

Consultation Statement

Preventing Wasted Housing Supply Supplementary Planning Document

June 2015



1. Introduction

1.1. This statement sets out details of the consultations that have taken place, and have informed the writing of the Preventing Wasted Housing Supply Supplementary Planning Document (SPD). This consultation statement has been prepared in accordance with Regulation 12(a) of the Town and Country Planning (Local Planning) (England) Regulations 2012.

1.2. This consultation statement sets out:

- The persons the council consulted when preparing the SPD
- Early consultation activity undertaken on developing the SPD through consultation on a Discussion Paper and Questionnaire in March and April 2014
- A summary of the issues raised by the persons consulted during the initial informal consultation stage, and how those issues were addressed in the first draft SPD (pages 41 to 87).
- The formal consultation on the first draft SPD in December 2014 and January 2015, the persons who the council consulted, a summary of the issues raised by those persons, and how those issues were addressed in the second draft SPD (pages 23 to 40);
- The formal consultation on the second draft SPD in May/June 2015, the persons who the council consulted ; and a summary of the issues raised by those persons during the second formal consultation, and how those issues have been addressed in the SPD (pages 3 to 22).

1.3. Where an individual has made a representation in their own name, these responses are recorded anonymously under the label 'resident'. Where a community group, organisation or company has submitted a representation either on their own behalf or through a consultant, the name of the organisation and consultant where applicable has been recorded. Responses have been summarised rather than reproduced verbatim.

1.4. The Preventing Wasted Housing Supply SPD contains statements relating to environmental, social, design and economic objectives which are relevant to the attainment of the development and use of land which the local planning authority wish to encourage during the Core Strategy plan period. The SPD builds upon and provides more detailed advice to secure the policy objectives set out at policy CS12 in the council's Core Strategy (2011), and at paragraph 47 of the NPPF, which requires local planning authorities to ensure that their Local Plans boost significantly the supply of housing and meet the full, objectively assessed needs for market and affordable housing in the housing market area.

1.5. During the preliminary consultation on the Discussion Paper the council consulted around 1,700 individuals and organisations selected from the council's consultation database. During the formal stages of consultation on the two versions of the draft SPD, the council notified every individual and organisation registered on the consultation database, which has a total of over 3,000 entries.(A list of persons and organisations consulted is not attached to this Consultation Statement due to its

volume as well as potential Data Protection restrictions.) During the formal consultation stages public notices were placed in the Islington Gazette and Islington Tribune newspapers and the consultation documents were available on the council's website and paper copies were available in libraries throughout the borough.

- 1.6. The Council is grateful to all individuals and organisations who have taken the time to respond.

2. Summary of consultation on the second draft SPD 15 May to 15 June 2015

- 2.1. This consultation received 21 responses, categorised as follows:

- 11 residents
- 2 developers
- 2 community organisations
- 6 statutory consultees (including the Greater London Authority)

- 2.2. The representations on the second draft SPD and the council's responses are summarised in Table 1 below.

- 2.3. Various residents raised a number of issues which are summarised in the table. The council has fully considered each individual response. However, some of the points raised were very similar, and these have not been repeated, in the interests of producing a concise summary of the consultation. Some points repeated across different responses were not planning matters (i.e. general comments on housing issues in London, use of council tax to discourage vacancy, perceived issues around anti-social behaviour in social housing and other matters unrelated to the content of the SPD) and these have not been directly addressed in the summary.

Table 1 - Summary of consultation responses on second draft SPD 15 May to 15 June 2015

Summary of consultation responses on second draft SPD 15 May to 15 June 2015		
Respondent	Summary of representation	Council's Response (how those issues have been addressed in the SPD)
Savills (on behalf of Islington Holdings Ltd)	In accordance with NPPG, SPDs should only be prepared where necessary and as set out in NPPF paragraph 153 should only be used where they can help applicants make successful applications.	The council considers that new housing, if left vacant would not effectively contribute to meeting objectively assessed housing need. To ensure that all housing delivery does contribute to meeting objectively assessed housing, the SPD is considered necessary.
	The proposals are ultra vires as it is not the role of the planning system to seek to control the housing market in this way, particularly as it would be onerous for future investors and freeholder, limiting the pool of future purchasers.	The council would reiterate its response to this from the previous consultation: That the respondent has not provided any evidence or justification for why the SPD would be ultra vires (a legal principle which is something that can only be decided by the courts). It is not considered that the SPD requirements are onerous. It is also not considered that they would have a material impact on the pool of potential purchasers.
	In previous response we raised a number of concerns – the council should seek guidance from mortgage providers on whether the SPD would create onerous lending restrictions.	The council reiterates its response to this from the previous consultation: There is no evidence presented in the response to suggest that mortgage lending would be threatened. It is unlikely that there will be any effect for purchasers who either live in a new dwelling as a primary residence or who rent out the dwelling. Indeed, a Buy to Let mortgage will often require occupation/rental income as

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		<p>one of the lending conditions. There is also a proportion of purchasers, domestic and overseas, who will not use a mortgage.</p>
	<p>International sales of newly built properties have helped finance 3,000 affordable homes and a further 3,000 market rented homes.</p>	<p>The SPD is not intended to, and is not considered likely to, deter international investment. The council acknowledges that international buyers play a role in the housing market in London. As stated elsewhere, it is not considered that the SPD would result in a fall in demand such that schemes will not come forward, given the relatively small number of schemes that come forward in the borough when measured against the level of demand – arising from within Islington, London, nationally and internationally - for housing in Islington.</p> <p>Given the above, it is considered that overall delivery of housing, including affordable housing, will not be impacted.</p>
	<p>Any measure that could discourage investors could affect the value of the property through reducing demand and the sales rate of disposing of the property. Both of these impacts could have a material impact on scheme viability.</p>	<p>Firstly, the council considers that the SPD will not discourage investment and reduce demand to a degree that would affect sales rates or values. Therefore the council considers that impacts on scheme viability are unlikely.</p> <p>The BPS report focuses on quantifying in monetary terms the pros and cons of keeping a property vacant against renting it out and generating revenue. Within a relatively short space of time it is more financially beneficial to rent</p>

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		<p>out the property, therefore overall the owner will be better off. Given this, it is unlikely that significant proportion will be dissuaded from buying a property in Islington to the degree that it negatively affects demand.</p>
	<p>SPD measures will cover most of the new residential development envisaged in Islington over the next five years. This may affect the council's ability to boost housing supply in accordance with the NPPF.</p>	<p>The council does not agree that the SPD will affect its ability to boost housing supply in accordance with the NPPF and further the SPD aims to ensure that all of the housing supply which is delivered meets the aims of NPPF paragraph 47. If the SPD is not applied to a significant proportion of new housing, it will have less of a positive effect. If the council does not ensure that homes are used as homes they will not contribute towards meeting housing need. As set out in paragraphs 6.4 to 6.6 of the draft SPD, the council has weighed the desire for the SPD to apply to all new residential development against the practicalities of agreeing a section 106 agreement for every such application and has settled on 20 new units as a sensible threshold.</p>
	<p>Further testing of assumptions on vacancy is needed.</p>	<p>The council considers that the assumptions are sufficient and the sample used is representative and sufficient for this purpose.</p>
	<p>Remain concerned that potential investors, buyers and mortgagees may be encouraged away from the new build market should these obligations be adopted.</p>	<p>The council notes the concern, but does not consider that a significant move away from new-build by investors / buyers / mortgagees is likely. New build developments offer a particular product that is popular with the market</p>

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		and this is unlikely to change. The only requirements in the SPD are that dwellings are not left unoccupied for more than three months and that they are occupied for 14 days or more during a three month period. This is not onerous for the vast majority of purchasers across the market as a whole.
	SPD does not state how long the proposed obligation is intended to last following completion / occupation.	There is no time limit stated in the SPD on how long the section 106 requirements apply. Provisions exist under the Town and Country Planning Act 1990 to remove or amend planning obligations.
	We do not consider the BPS Report to provide sufficient evidence to demonstrate that the SPD will not have additional and unnecessary financial burden on future purchasers, which is accepted by BPS as the purpose of the report. Further clarification and additional viability testing should be undertaken.	No payment is required by the SPD. Viability on a scheme-by-scheme basis is calculated on a Residual Land Value basis or other similar methodology, and the council considers that it is unlikely that the proposed SPD measures would have a material impact on any of the inputs to this model. The council does not consider that the SPD would lead to reduced development value (one of the key inputs to the viability model) as its requirements as set out in paragraphs 6.8 to 6.14 of the SPD are not onerous. The BPS report seeks to investigate the possible impact on the 'premium' between new build and existing stock and how it might be affected by occupation rather than continued vacancy. The council considers that the evidence in the report is sufficient and robust.

