

Intermediate housing

Part 2 Consultation Response Report

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**Greater London Authority
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1. Introduction and background

Purpose and structure of this report

1.1. In August 2020, the GLA launched a consultation¹ to gain views on how the Mayor and the GLA might help to build on the current role of intermediate housing in London, ensuring that this type of housing is well-placed to support recovery from the impacts of Covid-19 and meet the housing needs of those Londoners who are unlikely to access homes at social rent levels. The consultation was divided into the following chapters:

- affordability and delivery
- eligibility, prioritisation and allocation
- supporting London's key workers
- improving data on intermediate housing

1.2. This Part 2 Consultation Response Report focuses on consultation questions which were not initially analysed in the Part 1 Consultation Response Report, which focused on policies to be implemented through the Homes for Londoners: Affordable Homes Programme 2021.²³ Appendix 1 outlines the consultation questions included in this Part 2 Consultation Response Report.

The Mayor's powers and responsibilities in relation to intermediate housing

1.3. The national policy context sets the parameters for housing policy, but the Mayor has influence over intermediate housing policy in London via his planning and investment powers. There are three main ways in which the Mayor can influence intermediate housing delivery in London:

- London Housing Strategy: the Mayor has a statutory requirement to publish a housing strategy for London, and this includes his aims and policy objectives on intermediate housing;⁴
- Planning: the London Plan sets the strategic planning framework and is part of the statutory development plan for Greater London which allows the Mayor to influence the level and type of intermediate housing delivered through the planning system; and the Mayor of London Order

¹ Greater London Authority, [Consultation on Intermediate Housing](#), August 2020

² Greater London Authority, [Intermediate Housing: Part 1 Consultation Response Report](#), November 2020

³ Greater London Authority, [Affordable Homes Programme 2021-2026: Funding Guidance](#), November 2020

⁴ Greater London Authority, [London Housing Strategy](#), May 2018

(2008) requires all planning applications that are of potential strategic importance to London to be referred to the Mayor and gives the Mayor the power to direct refusal or take over an application that has been referred to him;⁵⁶ and

- Affordable Homes Programme (AHP): this allows the Mayor some flexibility to use funding secured from the Government to support and increase delivery of his preferred types of intermediate housing in London.⁷

Equality Impact Assessment

- 1.4. A Consolidated Equality Impact Assessment of the policy responses outlined in this report has been published alongside this Part 2 Consultation Response Report.

⁵ Greater London Authority, [London Plan \(Publication London Plan\)](#), December 2020

⁶ MHCLG, [The Town and Country Planning \(Mayor of London\) Order 2008](#), April 2008

⁷ Greater London Authority, [Homes for Londoners: Affordable Homes Programme 2016-21 Funding Guidance](#), November 2016; Greater London Authority, [Homes for Londoners: Affordable Homes Programme 2016-21 Funding Guidance - Addendum with updated guidance and arrangements for 2021-22](#), June 2018; Greater London Authority, [Affordable Homes Programme 2021-2026: Funding Guidance](#), November 2020

2. Consultation process

Introduction

- 2.1. The intermediate housing consultation opened on 4 August 2020 and closed on 11 October 2020. The intermediate housing consultation asked twenty-three questions, some of which had multiple parts.
- 2.2. The consultation was accompanied by a Housing Research Note which sets out the evidence base on intermediate housing in London.⁸ All 'GLA analysis' referred to in this report is outlined in the Housing Research Note.

Publicising the consultation

- 2.3. The consultation was publicised in a number of ways. The consultation document was made available on a new page on the GLA website.⁹ This page was viewed in total on 3,400 different occasions over the period of the consultation. The GLA also issued a press release highlighting the consultation.¹⁰ The Mayor posted details of the consultation on Twitter and the tweet received 83 likes and was retweeted 22 times. The Deputy Mayor for Housing and Residential Development also posted on Twitter and this tweet received 57 likes and was retweeted 15 times.
- 2.4. The GLA sent an email to stakeholders including London boroughs, housing associations and voluntary and community groups to inform them of the consultation and encourage them to respond. The email was delivered to 300 subscribers of which 38 per cent opened the email and clicked through to the consultation page. GLA Housing and Land officers also brought the consultation to the attention of internal teams within the GLA and partner organisations in the course of routine meetings and other interactions with them. These included meetings with local authorities, housing associations and other groups during which there were conversations about wider policy issues. The consultation was also a topic of a survey and discussions hosted on Talk London.

⁸ Greater London Authority, [Housing Research Note: Intermediate housing: The evidence base](#), August 2020

⁹ Greater London Authority, [Intermediate Homes for London](#), 2020

¹⁰ Greater London Authority, [Mayor proposes priority housing for London's Covid heroes](#), August 2020

Responses to the consultation

Main consultation

- 2.5. The GLA received 73 responses to the consultation. This is four more than reported in the Part 1 Consultation Response Report, due to the receipt of four late responses. The late responses predominantly covered questions which are addressed in the Part 2 Consultation Response Report. Two of the late responses included answers to questions which were addressed in the Part 1 Consultation Response Report. These responses have been assessed against the policy responses outlined in the Part 1 Consultation Response and the responses do not alter the GLA's recommendations.
- 2.6. Of the 73 responses to the consultation, 69 (95 per cent) came from organisations and four (five per cent) from individual members of the public. The following table shows the breakdown of those who responded to the consultation.

Respondent type	Number of respondents	Percentage of respondents
Councillor, Assembly Member or MP	1	1%
Housing association	17	23%
Housing developer	8	11%
Local authority	21	29%
Trade association or industry body	7	10%
Voluntary /community sector (campaign/research/representation)	4	5%
Voluntary /community sector (front line services)	1	1%
Other organisation	10	14%
Individual	4	5%
Total	73	100%

Talk London survey and discussions

- 2.7. Talk London is an online community designed to put Londoners at the centre of GLA strategies and plans, by involving them in sustained and meaningful consultations that generate insights, feedback and actions to improve London.
- 2.8. Talk London hosted a survey and online discussion relating to the intermediate housing consultation between 4 August and 11 October 2020. There were 1,315 responses to the survey and 154 responses to the online discussions.
- 2.9. A list of the questions asked in the survey and the topics of the discussion forums considered in this report are outlined at Appendix 2. Talk London discussions predominantly focussed on questions analysed within the Part 1 Consultation Response Report. However, a small number of comments mentioned key workers, and are reflected within this Part 2 Consultation Response Report.
- 2.10. Because the survey was completed by self-selecting respondents, rather than conducted with a sample intended to be representative, the results have not been weighted. Therefore, they cannot be said to be representative of the views of London's population.

Presenting consultation responses

- 2.11. Chapters three to six cover the separate consultation chapters and associated questions. The chapters contain the following information:
 - the number of respondents who responded to each of the consultation questions;
 - for the chapters that cover closed consultation questions, the proportion of respondents who agreed, partly agreed, or disagreed with the proposal in the question;
 - recurring themes in respondents' comments by question (and 'other' category where applicable); and
 - responses to Talk London survey and discussion questions (where applicable).
- 2.12. The chapters also contain the GLA response to the feedback received on each of the consultation questions addressed in this Part 2 Consultation Response Report, with any proposed policy responses highlighted in bold. A number of these will be recommended to be implemented through the Mayor's planning and investment powers, including through the Affordable Housing and Viability London Plan Guidance. A small number of proposed policy responses are highlighted as needing further work and consideration.

- 2.13. The proposed policy responses within this Part 2 Consultation Response Report should be read alongside the Part 1 Consultation Response Report, to represent a comprehensive assessment of the consultation response.

3. Affordability and delivery

Note: Consultation Questions 1 to 6, and Question 10, are addressed within the Part 1 Consultation Response Report, which should be read alongside this Part 2 Consultation Response Report.

Question 7 (a): What impact might the implementation of the Government's First Homes policy have in London?

Box 1: First Homes

In February 2020, the Government published a consultation on its proposals for a new type of discounted market sale home called First Homes. It is proposed that First Homes will be sold at a minimum 30 per cent discount on their market value and that they will be prioritised for first-time buyers with the discount secured in perpetuity.

Overview of responses

- 3.1. Fifty respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: Mandating the requirement for First Homes would take away flexibility for local authorities to determine affordable tenure splits with reference to local need.

- 3.2. Some respondents suggested that mandating a specific proportion of affordable housing to be delivered as First Homes would be inappropriate for London and would have a detrimental impact on local authorities' ability to ensure that affordable housing provision is meeting local housing need. These respondents argued that local authorities are best placed to negotiate the appropriate mix of affordable housing tenures within their local areas.

Theme 2: First Homes could directly displace the delivery of intermediate housing products, in particular shared ownership.

- 3.3. A large proportion of respondents warned that First Homes would take priority over the delivery of other intermediate housing products, including shared ownership and intermediate rent, where there is a greater proven housing need. These

respondents suggested that shared ownership remains the most appropriate type of affordable home ownership.

Theme 3: First Homes could reduce the overall supply of housing and affordable housing, including low cost rent homes.

- 3.4. The majority of respondents warned that the implementation of First Homes could reduce the opportunity for cross-subsidy from shared ownership, if First Homes displace the delivery of shared ownership homes. This could reduce the overall viability of development sites, which may make investment in housing delivery less attractive. This could lead to a negative impact on the delivery of housing and, even more importantly, affordable housing including low cost rent. Some respondents also specifically cited the management challenges of delivering First Homes on Build to Rent schemes, which might reduce investor appetite for and delivery of Build to Rent homes in London.

Theme 4: First Homes would be unaffordable to those in housing need in London at the proposed discount, particularly in higher value areas.

- 3.5. A large proportion of respondents highlighted the risk that First Homes would be unaffordable to those in housing need in London with a discount of only 30%. One respondent cited analysis from JLL which found that First Homes would only be accessible to 10% of Londoners. These respondents suggested that a deeper discount would be needed in order to make First Homes affordable to Londoners. Some respondents also suggested that the First Homes discount should be linked to income rather than the open market value of the home.

Theme 5: First Homes may have the potential to help more households into owner occupation, particularly in lower value areas.

- 3.6. A small number of respondents supported the aim to have a range of affordable housing options available, including affordable home ownership options, to diversify the types of affordable housing offered across London. These respondents suggested that First Homes would be most affordable in lower value areas.

Question 7 (b): What steps could the GLA take to minimise risks to affordable housing delivery, in particular homes at social rent levels, arising from this policy?

Overview of responses

- 3.7. Forty-eight respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: The GLA could oppose First Homes and lobby against implementation of the policy in London.

- 3.8. A small number of respondents suggested that the GLA could lobby against implementation of the First Homes policy in London. These respondents cited concerns about the affordability of the product and the potential negative impact of First Homes on the delivery of housing and, particularly, affordable housing. Some respondents went further and suggested that the GLA should not categorise First Homes as an affordable housing product.

Theme 2: The GLA could lobby for exemptions to the First Homes policy in circumstances where it is not practical to deliver.

- 3.9. A number of respondents suggested that the GLA could lobby for exemptions to the First Homes policy for housing association and local authority-led development, for Build to Rent schemes, and in higher value areas. These respondents cited viability and management challenges, which might make development of First Homes impractical to deliver on these types of schemes.

Theme 3: The GLA could lobby for local implementation of the First Homes policy, with flexibility to prioritise other tenures where there is local need.

- 3.10. A large proportion of respondents suggested that the GLA could lobby for local authorities to have the flexibility to implement the First Homes policy in line with local need. These respondents argued that a local authority should be able to control the overall affordable housing tenure mix, the discount level for First Homes, income caps, and other eligibility requirements with reference to local need.

