 | £18,546 | £1,546 | 71.2 | 87.5 | £1,101 | £1,352 |
| Band 3 | £20,330 | £1,694 | 65.0 | 79.8 | £1,101 | £1,352 |
| Band 5 | £25,655 | £2,138 | 51.5 | 63.2 | £1,101 | £1,352 |
| Fire officer | | | | | | |
| Trainee | £24,191 | £2,016 | 54.6 | 67.1 | £1,101 | £1,352 |
| Competent | £32,244 | £2,687 | 41.0 | 50.3 | £1,101 | £1,352 |
| Teacher | | | | | | |
| Unqualified (min) | £18,169 | £1,514 | 72.7 | 89.3 | £1,101 | £1,352 |
| Main pay range (min) | £25,714 | £2,143 | 51.4 | 63.1 | £1,101 | £1,352 |
| Minimum/Living Wage | | | | | | |
| Age 23 and over | | | | | | |
| Single household | £16,038 | £1,337 | 82.4 | 101.2 | £1,101 | £1,352 |
| 1xFull-time, 1xPart-time | £24,057 | £2,005 | 54.9 | 67.4 | £1,101 | £1,352 |
| Two working adults | £32,076 | £2,673 | 41.2 | 50.6 | £1,101 | £1,352 |
| Age 21 and 22 | | | | | | |
| Single household | £15,048 | £1,254 | 87.8 | 107.8 | £1,101 | £1,352 |
| 1xFull-time, 1xPart-time | £22,572 | £1,881 | 58.5 | 71.9 | £1,101 | £1,352 |
| Two working adults | £30,096 | £2,508 | 43.9 | 53.9 | £1,101 | £1,352 |

Key

| | |
|--|---|
| | More than 35% of income spent on rent |
| | Between 25% and 35% of income spent on rent |
| | Less than 25% of income spent on rent |

Table 4.22 Incomes of households, selected key workers and households on minimum/living wage and open market prices

| | | | Property Prices | | | | | | | |
|---|----------------|---------|--------------------------------|----------|------------------------|------------------------|-------------|---------------------------------|---------------------------------|---------------------------------|
| | | | LQ | Median | Shared ownership (50%) | Shared ownership (25%) | Help to buy | Discounted Home Ownership (30%) | Discounted Home Ownership (25%) | Discounted Home Ownership (20%) |
| | | | | | | | | | | |
| Price>> | | | £335,000 | £434,000 | £217,000 | £108,500 | £434,000 | £303,800 | £325,500 | £347,200 |
| Price after deposit/loan>> | | | £301,500 | £390,600 | £195,300 | £103,075 | £303,800 | £288,610 | £309,225 | £329,840 |
| Gross household income 2020 (Annual £) | | | Ratio of house price to income | | | | | | | |
| CAMEO UK Household Income | LQ income | £25,000 | 12.1 | 15.6 | 7.8 | 4.1 | 12.2 | 11.5 | 12.4 | 13.2 |
| | Median income | £35,000 | 8.6 | 11.2 | 5.6 | 2.9 | 8.7 | 8.2 | 8.8 | 9.4 |
| | Average income | £33,818 | 8.9 | 11.6 | 5.8 | 3.0 | 9.0 | 8.5 | 9.1 | 9.8 |
| ONS Annual Survey of Hours and Earnings | ASHE LQ | £26,388 | 11.4 | 14.8 | 7.4 | 3.9 | 11.5 | 10.9 | 11.7 | 12.5 |
| | ASHE Median | £37,235 | 8.1 | 10.5 | 5.2 | 2.8 | 8.2 | 7.8 | 8.3 | 8.9 |
| | ASHE Average | £49,413 | 6.1 | 7.9 | 4.0 | 2.1 | 6.1 | 5.8 | 6.3 | 6.7 |
| Occupation | | Wage | Ratio of house price to income | | | | | | | |
| Police officer | | | | | | | | | | |
| Pay Point 0 | | £20,880 | 14.4 | 18.7 | 9.4 | 4.9 | 14.5 | 13.8 | 14.8 | 15.8 |
| Pay Point 2 | | £25,269 | 11.9 | 15.5 | 7.7 | 4.1 | 12.0 | 11.4 | 12.2 | 13.1 |
| Pay Point 4 | | £27,471 | 11.0 | 14.2 | 7.1 | 3.8 | 11.1 | 10.5 | 11.3 | 12.0 |
| Nurse | | | | | | | | | | |
| Band 1 | | £18,005 | 16.7 | 21.7 | 10.8 | 5.7 | 16.9 | 16.0 | 17.2 | 18.3 |
| Band 3 | | £19,337 | 15.6 | 20.2 | 10.1 | 5.3 | 15.7 | 14.9 | 16.0 | 17.1 |
| Band 5 | | £24,907 | 12.1 | 15.7 | 7.8 | 4.1 | 12.2 | 11.6 | 12.4 | 13.2 |
| Fire officer | | | | | | | | | | |
| Trainee | | £23,366 | 12.9 | 16.7 | 8.4 | 4.4 | 13.0 | 12.4 | 13.2 | 14.1 |
| Competent | | £31,144 | 9.7 | 12.5 | 6.3 | 3.3 | 9.8 | 9.3 | 9.9 | 10.6 |
| Teacher | | | | | | | | | | |
| Unqualified (min) | | £17,687 | 17.0 | 22.1 | 11.0 | 5.8 | 17.2 | 16.3 | 17.5 | 18.6 |
| Main pay range (min) | | £24,373 | 12.4 | 16.0 | 8.0 | 4.2 | 12.5 | 11.8 | 12.7 | 13.5 |
| Minimum/Living Wage | | | | | | | | | | |
| 23 and over | | | | | | | | | | |
| Single household (25 and over) | | £15,696 | 19.2 | 24.9 | 12.4 | 6.6 | 19.4 | 18.4 | 19.7 | 21.0 |
| 1xFull-time, 1xPart-time | | £23,544 | 12.8 | 16.6 | 8.3 | 4.4 | 12.9 | 12.3 | 13.1 | 14.0 |
| Two working adults | | £31,392 | 9.6 | 12.4 | 6.2 | 3.3 | 9.7 | 9.2 | 9.9 | 10.5 |
| 21 and 22 | | | | | | | | | | |
| Single household (21-24) | | £14,760 | 20.4 | 26.5 | 13.2 | 7.0 | 20.6 | 19.6 | 21.0 | 22.3 |
| 1xFull-time, 1xPart-time | | £22,140 | 13.6 | 17.6 | 8.8 | 4.7 | 13.7 | 13.0 | 14.0 | 14.9 |
| Two working adults | | £29,520 | 10.2 | 13.2 | 6.6 | 3.5 | 10.3 | 9.8 | 10.5 | 11.2 |

Key

| | |
|--|--|
| | More than 4.5x income multiple required |
| | Between 3.5x and 4.5x income multiple required |
| | Less than 3.5x income multiple required |

Concluding comments

- 4.74 The purpose of this chapter has been to understand the characteristics of the housing stock and consider how these characteristics influence the current housing market dynamics affecting the housing market within the borough. This chapter has provided detail on the current profile of dwellings by tenure, type and size along with property condition and property prices.
- 4.75 In terms of the tenure split, the 2011 Census reveals that 43.6% of households live in owner occupation, 25.3% in private rented housing and 31.0% in affordable housing. GLA 2018 data based on the Annual Population Survey (APS) estimates that 49.2% of the housing stock in Lewisham is owner occupied, 27.4% social rented and 23.4% private rented.

- 4.76 The 2011 Census data indicates that 55.3% of all occupied properties in the borough are flats and apartments. This varies significantly across tenures, with flats accounting for around three-quarters of private rented (73.5%) and social rented (71.4%) stock compared with only around one-third (33.2%) of owner-occupied properties. Across the borough, latest 2020 Valuation Office Agency data reports 59.6% of dwellings are flats, 40.2% of dwellings are houses, and 0.2% are bungalows.
- 4.77 Census data indicates similar trends in relation to property size. Whilst 58.5% of all housing stock has one or two bedrooms, this rises to 74.1% of private rented housing and 71.5% of social rented housing compared with only 40.4% of owner-occupied properties. The 2011 census reported that 59.6% of owner-occupied properties have three or more bedrooms compared with 25.9% of private rented and 28.5% of social rented housing. Across the borough, the latest 2020 Valuation Office Agency data reports 27.6% of dwellings have one bedroom, 33.1% two bedrooms, 29.7% three bedrooms and 9.6% four or more bedrooms.
- 4.78 An analysis of house prices and private rental costs indicates that open market housing has become hugely more expensive in the borough in recent years and remains above the national averages. In 2020, lower quartile house prices were £335,000 and median prices were £434,000. across the Borough of Lewisham. Lower quartile private rents in 2020 were £1,101 and median rents were £1,352.
- 4.79 The relative affordability of dwellings to buy or rent was explored at ward and borough level. Across the borough, the minimum income required for entry-level/lower quartile renting was £50,352. For buying an entry-level/lower quartile property, the minimum income required was £97,714 (Table 4.17). These calculations assumed that a rent is affordable if no more than 35% of household income is spent on rent and if buying a property should cost no more than 3.5x household income.
- 4.80 Analysis considered the affordability of rents and prices at ward, sub-area and borough level. Overall, households had to spend 52.8% of lower quartile income on a lower quartile rent and 46.4% of median income for median rents. In many areas, the income required was well in excess of 50%.
- 4.81 For open market purchase, the ratio of lower quartile income to price across the borough was 12.1x and for median income to median price it was 11.2x (Table 4.20). Both ratios are well above the benchmark of 3.5x income and ratio. Without substantial deposits the ability to buy is a challenge to many households.
- 4.82 Specific analysis of the affordability of renting and buying for key worker incomes and those on minimum/living wages was carried out. Key workers on entry-level grades are generally having to spend the majority of their income on rent.
- 4.83 For buying, analysis assumed that a 10% deposit was available but indicated that income multiples well in excess of 3.5x were generally needed to buy on the open market.

- 4.84 Using the evidence presented in this chapter, it is possible to establish what would be a genuinely affordable rent and purchase price across the Borough of Lewisham (Table 4.23). This is based on local incomes and assumes that no more than 35% of income is spent on rent and a household income multiple of 3.5x is applied to local household incomes when testing the affordability of buying.

| Table 4.23 Genuinely affordable rents and purchase prices by sub-area, ward and borough | | | | |
|--|--|--|---|---|
| Geography | Genuinely affordable LQ rent based on 35% of income | Genuinely affordable median rent based on 35% of income | Genuinely affordable LQ purchase price based on 3.5x income multiple | Genuinely affordable median purchase price based on 3.5x income multiple |
| Borough of Lewisham | £729 | £1,021 | £87,500 | £122,500 |
| Sub-area | | | | |
| North | £438 | £438 | £52,500 | £52,500 |
| Central | £729 | £1,021 | £87,500 | £122,500 |
| West | £729 | £1,021 | £87,500 | £122,500 |
| East | £729 | £1,021 | £87,500 | £122,500 |
| South | £438 | £729 | £52,500 | £87,500 |
| Ward | | | | |
| Bellingham | £438 | £729 | £52,500 | £87,500 |
| Blackheath | £729 | £1,313 | £87,500 | £157,500 |
| Brockley | £438 | £729 | £52,500 | £87,500 |
| Catford South | £1,021 | £1,021 | £122,500 | £122,500 |
| Crofton Park | £1,021 | £1,021 | £122,500 | £122,500 |
| Downham | £438 | £729 | £52,500 | £87,500 |
| Evelyn | £438 | £438 | £52,500 | £52,500 |
| Forest Hill | £729 | £1,021 | £87,500 | £122,500 |
| Grove Park | £729 | £729 | £87,500 | £87,500 |
| Ladywell | £1,021 | £1,021 | £122,500 | £122,500 |
| Lee Green | £729 | £1,021 | £87,500 | £122,500 |
| Lewisham Central | £729 | £1,021 | £87,500 | £122,500 |
| New Cross | £438 | £729 | £52,500 | £87,500 |
| Perry Vale | £729 | £1,021 | £87,500 | £122,500 |
| Rushey Green | £729 | £1,021 | £87,500 | £122,500 |
| Sydenham | £729 | £1,021 | £87,500 | £122,500 |
| Telegraph Hill | £438 | £729 | £52,500 | £87,500 |
| Whitefoot | £438 | £729 | £52,500 | £87,500 |

5. Housing need in the Borough of Lewisham

Introduction

- 5.1 This chapter sets out the evidence of the range of housing need under alternative scenarios to inform the preparation of the Local Plan that covers the period to 2040. The datasets considered in the analysis are:
- The evidence presented in the London Plan 2021;
 - 2014-based DCLG household projections.
- 5.2 The SHMA update reflects upon two options when considering future housing need: Option A recognising that housing need has already been established at the London level through the London Plan 2021; and Option B assessing housing need through the government's standard method.

Assessing housing need in Greater London

- 5.3 In the context of assessing housing need in Greater London, PPG is clear that the London Plan is responsible for establishing London-wide need and disaggregating this to individual Boroughs. The responsibility for the overall distribution of housing need (including the 35% uplift) in London lies with the Mayor rather than individual boroughs so there is no policy assumption that this level of need will be met within the individual boroughs. Local Planning Authorities should use the local housing need figure in the spatial development strategy and should not seek to revisit their local housing need figure when preparing new strategic or non-strategic policies.
- 5.4 Paragraph 1.4.4 of the London Plan states:
- 'The London Plan is able to look across the city to plan for the housing needs of all Londoners, treating London as a single housing market in a way that is not possible at a local level... Ten-year housing targets have been established for every borough... Boroughs can rely on these targets when developing their Development Plan Documents and are not required to take account of nationally-derived local-level need figures.'**
- 5.5 Paragraph 131 of the London Plan panel report states:
- 'Owing to the transitional arrangements for spatial development strategies the local housing need assessment referred to in the 2019 NPPF is not directly relevant to the current calculation of need in London. Therefore, the local housing need process would not apply, at the earliest, until the London Plan is reviewed.'**
- 5.6 The Secretary of State did not direct changes to the London Plan as he accepts the approach to meeting housing need in the adopted London Plan. Another London Borough Local Plan proposed a housing target in excess of their London Plan target and their inspector concluded that this approach was not appropriate.
- 5.7 Therefore overall, Lewisham should not plan for additional housing above and beyond the London Plan housing target. However, an alternative method has been considered using the standard method.

Establishing housing need using the standard methodology

- 5.8 An alternative housing need scenario has been considered using standard method.
- 5.9 The 2021 National Planning Policy Framework (NPPF) (Paragraph 60) states **‘to determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance - unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for’.**
- 5.10 The standard method comprises four steps: setting the baseline, an adjustment to take account of affordability and capping the level of increase with reference to the current status of relevant strategic policies for housing and a 35% cities and urban areas uplift.

Step 1: Setting the baseline

- 5.11 Planning Practice Guidance states that a baseline should be set using 2014-based national household projections for the local authority area. The projections are used to calculate the average annual household growth over a 10-year consecutive period. (PPG Paragraph 004 Reference ID: 2a-004-20201216). Over the period 2021 to 2031, the total number of households under the 2014-based household projections is set to increase by 21,942 or 2,194 each year.

Step 2: An adjustment to take account of affordability

- 5.12 The average annual projected household figure from Step 1 is then adjusted based on the affordability of the area using median workplace-based affordability ratios published by the ONS. The latest median price to income affordability ratio is 12.33 and an affordability adjustment of 1,5206 is established using the following formula:

$$\text{Adjustment factor} = 1 + ((\text{Local Affordability Ratio} - 4)/4) \times 0.25$$

- 5.13 Table 5.1 sets out the components of the dwelling need calculation using 2021 as a base year and 2020 affordability ratios. The basic demographic need under the 2014-based DCLG household projections are presented along with the affordability adjustment to establish the total annual dwelling need using the standard methodology.

| Table 5.1 Components of the dwelling need calculation for the Borough of Lewisham | | | | |
|---|----------------------------------|--------------------------|-------------------|--|
| Time period | Baseline annual demographic need | Affordability Adjustment | Adjustment factor | Total dwelling need under standard methodology |
| 2021-2031 | 2,194 | 2020 data | 1,142 | 3,336 |

5.14 This establishes an annual need for 3,336 dwellings.

Step 3: Capping the level of any increase

5.15 The PPG states ‘where these policies have been adopted within the last 5 years (at the point of making the calculation), the local housing need figure is capped at 40% above the average annual housing requirement figure set out in the existing policies’. (Source: Paragraph: 004 Reference ID: 2a-004-20201216). The cap is therefore 2,334 dwellings each year ($1,667 + (0.4 \times 1,667)$).

Housing need using the standard methodology

5.16 Based on the December 2020 PPG standard methodology and 2020 affordability ratios, the minimum local housing need for the Borough of Lewisham over the 2021 to 2031 is 2,334 dwellings each year.

Potential adjustments to the standard method

Overview

5.17 Having identified the minimum housing need under the standard model, further demographic analysis considers alternative demographic scenarios. A review of alternative demographic scenarios provides the evidence to confirm if the standard method provides an appropriate base for the assessment of need or whether there are any exceptional circumstances that would justify an alternative approach.

5.18 There is also provision in PPG to adjust the minimum housing need:

‘The standard method for assessing local housing need provides the minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates.

This will need to be assessed prior to, and separate from, considering how much of the overall need can be accommodated (and then translated into a housing requirement figure for the strategic policies in the plan). Circumstances where this may be appropriate include, but are not limited

to situations where increases in housing need are likely to exceed past trends because of:

- growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
- strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or
- an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.

There may, occasionally, also be situations where previous levels of housing delivery in an area, or previous assessments of need (such as a recently produced Strategic Housing Market Assessment) are significantly greater than the outcome from the standard method.

Authorities will need to take this into account when considering whether it is appropriate to plan for a higher level of need than the standard model suggests.’ (Source: PPG Paragraph 010 Reference ID: 2a-010-20201216).

- 5.19 To inform this analysis, the Council has provided details of relevant growth strategies and strategic infrastructure developments and any decisions to meet unmet need from neighbouring local authorities.

Regeneration Strategies and strategic infrastructure improvements

- 5.20 The Local Plan seeks to implement the two Opportunity Areas identified within the borough in the 2021 adopted London Plan. They include New Cross / Lewisham / Catford with an indicative 13,500 homes and 4,000 jobs and Deptford Creek / Greenwich Riverside (the latter part is located outside of the borough boundary) with an indicative 5,500 homes and 3,000 jobs. The major piece of transport infrastructure planned for the borough is the extension to the Bakerloo Line, with phase 1 passing through New Cross Gate to Lewisham and the longer term potential of extending the Bakerloo Line southwards through Catford to beyond the borough boundary to Hayes. The level of growth and transport investment set out above have already been taken into account in the London Plan and its London-wide SHMA.
- 5.21 No further uplifts to the housing number are necessary to support this level of dwelling need.