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	<p>The data used is based on a comparison of overall values only and there is no attempt to consider this data on a bedroom or size the unit basis. We accept this may have been overcome by the exclusive use of postcodes with substantial sample sizes, however we recommend that this exercise should be undertaken to provide a useful sense check.</p>	<p>The council considers that for the purposes that the data used is sufficient for its intended purpose.</p>
	<p>The achieved values of new build sales have been indexed using HPI. The selected rate of increase was chosen as the mid-point between total growth over the period Jan 2012 – Jan 2013 and Jan 2012 – 2014; however HPI does not include only new build developments and a cross check between new build schemes would support the level used.</p>	<p>The council considers that HPI is an adequate measure of general sales values inflation for the purposes of a broad assessment of the relationship between new-build premium and rental income generated.</p>
	<p>In determining the average premium, it would appear that the report compares new build sales (and indexed approximations) to all sales (including new build) achieved in a given postcode in order to arrive at an estimate of the 'new-build premium'. By comparing new build sales to all sales, the premium would be reduced, we consider comparing new build sales to non-new build sales only to be a more accurate measure of a 'new build premium'</p>	<p>The council considers the approach used to be appropriate for this function. It was intended to give an indicative level of potential new build premium to use to compare with potential rental income levels. It is clear that within a relatively short space of time, rental income can compensate for potential loss of new build premium.</p>
	<p>It is unclear whether the new build rental income (from</p>	<p>The data on rents was sourced from Landmark Analytics</p>

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	2012) is achieved or asking rents.	and is actual achieved rents
	The rental sample includes 18 properties (1x 3 bed; 5 x 2 bed and 12 x 1 bed). There is no indication that this unit mix is indicative of schemes across the borough and therefore may be skewed towards smaller, and therefore cheaper, units.	The sample is representative of the schemes examined for their possible vacancy in the SPD and is intended to reflect this. Recently developed schemes have been skewed towards smaller properties.
	The report then arrives at an average 2012 new build rent of £504 per week based on table 5, and £632 per week for 2013 although no data has been provided for 2013. It is noted that this growth equates to 25.4% which is more than double the rate of increase used for capital values in order to determine the premium.	The rental data is actual achieved rents, therefore any increase, even if it is significant, is a reflection of actual events.
	Based on these figures, the report concludes that the average rental income of £632 per week would offset new build premium in 322 days. However, this is gross income and does not account for void periods, management costs, furniture replacement and administration fees which would be likely to have a considerable impact on the rent achievable and also on an investor's potential to mitigate loss of new build premium.	Significant void periods are unlikely in such a buoyant and competitive rental market. Furniture replacement is also unlikely in the first few years of occupation, and this is also tax-deductible making it even less expensive. Management costs and administration fees are a relatively small expense. In any event, these are accepted costs of letting a property. Whilst it is accepted that the cumulative impact of such costs might extend slightly the period over which the rental income starts to exceed new build premium, it is self-evident that renting out the property would compensate for and exceed any potential loss within a relatively short period.

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	<p>The calculation of 322 days exclusively relates to ‘the south of the Borough’ where rents are likely to be higher than in some other areas. The report acknowledges that “it will take slightly longer for rental income to exceed the premium” in other parts of the Borough, but no quantitative evidence is given. We consider determining exactly ‘how much longer’ is essential to the aims of the SPD and could have a material impact on the conclusion.</p>	<p>The council disagrees that this is essential to the aims of the SPD, and that it could have a material impact on the conclusion.</p> <p>Further, it is accepted that rents would vary across different development schemes in different locations in the borough, and how quickly rental income would exceed new build premium will be site specific. However, it is clear that it would be financially beneficial to the owner to rent out the property rather than keep it vacant even over the short term across the borough.</p>
	<p>It is therefore our opinion that the potential financial burden on future purchasers has not been fully explored (regardless of whether this is direct or indirect) and further justification for the proposed measures is required in order to comply with the PPG which states that SPD’s “should not add unnecessarily to the financial burdens on development” and we consider the draft SPD to be contrary to this guidance.</p>	<p>The council has responded to the specific points raised above and does not consider the draft SPD to be contrary to the guidance in the PPG.</p>
	<p>This issue is more strategic than the bounds of LBI and should be explored at a London-wide level.</p>	<p>The council reiterates its support for a strategic, London-wide approach to be taken. However, given the borough’s circumstances (housing need, limited amount of land, etc) it is considered necessary to act now in order to ensure that housing granted planning permission now will not be wasted in the future and would be contributing to meeting housing need.</p>

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	<p>Council has not responded to our concerns about the Ramidus report; this report says that forward-selling of schemes particularly (but not exclusively) to overseas buyers has enabled many schemes to begin construction with affordable housing and section 106 obligations.</p>	<p>The council reiterates that it is not seeking to prevent overseas sales at all, or therefore any forward sales to overseas buyers. This has been clarified in the SPD. The council is of the view that the SPD will not prevent overseas buyers from continuing to invest in new development in Islington.</p>
	<p>Ramidus report: The size of Westminster's prime market is such that any measures devised specifically to restrict it could be deemed discriminatory, and not in London's, or the UK's wider interests.</p>	<p>This point relates to Westminster's prime market.</p> <p>In any case, the council disagrees that the SPD is discriminatory. It is clear from the SPD criteria that it will not limit in any way who buys the properties (domestic or foreign purchasers, individuals or companies), for what purpose (occupy or rent) and who eventually occupies them. The only requirement is for the property to be occupied.</p>
	<p>Islington's prime residential market will be similar to Westminster's and given the identified strategic nature of this market the council should address it at a strategic level.</p>	<p>Only part of Islington's housing market is considered to be 'prime'. Our understanding is that the nature of Westminster's "prime market" involves a significant number of properties that are owned by wealthy overseas individuals who use them as second or third homes. Westminster has always had a historic role in serving the 'prime' market due to its place in central London (proximity to the West End, Royal palaces, the Houses of Parliament and other key national and international institutions) and its prestige amongst international and domestic buyers</p>

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		<p>including some of the world's wealthiest individuals. The Ramidus report outlines the economic benefits to Westminster and London that this can generate.</p> <p>Islington's market is different to Westminster's, since it does not have that same role. Islington currently has and may continue to have properties owned as second homes and the SPD does not seek to prevent this, just to ensure that new homes are occupied.</p> <p>The point about action at a strategic level has been addressed above.</p>
	Negative impact on delivery of affordable housing and market rented housing will far outstrip the number of units that are potentially left vacant.	The council considers that the SPD will not have any significant impact on the delivery of housing, including affordable housing. As the SPD states, in a borough with such acute housing need and limited sites left to develop, it is imperative that all new housing contributes to meeting need and this is what the SPD seeks to ensure.
HTA on behalf of Berkeley Homes	The Draft SPD suggests that the phenomenon of 'Buy to Leave' in recent years has resulted in an increase in empty homes and subsequently wasted stock. Also comments in paragraph 4.14 that 'affordable housing is occupied by people nominated from the housing list, and therefore void periods are always minimal, and never purposefully extended.' Data taken from gov.uk on vacant dwellings contradicts the council's line of	<p>The figures provided on vacant homes in the market and affordable sectors are noted.</p> <p>Given the very large stock of social housing in the borough, it is not surprising at any given point in time some of them will become vacant as part of the churn within the existing social housing stock. However, those vacancies will always be kept to a minimum, given the number of</p>

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	<p>argument – Table 615: “Vacant dwellings by local authority district, from 2004” indicates that the number of empty homes within Islington has fallen as a trend by more than 20%.</p> <p>Islington has around 400 affordable homes vacant, this shows that even with minimal void periods there is still likely to always be a significant number recorded as vacant, be they privately owned, rented or affordable. This realisation demonstrates the difficulties in ensuring 100% occupation at any point in time. 400 vacant homes equal around 1% of affordable stock in Islington.</p> <p>Private sector vacancy rate is 1.6%. The percentage of vacant housing within the overall stock is falling from around 1.8% in 2004 to 1.2% in 2014. Fluctuations occur year on year and must be seen within the broader picture in relation to the growing overall stock</p> <p>The proportion of vacant homes in the borough is declining and represents a less significant figure than the SPD identifies. The measures proposed in the SPD are disproportionate and unnecessary in light of existing trends. ‘Buy to Leave’ appears to have had little effect on the vacant stock within the borough.</p>	<p>people on the housing waiting list competing for tenancies and that social housing providers as landlords have an interest in keeping voids to a minimum.</p> <p>The SPD does not seek to prevent void periods in the new build market housing sector. It aims to deal with dwellings that are deliberately left vacant rather than voids between lettings.</p> <p>The only obligations contained in the SPD are:</p> <ul style="list-style-type: none"> • that a dwelling will be occupied for a minimum of 14 days in a three month period, and • that it will not be vacant for longer than 3 months, unless there are exceptional circumstances, as set out in paragraph 6.12. <p>The council considers that this is proportionate and necessary. The council acknowledges that the new build stock to which the SPD will apply is a small percentage of the overall stock, but this would be true for any new planning measure that could be introduced. It does not remove the necessity of introducing the SPD as outlined above.</p>
	<p>Electoral Commission reported in March 2014 that the</p>	<p>These figures are noted. However the council does not</p>

