

Executive summary

Introduction

1. The Royal Borough of Kensington and Chelsea Council (RBKC) commissioned Cobweb Consulting to carry out a Local Housing Needs Assessment (LHNA) in April 2021. The context was that the Council had commenced a New Local Plan Review. The intention is to adopt the New Local Plan in 2022-23, and a Local Housing Needs Assessment is required to form part of the evidence base for the New Plan.
2. The commission required the evidence to be presented in the form of five specific outputs.

Output 1 – current and future trends

The proportion of the population in different age profiles

3. RBKC has lowest population of any London borough (except City of London), and it is forecast to only increase by 2% by 2040. This can be compared to the London-wide population projection of 12%. RBKC also has the smallest spatial geography of any London borough, and it is also the most densely populated
4. The number of residents aged 65 or more is projected to increase by 13,911 by 2040, a 54% increase; within this, an 82% increase for those ages 75 or more and a 131% increase for those aged 85 or over is projected
5. By 2040 those aged 65 or more are expected to comprise 25% of RBKC's population, up from 16%; over the same period, the proportion of the population aged under 25 is expected to reduce from 25% to 20% and that of the 35 to 64 group, to reduce from 59% to 54%
6. In combination these demographic changes will place increasing strain on the ability of the local workforce to support an aging population.

The types of household

7. The greatest increase will be in two-person households aged over 65 (35% increase), followed by one-person households aged 65 plus (34%)
8. The youngest households – 16- 24 – will experience decreases of 11% (couples) and 12% (singles)
9. Most significant will be a stripping away of the number of households with children – over 1,000, a 7% decrease, especially among mature households. By 2040 RBKC will have lost 13% of its younger households
10. The Dependency Ratio – a simple measure of the burden working age households will have in supporting others – is projected to rise from 53 to 67

Current housing stock

11. Stock make-up is dominated by smaller homes, with 38% one beds (including studios and bedsits) and 33% two beds. Only 29% of homes are three bed or larger. This makes housing of families difficult, although the make-up of the stock is helpful in housing an aging population.
12. Some 44% of the stock is under-occupied, particularly (though not exclusively) in the owner-occupied sector. There are clearly opportunities here to make more effective use of the stock

13. Flats and maisonettes form the overwhelming majority (85%) of the built form, with the paucity of houses and bungalows also making it difficult to house families
14. Nearly two-thirds (64%) of homes were built before 1900; while the owner-occupied and higher end private rented sector is likely to be in good condition, there may be issues with conditions, repairs and maintenance in the lower end of the PRS and especially among HMOs.
15. There are also issues around accessibility for older and disabled people because of the design of the older stock.

Tenure composition

16. We estimate that now the private rented sector houses 44% of residents, a higher figure than that in the 2011 Census (36%) and the 2015 SHMA (38%), and the largest single sector in the borough. There are some indications that the PRS has now plateaued
17. The growth of the PRS has mainly been at the expense of owner-occupation, which now stands at 29% (down from 59% in 2011). The social rented sector has remained relatively steady over the last 10 years, at 23%.

House prices and affordability

18. RBKC is the most expensive borough to buy a home in London and England. The current median price is £1,317,500, and lower quartile is £735,000. COVID appears to have had little impact on price levels.
19. However, there has been a gradual reduction in the number of transactions since 2016
20. The most commonly accepted measure of affordability is the relationship between median house prices and median earnings of residents in an area. It now stands at 26 (i.e. median house prices are 26 times median earnings). The lower quartile relationships are similar
21. On both these measures RBKC is the least affordable borough in London, by some distance.

Prime and super-prime markets

22. In common with Westminster, RBKC saw a slight decline in demand and prices in the five years up to 2020. Apart from a miniboom at the end of the first lockdown, the decline continued into 2021
23. There are now signs of a revival, likely to continue when pent up demand from foreign buyers is released as travel restrictions ease.
24. But the long term future will depend on the post-COVID economic and tax environment, as well as the working through of Brexit and other international factors.