Meeting unmet need from other local authorities

- 5.22 The 2021 London Plan carefully considered the distribution of housing growth across London and sets targets for each London Borough. Lewisham has met with surrounding London Boroughs through the Duty to Cooperate to discuss strategic housing matters. Lewisham has not been asked to meet unmet need for other areas.

Affordable housing need

- 5.23 A detailed analysis of affordable housing need in accordance with PPG is presented at Technical Appendix B. This establishes an overall gross affordable need of 4,471 and after taking into account affordable lettings and new build, the net shortfall is 2,818 each year based on unmet need being cleared over 10 years. This justifies the need for a robust affordable housing policy. The Council does not need to meet this in full as PPG says **‘the total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments. An increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes’** (PPG Paragraph 024 Reference ID: 2a-024-20190202).
- 5.24 The 2021 London Plan has established a strategic target that 50% of new dwellings across London to be genuinely affordable. The Council already seeks 50% of new dwellings to be genuinely affordable.
- 5.25 The recommended tenure split is 70% social/affordable rented and 30% affordable home ownership. If the First Homes tenure is considered, the affordable tenure split adjusts to 59% social/affordable rented, 3% affordable rent and 38% affordable home ownership options (25% First Homes and 13% intermediate) based on PPG guidance. However, if First Homes are introduced as a tenure option, there will be an impact on the delivery of genuinely affordable housing including a displacement of around 330 units from other tenures of affordable housing over a five year period or 73 each year.
- 5.26 The introduction of First Homes will also hinder the ability of the Council to provide affordable housing; make it more difficult to meet the Mayor’s target of 50% genuinely affordable housing; and swapping shared ownership units for First Homes will result in the loss of grant for shared ownership units.
- 5.27 Providing First Homes will not meet the housing needs in Lewisham, given that the majority of people in need require genuinely affordable housing. Chapter 4 investigates the affordability challenge faced by residents within the borough and the following facts specific to Lewisham demonstrate the mismatch:
- A First Home with a discount at 30% below market value will cost £303,800 to buy in Lewisham, whereas a genuinely affordable purchase price is much lower at £87,500 (at 3.5 times the lower quartile household income) or £122,500 (at 3.5 times the median household income).
 - A household income of £82,460 will be needed to be able to afford a First Home at 30% discount below market value, whereas the lower quartile household income in Lewisham is £25,000 and the median income is £35,000.
 - When looking at the house price to income ratio for Lewisham, a First Home at 30% discount below market value is 11.5 times more than the lower quartile income and 8.2 more than the median income.
- 5.28 It is clear that only genuinely affordable housing (social rent or London Affordable Rent) is affordable for households on lower quartile incomes and

that households on lower quartile or median incomes could not truly afford intermediate or market sales products, including discounted home ownership.

- 5.29 The GLA shares concerns over the viability of delivering First Homes in London due to the price caps on properties and income caps on applicants. The GLA's Practice Note (July 2021) acknowledges that the London Plan does not preclude the delivery of First Homes as part of the intermediate offer but does not allow for the prioritization of First Homes above the tenures set out in London Plan Policy H6.
- 5.30 The London Borough of Camden has set a precedent by recently publishing a planning statement stating it will not seek the delivery of First Homes, with priority given to the development of social rent, London Affordable Rent and intermediate rent with prices related to local incomes.
- 5.31 Given the justifiable concerns over the affordability of First Homes, the impact First Homes would have on the delivery of affordable rented products and the scale of affordability pressures evidenced in the housing register it is considered that First Homes are not an appropriate affordable housing product for Lewisham. It is recommended that the council maintains an affordable housing policy focusing on the delivery of 70% social/affordable rented and 30% affordable home ownership products.
- 5.32 Regarding the standard method calculation, given the considerable uplift in overall housing need and an ambitious affordable housing target, a further upwards adjustment to accommodate more affordable housing is not suggested.

Housing to support economic growth

- 5.33 The Council should consider any strategic jobs growth targets to ensure that dwelling needs reflect wider corporate objectives. Any potential adjustment to the housing need figure can then be proposed.

Older and specialist housing need

- 5.34 The SHMA update in Chapter 6 evidences a need for around 2,422 additional units of older persons accommodation to 2040 which includes 1,969 C3 planning use class units such as Extra Care and sheltered/retirement housing and 453 units of C2 residential care units. This translates to an annual need for 98 C3 units and 23 C2 units. It is anticipated that the C3 need will be delivered as part of the housing need figure and no further adjustments are necessary. There is also likely to be an ongoing need for a small number of specialist housing units for people with additional needs which is expected to be accommodated within the housing need figure.

Previous delivery levels

- 5.35 Table 3.9 set out annual dwelling completions over the period 2010/11 to 2019/20 and compared this with policy targets. This indicates that the overall level of delivery has exceeded annual targets although delivery was below

target in four of the years. PPG notes that **‘the affordability adjustment is applied to take account of past under-delivery. The standard method identifies the minimum uplift that will be required and therefore it is not a requirement to specifically address under-delivery separately.’** As the standard method is being followed, and there are no shortfalls in delivery, no adjustment for previous delivery levels is required.

Alternative approaches to the standard method

- 5.36 Within PPG (Paragraph: 001 Reference ID: 2a-001-20190220) there is provision to use an alternative to the standard method where exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. This chapter has carefully reviewed the relevant aspects of the standard method which would warrant an alternative approach to housing numbers to be considered. No exceptional circumstances have been identified.

Concluding comments

- 5.37 This chapter has considered the need expressed in the London Plan (Option A) and the government’s standard approach to identifying housing need, drawing upon the latest available household projection data from the DCLG and MHCLG (Option B).
- 5.38 Under Option A, the adopted 2021 London Plan established a target for 1,667 net dwellings each year across the borough.
- 5.39 Under Option B, having applied the standard method to the borough, the result of household growth and affordability pressures results in a very substantial need for housing: 2,334 dwellings each year which includes a cap based on the 2021 London Plan figure. Without the cap, the minimum need is 3,336.
- 5.40 PPG clearly states that the London Plan is responsible for establishing London-wide need and disaggregating this to individual Boroughs. Therefore, the current position for the borough is a minimum housing need figure of **1,667** based on the 2021 London Plan target.

6. The needs of different groups

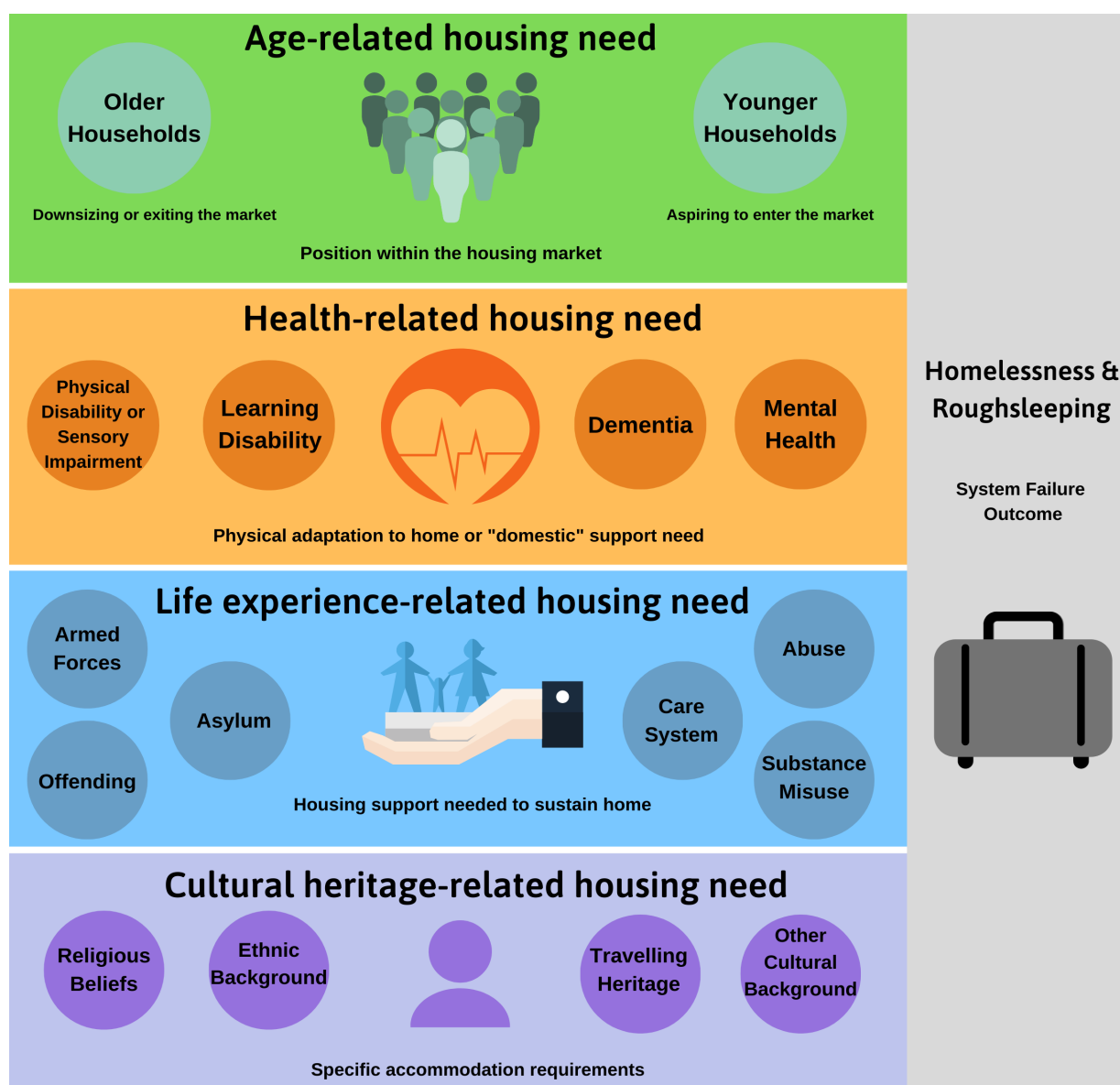
Introduction

- 6.1 Paragraph 62 of the NPPF 2021 refers to housing needs for different groups in the community and these fall into two broad groups: housing for people with additional needs and housing for specific household types.

Housing for people with additional needs

- 6.2 This groups includes older people and accommodation for people with disabilities which are further sub-divided into those with health-related and life-experience related needs as summarised in Figure 6.1.

Figure 6.1 Establishing need associated with age, health and life experience



- 6.3 The evidence base has been established based around these broad principles:
- people with additional needs are generally accommodated in mainstream housing and provided with care and support when needed;
 - some people will have complex and multiple needs and therefore may fall into several different categories of need;
 - some people require long-term accommodation to provide support for ongoing needs; and some require short-term supported housing which aims to support people for a period of time before moving on/back into mainstream housing; and
 - most people with additional needs will not need specialist supported housing but they may need adaptations to their homes and/or care and support provided in other ways.
- 6.4 The Lewisham Adult Health and Social Care Market Position Statement 2017 provides a range of information on the needs of different groups and relevant information is presented in this chapter.

Age-related housing need

- 6.5 Age-related housing need relates to the needs of specific age groups in the housing market due to life events and the impact this has on the need for dwellings of particular sizes/types and affordability. For older households this includes 'rightsizing' and adaptation of existing dwellings. For younger households, affordability is a particular concern and this has been considered elsewhere in the report. For this section we therefore focus upon the needs of older persons for particular unit types.

Housing for older people

- 6.6 The NPPF Annex 2 defines older people as **'people over or approaching retirement age, including the active, newly-retired through to the very frail elderly; and whose housing can encompass accessible, adaptable general needs housing through to the full range of retirement and specialist housing for those with care and support needs.'**
- 6.7 PPG recommends the following are considered in an assessment of older persons need:
- The future need for specialist accommodation (including but not restricted to age-restricted general market housing, retirement living or sheltered accommodation, Extra Care or housing with care), broken down by type and tenure.
 - The need for care in residential care and nursing homes (C2).
 - The need for co-housing communities.
 - The role of general housing and in particular bungalows and homes that can be adapted to meet a change in needs.

- 6.8 PPG notes that **‘plan-making authorities will need to count housing provided for older people against their housing requirement’** (source: PPG June 2019 Paragraph: 016 Reference ID: 63-016-20190626).
- 6.9 Over the period 2020 to 2040, **according to** the number of people aged 65 and over is expected to increase dramatically by 71.5% and by 2040 there will be an additional 21,074 residents aged 65 and over (**GLA 2019-based BPO population projections: Local Plan scenario (standard)**). The number of households headed by someone aged 65 or over is expected to increase by 13,000 (62.2%) between 2021 and 2040. (**ONS 2018-based household projections**)
- 6.10 The arc4 national database indicates that the majority of older people (76.6%) want to remain in their current home with help and support when needed (Table 6.1). There is also interest in a range of options including sheltered, Extra Care, co-housing and open market accommodation.

| Table 6.1 Older persons' housing preferences by age group | | | | |
|---|------------------|------------------|----------------|--------------------|
| Housing option | 65-74 (%) | 75-84 (%) | 85+ (%) | All 65+ (%) |
| Continue to live in current home with support when needed e.g. home visits, 'call for help' alarm | 71.3% | 81.8% | 84.3% | 76.6% |
| Buying a dwelling on the open market | 16.5% | 6.8% | 2.6% | 11.3% |
| Rent a dwelling from a private landlord | 3.5% | 1.3% | 0.5% | 2.4% |
| Rent from housing association | 11.6% | 7.4% | 4.5% | 9.2% |
| Rent from the council | 2.3% | 1.4% | 0.6% | 1.7% |
| Sheltered accommodation: Renting | 21.4% | 20.3% | 16.0% | 20.3% |
| Sheltered accommodation: Buying | 13.9% | 10.5% | 7.5% | 11.9% |
| Sheltered accommodation: Part rent/buy (shared ownership) | 5.1% | 4.2% | 3.3% | 4.5% |
| Extra Care Housing: Renting | 15.2% | 16.4% | 15.9% | 15.7% |
| Extra Care Housing: Buying | 10.1% | 8.3% | 6.7% | 9.0% |
| Extra Care Housing: Part rent/buy (shared ownership) | 3.9% | 3.1% | 2.9% | 3.5% |
| Residential Nursing/Care home | 5.0% | 7.3% | 18.3% | 7.5% |
| Co-housing | 10.2% | 8.5% | 6.8% | 9.2% |
| Go to live with children or other relatives/friends | 2.4% | 2.1% | 2.5% | 2.3% |
| Other | 1.4% | 1.2% | 1.3% | 1.4% |
| Base (all households in age group) | 201,944 | 131,846 | 49,535 | 383,325 |

Source: arc4 national database

- 6.11 The arc4 national database indicates 52.5% of older people planning to move would like to move to a property with fewer bedrooms but 35.2% would like to move to a property with the same number of bedrooms. More (65.3%) expect to move to a smaller property (Table 6.2). The general conclusion is that smaller dwellings are needed to accommodate older movers but there are households

who would require the same or even an increase in the number of bedrooms in their properties.

| Table 6.2 Future housing choices of older households (rightsizing) | | |
|--|----------------|-----------------|
| Housing choice | Aspiration (%) | Expectation (%) |
| Downsizing (moving to a smaller property) | 52.5 | 65.3 |
| Staying same | 35.2 | 28.1 |
| Upsizing (moving to larger property) | 12.4 | 6.7 |
| Total | 100.0 | 100.0 |
| Base (households responding) | 9,277 | 8,833 |

Source: arc4 national database

Future need for specialist older person accommodation and residential care provision

- 6.12 Across the Borough of Lewisham there are around 3,235 units of specialist older persons accommodation comprising 2,630 specialist older accommodation (C3 planning use class) and 605 units of residential care (C2 use class). Map 6.1 and Table 6.3. shows the current number of older persons units of accommodation across the borough using data provided by the Elderly Accommodation Counsel.

| Table 6.3 Categories of older person accommodation | | |
|--|-------------------------|---|
| Category (and planning use category) | Current number of units | Description |
| Age-exclusive housing (C3) | 1,045 | <p>EAC definition: Schemes or developments that cater exclusively for older people, usually incorporate design features helpful to older people and may have communal facilities such as a residents' lounge, guest suite and shared garden, but do not provide any regular on-site support to residents.</p> <p>PPG definition: This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.</p> |
| Care homes (C2) | 200 | <p>EAC definition: A residential setting where a number of older people live, usually in single rooms, and have access to on-site care services. Since April 2002 all homes in England, Scotland and Wales are known as 'care homes', but are registered to provide different levels of care. A home registered simply as a care home will provide personal care only - help with washing, dressing and giving medication.</p> |

| Table 6.3 Categories of older person accommodation | | |
|--|-------------------------|---|
| Category (and planning use category) | Current number of units | Description |
| | | PPG definition: These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes. |
| Care home with nursing (C2) | 405 | A home registered as a care home with nursing will provide the same personal care but also have a qualified nurse on duty twenty-four hours a day to carry out nursing tasks. These homes are for people who are physically or mentally frail or people who need regular attention from a nurse. |
| Enhanced sheltered/close care (C3) | 0 | Sheltered housing that provides more in facilities and services than traditional sheltered housing but does not offer the full range of provision that is found in an Extra Care housing scheme |
| Retirement/Sheltered housing (C3) | 1,246 R 16 S | EAC definition: Sheltered housing (S) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. Retirement housing (R) means housing developments of a similar type to sheltered housing, but built for sale, usually on a leasehold basis. The term sheltered housing is now largely superseded by retirement housing. PPG definition: This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services but provides some support to enable residents to live independently. This can include 24-hour on-site assistance (alarm) and a warden or house manager. |
| Extra Care housing or housing with care (C3) | 323 | EAC definition: Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home. |

| Table 6.3 Categories of older person accommodation | | |
|--|-------------------------|--|
| Category (and planning use category) | Current number of units | Description |
| | | <p>PPG definition: This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.</p> <p>Note Extra Care can also provide accommodation for people with additional needs who are not older people</p> |
| Total | 3,235 | |

Source: EAC data 2021

- 6.13 Given the ageing of the population, the need for specialist older person accommodation is expected to increase. Based on population there is an additional need for 2,164 additional units of specialist older persons' accommodation by 2040 (Table 6.4).
- 6.14 The Lewisham Market Position Statement (MPS) 2017 notes that:
- Provision of residential and nursing care has shrunk considerably and there is a shortage of local residential and nursing care provision.
 - Domiciliary care in Lewisham is led by four agencies in different geographical areas. Recruitment to workers in domiciliary care is challenging.
 - Extra Care provision is being developed but the sector has not so far had the anticipated impact on residential care admissions.
 - Retirement living is provided primarily by the social rented sector. Increasingly older people prefer not to live in these old-style sheltered schemes. Preferring to remain in family homes with equipment such as the community alarm service and support from care workers.
- 6.15 The MPS identified the following priorities for older people:
- A spectrum of housing and accommodation types and a choice of tenures, recognising that people want to live in their own home, whether the family home or older people's housing including retirement living, assisted living or Extra Care /flexi-care developments.
 - Nursing care provision to meet the increasingly complex needs that people are living with for longer. Specialist nursing services are needed for

moderate dementia where behaviour challenges and nursing care for severe dementia where physical health needs accompany advancing stages of dementia.