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	<p>register is '86% accurate.' The report noted:</p> <ul style="list-style-type: none"> • under 35s less likely to be registered • private renters less likely to be registered • voters of white and some Asian ethnicities more likely to be registered than some black, mixed or other ethnicity • citizens of the EU and Commonwealth under-registered • those classified as social group DE less likely to be registered than other groups <p>Islington's population has higher proportion of under-35s than London average (35% against 28%), around a quarter are from BME communities and proportionately high number of private renters. These indicators alone demonstrate the inaccuracy of relying on the electoral register to inform policy guidance.</p>	<p>consider that these observations undermine the evidence that a very high number of new build dwellings in the borough appear to be vacant, even though they have a leaseholder / owner. The council does not consider that the points made in this response explain fully the high levels of vacancy that have been observed.</p> <p>All these demographic characteristics would be represented in the existing stock as well. Given the usually higher rents in new build developments against comparable existing stock, it is unlikely that new build developments would have a disproportionately higher proportion of under-35s as compared with the borough-wide picture.</p>
	<p>The system of individual electoral registration that replaced 'head of household' method means that there are further doubts as to the accuracy of Islington's register. Electoral Commission website records indicate 22.9% of entries could be inaccurate. 20% is the average benchmark across all local authorities.</p>	<p>See above. Any observation about the electoral register would apply to the existing stock as well as new build homes.</p>
	<p>Islington's electorate according to borough publication in June 2015 is 159,277. Using Census data there</p>	<p>See above. In any case the data from the electoral register is not the only basis for the SPD.</p>

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<p>should be a 'registerable' population, taking out under-18s, of 174,350. With a discrepancy of 15,000, the Electoral Register does not represent an accurate and up-to-date account of the borough's inhabitants. To rely on such a data set for the basis of emerging policy is again considered unsuitable</p>	
<p>Paragraph 3.8 of the SPD states that there is "... an increasing level of recognition across London that vacancy in the existing housing stock is a problem that must be addressed." Despite this, the SPD's intervention is aimed at new build properties.</p> <p>Responding to HTA/Berkeley's previous response, the council acknowledged that the borough's demographic profile could influence electoral non-registration but that young people are more likely to live in the older housing stock in shared households. Council argued that if demographic profile was a factor it would be expected to influence non-registration across the whole housing stock including the existing older stock.</p> <p>We disagree with this – it is more likely that older stock would have a legacy of registration of old occupants, even if now inaccurate. New build properties have only had one chance to amass someone on the electoral register and therefore there is a greater chance of non-registration.</p>	<p>The council notes these points, but does not consider that they are material to the overall thrust of the SPD.</p> <p>This point was made to illustrate that vacant homes generally are a problem for London that must be tackled. It is clear that this is an issue from the fact that the Mayor's borough housing targets include a figure for bringing vacant properties back into use. This is aimed at ensuring that all existing housing stock contributes to meeting the need. The SPD seeks to prevent vacancies occurring in new build supply for that same reason – to meet London's acute housing need.</p> <p>The sample of developments schemes which have been assessed has been selected carefully. Very recently completed schemes were excluded in order to avoid skewing the figures if there had not been a sufficient period of time for properties to be occupied and the inhabitants to appear on the electoral register.</p>

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	<p>Occupation restrictions should not be pursued through the planning process. Proposals to not allow properties to fall into vacancy fall under the remit of land law and subsequently are ultra vires in planning terms.</p> <p>Local occupancy conditions in National Parks and other rural areas are an initial condition on who can occupy in a similar way to affordable housing, and there is no further obligation on the occupier until an exchange of ownership or tenancy occurs. They are proportionate, reasonable and necessary as per paragraph 122 of the NPPF in order to make the development acceptable in planning terms.</p>	<p>The council does not agree that the SPD measures fall outside the remit of the planning system. It is considered that the SPD measures comply with the tests for planning obligations.</p>
	<p>NPPG paragraph 1 on Planning Conditions states that conditions should “not be standardised or used to impose broad unnecessary controls.” Further, the Table in paragraph 4 notes that controls should be relevant to planning and “specific controls outside planning legislation may provide an alternative means of managing certain matters” whilst the table later comments that “conditions which place unjustifiable and disproportionate burdens on an applicant will fail the test of reasonableness.” The sixth point in paragraph 5 of the guidance states that “no payment of money or other consideration can be positively required when granting planning permission.” We consider that the</p>	<p>The text from NPPG cited in the response relates to the imposition of planning conditions, not planning obligations. The council is not seeking to implement the SPD proposals through planning conditions.</p>

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	requirement to demonstrate occupancy through the showing of documentation to amount to such a 'positive consideration' and subsequently does not pass the test	
	A further concern arises with the robustness of the policy in that such positive covenants run not 'with the land' (as restrictive covenants do) but between individuals and / or organisations (as decided by the House of Lords in Rhone v Stephens [1994] 2 All ER 65). Subsequently even if such a positive covenant was entered into by agreement with the freeholder, this would cease to exist pursuant to the first sale of the freehold. In other words, if after some months, the land was sold on, the impositions of the SPD (delivered through these mechanisms) would cease to exist.	Section 106(3) of the Town and Country Planning Act 1990 is clear that a planning obligation can run with the land: <i>"Subject to subsection (4) a planning obligation is enforceable by the authority identified in accordance with subsection (9)(d)—</i> <i>(a) against the person entering into the obligation; and</i> <i>(b) against any person deriving title from that person."</i> (Subsection 4, cited above, provides that a planning obligation may cease to apply to a person once he no longer has an interest in the relevant land, which is consistent with the obligation proposed in the SPD.) .
	The provisions set out in paragraphs 6.8 to 6.11 of the SPD are too onerous and would further delay section 106 negotiations. This would ultimately result in a delay to the delivery of new homes.	The Council disagrees that the obligations are onerous. The representation does not say why they are onerous. It is not considered that these provisions will delay section 106 negotiations.
	Developers entering into a section 106 agreement could not control the provisions set out in paragraph 6.10 of the SPD and therefore they should be deleted. This is also the case for the proposed text as set out in paragraph 6.11.	The obligations at 6.10 of the SPD will be required of the different land ownership interests as is appropriate given the nature of their land interest.

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	The proposed text set out in Chapter 6 of the SPD is not and cannot be linked into any Core Strategy or Local Plan policy.	The SPD measures are based on and support the implementation of Core Strategy policy CS12 parts B and C.
Resident	<p>In addition to the Section 106 measures proposed I would like to suggest that both new build and all other properties sold within the borough have a temporary council tax band set at a prohibitive rate that would discourage leaving the dwelling vacant for an unreasonable period. The transitional occupancy rate could increase after a reasonable period has elapsed if evidence of residency is not supplied.</p> <p>Residents are familiar with the need to provide additional proof or evidence for a single occupancy council tax deduction etc. An integrated system might also require all freehold or leasehold owners to supply annual evidence of utility bills as set out in 6.11.4 / 6.11.1. in order to avoid a 'buy to leave - EDMOs' council tax surcharge</p> <p>However the council seeks to act the plans proposed and adopted should ensure that the problem is not simply displaced as investors seek an alternative to newly built homes. If a financial incentive exists as part of the council tax system applicable to all properties it might minimise the financial benefits of vacant use</p>	<p>It is our understanding that currently councils can only charge up to 50% extra council tax for empty properties, and only when they have been empty for two years. This may change in the future but these restrictions are set at the national level. The council cannot charge any higher rate to discourage vacancy.</p> <p>Noted.</p> <p>Noted.</p>

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	prevent other forms of abuse yet be relatively easy to implement.	
Resident	Regret that you have abandoned charging for empty properties. Fingers crossed the alternative works but it looks toothless.	The council considered all relevant planning legislation and national policy, and comments received during initial consultation, and decided that introducing a financial contribution to mitigate the wasted supply from empty homes would not be the most effective way to achieve the aim of the SPD, which is to prevent wasted housing supply. See paragraph 6.1 of the draft SPD.
Harry Weston Co-op	<p>One solution to address the BTL problem would be to make it a condition of planning permission being granted that there must be a statutory time period within which a particular unit must be occupied by a tenant, and for a minimum of 12 months. This should continue for the next 5 years even if the unit is sold on within the 5 yr. period.</p> <p>This however would not solve the problem of there being a paucity of social housing as the rents would be beyond social tenants' means anyway. I am not aware of the conditions of private developers' having to transfer a certain percentage of affordable housing to the council in any one development, but the council could make it a condition that it could purchase them from the developer at cost.</p>	<p>The section 106 planning obligation that the council will seek to agree is similar to this, but on the terms set out in section 6 of the SPD, which the council has carefully considered and formulated.</p> <p>The council acknowledges that the SPD is unlikely to have a significant impact on social rented or affordable housing, but there are other measures to address this outside of this SPD. The council will continue to seek the maximum reasonable amount of social rented housing on-site, as per Core Strategy policy CS12. The council is required to deliver a significant amount of market housing to meet the borough's and London's housing need, and the SPD is aimed at preventing wasted market housing.</p>

