

Committee: Council

Date: 7th July 2021

Wards: All

Subject: **Strategic Objective Review – Sustainable Communities**

Lead officer: Director of Environment and Regeneration, Chris Lee,

Lead member: Cabinet Member for Housing, Regeneration and the Climate Emergency, Councillor Martin Whelton.

Contact officers: Housing Needs: Head of Housing Needs, Steve Langley;
Business Support Officer, Steve Webb.

FutureMerton: Deputy FutureMerton Manager, Tara Butler;
Principal Spatial Planner, Valerie Mowah; Placemaking and Regeneration Officer,
Katharine Fox

Recommendations:

A. That Council consider, and note, the content of this report.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 At its meeting on 14 October 2019 Cabinet approved the Business Plan 2020-2024.

1.2 The Business Plan sets out how the council will deliver the Community Strategy, which is grouped into five strategic themes:

- Sustainable communities,
- Safer and stronger communities,
- Healthier communities,
- Older people and
- Children and young people.

1.2.1 Performance against these themes, plus an additional theme of corporate capacity, is monitored by Council. Each meeting of Council will receive a report updating on progress against one of these strategic themes.

1.3 This report provides Council with an opportunity to consider progress against the priorities that are to be delivered under the theme of **Sustainable Communities**

1.4 The key outcomes set out in the Business Plan relating to this theme are:

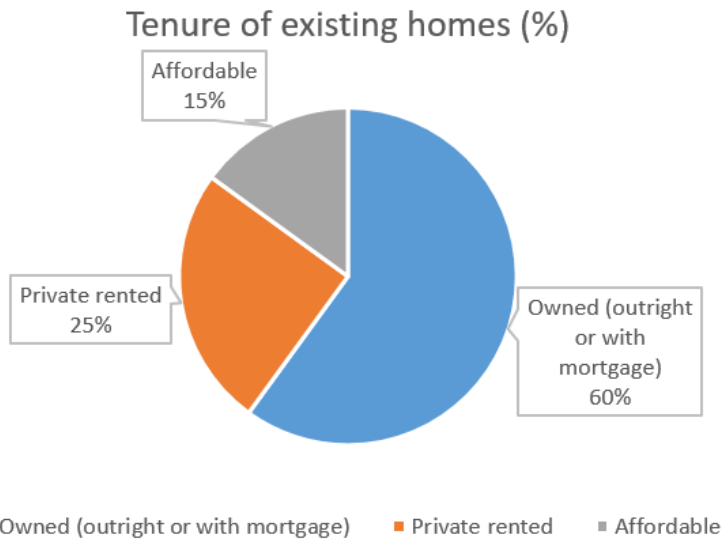
- Create a more sustainable borough, reduce carbon and be resilient to the impacts of climate change
- Create new jobs, improving the skills and capacity of residents
- Improve the condition and supply of housing, including affordable housing
- Promote the development of sustainable transport, including cycling and walking

1.5 This report focuses on progress in relation to improving the condition and supply of housing, including affordable housing.

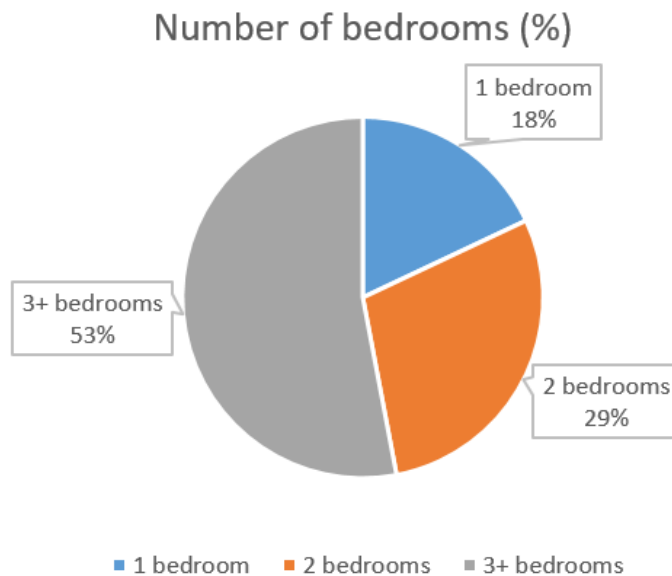
2 DETAILS

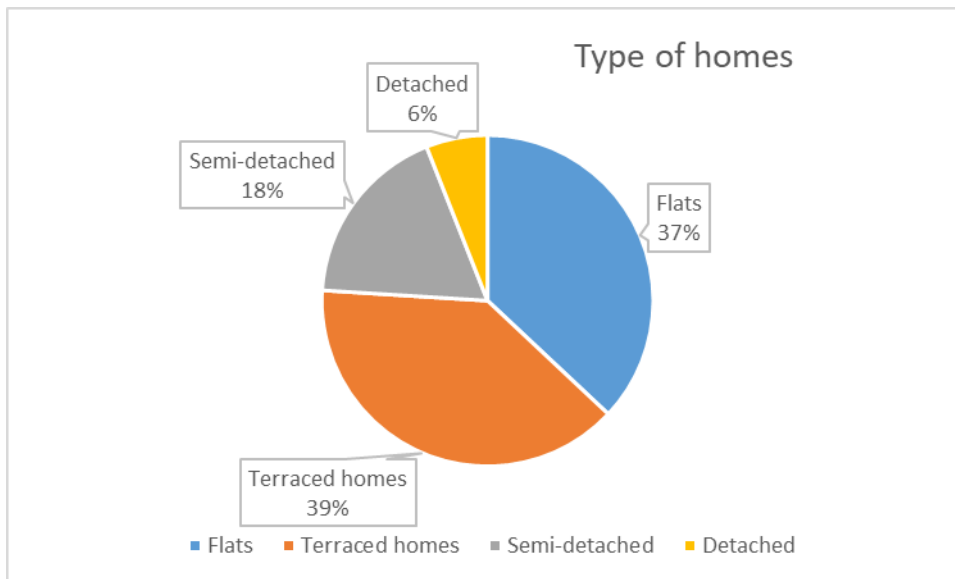
2.1 The current delivery challenges and housing market in Merton

