

# New study shows that Enfield needs to build thousands of additional affordable homes per year.

Enfield Council's latest "Local Housing Needs Assessment" (LHNA) shows the scale of the affordable housing crisis.

## What is the LHNA?

The LHNA estimates the amount and type of additional housing that Enfield needs.

## Why is it important?

The LHNA influences local planning policy, housing strategy and the type of housing that will be built in Enfield.

## How does it work?

The LHNA uses information such as household projections from the Office for National Statistics (ONS) and data from Enfield's housing register (council house waiting list) to estimate the amount and type of additional housing needed.

## How many new affordable homes does Enfield need?

The LHNA considers two types of affordable housing need - 'Acute Need' and 'Intermediate Need'.

### Acute Need:

The LHNA says that people with an acute need for affordable housing "*are the people who cannot afford to rent or buy in the open market and would be more likely to present as homeless or live in unsuitable or overcrowded accommodation without access to affordable rented housing*". <sup>(1)</sup>

The LHNA says that Enfield needs a minimum of 711 new Social Rent / Affordable Rent homes per year for people in acute need. <sup>(2)</sup>

The figure of 711 per year is a minimum because it is based on the housing register (primarily those who are homeless and living in temporary accommodation).

However, the LHNA states that "*our considered view is that the housing need evidenced from the housing register is likely to underestimate need*". <sup>(3)</sup>

The LHNA says a **figure of between 1,415 and 2,797 new Social Rent/Affordable Rent homes per year would be more realistic** as this would include households on the housing register as well as the large number of additional households living precariously in the private rented sector in Enfield and who are supported by housing benefit. <sup>(4)</sup>

### Intermediate Need:

People with intermediate needs are defined as "*... those who may be able to afford to rent in the market but cannot afford to buy or to save for a deposit*". <sup>(5)</sup>

The LHNA estimates that an additional **696 intermediate homes per year** are needed for households who can afford to rent but who need help getting on the housing ownership ladder." <sup>(6)</sup> This help could be either 'Shared Ownership' or reduced rent tenures that are designed to help households to save for a deposit (e.g. London Living Rent).

This means Enfield needs to build a total of between 1,407 and 3,493 new affordable homes per year (see Table 1).

Table 1: Annual need for new affordable housing in Enfield

	Minimum Estimate	Realistic Estimate (lower)	Realistic Estimate (upper)
<b>Acute need</b>	711 (51%)	1,415 (67%)	2,797 (80%)
<b>Intermediate need</b>	696 (49%)	696 (33%)	696 (20%)
<b>TOTAL</b>	<b>1,407</b>	<b>2,111</b>	<b>3,493</b>

## Will Enfield's affordable housing needs be met?

The short answer is 'No'. The current developer contribution model for funding affordable house building will not deliver the affordable homes Enfield needs.

## Why not?

The developer contribution model works by requiring a percentage of new homes to be "affordable". For example, in Enfield planning policy sets a target of 40% affordable housing units in new developments that are building ten or more dwellings and of 20% for developments of less than ten dwellings. <sup>(7)</sup>

However, these affordable housing targets are rarely met and over the last five years only around 10% of all additional homes built in Enfield have been "affordable". <sup>(8)</sup> At this rate, Enfield would need to build over 21,000 new homes per year to generate the 2,111 affordable homes needed.

Even if the proportion of affordable homes developers deliver increased to 40%, it would still mean that 5,278 homes per year would need to be built in Enfield in order to deliver the 2,111 affordable homes needed.

This scale of house building will not happen because:

- Enfield does not need an additional 5,278 homes per year.
- Developers will not build homes that are not needed.

- Most schemes will not achieve 40% affordable housing.
- There are not enough sites available to build these homes unless housing is to be built on greenbelt land. <sup>(9)</sup>

## What risks are associated with not building enough affordable housing?

**Poor health:** A lack of affordable housing is linked to poor health outcomes, increased social inequality, and reduced life chances. <sup>(10)</sup>

**Financial consequences:** The lack of affordable housing has resulted in around 3,500 households living in temporary accommodation in Enfield. In 2018/19, over £66m was spent in Enfield on temporary accommodation costs. Health costs associated with poor housing are also high. <sup>(11)</sup>  
<sup>(12)</sup>

**A stark choice:** Thousands of households will be faced with a choice between moving away from Enfield – away from work, family, and community support networks - or living in unaffordable, unsuitable, unhealthy, or precarious housing conditions.

## Implications

- Enfield needs to build between 2,111 and 3,493 new affordable homes per year.
- At least two-thirds of affordable homes will need to be Social Rent/Affordable Rent.
- There are a limited number of sites suitable for house building in Enfield, these must be used to address the borough's affordable housing needs.
- The developer led model of funding affordable house building will not deliver the affordable housing Enfield requires and other approaches are needed e.g. large scale building of council houses.

## References and footnotes

Local Housing Need Assessment 2020, London Borough of Enfield Council, LHNA Final Report (November 2020)

<https://new.enfield.gov.uk/services/planning/enfield-local-housing-needs-assessment-full-report-2020-planning.pdf>

Enfield Council, Strategic Housing Land Availability Assessment, SHLAA, (December 2020)

<https://new.enfield.gov.uk/services/planning/enfield-strategic-housing-land-availability-assessment-shlaa-2020-planning.pdf>

1. LHNA 2020 - Page 16, point 28
2. LHNA 2020 - Page 16, point 31
3. LHNA 2020 - Page 148, point B.43
4. LHNA 2020 - Page 149, table B.6 and Page 17, point 33
5. LHNA 2020 - Page 16, point 29
6. LHNA 2020 - Page 16, point 32
7. Enfield Council Core Strategy Adoption November 2010, Core Policy 3
8. GLA, The Planning London Datahub <https://data.london.gov.uk/dataset/planning-london-datahub>
9. SHLAA 2020 – Page 4, point 1.11  
The SHLAA identifies deliverable sites with a capacity for 4,915 homes over the next 5 years (983 per year) without building on greenbelt or the strategic industrial land needed for employment.
10. See: Public Health England - Mental health: environmental factors <https://www.gov.uk/government/publications/better-mental-health-jsna-toolkit/2-understanding-place#fn:12>  
  
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The Cost of Unhealthy Housing to the National Health Service  
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