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Resident	<p>This is a much needed initiative on many grounds. I very much welcome the Council's move and hope that you will involve other London boroughs to build up support and more practically to reduce costs.</p> <p>Deliberately wasted housing, bought solely to accrue capital, is a social evil and must be fought as such.</p>	Support noted.
Resident	SPD is most justified. Investors in buy to leave should be blocked and a clause of buy to let should be introduced as a matter of form, making it illegal to leave in the by-laws of the area.	Support noted.
Various Residents	General support for the measures proposed	Support noted.
Resident	General opposition to the measures proposed. People have the right to do with their property as they wish. Islington Council and RPs can't manage their own properties themselves.	Comments noted.
Resident	Fully support the SPD, a point might be stressed about the need to maintain a young resident workforce. Monitoring of occupancy may be too lenient in its threshold of allowing 14 days occupation over a 3 month period. This might enable owners to use the property simply as a holiday dwelling rather than a place to occupy. Even second-home owners would use a London base more frequently. I acknowledge however that this might be challenging to monitor.	The council has carefully considered the specific number of days that would count as 'occupancy' and how the SPD measures might be implemented. The SPD is not intended to prevent people from having genuinely regularly used second homes. It is intended to prevent long-term, ongoing vacancy.

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Resident	<p>I am very much against vacant properties whether bought by rich, absent landlords or council property such as in Roman Way near Pentonville prison.</p> <p>I want to register my opposition to both. Affordable housing for ordinary Londoners is so difficult to find and people are having to move away. We need to prioritise housing for our own citizens and selling to rich landlords and leaving properties empty such as the one above is only adding to the problem.</p>	Support and other comments noted.
Highways England, Natural England, Marine Management Organisation, Office of Rail and Road, Health and Safety Executive	No comment.	Noted.
Greater London Authority	No further comments to those provided in December 2014/January 2015 consultation	Noted.

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Upper Street Association	Overall we still believe that London is now and increasingly an international city, with sections of the population globally mobile for a variety of reasons such as jobs, training or family.	Noted.
	Many people in Islington, UK resident or not, have property and connections in other parts of the UK or abroad.	Noted.
	We do not see how the policy in this document benefits anyone. Most of those going away for long periods will want to let their property.	If people who are absent from a dwelling they own long term let the property to tenants, the SPD will not impact them.
	We believe that the policy is not enforceable, even if when only applying to developments of more than 20 units. In our view if enforcement was attempted it could well lead to abnormal behaviour by developers.	The council disagrees that the SPD measures are not enforceable. Paragraphs 6.11 to 6.14 in the SPD set out details of implementation.
	The prescribed period of occupation of a minimum of 14 days in each 3 month period may well be unreasonable in many individual circumstances, and the requirements for evidence of occupation, set out in paras 6.11/6 on page 16, could involve an onerous and questionable invasion of privacy.	The council disagrees that the requirements in the SPD are onerous or an invasion of privacy.
	It is worth saying again that historically, over at least the last ten years, delivery of residential housing in Islington	Noted. The aim of the SPD is to ensure that this excellent delivery of new housing achieves its purpose of meeting

Summary of consultation responses on second draft SPD 15 May to 15 June 2015		
	has exceeded any housing targets set externally	housing need, which is acute in Islington and London. The borough's density and the increased housing targets in the 2015 London Plan mean that it has become increasingly important to prevent wasted supply.
Resident	<p>Various comments about the London property market, the economics of market supply and other economic issues.</p> <p>Regarding section 106 to force owners to have their property occupied rather than just left empty, I suppose the big marketing agents will supply a 'tame tenant' to be the prospective new owner, that person will go onto the electoral roll and be the nominated occupier, or a foreign buyer could send an individual over to the UK to act as a resident caretaker.</p> <p>SPD measures will not affect affordability to buy or rent. SPD measures are a 'nice idea' and very little more.</p>	Comments noted.

3. Summary of consultation on the draft SPD 8 December 2014 to 30 January 2015

3.1. This consultation received 29 responses, categorised as follows:

- 15 residents
- 2 developers
- 5 community groups
- 5 statutory consultees (including the Greater London Authority)
- 1 London borough (Westminster)
- 1 other (DMA)

3.2. The representations on the draft SPD and the council's responses are summarised in Table 2 below.

3.3. Note that due to an accidental error, responses from the Islington Society, Amwell Society and City of Westminster were inadvertently omitted from the previous Consultation Statement and the response from English Heritage and Upper Street Association was inadvertently truncated. These errors have been corrected in this Consultation Statement.

3.4. Various residents raised a number of issues which are summarised in the table. The council has fully considered each individual response. However, some of the points raised were very similar, and these have not been repeated, in the interests of producing a concise summary of the consultation. Some points repeated across different responses were not planning matters (i.e. general comments on housing issues in London, use of council tax and other issues unrelated to the content of the SPD) and these have not been directly addressed in the summary.

Table 2: Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
Respondent	Summary of representation	Council's Response (how those issues have been addressed in the SPD)
Savills on behalf of Islington Holdings Ltd	Concerned the SPD could undermine housing delivery.	The council rejects this. No reason for developers not to undertake profitable developments, particularly in a borough as dense as Islington which has few sites left to develop.
	NPPG and NPPF paragraph 153: SPDs should only be prepared where necessary and where they can help applicants make successful applications.	The council considers that new housing, if left vacant, is not acceptable in planning terms, and the SPD sets out how applicants can mitigate this in the application process.
	Consider proposals to be ultra vires, not the role of the planning system to control the housing market in this way.	Ultra vires can only be decided on by the courts and the response offers no reasoning for why the SPD could be ultra vires.
	Council hasn't investigated how this could affect mortgage applications, could create onerous lending restrictions.	There is no evidence presented in the response to suggest that mortgage lending would be threatened. The SPD will have no effect for purchasers who either live in a new dwelling as a primary residence or who rent out the dwelling. Indeed, a Buy to Let mortgage will often require occupation/rental income as one of the lending conditions. There is also a proportion of purchasers, domestic and overseas, who will not use a mortgage.

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
	International buyers help finance affordable homes.	The council is not against international buyers. The SPD has been revised to further clarify this. The volume of demand necessary to sustain development finance will not be affected by the SPD measures.
	SPD states development pipeline for schemes above 20 units is 3,544 dwellings, 82% of borough's pipeline. Could affect viability of significant proportion of council's pipeline.	The council's pipeline of residential development (schemes already started or consented) was deliberated on in order to assess what percentage of total delivery is derived from schemes over a particular unit threshold. The SPD will not apply to these schemes as they are already consented. The SPD measures will only have a significant positive effect if they are applied to a large proportion of future residential development in the borough.
	Council hasn't demonstrated direct link between overseas investors and buy to leave.	The SPD does not seek to establish a direct link between overseas ownership and buy to leave.
	Further testing of proxy indicators across more developments in the borough necessary to discover true vacancy rate.	The council considers that the sample used is representative and sufficient for this purpose.
	Can't impose the SPD measures retrospectively, only on future consents, so could encourage potential buyers away from new-build market, affecting viability of new developments.	The evidence suggests that buy to leave owners are attracted to off-plan purchases, therefore there is little risk of the problem migrating to the existing stock. The SPD evidence examines a representative sample of developments completed since 2008.
	SPDs should not add unnecessarily to the financial burdens on development.	The SPD does not add to the financial burdens on development. There is no payment required of the

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
		developer. A financial contribution to mitigate the impact of wasted supply was considered during the initial Discussion Paper but this idea was not taken forward in the draft SPD. NPPF paragraph 153 states that SPDs should not be used to add unnecessarily to the financial burdens on development. As stated above, there is no financial burden contained in the SPD. In any case, the measures in the SPD are considered to be necessary to ensure that no housing supply is wasted, given the acute need for all kinds of housing across Islington and London.
	More appropriate to tackle this strategic issue at London-wide level	The council agrees that a London-wide, strategic approach would be desirable, and would be keen to cooperate with any London borough, and/or the Greater London Authority on such an initiative.
	Council should undertake wider research before going through with the SPD, notwithstanding that we consider it to be ultra vires	The council considers that the SPD contains sufficient evidence to justify the measures it proposes.
	Council's evidence base has not been made public during consultation	Noted. Evidence is available on the council's website.
Greater London Authority	Welcome principle of meeting housing need and contributing to meeting London's housing need.	Support noted.
	Council would have to allocate significant resource to enforcement and monitoring, unsure how council	The council considers that sufficient resources are available to effectively implement and enforce the