2.2 Merton has approximately 86,000 existing homes, of which c71,000 are held in the private sector and 14,000 are affordable homes owned by Registered Housing providers.



2.3 Merton has a larger proportion of privately owned homes, larger (+3 bed) homes, over 60% of which are houses.





2.4

2.5 Over the ten-year period, housing delivery nationally has fallen substantially short of housing need, which is reflected in all council areas, including Merton. By way of background, Merton is suburban in nature and relatively constrained in terms of land for new homes as the borough does not have significant brownfield development land, significant large sites or many regeneration opportunities. Like all councils in London and the south east Merton faces a significant scale of housing need, beyond which planning policies can meet.

2.6 However, this delivery challenge is not unique to Merton and one equally faced across the whole of London. The 2021 London Plan housing target falls short of the current standard method assessment of need and the next iteration of the London Plan will have to be aligned with new national policy and guidance which requires an additional 35% uplift over and above the current calculation of local housing need.

2.7 The credit crunch and subsequent economic recession had a significant impact nationally on housing delivery. The effects of this were particularly borne out over the 2009-13 period which can be seen in Merton, with low housing delivery over this period.

2.8 The substantial house price growth which has been seen is symptomatic of a sustained supply-demand imbalance. This therefore doesn't suggest a 'market capacity' issue is constraining delivery; however, land supply is constrained.

2.9 The introduction of Permitted Development Rights in 2013/14 has supported an upward growth in housing delivery in the period since. Prior approval applications coming forward have been focussed in Wimbledon, Raynes Park and Colliers Wood more than in Mitcham and Morden. The higher number of approved applications in these neighbourhoods is mainly due to a greater volume of commercial space in these areas and the volume of applications reflect this.

2.10 In Merton, there is a constant backdrop of change of use and conversion applications. This type of development is stronger in the northern neighbourhoods of Merton including in Wimbledon, Raynes Park and Colliers Wood where there is more loosely structured suburban development and larger properties which offer potential for conversion or intensification within the plot.

2.11 Overall development volumes are however being driven by new-build development. Over the last fifteen years this has been strongest in Mitcham, Wimbledon and Colliers Wood.

- 2.12** As also set out later in the report, to try and address these challenges, Merton is undertaking a number of projects to help deliver homes, including affordable homes including:
- Giving greater planning certainty by developing new planning policies and allocating sites in Merton's new Local Plan, and by developing planning guidance to improve the quality of homes (Merton's Borough Character Study and Small Sites Toolkit)
 - Recommending public consultation on a draft housing delivery strategy, to be considered by Cabinet in July 2021
- 2.13** Merton's draft housing delivery strategy sets out the challenges but also an extensive list of actions towards delivering new homes in Merton. These include actions under:
- Partnership working
 - Housing for particular needs
 - Density and intensification
 - Using and improving the existing stock
- 2.14** In July 2021 Merton's Cabinet will consider the recommendation for six weeks of public consultation on the housing delivery strategy.
- 2.15** **What is Merton doing around increasing housing supply to meet the targets in the London plan, and specifically what is it doing to ensure adequate amounts of affordable housing?**
- 2.16** As reported to councillors including the Borough Plan Advisory Committee, Sustainable Communities Scrutiny Panel and Cabinet, increasing the supply of new homes to help address housing needs is a high priority for government and for the Mayor of London.
- 2.17** The Queens Speech 2021 sets out how government will take forward a Planning Bill to radically changing the planning system to accelerate the delivery of new homes, first announced in the 2020 Planning White Paper.
- 2.18** The new London Plan, adopted in March 2021, sets government's policy framework into London which includes building new homes in London and, at a local level, increasing Merton's share of London's new homes from 411 new homes per year to 918 new homes year. Across the last 10 years, Merton has generally been successful in achieving its share of London's new homes.
- 2.19** In recognition of the national and regional policy direction, Merton has taken forward a wide range of initiatives which are summarised in this report.
- 2.20** Lessons learned from the collapse of Merantun and the use of the former Merantun sites and the former Virgin gym
- 2.21** In late 2020 the council took the decision to wind up Merantun Developments Ltd as at the time it did not deliver enough return on investment compared to other investments that the council could access. Merantun Developments Ltd had successfully taken four council-owned sites: Elm Nursery (21 homes); Raleigh Gardens (36 homes); Land at Canons (18 homes) and Farm Road (18 homes) through the planning application process; Merton's Planning Applications Committee resolved to grant permission for the four sites in July 2020. The four sites are connected for affordable housing / viability purposes.