- Nursing home provision for short-term stays for people leaving hospital and reablement.
- Nursing care for people at the end of life, both in nursing homes and in people's own homes.

6.16 The total additional need for specialist older person dwellings across Lewisham is projected to be 2,422 by 2040 (Table 6.4). This is broken down to 1,969 units of planning use class C3 dwelling units (for instance sheltered or extra care housing) and 453 units of planning use class C2 dwelling units (for instance residential care). This translates to an annual need for 98 C3 dwellings which is part of the overall annual housing need for Lewisham plus 23 units of C2 dwellings each year. This C2 need compares to a benchmark of 100 specialist older persons dwellings 2017 to 2029 set out in Table 4.3 of the London Plan 2021.

Table 6.4 Analysis of future need for specialist older person accommodation 2020-2040

| Current provision (and planning use class) | Number of units 2021 | Number aged 75 and over 2020 | Number aged 75 and over 2040 (projected) | Change in need |
|--|----------------------|--|--|----------------|
| | | 13,174 | 23,039 | |
| | | Ratio of population to current provision | Ratio applied to 2040 population | |
| Specialist older person (C3) | 2,630 | 0.19964 | 4,599 | 1,969 |
| Residential Care (C2) | 605 | 0.04592 | 1,058 | 453 |
| Total | 3,235 | | 5,657 | 2,422 |

Source: EAC data, GLA 2019-based BPO Local Plan (standard) projections

Senior cohousing communities

- 6.17 Senior cohousing is specifically mentioned in PPG as a housing option for older people: **'Senior co-housing communities are created and run by residents, based on the intention to live with a group of people of a similar age. The sites often consist of self-contained private homes as well as shared community space. Some communities offer an additional option for informal care'**.
- 6.18 This option should be considered by the Council as part of a diverse range of accommodation for older people.

People with dementia and early onset dementia

- 6.19 The PPG makes specific reference to dementia and that **'there should be a range of housing options and tenures available to people with dementia,**

including mainstream and specialist housing. Innovative and diverse housing models should be considered where appropriate' (source: June 2019 PPG Paragraph: 019 Reference ID: 63-019-20190626).

- 6.20 The PPG also outlines the characteristics of a dementia- friendly communities:
- easy to navigate physical environment;
 - appropriate transport;
 - communities shaped around the views of people with dementia and their carers;
 - good orientation and familiarity;
 - reduction in unnecessary clutter; and
 - reduction in disorienting visual and auditory stimuli.
- 6.21 2020 POPPI/PANSI data estimates there are 72 people with early onset dementia and 2,985 people aged 65 and over with dementia (Table 6.5). By 2040, the number of people aged 65 and over with dementia is projected to increase by 48%, with an increase of 70% amongst the 85+ age group. The number with early onset dementia is expected to decrease slightly.

| Table 6.5 People with dementia | | | |
|---------------------------------------|-------------|-------------|---------------------------|
| Dementia | 2020 | 2040 | % Change 2020-2040 |
| Early onset dementia (30-64) | 72 | 71 | -1.4% |
| Dementia (65-74) | 597 | 670 | 12.2% |
| Dementia (75-84) | 1,187 | 1,706 | 43.7% |
| Dementia (85 and over) | 1,201 | 2,041 | 69.9% |
| Dementia (total 65+) | 2,985 | 4,417 | 48.0% |

Source: POPPI/PANSI

- 6.22 A report by the All Party Parliamentary Group (APPT) on Housing and Care for Older People published a report on Housing for People with Dementia in July 2021
https://www.housinglin.org.uk/_assets/Resources/Housing/Support_materials/Reports/HCOP_APPG_Dementia_Housing_and_Care_Inquiry-LowRes.pdf
- 6.23 This set out 23 recommendations which:
- Recognise potential future loneliness and how we can maintain our family connections and wider social networks in the communities we live in before or after diagnosis.
 - Consider whether to move whilst we are able: rightsizing and moving to the right place and environment whilst able to still develop new routes and make new friends.

- Make preventive changes, incrementally, to the home environment; such as when upgrading property or installing new technology, or where we require additional personal care and support to help us to live independently.
- 6.24 Regarding housing and planning, the report recommended:
- Support increased provision of Extra Care housing / assisted living accommodation and retirement housing that is dementia-ready, with top-sliced grant-aid through Homes England.
 - Strengthen MHCLG guidance to local planning authorities. LPAs should respond to demographic change and the need for more homes designed for older people, including those with dementia, through Local Plans specifying requirements for age-friendly housing.
- 6.25 The MPS states there remain gaps in the availability of appropriate housing options for people living with dementia including Extra Care facilities and in particular access to elderly mentally impaired care and nursing home beds in the borough for service users with higher and more challenging care needs.

The role of general housing and in particular bungalows and homes that can be adapted to meet a change in needs

- 6.26 The profile of dwellings occupied by households aged 65 and over by age group, using the arc4 national database, is summarised in Table 6.6. This shows that the majority (64%) live in houses, particularly those with 3 or more bedrooms; 22.2% live in bungalows, 13.7% in flats and 1.1% in other dwelling types. Note that in Lewisham, there is a low proportion of bungalows and the likely dwellings occupied by older people is likely to be skewed towards other property types and in particular flats.

| Table 6.6 Dwellings occupied by households where the HRP is aged 65 and over | | | | |
|--|----------|----------|--------|---------|
| Dwelling type and size | 65 to 74 | 75 to 84 | 85+ | Total |
| 1 or 2-bedroom house | 13.1% | 13.6% | 12.8% | 13.2% |
| 3 or-more bedroom house | 54.6% | 46.0% | 36.1% | 49.7% |
| 1-bedroom bungalow | 3.4% | 5.1% | 6.6% | 4.3% |
| 2 or more-bedroom bungalow | 15.2% | 21.0% | 22.4% | 17.9% |
| 1-bedroom flat | 6.2% | 6.1% | 8.9% | 6.5% |
| 2 or more-bedroom flat | 6.5% | 7.2% | 11.7% | 7.3% |
| Other | 1.0% | 1.1% | 1.5% | 1.1% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% |
| Base | 349,050 | 200,566 | 69,218 | 618,834 |

Source: arc4 national database

Note the proportion living in houses will be lower in the Borough of Lewisham

- 6.27 The provision of appropriate adaptations to existing dwelling stock can help people lead independent lives. PPG also asks councils to consider the extent to

which existing dwelling stock can help meet the needs of older people (source: PPG 2019 Paragraph: 017 Reference ID: 2a-017-20190220).

- 6.28 Given that the majority of older people want to remain in their own homes with help and support when needed, the arc4 national database provides a useful insight into the proportion of households who need care and support and the extent which properties are adapted (Table 6.7).
- 6.29 Table 6.7 shows that 7.6% of all households require care and support to enable them to stay in their home. This is highest amongst 85 and over age group and from households living in affordable housing. Of households with a household reference person aged 85 and over, 31.2% require help and support to enable occupiers to stay in their own home.
- 6.30 62.8% of households have sufficient space for a carer to stay overnight if needed – and this increases to 72% across 75 and over older age groups. Owner occupiers were most likely to have space available, but private and in particular social renters were less likely. Around 40% of respondents in affordable housing had sufficient space for a carer.
- 6.31 Around 7.5% of all dwellings had been adapted or purpose-built for a person with a long-term illness, health problem or disability. This was highest amongst affordable housing occupants (19%) and lowest amongst owner occupiers (4.7%). Older people were more likely to live in an adapted home, with 14.8% of households with a Household Reference Person (HRP) aged 75-84 and 25.5% with a HRP aged 85+ living in adapted homes.

| Table 6.7 Adaptations, support needs and space for carer by tenure and age group | | | |
|---|---|--|--|
| | Is there sufficient space in your home for a carer to stay overnight, if this was needed? | Do you, or any other members of your household, require care or support to enable you/them to stay in this home? | Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability? |
| Tenure | Yes (%) | Yes (%) | Yes (%) |
| Owner Occupied | 73.6% | 5.3% | 4.7% |
| Private Rented | 45.1% | 7.9% | 5.0% |
| Affordable | 39.8% | 15.6% | 19.0% |
| All tenures | 62.8% | 7.6% | 7.5% |
| Age of household reference person | Yes (%) | Yes (%) | Yes (%) |
| Under 65 | 59.6% | 6.2% | 5.8% |
| 65 to 74 | 73.9% | 7.4% | 10.4% |
| 75 to 84 | 71.2% | 12.6% | 14.8% |
| 85 and over | 71.2% | 31.2% | 25.5% |
| All age groups | 62.8% | 7.6% | 7.5% |

Source: arc4 database

Estimating future need for adaptations and home improvement

- 6.32 The arc4 national database provides evidence of the range of adaptations and home improvements needs based on the age group of the household reference person (Table 6.8). Better heating, more insulation and double glazing were most frequently mentioned improvements needed, particularly amongst under 65 households. The need for a downstairs toilet was mentioned by older groups. Regarding adaptations, these were mainly mentioned by older households and most frequently mentioned were bathroom adaptations, internal and external handrails/grabrails and kitchen adaptations. The need for adaptations was generally highest amongst the 75+ age group. These requirements are self-determined by residents responding to the household survey and may not necessarily reflect actual requirements following an independent assessment in the home.

| Table 6.8 Adaptations and home improvements required by age group | | | | | |
|---|-----------------------------|---------|--------|--------|---------|
| Adaptation/improvement required | Age group (% of households) | | | | Total |
| | Under 45 | 45-64 | 65-74 | 75+ | |
| Home improvement | | | | | |
| More insulation (loft, wall cavities) | 26.7% | 19.5% | 12.2% | 7.5% | 19.2% |
| Community alarm service | 3.2% | 4.0% | 6.1% | 11.4% | 4.9% |
| Better heating | 24.1% | 21.5% | 15.9% | 13.3% | 20.5% |
| Double glazing | 20.8% | 17.5% | 10.8% | 7.8% | 16.4% |
| Improved ventilation | 8.6% | 4.4% | 2.5% | 1.6% | 5.0% |
| Downstairs WC | 5.8% | 8.1% | 10.0% | 11.0% | 8.0% |
| Increase the size of property (e.g. extension, loft conversion) | 17.8% | 6.6% | 2.8% | 1.7% | 8.8% |
| Adaptations | | | | | |
| Adaptations to bathroom | 7.9% | 13.6% | 18.6% | 21.8% | 13.6% |
| Adaptations to kitchen | 9.4% | 8.3% | 6.3% | 7.2% | 8.2% |
| External handrails /grab rails | 4.0% | 7.2% | 10.5% | 14.9% | 7.6% |
| Internal handrails /grab rails | 5.3% | 9.4% | 12.9% | 18.0% | 9.7% |
| Stair lift / vertical lift | 3.1% | 6.5% | 10.3% | 15.0% | 7.0% |
| Adaptations relating to sensory needs | 7.5% | 5.2% | 3.8% | 2.6% | 5.4% |
| Improvements to access (e.g. level access in and around home) | 3.3% | 4.4% | 4.4% | 6.5% | 4.3% |
| Wheelchair adaptations (including door widening and ramps) | 3.1% | 4.2% | 4.6% | 7.0% | 4.2% |
| Lever door handles | 2.2% | 2.9% | 2.5% | 2.7% | 2.6% |
| Room for a carer | 2.6% | 3.2% | 2.2% | 3.6% | 2.9% |
| Base (all households) | 106.161 | 179.922 | 56.235 | 49.085 | 391.403 |

Source: arc4 national database

- 6.33 Resources for aids and adaptations remain limited, particularly for households in the private sector (owner occupation or privately rented accommodation). However, the provision of appropriate adaptations is essential to older

households in maintaining independent living. Alternative sources of funding, such as equity loans, could be considered to finance remedial measures required by older person households. It should be pointed out that whilst local authorities will assess anyone's needs, assistance is currently means tested and some older person households will self-fund.

Assistance in the home

- 6.34 The arc4 national database also provides information on a range of practical assistance required from households by age group (Table 6.9). Overall, the highest level of need is for help with repair and maintenance of the home, help with gardening and help with cleaning the home. For all types of assistance, the level of need increases with age which includes the need for company/friendship, mentioned by one-third of people aged 75 and over.

| Table 6.9 Type of assistance required age group | | | | | |
|---|---|---------|---------|---------|-----------|
| Type of help needed now or in next 5 years | % households needing help by age group of HRP | | | | |
| | Under 45 | 45-64 | 65-74 | 75+ | All |
| Help with repair and maintenance of home | 30.4% | 35.8% | 45.3% | 52.1% | 38.2% |
| Help with gardening | 17.1% | 26.8% | 46.1% | 64.8% | 32.6% |
| Help with cleaning home | 11.6% | 19.3% | 30.5% | 52.8% | 23.7% |
| Help with other practical tasks | 9.8% | 16.6% | 24.2% | 44.2% | 19.9% |
| Help with personal care | 9.0% | 14.3% | 16.5% | 26.7% | 15.1% |
| Want company / friendship | 9.7% | 14.4% | 17.7% | 32.2% | 16.2% |
| Base (all households) | 323,285 | 650,785 | 213,315 | 183,844 | 1,371,229 |

Source: arc4 national database

Health-related housing need

- 6.35 A range of sources can be drawn upon to establish the overall scale of disability/support needs across Lewisham. In summary:
- The 2011 Census reported that across the borough 83.4% were in very good or good health, 11.6% were in fair health and 5% in bad/very bad health (particularly across older age groups). A total of 44,424 residents (16.6%) were in fair/bad/very bad health which compares with 18.3% across England.
 - 6.8% of residents reported that their daily activities were limited 'a lot' and 7.3% 'a little' which compares with 8.3% and 9.3% respectively across England. This is mainly associated with older age groups.
 - 7,590 people received Disability Living Allowance in 2018 or 2.5% of the population.
 - The ONS Family Resources Survey 2018/19 estimates that around 21% of the population nationally has a disability and disability prevalence by age

group is provided. Applied to the borough's population, an estimated 55,790 or 17.9% of the population have a disability which is projected to increase to 67,340 by 2040.

Physical disability

- 6.36 POPPI and PANSI (Projecting Older People Population Information/Projecting Adult Needs and Service Information, Oxford Brookes University/Institute of Public Care) provides data on the likely prevalence in 2020 of a range of physical disabilities and how this is expected to change by 2040 (Table 6.10). In 2020, there were an estimated 15,330 people with mobility issues across all age groups which is projected to increase to 19,484 by 2040 mainly due to an increase in the number of people aged 65 with mobility issues.

| Table 6.10 Physical disability prevalence | | | |
|---|--------|--------|--------------------|
| Disability (age group) | 2020 | 2040 | % change 2020-2040 |
| Impaired mobility (18-64) | 9,972 | 11,169 | 12.0% |
| Mobility (unable to manage at least one activity on own) (65+) | 5,358 | 8,315 | 55.2% |
| Moderate or serious personal care disability (18-64) | 8,938 | 10,014 | 12.0% |
| Serious visual impairment (18-64) | 137 | 146 | 6.8% |
| Moderate or severe visual impairment (65+) | 2,544 | 4,089 | 60.7% |
| Severe hearing loss (18-64) | 1,121 | 1,238 | 10.4% |
| Severe hearing loss (65+) | 2,317 | 3,560 | 53.6% |
| All with mobility issues (impaired mobility 18-64 and mobility 65+) | 15,330 | 19,484 | 27.1% |

Source: POPPI/PANSI

- 6.37 The MPS 2017 notes it is important to help people with a physical disability to live life as independently as possible in the community by providing:
- Better transport;
 - Co-ordination of services; and
 - Better physical access to building and around the streets.
- 6.38 Concerns have been raised in the MPS about the delivery of adaptations, how to tackle poor workmanship and/or over-pricing – there is no trusted trader scheme for example.

Learning disability and autism

- 6.39 The number of people across all age groups in the borough with moderate or severe learning disabilities is estimated to be around 1,266 in 2020 rising to 1,391 by 2040 (Table 6.11). There is a notable growth in the number of people

aged 65 and over with learning disabilities. Around 2,360 people have autistic spectrum disorders in 2020 and this is expected to increase to 2,671 by 2040.

Table 6.11 Learning disability and autism

| Learning disability (age group) | 2020 | 2040 | % change 2020-2040 |
|---|-------|-------|--------------------|
| Total (18-64) | 5,152 | 5,491 | 6.6% |
| Total (65+) | 612 | 984 | 60.7% |
| Moderate or severe (18-64) | 1,183 | 1,256 | 6.2% |
| Moderate or severe (65+) | 83 | 135 | 62.1% |
| Moderate or severe (all ages) | 1,266 | 1,391 | 9.9% |
| People with LD living with a parent (18-64) | 461 | 479 | 3.9% |
| Downs syndrome (18+) | 133 | 143 | 7.2% |
| Challenging behaviour (18-64) | 94 | 100 | 6.8% |
| Autistic spectrum disorders (18-64) | 2,094 | 2,233 | 6.6% |
| Autistic spectrum disorders (65+) | 266 | 438 | 64.7% |
| Autistic spectrum disorders (all) | 2,360 | 2,671 | 13.2% |

Source: POPPI/PANSI

- 6.40 The Lewisham MPS 2017 notes that the Council makes less use of residential provision than it used to, with out of area placements provided through a range of agencies. For people with learning disabilities there are some community based options, with around 200 people with day-care placements, 130 people receive help with supporting living, 11 adult placements within the Shared Lives scheme and 3 people live in Extra Care housing.
- 6.41 The MPS also notes that the supply of local community-based activities and support is very important to people with a learning disability and the work of Community Connections is key to this.

Mental health

- 6.42 2020 POPPI/PANSI data estimates there are around 39,885 residents with a common mental health disorder in 2020 (Table 6.12). This is expected to increase to 42,600 by 2040. Depression amongst people aged 65 or over is expected to increase considerably.