Theme 4: The GLA could introduce measures to make First Homes more affordable and/or secure the affordability of First Homes in perpetuity.

- 3.11. A small number of respondents suggested that the GLA could introduce measures to make First Homes more affordable to the target group of those in intermediate housing need, for instance by implementing market value and income caps to align with other affordable home ownership products. Some respondents also suggested that the GLA could introduce measures to ensure that any First Home delivered is secured as an affordable home in perpetuity.

Theme 5: The GLA could continue to prioritise social rent and other affordable housing tenures over First Homes.

3.12. A large proportion of respondents suggested that the GLA could continue to prioritise the delivery of social rent and other affordable housing tenures over First Homes, for instance by directing funding towards these other affordable housing tenures and by ensuring the London Plan requirement that at least 30 per cent of homes should be delivered as social rented homes remains fixed and is not displaced by the delivery of First Homes. These respondents made the case that other types of affordable housing products, in particular social rent, are more affordable and meet a more acute housing need.

GLA response: Questions 7 (a) and 7 (b)

- 3.13. The Mayor shares respondents' concerns about the impact of the First Homes policy on the delivery of affordable housing and overall housing supply in London. As well as diverting developer subsidy from intermediate homes, the Government's proposals risk undermining efforts to increase housing supply overall. The GLA recognises the importance of receiving cross-subsidy from shared ownership to support the viability of low cost rent, and shares respondents' concerns that the implementation of First Homes could lead to a negative impact on the delivery of housing and, even more importantly, affordable housing including low cost rent. In addition, the First Homes proposals aim to maximise the delivery of one tenure, which is contrary to the recommendation of the 2018 Letwin Review, which found that diversification of tenure was key to increasing build out rates.¹¹
- 3.14. The Mayor also shares respondents' concerns about the potential of the First Homes policy to seriously undermine the long-standing foundations of devolution, and the principle that the Mayor of London is responsible for affordable housing policy in the capital. The Mayor agrees that the GLA and local planning authorities should have maximum flexibility to implement the First Homes policy in a way that minimises the damage to London's housing supply.
- 3.15. The Mayor's housing policies are designed to support Londoners who aspire to own their own home. However, the way to achieve this is by offering a range of intermediate housing products, including shared ownership and London Living Rent, which require a smaller deposit than market housing and are affordable for middle-income Londoners. Imposing a one-size-fits-all approach that does not take account of London's unique housing market, nor site-specific circumstances, will only exacerbate the housing crisis.
- 3.16. The final details on the implementation of First Homes have not been confirmed by Government; however, the GLA remains concerned that the delivery of First Homes is not appropriate for London. **The GLA will continue to oppose the First Homes**

¹¹ Rt Hon Sir Oliver Letwin MP, [Independent Review of Build Out: Final Report](#), October 2018

policy on the basis that First Homes are not affordable. The Mayor's priority is low cost rented homes, which is London's most critical type of housing need.

- 3.17. Subject to any restrictions on the implementation of First Homes introduced by Government, **the GLA will utilise its planning powers to strengthen guidance on existing market value and income caps for affordable home ownership policies, which should also be relevant to First Homes; and to introduce measures to ensure First Homes remain discounted in perpetuity.**

Question 8: Would the proposals set out below be effective in ensuring that Discount Market Sale (DMS) homes are secured in perpetuity?

Box 2: Securing DMS homes in perpetuity

The GLA's Consultation on Intermediate Housing suggested that guidance on how DMS homes should be secured in perpetuity could include the following:

- A requirement to include a clause in the headlease of any DMS homes which restricts any subsequent sales to those within the income caps set out in the London Plan (December 2020);
- Setting out a clear requirement in the Section 106 agreement that the discount offered on the home should remain in perpetuity, and expectations for how homes will be valued; and/or
- Setting out in the Section 106 agreement the level of subsidy to be repaid to the local authority if the home is eventually sold on the open market (this may be necessary if, for instance, increases in price render future sales of the home unaffordable to those within the Mayor's income caps).

Overview of responses

- 3.18. Thirty-five respondents answered this question. Of these respondents, fifty-one per cent agreed that the proposals set out in the GLA's consultation document would be effective in ensuring that DMS homes are secured in perpetuity. Thirty-seven per cent partly agreed and eleven per cent disagreed.

- 3.19. The analysis of responses by respondent type is set out in the table below.

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Councillor, Assembly Member or MP	0	0	0
Housing association	8	2	1
Housing developer	1	0	0
Local authority	7	11	2
Trade association or industry body	2	0	1
Voluntary /community sector (campaign/research/representation)	0	0	0
Voluntary /community sector (front line services)	0	0	0
Other organisation	0	0	0
Individual	0	0	0
Total number	18	13	4
Percentage of total	51%	37%	11%

3.20. Respondents provided a range of comments in response to this question and the main themes are summarised below.

Recurring themes

Theme 1: The GLA's proposals would be effective in ensuring that DMS homes are secured in perpetuity, and the GLA should publish guidance to this effect.

3.21. The majority of respondents agreed that the GLA's proposals, as set out in the GLA's Consultation on Intermediate Housing, would be effective in ensuring that DMS homes are secured in perpetuity. Some respondents noted that the proposals rightly align with the London Plan requirements for other affordable home ownership products, such as shared ownership and shared equity.

Theme 2: The GLA's proposals would be effective in ensuring that DMS homes are secured in perpetuity, but do not address the core issue of affordability.

- 3.22. A small number of respondents suggested that the GLA's proposals would be effective in ensuring that DMS homes are secured in perpetuity in areas where DMS is affordable, but argued that DMS is not affordable in many areas. Some respondents suggested that local authorities should have the flexibility to set discount levels for DMS homes at a local level; others argued that discount levels should be linked to income caps, rather than open market values. Most respondents agreed that a requirement should be included in Section 106 agreements that any discount on a DMS home should be secured in perpetuity.

Theme 3: The GLA's proposals would be effective in ensuring that DMS homes are secured in perpetuity, but need to include guidance for instances when a buyer cannot be found for a DMS home.

- 3.23. A small number of respondents suggested that the GLA's proposals should include options for instances when an eligible buyer cannot be found for a re-sale DMS home, to prevent the seller from becoming trapped. Some respondents suggested that guidance could allow for local authorities to buy back the DMS home and convert it to social rent or other affordable housing; or for the DMS home to be sold on the open market after a defined period.

Theme 4: Local authorities are not sufficiently resourced to administer, monitor or enforce the GLA's proposals, which could make the proposals ineffective.

- 3.24. A number of respondents highlighted the potential resource burden that the GLA's proposals could place upon local authorities and housing providers, particularly in instances where the local authority is required to manage only a small number of homes. These respondents made the case that the GLA's proposals would require a level of expertise that most local authorities and housing providers do not have in-house, such as valuation expertise. These respondents suggested that the GLA could provide additional funding to local authorities to administer, monitor and enforce the GLA's proposals; or lobby the Government to allow local authorities additional means to charge the freeholder for the ongoing administration of DMS.

Theme 5: A centralised approach to administering, monitoring and enforcing the GLA's proposals could be more effective in ensuring that DMS homes are secured in perpetuity.

- 3.25. Citing the resourcing burden to local authorities, a number of respondents suggested that a centralised approach to administering, monitoring and enforcing the GLA's proposals could be more effective in ensuring that DMS homes are secured in perpetuity. Some respondents suggested the GLA could produce

London-wide policy on the DMS discount levels needed; and others suggested the GLA could produce standard Section 106 clauses for DMS homes that can be used by local authorities. Some respondents also suggested the GLA could consider using the Land Registry as a mechanism to secure DMS homes in perpetuity.

GLA response: Question 8

- 3.26. The London Housing Strategy makes clear that the Mayor only supports the delivery of DMS homes where they are genuinely affordable and meet a specified need. To be considered genuinely affordable, DMS homes must meet the affordability criteria set out in the London Plan, which means that monthly housing costs should be no more than 40 per cent of net household income for households on a range of incomes up to £90,000.
- 3.27. **The GLA will support the delivery of DMS homes where they are delivered on schemes that align with wider strategic housing and planning policy objectives, such as community-led schemes and/or schemes that provide homes to groups of people who share a protected characteristic. To ensure that DMS homes are affordable, the GLA will utilise its planning powers to strengthen guidance on market value and income caps for DMS homes, to be consistent with existing affordable home ownership policies.**
- 3.28. The Mayor is keen to ensure that, where DMS homes are delivered, the discount is passed on to the next buyer to guarantee that the homes remain affordable in the future. This will help to protect affordable housing stock and ensure that, where these homes are delivered, they provide a lasting benefit for Londoners.
- 3.29. The Affordable Housing and Viability London Plan Guidance (AHVLPG) states that local authorities should ensure that affordable housing provision is secured for future eligible households through a legal agreement. Intermediate products must be secured as such through a Section 106 (S106) agreement. **The GLA will utilise its planning powers to introduce measures to ensure DMS homes remain affordable in perpetuity, with income caps applicable to subsequent sales. In addition, the GLA will provide guidance on how DMS homes should be valued, to ensure DMS homes remain affordable in perpetuity and to seek to minimise the administrative burden placed on local authorities.**
- 3.30. The GLA intends that the proposals outlined above will ensure that DMS homes remain affordable to Londoners in perpetuity, and will minimise instances when a buyer cannot be found for a DMS home. The GLA is committed to ensuring that DMS homes are secured in a way that ensures the homes remain at a discount for future eligible households, as is a requirement of the National Planning Policy Framework, and will continue to work with housing providers to seek a mechanism to prevent DMS home owners becoming 'trapped'.

Question 9 (a): What impact might the implementation of the Government's proposed Right to Shared Ownership scheme in London have on the delivery of affordable homes, in London, in particular homes at social rent levels?

Box 3: Right to Shared Ownership

In October 2019, the Government announced proposals to introduce a Right to Shared Ownership offer for social housing tenants. Further announcements on these proposals suggest that tenants of all rented homes delivered through the Affordable Homes Programme 2021-2026 will be given an automatic right to buy a share of their home on a shared ownership basis. While the minimum share that can be purchased under the shared ownership model is currently 25 per cent of the home's value, tenants of these homes will be able to buy a 10 per cent share. Like other shared owners, they will have the option to increase this over time through staircasing.

Overview of responses

3.31. Forty-four respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: The Right to Shared Ownership could reduce the overall stock of affordable housing and, most importantly, social rent housing.

3.32. The majority of respondents warned that the implementation of the Right to Shared Ownership could lead to a loss of valuable social rent housing stock. These respondents argued that modest receipts from the Right to Shared Ownership, restrictions on the use of receipts, and a lack of funding for social rent could mean that affordable homes sold through the Right to Shared Ownership are not replaced. Some respondents also warned of the risk of public subsidy ending up in the private market, if affordable homes sold through the Right to Shared Ownership are eventually sold on the open market.

Theme 2: The Right to Shared Ownership could reduce the overall supply of housing and affordable housing, including low cost rent homes.

3.33. The majority of respondents also suggested that the Right to Shared Ownership could impact on the level of borrowing that housing associations can undertake, because shared ownership homes are valued differently to low cost rent homes and the Right to Shared Ownership would introduce more risk in housing providers' asset base. In addition, some respondents suggested that the Government's new

model for shared ownership, which will apply to homes bought through the Right to Shared Ownership, could increase costs to housing providers. These issues could reduce the overall viability of development sites, which may make investment in housing delivery less attractive. This could lead to a negative impact on the delivery of housing and affordable housing, including low cost rent.