Empty homes, second homes and Airbnb

25. One in eight homes in RBKC are empty or second homes, making a total of 11,802 unused homes. This is the highest rate in England, and (apart from Cornwall) the highest number. Numbers of both empty and second homes have increased sharply over the last few years
26. While it is clear that foreign investors use RBKC properties as wealth-holding vehicles, there is also evidence that UK investors do the same.
27. While Airbnb is a useful resource for the tourist economy, there is concern that of the 6,129 listings for accommodation in RBKC, 77% are described as entire dwellings – not just a room or a share in someone else's home. This is the second highest number in the capital and represents 7% of the housing stock

28. There are definitional overlaps between second homes, empty homes and Airbnb, so it is difficult to be precise on overall numbers. However it is clear that there is a substantial amount of unused or underused stock in the borough.

Outputs 2 and 3– Evidence on the need for Community Housing within the Borough and likely requirements for different types and sizes of homes over the plan period

29. Evidence of the need for Community Housing within the Borough and likely requirements for different types and sizes of homes over the plan period were examined using a spreadsheet-based model based on the requirements of National Planning Practice Guidance (NPPG). This was an amended version of the model previously used in the 2015 SHMA and its 2019 Update.

Overall housing need

30. Backlog need (unmet need at the present time) was estimated at 2,506 dwellings. All backlog need cannot be met immediately so a backlog quota of 334 dwellings per annum (which would allow all current backlog need to be met over the next 7.5 years) was included in overall need. The timescale for meeting backlog need has been shortened since the 2019 Update as the Council wished to give a higher priority to this group.
31. Newly arising need (as a result of future household growth) was estimated at 1,288 dwellings per annum, based on the 2019-based central lower migration projection variant produced by the Greater London Authority, with a small addition for new need arising from existing households.
32. The annual total of need in the Borough was therefore 1,622 dwellings (1,288+334).

Affordable housing need

33. An up to date estimate of the distribution of gross household incomes in the Borough was made based on Paycheck data purchased from the company CACI. This data was adjusted, as from a comparison with other sources it was felt to underestimate the proportion of households in income bands below £25,000 per annum. The data was used as the basis for the production of estimates of the income distribution of households in need, as distinct from the incomes of all households.
34. Assumptions were made about the maximum proportion of gross household income which should be devoted to housing costs. In the lowest income bands below £25,000 it was assumed that a maximum of 25% of income should be devoted to housing costs. This provided a distribution of the housing purchasing power of households in need.
35. To assess the proportion of households unable to afford market housing, threshold costs were determined for a series of housing options. These were (a) entry level market rents (taken to be the lower quartile private rented sector rent) (b) The average London Living Rent for the Borough published by the Greater London Authority (taken to be indicative of the costs of a range of intermediate housing options) (c) the London Affordable Rent, also published by the Greater London Authority (taken to represent the rent level for Social Housing let at Affordable Rent levels) and (d) the current rent for Social Housing Let by the Borough (taken to be the lowest-cost Social Rented housing available).
36. On the basis of a comparison of these cost thresholds with the purchasing power of households in need, it is estimated that 1,293 households (80% of the 1,622 households in

need) are unable to afford any form of market housing, leaving 20% who could afford to enter the private market. Given the high costs of housing in the Borough, this is unsurprising.

Affordable need by type

37. Taking the 1,293 households who cannot afford to enter the private market, 374 (29%) are estimated to be able to afford to pay a London Living Rent or another intermediate option such as shared ownership or First Homes with costs below the lower quartile market rent level. A further 329 (25%) can afford a London Affordable Rent. Some 251 (19%) can afford a Social Rent at levels currently charged for the Borough's social housing stock. 339 households (26%) cannot afford even this cost, despite the availability of housing benefit, and would be obliged to spend a higher proportion of their income on housing costs than the 25% maximum assumed in these calculations. In total, 46% of households in need which cannot afford market housing require dwellings let at current social rent levels and many of these will need to devote more than 25% of their incomes to housing costs even when housing benefit is considered.
38. There is a significant affordable housing supply from relets and other sources which needs to be deducted from these gross needs to provide an estimate of the net annual need for affordable housing. This reduces need by 275 dwellings to 1,018 dwellings per annum. As a result of taking account of affordable supply, an increased proportion of affordable need (35% rather than 29%) is in the form of intermediate tenure housing, and less net need (38% rather than 46%) is in the form of social rented housing.
39. These estimates should not be treated as exact. The model assumes a maximum proportion of income to be spent on housing which some households may not wish to adhere to. In addition, the thresholds set for the cost of each type of housing have some households marginally above or below them so relatively small adjustments would affect the proportions who can afford each type of housing.