2.22 All the Merantun sites, and other council owned sites including the former Virgin Active Gym on Battle Close, Sibthorpe Road car park, Worsfold House, Chaucer Centre, Gifford House, Hartfield Road Car Park, the site of the former Wimbledon Community Centre, , and Morden town centre are in Merton’s new Local Plan allocated (in whole or in part) for new homes. The council is also developing a disposals strategy for council-owned housing sites, including site capacities based on design considerations.

2.23 Merton’s new Local Plan gives the planning certainty that these council owned sites are suitable for new homes and the council’s disposal programme will arrange the disposal of these sites for new homes.

2.24 The lessons learnt from the decision not to proceed with development following planning permission is that small sites, such as those taken to planning permission by Merantun Developments Ltd, can be difficult to develop and have marginal viability in a borough like Merton. Increased build and borrowing costs combined with lower rental values (rent or sales) disproportionately affect smaller sites in Merton’s housing market. Costs of construction are proportionally higher on small sites as there is less space to store materials on site and less scope to phase construction. This reflects what the development industry and Registered Providers have also said about Merton’s housing market.

2.25 Bringing empty homes back into use – including statistics since 2018

2.26 1.1 There is no legal requirement for local authorities to have an Empty Homes Strategy, and bringing empty homes back into use is not a silver bullet to increase housing supply. Although the council does not currently have an Empty Homes Strategy and does not have dedicated officers to deliver this function, where necessary and appropriate it takes a reactive approach to bringing empty homes back into use. This is usually achieved through an informal approach. That said a review of statutory provisions and guidance has been carried out and local authority Environmental health data and strategies across London were reviewed. The review, whilst informative , has not demonstrated, that the early adoption of an empty Homes strategy is an effective use of resources at this time . This view was influenced in part by the fact that

2.27 There are a number of challenges in bringing empty homes back to use, which include:

- Owners cannot be found – locating owners can be notoriously difficult and adds to the timescale and costs of the process.
- The reasons that homes are left empty can sometimes be complex and personal.
- The property would normally have to be empty for at least two years.
- There is no legal obligation upon landlords to offer their homes to the council for a nomination of a tenant within Local Housing Allowance rates.

2.28 Notwithstanding this, the council continues to work closely with the private rented sector to increase housing supply so as to meet acute housing need, i.e. homelessness. During the period 2018 to 2021 housing supply for residents was increased by obtaining access to 157 homes which were let in partnership with private sector landlords.

	2018/19	2019/20	2020/21
RDS Lettings	45	41	71

2.29 Despite a challenging operating environment, we have managed to retain our position of having the lowest numbers of homeless households living in temporary accommodation of any London borough. However, we recognise the importance of finding new and innovative approaches to increasing housing supply and in doing so

improve the housing outcomes for our residents. As highlighted in this report, officers continue to work with housing associations to develop new build affordable housing but the importance of the private rented sector cannot be ignored. A new initiative was required to deliver affordable, suitable private sector accommodation to allow the council to meet its homelessness duties against a background of:

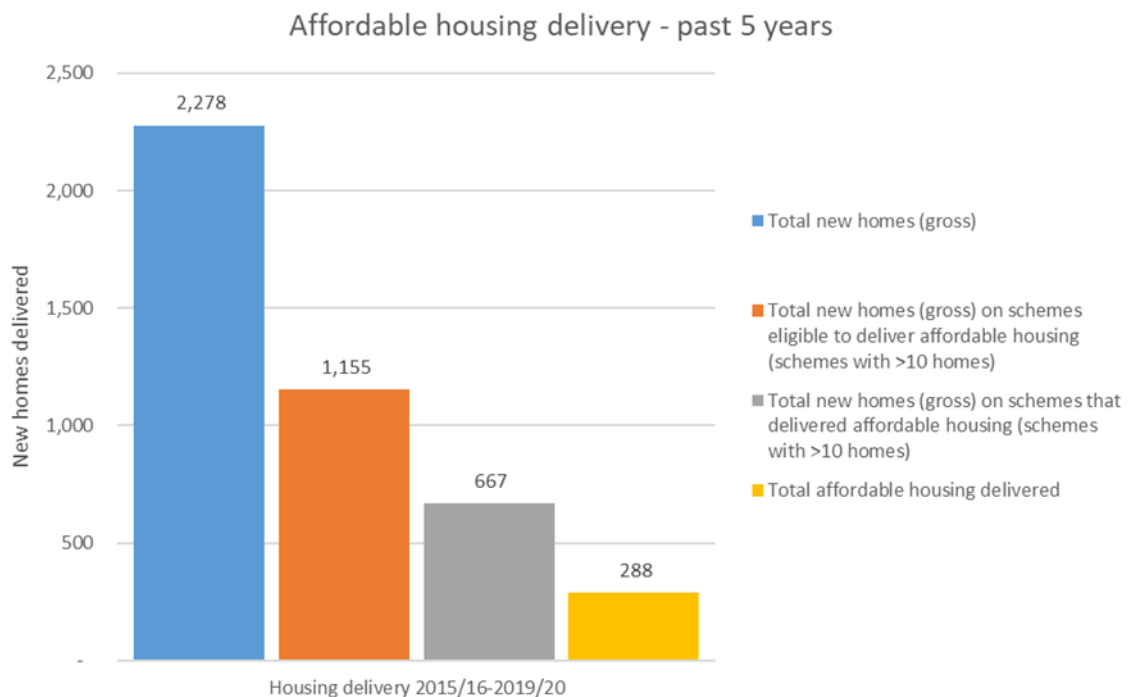
- A challenging market with limited availability of accommodation for households on low incomes
 - The possibilities of increasing levels of homelessness next year following the cessation of the ban on evictions
 - The shift in emphasis in homelessness policy towards the use of resources to prevention
 - The importance of working closely with other London Boroughs to collaborate to secure accommodation.
- 2.30** We have recently reached a major milestone by Cabinet approving that we become a member of Capital Letters at the Cabinet meeting in June 2021.
- 2.31** Capital Letters, a not for profit company, will procure suitable and affordable private sector accommodation for homeless households and those at risk of homelessness. By becoming a member of Capital Letters we hope to see an increased availability of housing options and increased levels of housing supply as close to the borough as possible. Capital Letters is an innovative new approach to addressing the borough's homelessness issues. By working with Capital Letters we will secure better options for our homeless residents and over the coming months we expect to see progress in increasing housing supply and improving the housing pathways for households facing homelessness.
- 2.32** It is important that we highlight how the council and its partners have worked together to end rough sleeping. Currently there is just one known rough sleeper living in Merton. Since lockdown began, under the "everyone in principle" Merton has housed circa 130 individuals into accommodation, some of whom would not usually be eligible under the Housing Act for assistance.
- 2.33** We continue to provide support and advice to these individuals, working with them to develop sustainable housing solutions thus preventing a return to the streets. This has been referred to as "in for good". Merton has signed up to the rough sleeping Next Steps strategy, agreeing to work in partnership with London Councils, the GLA, Public Health and the NHS to ensure no one who has been placed into emergency accommodation without an offer of support to end their rough sleeping. Housing solutions for former rough sleepers has included moves into the private rented sector and supported housing.
- 2.34** Over the last 4 years, Merton has successfully obtained close to £1.8m in grants from the MHCLG, through various programme such as the Rough Sleeping Grant (RSG), Rough Sleeping Initiative (RSI), Rapid Rehousing Pathway (RRP), Controlling Migration Fund (CMF) and Cold Weather Funding, to provide outreach, accommodation and support services for rough sleepers.
- 2.35** Affordable housing statistics since 2018 and a summary of activities undertaken to ensure developments and developers meet targets including outlining of the council's strategy around affordable housing and small sites
- 2.36** There are two sources of new affordable housing in Merton:
- New homes delivered via the planning system from contributions from large sites