Theme 3: The Right to Shared Ownership could cause management challenges if delivered on sites designated for use as rented tenure homes.

- 3.34. Some respondents suggested that it would not be practical to offer the Right to Shared Ownership on sites designated for use as rented tenure homes. These respondents suggested that to do so would create a broken asset with mixed rented tenure and owner occupier homes, which could lead to service charge disparities and diluted management efficiency. These respondents warned that these management challenges could impact on development viability, which could reduce investor appetite for and delivery of rented tenure homes in London.

Theme 4: There is insufficient detail on how the Right to Shared Ownership scheme would be implemented in London, which means it is not possible to determine what impact the scheme could have on affordable housing delivery.

- 3.35. A small number of respondents suggested that further detail is needed on how the Right to Shared Ownership scheme would be implemented in London, before a judgement can be made on the impacts of the policy. Some respondents suggested that a pilot scheme should be run to test the impact of Right to Shared Ownership before implementation.

Theme 5: The Right to Shared Ownership may have the potential to help more households into owner occupation, particularly lower income households.

- 3.36. A small number of respondents supported the aim to help lower income households access home ownership and thought the Right to Shared Ownership was an effective mechanism by which to do so. These respondents cited the positive aspects of home ownership not being restricted to higher incomes. However, a number of these respondents also noted that they expected the take up of Right to Shared Ownership to be low, due to the affordability challenges of shared ownership for lower income households.

Question 9 (b): What steps could the Mayor take to mitigate any negative impacts of this policy?

Overview of responses

3.37. Thirty-six respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: The GLA could seek to introduce policies to limit the extent of Right to Shared Ownership in London.

3.38. A large proportion of respondents suggested that the GLA could lobby for exemptions to Right to Shared Ownership, to limit the extent of Right to Shared Ownership in London. These respondents suggested introducing exemptions for housing associations with smaller stock; homes in higher value areas; homes in areas of high housing need; and homes where the introduction of the Right to Shared Ownership would cause management issues, such as homes on Build to Rent schemes. In addition, some respondents suggested that the GLA could lobby to introduce restrictive covenants to limit the time frame for eligibility for Right to Shared Ownership and to prevent homes being bought through the Right to Shared Ownership being sublet.

Theme 2: The GLA could increase support for social rent, to prevent the loss of valuable social rent housing.

3.39. A large proportion of respondents suggested that the GLA could increase support for social rent to counteract the potential loss of social rent housing stock as a result of homes being sold through the Right to Shared Ownership. These respondents suggested that support for social rent could be increased by increasing new homes grant for social rent; prioritising the delivery of council homes for social rent; ensuring like-for-like replacement of social rent homes sold through the Right to Shared Ownership; or supporting housing providers to buy back homes for social rent when the leaseholder moves on.

Theme 3: The GLA could increase support for other affordable housing tenures, to mitigate the impact on overall housing delivery.

3.40. A large proportion of respondents suggested that the GLA could increase support for other affordable housing, and particularly shared ownership housing, to cover the cost of the new model for shared ownership and to mitigate the impact on overall housing delivery. Some respondents suggested that the GLA could increase grant funding to support the delivery of affordable housing. Other respondents suggested that developing a framework to enable current funding arrangements and rates of borrowing to continue could help mitigate the potential impact on housing delivery.

Theme 4: The GLA could encourage the provision of better advice and guidance for prospective shared ownership purchasers.

- 3.41. A small number of respondents highlighted the importance of ensuring that there is transparency around fees and charges associated with shared ownership, to support potential purchasers to understand the full cost before purchasing their home through the Right to Shared Ownership. Some respondents suggested that guidance to prospective purchasers should include advice on other routes into home ownership.

Question 9 (c): What mechanisms already exist to support social tenants who want to access shared ownership homes to do so, and how effective are they?

Overview of responses

- 3.42. Twenty-eight respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: Many local authorities and housing providers already prioritise social tenants for shared ownership.

- 3.43. A large proportion of respondents highlighted that many local authorities and housing providers give the highest priority to prospective shared ownership purchasers who are social tenants. However, a number of these respondents report that applications for shared ownership from social tenants are few, due to affordability or because shared ownership is not considered to be as secure as social rent.

Theme 2: Better advertising of shared ownership homes could support social tenants who want to access shared ownership.

- 3.44. A number of respondents highlighted the benefit of good advertising to make social tenants aware of opportunities to access shared ownership. These respondents highlighted a number of existing mechanisms for advertising shared ownership homes and suggested that these could be improved. Those mechanisms included the Homes for Londoners portal, intermediate housing waiting lists, local authority websites, and resident newsletters. Specifically, one respondent highlighted the importance of advertising shared ownership homes on estate regeneration schemes to support existing social housing residents into those homes.

Theme 3: A lower initial share could make accessing shared ownership more affordable to social tenants.

- 3.45. Some respondents suggested that the lower initial share proposed in the Government's new model for shared ownership could make accessing shared ownership more affordable to social tenants. These respondents cited the difficulties for social tenants of saving for a deposit to purchase a 25 per cent share in their home, and suggested that a 10 per cent share might make shared ownership more accessible to lower income households.

Theme 4: Other affordable home ownership products exist which support social tenants who want to access home ownership.

- 3.46. A number of respondents highlighted other affordable home ownership products that are available to social tenants, such as the Home Ownership for Long-Term Disability (HOLD) scheme; Social Homebuy; and borough-specific options such as the Westminster City Council Flexible Home Ownership scheme. Some respondents also highlighted that the Right to Buy and Right to Acquire provide a well-established route to home ownership.

GLA response: Questions 9 (a), 9 (b) and 9 (c)

- 3.47. Since the launch of the GLA's Consultation on Intermediate Housing in August 2020, the Government has provided further guidance for registered providers on the Right to Shared Ownership.¹² This announcement confirmed that the Right to Shared Ownership would be implemented through the Affordable Homes Programme 2021-2026 and that homes sold through the Right to Shared Ownership would adopt the new shared ownership model. Following concerns raised by the GLA and others, MHCLG introduced a series of exemptions which will limit the scope of the policy. In addition, MHCLG confirmed that the Right to Shared Ownership would not be retrospectively introduced for homes funded through the Affordable Homes Programme 2016-2023. The GLA welcomes these proposals to limit the scope of the Right to Shared Ownership policy.
- 3.48. The Mayor shares respondents' concerns about the impact of the Right to Shared Ownership policy on the stock of valuable social rent homes; and the impact on the overall delivery of housing and affordable housing in London, as a result of housing providers' reduced borrowing power and the increased costs of delivering shared ownership in the new model. The GLA notes some respondents' predictions that the take up of the Right to Shared Ownership will be low. Nevertheless, the GLA is concerned that the Government will not be prioritising the like-for-like replacement of social rent homes sold through the Right to Shared Ownership. The GLA believes that the Right to Shared Ownership policy is counterproductive to the provision of much needed social rent homes, and will continue to make the case to Government to recognise the overwhelming need for social rent.

¹² MHCLG, [Right to Shared Ownership: initial guidance for registered providers](#), September 2020

- 3.49. The Mayor recognises that a number of mechanisms already exist to support social tenants who want to access shared ownership homes, and remains of the view that the Right to Shared Ownership is not the most appropriate route to home ownership for Londoners. However, for those residents who do choose to exercise their Right to Shared Ownership, the Mayor wants to ensure that the process is transparent and that residents have access to the full range of information about the nature of shared ownership as well as the full range of likely fees.
- 3.50. As outlined in the Part 1 Consultation Response Report, the GLA will require all investment partners in the Affordable Homes Programme 2021-2026 to provide a key features document to potential purchasers at the start of the marketing and sales period for all new shared ownership homes. **The GLA expects that the requirement to provide a key features document to potential buyers would apply to all new shared ownership homes sold through the Right to Shared Ownership. In addition, the GLA expects all investment partners in the Affordable Homes Programme 2021-2026, including those with homes sold through the Right to Shared Ownership, to sign up to the principles of the Shared Ownership Charter for Service Charges.**
- 3.51. **Furthermore, as announced in January 2021, the GLA expects investment partners receiving funding through the Affordable Homes Programme 2021-2026 to use a 999-year lease for shared ownership where it is possible to do so, to offer long-term security to leaseholders and to minimise the cost and burden of leasehold extension processes.¹³ The expectation to use a 999-year lease for shared ownership will also apply to homes sold through the Right to Shared Ownership.**

¹³ Greater London Authority, [Mayor demands 999-year leases for shared ownership homes](#), January 2021

4. Eligibility, prioritisation and allocation

Note: Consultation Questions 11 to 12, and Question 15, are addressed within the Part 1 Consultation Response Report, which should be read alongside this Part 2 Consultation Response Report.

Question 13: Should local authorities be required to implement an intermediate housing waiting list and/or allocations policy as a condition of setting additional prioritisation criteria for the first three months of marketing new intermediate homes?

Box 4: Eligibility and prioritisation criteria for intermediate housing

Access to intermediate housing is subject to regionally defined eligibility criteria: income eligibility thresholds are outlined in the London Plan and the London Housing Strategy; and other eligibility criteria reflect the national criteria and are conditions of receiving GLA funding, set out in the GLA's Capital Funding Guide.¹⁴

For intermediate ownership, households are eligible if they:

- have a gross household income of up to £90,000 per annum;
- do not currently own their own home or have sold their home; and
- are unable to find a property to suit their needs on the open market.

For intermediate rent, households are eligible if they:

- have a gross household income of up to £60,000 per annum.

Current London planning policy enables local authorities to require housing providers to further restrict sales and marketing of new intermediate homes to certain groups for the first three months (after which homes can be marketed to anyone within the London wide criteria). Locally set intermediate eligibility and/or prioritisation criteria can include a requirement for an applicant to live or work within the borough; whether the applicant has a recognised medical need or in overcrowded conditions; or the occupation of the applicant, with priority sometimes given to armed forces personnel or key workers.

¹⁴ Greater London Authority, [Affordable Housing Capital Funding Guide](#), periodically updated

Overview of responses

- 4.1. Fifty respondents answered this question. Twenty-two respondents disagreed that the GLA should require local authorities to implement any form of intermediate housing waiting list and/or allocations policy. The remaining respondents raised a range of issues reflecting multiple viewpoints. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: The use of intermediate housing waiting lists and/or allocations policies could be beneficial and could provide greater clarity and transparency.

- 4.2. A large proportion of respondents supported the use of intermediate housing waiting lists and/or allocations policy, on the basis that it could provide clarity and transparency. These respondents noted that the use of a waiting list and/or allocations policy could benefit those seeking, or potentially able to benefit from intermediate housing, by helping to ensure those most in housing need are prioritised for intermediate housing. Some respondents also suggested the use of a waiting list and/or allocations policy could be helpful for providers to minimise void periods and help to target intermediate housing allocations to those in greatest need.

Theme 2: The use of intermediate housing waiting lists and/or allocations policies could be beneficial but should not be implemented by local authorities.

- 4.3. Some respondents supported the use of intermediate housing waiting lists and/or allocations policies but suggested that they should not be implemented by local authorities. Some respondents suggested that the housing associations developing intermediate housing should operate the waiting list and/or allocations policy, while others advocated for a pan-London approach, potentially managed by the GLA. Some who suggested a pan-London approach observed that the market for intermediate housing, especially shared ownership, spans borough boundaries.

Theme 3: Local authorities are not sufficiently resourced to administer, monitor or enforce intermediate housing waiting lists and/or allocations policies, which could make the policies ineffective.