Breakdown of need by type of affordable housing

<i>Type of demand</i>	<i>Before supply</i>	<i>After supply</i>
Social rent	46%	38%
London Affordable Rent	25%	27%
London Living Rent/intermediate	29%	35%
	100%	100%

Affordable need by bedroom requirements

40. The estimates of need were also broken down by bedroom requirements. Looking at net need (after deducting the supply of affordable housing from relets and other sources, 16% of need is for studio or one-bed accommodation. The largest proportion of need (44%) is for two-bedroomed accommodation. 28% of need is for three bedrooms and 12% for four bedrooms. The requirement by number of bedrooms is broken down by type of affordable housing in an Annex Table to the main report.

Breakdown of need by bedroom size

<i>Bedroom size share</i>	Studio/1	16%
	2	44%
	3	28%
	4	12%
	Total	100%

Market housing by bedroom requirements

41. To complement the estimate of affordable dwelling size requirements, estimates were made of the requirement for dwellings of different sizes in the market sector. To address the high levels of underoccupancy in the market sector in the Borough, 35% of new market dwellings should have one bedroom, 40% two bedrooms, 20% three bedrooms and 5% four or more bedrooms. This profile is broadly similar to the current breakdown in the market sector.

First Homes

42. Since the 2015 SHMA and the 2019 update, the government has developed First Homes as an additional form of affordable housing, with local authorities required to produce 25% of affordable housing in this form. At a discount of 30%, the maximum market price of a potential First Home would be £600,000, which is likely to limit choices to one-bedroom or possibly two-bedroom units. Assuming a mortgage of 90% of the discounted price and limiting any loan to a maximum of 30% of household income indicates that an income of £71,700 per annum would be required to access a First Home at this price level, in addition to the deposit. Although 438 households (27% of those in need) have an income at or above this level, only 221 (14%) require a one or two-bed unit – the remainder would require a larger dwelling.

Changes since the 2019 update

43. The overall level of net affordable need (1,018 dwellings per annum) estimated in this study is 3% below the 2019 estimate of 1,052. This results from (a) changes to the data sources used to introduce more up to date data from the Housing Register (b) a shorter period assumed to meet current backlog need, thereby placing more emphasis on those households in need at present rather than those which will or might form in the future (c) a fall in the projected number of future households and (d) increases in the threshold costs of different types of housing since 2019.

Output 4 – Housing for Older People

Context

44. A greater proportion of those older people requiring some form of care and support have higher physical, mental health and dementia-related needs than in previous decades; and they are entering care-based accommodation later in life, in their 80s and 90s
45. Older age groups are significantly more affected by ill-health and disability than other groups which impacts on their housing requirements
46. By 2040 older groups are expected to account for 25% of households, rising from a base of 16%; whereas working age households reduce by 8%, from 83% to 75%.

47. Older owner-occupiers may be able to solve their accommodation needs in the open market, through downsizing
48. A range of housing related services is required, to promote independence, mobility, reducing care costs, prevention of falls and ill-health, and reducing demand for inappropriate adaptations
49. This includes new provision of Extra Care and other forms of older persons accommodation.