Table 6.12 Mental health prevalence

| Mental health 18-64 | 2020 | 2040 | % change 2020-2040 |
|-------------------------------------|-------------|-------------|---------------------------|
| Common mental disorder | 39,885 | 42,600 | 6.8% |
| Borderline personality disorder | 5,064 | 5,409 | 6.8% |
| Antisocial personality disorder | 7,035 | 7,514 | 6.8% |
| Psychotic disorder | 1,475 | 1,575 | 6.8% |
| Psychotic disorders (2 or more) | 15,175 | 16,208 | 6.8% |
| Older people with depression | 2020 | 2040 | % change 2020-2040 |
| Depression 65+ | 2,543 | 4,085 | 61% |
| Severe depression (65+) | 798 | 1,270 | 59% |

Source: POPPI/PANSI

- 6.43 The Lewisham MPS 2017 notes a need to reduce the level of expenditure on in-patient services to support investment in alternatives to hospital admission, and to increase support for people with mental health problems in primary care and community-based services. Voluntary and Community Sector (VCS) projects contribute to rehabilitation and the reduction of social isolation, especially so in mental health. However, these projects are fragments and how these can be incorporated into the borough's plans for developing community-based cares should be considered.

Accessible and wheelchair standard housing

- 6.44 PPG states that **'where an identified need exists, plans are expected to make use of the optional technical housing standards (footnote 46 of the NPPF). To help bring forward an adequate supply of accessible housing. In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:**

- **M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement);**
- **M4(2) Category 2: Accessible and adaptable dwellings; and**
- **M4(3) Category 3: Wheelchair user dwellings**

'Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site-specific factors ' (source: PPG June 2019 Paragraph: 009 Reference ID: 63-009-20190626).

- 6.45 Regarding evidencing the need for accessible housing, PPG states:

'Based on their housing needs assessment and other available datasets it will be for local planning authorities to set out how they intend to approach demonstrating the need for Requirement M4(2) (accessible and adaptable dwellings), and/or M4(3) (wheelchair user dwellings), of the

Building Regulations. There is a wide range of published official statistics and factors which local planning authorities can consider and take into account, including:

- the likely future need for housing for older and disabled people (including wheelchair user dwellings).
- size, location, type and quality of dwellings needed to meet specifically evidenced needs (for example retirement homes, sheltered homes or care homes).
- the accessibility and adaptability of existing housing stock.
- how needs vary across different housing tenures.
- the overall impact on viability.’ (source: Para: 007 Reference ID: 56-007-20150327’

6.46 Optional accessibility standards for dwellings were introduced by the government in 2015 to provide a mechanism for improving accessibility of housing for those with additional needs (Table 6.13). National standards have been established and contained within Part M Volume 1 of the Building Regulations (source: https://www.planningportal.co.uk/info/200135/approved_documents/80/part_m_-_access_to_and_use_of_buildings as set out in Table 6.13. Only one accessible housing standard can apply to any dwelling. The M4(2) accessible and adaptable dwelling standard is based on, and in 2015 effectively replaced, the ‘Lifetime Homes’ standard.

Table 6.13 Summary of accessible housing standards

| Standard Label | Standard title | Level of accessibility provided | Mandatory or optional |
|----------------|------------------------------------|---|-----------------------|
| M4(1) | Visitable dwellings | Level access not necessarily provided into the dwellings – few accessibility features | Mandatory |
| M4(2) | Accessible and adaptable dwellings | Level access is provided into the dwelling – easy to adapt to make more accessible – not suitable for most wheelchair users | Optional |
| M4(3) | Wheelchair user dwellings | Dwellings suitable for wheelchair users: either wheelchair adaptable (a) or wheelchair accessible (b) | Optional |

6.47 It should be noted that Part M of the Building Regulations sets a distinction between wheelchair accessible (a home readily useable by a wheelchair user at the point of completion) and wheelchair adaptable (a home that can be easily adapted to meet the needs of a household including wheelchair users) dwellings (source: PPG Paragraph: 009 Reference ID: 56-009-20150327).

- 6.48 Table 6.14 sets out a need for wheelchair accessible dwellings under different assumptions. The Council has established a policy requirement of 10% of new dwellings to be wheelchair accessible which is consistent with the London Plan 2021 policy D7 Accessible Housing.
- 6.49 According to PPG (source: PPG Paragraph: 009 Reference ID: 56-009-20150327), **'Local Plan policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling.'** This would imply that the onus on wheelchair accessible housing delivery is with the local authority/registered providers, but private developers should also be encouraged to build to M4(3) wheelchair accessible or adaptable homes where appropriate. Any final targets should be set within the context of likely levels of delivery.

Table 6.14 Wheelchair use assumptions and resulting annual need

| Assumption | % requirement | Number each year (based on net annual target of 1,667 new dwellings) |
|---|---------------|--|
| Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair all the time | 0.6% | 10 |
| Wheelchair use from the English Housing Survey 2018/19 – households using wheelchair either indoors or outdoors | 3.0% | 50 |
| Aspire report on wheelchair accessible housing (*) | 10% | 167 |
| Core Strategy Policy requirement | 10% | 167 |
| 2021 London Plan Policy D7 | 10% | 167 |

(*) Wheelchair Accessible Housing: Waiting for appropriate housing in England, Aspire October 2014 recommends that the national government should set a minimum requirement of 10% of all new build properties across all tenures to be wheelchair accessible.

- 6.50 Given the ageing demographic of Lewisham and the identified levels of disability amongst the population, it is recommended that a policy to provide new homes built to accessibility standards is included in the Local Plan. On the basis of available evidence which takes into account the requirements of PPG and policy D9 Accessible Housing of the 2021 London Plan it is recommended that:
- At least 10% of dwellings (which are created via works to which Part M Volume 1 of the Building Regulations applies) meet Building Regulation requirement M4(3) 'wheelchair user dwellings'
 - All other dwellings (which are created via works to which Part M Volume 1 of the Building Regulations applies) meet Building Regulation requirement M4(2) 'accessible and adaptable dwellings'

- 6.51 It should be noted however that any percentage requirements for accessible housing are subject to cumulative viability testing. It is also recommended that needs are monitored closely given the ageing population over the plan period.

Life experience-related housing need

Armed forces

- 6.52 Lewisham is a signatory to the Armed Forces Covenant which seeks to provide support in a range of areas including housing to in-service and ex-service personnel.
- 6.53 The 2019 SHMA identified 9 applicants on the housing register from former armed forces personnel. These households mainly require smaller one and two-bedroom dwellings. There were no specific views raised by stakeholders regarding accommodation needs for this group.

Cultural heritage related housing need

- 6.54 For those from a minority ethnic background there may be cultural heritage or religion related determined needs which impact on the type of accommodation required. This would include the specific needs of particular Black, Asian and Minority ethnic (BAME – households not identifying as 'White British') households as well as those from Travelling communities.

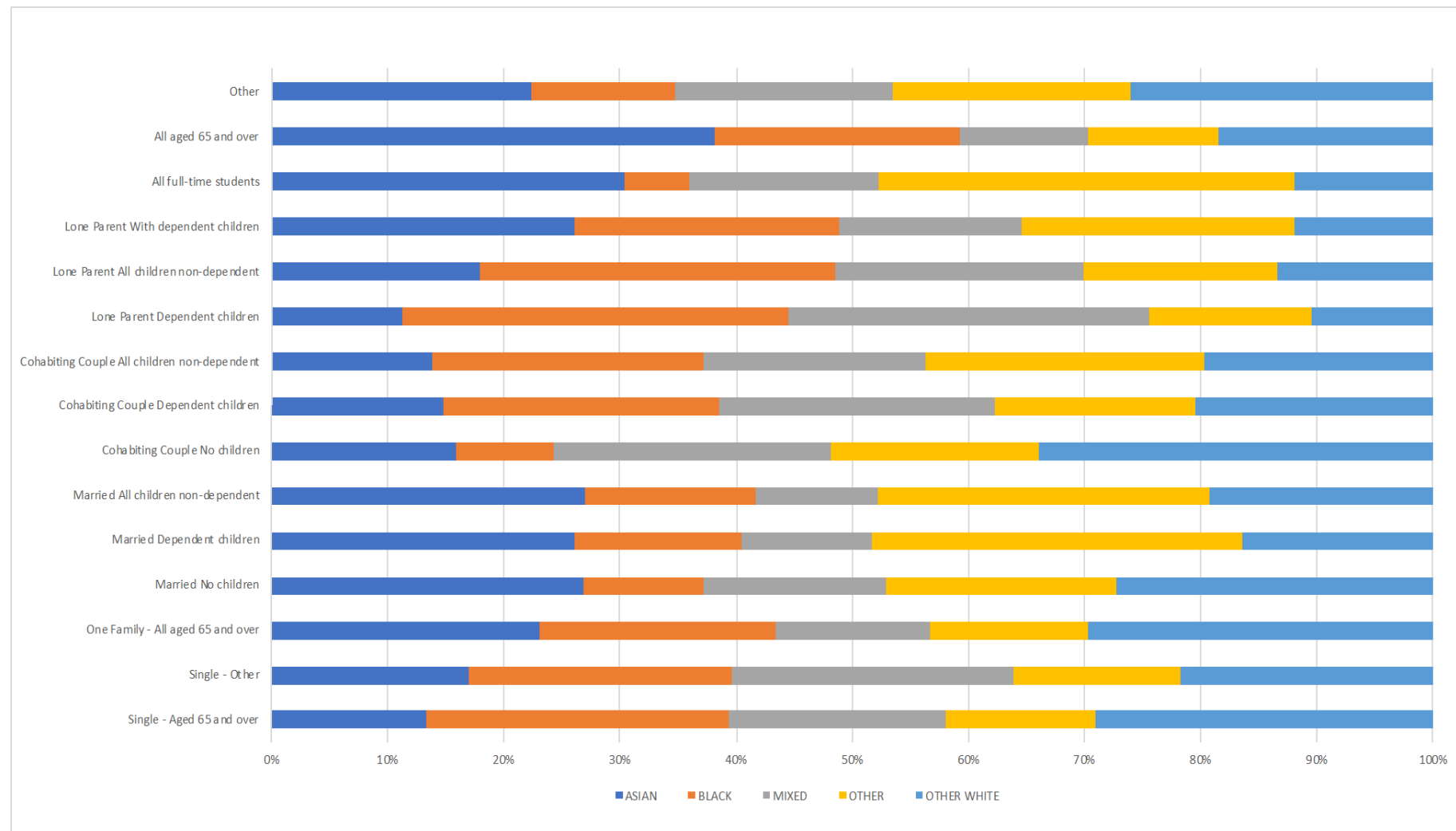
BAME households

- 6.55 Census 2011 data reveals that 52.2% of households have a household reference person from a Black, Asian and Minority Ethnic group. Overall, 47.8% of household reference people identify as White British, 12.7% White Other, 26% Black/Black British, 7.3% Asian/Asian British and 4.1% mixed/multiple ethnicity and 2% are of other ethnic origin.
- 6.56 BAME households are more likely to be social renters (38.1%) compared with all households (31.1%), a further 25.6% rent privately compared with 25.3% all households and 36.2% are owner occupiers compared with 43.6% of all households.
- 6.57 Overall, 17.1% of BAME households are overcrowded (compared with 12.1% of all households). Given the stock profile of the borough, some BAME households may disproportionately experience overcrowding longer than others due to the low proportion of family homes within the affordable stock and the uneven distribution of such housing across the borough.

BAME Characteristics

- 6.58 The highest proportion within the BAME category is the Black ethnic group, which accounts for around half of all BAME households in Lewisham. Figure 6.2 shows the household composition by BAME Category within Lewisham.

- 6.59 The data shows that the Mixed and Black BAME categories contains the highest proportion of single person households aged over 65 within the borough. Full-time students and married households with dependent children are highest amongst the Asian and 'Other' BAME categories. Lone parents with dependent children are shown to be the highest amongst Black and Mixed BAME households within the borough.

Figure 6.2 BAME household composition

Source: Census 2011

- 6.60 Figure 6.3 highlights the occupancy rating of each BAME household category within the borough. The data suggests that the under occupancy rating (bedrooms of -1 or less) is highest amongst the other ethnic category group (29.8%), followed by Asian/Asian British BAME group (29.5%).

Figure 6.3 BAME occupancy rating



Source: Census 2011

- 6.61 The main age group within the BAME categories is 16-34 (33.7%), closely followed by those aged 35-49 (24.1%). Those aged over 65 account for 5.4% within the BAME groups within the borough.

Gypsy, Traveller, Travelling Showperson and houseboat need

- 6.62 The London Plan makes reference to the needs of Gypsies and Travellers and also recognises the duties under section 124 of the Housing and Planning Act 2016, which require local housing authorities to consider the needs of people residing in or resorting to their district with respect to the provision of both sites on which caravans can be stationed, or places on inland waterways where houseboats can be moored.
- 6.63 Lewisham already has an up to date evidence base under the definitions outlined in the NPPF. The Borough of Lewisham 2016 Gypsy and Traveller Accommodation Assessment identified a need for 6 residential pitches from households who meet the Planning Policy for Traveller Sites nomadic habit of life definition. There was no identified need for Travelling Showperson plots. The Council were recommended in the GTAA to consider the use of short-term tolerated or negotiated stopping arrangements to address short-term need from unauthorised encampments. There is no need to consider pitches in this SHMA as the Mayor of London has indicated that a London-wide assessment of Gypsy and Traveller need will take place in due course and the Lewisham evidence base will be updated in the future through this work.

- 6.64 Regarding houseboats, there are at least 4 residential moorings in the borough according to 2021 council tax data located at Creekside, Deptford.
- 6.65 The Canals and Rivers Trust have confirmed that they do not maintain or own any canals, rivers or waterways in the borough and therefore have not granted any residential licences for boat dwellers. They were therefore unable to comment further on current or future need. Further research is recommended to ascertain the level of future need from boat dwellers. Houseboat living tends to provide a practical solution to high house prices in London, although there are constraints around the new delivery of moorings due to land ownership rights.

Other groups with particular housing requirements

- 6.66 This chapter concludes with a summary of the other household groups who have particular housing requirements in the Borough of Lewisham.

People who rent their homes

- 6.67 Chapter 4 presents a range of data on the characteristics of households who rent their homes – either privately or from a social housing provider.

Self-build and custom housebuilding

- 6.68 The NPPF 2021 set out that the government wants to enable more people to build their own homes and wants to make this form of housing a mainstream housing option. There are currently around 248 households on the Borough of Lewisham self-build register of whom 175 had specifically stated Lewisham and no other borough. This represents a comparatively small need compared to the housing needs in the borough. Table 6.15 summarises the projects people on register were interested in, property size, location and type. The majority of households were looking for a town centre, 150-250sqm detached property. This is a mismatch with the type of development needed in central locations, to make efficient use of sites and ensure they are financially viable.

The needs of families

- 6.69 The needs of families should be met through general development, with a particular need for three and four-bedroom dwellings, as expressed in Table 7.5. It should also be recognised that Lewisham is a sanctuary borough with an influx of refugees and migrants anticipated. There is also a specific need to live as larger family units by some BAME groups. Ensuring sufficient family sized units to cater for both of these groups will help to reduce the issue of overcrowding.

| Table 6.15 Preferences of households on the self-build register | | | | | |
|---|---------------------|----------------|----------------------|---------------------|----------------|
| Project | Number of responses | % of responses | Dwelling type | Number of responses | % of responses |
| Individual self-build (purchasing a single plot of land and organising the construction of your own home and living in it) | 204 | 82.3 | Detached house | 207 | 83.5 |
| Group self-build (a group of individuals purchasing a plot of land and organising the construction of their own home and living in it) | 87 | 35.1 | Semi-detached house | 138 | 55.6 |
| Individual custom-build (purchasing a single plot of land and employing specialists to build your own home and living in it) | 154 | 62.1 | Apartments/flats | 52 | 21.0 |
| Developer led-custom build (a developer purchasing a larger site and subdividing it into smaller plots to provide a design and build service) | 54 | 21.8 | A mix of units | 53 | 21.4 |
| Other | 12 | 4.8 | Other | 23 | 9.3 |
| Base | 248 | | Base | 248 | |
| Size of dwelling | Number of responses | % of responses | Location preferences | Number of responses | % of responses |
| Under 150sqm | 17 | 6.9 | Town centre | 178 | 71.8 |
| 150-200sqm | 132 | 53.2 | Central/accessible | 8 | 3.2 |
| 201-250sqm | 117 | 47.2 | Any | 81 | 32.7 |
| 251-300sqm | 93 | 37.5 | Green/quiet | 16 | 6.5 |
| 301-350sqm | 82 | 33.1 | Suburban/rural | 12 | 4.8 |
| 351-400sqm | 82 | 33.1 | Specific area | 20 | 8.1 |
| 401-450sqm | 65 | 26.2 | Base | 248 | |
| 451-500sqm | 51 | 20.6 | | | |
| 500-1000sqm | 45 | 18.1 | | | |
| 1000+ sqm | 32 | 12.9 | | | |
| Total | 248 | | | | |

Source: Council self-build register. Note people could tick more than one option so totals do not add up to 100%

Student housing need

- 6.70 The 2011 Census identified over 25,000 students aged 16-74 in the Borough of Lewisham, this represents over one in ten of the 16-74 population (12.2%). This has grown by 38% from around 18,000 in 2001, when students made up 9.9% of the 16-74 population.
- 6.71 The 2011 Census also showed that there were 2,553 student only households in the borough (where all students are aged 18 or over). Almost half of these households (46%) consisted of a single student (source: <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/adhocs/008207ct07732011censusnumberofstudentsinstudentonlyhouseholdnationaltolocalauthoritylevel>).
- 6.72 There are two key higher education providers in the borough: Goldsmiths University and the University of Greenwich. In addition, there are other higher education organisations located within Lewisham (for instance Trinity Laban) and Purpose-Build Student Accommodation (PBSA) which provides accommodation for those studying outside the borough.

Goldsmiths University

- 6.73 Goldsmiths is a single-campus site in the centre of New Cross and has around 1,500 rooms in halls of residence, not all of which are in the Borough of Lewisham. The university manages two halls in New Cross; Dean House and Loring Hall with a total of 373 en-suite rooms. The weekly rate ranges from £142 to £171 (2018 entry). Goldsmiths managed halls are signed up to the Student Accommodation Code (SAC) (source: <https://www.thesac.org.uk/>). There are a further seven halls which are referred to as 'nomination and partnership halls'. The weekly rates for these range from £139 to £318 (2018 entry). Campus Living Villages manages three student accommodation blocks in Goldsmiths Student Village, Lewisham. These are Raymont Hall, Surrey House (including Surrey House Annex) and Chesterman House. Chapter manages the hall named Chapter Lewisham. The two halls outside the borough are Quantum Court, Tower Hamlets, managed by Unite Students and Town Hall Camberwell, Southwark, managed by Homes for Students (source: <https://www.gold.ac.uk/accommodation/halls/> [Accessed January 2019]). All private accommodation providers are signed up to the ANUK/Unipol National Code of Standards for Larger Developments (source: <https://www.nationalcode.org/> [Accessed January 2019]).
- 6.74 Goldsmiths encourages those wanting to live in the private rented sector to use the service provided by University of London Student Homes (part of the University of London Housing Services) (source: <http://studenthomes.london.ac.uk/> [Accessed January 2019]). This service provides and manages good quality homes and means students deal direct with the university rather than the private landlord. All homes conform to the (SAC) and the housing service also provides contract checking and legal advice.