- 4.4. A number of respondents, including but not limited to local authorities, questioned whether local authorities have adequate resources to implement and maintain waiting lists and/or allocations policies for intermediate housing. Some respondents observed that, although local authorities' statutory duties around the allocation of social housing in some respects leave them well-placed to take on this responsibility, some local authorities are already stretched meeting existing

statutory duties. Some respondents expressed particular concern around the resources required to ensure that lists are regularly updated, which they considered essential if lists are to be useful.

Theme 4: Local authorities should have the flexibility to decide whether to implement an intermediate housing waiting list and/or allocation policy.

- 4.5. A number of respondents suggested that the decision of whether to implement a waiting list and/or allocations policy for intermediate housing should be down to individual local authorities. Some respondents suggested that local authorities should at least be able to determine the process for prioritisation at a local level, informed by their understanding of local need.

Theme 5: The use of intermediate housing waiting lists and/or allocations policies could slow down the sale or letting of intermediate housing, to the detriment of delivery.

- 4.6. A small number of respondents, in particular developers of intermediate housing, expressed concern that waiting lists and/or allocations policies could slow down the sale or letting of intermediate housing, which would undermine delivery. These respondents suggested the process was best managed by the housing provider, and highlighted the risk of waiting lists becoming quickly out of date.

GLA response: Question 13

- 4.7. The Mayor is aware that some local authorities already utilise an intermediate housing list to manage the prioritisation of households for available intermediate housing; and that these local authorities have found such a list helpful to ensure those in greatest housing need are prioritised for intermediate housing.
- 4.8. The responses to this question suggest that the use of intermediate housing waiting lists and/or allocations policy can provide clarity and transparency, which could benefit those seeking intermediate housing as well as housing providers. However, the responses to this question also raise concerns around the additional resource required for local authorities to administer and maintain an intermediate housing waiting list and/or allocations policy; and the desire of some local authorities to have autonomy over the decision of whether to implement such a list.
- 4.9. The Mayor wants to ensure that there is transparency around the prioritisation and allocation of intermediate homes; and that intermediate housing is allocated fairly to Londoners. Recognising the shortage of affordable homes including intermediate rent homes in London and the desirability of targeting homes at those in greatest need – regardless of whether providers set additional prioritisation criteria for the first three months of marketing new intermediate homes – **the GLA expects local**

authorities and housing providers to adopt an equitable and targeted allocation process for all intermediate housing, having regard to regional and local eligibility criteria, and the established definitions of housing need.

- 4.10. The Mayor recognises that an intermediate housing list might be challenging to implement, given the resource required to administer and maintain such a list effectively; and does not wish to add undue pressure to local authorities' already stretched resources. Recognising respondents' concerns, the GLA will not, at this stage, introduce an expectation that local authorities should implement an intermediate housing waiting list as a condition of setting additional prioritisation criteria for the first three months of marketing new intermediate homes.
- 4.11. The Mayor remains committed to ensuring that allocations policies are transparent, to help those seeking intermediate housing to better understand the process for finding an intermediate home. Where local authorities set additional prioritisation criteria for the allocation of intermediate homes, the GLA expects these criteria to be transparent. The GLA will, therefore, strengthen existing requirements in the Capital Funding Guide to ensure that allocations policies can be easily accessed by Londoners seeking a home. **Housing providers receiving grant through the Affordable Homes Programme 2021-2026 that choose to set additional prioritisation criteria for the first three months of marketing new intermediate homes will be required to publish details of the criteria on which intermediate housing applications might be prioritised, which might reflect local eligibility and/or prioritisation criteria, within their published policy statements.**
- 4.12. The requirement for housing providers to publish details of additional eligibility and/or prioritisation criteria within their policy statements currently exists within the GLA's Capital Funding Guide for homes sold through Social HomeBuy.¹⁵ The GLA will expand the existing requirement in the 'Housing for sale' guidance to incorporate other affordable home ownership tenures, including shared ownership. Given the constrained supply of intermediate rent homes, the GLA believes there is a strong case to ensure these homes are targeted towards the households in greatest need. Therefore, the GLA will also expand the existing requirement to be included in the 'Housing for rent' guidance to incorporate rented tenure homes, including London Living Rent.
- 4.13. The GLA also wants to ensure that any homes delivered through the planning system are allocated in accordance with published eligibility and/or prioritisation and will, therefore, strengthen existing requirements in the AHVLP to ensure homes are targeted towards households in greatest need. **Where intermediate homes are delivered through the planning system, the GLA expects these homes to be allocated according to intermediate eligibility and/or prioritisation criteria,**

¹⁵ Greater London Authority, [Affordable Housing Capital Funding Guide – Section 4: Housing for sale](#), last updated August 2016, accessed January 2021

which can include locally defined criteria. Where a local authority has an intermediate housing waiting list, they should agree with the applicant a process for providing priority access for households on the waiting list.

Question 14 (a): Should the GLA publish best practice guidance on the allocation of intermediate housing and intermediate waiting lists?

Overview of responses

4.14. Forty-nine respondents answered this question. Of these respondents, forty-seven per cent agreed that the GLA should publish best practice guidance on the allocation of intermediate housing and intermediate waiting lists. Forty-three per cent partly agreed and ten per cent disagreed.

4.15. The analysis of responses by respondent type is set out in the table below.

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Councillor, Assembly Member or MP	0	0	0
Housing association	6	5	3
Housing developer	2	4	0
Local authority	12	6	2
Trade association or industry body	2	2	0
Voluntary /community sector (campaign/research/representation)	1	0	0
Voluntary /community sector (front line services)	0	1	0
Other organisation	0	2	0
Individual	0	1	0
Total number	23	21	5
Percentage of total	47%	43%	10%

- 4.16. Respondents provided a range of comments in response to this question and the main themes are summarised below.

Recurring themes

Theme 1: Guidance on the allocation of intermediate housing and intermediate waiting lists would be helpful and would increase consistency between boroughs.

- 4.17. The majority of respondents welcomed the prospect of guidance, on the basis that it would help increase consistency between boroughs and local authorities in how intermediate housing is allocated. Some respondents suggested this would be helpful to those in need of intermediate housing, for whom the varying processes across different boroughs can prove confusing and time-consuming to navigate.

Theme 2: Guidance on the allocation of intermediate housing and intermediate waiting lists would be helpful, but local authorities should have the flexibility to determine priorities at a local level.

- 4.18. A large proportion of respondents welcomed the prospect of guidance and saw the benefit of a common framework. A similar number of respondents' support for guidance was conditional on local authorities having the flexibility to determine local priorities for affordable housing. These respondents did not support the concept of strictly enforcing a standardised approach.

Theme 3: A practical resource showcasing existing best practice for the allocation of intermediate housing and intermediate waiting lists would be useful.

- 4.19. A small number of respondents suggested that a practical resource that showcased best practice on the part of local authorities that already operate waiting lists and/or allocations policies for intermediate housing would be useful.

Theme 4: Guidance on the allocation of intermediate housing and intermediate waiting lists is not necessary, because there are already established approaches.

- 4.20. A small number of respondents suggested that such guidance was not necessary because there are established approaches to allocating intermediate housing and/or because allocations should be left to local authorities.

Theme 5: The use of intermediate housing waiting lists and/or allocations policies could slow down the sale or letting of intermediate housing, and should not be promoted through guidance.

- 4.21. A small number of respondents expressed concern that waiting lists and/or allocations policies could slow down the sale or letting of intermediate housing, to

the detriment of delivery. These respondents were concerned by the prospect of guidance on this basis.

Question 14 (b) If yes, is there anything in addition to the list above which should be covered by the guidance?

Overview of responses

4.22. Twenty-nine respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: Guidance could include recommendations on how to prioritise those seeking intermediate housing.

4.23. A large proportion of respondents suggested that guidance could usefully cover recommended approaches to prioritising those seeking intermediate housing, which could be used to promote pan-London consistency in the prioritisation and allocation of intermediate housing. Some respondents specifically mentioned the importance of prioritising intermediate housing on the basis of income and local connection.

Theme 2: Guidance could include examples of best practice based on existing frameworks for intermediate housing waiting lists and/or allocations policies.

4.24. A small number of respondents suggested that guidance could usefully highlight examples of best practice in implementing waiting lists and/or allocations policies for intermediate housing.

Theme 3: Guidance could provide recommendations on the practical process of implementing an intermediate waiting list and/or allocations policy.

4.25. A number of respondents suggested that guidance could cover the following areas, focussed on the practical process of implementing an intermediate housing waiting list and/or allocations policy:

- The process for updating intermediate housing waiting lists;
- The approach to pricing intermediate homes, with these respondents specifically citing the need to have reference to local incomes;
- The role of the Homes for Londoners portal in marketing homes; and
- The approach to monitoring data on those seeking intermediate housing through the Homes for Londoners portal.

Theme 4: Guidance could provide recommendations on how to approach the allocation of intermediate housing to improve the experience of the consumer.

4.26. A small number of respondents suggested that guidance could cover the following areas, focused on improving the experience of the consumer:

- How to promote intermediate housing, including directing prospective applicants to the products most suitable for them;
- How to manage data protection requirements (including GDPR) when maintaining, and potentially sharing, a list of registered interest; and
- How to work with local employers to target intermediate housing allocations towards key workers.

GLA response: Questions 14 (a) and 14 (b)

4.27. The responses to this question suggest that guidance on the allocation of intermediate housing and intermediate waiting lists could increase consistency between boroughs. However, responses also suggest that local authorities should have the flexibility to determine priorities and processes at a local level, in light of varying resourcing priorities across local authorities and to reflect local needs.

4.28. The Mayor recognises the limitations of adopting a pan-London approach to intermediate allocations policies and/or waiting lists, and is not convinced that publishing best practice guidance alone will necessarily lead to greater consistency for Londoners, as many residents will not limit their search to one housing provider and, particularly for shared ownership, may search across boroughs. For these reasons, at this stage, **the GLA will not publish best practice guidance on the allocation of intermediate housing and intermediate waiting lists.**

4.29. As outlined in the GLA's response to Question 13, the Mayor wants to ensure that the process for the prioritisation and allocation of intermediate homes is fair and transparent, and that Londoners experience an appropriate degree of consistency across the city. The Mayor believes there may be an opportunity to share best practice from local authorities that already maintain applicant waiting lists and/or allocations policies for intermediate housing, and particularly intermediate rent homes.

4.30. The Mayor recognises the administrative burden of maintaining applicant waiting lists and/or allocations policies for intermediate housing. The Mayor is also aware of the existence of cross-borough markets for intermediate housing; and the potential benefit of a pan-London approach to marketing intermediate homes and managing allocations, particularly after the first three months of marketing a new intermediate home, after which any locally defined eligibility criteria cease to apply. For these reasons, the Mayor considers that it might be useful, to both prospective residents

and housing providers, to have a database that registers interest from Londoners to inform allocations across multiple boroughs. The Mayor will continue to engage with local authorities and housing providers on the feasibility of enhancing the Homes for Londoners portal to perform this function.

- 4.31. Investment partners receiving funding through the Affordable Homes Programme 2021-2026 are already encouraged to advertise their available shared ownership and London Living Rent homes through the Homes for Londoners property search tool. **The GLA will explore options to develop the existing Homes for Londoners portal as a pan-London property search tool to register housing interest and to inform allocations, as well as to market the availability of intermediate homes.**

5. Supporting London's key workers

Note: Consultation Questions 18 and 19 are addressed within the Part 1 Consultation Response Report, which should be read alongside this Part 2 Consultation Response Report.