Supply and demand

50. We estimate there are currently 1,863 units of specialist older persons housing available in RBKC, including 299 with residential or nursing care, and 81 social rented Extra Care units
51. Based on GLA commissioned research we estimate that an additional 16 care / nursing places were required every year between 2017 and 2029. As far as we are aware there is no RBKC forecasts.
52. As regards sheltered and Extra Care provision, forecasts based on demographic prevalence modelling indicate that future requirements by 2040 call for an additional:
 - 549 social rented affordable sheltered housing units
 - 2,291 private leasehold sheltered housing units
 - 132 social rented affordable Extra Care units
 - 265 private leasehold Extra Care units
53. This amounts to **3,237 additional units in total**, which would imply an annual programme of **162 units per annum** over the next 20 years
54. While most of the requirement will be for one-bedroom accommodation, it should be noted that the proportion of older households with two or more members is forecast to increase at a faster rate than that of single older adults
55. Provision should therefore be made for some units to have additional bedrooms, for reasons of health, privacy and the accommodation of carers.

Specialist and overall housing requirement

56. Assuming the availability of specialist accommodation, it is projected that around 48 homes per annum are freed up for other use by older people moving into specialist accommodation. This could include a supply of family accommodation depending on tenure and planning input.

Output 5 – Housing needs of different groups

Houses in Multiple Occupation (HMOs)

57. The HMO sector is estimated to comprise some 8,244 properties, 21% of the private rented sector (PRS). Of these some 3,584 (43%) are traditional shared properties and 4,650 (57%) are converted properties with multiple flats sharing common parts
58. HMOs serve a complex role in London and the RBKC PRS. Although traditionally seen as poor quality, low rent accommodation for singles and young people, since the 2008 credit crunch, recession, lack of mortgage availability and escalating house prices, investors and landlords have increasingly upmarketed and improved the quality of HMOs to cater for professionals on reasonable earnings, but not enough to enter the owner-occupier market
59. Geographically, HMOs are concentrated in the southern, wealthier wards in RBKC

60. This is not to deny that there is still a sub-strata of poorer conditions and probably lower rent HMOs in RBKC. A recent report noted that 66% of shared house HMOs were likely to have serious health and safety hazards.
61. Rents on HMOs are likely to reflect lower quartile PRS rents. This means that a four plus bedroom HMO would likely be rented at £4983 per month.
62. Looking at average earnings for key workers, it would need a group of five key workers on higher incomes (nurses, social workers, teachers, firefighters, police) paying 40% of their income to be able to afford this rent.
63. The authority is concerned that a number of landlords are converting HMOs into studio or 1 bed flats, to the detriment of overall lower rent housing supply. There is some evidence for this from planning data. A reduction in the number of bedsits in HMOs will jeopardise the ability of the authority to meet its housing delivery targets and reduce the stock available to lower income single people.
64. However, there is still a substantial pool of shared house HMOs, and few of the larger ones have been converted. There are no signs that the rate at which new mandatory (larger) HMO licences are being applied for has slackened.
65. We conclude that the authority should closely monitor the patterns of rents, conversion applications, registrations, ASB and student development, to find a balance between supporting lower-cost HMOs and accepting the role they have in housing higher earning but non-owning groups.

Build to Rent (BTR)

66. There are now 82,734 BTR London homes either built, under construction or at the planning stage, making up 43% of all purpose built private developments.
67. They are owned and managed by private companies and incorporate in some cases living spaces, concierge arrangements, parking facilities, roof gardens, gyms, restaurants and bars.
68. Residents have three years security.
69. However, there are currently no Build to Rent (BTR) schemes in RBKC, so assessing their role and value is difficult. Rent levels tend to be around 11% higher than PRS median rents (noting that these charges pay for the amenities noted above as well as the rents), which implies that monthly rents could be:
 - Studio - £1,443 pm
 - 1 bed - £2,092 pm
 - 2 bed - £2,983
 - 3 bed - £4,649 pm
 - 4 plus bed - £7,937
70. We have researched whether these standard rents would be affordable to key workers in RBKC (putting aside the 20%+ tranche of such developments that are earmarked for truly affordable rents).
71. Our assessment is that even the best paid key worker households would be unable to afford even the smallest BTR property without spending more than 40% of their incomes.
72. The view of the authority, which we consider justified given the shortage of affordable and sub-market rented accommodation, is that 35% of units in a scheme should be Community Housing (under the terms of the authority's Community Housing Supplementary Planning Document). Within these, schemes should provide at least 30% Discounted Market Rent Homes at an equivalent rent to London Living Rent, with the other 70% provided at a range of genuinely affordable rents, preferably social rents. It should be noted that the London Plan

required Discounted Market Rents to be at London Living Rents, and that the other 70% should be at genuinely affordable rents (policy H11I)