- 6.75 In 2016/17, 9,350 students were enrolled at Goldsmiths (7,035 UK, 1,465 non-EU, 850 EU (source www.hesa.gov.uk). In 2020/21, the number of students had increased to 10,085 (7215 UK, 2,035 non-EU, 835 EU).

The University of Greenwich

- 6.76 The University of Greenwich has three campuses and the university provides around 2,400 places in halls of residence across the three. The Greenwich campus is located to the east of the Borough of Lewisham. Students based at this campus can choose between four halls of residence, one of which is in Lewisham, the McMillan Student village, near Deptford Market. En-suite bedrooms and flats range in price from £106 to £204 per week. The university partners with Campus Living Villages to provide the accommodation and they are signed up to the ANUK/Unipol National Code of Standards for Larger Developments (source: <https://www.nationalcode.org/> [Accessed January 2019]).
- 6.77 The university partners with Studentpad (source: <https://www.greenwichstudentpad.co.uk/Accommodation> [Accessed January 2019]), an online accommodation service, to help students find private rented accommodation for each campus. These properties are not vetted by the university or the students' union. The University of Greenwich students are not eligible to use the University of London Housing Services.
- 6.78 In 2016/17, 19,910 students were enrolled at the University of Greenwich (16,220 UK, 2,350 non-EU and 1,340 EU outside UK) (source www.hesa.gov.uk). In 2019/20, there were 19,835 students (14,720 UK, 1,450 non-EU and 3,665 EU).

Students in housing

- 6.79 2021 council tax data reports a total of 1,013 dwellings that were wholly occupied by students. These were located throughout the borough (Table 6.16) but particularly concentrated in the north and west sub-areas. A considerable amount of the student population in Lewisham is housed in the private rented sector. Whilst pressure on the private rented sector from students has been mitigated by the delivery of new PBSA, the sector will still continue to be subject to demand from students who are unable to afford PBSA.

| Table 6.16 Location of council tax student discount properties | | |
|--|--------|-------|
| Ward | Number | % |
| Bellingham | 48 | 4.7 |
| Blackheath | 55 | 5.4 |
| Brockley | 110 | 10.9 |
| Catford South | 18 | 1.8 |
| Crofton Park | 21 | 2.1 |
| Downham | 25 | 2.5 |
| Evelyn | 146 | 14.4 |
| Forest Hill | 34 | 3.4 |
| Grove Park | 29 | 2.9 |
| Ladywell | 28 | 2.8 |
| Lee Green | 32 | 3.2 |
| Lewisham Central | 101 | 10.0 |
| New Cross | 140 | 13.8 |
| Perry Vale | 33 | 3.3 |
| Rushey Green | 41 | 4.0 |
| Sydenham | 44 | 4.3 |
| Telegraph Hill | 74 | 7.3 |
| Whitefoot | 34 | 3.4 |
| Sub-area | Number | % |
| East | 116 | 11.5 |
| North | 286 | 28.2 |
| South | 82 | 8.1 |
| West | 369 | 36.4 |
| Lewisham Total | 1,013 | 100.0 |

Source: Council tax data 2021

Future student accommodation need

- 6.80 The London Plan 2021 recognises that the housing need of students, whether in purpose-built student accommodation (PBSA) or shared conventional housing, is an element of the overall housing need for London determined in the 2017 London SHMA. There is an overall strategic requirement for 3,500 PBSA bedspaces to be provided annually over the plan. This is not broken down into borough-level targets as the location of this need will vary over the plan period with changes in higher education providers' estate and expansion plans, availability of appropriate sites and changes in government policy that affect their growth and funding.
- 6.81 Paragraph 4.5.13 of the London Plan 2021 states '**New PBSA must either be operated directly by a higher education provider or the development must have an agreement in place from initial occupation with one or more higher education providers, to provide housing for its students, and to commit to having such an agreement for as long as the development is used for student accommodation.**'

- 6.82 Whilst both Goldsmiths University and the University of Greenwich cater for student housing needs by providing a variety of on-campus accommodation (see paragraphs 6.73 and 6.76), it is evident that over the past 5 years there has also been a proliferation in the delivery of off-campus PBSA, as set out in Table 6.17. Lewisham is contributing significantly to the wider need for PBSA set out in the London Plan. Given the complexity of assessing future need for student accommodation generally, the fact that students do not necessarily live in the same borough as their place of education, establishing future need can be challenging. It is recommended that the council continues to engage with Higher Education organisations to help assess future need but ultimately the overriding need in Lewisham is the need for conventional housing.

| Table 6.17 Purpose Built Student Accommodation completions in Lewisham 2016-2021 | |
|--|-------------------------|
| Name of site | Number of student units |
| Recently completed supply (2016-2021) | |
| Sherwood Court, Thurston Road | 611 |
| 407 New Cross Road | 87 |
| 10 Mercy Terrace | 92 |
| Surrey House, Lewisham Way | 35 |
| Lewisham Exchange (former Carpetright) | 758 |
| Raymont Hall, 57 Wickham Road | 40 |
| Recently consented supply (2020) | |
| 333-337 New Cross Road | 63 |
| Total committed supply | 1,686 |

Key workers

- 6.83 The NPPF 2021 refers to **Essential local workers**: public sector employees who provide frontline services in areas including health, education and community safety – such as NHS staff, teachers, police, firefighters and military personnel, social care and childcare workers. There were no specific views raised by stakeholders regarding accommodation needs for this group.

Overcrowding/under-occupancy

- 6.84 According to the 2011 Census, 12.1% of households were overcrowded, in particular lone parents with dependent children (26.1% were overcrowded), couples with dependent children (16.8%), lone parents with non-dependent children (11.9%) and other household types (38.1%). In contrast, 46.1% of households under occupied their dwelling, in particular older person households and couples with no children (Table 6.18).

Table 6.18 Under / Over Occupancy by household composition

| Household composition | Occupancy (%) | | | | Base |
|---|---|----------------------------------|----------|---------------|---------|
| | Under-Occupied (2 or more bedrooms spare) | Under-Occupied (1-bedroom spare) | Balanced | Over--crowded | |
| Singles (under 65) | 17.9 | 31.7 | 50.5 | 0.0 | 29,686 |
| Older person (65+ singles and couples) | 44.1 | 27.3 | 28.6 | 0.1 | 13,128 |
| Couples under 65 no children | 34.7 | 36.8 | 28.5 | 0.0 | 14,740 |
| Couples with dependent children | 12.1 | 28.6 | 42.6 | 16.8 | 18,352 |
| Couples with non-dependent children | 16.4 | 42.4 | 32.6 | 8.6 | 4,569 |
| Lone parent with dependent children | 2.6 | 15.9 | 55.3 | 26.1 | 13,301 |
| Lone parent with non-dependent children | 8.3 | 37.0 | 42.9 | 11.9 | 5,494 |
| Other household types | 6.1 | 16.3 | 39.6 | 38.1 | 16,821 |
| All households | 18.1 | 28.0 | 41.9 | 12.1 | 116,091 |

Source: Census 2011 Table LC4105

Conclusion

- 6.85 In accordance with PPG, this SHMA update has considered the future need for a range of specialist accommodation and support for different needs groups.
- 6.86 The number of households headed by someone aged 65 or over is expected to increase dramatically by 13,000 or 62.2% by 2040. According to the arc4 national database, the majority of older people 65 and over (76.6%) want to continue to live in their current home with support when needed according to the household survey, with help with repair/maintenance, gardening, cleaning, and other practical tasks, which would help people remain in their own home. There is also a need to deliver a range of smaller dwellings (particularly level-access accommodation) for older people across all tenures and specialist older persons housing provision.
- 6.87 Across the borough there are currently around 3,235 units of specialist older persons accommodation (605 units of residential care (C2) and 2,630 specialist older persons dwellings (C3)). Based on population projections to 2040, there is an additional need for 2,422 by 2040 (Table 6.4). This translates to an annual need for 98 C3 dwellings which is part of the overall annual housing need for Lewisham plus 23 units of C2 dwellings each year.
- 6.88 The SHMA does not specify the precise nature of specialist older person dwellings to be built. This is to allow flexibility in delivery and PPG states that **‘any single development may contain a range of different types of**

specialist housing' (source: PPG Paragraph: 010 Reference ID: 63-010-20190626).

- 6.89 A key conclusion is that there needs to be a broader housing offer for older people across the borough and the SHMA has provided evidence of the scale and range of dwellings needed.
- 6.90 A wealth of information has been assembled from various sources which helps to scope out the likely level of disability across the borough's population. Although it is a challenge to quantify the precise accommodation and support requirements, the SHMA has helped to scope out where needs are arising and has provided indicators of specific needs across various needs groups.
- 6.91 It is estimated there are around 55,790 people with a disability across the borough and is projected to increase to around 67,340 by 2040. Regarding housing for people with disabilities, arc4 national data suggests around 7.5% of households live in properties which have either been purpose-built or adapted for someone with an illness or disability.
- 6.92 Given the ageing population of the borough and the identified levels of disability amongst the population, it is recommended that 10% of new dwellings are built to wheelchair accessible M4(3) standard. All remaining new dwellings are built to M4(2) accessible and adaptable standard, to take account of the ageing demographics of the borough. This recommendation accords with the borough Local Plan and the London Plan 2021.
- 6.93 There is a specific need for large family housing, driven partly by need from BAME communities.
- 6.94 There is evidence of demand for self and custom build plots according to the self and custom build register, although this demand does not reflect the opportunities available within the borough to develop self-build sites.
- 6.95 There is a considerable student population in Lewisham that is partly housed in the private rented sector and partly on-campus. Whilst pressure on the private rented sector from students has been mitigated by the delivery of significant amounts of PBSA, the sector will continue to be subject to demand from students unable to afford PBSA. Nevertheless Lewisham is contributing significantly to the wider need for PBSA set out in the London Plan and ultimately the overriding need in Lewisham is the need for conventional housing.

7. Dwelling type and mix

Introduction

- 7.1 The purpose of this chapter is to consider the dwelling type and size mix which is appropriate for the borough. There are three main data sources which provide the starting point for the analysis: household projections, dwelling stock information and national estimates of the relationships between households and dwellings derived from arc4 household surveys.

Household projections

- 7.2 These are used to establish the number of households by Household Reference Person (HRP) and household type. The 2014-based MHCLG household projections have been used to be consistent with the standard method calculation and cover the period 2020 to 2039.
- 7.3 The change in the number of households over this period can be established and, assuming that the dwelling needs of these households do not change significantly, the potential impact on type/size of dwellings can be determined.

Dwelling stock

- 7.4 The latest Valuation Office Agency (VOA) data provides a summary of dwelling type (house, flat, bungalow) and size (number of bedrooms) as at September 2020.

Relationship between households and dwellings

- 7.5 arc4 has prepared data on the relationship between the age of household reference person, household type and dwellings occupied by type and size. This is a unique secondary data source and has been derived from amalgamating household survey data from around 80,000 households. The data available is summarised in Table 7.1.

| Table 7.1 Age groups, household type and dwelling types used | | | |
|--|------------------------|---------------------|---------------|
| Age group of Household Reference Person | Household (HH) type | Dwelling type | Dwelling size |
| 15_24 | One Person | 1 Bed House | 1 Bedroom |
| 25_34 | Couple only | 2 Bed House | 2 Bedrooms |
| 35_44 | HH with 1/2 Child(ren) | 3 Bed House | 3 Bedrooms |
| 45_59 | HH with 3 Children | 4 or more bed House | 4+ Bedrooms |
| 60_84 | Other Multi-person | 1 Bed Flat | All |
| 85+ | All | 2 Bed Flat | |
| All | | 3+ Bed flat | |
| | | 1 Bed Bungalow | |
| | | 2 Bed Bungalow | |
| | | 3+ Bed Bungalow | |
| | | All | |

Source: arc4 household surveys

- 7.6 For each age group, the proportion of Household Reference Persons (HRPs) by household type living in different type/size and size of dwelling has been calculated. Table 7.2 provides an example of the data for the 15-24 age group.
- 7.7 A key issue when running this analysis is the marked variance in the profile of dwelling stock in the borough compared with England. Most notably, 59.6% of the borough's dwelling stock are flats/apartments (compared with 23.6% nationally) and 40.2% are houses, particularly 3-bedroom terraced, compared with 66.9% nationally. Applying national data would not provide relevant dwelling type outcomes for the borough. Therefore, the focus of this analysis is market mix based on tenure and dwelling size.

| Table 7.2 Illustration of the relationship between dwelling type/size and household type by age group (15 to 24-year age group used) | | | | | | | |
|--|--------------------|----------------|--------------|----------------------|--------------------|--------------------|--------------|
| HRP Age group | Dwelling type/size | Household type | | | | | Total |
| | | One Person | Couple only | HH with 1/2 Children | HH with 3 Children | Other Multi-person | |
| 15-24 | 1 | 64.3 | 30.6 | 0.2 | 0.0 | 0.0 | 23.1 |
| | 2 | 21.4 | 51.0 | 71.1 | 18.9 | 38.6 | 44.6 |
| | 3 | 14.3 | 17.2 | 27.7 | 74.2 | 14.5 | 19.6 |
| | 4/4+ | 0.0 | 1.2 | 0.9 | 6.9 | 46.9 | 12.7 |
| | Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: arc4 surveys

Applying the data at borough level

- 7.8 Applying the data at borough level is done in a systematic way. Firstly, the change in the number of households by age group and household type is established from household projections (Table 7.3A and B). This illustrates that the total number of households is expected to increase by around 39,700 over the plan period using 2014-based DCLG household projections. Analysis indicates an increase in the number of households across most HRP age with the exception of the 25-34 and 35-44 age groups, with the most substantial increases across the 45-59 and 60-74 age groups.
- 7.9 From national data, the relationship between age group of the HRP, household type and dwelling size can be established. This can be applied to the household projections to consider the overall impact of household change on housing size assuming that the initial dwelling profiles by age group do not change over the plan period.

| Table 7.3A Change in number of households by age group 2020-2039 | | | | |
|--|----------------------|---------|---------|--------------------------------|
| Age group | Household Type | Year | | Change in households 2020-2039 |
| | | 2020 | 2039 | |
| 15-24 | One Person | 1,199 | 1,268 | 69 |
| | Couple only | 188 | 66 | -122 |
| | HH with 1/2 children | 1,235 | 1,426 | 191 |
| | HH with 3 children | 66 | 77 | 11 |
| | Other Multi-person | 1,361 | 1,565 | 204 |
| | Total | 4,049 | 4,402 | 353 |
| 25-34 | One Person | 6,351 | 5,473 | -878 |
| | Couple only | 4,350 | 3,216 | -1134 |
| | HH with 1/2 children | 6,531 | 5,347 | -1184 |
| | HH with 3 children | 1,157 | 867 | -290 |
| | Other Multi-person | 5,581 | 6,865 | 1284 |
| | Total | 23,970 | 21,768 | -2202 |
| 35-44 | One Person | 10,031 | 10,368 | 337 |
| | Couple only | 5,079 | 6,296 | 1217 |
| | HH with 1/2 children | 13,650 | 12,546 | -1104 |
| | HH with 3 children | 3,369 | 2,575 | -794 |
| | Other Multi-person | 3,111 | 3,013 | -98 |
| | Total | 35,240 | 34,798 | -442 |
| 45-59 | One Person | 14,558 | 21,260 | 6702 |
| | Couple only | 3,772 | 2,961 | -811 |
| | HH with 1/2 children | 13,056 | 19,684 | 6628 |
| | HH with 3 children | 2,528 | 4,178 | 1650 |
| | Other Multi-person | 8,886 | 11,585 | 2699 |
| | Total | 42,800 | 59,668 | 16868 |
| 60-84 | One Person | 14,531 | 25,420 | 10889 |
| | Couple only | 5,756 | 8,431 | 2675 |
| | HH with 1/2 children | 1,016 | 1,713 | 697 |
| | HH with 3 children | 87 | 171 | 84 |
| | Other Multi-person | 7,942 | 16,165 | 8223 |
| | Total | 29,332 | 51,900 | 22568 |
| 85+ | One Person | 2,130 | 3,405 | 1275 |
| | Couple only | 439 | 691 | 252 |
| | HH with 1/2 children | 26 | 49 | 23 |
| | HH with 3 children | 2 | 1 | -1 |
| | Other Multi-person | 725 | 1,704 | 979 |
| | Total | 3,322 | 5,850 | 2528 |
| Table 7.3B Change in number of households by age group 2020-2039 | | | | |
| Age group | Household Type | Year | | Change in households 2020-2039 |
| | | 2020 | 2039 | |
| ALL | One Person | 48,799 | 67,195 | 18,396 |
| | Couple only | 19,583 | 21,660 | 2,077 |
| | HH with 1/2 children | 35,514 | 40,763 | 5,249 |
| | HH with 3 children | 7,209 | 7,869 | 660 |
| | Other Multi-person | 27,605 | 40,896 | 13,291 |
| | Total | 138,709 | 178,383 | 39,674 |

Source: DCLG 2014-based household projections (subject to rounding)

- 7.10 Table 7.4 applies the national data on dwelling occupancy to the demographic trends in the borough. The two right hand columns indicate the likely change in demand for dwelling sizes and how this translates to an overall percentage change in dwelling requirement. Analysis indicates that the majority of need will be for 3-bedroom (42.3%) and 2-bedroom (26.2%) followed by four bedroom (19.4%) and 1- bedroom dwellings (12.1%).

| Table 7.4 Impact of change in households by age group on dwellings occupied | | | | | | | | |
|--|--|---------------|--------------|---------------|---------------|--------------|---------------|-----------------|
| Dwelling size | Age group of Household Reference Person | | | | | | Total | % change |
| | 15-24 | 25-34 | 35-44 | 45-59 | 60-84 | 85+ | | |
| 1 | 82 | -267 | -37 | 1,582 | 2,900 | 546 | 4,805 | 12.1 |
| 2 | 157 | -830 | -109 | 4,097 | 6,145 | 936 | 10,396 | 26.2 |
| 3 | 69 | -894 | -188 | 7,099 | 9,824 | 877 | 16,788 | 42.3 |
| 4 or more | 45 | -211 | -108 | 4,090 | 3,699 | 169 | 7,684 | 19.4 |
| Total | 353 | -2,202 | -442 | 16,868 | 22,568 | 2,528 | 39,673 | 100.0 |

Note totals by age group may vary slightly due to rounding

Source: DCLG 2014-based household projections and arc4 survey data

- 7.11 This analysis can be applied to the housing need range established for the borough as set out in Table 7.5.

| Table 7.5 Overall dwelling mix based on demographic analysis | | |
|---|-------------------------|-------------------------|
| Annual dwelling need | | |
| Dwelling size | % Dwelling stock | No. of dwellings |
| 1-bedroom | 12.1 | 202 |
| 2-bedroom | 26.2 | 437 |
| 3-bedroom | 42.3 | 705 |
| 4 or more | 19.4 | 323 |
| Total | 100.0 | 1,667 |

Source: arc4

- 7.12 The final dwelling mix analysis needs to consider variations by tenure and assumes an overall tenure split of 50% market and 50% rented, with the rented further split between 70% rented and 30% affordable home ownership options. Therefore, the final dwelling mix is based on an annual supply of 50% market, 35% affordable rented options and 15% affordable home ownership options, with an annual target of 1,667 dwellings as set out in the 2021 London Plan.
- 7.13 The overall dwelling mix for affordable rented housing options is based on the latest housing register data (November 2021) as set out in Table 7.6.

| Table 7.6 Overall dwelling mix needed for affordable rented housing | | | |
|--|---------------|-----------------------|--|
| Dwelling size | % need | No. households | Annual need based on 35% of 1,667 = 583 |
| 1-bedroom (including studio) | 19.0 | 1,858 | 111 |
| 2-bedroom | 35.5 | 3,466 | 207 |
| 3-bedroom | 32.4 | 3,163 | 189 |
| 4 or more | 13.1 | 1,280 | 76 |
| Total | 100 | 9,767 | 583 |

Source: Council Housing Register data

- 7.14 The overall dwelling mix for affordable home ownership options is based on national data assembled by arc4. As there is no specific data available from the Council on the bedroom needs of households considering home Fownership options, data from Strategic Housing Market Assessments prepared by arc4 has been used to establish a breakdown of need by bedroom size (Table 7.7).

| Table 7.7 Overall dwelling mix needed for affordable home ownership | | |
|--|---------------|--|
| Annual dwelling need | | |
| Dwelling size | % need | Annual need based on 15% of 1,667 = 250 |
| 1-bedroom (including studio) | 10.0 | 25 |
| 2-bedroom | 40.0 | 100 |
| 3-bedroom | 35.0 | 87 |
| 4 or more | 15.0 | 38 |
| Total | 100.0 | 250 |

Source: arc4

- 7.15 Table 7.8 summarises the breakdown of bedrooms (percentage and annual need) by tenure. This analysis indicates a need for 390 affordable homes with 3 or more bedrooms or 46.9% of all affordable need. This is slightly higher than the current policy of 42% of units to be family housing with 3 or more bedrooms.