- Registered Housing Providers building or buying developments of 100% affordable homes

2.37 Current planning policy in Merton, like most of the country, seeks a percentage of new homes from large sites as affordable homes. Merton’s Core Planning Strategy 2011 sets this target as 40% affordable housing for sites over 10 homes.

2.38 The graph below summarises housing delivery over the past 5 years. It shows that over that period 2,278 new homes were completed, of which 1,155 homes (51% of homes) were part of large sites (schemes proposing 10 or more homes) and therefore eligible to provide affordable housing.

2.39 On eligible developments, 288 affordable homes were provided on site and where viability meant that affordable home could not be delivered on site a total of £1,387,965 cash in lieu was received.



2.40 Therefore where developments provided affordable housing on site (grey bar on the graph), an average of 43% was affordable ($288 \div 667 = 43\%$), above Merton’s target of 40%. These developments included:

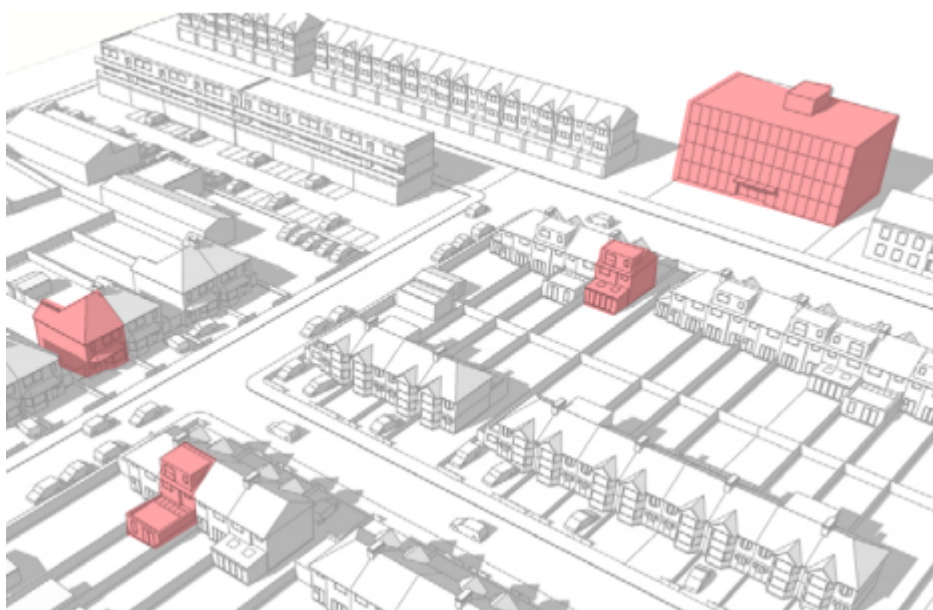
- 118-120 Christchurch Road, Colliers Wood (54 affordable homes, 100%)
- 191-193 Western Road, Colliers Wood (48 affordable homes, 100%)
- Former community centre, Woodstock Way, Mitcham (36 affordable homes, 100%)
- 2-6 High Street, Colliers Wood (34 affordable homes, 100%)
- Former Atkinson Morley, Raynes Park (28 affordable homes, 27%)
- Haig Housing, Morden (27 affordable homes, 40%)
- Windmill Road, Mitcham (20 affordable homes, 100%)

2.41 Considering all the large developments eligible to provide affordable housing on site (including sites where cash in lieu was received), as shown by the orange bar, 25% of the new homes built were affordable ($288 \div 1,155 = 25\%$).