Question 16 (a): Should the GLA define a 'core' list of key worker occupations for use in intermediate housing allocation policies, and should local authorities be able to identify additional key worker groups, where there is evidence of local need?

Overview of responses

- 5.1. Fifty-eight respondents answered this question. Of these respondents, twenty-one per cent agreed that the GLA should define a 'core' list of key worker occupations for use in intermediate housing allocation policies, which local authorities should be able to add to where there is evidence of local need. Fifty-two per cent partly agreed and twenty-eight per cent disagreed.
- 5.2. The analysis of responses by respondent type is set out in the table below.

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Councillor, Assembly Member or MP	0	0	1
Housing association	5	9	3
Housing developer	1	5	0
Local authority	5	5	11
Trade association or industry body	0	7	1
Voluntary /community sector (campaign/research/representation)	0	0	0
Voluntary /community sector (front line services)	0	1	0

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Other organisation	1	2	0
Individual	0	1	0
Total number	12	30	16
Percentage of total	21%	52%	28%

- 5.3. Respondents provided a range of comments in response to this question and the main themes are summarised below.

Recurring themes

Theme 1: Defining a core list of key workers could provide greater clarity and transparency around the prioritisation and allocation of intermediate housing.

- 5.4. A large proportion of respondents welcomed the prospect of a core list on the basis that it would provide greater clarity and transparency around the prioritisation for and allocation of intermediate housing. The majority of these respondents thought that a local authority should be able to add to the list where there is evidence of local need.

Theme 2: Defining a core list of key workers could be beneficial, but allocations policies should also prioritise on the basis of income.

- 5.5. Some respondents highlighted the importance of income as a criterion for accessing intermediate housing. Some respondents suggested applicants should be prioritised on the basis of income rather than by occupation, with others suggesting occupation should be taken into account alongside income.

Theme 3: Defining a core list of key workers could be beneficial, but this list would need to be kept under regular review.

- 5.6. A small number of respondents highlighted the importance of keeping any core list (and prioritisation criteria more broadly) under regular review, so that the list reflects changing circumstances and understandings of key workers.

Theme 4: Defining a core list of key workers could be beneficial, but achieving consensus on what occupations should or should not be included in this core list could be challenging.

- 5.7. A small number of respondents expressed concerns about the difficulty of defining a core list, highlighting the risk that a list could be divisive and inadvertently exclude some people whose work is not necessarily typical of traditional understandings of key workers. Some respondents noted the impact of the Covid-19 pandemic on understandings of essential workers.

Theme 5: Defining a core list of key workers is not desirable, and local authorities should have the flexibility to determine priorities at a local level.

- 5.8. A number of respondents opposed the GLA defining a core list, on the basis that local authorities should have the flexibility to determine how to allocate intermediate housing and/or because marked local variations in need mean that it is most appropriate to consider prioritisation at local level.

Question 16 (b): If yes, which occupations should be included in a ‘core’ list of key workers for use in intermediate housing allocation policies?

Overview of responses

- 5.9. Forty-six respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: A core list of key workers could include a range of occupations within key public services.

- 5.10. Respondents identifying specific occupations or sectors which could be included in a core list of key workers most commonly identified the following services:

- Health;
- Education;
- Social work and, to a lesser extent, other local authority work;
- Fire services, principally the London Fire Brigade;
- Police and, to a lesser extent, prison and probation; and
- Public transport.

Theme 2: A core list of key workers could align with the Government’s list of critical workers identified in the context of the Covid-19 pandemic.

5.11. Some respondents suggested that a core list could be based on the list of critical workers identified by the Government as key workers in the context of the Covid 19 pandemic.¹⁶ This list is regularly reviewed and, as of the January 2021 update, included the following categories for critical workers:

- Health and social care;
- Education and childcare;
- Key public services;
- Local and national government;
- Food and other necessary goods;
- Public safety and national security;
- Transport and border; and
- Utilities, communication and financial services.

Theme 3: A core list of key workers should be expansive and recognise a broader range of occupations than previously defined.

5.12. Some respondents highlighted the need for a broader range of occupations to be defined than in previous key worker lists. These respondents noted the need to recognise a range of occupations within key sectors, for instance teaching assistants as well as teachers; hospital porters as well as nurses; and privately contracted workers providing public services. Some respondents also stressed the need to include all occupations essential to the smooth running of London and noted the impact that the Covid-19 pandemic has had on understandings of essential work. Some respondents who made this case suggested that those in roles such as security, maintenance, essential retail, and delivery should form part of any core list.

Question 16 (c): What evidence should be required to define an occupation as a key worker for the purpose of intermediate housing allocations?

Overview of responses

5.13. Forty-one respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: Evidence of recruitment and retention difficulties, as a result of housing availability and/or affordability, should be provided to define an occupation as a key worker for the purpose of intermediate housing allocations.

¹⁶ Cabinet Office and Department for Education, [Guidance: Children of critical workers and vulnerable children who can access schools or educational settings](#), January 2021

- 5.14. The most common response related to evidence of recruitment and retention difficulties. Some respondents suggested that this could be determined through engagement with employers. Some suggested that evidence should include specific information, for instance details of vacant posts. Some commented that there should be clear evidence that recruitment and retention difficulties are linked to the affordability of suitable housing.

Theme 2: Evidence of a worker's essential role in the functioning of London should be provided to define an occupation as a key worker for the purpose of intermediate housing allocations.

- 5.15. The second most common response was that, in order for an occupation to be defined as a key worker role, it should be essential to the functioning of the city or borough. These respondents did not suggest how the essential nature of the role could be evidenced but some suggested essential roles included those that are responsible for protecting the health, safety and education of Londoners.

Theme 3: A key worker should be defined by reference to income.

- 5.16. Some respondents again highlighted the importance of income as a criterion for accessing intermediate housing. These respondents suggested that key worker occupations should be defined on the basis of income.

Theme 4: A key worker should be defined by reference to local need.

- 5.17. Some respondents again highlighted the importance of considering key worker prioritisation at a local level, based on local need. These respondents suggested that local authorities should have the flexibility to determine how to define key worker occupations.

GLA response: Questions 16 (a), 16 (b) and 16 (c)

- 5.18. The Mayor wants to ensure that his intermediate housing policies are effective in helping to meet the housing needs of those who work in essential services. The responses to Question 16 suggest that defining a core list of key workers could provide greater clarity around the prioritisation of intermediate housing for key workers. The GLA intends to publish a core list of key workers, which the Mayor intends will create an expectation that this group should be prioritised for intermediate housing. **The GLA will define a core list of key worker occupations. Local authorities will be encouraged to adopt this core list of key workers and can add to the core list at a local level.** To be effective, this would have to be adopted as part of a transparent allocations policy.

- 5.19. A key challenge when considering key worker housing is how to decide which occupations should be included within a definition. Traditionally, key worker professions have been largely public sector roles with an emphasis on ‘blue light’ workers such as nurses, police and teachers. While a more expansive definition would incorporate a broader range of key worker professions, this makes prioritising key workers within the list more challenging. In developing a key worker list that is supported by evidence, the GLA, building on the consultation responses summarised above, will continue to engage and consult with stakeholders, including trade unions, emergency services, local authorities and others. To achieve a balance between a clear, consistent definition of key workers, and flexibility to adapt the definition where required, the GLA proposes that local authorities should be able to add to the core list of key workers in response to local circumstances.
- 5.20. While there are many occupations which are vital to keeping London functioning effectively, not all of them will require access to intermediate housing. Some key workers (particularly those on the lowest incomes) are likely to have circumstances where only social rent levels are appropriate to secure affordability; others may have adequate income to buy or rent market housing and may not be in housing need. In addition, some boroughs may face greater pressures in recruitment and retention of key workers in some sectors than in others. For these reasons, it is vital that eligibility for housing should continue to be made by reference to household income; and that key worker lists should remain flexible to evolving interpretations of what constitutes a key worker.
- 5.21. **The GLA will define a core list of key workers based on the following parameters:**
- **occupations that are considered essential to the functioning of London in normal times;**
 - **occupations where there is a requirement for an employee to be anchored at their workplace in London to carry out their role; and**
 - **regard to income, with incomes below the income caps defined for intermediate housing within the London Plan.**

Question 17 (a): If local authorities utilise the three-month prioritisation period for new intermediate homes, should they be required to include the ‘core’ list of key worker occupations in their prioritisation criteria, or should this be optional?

Overview of responses

- 5.22. Forty-two respondents answered this question. Of these respondents, thirty-eight per cent agreed that local authorities should be required to include the ‘core’ list of key worker occupations in their prioritisation criteria, if they utilise the three-month

prioritisation period for new intermediate homes. Nineteen per cent partly agreed and forty-three per cent disagreed, arguing that it should be optional.

5.23. The analysis of responses by respondent type is set out in the table below.

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Councillor, Assembly Member or MP	0	0	0
Housing association	8	0	5
Housing developer	2	2	0
Local authority	4	2	12
Trade association or industry body	1	2	0
Voluntary /community sector (campaign/research/representation)	0	0	0
Voluntary /community sector (front line services)	0	0	1
Other organisation	1	1	0
Individual	0	1	0
Total number	16	8	18
Percentage of total	38%	19%	43%

5.24. Respondents provided a range of comments in response to this question and the main themes are summarised below.

Recurring themes

Theme 1: Local authorities should not be required to adopt the GLA's core list of key workers in their prioritisation criteria.

5.25. The majority of respondents suggested that local authorities should not be required to include the GLA's core list of key worker occupations in their prioritisation criteria,

as they should have the flexibility to determine priorities on the basis of local need. These respondents suggested that the adoption of the GLA's core list of key worker occupations should be optional.

Theme 2: Local authorities should be required to adopt the GLA's core list of key workers in their prioritisation criteria, if they utilise the three-month prioritisation period for new intermediate homes.

5.26. A number of respondents suggested that local authorities should be required to include the GLA's core list of key worker occupations in their prioritisation criteria, as it would provide greater clarity and transparency around the prioritisation for and allocation of intermediate housing. Some of these respondents suggested that an element of flexibility, for instance to prioritise certain key workers on sites delivered by public sector bodies, should be retained.

Theme 3: The requirement for local authorities to adopt the GLA's core list of key workers in their prioritisation criteria should not override other important priorities.

5.27. A number of respondents commented that any requirement to refer to a core list of key workers should not preclude applicants other than key workers, or important forms of need not related to occupation. These respondents suggested occupation should form part of a set of eligibility criteria, rather than override other eligibility criteria.

Theme 4: The requirement for local authorities to adopt the GLA's core list of key workers in their prioritisation criteria should not exclude sharers.

5.28. Some respondents recommended that households comprising two sharers should be entitled to prioritisation as key workers, even if only one member of the household is in an occupation included on the core list.

Theme 5: The requirement for local authorities to adopt the GLA's core list of key workers in their prioritisation criteria could delay sales and lettings.

5.29. A small number of respondents expressed concern that, if a core list meant homes were initially restricted to key workers, this would delay sales and lettings. These respondents argued that marketing should not be restricted solely to the core list of key workers.

Talk London responses

5.30. A small number of respondents mentioned key workers in response to the Talk London survey and discussions. The majority of those respondents who mentioned key workers thought that key workers should not necessarily be prioritised for

housing – rather, all those on low wages should be. Such respondents argued that housing is a human right and access to it should not be determined by occupation. One respondent also highlighted the risk that a key worker list could be interpreted to distinguish between people who are “deserving” and “undeserving”.

Question 17 (b): Are there any other measures which the GLA should consider to ensure key workers can access intermediate homes?

Overview of responses

5.31. Forty respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: The GLA could promote intermediate housing directly to key workers.