Table 7.8 Summary of overall dwelling mix by tenure (70% rented/30% intermediate split)

| Number of bedrooms | %of dwellings | | | |
|------------------------------|---------------|-------------------|---------------------------|---------|
| | Market | Affordable Rented | Affordable home ownership | Overall |
| 1 bedroom (including studio) | 7.9 | 19.0 | 10.0 | 12.1 |
| 2-bedroom | 15.6 | 35.5 | 40.0 | 26.2 |
| 3-bedroom | 51.4 | 32.4 | 35.0 | 42.3 |
| 4 or more bedroom | 25.1 | 13.1 | 15.0 | 19.4 |
| Total | 100.0 | 100.0 | 1000 | 1,667 |

| Number of bedrooms | Number of dwellings | | | |
|------------------------------|---------------------|-------------------|---------------------------|---------|
| | Market | Affordable Rented | Affordable home ownership | Overall |
| 1-bedroom (including studio) | 66 | 111 | 25 | 202 |
| 2-bedroom | 130 | 207 | 100 | 437 |
| 3-bedroom | 429 | 189 | 88 | 705 |
| 4 or more bedroom | 210 | 76 | 38 | 323 |
| Total | 834 | 583 | 250 | 1,667 |

Note: the number of market dwellings is calculated by subtracting the affordable rented and affordable home ownership dwellings from the overall need.

- 7.16 Regarding dwelling type, Table 7.9 summarises the stock profile of all dwellings based on Valuation Office Agency data by number of bedrooms. Evidence from new build activity demonstrates that the vast majority of new build comprises flats/apartments and therefore it is anticipated that these will continue to dominate development across the borough.

| Table 7.9 Stock profile by number of bedrooms 2020 | | | | |
|--|--------|--------|----------|---------|
| Number of bedrooms | House | Flat | Bungalow | Total |
| 1 | 0.3 | 27.1 | 0.1 | 27.6 |
| 2 | 7.5 | 25.5 | 0.1 | 33.1 |
| 3 | 23.4 | 6.3 | 0.0 | 29.7 |
| 4 | 9.0 | 0.6 | 0.0 | 9.6 |
| Total | 40.2 | 59.6 | 0.2 | 100.0 |
| Base | 49,050 | 72,780 | 240 | 122,070 |

Source: 2020 VOA

Concluding comments

- 7.17 The purpose of this chapter has been to explore the relationship between households and dwellings occupied to establish an indication of appropriate dwelling mix for the borough over the period to 2040.
- 7.18 Having established future household change and the implications this has for dwelling size and tenure mix, the Council can make an informed strategic decision in the range of dwellings to be built over the plan period.

8. Conclusion: policy and strategic issues

- 8.1 This document has been prepared to equip the Council and their partners with robust, defensible and transparent information to help inform strategic decision-making and the formulation of appropriate housing and planning policies. The work also takes account of existing and emerging government policy and guidance.
- 8.2 The Borough of Lewisham SHMA 2021/22 update will help the Council plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community. Specifically, the SHMA 2021/22 identifies the size, and tenure of housing required by considering future market demand relative to supply; and also identifies a continued affordable housing imbalance across the borough.
- 8.3 A wealth of material has been presented in the SHMA update. This concluding chapter summarises key messages from the research findings, structured around a commentary on the current and future housing need and drivers, future dwelling type and mix and meeting the housing needs of people with additional needs.

The borough context

- 8.4 The Borough of Lewisham exhibits distinctive characteristics. House prices in the borough have risen dramatically since 2000, with median prices increasing 330% from £99,995 in 2000 to £430,000 in 2020. This has been the largest proportionate increase compared with neighbouring boroughs, the South East and England. Affordability is a major issue, and workplace median prices are 12.3x median income. It is therefore unsurprising that a considerable imbalance in the need for affordable housing has been evidenced and there is a mismatch between the number of households (estimated to be around 131,172) and number of dwellings (130,598). After taking into account vacant dwellings (2,490) there are an estimated 3,000 concealed households living in the borough (which is a reduction in the 10,000 estimate in the previous SHMA). The majority of dwellings in the borough are flats/maisonettes (59.6%) or three bedroom terraced/town house dwellings (18.5%).

Future housing need

- 8.5 The SHMA has considered future housing need over the period to 2040. It has reviewed the annual housing need expressed in the London Plan and considered an alternative scenario using the government's standard approach to identifying housing need, drawing upon the latest available household projection data from the MHCLG.
- 8.6 The London Plan 2021 has already considered housing need across London and established a target for 1,667 net dwellings each year across the borough. This aligns with PPG that clearly states the London Plan is responsible for establishing London-wide need and disaggregating this to individual Boroughs.

- 8.7 By using the standard method, the impact of household growth and affordability pressures results in a very substantial need for housing of 3,336 per year. The final figure is 2,334, when the need is capped 40% above the London Plan.

Type and mix of housing needed in the future

- 8.8 The relationship between households, dwelling size and future household projections have been explored to establish an appropriate profile of future dwellings across the borough. Affordable housing need has also been modelled and integral to this was an analysis of existing (backlog) need and newly-forming need and the key drivers of need – which were overcrowding and homelessness. An annual shortfall of 2,818 affordable dwellings was identified based on housing register evidence.
- 8.9 Across the housing market, the following breakdown would be appropriate:
- Open Market 7.9% one-bedroom, 15.6% two-bedroom, 51.4% three bedroom, 25.1% four or more bedroom
 - Social/London Affordable Rent: 19.0% one-bedroom, 35.5% two-bedroom, 32.4% three bedroom, 13.1% four or more bedroom
 - Affordable home ownership: 10% one-bedroom, 40% two-bedroom, 35% three bedroom, 15% four or more bedroom.
- 8.10 Evidence from new build activity demonstrates that the vast majority of new build comprises flats/apartments and therefore it is anticipated that these will continue to dominate development across the borough. However, where possible a broader mix of 2, 3 and 4 bedroom market houses would be recommended. This broad mix of housing development will support a range of household types including families with children, key workers, young people and older people.
- 8.11 Given the justifiable concerns over the affordability of First Homes, the impact First Homes would have on the delivery of affordable rented products and the scale of affordability pressures evidenced in the housing register, an overall affordable tenure split of 70% rented and 30% intermediate tenure is recommended.

Meeting the needs of different groups including older people and those with disabilities

- 8.12 There is evidence to support a programme of accommodation delivery to help meet the needs of older people and those with disabilities given changing demographic and prevalence of disability. There is a need to diversify options available to older people wanting to move to more appropriate accommodation and ensure that homes are appropriately adapted.
- 8.13 Specific needs over the plan period identified across the borough are:
- 1,969 additional specialist older person dwellings (C3);

- 453 additional units of residential care dwellings (C2);
 - A minimum of 10% of new dwellings should be built to M4(3) (wheelchair accessible) dwelling standard;
 - Ongoing adaptation of existing dwellings.
- 8.14 Accommodation needs for those with disabilities and support needs have been suggested by stakeholders and further work is recommended by the Council to ensure they have a more complete picture of need.
- 8.15 The SHMA has also reflected on the housing circumstances of BAME groups and former military personnel. Given the scale of homelessness and pressures on the social rented sector, accessibility to temporary accommodation remains a priority.

Final comments

- 8.16 The evidence presented in this SHMA suggests that there are three main policy areas that require particular attention from both a planning policy and social policy perspective:
- the challenge of enabling the quantity and mix of housing that needs to be delivered;
 - the challenge of ensuring that the housing and support needs of older people are met going forward; and
 - ensuring that new development takes account of the particular needs across the housing market.

Introduction to Technical Appendices

- Technical Appendix A: Affordable housing definitions
- Technical Appendix B: Housing need calculations
- Technical Appendix C: Stakeholder Survey
- Technical Appendix D: Glossary of Terms

Technical Appendix A: Affordable housing definitions

Affordable housing definitions

Definitions relating to affordable housing are presented in the NPPF 2021 (Annex 2):

Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

- a) **Affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the government's rent policy for social rent or affordable rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes, affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
- b) **Starter homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.
- c) **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
- d) **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and Rent to Buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision or refunded to government or the relevant authority specified in the funding agreement.

Technical Appendix B: Housing need calculations

Introduction

- B.1 Identifying the scale of affordable housing need is a key consideration of planning practice guidance. This is a separate calculation to the overall housing need figure derived using the standard model and set out in PPG paragraphs 18 (Reference ID: 2a-018-20190220) to 24 (Reference ID: 2a-024-20190220). The affordable housing need analysis helps to establish the overall scale of affordable housing need by location, type, size and tenure and whether the Council should plan for more dwellings to help meet the need for affordable housing.
- B.2 PPG states that **‘all households whose needs are not met by the market can be considered in affordable housing need’** (PPG Paragraph: 018 Reference ID: 2a-018-20190220). PPG then considers how affordable housing need should be calculated:
- ‘Strategic policy-makers will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market. This should involve working with colleagues in their relevant authority (e.g. housing, health and social care departments).’** (PPG Paragraph: 019 Reference ID: 2a-019-20190220).
- B.3 The PPG focuses on the use of existing (secondary data) but does not preclude the use of primary survey evidence.
- B.4 There are four broad components to the needs assessment method. These have remained relatively unchanged through the different guidance issued by government and focus on:
- Step A. Existing household in need (current unmet gross need).
 - Step B. Future households in need.
 - Step C. Affordable supply.
 - Step D. Annual need for affordable housing.

Affordability assumptions

- B.5 As part of the affordable needs assessment, the extent to which households in need cannot afford open market prices or rents is considered. PPG does not specify what household income should be spent for a property to be affordable although does state the **‘need to identify the minimum household income required to access lower quartile (entry level) market housing’** PPG Paragraph 021 Reference ID 2a-021-20190220. The last guidance to consider affordable prices/rents was published in the 2007 DCLG Strategic Housing Market Assessments Practice Guidance Version 2 August 2007, which stated that gross household incomes should be used to assess affordability and:

- a household can be considered able to afford to buy a home if it costs 3.5x the gross income of a single earner or 2.9x the gross income for dual-income households; and
 - a household can be considered able to afford market renting where the rent payable was up to 25% of gross household income.
- B.6 The former guidance did note that local circumstances could justify higher figures being used for affordable renting and that allowances should be made for access to capital that could be used towards the cost of home ownership.
- B.7 Mortgage lending practices would suggest that 4.75x a single or joint income could be considered. This is the maximum single or joint household income multiple offered by First Direct July 2020.
- B.8 Based on this data, the principle assumption considered by arc4 with reference to affordability is:
- for buying up to 3.5x gross household income; and
 - for renting up to 35% gross household income.

Step A: Current unmet gross need

- B.9 PPG Paragraph: 020 Reference ID: 2a-021-20190220 states that **‘strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of:**
- **the number of homeless households;**
 - **the number of those in priority need who are currently housed in temporary accommodation;**
 - **the number of households in over-crowded housing;**
 - **the number of concealed households;**
 - **the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and**
 - **the number of households from other tenures in need and those that cannot afford their own homes, either to rent or to own if that is their aspiration.’**
- B.10 PPG notes that care should be taken to avoid double-counting and to only include those households who cannot afford to access suitable housing in the market. Table B1 sets out the overall scale of current need before affordability of market housing is considered.

| Table B1 Current gross unmet need (before affordability testing) | | | |
|---|----------------------|--|-----------------------|
| Reason for need | Total in need | Comment | Source |
| A1 Homeless households | 1,318 | Number of households identified as homeless 2019/20 | MHCLG Live tables |
| A2 Priority need / temporary accommodation | 4,322 | Households identified as threatened with homelessness in 2019/20 plus households living in temporary accommodation (based on quarterly average) in 2019/20 | MHCLG Live tables |
| A3 Overcrowded | 14,018 | 2011 Census data households | 2011 Census LC4108EW |
| A4 Concealed household | 1,715 | Census definition refers to couples and lone parents living within another family unit. | 2011 Census LC1110EW |
| A5 Existing affordable tenants in need | 5,231 | | 2021 housing register |
| A6 Other tenures in need | 2,563 | | 2021 housing register |
| A7 Sum of households in A3 to A6 with one or more needs | 23,527 | Sum of A3 to A6 | |
| A8 Total in A7 adjusted to remove any double counting | 18,416 | This is the total number of households with one or more needs | |
| A9. All households in need (A1+A2+A8) | 24,056 | Represents 18.3% of all households. | |

Note table subject to rounding

Further Notes to Table B1:

A3. Overcrowding

The extent to which households are overcrowded is measured using the 'bedroom standard'. This allocates a standard number of bedrooms to each household in accordance with its age/sex/marital status composition. A separate bedroom is allocated to each married couple, any other person aged 21 or over, each pair of adolescents aged 10-20 of the same sex and each pair of children under 10. Any unpaired person aged 10-20 is paired if possible, with a child under 10 of the same sex, or, if that is not possible, is given a separate bedroom, as is any unpaired child under 10. This standard is then compared with the actual number of bedrooms (including bedsits) available for the sole use of the household.

Note: the model has used overcrowding and concealed households data from the 2011 Census.

A4. Concealed households

The number of couples and lone parents living within a household.

A5. Existing affordable tenants in need and A6. Other tenures in need

Households in need based on the numbers who have one or more of the following needs: under notice, real threat of notice or lease coming to an end; too expensive; too difficult to maintain; sharing facilities; unsuitable due to age/mobility impairment; lacking facilities; major disrepair; harassment/threat of harassment from neighbours. It is assumed that these range of need is covered in the bandings applied to housing register applicants.

A7 and A8. Sum of households

A7 is the sum of households who are overcrowded, concealed, are existing tenants in need or other tenures in need. A8 adjusts this total to remove double counting to give a figure for the total number of households with one or more housing need. This final figure takes account of any duplicates (so if the household is overcrowded and has another need, it is only counted once as a household in need).

Affordability of open market options

B.11 Table B2 sets out ward and sub-area prices and rents.

| Table B2 Lower quartile house prices and rents by ward and sub-area | | |
|---|---------------------------|----------------------------------|
| Ward | Lower Quartile Price 2020 | Lower Quartile private rent 2020 |
| Bellingham | £280,000 | £1,001 |
| Blackheath | £385,000 | £1,248 |
| Brockley | £350,000 | £1,200 |
| Catford South | £341,000 | £797 |
| Crofton Park | £410,000 | £1,148 |
| Downham | £315,000 | £823 |
| Evelyn | £393,600 | £1,300 |
| Forest Hill | £330,000 | £1,049 |
| Grove Park | £280,000 | £1,049 |
| Ladywell | £380,000 | £1,049 |
| Lee Green | £375,000 | £1,101 |
| Lewisham Central | £310,000 | £1,148 |
| New Cross | £311,000 | £1,101 |
| Perry Vale | £353,000 | £1,049 |
| Rushey Green | £301,000 | £901 |
| Sydenham | £324,000 | £1,101 |
| Telegraph Hill | £377,600 | £1,027 |
| Whitefoot | £320,000 | £849 |
| Lewisham | £335,000 | £1,101 |
| Sub-area | Lower Quartile Price 2020 | Lower Quartile private rent 2020 |
| North | £355,000 | £1,200 |
| Central | £317,500 | £1,083 |
| West | £360,000 | £1,101 |
| East | £347,000 | £1,148 |
| South | £310,000 | £923 |
| Lewisham | £355,000 | £1,101 |

Source: Data produced by Land Registry © Crown copyright 2020, Zoopla 2020

- B.12 Table B3 sets out the proportion of households in need who could not afford open market prices or rents. The affordability analysis uses data on ward-level lower quartile prices and rents and assumes that a property is affordable if up to 35% of household income is spent on rent and buying costs up to 3.5x household income.
- B.13 It is reasonably assumed that all households in A1 (homeless) and A2 (priority need/in temporary accommodation) cannot afford open market prices or rents given their housing circumstances (and income information is not available from secondary data source).