- 2.42** However, national planning guidance on calculating housing supply requires all councils to calculate the percentage of affordable homes against all developments in the borough, including small developments which are not eligible to provide affordable homes via the planning system.
- 2.43** Therefore, when calculating the percentage of affordable housing on the total number of homes built in Merton in the past five years (i.e. including the 1,123 homes (49% of the total) built on small sites that are not eligible to provide affordable housing through the planning system) the percentage of affordable housing drops to 13% although the number of affordable homes built stays the same at 288 affordable homes.
- 2.44** The council successfully bid for £366k from the GLA's Homebuilding Capacity Fund to investigate housing delivery, including affordable housing delivery <https://www.merton.gov.uk/Documents/Merton%20Housing%20Delivery%20Research%20Final%20Report%20March%202021.pdf> which investigates this issue in more detail.
- 2.45** The low number of new affordable homes delivered via the planning system is because Merton is a borough of small sites due to fragmented land ownership and high land values making land assembly expensive. The delivery of affordable housing has also been affected by the introduction of Prior Approval rights to convert offices, shops and light industrial uses to residential without the need for full planning permission.
- 2.46** For more than 10 years, on average around 90% of the planning applications Merton council receives for new homes are for sites of less than 10 homes. In 2018/19 (as set out in [Merton's Authority Monitoring Report](#)) only one site in Merton was built that delivered more than 10 homes; that site delivered 11 homes of which 5 (45%) were affordable, above Merton's target for 40% affordable homes on site.
- 2.47** In the past 5 years, Registered Providers have delivered 192 affordable homes either by buying sites once they have received planning permission, by buying more homes within a development above those required by planning permission or by developing sites themselves. These sites include:
- 118-120 Christchurch Road, Colliers Wood – L&Q (54 affordable homes, 100%)
 - 191-193 Western Road, Colliers Wood – L&Q (48 affordable homes, 100%)
 - Former community centre, Woodstock Way, Mitcham - YMCA (36 affordable homes, 100%)
 - 2-6 High Street, Colliers Wood – Optivo (34 affordable homes, 100%)
 - Windmill Road, Mitcham - Optivo (20 affordable homes, 100%)
- 2.48** The outline of the council's strategy around small sites and affordable housing is to improve the quality of design of small sites, increasing the quality of their delivery through the planning system and is set out below
- 2.49** *New small sites affordable housing policy in new Local Plan 2021* – contains a new policy which proposes to collect financial contributions from smaller sites as well as continuing the policy on large sites to help deliver affordable housing. If the Secretary of State's planning inspector approves this policy, then this can be implemented once the new Local Plan is adopted.
- 2.50** *New housing delivery strategy draft 2021* - being recommended for public consultation to Cabinet in July 2021. This sets out the council's ambitions to deliver affordable homes, including increasing engagement with Registered Affordable Housing Providers on their delivery programmes.

- 2.51 *Engaging with Registered Affordable Housing Providers on small sites delivery*** In 2015 Merton's scrutiny panel carried out a scrutiny review of housing supply (Merton's Housing Supply Task Group <https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=280>) In this Merton's Scrutiny Panel conducted workshops with Registered Affordable Housing Providers (such as Clarion, Moat, Wandle) on their delivery programmes. The Registered Providers were clear that they sought sites that could deliver over 150 affordable homes and were not interested in the delivery of smaller sites due to the difficulties and extra financial burden of managing smaller sites. As part of Merton's emerging housing delivery strategy, working with the GLA council officers are working with new registered affordable housing providers that will deliver smaller sites, particularly those that come through the planning system.
- 2.52 *Greater transparency on affordable housing viability statements*** – in 2018, Merton Council resolved to require developers to publish affordable housing viability statements that accompany planning applications. Prior to this, developers had argued that these documents should remain confidential. Publishing affordable housing viability statements alongside other planning documents allows anyone with an interest in the planning application to see the financial considerations for that scheme. Merton employs a property consultancy, Altair, to independently scrutinise developer's viability statements where the percentage of affordable housing is contested, and the council also publishes these results. This ensures that the process and findings are transparent and accessible to everyone.
- 2.53 *Improving the quality of small sites planning applications submissions and overall design*** – small, infill sites across the borough make a valuable contribution to housing supply and on average 90% of planning applications Merton receives are for small sites (less than 10 homes). To help improve the quality of these developments, Merton successfully bid for £366k from the GLA's Homebuilding Capacity Fund and has developed and consulted on a Small Sites Toolkit, directed towards landowners and builders of small sites to provide small sites design guidance and a template Design and Access statement. In June 2021 Cabinet adopted Merton's Small Sites Toolkit as a supplementary planning document to Merton's Local Plan.

Extract from Merton's Small Sites Toolkit 2021



- 2.54**
- 2.55 *Development of new ideas, like Modular homes and self-build homes*** - since the award winning affordable housing scheme at Brenley Park of £60,000 homes was delivered in

2013, Merton has continued to explore and deliver different approaches to affordable homes.