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
	would practically implement the provisions of the SPD.	measures of the SPD.
	As estimates of vacancy are based on proxy indicators, the actual extent of non-occupation is unknown.	The council acknowledges that proxy indicators have been used to estimate vacancy. It is considered that these indicators are sufficient
	Council should ensure the proposed planning obligations are in accordance with NPPF paragraphs 203-206.	The council considers that the measures do meet the three tests for planning obligations as set out in CIL regulation 122 and NPPF paragraphs 203-206.
HTA Design LLP on behalf of Berkeley Homes North East London	Islington has unique demographic profile making it very difficult to establish true extent of buy to leave. Correlation between age and probability of being registered to vote with younger people less likely to vote. Only 56% of 19-24 year olds on the electoral register compared with 94% of those aged over 65. Young people change address more frequently. Islington has a distinct demographic profile which could contribute to lower incidences of registration due to age, tenure or circumstances.	<p>The demographic profile of Islington could contribute to the lower incidences of electoral registration but it is unlikely to explain the full picture. Islington's demographic profile, if it is a factor, would be expected to influence non-registration across the whole housing stock in Islington , including the existing older housing stock as well as new developments,</p> <p>There is no evidence to suggest that there is a higher concentration of younger people living in the new build, more expensive stock as compared to the overall housing stock. If anything it is likely that there will be a larger concentration of younger people living as shared households in the older, lower quality, cheaper end of the private rented market,</p>

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
		Non-registration is one of the proxies used to estimate vacancy, and a much higher incidence of non-registration in new developments suggests a much higher vacancy than the borough wide vacancy benchmark.
	SPD would unnecessarily impede market activity relating to potentially very minor sector (buy to leave).	The council considers that intervention is appropriate given the acute need for housing in Islington and across London, and the scarcity of land in a borough like Islington. The intervention proposed in the SPD is very limited compared with other planning measures such as occupancy and resale conditions in rural areas and National Parks. The SPD does not intervene with market activity as it does not restrict who can buy or who can occupy new homes, just that the homes which are built are used as homes.
	Unnecessary intervention in economic housing activity, not fully aligned with NPPF, will have little impact on addressing housing supply for those most in need.	The council does not claim that the SPD will help to meet affordable housing need. It will ensure that new delivery does contribute fully to meeting overall need, which will be beneficial. The claim that the SPD is 'not fully aligned' with the NPPF is unsubstantiated. Sustainable development has three dimensions – economic, social and environmental (NPPF paragraph 7). Local Plans and the SPDs that accompany them should be prepared with the objective of contributing to the achievement of sustainable development and should be consistent

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
		with the principles and policies set out in the NPPF (NPPF paragraph 151). The SPD has been prepared in accordance with these requirements. The council is simply seeking to ensure that homes which are built are used as homes.
	Quotes para 4.12 of Islington AMR 2013 on government measures doing nothing to tackle affordability.	The SPD is not an all-or-nothing measure to address housing affordability. It is one of a range of measures and programmes the council is implementing to help tackle the full spectrum of housing needs in Islington and London, which includes market as well as affordable housing, including housing at the top end of the market sector, and the SPD has been revised to make this approach clear.
	Questions use of Molior report, Savills research, is difficult to determine with certainty the true extent of buy to leave (confirmed by Ramidus report for Westminster).	The council does not deny that it is difficult to determine the full extent of Buy to Leave, but the SPD identifies it as a problem, using proxy indicators, and offers a practical measure to help combat it.
	Census measure of no usual resident is low in LBI, lower than Westminster, City, K&C.	This makes the extremely high absence of people on the electoral register in the newer developments examined in the SPD even more unusual.
	Report by 'Homes from Empty Homes' charity, '2012 Empty Homes Statistics' only 1.58% of LBI homes are empty. only 618 are 'long term empty'. LBI is 14 th lowest in England in list from Empty Homes Agency of local authorities with long-term empty homes.	These figures are from 2012 and would not have examined new build schemes in the same way as the SPD evidence. The developments analysed in the SPD would not have previously been considered 'empty' because their vacancy was hidden. The SPD

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015

	<p>Data in the SPD on electoral register is unreliable and does not substantiate contention that buy to leave is widespread. Specifically:</p> <ul style="list-style-type: none"> • Doesn't clarify whether properties are on the market or have not been sold yet. There is a time lag between completion and registration of residents on the electoral roll. • Council hasn't taken account of national statistics on electoral registration in England. Says only 63.3% of people who rent privately are on the electoral register, i.e. 36.4% aren't [sic]. • Only 40.1% of people who have lived up to one year and 76.8% of those over one year but less than two years being on an electoral register. <p>As a result it is consistent with survey evidence from the electoral commission that recently constructed flats in the private rented sector will have a significant percentage not on the electoral register.</p>	<p>aims to address this through the s106 obligation.</p> <p>The data presented are proxy indicators and the council recognises this. However we consider the data to be sufficient to justify the measures in the SPD.</p> <p>The council does not agree that a time-lag between completion and sales is likely to account for any of the non-occupation of new developments. The developments analysed in the SPD were completed several years ago. Indeed, one recently completed development was excluded from the sample in order to ensure that such a time-lag would not distort the figures.</p> <p>Whilst the council acknowledges that private renters may have a lower electoral registration rate, this would apply equally across the whole of the existing private rented housing stock, not just in new build developments. However the evidence suggests that unusually high rates of non-registration exist in new-build developments.</p> <p>The council disagrees with this conclusion. As above, the figures on low electoral registration rates refer to the private rented sector as whole, not just new build developments.</p>
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Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015	
If developer retains freehold is onerous to expect them to monitor occupancy.	The council does not agree that this is an onerous requirement.
There is a case that SPD measures are unlawful, to use section 106 agreement to control market sale economic activity that has been found to comply with the Local Plan policy to get planning consent.	The council does not agree with the contention that the SPD measures could be unlawful. There are other occasions where the planning system restricts re-sale for example rural occupancy conditions. The SPD does not seek to control market sale, it does not restrict who can buy or who can occupy, as is the case with other planning measures such as occupancy conditions in National Parks, for example, which are considered to be more onerous. The SPD merely seeks to ensure that homes which are built, in a borough with acute need and severe shortage of land, are used as homes. The element of control introduced by the SPD is justified and in the general interest.
Questionable whether this represents positive planning to support local development.	This is positive planning to support local development in that it will ensure such development contributes to meeting housing need. New housing that does not meet need is not acceptable in planning terms.
Doesn't meet 'necessary to make development acceptable in planning terms' test for planning obligations.	The council does not agree that the SPD measures would fail any of the CIL Regulation 122 tests.
Use Class C3 doesn't contain any restriction on occupation.	Use Class C3 can be consented with restrictions, i.e. local occupancy conditions for example in National

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
		Parks or other rural areas. The occupancy conditions in the SPD are neither unreasonable nor onerous. They do not restrict who can buy or who can occupy. The criteria have been devised to allow for occupancy as a second home.
	Perceived problem of wasted housing supply affects properties over and above £700psf, ensuring occupation in more of these properties will do nothing to alleviate acute need for affordable housing.	The SPD does not seek to increase the supply of affordable housing; the council aims to do this through other policies. The SPD seeks to ensure that no housing delivery is wasted, and that it meets the full range of market housing need, including need at the top end of the market sector.
Various representations	Support the principle of the SPD.	Support noted.
Various representations	Will be hard to enforce the SPD requirements.	The council considers that sufficient resources are available to effectively implement and enforce the measures of the SPD.
Various representations, DMA	Unfair to penalise people who want to use new homes as a second home, council should encourage foreign investment.	Second homes if occupied to the extent set out in the draft SPD paragraphs 6.10.1 to 6.10.7 will not be affected by the SPD. The tests set out in the SPD were carefully considered and specifically designed so as to not prevent use of property as a second home. The council is not seeking to discourage overseas investment, only to ensure that it does not result in wasted housing supply in an era of acute housing need and affordability pressure.

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
		The SPD has been revised to further clarify that the measures are not aimed at preventing overseas ownership nor against investor purchasers, whether they are foreign or domestic buyers.
Various representations, Upper Street Association	2007 DCLG report recommends against Buy to Leave.	The 2007 DCLG report focuses on the apartment market in northern city centres prior to the financial crisis. The circumstances it investigates are entirely different to London over the past several years, in terms of capital values, purchaser motivation and the overall housing market.
Upper Street Association	We understand that such a new policy will only apply to new buildings in a context of development of 20 or more dwellings, and so would apply only as very small proportion of housing in the Borough.	The council has examined the existing pipeline (permitted schemes and developments under construction) to inform the setting of the threshold. This established that over 80% of the pipeline of residential development is made up of sites of 20 dwellings or more. Therefore, the SPD with its 20 unit threshold would apply to a large proportion of new housing in the borough. Planning interventions cannot be applied retrospectively, so the SPD measures could only be applied to new build.
	After some discussion our view is that this is not a particularly useful or enforceable policy. We still believe that the arguments in the DTZ report of 2007 have some relevance, and that this is a problem of varying impact over time and by geography, and we are overall cautious in this area. Islington is one part	See above for responses to 2007 DTZ Report. As regards the nature of the population of the borough, the SPD does not intend to prevent second homes.