- B.14 The affordability of open market options is tested on the remaining households in need (rows A3 to A6 in Table B1) based on 2021 housing register information. However, no income data is collected and the register is limited to households with an income of less than £50,000 and savings of £16,000. As no affordability test can be conducted, it is assumed that all on the housing register are unable to afford open market prices or rents.
- B.15 Analysis concludes that **24,056** households across the Borough of Lewisham are in housing need and cannot afford to buy or rent at lower quartile market prices.

| Table B3 Affordability of open market housing for households in need | | | |
|--|----------------------|--------------------------------|-------------------------------------|
| Needs groups | Number of households | % cannot afford to buy or rent | Number cannot afford to buy or rent |
| Sum of A1 and A2 households | 5640 | 100% | 5640 |
| Sum of households in A3 to A6 with one or more needs | 18416 | 100% | 18416 |
| Total cannot afford to buy or rent | | | 24,056 |

Step B: Future households in need

- B.16 PPG Paragraph 021 Reference ID: 2a-021029190220 states that **‘projections of affordable housing need will have to reflect new household formation, the proportion of newly-forming households unable to buy or rent in the market area, and an estimate of the number of existing households falling into need. The process will need to identify the minimum household income required to access lower quartile (entry level) market housing. It can then assess what proportion of newly-forming households will be unable to access market housing.’**

New household formation

- B.17 The most useful data sources for assessing the level of new household formation are:
- MHCLG/ONS household projections, from which an annual net increase in households can be derived; and
 - the English Housing Survey, from which a national gross household formation rate can be derived and referenced as a data source in the PPG.
- B.18 Based on the requirements of PPG, the gross annual formation rate used in analysis is 2,064. This is the household formation rate derived from a range of projections set out in Table B4. Through the standard method of calculating need, allowance is made for increasing the level of housing delivery to support household formation through the affordability adjustment.

| Table B4 Net and gross household formation 2021-2031 | | | |
|--|----------------------------|---|---|
| | Annual household formation | Notes | Source |
| A. MHCLG 2014-based household projections | 2,194 | 21,942 NET increase between 2021 and 2031 | MHCLG 2014-based household projections |
| B. ONS 2018-based household projections | 1,163 | 11,634 NET increase between 2021 and 2031 | ONS 2018-based household projections |
| C. Average gross household formation rate based on applying national rate to total households over the period 2021-2031 (2014-based projections) | 2,166 | Gross household formation rate of 1.435% applied to total households each year and overall annual average for 2021-2031 is calculated | English Housing Survey 3- year average 2017/18 to 2019/20 |
| D. Average gross household formation rate based on applying national rate to total households over the period 2021-2031 (2018-based projections) | 1,962 | Gross household formation rate of 1.435% applied to total households each year and overall annual average for 2021-2031 is calculated | English Housing Survey 3 year average 2017/18 to 2019/20 |
| E. Blended rate of gross household formation (C, D) | 2,064 | | |

New households likely to be in affordable housing need

- B.19 Given the relative cost of buying or renting on the open market and in the absence of housing register income data it is assumed that all new households cannot afford to rent or buy on the open market. Based on a gross formation rate of **2,064**, all 2,064 households are estimated to be in affordable housing need.

Existing households expected to fall into need

- B.20 These are included in the housing register data.

Total newly arising affordable housing need (gross per year)

- B.21 Total newly arising need is therefore 2,064 each year as summarised in Table B5.

| Table B5 Total newly-arising affordable housing need | | |
|--|------|------------------------------|
| A. Number of newly-forming households | | 2,064 |
| B. Proportion unable to afford market housing | 100% | 2,064 |
| C. Existing households falling into need | | Included in housing register |
| Total newly arising affordable need (B+C) | | 2,064 |

Step C: Affordable housing supply

- B.22 PPG Paragraph 022 Reference ID: 2a-022-20190220 notes that **‘there will be a current supply of housing stock that can be used to accommodate households in affordable housing need as well as future supply’**. There are five aspects to affordable supply to be considered as set out in Table B6.

| Table B6 Affordable housing supply | | |
|---|---|---|
| Source of supply/stock loss | Data source | Data |
| The number of affordable dwellings that are going to be vacated by occupiers that are fit for use by other households in need | CORE RP lettings data over most recent 3-year period and council lettings data from Local Authority Housing Statistics (LAHS) | Annual average of 1,271 affordable dwellings have been let 2017/18 to 2019/20. |
| Suitable surplus stock (vacant properties) | MHCLG vacant dwelling statistics | 401 vacant affordable (council and housing association excluding not available for letting) dwellings reported as vacant in 2020 or 1% of total affordable stock. This is below the transactional rate of around 2% to allow movement in stock so no suitable surplus stock available |
| The committed supply of new net affordable homes at the point of assessment (number and size) | Council data | Annual average of 288 affordable dwellings built 2015/16 to 2019/20. This is used in supply calculation as indication of annual supply. |
| Supply of affordable home ownership through <u>resale</u> | English Housing Survey Table FA4131 | EHS indicates 5.9% of owner occupiers with a mortgage moved to their accommodation in the past year. This is used as a basis for estimating the number of resales of affordable home ownership products at 5% each year. Based on 1,856 dwellings there are an estimated 93 resales each year |
| Units taken out of management | Local authority data | None identified |
| Total annual supply | Calculation | 1,271 lettings + 0 vacant + 288 newbuild + 93 AHO resales – 0 units taken out of management = 1,652 each year |

Note: stock losses through Right to Buy are not referenced in PPG and not included in this table. Any losses through Right to Buy would increase the shortfall.

- B.23 Overall, the model assumes a total annual affordable housing stock supply of **1,652** dwellings.

Step D: Total annual need and breakdown by size and tenure

- B.24 Table B7 summarises the total annual need for affordable housing across the Borough of Lewisham which establishes a gross annual need of 4,471 and after taking into account supply, a net need of 2,818 affordable dwellings each year assuming a clearance of gross unmet need over 10 years.

| Table B7 Gross and net annual affordable need | | | |
|---|--|--------------|---|
| | Factor | Number | Data source/assumption |
| A1 | Current gross unmet need (before affordability test) | 24,056 | Table B1 row A9 |
| A2 | Current gross unmet need (after affordability test) | 24,056 | Table B3 |
| A3 | Annualised need | 2,406 | Assume unmet need is cleared over a 10-year period to accord with the standard method |
| B | Newly-arising annual need | 2,064 | Table B5 |
| TGN | Total gross need | 4,470 | A3+B |
| C | Affordable annual housing supply | 1,652 | Table B6 |
| | Total annual net need | 2,818 | TGN – C |

Notes:

Table subject to rounding errors

If the gross unmet need was met over a 20 year period the total net need would be 1,615 dwellings each year.

- B.25 The 2021 housing register provides details of number of bedrooms needed by households each year in order to meet the total annual net need. Additionally, bedroom need assumptions based on household type for homeless and households in temporary accommodation from MHCLG statistics are considered in analysis (Table B8).

| Table B8 Affordable need by number of bedrooms | | |
|--|------|-------------|
| Number of bedrooms needed | % | Annual need |
| 1 | 18.9 | 533 |
| 2 | 35.5 | 1,000 |
| 3 | 32.3 | 910 |
| 4 | 9.9 | 279 |
| 5 | 2.5 | 70 |
| 6 | 0.7 | 20 |
| 7 | 0.2 | 6 |
| Total | 100 | 2,818 |

Source: 2021 Housing Register; MHCLG homelessness and temporary accommodation statistics

Comparison of current housing stock and current/future needs

- B.26 PPG states that **‘strategic policy-making authorities will need to look at the current stock of houses of different sizes and assess whether these match current and future need’** (PPG Paragraph 023 Reference ID: 2a-023-20190220). Table B9 sets out this comparison and shows there is a particular shortfall of 3 or more bedroom affordable dwellings.

| Table B9 Comparison between current supply and annual gross need | | | |
|--|------------------|---------------------|------------|
| Number of bedrooms | Current supply % | Annual gross need % | Variance % |
| 1-bedroom | 32.7 | 18.9 | -13.8 |
| 2-bedroom | 37.9 | 35.5 | -2.4 |
| 3-bedroom | 24.4 | 32.3 | 7.9 |
| 4 or more-bedroom | 5.0 | 13.3 | 8.3 |
| Total | 100.0 | 100.0 | |

Source: 2020 Statistical Data Return; 2021 household survey

Intermediate tenure dwelling size

- B.27 The housing register does not include specific information on households considering intermediate tenure options. Table B10 sets out a recommended profile for intermediate options based on our national household surveys.

| Table B10 Intermediate tenure bedroom need | |
|--|-------|
| Number of bedrooms needed | % |
| 1 | 10.0 |
| 2 | 40.0 |
| 3 | 35.0 |
| 4 | 15.0 |
| Total | 100.0 |

Source: arc4 national surveys

Tenure mix

- B.28 Analysis needs to consider the range of affordable tenures as set out in Annex 2 of the NPPF that may be appropriate for existing households in need and newly-forming households.
- B.29 For need arising from homeless households and those in temporary accommodation, it is assumed they all require social rented accommodation. For newly-forming households and existing households in need, a split between affordable rented and affordable home ownership should be considered. However, there is insufficient household income and savings data available from the housing register to complete this analysis. Therefore, CAMEO household income data has been used to establish the proportions of households who could afford social rent, affordable rent and affordable home ownership options.
- B.30 The London Plan 2021 Policy C6 sets out the following split of affordable products which should be applied to residential development:
1. A minimum of 30% low-cost rented homes, as either London Affordable Rent or Social Rent, allocated to need and for Londoners on low incomes.
 2. A minimum of 30% intermediate products which meet the definition of genuinely affordable housing, including London Living Rent and London Shared Ownership.
 3. The remaining 40% to be determined by the borough as low-cost rented homes or intermediate products based on identified need.
- B.31 Given the scale of affordability pressures evidenced in the housing register, it is recommended that the final 40% is for low-cost rented homes. This results in overall tenure split of 70% rented and 30% intermediate tenure products.
- B.32 Table B11 provides further detail of the range of affordable housing delivered based on Council monitoring data. For affordable rented products (social rent, London Affordable Rent and Affordable Rent) 89% of delivery was social rent/London Affordable Rent and 11% was Affordable Rent.
- B.33 Regarding affordable dwelling mix, it is reasonably assumed that most new dwellings will be flats.

| Table B11 Delivery of affordable housing 2015/16 to 2019/20 | | | | | | | |
|---|---|-----------------|--------------|--|---|----------------------------------|------------------|
| Year | Net affordable completions by tenure | | | | Summary of affordable completions | | |
| | Genuinely affordable Social Rent/London Affordable Rent | Affordable Rent | Intermediate | | Genuinely affordable (social rent/London Affordable Rent) | Affordable rent and Intermediate | Total affordable |
| 2015/16 | 157 | 5 | 49 | | 157 | 54 | 211 |
| 2016/17 | 110 | 98 | 119 | | 110 | 217 | 327 |
| 2017/18 | 1 | 5 | 33 | | 1 | 38 | 39 |
| 2018/19 | 438 | 0 | 162 | | 438 | 162 | 600 |
| 2019/20 | 142 | 0 | 123 | | 142 | 123 | 265 |
| Total (past 5 years) | 848 | 108 | 486 | | 848 | 594 | 1,442 |

Source: Council monitoring data

Technical Appendix C: Stakeholder survey

- C.1 As part of the 2019 SHMA stakeholders were invited to participate in a questionnaire survey aimed at identifying a range of information, including establishing the key perceived housing market issues in Lewisham. Stakeholders were asked to respond to any of the questions within the survey that they felt related to their area of knowledge or experience. A total of 20 separate responses to the stakeholder consultation were obtained and represents a small sample of opinions. Respondents were asked to answer only the questions that they felt were relevant to their knowledge and experience. This is a qualitative summary of the views expressed by stakeholders responding to the online survey.

Priorities

- C.2 Stakeholders were asked to rank a range of housing priorities as high, medium or low, their responses are summarised in Table C1.

| Table C1 Ranking of priorities by stakeholders | | | |
|--|-----|--------|------|
| Proposed priorities | Low | Medium | High |
| Building homes to buy on the open market | 24% | 59% | 18% |
| Building affordable homes to rent | 6% | 0% | 94% |
| Building affordable homes to buy (shared ownership, shared equity, starter homes, rent to buy) | 6% | 19% | 75% |
| Building executive homes | 63% | 38% | 0% |
| Building properties designed for older people | 0% | 50% | 50% |
| Building properties designed for people with specialist needs | 6% | 44% | 50% |
| Improving the quality of existing stock | 0% | 25% | 75% |
| Encouraging and enabling self-build | 31% | 63% | 6% |
| Student housing | 38% | 63% | 0% |
| Family housing | 0% | 13% | 88% |
| Multiple Occupation homes (HMOs) | 53% | 33% | 13% |

- C.3 Building affordable homes to rent and family housing were ranked as the highest priorities by stakeholders, with 94% and 88% of respondents (respectively) considering these as high priority. Building affordable homes to buy (shared ownership etc.) and improving the quality of existing stock were also predominantly ranked as high priority (75% of respondents ranked these as high priority).

- C.4 Building properties designed for older people and building properties designed for people with specialist needs were also ranked highly by stakeholders, with 50% of respondents considering these to be high priority.
- C.5 Building properties to buy on the open market, student housing and encouraging self-build were typically considered as medium priority by the majority of respondents.
- C.6 The lowest priority was given to building executive homes and homes in multiple occupation; over 50% of respondents ranked these as low priority.
- C.7 Stakeholders gave a range of reasons for identifying these priorities, including:
- General housing shortage/housing crisis in London, with mismatch between supply and demand;
 - High demand for social rented housing - many households on housing benefits cannot afford to rent properties at current market price, long waiting list, high numbers of households in temporary accommodation and B&B;
 - There is a political drive to build 1,000 new council homes, in addition to the 500 already promised;
 - Ageing population living in homes that are too large for them, but not enough housing stock to meet their needs or aspirations;
 - Homes in multiple occupation (HMOs) are needed for people who cannot afford to rent on their own because of the high rent costs in London;
 - Affordable homes for rent will allow young households save for a deposit to buy their own homes; and
 - Improving existing stock and building homes for people with specialist needs will save money for the Council.
- C.8 Asked what other key housing priorities there are in Lewisham, stakeholders identified the following, in addition to those above:
- Market renting as an important category – good quality private renting has an important role in a well-functioning housing market;
 - The need for a mix of rental products, ranging from social to intermediate;
 - Housing for young people generally;
 - Affordable housing options for single people who do not fall within a priority need category, but who have the private rented sector as their only housing option, usually shared housing. This demand is not just from single people under 30 - also from single people aged over 40, often from broken relationships;
 - Temporary accommodation; and
 - Mental health and wellbeing.

The current and future housing market in Lewisham and housing market drivers

- C.9 Stakeholders were asked whether they are aware of employees who travel to work in Lewisham from outside the borough. Several respondents were aware of people commuting into the area for work; reasons for this include: high housing costs in Lewisham, good accessibility into the borough by train, lack of suitable employment opportunities in other boroughs and family commitments. Choice and the desire to separate work and home were also mentioned. It was noted that people are travelling further rather than relocating. When asked whether they thought that employees who live outside of the borough would move to Lewisham if suitable housing was made available, four respondents said yes and four said no. Some felt that cheaper housing would attract more employees to also live in the borough. On the other hand, existing ties, schools and a resistance to move house were also noted as reasons why people would stay in their current residence and commute into Lewisham for work.
- C.10 Stakeholders were asked to identify what they perceive to be the main drivers of housing demand in Lewisham. Drivers identified included:
- Population growth, with growing demand from younger people;
 - Relative affordability of Lewisham, compared with other London Boroughs;
 - Good amenities within the borough make it attractive;
 - Good employment prospects; and
 - Historic shortfall in housing supply, including a lack of affordable housing.

Open-market housing: the owner-occupied and private rented sectors

- C.11 The survey asked stakeholders to identify the areas of high and low demand within the borough, and the factors that influence this. Two stakeholders commented that demand is high across the borough. However, high demand was noted in the north of Lewisham, including New Cross and Deptford, due to transport hubs. High demand close to railway stations such as Hither Green, Lee and Grove Park was also reported. By contrast, it was commented by one stakeholder that south Lewisham is not well served by transport links or large-scale employment opportunities and is not as popular as other areas. In addition to transport links, factors affecting demand were considered to include relative affordability, the environment, proximity to good schools and amenities/services. Houses were considered to be more attractive than blocks of flats.
- C.12 Asked what they considered the current limitations of the housing market to be across the Borough of Lewisham, stakeholders mentioned affordability, supply, availability and flexibility (to meet changing needs over time). Access to social housing was mentioned as a current problem within the housing market. In addition, it was noted that the high density of some new

- developments (i.e. flats and apartments) is driving some people away as they would prefer a traditional, three-bedroom house.
- C.13 In terms of demand, this was considered to be strong in many areas and across all tenures. A mixed demand was reported, including new families looking for houses and single people looking for flats. In-migration was mentioned, with new households moving into the borough from elsewhere and driving demand. However, homelessness was also highlighted. One stakeholder expressed the view that the gentrification of the area is driving poorer families to homelessness.
- C.14 Stakeholders were asked for their views on house price and rental price trends in the survey area, including the impact of changes in mortgage finances. Increasing house prices in Brockley, Forest Hill, Hither Green, Sydenham and New Cross were mentioned, with have a knock-on effect on other areas. Some stakeholders felt that prices have stabilised, due to a general downward trend across London and affected by interests rates, availability of mortgage finance and the size of deposits (savings). Affordability tests from lenders are considered to have softened demand slightly, but supply shortfalls have outweighed this impacting on prices too much. Uncertainty arising from Brexit may dampen market sentiment in the short term, but prices are expected to recover as the fundamental supply and demand issues will remain. One stakeholder reported that there is weakening demand for Buy to Let, driven by tax changes, but this is having the effect of helping first-time buyers to compete in the market. One social landlord stated that requests to buy homes from existing tenants peaked after Right to Buy (RTB) discounts were increased but have decreased since; even with high RTB discounts some working tenants cannot afford the cost of buying their house.
- C.15 Regarding the private rented sector, stakeholders were asked about its size in Lewisham. One stakeholder felt that the private rented sector (PRS) must be too small because of the continued high level of demand; others expressed the view that the PRS appears to currently be in line with demand and is 'OK'. One respondent stated that quality is a bigger issue, rather than size of the sector. This respondent expressed a preference for growth in Built to Rent (BTR) and a reduction in Buy to Let (BTL). An awareness of PRS providers investing in blocks close to Lewisham mainline station was noted; it was felt that this will result in increased competition within this market.
- C.16 The characteristics of the PRS in Lewisham were considered to include private landlords who have invested for the purposes of their own pension: these buy-to-let landlords typically hold a small number of units and are unregulated. These PRS properties are across the borough, often focused in areas that were formerly Housing Action areas or in ex-council houses. In addition, an increasing number of major developers were reported, who are providing private rented properties through new-build schemes - some flagship - often comprising of flat/apartment schemes with property managers, concierge and wi-fi. The larger London-based PRS operators tend to focus on high density schemes that are located in town centres or close to mainline train stations.
- C.17 Demand for PRS was considered to be strong across the borough, with some of this attributed to the lack of other housing options for people who cannot

afford to buy and are not eligible for social rented housing. One stakeholder reported that close to the centre the PRS demographic is mainly young professional couples or sharers, with a split of approximately 60/40 between UK nationals and people from abroad coming to find work in London. Stakeholders reported that there is demand for PRS from a wide range of tenants, with the profile varying depending upon pricing and location within the borough. For example, larger landlords with flagship schemes in central locations may have strict criteria for prospective tenants which results in predominantly young professional sharers and a small number of mainly foreign students. Less restrictive landlords attract a wider range of tenants, and families and lower income households often live in the PRS as a default because there are no other options (as above). In addition, some single people live in the PRS following relationship breakdown, often middle-aged men who have been asked to leave their family home.