5.32. A large proportion of respondents suggested that the GLA could raise awareness of intermediate housing among key workers, including by working with organisations that employ key workers. Some of these respondents suggested developing a website specifically aimed at key workers to aid marketing of intermediate homes; and some suggested utilising the existing Homes for Londoners portal.

Theme 2: The GLA could explore opportunities to help key workers build up deposits to access intermediate ownership homes.

5.33. Some respondents suggested that the Mayor could explore opportunities to help key workers build up equity deposits to purchase intermediate ownership homes – for instance by providing loans directly, or by working with employers on savings schemes such as salary sacrifice schemes.

Theme 3: The GLA could explore opportunities to support the delivery of more affordable housing, including intermediate housing.

5.34. A number of respondents stressed the value of developing more affordable housing, including intermediate housing. Among these respondents, some suggested a greater focus on intermediate rent, which they argue is more likely to be accessible to key workers with lower incomes or no savings.

Theme 4: The GLA could explore opportunities to support public sector organisations to provide new homes for key workers on public land.

- 5.35. Some respondents suggested that the GLA could promote the delivery of homes that could be allocated to key workers on public land and/or work with employers to support them building homes to be retained for their employees.

Talk London responses

- 5.36. The majority of those respondents who mentioned key workers thought that key workers should not necessarily be prioritised for housing. Those respondents that were supportive of key worker housing questioned what would happen if a key worker's employment ceases or their income increases above the fixed income eligibility criteria. These respondents questioned how homelessness would be prevented for key workers in such circumstances.

GLA response: Questions 17 (a) and 17 (b)

- 5.37. Current London planning policy enables local authorities to require housing providers to restrict sales and marketing of new intermediate homes to certain groups for the first three months (after which homes can be marketed to anyone within the London wide criteria). Some local authorities currently take this up and prioritise key workers, using their own local definition or that provided in the National Planning Policy Framework (NPPF). However, definitions and approaches are inconsistent, meaning that key workers may be unaware that they could be prioritised for intermediate housing.
- 5.38. Responses to this question were varied with regard to requiring local authorities to include the GLA's core list of key worker occupations within their prioritisation criteria. Some responses highlighted that it may not always be appropriate to prioritise key worker occupations above other criteria for eligibility and housing need, while other responses highlighted the benefits of prioritising homes for key workers on public land.
- 5.39. As outlined in the GLA's response to Question 16, to help standardise key worker definitions, and to raise awareness among key workers of the opportunities afforded by intermediate housing, the GLA will define a 'core' list of key workers which local authorities will be expected to adopt. **The GLA will strengthen planning guidance to enforce the expectation that key workers should be prioritised, with regard to local need, if local authorities and housing providers choose to set additional prioritisation criteria for the first three months of marketing new intermediate homes.**
- 5.40. The Mayor remains committed to ensuring there is a systematic offer across London for those key workers who are essential to the resilience of the city and are most affected by high housing costs in the capital. The Mayor is delighted to have seen instances where landowners, housing providers and local authorities have

successfully worked together to deliver homes that are provided exclusively for local key workers. **The GLA expects local authorities and housing providers to use their discretion to consider whether it is appropriate for local key workers to be prioritised on certain sites near a key worker institution, with regard to local need and site-specific circumstances.**

Box 5: Key worker accommodation at St Ann’s Hospital

In 2018, the Mayor purchased the St Ann’s Hospital site from the Barnet, Enfield and Haringey Mental Health Trust (“NHS Trust”). Following a procurement exercise through the Mayor’s London Development Panel, in 2020, Catalyst Housing Limited was selected as development partner to deliver a total of 934 homes on the site, of which 60% will be delivered as affordable housing.

As part of the agreement between the GLA and the NHS Trust, the development will deliver 22 London Living Rent homes for which the local NHS Trust will have nominations rights over 10 years. The homes will be owned and managed by Catalyst Housing, with the local NHS Trust providing nominations from staff that meet the pan-London intermediate eligibility criteria and work for the local NHS Trust.

Question 20 (a): Should the Mayor publish guidance for public sector bodies on his affordable housing investment and planning policies?

Overview of responses

5.41. Thirty-six respondents answered this question. Of these respondents, seventy-five per cent agreed that the Mayor should publish guidance for public sector bodies on his affordable housing investment and planning policies. Nineteen per cent partly agreed and six per cent disagreed.

5.42. The analysis of responses by respondent type is set out in the table below.

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Councillor, Assembly Member or MP	0	0	0
Housing association	9	0	1
Housing developer	0	3	0

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Local authority	15	2	0
Trade association or industry body	3	0	1
Voluntary /community sector (campaign/research/representation)	0	0	0
Voluntary /community sector (front line services)	0	0	0
Other organisation	0	2	0
Individual	0	0	0
Total number	27	7	2
Percentage of total	75%	19%	6%

5.43. Respondents provided a range of comments in response to this question and the main themes are summarised below.

Recurring themes

Theme 1: Yes, guidance for public sector bodies on the GLA's affordable housing investment and planning policies would be helpful.

5.44. The majority of respondents suggested that it would be helpful for the GLA to publish guidance for public sector bodies on the GLA's affordable housing investment and planning policies. Some respondents suggested that, in order to add value, this guidance should not duplicate existing policy.

Theme 2: Guidance for public sector bodies would be helpful, and the GLA should work with public sector bodies to develop this guidance.

5.45. Some respondents suggested that the GLA should involve the relevant public sector bodies in developing the guidance, including the NHS and local health and social care services.

Theme 3: Guidance for public sector bodies would be helpful, and the GLA should also consider offering its resource and expertise to support the delivery of key worker homes on public land.

- 5.46. Some respondents suggested that a key constraint to the delivery of key worker homes on public land is a lack of resource, experience and expertise. These respondents suggested that the GLA could offer its resource and expertise to assist public sector landowners in bringing forward land for development and to support the delivery of key worker homes on public land.

Theme 4: The GLA should directly lobby public sector organisations to bring forward surplus land for development.

- 5.47. A small number of respondents highlighted that public sector organisations may have significant land holdings that could be released to provide affordable housing. Some respondents suggested that a mechanism is needed to transparently monitor and hold public bodies to account with respect to delivering homes on their land. Some respondents also suggested the GLA should build on the One Public Estate programme to work with public sector partners to release more land for delivery and/or broaden the type of key workers housed on public land.

Question 20 (b): If yes, is there anything in addition to the list above which should be covered by the guidance?

Overview of responses

- 5.48. Eighteen respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: The guidance could provide information on GLA grant funding.

- 5.49. Some respondents suggested the guidance could include information on GLA grant funding, including investment partner eligibility and the level of funding available.

Theme 2: The guidance could provide information on how to appraise public land for development.

- 5.50. A number of respondents suggested the guidance could demonstrate how to undertake a development appraisal which delivers upon the Mayor's housing and planning objectives and achieves best value. This could include clarification on London Plan requirements and any national policy requirements, such as the preferred tenure split (including First Homes) and policies for co-location with other

land uses. This could also include guidance on how key worker accommodation interlinks with other affordable housing and intermediate housing policy requirements.

Theme 3: The guidance could provide information on best practice for administering affordable housing.

- 5.51. A number of respondents suggested the guidance could provide information on best practice for administering affordable housing. This could include guidance on how to secure affordable housing through Section 106 and/or other legal agreements; how to market intermediate homes, with reference to eligibility and prioritisation criteria; and how to manage intermediate homes, with reference to any relevant regulatory standards.

Theme 4: The guidance could provide information on the role of local authorities and other partners in supporting development of public land.

- 5.52. Some respondents suggested the guidance could provide information on (or a list of) housing providers to encourage partnership working. In addition, some respondents suggested the guidance could provide a framework to encourage local authorities, public bodies, key worker employers, private developers and financial institutions to work together to support the development of public land.

Theme 5: The guidance could provide information on best practice for disposal and/or delivery of public land.

- 5.53. Some respondents suggested the guidance could provide information on best practice for disposal and/or delivery of public land. One respondent suggested the guidance should aim to discourage the sale of public land and encourage its use for key worker housing.

GLA response: Questions 20 (a) and 20 (b)

- 5.54. The Mayor wants to support public sector organisations to provide new homes for staff and/or other key workers on their land; and is aware that many public sector organisations may not be familiar with the policy and regulation surrounding the delivery and management of affordable housing in London.
- 5.55. The responses to this question show a high level of support for the Mayor publishing guidance for public sector bodies on his affordable housing and investment policies. Respondents highlighted that this guidance could usefully cover information on GLA grant funding; advice on how to appraise public land for development; and best practice for administering affordable housing. The responses to this question suggest that this guidance could be useful to help

address a key constraint to the delivery of key worker homes on public land, which is a lack of resource, experience and expertise.

- 5.56. **The GLA will work with existing partners, including public sector bodies and the One Public Estate, to ensure that public sector bodies are briefed on the Mayor's existing affordable housing investment and planning policies.**

6. Improving data on intermediate housing

Note: Consultation Question 23 is addressed within the Part 1 Consultation Response Report, which should be read alongside this Part 2 Consultation Response Report.

Question 21 (a): What data is currently captured outside CORE by housing providers on intermediate rent, and on the occupations of intermediate housing occupants?

Box 6: Continuous Recording of Social Housing Lettings and Sales (CORE)

Much of the data on the characteristics of households accessing intermediate housing is collected through the CORE dataset which is administered by MHCLG. This provides detailed information on the incomes, ethnicity and household composition of those accessing shared ownership, as well as details of the properties themselves including values, rents and service charges. However, this dataset has a number of limitations:

- CORE only contains data on shared ownership, not other products such as intermediate rent. Only limited data on discounted market sale is captured. This means that there is little information on who is accessing these properties.
- CORE contains no information on the occupations or employment sectors of those purchasing shared ownership homes. This makes it difficult to understand the extent to which these homes are being accessed by those in what could be considered as key worker roles.
- CORE contains no information on certain protected characteristics of residents.

Overview of responses

6.1. Twenty-four respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: Some data is collected by local authorities and housing providers outside of CORE on prospective intermediate housing occupants.

- 6.2. A number of respondents commented that they collect data on those seeking or moving into intermediate housing and, in some cases, on the property characteristics. Among these respondents, the data most often collected includes occupation, household income, current/previous tenure and household composition.

Theme 2: Limited data is collected by local authorities and housing providers outside of CORE on prospective intermediate housing occupants.

- 6.3. A number of respondents commented that they collect (or receive from housing providers) limited or no additional data outside of CORE. Among these respondents, a number commented that there is little standardisation in the data collected by housing providers across the sector.

Theme 3: Local authorities and housing providers tend to capture more data on shared ownership than other intermediate housing tenures.

- 6.4. A small number of respondents commented that they capture less data on intermediate rent than shared ownership.

Question 21 (b): Should CORE capture data on all types of intermediate homes, and on the occupations of those purchasing or renting these homes?

Overview of responses

- 6.5. Thirty-two respondents answered this question. Of these respondents, eighty-one per cent agreed that CORE should capture data on all types of intermediate homes, and on the occupations of those purchasing or renting these homes. Sixteen per cent partly agreed and three per cent disagreed.
- 6.6. The analysis of responses by respondent type is set out in the table below.

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Councillor, Assembly Member or MP	0	0	0
Housing association	8	3	0
Housing developer	1	0	0
Local authority	17	1	0
Trade association or industry body	0	1	1

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Voluntary /community sector (campaign/research/representation)	0	0	0
Voluntary /community sector (front line services)	0	0	0
Other organisation	0	0	0
Individual	0	0	0
Total number	26	5	1
Percentage of total	81%	16%	3%

6.7. Respondents provided a range of comments in response to this question and the main themes are summarised below.

Recurring themes

Theme 1: Capturing data on all types of intermediate homes and on the occupations of those purchasing or renting intermediate homes would be useful to improve understanding of intermediate housing and to aid policy making.