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
	of a city with an international population, some of whom will own live and work part of the time in other countries.	
	We are also conscious that in the current phase of the property cycle developers may be delaying completing certain building works while expanding the number of sites in hand. In our view it would be useful to have powers to obtain some understanding from developers during the planning process as to date of completion.	<p>This comment appears to be concerned with the issue of “land-banking”, which is a different issue to the one that the SPD is looking to address.</p> <p>The council seeks to establish, as part of its annual development monitoring survey, the likely completion dates of individual sites with planning permission. This is done through contacting developers and agents and can only be an approximation based on the information obtained from developers.</p>
	We are doubtful that this draft SPD would be effective or of use.	Noted. However the council’s view is that the measures in the SPD are necessary and will be effective.
Action with Rural Communities Kent	General support for the SPD principles.	Support noted.
Canonbury Society	Support principle but unsure about enforcement and unintended consequences, overall would suggest revising how the council plans to enforce against breaches of the s106.	The council considers that sufficient resources are available to effectively implement and enforce the measures of the SPD.
English Heritage	English Heritage supports the principle of the Borough’s policy to reduce wasted housing supply	Support noted.

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
	with regards to new developments, by ensuring new housing is efficiently used. This is a reasonable area to explore given the intense pressure for housing in London and the difficulty of meeting this need, particularly in historic townscape settings.	
	We also note that under-occupancy of new, and existing, housing can result in a reduction in the vitality of historic areas, and that vibrant neighbourhoods are key to supporting historic community facilities such as public houses, as well as the character of historic town centres.	The SPD can only address new-build housing, but the council agrees with the principle that vacant new and existing housing can detract from the vibrancy of neighbourhoods and town centres.
	The Borough of Islington has an outstanding heritage including numerous Listed Buildings and 40 Conservation Areas, alongside a wealth of un-designated heritage assets. Some of Islington's historic buildings may be candidates for conversion into several residential units or within a site proposed for such redevelopment. We note that this consultation focuses on new development; if sub-division of existing accommodation is considered within this; we would encourage the Borough to consider the impacts of such developments on historic buildings, so that their significance is sustained while continuing to contribute to the Borough's housing supply	<p>The SPD measures would apply to all development of housing that is of 20 units or greater. Therefore in theory if a large historic building was converted into 20 or more dwellings, the measures would apply.</p> <p>Sustaining the significance of historic buildings is a matter that would be addressed as part of the planning process in any case.</p>
Natural England,	Provided a response, with no comment	N/A

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
Transport for London, Highways Agency		
Islington Society	The Islington Society supports the Council's initiative to prevent the wastage in housing supply caused by deliberately leaving residences vacant after purchase, colloquially known as " <i>Buy to Leave</i> ". We recognise that there are a number of nebulous financial factors driving this phenomenon and are pleased that the Council is intending to address the problem through the planning system.	Support noted.
	We agree that an alternative proposal to require a financial contribution to help fund replacement dwelling, which would have the undesirable effect of legitimising the vacancy, would not be sufficient to encourage owners to occupy or let the premises. (Sections 6.1 & 7.1).	Support noted.
	It is not clear that the use of obligations agreed under Section 106 of the Town and Country Planning Act 1990 would entirely eliminate the problem, but we agree that it is likely to be the most effective measure for controlling lost residential units in new-build housing developments (Section 6.2).	Support noted.
	We agree that setting the threshold for the application of the SPD at 20 residential units (Section 6.5-6.7) and that setting the start date for the S.106 obligation	Support noted.

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
	at 6 months from the relevant date (Section 6.10) is sensible and reasonable.	
	It is not clear from obligation in 6.10.3 (14 days in consecutive 3 months) that this means residency rather than simple short term letting. Unless the Council is satisfied that the tests in Section 6.11 are sufficient to differentiate between short term letting and residency, we believe that obligation 6.10.3 should be strengthened and clarified to identify the 3 consecutive months referred to as part of a longer term lease/let.	<p>The council is concerned about the possibility of a significant proportion of Islington's new and existing housing stock being used as temporary accommodation through websites such as airbnb.com and the impacts on supply of conventional housing, security and amenity that may result. This is particularly the case following 26 May 2015 and the implementation of the provisions of the Deregulation Act that mean this is no longer a material change of use if certain conditions are met, i.e. does not exceed 90 nights in any calendar year. However this is a separate – but linked – issue to Buy to Leave.</p> <p>The council intends to monitor the use of Islington's housing stock as short term lets facilitated through the internet, and will investigate various avenues of intervention where appropriate, within the limits of what is possible under current legislation.</p>
	The Council may wish to consider an obligation under Section 6.10 to use its Lettings Agency (Section 6.15) as the default agency to be used where the owner does not comply with the provisions of the S.106 agreement and enforcement is required (Section 6.14).	This is an interesting point. The council will promote its own letting agency function as a way of assisting owners to find a tenant if this is the tenure chosen by an owner, but cannot require this.

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
	<p>Our fears are:</p> <p>That the SPD applying obligations to new-build projects developers/investors will transfer the problem of 'Buy to Leave' to a portfolio of existing housing stock where, given the wealth accumulating in property values in Islington, there are very many high value premises.</p>	<p>The council considers that it is not likely that the SPD will result in transferring this problem to the existing stock.</p>
	<p>Whether the mechanism envisaged through the planning system will, in fact, work; enforcement requiring an unwilling participant to engage of a third unidentified party (the lessee) seems unlikely to be smooth or straightforward. But we hope that the threat of strong legal sanctions (Section 6.14) will be sufficient to encourage or enforce compliance. Could the Court Action also involve a fine (not a payment in lieu) for non-compliance?</p>	<p>Purchasers will be aware of the obligation from the start, and generally most people do comply with legal obligations in the section 106 agreement that they have taken on. The council will be able to take enforcement action where necessary, which might include applying for an injunction from the court. Non-compliance with an injunction of the court is treated as contempt of court and the court can impose a discretionary penalty – this would be down to the court to impose.</p>
	<p>That the miscreant owners may find imaginative ways around the obligations. We are aware, for instance, from other European and North American experience, of the growing use of 'Air B&B' to transfer seemingly residential flats into the hotel/short term let market.</p>	<p>See comments above regarding short-term letting.</p>
	<p>Finally, we would note, while not detracting from the benefits of preventing wasted housing supply set out</p>	<p>The council recognises that affordability is the most important factor in addressing the problems in</p>

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
	<p>in this SPD, that the essential problem of housing supply is in the affordable housing sector rather than in the high-end residential market, where Buy to Leave is most prevalent.</p>	<p>London's housing market and has other policies which aim to maximise the delivery of affordable housing. Indeed, this is the top priority in the council's Local Plan. However, the council is also required to deliver market housing, to meet the borough's and London-wide housing needs. The SPD is aimed at preventing wasted housing supply in this segment of the market.</p>
Amwell Society	<p>The Society fully supports LBI's ambition to ensure that all property in the borough is occupied. The Mayor's target for new homes is very demanding, and Islington has few sites available for meeting these targets. If a significant number of new homes are deliberately left empty for prolonged periods, then London's housing problems will remain unsolved. The proposal to make regular occupancy the subject of Section 106 agreements for new-build sites of over 20 units seems to be a sensible first step. However, as you are aware:</p>	Support noted.
	<p>It will be many years before a significant proportion of the Borough's homes are subject to the new condition</p> <p>It will do nothing to address the shortage of affordable and social housing in Islington.</p>	<p>The council acknowledges this point but can only apply the SPD measures to future housing delivery.</p> <p>The council recognises that affordability is the most important factor in addressing the problems in London's housing market and has other policies which aim to maximise the delivery of affordable housing. Indeed, this is the top priority in the council's</p>

Summary of responses to consultation on draft SPD 8 December 2014 – 30 January 2015		
		Local Plan. However, the council is also required to deliver market housing, to meet the borough's and London-wide housing needs. The SPD is aimed at preventing wasted housing supply in this segment of the market.
	The upcoming Mount Pleasant development seems to be an ideal candidate for the proposed approach. Is LBI in discussion with the Mayor about including regular occupancy conditions in the Section 106 agreement for this huge development?	The development at Mount Pleasant (Islington planning application reference P2013/1423/FUL) was determined by the Mayor in his capacity to act as planning authority and the decision notice issued in March 2015. As this SPD has not been adopted at this time it could not have been considered in the determination of the Mount Pleasant application.
	Islington Council must keep its own house in order by ensuring that Council-owned properties are not left empty.	Noted. Council owned properties have low vacancy rates, caused only by turnover of residents. Vacancy periods are normally kept to a minimum given the acute housing need and the number of people on the council's waiting list.
City of Westminster	The City Council notes with interest your draft guidance to prevent housing supply being diminished through vacancy.	Noted.