- 2.56** Working together the YMCA, Rogers Stirk Harbour and Partners architects and the council delivered 36 modular homes for affordable accommodation at the Y-cube Mitcham, which opened in 2015. The YMCA have nomination rights for half the homes and the council for the other half.

Y-cube Mitcham - YMCA



- 2.57** The council's emerging Local Plan contains policy support for further modular builds in Merton.
- 2.58** Many residents in Merton self-build and as a result, are able to provide the robust evidence government legislation requires to waive Community Infrastructure Levy charge on their new homes. For example, as set out in Merton's Authority Monitoring report, in 2018/19, 21 homes in Merton were self-built (8% of the total number of homes built that year). The council continues to welcome self-build as a way of delivering new homes both through its emerging planning policies in the Local Plan.
- 2.59** Merton's Local Plan states that we will aim to deliver a minimum of 11,732 additional homes between 2021/22-2035/36 to meet the local housing need. These homes will be delivered on small and large sites across the borough, in particular through:
- Estates Regeneration at Eastfields, High Path and Ravensbury (circa 2,000 new homes)
 - Morden town centre (circa 2,000 new homes)

- Benedict Wharf, (up to 850 new homes)
- Mitcham Gasworks (to be confirmed later in 2022)
- Brown and Root Phase 2
- YMCA (135 new homes and 121 hostel rooms)
- Haslemere Industrial Estate (129 new homes)

2.60 Clarion Housing Group are delivering the regeneration of Eastfields, High Path and Ravensbury to replace existing poor quality homes and to deliver new homes. To date, outline planning permission has been granted for all three sites, residents have moved into Phase 1 at Ravensbury and Phase 1 at High Path is finishing construction. Planning permission has been granted for Phase 2 at High Path and all phases at Ravensbury. Pre-application discussions for Phase 1 at Eastfields have taken place.

2.61 In September 2021, the council will consider a report towards supporting the estate regeneration in these challenging market circumstances. The council is fully committed to the regeneration of the three estates. As the largest single delivery landowner, the council recognises that the estate regeneration is key to increasing housing supply in Merton and improving the quality of homes for existing residents.

2.62 What is Merton doing to ensure people have decent homes?

2.63 Support for housing association tenants and oversight of Clarion and other housing associations – including statistics on relevant activities since 2018.

2.64 The Council as a non stock-owning local housing authority is not legally required to provide oversight of Clarion Housing and other housing associations and their regulatory functions. This role is the legal responsibility of Government’s Regulator of Social Housing.

2.65 The council expects that Clarion and other housing association partners deliver their landlord functions in accordance with their repairing obligations as set out in legislation and in individual tenancy agreements. Where housing associations fail to comply with their legal obligations, and where housing association tenants contact the council’s Housing Enforcement team to report cases of disrepair, officers will investigate and work with the landlord and tenant to facilitate a solution.

2.66 Notwithstanding this, the Cabinet Member, together with senior council officers meet with Clarion housing to review Clarion performance and Clarion Housing are invited twice a year to the Sustainable Communities Overview and Scrutiny Panel.

2.67 The table below sets out the service requests made to the Housing Enforcement team from tenants between 2018 and 2021. The requests are a combination of both private sector landlords and social housing landlords.

	2018-19	2019-20	2020-21
C013 - Licensing Consultation	2		
C014 - Planning Consultation	1		
EMPT - Pro-active Empty Property	3		
F&V - Filthy & Verminous	3	6	6
GPAY - Grant Repayment Query	13	14	23
HDIS - Housing Disrepair	310	254	243
URGE - Urgent Housing Request	14	14	24

HIMI - Immigration Housing Survey	1		
HMOA - HMO Advice	246	165	71
HMOG - General HMO	279	220	255
HOTH - Housing - Other	110	129	394
HS08 - H&S Advice	1	1	
HS09 - General	1		
MEN - Members/ MP Enquiry	56	65	65
P001 - Rats	52	30	44
P002 - Mice	24	12	17
P003 - Cockroach Infestation	3	3	
P004 - Ants		2	1
P005 - Other	1	5	1
P006 - Insect Infestation			1
P008 - Pigeons			7
P009 - Squirrels			2
P00B - Bedbug Infestation			5
PDRA - Drainage	33	32	31
PTEN - EH TEN Consultation	1		
REFU - Refuse/Rubbish	113	87	101
Total Service Requests	1267	1039	1291

- 2.68** What the council is doing in response to adopt the spirit of the Social Housing White paper published Nov 2020, which calls for: A new charter giving social housing residents a greater voice; A tougher housing regulator to ensure high standards from landlords; and a strengthened housing ombudsman to speed up the handling of complaints?
- 2.69** The Social Housing White Paper was published by the Ministry of Housing, Communities and Local Government on 17 November 2020. It is to be welcomed as it aims to provide a tougher housing regulatory framework for tenants. The paper is aimed at Social Housing Landlords and their tenants, and given that the council is not a landlord, the commitments and key measures contained in the papers are unlikely to have a direct impact upon the council. Despite this, the council will continue to follow the White Paper through its adoption into law so as to ensure that any obligations arising that affect the council are fully understood.
- 2.70** Enforcement activities to support private sector tenants, since 2018, and separating out activities relevant to HMOs from those undertaken to support private sector tenants not in HMOs (and specifically statistics on non-HMO prosecutions)
- 2.71** Private sector housing plays a significant part in the housing provision within Merton. It is recognised that the majority of this housing is in good condition and well managed, however nationally the conditions in the private rented sector (PRS) tend to be less satisfactory than any other occupancy type. The council has a responsibility to deal with unsatisfactory housing that presents health and safety hazards to the occupier.
- 2.72** It is not disputed that the private rented sector should provide high standards, secure swift and effective access to justice and that the large volume of powers to protect tenants from poor housing are being used.
- 2.73** The council takes a proactive approach to dealing with “rogue landlords” and improving housing conditions in the borough, thus seeking to ensure that private renters can occupy their homes safely.