73. We should note that all the social housing providers we interviewed did not think BTR was viable in RBKC.

Large-scale purpose-built shared living (co-living)

74. There has been increasing interest in developing large-scale purpose-built shared living schemes, also known as 'co-living'.
75. They are essentially hotel rooms with added amenities with room standards as low as 14 sqm and lettings are on a licence basis, so security of tenure is minimal.
76. The London Plan has a policy to improve security of tenure in co-living schemes but does not require any affordable housing element.
77. There are none in RBKC as of yet. In existing London schemes rents start at £1,085 per month and range to £1,647 depending on the size of the room / studio.
78. Assuming these rents applied in RBKC (and they are likely to be too low as they apply to a scheme in Willesden), someone would need to be earning £32,550 per annum, if 40% of earnings were to be put into accommodation costs
79. This would put the lowest rents in range for the best paid of key workers – nurses, teachers, social workers, firefighters and police officers; assuming that these groups would find this sort of tenure attractive.
80. Further research would be needed to assess viability, affordability and potential demand. But on present evidence it does not seem to be suitable policy priority for RBKC.

Self-Build and Custom-Build

81. Authorities are obliged to keep a Self-Build register and, if there is demand, to provide service plots to meet demand
82. The RBKC Self-Build Register has been open since 2017. At the moment it holds 112 entries.
83. Only 39 applicants currently reside in the borough. However, at the moment the authority does not capture any information of other local connections, such as employment or family ties. The rationale for this is that there is so little land available and so many higher competing priorities, the authority is unlikely to be able to provide any serviced plots
84. Given the low demand we do not consider self-build should be a policy priority. However we do suggest that the authority develop a two part Register, to assess relevant demand and demonstrate that they have done so more thoroughly.

Student accommodation

85. There are around 34,000 students at the main higher and further education institutions in RBKC. Imperial College is the largest single one, with nearly 20,000 students
86. Over half – 56% - are overseas students, and 43% are postgraduates. These two groups are more likely to be able to access more expensive and larger private rented accommodation than undergraduates.
87. The only University-specific purpose built student accommodation (PBSA) in RBKC is that owned by Imperial College. They own 1,069 units in halls of residence inside the borough, plus another 1,774 in other parts of West London. Rents range from £112 to £316 per week
88. The vast majority of students will be expected to find their own accommodation, mainly in the PRS. Given the high rents in RBKC, the vast majority will reside outside RBKC.

89. The impact of COVID is making the forecasting of future student numbers unclear, but the long term trajectory of applicants to Imperial has seen a 45% increase in intake between 2011 and 2020, and applications were up by 11% by January 2021.
90. Of possibly more long term importance is Brexit, where already nationally we have seen applicants from the EU are down by 40%.
91. As far as we are aware, Imperial has no plans to increase its PBSA
92. The other relevant factor is that the 2021 London Plan firmly embeds affordability and nomination arrangements into future PBSA development, and if Imperial do decide to develop further they will need to work within that framework.

Households with disabilities

Context

93. Across the country 1.9M households have a member whose home needed some form of adaptation because of disability. Only 25% of dwellings in England had features that made them 'visitable' to people with a physical disability.
94. Specifically looking at wheelchair accessible accommodation, 4% of households used a wheelchair. Of these those 75% are aged 60 or over, including 20 aged 85 or over across England
95. As regards RBKC, as noted in the 2015 SHMA, 12% of the population is likely to have some form of long-term health problem or disability. 4% of residents class their health as poor or very poor

Demand in RBKC

96. In RBKC some 361 households on the Housing Register have some form of mobility-related requirement, although only a small minority express the need for fully-wheelchair accessible accommodation.
97. Using modelling based on academic research and English Housing Survey data we estimate that unmet need for wheelchair accessible accommodation in RBKC amounts to 405 units. It is likely that a number of these will be making private arrangements for suitable accommodation, and will not appear on the Housing Register, so we can be reasonably confident about both these figures.