6.8. The majority of respondents commented that collecting this information via CORE would be useful to improve understanding of who is accessing different intermediate tenures and would increase transparency and help to inform future policy making, including strategies to target intermediate housing to meet housing needs and the approach to marketing intermediate housing.

Theme 2: Capturing data on all types of intermediate homes and on the occupations of those purchasing or renting intermediate homes would be useful to increase consistency and comparability.

6.9. A small number of respondents commented that, if this information was captured via CORE, the resulting data would be more consistent (and thus more comparable) than the data available currently. One respondent commented that there needs to be clarity around definitions used to aid comparison.

Theme 3: Capturing data on the occupations of those purchasing or renting intermediate homes could be challenging in terms of the resource required.

- 6.10. Some respondents expressed concerns about the resource required to collect this data and the challenge to ensure this data remains accurate (for instance, where the occupation of a prospective resident changes over time). One respondent commented that CORE can be unreliable and that there might be more efficient methods by which to collect this data.

Theme 4: Capturing data on the occupations of those purchasing or renting intermediate homes could be challenging in terms of data protection.

- 6.11. Some respondents expressed concerns about the intrusiveness of collecting data on the occupations of those purchasing or renting intermediate homes, and highlighted the need to have regard to data protection requirements. One respondent commented that any information collected must be gathered for a clearly defined and proportionate purpose.

Question 21 (c): What data is currently captured outside of CORE on the protected characteristics of those to whom intermediate homes are sold or let? Should data on all protected characteristics be collected by CORE?

Overview of responses

- 6.12. Twenty-four respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: Some data is collected by local authorities and housing providers outside of CORE on protected characteristics.

- 6.13. A large proportion of respondents commented that they collect data outside of CORE on the protected characteristics of those seeking or moving into intermediate housing. Among these respondents, some respondents reported collecting data on one or two characteristics, and some reported collecting more comprehensive data on protected characteristics. Consistent with this, some respondents commented that there is not a standard approach to collecting data on the protected characteristics of those accessing intermediate housing.

Theme 2: Capturing data on protected characteristics via CORE would be useful to improve understanding of who is accessing intermediate housing and to aid policy making.

- 6.14. A number of respondents commented that collecting this information via CORE would be useful to improve understanding of who is accessing intermediate housing, and to provide a basis from which any under-representation of those with particular characteristics could be addressed through policy making.

Theme 3: Capturing data on the protected characteristics of those purchasing or renting intermediate homes could be challenging in terms of data protection.

- 6.15. A small number of respondents questioned whether it would be appropriate to ask those seeking or accessing intermediate housing for information on their protected characteristics. Among these respondents, some suggested that providing this information should be voluntary. One respondent commented that any information collected must be gathered for a clearly defined and proportionate purpose.

Question 21 (d): Is there any additional data not referenced above which should be captured by CORE?

Overview of responses

- 6.16. Nineteen respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: Data should be collected via CORE on the way in which buyers access shared ownership housing.

- 6.17. A large proportion of respondents suggested that data should be collected via CORE on the source of deposit for those accessing shared ownership, and any restrictions implemented through the shared ownership lease.

Theme 2: Data should be collected via CORE on the way in which shared ownership buyers utilise shared ownership beyond the initial sale.

- 6.18. A large proportion of respondents suggested that data should be collected via CORE on shared ownership staircasing, including the timing and amount of additional shares purchased. Some respondents also suggested collecting data on the location, tenure and type of home to which shared owners move.

Theme 3: Data should be collected via CORE on the characteristics of those accessing intermediate housing.

- 6.19. A number of respondents suggested that data should be collected via CORE on intermediate housing residents' previous tenure. Some respondents also suggested

collecting data on intermediate housing residents' occupation and income, with some respondents specifically suggesting that data should be collected on whether the resident is a key worker.

GLA response: Questions 21 (a), 21 (b), 21 (c) and 21 (d)

- 6.20. The responses to this question suggest that the data collected outside CORE by housing providers on intermediate rent, and on the occupations of intermediate housing occupants, is inconsistent. In addition, the responses to this question show a high level of support for CORE to capture more data on all types of intermediate homes, and on the characteristics of those accessing intermediate housing.
- 6.21. While a good amount of data is already available through CORE, the data gaps and challenges mean it is not possible to comprehensively assess the characteristics of those accessing intermediate housing in London. Evidence-based policy making on intermediate housing requires more comprehensive data collection across the full range of products offered.
- 6.22. The GLA wants to explore what more could be done to increase and improve the data available on intermediate housing of all tenures in London, to develop a robust evidence base on intermediate tenure products to inform policy making across London. In particular, while there is some data available on the characteristics of those who are accessing intermediate housing, this not available for all characteristics defined in the Equality Act 2010 as 'protected characteristics'.
- 6.23. The GLA notes respondents' concerns that any data on protected characteristics collected is gathered for a clearly defined and proportionate purpose; and should have regard to privacy legislation including GDPR. **The GLA will work with Government to improve the collection of data, via the CORE dataset, on homes across all intermediate tenures, including shared ownership, shared equity, discounted market sale, discounted market rent, London Living Rent, and other intermediate rent; and the characteristics of those to whom intermediate homes are sold or let, including their occupation and additional protected characteristics.**

Question 22 (a): Should data be collected on all intermediate housing stock across London, including that owned by local authorities?

Overview of responses

- 6.24. Thirty-three respondents answered this question. Of these respondents, eighty-two per cent agreed that data should be collected on all intermediate housing stock across London, including that owned by local authorities. Fifteen per cent partly agreed and three per cent disagreed.

6.25. The analysis of responses by respondent type is set out in the table below.

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Councillor, Assembly Member or MP	0	0	0
Housing association	7	2	0
Housing developer	0	0	1
Local authority	18	2	0
Trade association or industry body	1	1	0
Voluntary /community sector (campaign/research/representation)	0	0	0
Voluntary /community sector (front line services)	1	0	0
Other organisation	0	0	0
Individual	0	0	0
Total number	27	5	1
Percentage of total	82%	15%	3%

6.26. Respondents provided a range of comments in response to this question and the main themes are summarised below.

Recurring themes

Theme 1: Capturing data on all intermediate housing stock, including that owned by local authorities, would be useful to improve understanding of intermediate housing and to aid policy making.

6.27. The majority of respondents suggested that collecting this information would be useful. These respondents commented that the current data is partial and does not help providers plan for intermediate housing, in terms of who is in housing need and where the greatest housing need is. Some respondents suggested that this

information would improve understanding of the scale and geography of intermediate housing across London, which would help to inform evidence-based policy making. Some respondents also suggested this information would help to monitor the impact of the First Homes policy in London.

Theme 2: Data on all intermediate housing stock, including that owned by local authorities, should only be collected if the process is reliable.

- 6.28. Some respondents suggested that any information collected must be gathered for a clearly defined and proportionate purpose. Some respondents also suggested that collection of any information would need to be comprehensive and mandatory in order to be reliable.

Question 22 (b): What data is currently collected by housing providers on staircasing transactions?

Overview of responses

- 6.29. Nineteen respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: Some data is collected by housing providers on staircasing transactions.

- 6.30. A large proportion of respondents suggested that it was typical for housing providers to collect data on the number of stand-alone staircasing transactions, but not how many are final or intermediary. Some respondents highlighted that housing providers collect data on the percentage share increment purchased and the value of the transaction. A small number of respondents suggested that housing providers collect data on the property valuation, old and new rent levels, administration charges for the transaction, and historic purchase records.

Theme 2: Data collected by housing providers on staircasing transactions is inconsistent between different providers.

- 6.31. A number of respondents suggested that the data collected on staircasing transactions varies between providers. Among these respondents, some commented that the data collected by housing providers on staircasing transactions is not systematically captured. One respondent commented that data on staircasing transactions is collected via the MHCLG Local Authority Housing Data (LAHS).

Theme 3: It is not possible to collect data on all staircasing transactions.

- 6.32. One respondent commented that the majority of staircasing takes place as part of a resale, which may not be recorded.

Question 22 (c): How could this be captured more systematically?

Overview of responses

- 6.33. Nineteen respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: Data on staircasing transactions should be collected via CORE.

- 6.34. A large proportion of respondents suggested that housing providers should be required to submit data on staircasing transactions via CORE.

Theme 2: Data on staircasing transactions should be collected via the GLA and local planning authorities.

- 6.35. A number of respondents suggested that housing providers should be required to submit data on staircasing transactions to the GLA, via OPS, and to local authorities.

Theme 3: Collecting data on staircasing transactions would require a significant investment in IT systems and administration.

- 6.36. Some respondents suggested that collecting data on staircasing transactions would require a significant investment to reconfigure workflows and existing processes. Among these respondents, some suggest the GLA should be responsible for creating the infrastructure and service needed to collect this information.

Question 22 (d): Should more data be captured on the tenure that shared owners move into if they leave their shared ownership property?

Overview of responses

- 6.37. Thirty respondents answered this question. Of these respondents, seventy-three per cent agreed that more data should be captured on the tenure that shared owners move into if they leave their shared ownership property. Eleven per cent partly agreed and seven per cent disagreed.

- 6.38. The analysis of responses by respondent type is set out in the table below.

Respondent type	Agree (number)	Partly agree (number)	Disagree (number)
Councillor, Assembly Member or MP	1	0	0
Housing association	3	4	2
Housing developer	0	0	0
Local authority	18	0	0
Trade association or industry body	0	1	1
Voluntary /community sector (campaign/research/representation)	0	0	0
Voluntary /community sector (front line services)	0	0	0
Other organisation	0	0	0
Individual	0	0	0
Total number	22	5	3
Percentage of total	73%	11%	7%

6.39. Respondents provided a range of comments in response to this question and the main themes are summarised below.

Recurring themes

Theme 1: Capturing data on the tenure that shared owners move into if they leave their shared ownership property would be useful to improve understanding of intermediate housing and to aid policy making.

6.40. The majority of respondents commented that collecting this information would be useful to evaluate the impact of shared ownership, in terms of mobility and affordability, and whether shared ownership leads to full home ownership. These respondents suggested this information would help to inform future policy making, including strategies to target intermediate housing to meet housing needs.

Theme 2: Data collected on the homes that shared owners move into if they leave their shared ownership property should go beyond just tenure.

- 6.41. Some respondents suggested that the data collected on the homes that shared owners move into if they leave their shared ownership property should also include the size and type of the next home; the cost of the next home; the location of the next home (and particularly whether inside or outside of London); and the income and occupation of the shared owner at the point of moving.

Theme 3: Capturing data on the homes that shared owners move into if they leave their shared ownership property could be challenging in terms of the resource required.

- 6.42. Some respondents expressed concerns about the resource required to collect this data and the risk that this could take resources away from other, more urgent duties. One respondent suggested that a pilot could be implemented before rolling out the requirement more widely.

Theme 4: Capturing data on the homes that shared owners move into if they leave their shared ownership property could be challenging in terms of data protection.

- 6.43. Some respondents expressed concerns about the intrusiveness of collecting data on the homes that shared owners move into if they leave their shared ownership property, and highlighted the need to have regard to data protection requirements. Among these respondents, some suggested that providing this information should be voluntary.

Question 22 (e): Are there any barriers to collecting this data?