- 2.74** As outlined in the section above, the number and range of tenant service requests are numerous and vary from year to year. It is not possible to divide these figures based on whether the query was raised by a tenant in a HMO or as a single household.
- 2.75** There were no prosecutions in 2018/2019. In 2019/20 the council successfully prosecuted three landlords and issued one Civil Penalty Notice. This resulted in the following fines being issued against the Landlords : £3, 911, £6011.50, £4,854, and £8,000 (civil penalty) There were no prosecutions in 2020/21. However, the council has had one further successful prosecution since April 2021 resulting in a fine against the Landlord for £16,520. All of these were for breaches of HMO regulations. There have been no prosecutions with regards to single household dwellings. The process of prosecuting Landlords for renting properties in poor condition is very long and complex. Prosecution cases against Landlords for poor housing conditions are tried in the magistrates courts.. They are criminal offences Most of the steps involved are laid down in law or are essential to the legal process of proving the case in court beyond reasonable doubt .This can take many months
- 2.76** The private rented sector is complex with 140 Acts of Parliament containing more than 400 individual regulations. Upon consideration of all available evidence the council has a number of options to resolve a private tenant's difficulties: take no action, offer informal action/advice, serve a statutory notice, issue a formal caution, prosecute, carry out works in default.
- 2.77** Latest on plans in relation to a selective licensing scheme
- 2.78** The council will continue to explore all options to improve the housing conditions of its residents, and this includes planning for a Selective Licensing scheme. Prior to the Covid19 Pandemic officers were carrying out due diligence as to the merits of introducing a selective licensing scheme. This included the research of relevant legislation and guidance. Selective licence submissions were made by a range of Councils (accepted and rejected by MHCLG) and were reviewed to identify lessons learned and good practice., meetings were held with LB Waltham Forest and LB Enfield, and a data analytics company that assisted the successful introduction of schemes in England and extensive data analysis carried out on a wide range of Merton ward data relevant to the regulatory criteria.
- 2.79** However, following the outbreak of the Covid19 pandemic and the disruption and challenges this has brought to our community further work has been delayed. We are also conscious that several councils including Brent, Croydon and Liverpool have also had their application for renewal of the schemes rejected by the Secretary of State due to the evidential base not being robust. Officers have been asked to continue reviewing the position as to the viability and effectiveness of such a scheme as the benefits of selective landlord licensing for improving the conditions of tenants in the private sector is widely recognised.
- 2.80** What information does the Council give to its residents that are renting on their right and the support it can give?
- 2.81** Residents can contact the Housing Options Team or the Housing Enforcement Team either by telephone, email; and Covid-19 restrictions permitting, home visits and 1:1 interviews at the Civic Centre. Officers will provide a range of advice and assistance on a range of topics which include:
- Security of tenure
 - Illegal eviction and harassment
 - Rent control
 - Affordability

- Possession proceedings
- Housing disrepair
- HMOs

2.82 Additionally, there are a number of Housing Advice pages on the council's website:

<https://www.merton.gov.uk/council-tax-benefits-and-housing/housing-advice>

2.83 Cladding, including action taken following the motion to full council

2.84 In February 2021 Merton Council passed a motion that stated:

2.85 "1. The Government's inadequate response to the Grenfell tragedy has failed to address the legitimate health and safety concerns of occupiers in blocks of flats causing genuine stress and risking residents' mental health. Many owners, in buildings of all heights, have been left in limbo, unable to remortgage/mortgage, buy or sell (without an EWS1 form) and understandably concerned about the cost of remedial work.

2.86 2. Despite the Government's focus on blocks of flats above 18m, the Richmond House fire in Sutton demonstrates the need for residential developments below this height to be covered by legislation relating to fire safety risks.

2.87 3. The Government has largely adopted a 'hands-off' approach, insisting that making properties safe is the responsibility of building owners and failing to hold developers to account.

2.88 4. Members in parliament are calling on the Government to give long overdue support to residents who are stuck in homes that are still not safe four years on from the Grenfell tragedy, whose homes are now worthless. Council commends Merton officers for undertaking an audit of all residential blocks in Merton above 18m.

2.89 Council requests that Cabinet

2.90 1. Signs up to the End our Cladding Scandal Campaign, which makes the following 10 demands:

- The government must lead an urgent national effort to remove all dangerous cladding from buildings by June 2022.
- The Building Safety Fund must cover all buildings, regardless of height, and a range of internal and external fire safety defects, not just cladding.
- The government should provide the money up front and then seek to recover it from any responsible parties or via a temporary levy on development.
- Social housing providers must have full and equal access to the fund.
- The government must compel building owners or managers to be honest with residents about fire safety defects.
- The government should cover the cost of interim safety measures.
- The government should act as an insurer of last resort and underwrite insurance where premiums have soared.
- A fairer, faster process is needed to replace the EWS form and funding is necessary to ensure all buildings requiring a form are surveyed within 12 months.
- Mental health support must be offered to affected residents.