Supply in RBKC

98. There is no central register held of the amount of social housing wheelchair accessible stock. Based on rather out of date returns we can assume that there will be at least 300 units of Registered Provider accessible stock, general needs and supported. We have no estimates for local authority stock.
99. According to CORE returns, 226 wheelchair accessible social housing dwellings were let between 2015 and 2020 (160 general needs, 66 supported). We found that:
 - 92 lettings went to those with no disability related housing requirements
 - 70 lettings went to those with lesser mobility requirements
 - 26 went to those that did require fully-accessible wheelchair accommodation
 - We have no information on the remaining 38
100. In the same period 28 households that need fully-accessible accommodation were let homes to a lesser standard
101. There can be a number of reasons for this apparent mismatch (discussed in the main report)

Conclusion

102. The Housing Register appears to reasonably reflect accessible accommodation need, and development plans should reflect those requirements. A careful watch on appropriate lettings performance by social housing providers is required to ensure that wheelchair accessible dwellings are let to appropriate applicants

Reablement

103. Reablement is a scheme to provide a stepping stone for those leaving hospital (and other environments) to return to their home environment. It aims to reduce the length of hospital stays, rebuild confidence and skills, maximise ability to be independent, avoid readmission to hospital or a premature move to a care home
104. It also aims to give more time for social services to conduct assessments and reduce NHS costs
105. The RBKC scheme has three units where referrals can be assessed and can go through six-week reablement programmes, before returning to a home environment.
106. To date there have been 24 admissions for the assessment and reablement programmes, and the team's analysis is that 80% of service users have seen a reduction in the care required on leaving the programme
107. Although the scheme is thought to provide an important gap in service provision, a number of issues have arisen. These include:
- The absence of exit strategies for participants, which has led to substantially (doubled) time in the scheme
 - Consequently inability to admit more hospital referrals, which will discourage hospitals from further referrals
 - Linked to this, a concern that hospitals are discharging patients too quickly under streamlined pandemic procedures, which has contributed to the silting up of units
 - The low number of units in the scheme, meaning there is a lack of flexibility.
108. We suggest an early review of what appears to be a fundamentally sound scheme, in order to address the issues above.

Existing and potential hostel users

109. The brief asks the researchers to look at the supply of 'hostel-like' accommodation for existing and potential hostel users, particularly referencing homeless people and victims of domestic violence. It also asks for trends in the provision for those with lower support needs – young vulnerable people and other socially excluded groups, and rough sleepers

Vulnerable young people and socially-excluded groups

110. The 2015 to 2020 Supported Housing Strategy identified a range of groups needing a range of support, from relatively low levels to multiple and complex needs, and commissioned provision accordingly, around 530 units plus 100 floating care units
111. As regards young people specifically, the approach has been to prioritise those with higher vulnerability, through family eviction, leaving care environments and leaving prisons. This has meant diverting resources devoted to those with lower support needs, which had been identified as being surplus to requirements
112. The results of the new strategy has been the creation of around 95 places specifically for young people including 59 places in schemes for young people with complex needs who might be considered particularly vulnerable and 432 places for socially excluded single people –

which would include young people leaving care and at risk. The category also includes rough sleepers, refugees, those with mental health, drug and alcohol misuse, offenders and those at risk of offending, single people with other support needs, and people with HIV/AIDS.

Rough sleepers

113. Until the 'Everyone In' initiative launched in 2020 in the wake of COVID and lockdown, the number of (reported) rough sleepers in RBKC had risen steadily over the last five years, reaching a peak of 316 in 2019-20. The numbers dropped to 271 after Everyone In was launched but this still amounted to the second highest level since records began
114. What the Everyone In programme did highlight and confirm was that the official street count of rough sleepers consistently under-estimated the extent of the issue. Everyone In rehoused 37,000 rough sleepers across the country, compared to the 2,688 that appears in official counts. While it is likely that some rough sleeping was the result of COVID – for example, people being evicted or temporary arrangements such as sofa surfing being curtailed – it is likely that many were existing rough sleepers not being counted.
115. The authority has a Homelessness and Rough Sleeping Strategy 2020-2025 which focusses on preventing rough sleeping occurring and supporting rough sleepers into suitable accommodation. It also suggests that Housing First may be a way forward
116. While the projects commissioned under the Supported Housing Strategy and the rough sleeping strategy may have some impact, the winding up of Everyone In and the longer-term structural features of the RBKC housing economy make it likely that rough sleeping will continue to increase.

