



CHARTERED INSTITUTE
OF HOUSING

London Branch



THE INVALUABLE
POCKET GUIDE TO
LONDON'S HOUSING
FACTS AND FIGURES

2002

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FOREWORD BY

The Rt. Hon.
the Baroness Dean of
Thornton-Le-Fylde
CHAIRMAN OF THE HOUSING
CORPORATION

Many workers, students, and others interested in housing in London found last year's key facts guide very useful and I am pleased that the London Branch of the Chartered Institute of Housing has published this further edition.

The facts in this pocket guide show just how hard it is for many Londoners to find a home within their budget. The Housing Corporation plays a key role working with housing associations in helping to fund affordable housing for Londoners and the Chancellor's recent Comprehensive Spending Review announcement will bring more new homes to the area at prices people can afford.

The facts in this guide support the Corporation's London Housing Statement and I can add a few more from that: London is a world city with 64% of the most deprived Borough estates in England; it has 15% of England's households and overcrowding six times greater than the rest of the country. Our Statement provides a steer for our partners on how they can contribute towards delivering our objectives for London, aiming to increase supply, contribute to regeneration, improve the quality of housing, and provide choice.

I found this guide very interesting and informative, I hope you do too – keep it to hand and use it to help you in your work or study; I wish you well in your involvement in housing in London.

Brenda Dean

Brenda Dean



COMMENTARY BY

Professor Steve Hilditch



This Guide tells the tale of of the capital's housing crisis eloquently. The increasing shortage of affordable homes to rent or buy has left record numbers of households in temporary accommodation; London's economy cannot thrive if people on good incomes as well as public service workers cannot afford to live here.

Lack of investment in new homes over many years is the root of the problem: 7 local authority and housing association homes were built in 1970 for each one that is built now.

There are encouraging signs for the future with a positive attitude to housing by the London Mayor; the draft London Plan will have a big impact on affordable supply and the creation of mixed neighbourhoods. Developers have responded well to the new and consistent policy framework. Virtually all London's boroughs and housing associations are using public and private resources to produce good quality homes in more sustainable communities. The Comprehensive Spending Review is providing increased funding for new homes and the Government seems to be determined to cut the number of households in bed and breakfast and tackle the loss of homes to rent due to the right to buy.

The next few years will be critical for London: with a common commitment by public and private agencies, backed with the necessary resources, we can be cautiously optimistic that some of the negative trends can be reversed.

Steve Hilditch

Visiting Professor, University of Westminster

FOREWORD BY

Joyce Batten

CHAIR OF THE LONDON BRANCH
OF THE CHARTERED INSTITUTE
OF HOUSING



Dear Colleagues

Our previous Little Book of Facts proved so popular that we decided to bring you an updated and improved version. I believe you will find the contents very useful in making the case for housing in London, for your studies on housing courses and to help you and others understand the particular pressures on all of us living in and around our capital city.

The London Branch of the Chartered Institute of Housing has very enthusiastic committee members who work hard to make the Institute relevant to everyone working in social housing, whatever your job.

If you are already a member, do make the most of all the benefits the Institute has to offer. If you are not a member, please do contact us to find out how membership could be to your advantage.

My best wishes to all of you who read this Invaluable Pocket Guide.

Joyce Batten



Supply and demand

The total stock of dwellings in London is 3.07 million.

Of these:

- 532,000 are local authority dwellings (17.3%)
- 271,000 are owned by registered social landlords (8.8%)
- 491,000 are privately rented (16%)
- 1.8 million are owner occupied (57.8%)

Source: ODPM (2001) Housing Statistics 2001

Overcrowding in London is about six times greater than in the rest of England

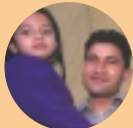
Source: Mayor of London (2002) Draft London Plan

Property completions in the London region, 1990-2001

	Private enterprise	RSLs	LAs	All dwellings
1990/91	13,208	2,279	1,745	17,232
1991/92	13,357	3,140	580	17,077
1992/93	9,827	4,437	169	14,433
1993/94	8,889	5,597	146	14,632
1994/95	9,462	5,437	223	15,122
1995/96	11,239	5,007	45	16,291
1996/97	7,696	4,858	23	12,577
1997/98	9,242	4,329	52	13,623
1998/99	9,631	3,198	35	12,864
1999/00	9,546	2,934	-	12,480
2000/01*	10,009	3,710	486	14,205

*Projected

Source: ODPM (2001) Housing Statistics 2001

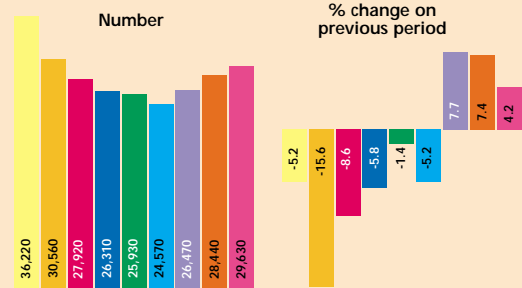


There are 211,469 households on local authority housing registers across London. Most single people or childless couples do not register, as they know they have little chance of being housed through this route.