- Protecting residents from historic and future costs must be a key commitment of new building safety legislation.
- 2.91** 2. Writes to the government requesting sufficient funding for Merton to recruit the necessary officers and enable those officers to:
- include low rise blocks of flats under 18m in their audit.
 - Publish the audit to establish the scale of cladding issues in Merton, as part of the campaign calling for the Government to urgently establish the extent of dangerous cladding and prioritise buildings according to risk, as well as providing immediate funding and pursuing those responsible for costs.
 - Create an online ‘hub’ for residents, tenants and long leaseholders in both the private and social housing sectors to access relevant support to deal with issues including financial problems and mental health concerns, as well other useful relevant information (eg support concerning rogue landlords, ASB etc 3.
- 2.92** 3. Notes that such measures would go beyond what has been put in place by neighbouring boroughs, and can only be achieved with additional support from the government, which has let Merton’s residents down by not acting to resolve the cladding scandal sooner, even though it is now 4 years since the Grenfell tragedy highlighted this.”
- 2.93** The details of the motion are available online here:
<https://democracy.merton.gov.uk/documents/g3622/Printed%20minutes%20Wednesday%2003-Feb-2021%2019.15%20Council.pdf?T=1>
- 2.94** Councillor Martin Whelton, Cabinet Member for Housing, Regeneration and the Climate Emergency, has written to Robert Jenrick MP, Secretary of State for Housing, Communities and Local Government.
- 2.95** The Cabinet Member wrote to inform that Merton Council has signed up to the End Our Cladding Scandal Campaign which calls on the Government to lead an urgent, national effort to fix the spiralling cladding and building safety crisis. The letter also expressed concern around surveying buildings under 18m without the necessary and appropriate funding from Government and requested additional funding.
- 2.96** At the time of writing, no response has been received.
- 2.97** What the council is doing to ensure developers take climate change action seriously, including building sustainably and avoidance measures such as paying carbon offsets?
- 2.98** Despite the pandemic, Merton has accelerated actions since declaring a climate emergency in July 2019. Following extensive public consultation and engagement during 2019 and 2020, in November 2020 Merton adopted a Climate Strategy and action plan.
- 2.99** Part of the strategy to help the borough reach net zero carbon by 2050 is to achieve net zero carbon operations from new developments by 2050. This element of the strategy is partly delivered by Merton’s emerging Local Plan, which sets challenging carbon reduction targets for new development, incorporating smaller sites for the first time. Working with five other London boroughs, Merton has also reviewed carbon offset contributions to calculate exactly what it costs to offset carbon from development in London. Planning policies on carbon reduction in Merton’s emerging Local Plan are firmly based on on-site delivery of measures and improving the fabric of the building first. In the circumstances where it can be demonstrated that carbon reduction cannot be achieved on site and must be offset elsewhere, Merton’s new planning policies propose levying £300 per tonne of carbon, up from £90 per tonne in the London Plan, as this is based on the pan-London research as to what carbon reduction actually costs to deliver.

2.100 Should Merton's Local Plan pass its examination by the Secretary of State's Planning Inspectorate and be adopted by Merton Council, then this policy will be in place and be implemented.

3. CONSULTATION UNDERTAKEN OR PROPOSED

3.1 As set out in the body of this report.

4. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

4.1 As set out in the body of this report

5. LEGAL AND STATUTORY IMPLICATIONS

5.1 As set out in the body of this report.

6. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

6.1 None for the purposes of this report.

7. CRIME AND DISORDER IMPLICATIONS

7.1 None for the purposes of this report.

8. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

8.1 None for the purposes of this report.

9. Appendices – the following documents are to be published with this report and form part of the report.

9.1 None for the purposes of this report.

10. BACKGROUND PAPERS

10.1 Merton's new Local Plan 2021 <https://www.merton.gov.uk/planning-and-buildings/planning/local-plan/newlocalplan>

10.2 Merton's adopted Local Plan [Local Plan \(merton.gov.uk\)](https://www.merton.gov.uk/planning-and-buildings/planning/local-plan/adopted-local-plan)

10.3 Merton's authority monitoring reports [Local Plan \(merton.gov.uk\)](https://www.merton.gov.uk/planning-and-buildings/planning/local-plan/adopted-local-plan)

10.4 Merton's Climate Strategy 2020 and Action Plan
<https://www.merton.gov.uk/assets/Documents/Draft%20Climate%20Strategy%20and%20Action%20Plan%20-%20Council%20V2.pdf>

10.5 Merton's housing delivery research 2021
<https://www.merton.gov.uk/Documents/Merton%20Housing%20Delivery%20Research%20Final%20Report%20March%202021.pdf>

10.6 Merton's small sites toolkit <https://www.merton.gov.uk/planning-and-buildings/planning/supplementary-planning-documents/small-sites-toolkit>

10.7 Merton's Borough Character Study 2021 <https://www.merton.gov.uk/planning-and-buildings/planning/supplementary-planning-documents/character-study2021>

10.8 Merton's Housing supply task group 2015 – final report
<https://democracy.merton.gov.uk/documents/s9921/Housing%20Supply%20Task%20Group%20-%20Final%20Report%20191015.pdf>

10.9 Cabinet decision on Merton's housing supply task group (October 2015)
<https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=280>

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