4. Informal consultation on Discussion Paper and Questionnaire 24 March – 14th April 2014

Prior to formal consultation on the draft SPD, the council undertook an informal consultation on a Discussion Paper and Questionnaire, which set out various options for how the council could address its concerns around wasted housing supply, and the evidence it had collected to support the options. The consultation was publicised through the council’s consultation database, on the council’s website and also received substantial attention from the local and national media, including detailed coverage in The Guardian newspaper and BBC Radio 4.

The council invited respondents to provide general comments and/or to answer five questions set at the end of the paper. The council invited responses through email or letter, and also set up an online survey to aid the convenience with which people could respond. The online survey asked exactly the same questions as the Questionnaire at the end of the Discussion Paper.

The Discussion Paper and Questionnaire document, or a web link to it, was sent to over 1,700 individuals and organisations on the council’s consultation database. This includes community groups, development industry representatives and a range of other bodies.

In total, the council received 62 responses to the online survey and 17 other representations via email or letter, including ‘no comment’ responses from some statutory consultees. Some of the respondents who contributed via email or letter also filled in the online survey. The summary of responses below shows the main issues that were raised.

76% of the survey respondents were from local residents. The three responses received via email from development industry interests were more negative. 87% of residents who responded to the online survey supported the general principle of the SPD, and 85% of residents supported using a section 106 agreement to secure occupancy.

Respondents to the online survey classed themselves as:

	Per cent	Number
Resident	72.6%	45
Community/voluntary group	3.2%	2
Developer / agent	3.2%	2
Other business	3.2%	2
Identity left blank	17.7%	11
Total		62

Including the responses via email and letter, the total consultation response can be grouped as follows:

	Per cent	Number
Resident	67.1%	53
Community/voluntary group	2.5%	2
Developer / agent	6.3%	5
Other business	2.5%	2
Statutory consultee	6.3%	5
Member of Parliament	1.3%	1
Identity left blank	13.9%	11
Total		79

(percentages may not add up to 100 due to rounding)

Summary of responses received to information consultation on Discussion paper and questionnaire

Summary of responses Received: via email and letter

Respondent	Comment	Council response
Resident	<p>I am absolutely 100% behind any initiative to prevent foreign speculators buying properties in Islington (or anywhere else for that matter) and leaving them empty while there are still hundreds of thousands of people unable to afford decent homes in London. They should not even be allowed to buy property and rent it out unless there is agreement that rents are capped to roughly comparable levels of social housing, and those properties offered first to those on the housing waiting list.</p> <p>Enough is enough. The housing market in London has become totally out of control and now the only measures that will rein the madness in need to be drastic and long-lasting.</p>	Support noted. Rent controls in the private sector are not currently within the council's legal powers.
Resident	I fully support the use of any measures (incl. section 106s) to stop any form of property speculation in Islington. I would also support any form of enforcement that makes sure that social housing is always at least a 30% part of any commercial developments around	Support noted. Islington's Core Strategy policy is that the maximum reasonable amount of affordable housing must be provided on-site, with a strategic target of achieving at least 50% provision across all new housing in the borough, and a split of

	housing in the borough.	70% social rented and 30% intermediate within this
Resident	I would suggest that the owners of all unoccupied units are heavily fined and after a period are subject to their housing being confiscated. A tax on unoccupied housing will not affect some of the very wealthy owners.	Support noted.
Resident	Thank you for drawing my attention to this document, which addresses thoughtfully an important issue. I support the policy solutions you propose.	Support noted.
Resident	<p>As an Islington resident for the last five years, with an above average income for London and a Master's degree who is unable to buy even an ex-council studio in my Borough, I back the Prevention of Wasted Housing Supply.</p> <p>I am extremely disappointed that schemes are not being adopted in London (such as those available in the USA and most countries worldwide) where residents are given priority to buy properties they want to live in before</p>	<p>Support noted. Local authorities have no power to intervene in the residential property market to the extent suggested. We consider the proposals in this paper to be necessary, proportionate and reasonable in order to ensure new housing supply is not wasted.</p> <p>The council would support further action by the Greater London Authority to address issues of housing need in London.</p>

	<p>investors, let alone foreign investors who leave the property empty.</p> <p>It is very sad that London's government is not doing anything about the housing crisis it is facing.</p>	
Jon Murch (Savills)	<p>Fully support the Council's commitment to addressing the housing needs of the Borough and the wider London housing crisis. We consider however that there are a number of pressing issues associated with the initiative set out in the discussion paper, which could result in undesirable consequences for the Borough.</p> <p>Could delay and detract investment within the Borough as it may restrict the ability of developers to secure finance and funding for new projects.</p> <p>Could compromise the ability of potential homeowners to secure mortgages, which may discourage housing developers from investing</p>	<p>The council is not proposing a financial contribution in the draft SPD.</p> <p>The council does not consider that there will be an impact on our ability to meet housing targets as required in the NPPF as the SPD is unlikely to have any impact on viability.</p> <p>Mortgage-lending policies are outside the council's control. However, it is considered that the measures in the draft SPD are unlikely to affect mortgage lending.</p> <p>The council considers that the measure proposed in the SPD is necessary, reasonable and proportionate. Islington cannot afford to have any of its supply of new</p>

	<p>in the borough.</p> <p>These two issues could compromise viability of developments.</p> <p>Council should seek guidance from a number of recognised mainstream mortgage providers confirming what their position on this initiative would be and if they would require any onerous lending restrictions.</p> <p>Most significant repercussion resulting from these issues could be potential detrimental impact on ability to meet housing targets under paragraph 47 of the NPPF.</p> <p>Implementation and enforcement concerns: Planning obligations must meet CIL regulation 122 tests: necessary to make the development acceptable in planning terms, directly related to the development and fairly and reasonably related in scale and impact.</p> <p>National Planning Practice Guidance states</p>	<p>housing wasted by vacancy.</p> <p>The council does not consider that the proposals would cause any viability issues that could discourage development. The council has obtained viability advice from BPS chartered surveyors which suggested that it is unlikely that there will be a negative impact on demand or supply of new housing in Islington.</p> <p>The draft SPD contains precise definition of how the council will assess occupancy.</p>
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	<p>that SPDs should not be used to add unnecessarily to the financial burdens on development.</p> <p>Evidence would therefore be required to fully justify any financial contribution sought under this initiative to ensure it is reasonable and does not add to the financial burden of development projects.</p> <p>If the council can justify the use of the proposed measures, the point at which a dwelling will be considered to have been left unoccupied must be clear and precise. Must also be clear what the responsibility will be of new home owners.</p> <p>Discussion paper does not clearly set out how the initiative would be implemented and enforced and we are therefore unable to comment on how this could work in practice. Reserve the right to make further representations to any further consultations on the subject.</p>	
Hugh Sowerby (DP9 on behalf of client Royal	We note that the underlying purpose of the	The council acknowledges that levels of

<p>Mail Group)</p>	<p>discussion paper is to ensure that all new housing supply in Islington contributes towards meeting the objectively assessed need for housing, as set out at paragraph 47 of the NPPF. Paragraph 47 goes on to say that this should be consistent with all policies included in the NPPF. We question whether such a vacant dwellings policy would be in conformity with the NPPF and as a result robust to challenge at Examination in Public.</p> <p>The Council seeks to estimate vacancy by looking at the number of properties in new build schemes where nobody is registered for council tax and/or nobody is on the electoral register (paragraph 3.9). Notwithstanding what appears to be a somewhat flawed process for establishing vacancy levels, paragraph 3.10 goes on to say that only 3% of all new homes would fall into this category. The Council should consider whether this supposed level of vacancy is sufficient to justify such a specific policy. To look at retail property as a benchmark, a vacancy rate of under 10% is a sign of a healthy centre whereby upwards of 5% is given over as natural ownership churn and refurbishment rather than true vacancy.</p>	<p>vacancy and under-use in the housing stock across the borough can only be estimated, using proxy indicators. To that end, since the Discussion Paper was consulted on, the council has conducted a detailed analysis of the electoral register as well as title deeds from a sample of recent developments in order to gain a better understanding of whether or not Buy to Leave is an issue in Islington.</p> <p>The draft SPD presents these findings, and suggests that there is a meaningful percentage of dwellings with nobody on the electoral roll that cannot be explained by factors such as non-eligibility. The council's view is that if this is repeated in the future, it is likely that a meaningful percentage of new homes would not contribute to meeting any housing need. The measures proposed in the draft SPD are justified.</p> <p>The Mayor has also expressed concern with the sale of large amounts of new housing in London to investors who may not occupy, as set out in the draft SPD, paragraph 3.7.</p>
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	<p>The Council should also be comfortable that the evidence base included within the discussion paper is robust to scrutiny and relevant to the borough as a whole. The analysis assesses Prime Central London (PCL) properties to inform its conclusions and whilst figures for parts of Islington are included, these are either not relevant or of no statistical merit due to the sample sizes they are drawn from. If the Council considers this to be a London-wide concern then perhaps it is more appropriate for the Mayor of London to examine the issue.</p> <p>Notwithstanding the above, we question whether the planning system is the appropriate vehicle for such a policy. The Council should consider whether such a policy would be enforceable or indeed be ultra vires in its application.</p>	
<p>Gerald Eve on behalf of client Berkeley Homes</p>	<p>The Knight Frank research has been used by LBI to potentially demonstrate that a significant proportion of new build units purchased in Prime Central London are by</p>	<p>Even if LBI only makes up a small proportion of Knight Frank's PCL area, that is significant for Islington.</p>