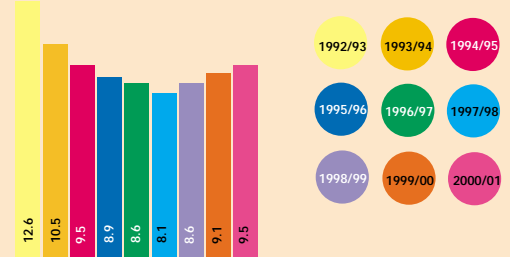
Source: National Housing Federation (2002)
Mind the Gaps: London's Housing Workers

Trends in homelessness and temporary accommodation

Homeless households in priority need accepted by local authorities, 1992-2001



Acceptance per 1,000 households



Source: ODPM (2002) Homelessness Statistics

In March 2001 homeless households were placed in temporary accommodation by local authority housing departments in London, as follows:

- 7,570 households were in bed and breakfast hostels
- 4,710 were living in hostels
- 17,970 were in private sector leasing schemes
- 3,430 were living in other forms of temporary accommodation

A further 6,700 households were registered as being 'homeless at home'

Source: ODPM, *Homelessness Statistics*

There are 753,188 empty dwellings in England of which 104,771 are in London. Of the latter:

- 11,085 are owned by local authorities
- 7,231 are owned by registered social landlords
- 1,010 other public sector owned
- 85,445 are privately owned

Source: ODPM (2001) *Housing Investment Programme Statistics*

Incomes, prices and rents

Average house prices in London have increased by 115% between 1995 and 2001, from £96,000 to £205,850. The average London home costs 80% more than the average in Bristol, 180% more than the average in greater Manchester and 350% more than in Stoke-on-Trent.

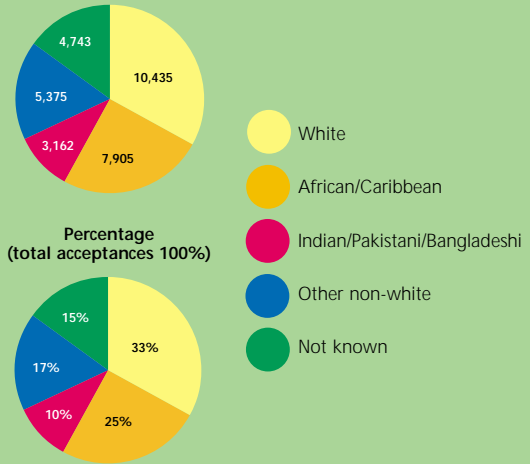
To buy an average home in London would require a single annual gross salary of over £55,000 whereas the average London salary is £34,777. A Londoner earning this salary is only able to buy the average price property in four London boroughs.

Sources: National Housing Federation (2002)
Mind the Gaps: London's Housing Workers
Mayor of London (2002) *Draft London Plan*



Ethnic origin of households accepted as homeless January to December 2001

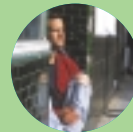
Number
(total acceptances 31,620)



Source: ODPM, *PIE returns*

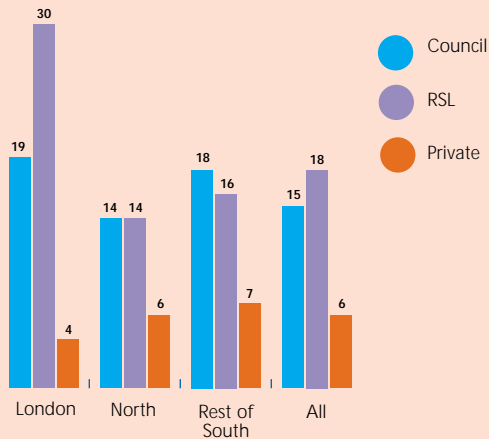
About 532 people sleep outside in England on any one night, 264 of them are in Greater London.