Domestic abuse

117. RBKC employ the Angelou partnership to provide support and advocacy for those facing domestic abuse, and commissions Hestia to provide 19 refuge places
118. The services are both well-used, and COVID has encouraged people to come forward. The services are becoming more accessible to those who had not used them before. But there is concern that some cases are 'slipping through' without support. There is a particular need for a pan-London reciprocal housing agreement to ensure that if people need to be housing out of the borough for reasons of safety, this is made possible
119. The concern is also that concern is that as we come out of lockdowns, the attention on domestic abuse may not be as much as it has been during lockdown and some of that funding will come to an end. The authority should be aware of this and ensure that service provision remains at least at current levels.
120. As with other groups needing affordable rented accommodation, women and families facing domestic abuse are disadvantaged in RBKC because of the absence of available stock, including the absence of larger units. This should be acknowledged in future planning and housing strategies.

Service personnel

121. Between 2015 and 2019 25 households comprising service personnel or reservists injured in the line of duty were rehoused by the authority. Four required wheelchair accessible accommodation; seven were statutorily homeless
122. In view of the relatively light demands from this group, there are no indicators of significant demand that require policy change. However, it should be noted that 10 rough sleepers

identified in RBKC had experience of the armed forces – this should be taken on board when planning support and outreach activity

Family housing

123. Demographic projections show RBKC will have fewer young people and households with children over the next 20 years. As loss of 1,171 families is forecast
124. As well as demographic changes, observers consider that high prices and rents, benefit caps, lack of affordable housing options and lack of larger homes has had the effect of exporting lower income family households out of the borough
125. Although in the longer term demand for family housing will reduce, our analysis in chapter 3 shows that 40% of new homes need to be sized three bedroom or more, and the existing backlog means these larger units should be prioritised.

Private renting households

126. As noted above, private renting is the biggest (44%) tenure in RBKC; it has the most expensive PRS rents in London, including even the lower quartile rents (average £1,777 per month)
127. In the past the PRS has played host to a series of niche markets, including a luxury end, young professionals, students, a housing benefit market, a market for the 'working poor' and temporary accommodation for homeless households.
128. In RBKC lettings agents describe the market as 'buoyant', seeing rents starting at under £500 per week. It was noted that rents had fallen slightly, and there were indications that the rapid expansion of the sector had perhaps plateaued.
129. As regards the PRS's role in providing affordable housing, the Local Housing Allowance is below the lower quartile rents for all bedroom sizes, most notable for larger properties.
130. If a measure of shared housing were expected, it means that five single people would need to share a three-bedroom house, and seven people would need to share a five bedroom house to make rents affordable for those on HB. This clearly has implications for HMO formation and overcrowding.
131. We can see clearly that the number of people claiming HB / UC declined rapidly since 2011, indicating that landlords were re-marketing their homes to higher earners. Following the COVID-driven loss of jobs and hours, and the temporary £20 uplift to rates, 2020 to 2021 has seen a huge spike in UC claims.
132. However it would be dangerous to view this as anything but a temporary blip on the long-term withering away of the HB / low rent PRS in the borough
133. The other role the PRS has is supplying temporary accommodation for homeless households for whom the authority has a responsibility. For the last three years the authority has had around 2,000 households in private sector temporary accommodation at any one time (though it should be noted that 1,200 were placed outside RBKC)
134. While the authority does maintain ongoing relationships with 28 landlords (sometimes via housing associations) and has a small portfolio of properties held on corporate leases, it is recognised that reliance on this is not viable over the longer term because of cost. Research has indicated that the strategy needs to be broadened to include discharge of duty into the PRS, increased use of HMOs and extending out of borough access schemes.