- C.18 In terms of buy-to-let, one stakeholder reported that this has a 'massive' role in the PRS in Lewisham. However, in terms of trends, another stakeholder noted that some landlords are now selling up because of the 'landlords tax'. Another respondent reported an overall drop in the buy-to-let market as a result of interest rate rises and increases in stamp duty.
- C.19 Other changes noted by stakeholders include a reported drop in the number of tenants coming to work in London from abroad, attributed to uncertainty surrounding Brexit. Welfare changes were considered to have had an impact, with Universal Credit and benefit cuts making it very difficult for some tenants, particularly those who really need social housing. This results in benefit-dependent families being forced into low-quality PRS housing. It was noted that some landlords will not accept tenants that are benefit claimants (described colloquially as DSS tenants). The trend towards landlords selling up is also resulting in a lot of tenants being evicted.
- C.20 One stakeholder reported that the most common reasons for PRS tenants to move are as follows:
1. Buying a property of their own, often as part of a move out of London;
 2. Moving elsewhere for work, or only being in London for a work contract; and
 3. Rent renewal price is set too high.
- C.21 Another respondent commented that it is very difficult to access social housing or to raise a deposit and mortgage to access home ownership. As a result it is almost impossible for many tenants to leave the PRS.
- C.22 Affordability was generally acknowledged to be an issue across the entire borough area, but with some spatial variation: 'some parts are hugely unaffordable, some affordable to the higher earners, all unaffordable to those on low incomes'. It was noted that affordability is a particular problem for single people and those on fixed incomes. One stakeholder noted that it is not only rents that are increasing, with increasing numbers of people experiencing food and fuel poverty on a regular basis.
- C.23 In terms of anti-social behaviour (ASB), stakeholders identified that this is a perceived problem in parts of Deptford, New Cross and Downham. It was considered to be a localised issue, and one stakeholder noted that they see

more neighbourhood nuisance issues rather than hard-core ASB. Another respondent noted that the impact of ASB becomes greater as housing developments become denser.

New housing provision

- C.24 In terms of new-build activity, one stakeholder reported that there has been less taking place than in previous years. However, another respondent noted activity in the following locations: Central Lewisham, Deptford, parts of Lower Sydenham and Catford.
- C.25 Respondents considered that demand for new development is strong across the borough, with transport links, schools, amenities etc. being determining local drivers. The availability of land was identified as a key factor in new-build activity.
- C.26 In terms of the demand profile, it was noted that most people would buy if they could afford to, but if this is unrealistic then they rent. A high demand for all tenures was identified, with private rental and social rented accommodation being specifically mentioned.
- C.27 Demand for new-build housing was considered to come from both households currently living within Lewisham and households seeking to move to the area from elsewhere.
- C.28 Stakeholders were asked where they consider new housing should be built. Three respondents felt that new homes should be built across the borough, so that no one area becomes over-developed at a high density. Another stakeholder expressed concern regarding the demolition of existing council estates, which are typically replaced with unaffordable, private new-build flats.
- C.29 In terms of the types of new housing that should be built within Lewisham, stakeholders suggested the following:
- A mix of housing types based on local planning policy, which should reflect local need;
 - Houses with two, three and four bedrooms;
 - Larger houses for sharers;
 - Flats for singles;
 - Affordable housing; and
 - Flats with two or three bedrooms with capped rents so that they are affordable.
- C.30 A few of the stakeholders identified their commitment to the development of new housing within the borough. This included a long-term stakeholder with established stock within the borough and a developer for whom the borough fits their profile of being relatively affordable with good development opportunities. Lewisham is considered to have strong demand, being a popular location with good transport links into Central London.
- C.31 Barriers to new development reported by stakeholders include:
- Site availability and assembly issues;

- Land costs, finance and market uncertainties;
 - Planning – identified as a risk and challenge to development;
 - Safeguarding of strategic industrial sites;
 - Lack of local infrastructure;
 - Construction skills; and
 - Inertia.
- C.32 In terms of the future of new-build development, increased offsite manufacture and a more creative approach to infilling were mentioned by stakeholders. However, whilst offsite manufacture may improve the speed of delivery, it is considered that affordability will continue to be a major problem. One stakeholder commented that new-build housing will continue to be unaffordable to families. In addition, any current slowdown or correction of the market will serve to slow the rate of development. One stakeholder predicted that house price growth will be muted, with key determining factors including the hardness of Brexit, interest rates and consumer sentiment in the wider economy. Market rent was reported to have increased significantly in recent years, as an alternative to private sale, and this is considered likely to continue as more institutional investors come into the market.
- C.33 In terms of the key messages relating to housing markets, respondents made the following points:
- Making housing more affordable is a key priority;
 - Tackling undersupply is another key priority;
 - There is a need for genuinely social housing and affordable homes – not at market rents that are unaffordable to those with average incomes;
 - There should be a mix of tenures;
 - Older people's housing needs should be considered; and
 - Do not keep developing at high densities, as general aspirations are for a small, traditional house with a garden;

Affordable housing

- C.34 The stakeholder survey included a number of registered providers and housing associations who work within Lewisham. They reported managing a range of affordable housing accommodation within the borough, including houses, flats and shared accommodation. Where relevant to the respondent, it was reported that Decent Homes targets have been met. Two stakeholders stated that new schemes are being built to Building Regulations and the London Plan standards, which are considered to represent a good standard of design quality. One housing association set out that they use additional standards within their development, covering space, sound proofing and fire safety measures.
- C.35 High demand for social rented and affordable housing was reported across the borough. No areas of particular high or low demand were identified by

stakeholders. Three of the respondents identified that their organisations have been involved in building affordable housing within the Borough of Lewisham. However, two of these respondents identified barriers to development, particularly including site availability and costs, the costs of building and financial viability.

- C.36 The survey asked stakeholders whether they felt that the reductions in rental income imposed by the government in July 2015 have had an effect on the number and type of affordable housing developed since. Three stakeholders reported that this has had an impact upon their development activity, having negatively affected their financial modelling and the investment value of rented stock. One respondent stated that their organisation has had to increase the amount of subsidy they put into their rented developments in order to offset the reductions caused by the policy; another stated that the policy has caused them to build less rented and more shared ownership accommodation.
- C.37 When asked whether they consider that the reinstated rent settlement (Consumer Price Index plus 1% from 2020) will encourage organisations to develop further social housing one stakeholder felt that this may be possible, but noted that it would be dependent upon the availability of small sites. Another stakeholder stated that the earlier policy did not deter them from seeking to invest in social rented housing, but this change increases the scope of opportunities to bring schemes forward and the quantum of rented accommodation that is deliverable.
- C.38 Three of the stakeholders reported that their organisation is developing affordable housing products. These include: social rent, affordable rent, London Living Rent and the other GLA products.
- C.39 Two stakeholders identified that their organisation is developing home ownership products; both stated shared ownership. In addition, one of the stakeholders said that they have developed some Help to Buy products and are currently developing some London Living Rent, but only as a minor part of their development programme. Households purchasing affordable home ownership products were identified as predominantly young singles and couples. One respondent reported that across London Boroughs, one-bedroom properties always sell the quickest and those with three or more bedrooms take the longest to sell.
- C.40 In terms of household movement within existing affordable housing stock, one stakeholder stated that they have very little movement and when this happens it is usually due to an increase in family size and changed requirements. Another stakeholder reported that for social rented housing the households come from borough nominations.
- C.41 Two stakeholders were aware of anti-social behaviour issues within the affordable stock in the Borough of Lewisham. One of the stakeholders noted that these are very localised, with good processes in place and well-trained staff to deal promptly with reports. Stakeholders reported good levels of customer satisfaction.
- C.42 Asked what they considered the key messages should be regarding affordable housing, the following were mentioned:

- The need for more affordable housing;
- Affordable should mean affordable – many of the new-build developments described as affordable are actually not affordable to those in need;
- The need for a mix of tenures;
- The need to build homes that people want to live in, not just homes that will give the highest return on investment for developers – quality of life issues; and
- An acknowledgement of the challenge of developing affordable housing due to the subsidy levels required – a need for higher grant per home.

Specialist Housing

- C.43 Several of the stakeholder survey respondents are directly involved in the specialist housing sector. They work with a range of client groups including: students, older people, Extra Care, people with physical disabilities, people with learning disabilities and people in temporary housing. In addition, one stakeholder noted that within general needs homes there are a lot of people with vulnerabilities, disabilities and support needs.
- C.44 Specialist housing stakeholders were asked to provide information on the accommodation that is currently available to these client groups. The feedback included Extra Care housing and shared houses.
- C.45 Stakeholders were asked how housing policy changes have affected their ability to deliver services to vulnerable groups over recent years. One stakeholder commented that the loss of the ring-fence from Supporting People funding has seen a considerable decrease in the funding of support for customers living in Extra Care. They noted that care hours are generally commissioned for the delivery of care, leaving little or no time for housing-related support to be offered to customers to ensure that this vulnerable group can manage a tenancy. Another stakeholder reported that their organisation pulled out of Supporting People due to viability, and in addition government changes to LHA caps for supported and sheltered housing have also affected the sector's appetite to develop.
- C.46 Asked about areas of high and low demand for specialist housing, one respondent stated that demand is high 'across the board'. Another of the stakeholders reported a huge increase in interest from local authorities across London to develop more Extra Care services. This is predominantly to meet the needs of an increasingly ageing population, together with reducing costs for Adult Social Care (Extra Care offers a less expensive and more enabling environment). In terms of changes in client groups, two respondents commented that there is an increase in the number of vulnerable households. One of these respondents noted that this increasing vulnerability is seen within general needs housing nominees, many without a diagnosis or care package.
- C.47 Barriers to the development of further supported housing and/or support services were identified as predominantly including viability issues relating to:
- Uncertainty around revenue funding;

- Security of care contracts; and
 - Welfare policy.
- C.48 Stakeholders were asked about their biggest housing stock shortages for Independent Living. One stakeholder noted a shortage of properties for vulnerable groups and those on LHA. Another commented on a shortage of all types of Independent Living stock.
- C.49 One stakeholder responded to the survey question asking about the key issues regarding the physical adaptation of properties. They stated that the funding of aids and adaptations is the key issue.
- C.50 In terms of additional comments and key messages in relation to Supported living, Independent living and older people's housing, one stakeholder reported that the majority of older people's housing-with-care provision caters for those eligible for social/affordable rent (housing benefit). However, the majority of the older and ageing population fall into the 'middle market' bracket: those owning average sized two or three bedroom houses who would be ineligible for social rented accommodation, and unable to afford accessing high end provision. They expressed concern that this group is therefore particularly under-served, with currently only enough middle market stock to cater for around 0.1% of older people in this income bracket. There is great demand and limited supply. This stakeholder felt that there is a need for a new model of delivery to meet this growing need to deliver supported housing. Another stakeholder suggested that government should take action, as low-level housing support saves on health and social care costs.

Technical Appendix D: Glossary of terms

Affordability: A measure of whether households can access and sustain the costs of private sector housing. This is based on 35% of household income for rental affordability and 3.5x household income for mortgage affordability.

Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers. It includes affordable rented, starter homes, discounted market and in London the definitions are extended to London Affordable Rent, London Living Rent and London Shared Ownership.

Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

BAME Black, Asian and Minority Ethnic.

Choice Based Lettings (CBL): Choice Based Lettings allows applicants for social housing (and tenants who want to transfer) to apply for vacancies which are advertised widely in the neighbourhood. Applicants can see the full range of available properties and can apply for any home to which they are matched.

Bedroom Standard: The standard number of bedrooms allocated to each household in accordance with its age/sex/marital status composition and the relationship of the members to one another. A separate bedroom is allocated to each married couple, any person aged 21 or over, each pair of adolescents aged 10 – 20 of the same sex, and each pair of children under 10. Any unpaired person aged 10 – 20 is paired, if possible with a child under 10 of the same sex, or, if that is not possible, he or she is given a separate bedroom, as is any unpaired child under 10. This standard is then compared with the actual number of bedrooms available for the sole use of the household and the differences are tabulated.

Built to rent refers to the emerging sub-market in private rented residential stock in the United Kingdom, designed specifically for **renting** rather than for sale, typically owned by institutional investors and managed with a high service-led culture by specialist operators

CML: Council of Mortgage Lenders

Concealed Household: A Concealed Household is someone living within a household wanting to move to their own accommodation and form a separate household (e.g. adult children living with their parents).

CORE: Continuous Recording System of new lettings in social rented and intermediate tenure dwellings

DFG: Disabled Facilities Grant

Department for Levelling Up, Housing and Communities. Is a Government department which has responsibility for local and regional government, housing, planning, fire, regeneration, social exclusion and neighbourhood renewal with the ambition to create sustainable communities for all. Previously known as DoE, DETR, DTLR, ODPM, DCLG and MHCLG

Discounted market sales housing is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households

English Housing Survey. is a continuous household survey that collects information from nearly 20,000 households about the characteristics of their housing and their attitudes to housing and related issues (previously known as the Survey of English Housing)

Extra Care Housing: This is housing designed with the needs of frailer older people in mind. It includes flats, bungalows and retirement villages. You have your own front door. Domestic support and personal care are available

GDP: Gross Domestic Product

FTB: First Time Buyer – a term used to describe people who are buying/have bought a dwelling and have not previously owned a home

HMO: House in Multiple Accommodation –) is a property rented out by at least three people who are not from one 'household' (for example a family) but share facilities like the bathroom and kitchen. A licence is required for a 'large' HMO, defined as a property where all of the following apply: It is rented for 5 or more people who form more than 1 household; some or all tenants share toilet, bathroom or kitchen facilities; and at least one tenant pays rent (or their employer pays it for them)

Homeless Household: A household is accepted as statutorily homeless by the authority if it meets the criteria set out in the Housing Act 1996.

Household: The Census defines a household as follows: "A household comprises either one person living alone or a group of people (not necessarily related) living at the same address with common housekeeping - that is, sharing at least one meal a day or sharing a living room or sitting room."

Housing Action Areas were set up through the 1974 Housing Act. They were a response to 'gentrification' and combined council action with bottom-up methods to tackle inner city decline in small areas of around 500 properties. Declared areas attracted generous improvement grants aimed at encouraging residents to stay. Tenants' rights were guaranteed and, where private landlords failed to improve, councils could compulsorily purchase and renovate.

Housing Delivery Test (HDL) is the annual measurement of housing delivery performance, to commence in November 2018

Housing Needs Survey (HNS)

A specialised research method for determining the need for additional housing in an area

Housing Register A register of people waiting for affordable housing. It may have two components: a list for those not currently occupying affordable housing (more

properly known as the Housing Register) and a Transfer List for those tenants who wish to move to another affordable home within the same District.

HRP Household Reference Person is the individual taken to represent the household for statistical purposes.

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing. Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning

LA Local Authority.

Local Housing Allowance is used to work out how much housing benefit you can get if you rent your home from a private landlord.

LCHO Low Cost Home Ownership.

London Affordable Rent which is for households on low income with the rent level based on social rent levels. Nationally, affordable rent is set at up to 80% of market rent, but in London benchmarks are set substantially below this to ensure rents in London are genuinely affordable

London Living Rent offers Londoners on average incomes a below-market rent, enabling them to save for a deposit. The Mayor has set out London Living Rent levels that vary by ward across London, set at a third of local average household incomes. When funded through the Mayor’s Affordable Homes Programme, London Living Rent is designed to offer sub-market rents for up to 10 years, helping households to save for a deposit. Eligibility is restricted to households that are currently renting, with a maximum income of £60,000 and who are not currently able to purchase a home (including through shared ownership) in the local areas

London Shared Ownership: is based on the national shared ownership model but with extra assurances for Londoners over service charges.

LTV Loan to Value - the percentage of loan a person needs against the value of the property.

MHCLG Ministry for Housing, Communities and Local Government: see Department for Levelling Up, Housing and Communities.

NOMIS National On-line Manpower Information System.

NPPF: National Planning Policy Framework

ONS: Office for National Statistics.

Overcrowding occurs when, using the bedroom standard, there are insufficient bedrooms in the property based on the number of residents and their age/sex/marital status composition.

PCM Per Calendar month

PFI: Private Finance Initiative

PRS Private Rented Sector comprises property owned by a landlord and leased to a tenant. The landlord, in this case, could be an individual, a property company or an institutional investor. The tenants would either deal directly with an individual

landlord, or alternatively with a management company or estate agency caring for the property on behalf of the landlord.

Relets Council/Registered Provider rented accommodation that becomes vacant due to the departure of a previous tenant; therefore the accommodation can be re-let to another tenant or new applicant on the Housing Register.

Registered Provider A Housing Association or a not-for-profit company, registered by the Tenants Services Authority (TSA), which provides social housing. Also referred to as a Registered Social Landlord

Registered Social landlord – see Registered Provider

Rental Yield is a measure of how much cash is produced each year as a percentage of a property's value. For private rented dwellings it is the **rental** income as a percentage of the property's value.

Residential Care Home is accommodation where you normally have a bedroom and the use of a shared lounge with other residents. Personal care is provided – bathing, help dressing, meals etc.

Right to Buy (RTB) The Right To Buy Scheme gives eligible council tenants the right to buy their property from their council at a discount. Many RP tenants have similar rights under the Right To Acquire.

Sheltered Housing is usually a group of bungalows or flats and you have your own front door. Schemes usually have a manager/warden to arrange services and are linked to a careline/alarm system.

SHLAA: Strategic Housing Land Availability Assessment

SHMA: Strategic Housing Market Assessment

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Starter homes is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

TSA: Tenant Services Authority

Under Occupation A household is under-occupying if more than one spare bedroom is available, using the bedroom standard as a test.