Overview of responses

- 6.44. Twenty-five respondents answered this question. The main themes occurring in these comments are summarised below.

Recurring themes

Theme 1: The reliability of data on the homes that shared owners move into if they leave their shared ownership property is dependent on leaseholders submitting information on their personal circumstances.

- 6.45. The majority of respondents noted that there is currently no obligation or incentive for leaseholders to provide this information. These respondents commented that incomplete or inconsistent data would undermine the reliability of the data and limit

its use. Some respondents also suggested that it would not be lawful to require leaseholders to provide this data.

Theme 2: Collecting data on the homes that shared owners move into if they leave their shared ownership property will require significant resource from housing providers and local authorities.

- 6.46. A number of respondents expressed concerns about the resource required to collect this data and check its accuracy. Among these respondents, some suggested that an effective mechanism to collect this data could be via a voluntary, online 'exit survey'. Some respondents also suggested that the responsibility should sit with the developer and/or housing provider to collate this data.

GLA response: Questions 22 (a), 22 (b), 22 (c), 22 (d) and 22 (e)

- 6.47. The responses to this question show a high level of support for capturing more data on existing intermediate housing stock, including that owned by local authorities; and more data on staircasing transactions and the tenure that shared owners move into if they leave their shared ownership property. Most respondents thought that, if the data collection was reliable, this data would be useful to inform policy making, including strategies to target intermediate housing to meet housing needs.
- 6.48. MHCLG's Statistical Data Return dataset collects data on the intermediate housing stock owned by housing associations; however, there is not currently a consistent approach to collecting data on the stock owned by local authorities. In addition, the data collected by housing providers on staircasing transactions and the destinations of those leaving shared ownership is inconsistent. The gaps in data collection mean that it is not possible to comprehensively assess the stock of intermediate housing in London and how intermediate housing needs change over time. Evidence-based policy making on intermediate housing requires more comprehensive data collection across the lifetime of the home; however, the resourcing burden and investment in technology required to achieve an enhanced data collection system should also be acknowledged.
- 6.49. The London Housing Strategy and Strategic Housing Market Assessment (SHMA) play an important role in setting out an assessment of London's housing needs at a regional level; and are an important resource to enable policy-makers and housing providers to plan for intermediate housing, in terms of who is in housing need and for what tenure there is the greatest housing need.¹⁷ However, the GLA wants to explore what more could be done to increase and improve the data available on intermediate housing stock in London, to develop a robust evidence base on intermediate housing to inform policy making across London.

¹⁷ Greater London Authority, [Strategic Housing Market Assessment](#), November 2017

- 6.50. Housing providers that receive grant from the GLA to deliver shared ownership homes are required to keep records of all initial sales transactions and each subsequent staircasing event on individual properties. This is to ensure that, every time a resident increases the share they own, a proportion of the grant is recovered into the Recycled Capital Grant Fund. **The GLA will work with investment partners to build on existing data collection processes and identify any opportunities for data sharing to improve understanding in this area.**
- 6.51. The GLA recognises that the data collected through MHCLG's Local Authority Housing Data and Statistical Data Return datasets is not comprehensive and lacks data across the range of intermediate housing tenures owned by local authorities. **The GLA will work with Government to improve the collection of data on the stock of intermediate homes owned by local authorities and on shared ownership staircasing transactions.**
- 6.52. The GLA is of the view that any data collected should be gathered for a clearly defined and proportionate purpose; and notes respondents concerns regarding the challenges of collecting data on the tenure that shared owners move into if they leave their shared ownership property. While it might be useful to know more about how the circumstances of intermediate housing residents changes after the first sale/let, the GLA is of the view that the London Housing Strategy and SHMA provide a sufficient assessment of London's housing needs over time. For these reasons, at this stage, the GLA will not seek to increase collection of data on the tenure that shared owners move into if they leave their shared ownership property.

7. Next steps

- 7.1. This report summarises consultation feedback received on intermediate housing consultation in relation to the questions not previously addressed in the Part 1 Consultation Response Report. The proposed policy responses outlined within this Part 2 Consultation Response Report should be read alongside the Part 1 Consultation Response Report, to represent a comprehensive assessment of the GLA's consultation response.
- 7.2. The Part 2 Consultation Response Report was designed to provide the Mayor with the information he needed before making a decision on the introduction of policy interventions through the Mayor's planning and investment powers, including through the Affordable Housing and Viability London Plan Guidance. The Part 2 Consultation Response Report will be submitted to the Mayor with a recommendation that he approve the proposed policy interventions as set out in chapters three to six of this report. At the same time, he will receive an EqIA outlining the anticipated equalities impacts of the proposed policy interventions.
- 7.3. The policy interventions recommended through the Part 1 Consultation Response Report have been implemented through the Homes for Londoners: Affordable Homes Programme 2021-2026.
- 7.4. The policy interventions recommended through the Part 2 Consultation Response Report will be recommended to be implemented through the Affordable Housing and Viability London Plan Guidance, and through the GLA's revised Affordable Housing Capital Funding Guide.

8. Appendices

Appendix 1: Intermediate housing consultation questions

Questions shaded in green are included in the Part 2 Consultation Response Report, while all other questions are included in the Part 1 Consultation Response Report.

Affordability and delivery

Question
Q1. a) Should the GLA introduce a cap on the open market value of new shared ownership homes?
Q1. b) What, if any, impact would this have on housing market recovery post Covid-19?
Q2. a) Should the GLA require housing providers to report on service charge levels at regular intervals?
Q2. b) If so, should the GLA make this information available to the public?
Q3. Should the GLA require affordable housing providers to publish a schedule of additional fees which may be charged to shared owners for specific services or transactions?
Q4. What more could be done to improve the experience of those living in shared ownership?
Q5. What role should intermediate housing play in meeting housing need and supporting the housing market as part of the recovery from the impacts of Covid19?
Q6. a) What role should intermediate rented homes play in London's affordable housing mix, as part of the recovery from the impacts of Covid-19?
Q6. b) What more could the Mayor do to support delivery of London Living Rent homes?
Q7. a) What impact might the implementation of the Government's First Homes policy have in London?

Question
Q7. b) What steps could the GLA take to minimise risks to affordable housing delivery, in particular homes at social rent levels, arising from this policy?
Q8. Would the proposals set out above be effective in ensuring that DMS homes are secured in perpetuity?
Q9. a) What impact might the implementation of the Government's proposed Right to Shared Ownership scheme in London have on the delivery of affordable homes, in London, in particular homes at social rent levels?
Q9. b) What steps could the Mayor take to mitigate any negative impacts of this policy?
Q9. c) What mechanisms already exist to support social tenants who want to access shared ownership homes to do so, and how effective are they?
Q10. a) Are there other examples of innovative models of affordable home ownership in London?
Q10. b) What could the GLA do to support delivery of these homes?

Eligibility, prioritisation and allocation

Question
Q11. Should the income eligibility criteria for intermediate housing in London be frozen at current levels?
Q12. a) What evidence is there of households staircasing to a 100 per cent share of shared ownership homes within a year of purchase?
Q12. b) If so, what factors may be driving this?
Q12. c) Should this be disincentivised and, if so, what measures should the GLA take to achieve this?
Q13. Should local authorities be required to implement an intermediate housing waiting list and/or allocations policy as a condition of setting additional prioritisation criteria for the first three months of marketing new intermediate homes?

Question
Q14. a) Should the GLA publish best practice guidance on allocation of intermediate housing and intermediate waiting lists?
Q14. b) If yes, is there anything in addition to the list above which should be covered by the guidance?
Q15. a) What are the challenges facing shared owners who wish to move to a more appropriate home?
Q15. b) What more could be done to support shared owners who need to move to another shared ownership home?

Supporting London's key workers

Question
Q16. a) Should the GLA define a 'core' list of key worker occupations for use in intermediate housing allocation policies, and should local authorities be able to identify additional key worker groups, where there is evidence of local need?
Q16. b) If yes, which occupations should be included in a 'core' list of key workers for use in intermediate housing allocation policies?
Q16. c) What evidence should be required to define an occupation as a key worker for the purpose of intermediate housing allocations?
Q17. a) If local authorities utilise the three-month prioritisation period for new intermediate homes, should they be required to include the 'core' list of key worker occupations in their prioritisation criteria, or should this be optional?
Q17. b) Are there any other measures which the GLA should consider to ensure key workers can access intermediate homes?
Q18. What evidence is available on: <ol style="list-style-type: none"> a) the scale and quality of existing shared key worker accommodation in London; and b) the extent to which this accommodation meets housing need for key workers?

Question
Q19. Should the GLA explore options to support housing providers to convert shared key worker accommodation into self-contained intermediate homes, where there is demand for this?
Q20. a) Should the Mayor publish guidance for public sector bodies on his affordable housing investment and planning policies?
Q20. b) If yes, is there anything in addition to the list above which should be covered by the guidance?

Improving data on intermediate housing

Question
Q21. <ul style="list-style-type: none"> a) What data is currently captured outside CORE by housing providers on intermediate rent, and on the occupations of intermediate housing occupants? b) Should CORE capture data on all types of intermediate homes, and on the occupations of those purchasing or renting these homes? c) What data is currently captured outside of CORE on the protected characteristics of those to whom intermediate homes are sold or let? Should data on all protected characteristics be collected by CORE? d) Is there any additional data not referenced above which should be captured by CORE?
Q22. a) Should data be collected on all intermediate housing stock across London, including that owned by local authorities?
Q22. b) What data is currently collected by housing providers on staircasing transactions?
Q22. c) How could this be captured more systematically?
Q22. d) Should more data be captured on the tenure that shared owners move into if they leave their shared ownership property?
Q22. e) Are there any barriers to collecting this data?

Question

Q23. a) What data is available, in addition to that outlined in this consultation and accompanying Housing Research Note, that could inform the GLA's assessment of the equalities impacts of the proposals set out in this consultation?

Q23. b) Do you have any other comments or feedback on how the proposals set out in this consultation may impact on groups with protected characteristics?

Appendix 2: Talk London survey and discussion questions

The questions asked via the Talk London survey and discussion forums and considered in this report are listed below.

Survey questions

1. Current tenure. Do you own or rent the home in which you live?
2. Which type of intermediate housing should the Mayor prioritise in London as part of the recovery from COVID-19?
3. One action the GLA could take is to introduce a cap on the price of new shared ownership homes. Ensuring shared ownership homes are below a certain price could help to ensure that they are more affordable to a wide range of Londoners; however, it could result in fewer shared ownership homes being delivered in areas where property is more expensive. To what extent do you agree or disagree that the GLA should introduce a cap on the price of new shared ownership homes?
4. Why do you say that?
5. Have you ever lived in a shared ownership home?
6. What more could be done to improve the experience of those living in shared ownership homes? Please tick all that apply:
 - More transparency and consistency around service charges
 - More transparency and consistency around other fees which could be incurred by shared owners during resales or as part of a renovation
 - More information to help shared owners who want to move home to understand their options
 - Other (please specify)
 - Don't know
7. Currently, households must have an annual income under £90,000 to be eligible for intermediate homes. The current eligibility income cap was last increased in 2016 but has been frozen since then. Do you think that this income threshold should continue to be frozen at £90,000, or change?
8. Why do you say that?

Discussion questions

1. What role could intermediate housing play in tackling London's housing crisis?
2. What can be done to improve the experiences of those Londoners living in intermediate housing?
3. Would you like to see more London Living Rent homes delivered in London?

9. Other formats and languages

For a large print, Braille, disc, sign language video or audio-tape version of this document, please contact us at the address below:

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