Source: National Housing Federation (2002)
Mind the Gaps: London's Housing Workers



In London 30% of RSL tenants and 19% of council tenants reported that they were in arrears in 2000/01. RSL sector arrears levels in London are almost double those in the North and the rest of the South. In the Council sector, arrears are only 4% higher than in all other regions.

Households who reported they were in rent arrears in 2000/01

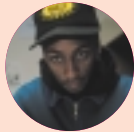


Source: ODPM English Housing Survey 2000/01

The average weekly rent for tenants living in:

- Local authority housing is £58.10
- Registered social landlord housing is £65.20
- Private rented housing is £125.50

Source: Housing Corporation (2001), *Guide to Local Rents, Part 1: Cross Tenure Rents*



Median rents in London in 2000/01 were £60 a week in the Council sector, £75 a week in the RSL sector and £138 a week in private rented sector. Median rents for all sectors are higher in London than all other regions. Tenants pay £14 a week more in the council sector, £16 a week more in the RSL sector and £64 a week more in the private sector in London.

Median Rents before Housing benefit by selected regions per week

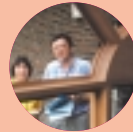
2000/01	Council	RSL	Private
London	£60	£75	£138
North	£41	£54	£65
Rest of South	£51	£64	£84
All	£48	£59	£80
London compared to selected regions	£14	£16	£64

Sources: ODPM English Housing Survey 2000/01

Social disadvantage in London

- 64% of the most deprived council housing estates in England are in London.
- Nearly half the children attending LEA secondary schools in inner London qualify for free school meals.
- English is an additional language for more than one in three children in those schools.
- Unemployment in inner London is almost twice the national average.

Source: Association of London Government (2002) *The Case for London: Poverty Alongside Prosperity*



Key workers

The average gross annual income of a primary school teacher in London is £26,360 and £21,900 for a staff nurse. A postal worker earns on average about £21,180 per annum before tax whilst a bus or coach drivers earn £19,340.

It is estimated that 60,000 key workers will leave London over the next ten years.

Source: National Housing Federation (2002)

Mind the Gaps: London's Housing Workers

London plan proposals

The draft London plan predicts an extra 700,000 people in the capital by 2016. It has set a target of 23,000 extra homes a year until 2016 without building on greenfield sites, of these at least 10,000 must be affordable.

The aim is to increase the proportion of affordable housing to 50% of new dwellings (35% social rented housing and 15% intermediate accommodation).

Source: Mayor of London (2002) *Draft London Plan*

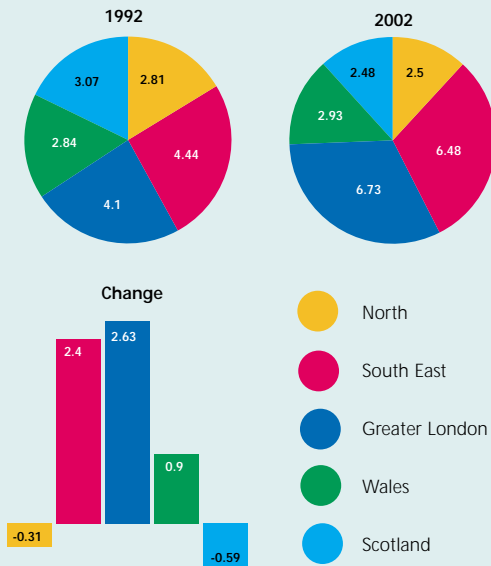
Social housing investment

London has been allocated £723 million of the £2.5 billion for housing capital investment for local authorities in England in 2002/03.

Source: Government Office for London (2002)

In London, the average price of a property now stands at almost six and three-quarter times a teachers' average annual pay, compared with four times earnings 10 years ago. Greater London has seen the ratio increase by 2.6 times while teachers incomes increased by only 0.4 times in the same period.

Housing Price to Earnings ratio for teachers, selected regions, 1992-2002



Source: The Halifax July 2002



The allocation of the Approved Development Programme (ADP) for London for 2002/03 is £558m. This figure marks an increase of 7% on 2001/02 figures (£519m) and represents half the national allocation.

Some 83 housing associations were successful in gaining funding. The funding will create an additional 7,000 homes in London by March 2003 (5,000 for rent and 2,000 for low cost home ownership).

In 2001/02 6,298 homes were created from ADP funding.

Source: London Housing Federation (2002)

These housing facts were compiled by the:

London Research Focus Group,
University of Westminster

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