	<p>overseas buyers.</p> <p>LBI have also referred to Housebuilder FITT research which shows that the proportion of UK buyers goes down as price goes up. LBI has stated that this may indicate that a greater proportion of new build properties in the South of Islington are being sold to international purchasers. We note that the following:</p> <p>We have been unable to obtain or verify the source of this research; and LBI has not provided any evidence to support this view. LBI state that the issue from a planning perspective is not overseas ownership but rather new housing supply being left empty. It states that this seems to be particularly associated with overseas buyers. We note that the following:</p> <p>LBI has not provided any evidence to support its assumption that vacant properties are predominately those purchased by overseas buyers.</p>	<p>Housebuilder FITT data has been replaced by data from Savills which supports the same point, see Figure 2 in draft SPD, above paragraph 4.3.</p> <p>As stated in the draft SPD, the council is not against overseas investment. Our only concern is that new housing is occupied and contributes to meeting housing need.</p> <p>The council has examined leasehold title documents and tried to eliminate obvious reasons for non-registration on the Electoral Register. Even allowing for this, there is a high level of possible vacancy which is a strong proxy indicator of wasted housing supply.</p> <p>The draft SPD analyses various factors that have influenced residential development in London and Islington so a report from 2012 is still material to the situation.</p> <p>The council accepts that definitive proof of vacancy could only come from detailed</p>
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	<p>It does not follow that because a property is registered for council tax but has no registered elector it must be vacant. In order to appear on the electoral roll one must be a British citizen or an Irish, qualifying Commonwealth or European Union citizen who is resident in the UK. Therefore, anyone who does not meet these criteria, such as non-commonwealth / EU residents from the Middle East or Russia, will not appear on the electoral register. It does not signify that the property is empty. Therefore, LBI research is flawed.</p> <p>The Smith Institute & Future of London research titled <i>London for Sale?</i> dated July 2012 out of date.</p> <p>There is also a much wider concern that controlling the occupation of an empty home may not lie within the realms of planning law and therefore not an area for the planning system to control by the means suggested in the discussion document.</p>	<p>cooperation from owners and possible occupiers. It is considered that a combination of qualitative research from sources such as industry and think tank reports, together with proxy indicators as set out in the draft SPD is sufficient to justify the measures proposed.</p> <p>The council considers that the SPD does fall within planning's remit and that it is reasonable, proportionate and necessary to achieve the planning policy goal of securing housing delivery to meet objectively assessed need.</p> <p>It is considered that the measures in the draft SPD (particularly since the SPD does not propose a financial contribution where vacancy is demonstrated) are unlikely to have any impacts on viability and therefore it would not conflict with NPPF paragraph 173.</p>
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	<p>LBI state in paragraph 4.7 that “the council considers that the measures explored in its paper will not have any effect on the viability of new developments, as they are focused on ensuring occupancy and are unlikely to affect sales values”.</p> <p>This is contradictory to the research and LBI’s comments in the rest of the Discussion Paper. If it is true that overseas buyers are driving residential values in new build developments then it is logical to assume that any measure designed to restrict the market to domestic buyers or to reduce the attractiveness to overseas purchasers will have supressing effect on residential values and therefore development viability.</p> <p>This is especially true when one considers the graph on page 10 which shows that overseas purchasers are responsible for the acquisition of between 60% and 90% of properties over £700 psf.</p> <p>Therefore, LBI’s proposals as set out in its Discussion Paper are contrary to the NPPF</p>	
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	<p>paragraph 173 as well as the London Plan policies 3.11 and 3.12.</p> <p>We consider that the evidence base used by LBI to arrive at its proposals is fundamentally flawed and incomplete. There is a clear need for further specific research into both residential vacancy and overseas sales before these proposals can be properly and reasonably assessed.</p> <p>LBI's assertion that its proposals will not have any effect on the viability of new developments is contradictory to the research and LBI's comments in the rest of the Discussion Paper. If it is true that overseas buyers are driving residential values in new build developments then it is logical to assume that any measure designed to restrict the market to domestic buyers or to reduce the attractiveness to overseas purchasers will have a suppressing effect on residential values and therefore overall development viability.</p> <p>LBI's proposals as set out in its Discussion</p>	
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	<p>Paper are contrary to the NPPF paragraph 173 as well as the London Plan policies 3.11 and 3.12.</p> <p>There is also a much wider concern that controlling the occupation of an empty home may not lie within the realms of planning law and therefore not an area for the planning system to seek control by the means suggested.</p>	
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Responses received to consultation questions via online survey

Question 1: Do you agree with the proposed main objective of the proposed SPD / revision to the Planning Obligations SPD - to require that new residential developments which are major applications, to be subject to a section 106 agreement to ensure individual dwellings are regularly occupied in order to avoid wasted housing supply?

	Per cent	Number
Yes	86.7%	52
No	13.3%	8
Comments		23
Answered question		60
Skipped question		2

Respondent(s)	Yes / No	Comments	Council's response

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	Homes not occupied represent a big waste of resources, also empty homes are detrimental to the overall feel and atmosphere of a neighbourhood and bad for local businesses from the corner shop etc.	Comments noted.
Survey	No	The reason for my "no" this is one of enforceability. Most non occupied flats are owned by non UK residents and therefore any other action would have to be taken against a non-resident in a foreign jurisdiction. Even if a fine were levied judgement for non-payment would need to be obtained and if there were no assets other than the property in the UK a charging order over the property would be necessary and then a sale. This would take up huge resources which could be better spent elsewhere. There is also the issue of proving that the property is not regularly occupied, are the Council going to employ private detectives or have their own surveillance team? This could be expensive and raises privacy questions given that it is not illegal to buy a property and not occupy it.	Comments on enforceability noted. Enforcement will be carried out as set out in the draft SPD. Regarding enforcement, the council intends to use proxy indicators like the electoral roll and council tax registration, as well as notifications by third parties such as local residents, to highlight potential vacancy, after which targeted enforcement action could be taken.
Survey	Yes	It will be very difficult for the developer of a unit to ensure that whoever they sell the unit to will occupy it. Is it possible to enforce a Section 106 obligation	The section 106 agreement would be signed by the developer, but would place the responsibility on the purchaser (and subsequent purchasers) to ensure

Respondent(s)	Yes / No	Comments	Council's response
		<p>against the purchasers of the completed units? If so, I do agree that where the owner of a residential property doesn't occupy it, they should pay for this privilege and that this money should then be ring-fenced for the delivery of new homes. I expect that for many of the world's super-rich, they will either just pay the financial penalty, or send a member of staff full time / intermittently to stay in the property, so the measure may not be that effective. However, I do agree that making the point of principle is important. I think the parameters will also need to be very clear. If a genuine resident needs to travel abroad for a few months and is uncomfortable renting their property out, will they be liable? What if someone who owns an empty home is unable to make the payment?</p>	<p>the dwelling is occupied. The council operates its Car Free policy in the same way, with no complications.</p> <p>Occasional vacancy in exceptional circumstances will be treated on its merits.</p>
Survey	Yes	<p>Investment properties: Now that the Royal Mail site on Rosebery Avenue has been sold, Islington Council should press for 50% of the development to be used for social housing. Sadly I know from experience, trying to distribute electoral leaflets in the local area, how few properties are occupied by people who can engage in the democratic process, or to be told by building concierges that few of the properties have occupants ...</p>	<p>Support for Islington's affordable housing policy noted. Islington has a policy of requiring the maximum reasonable amount of affordable housing to be provided on each site, with a strategic target of 50% across the whole borough.</p>

Respondent(s)	Yes / No	Comments	Council's response
Survey	No	You claim that more affordable housing is needed; these properties are not in that class so will have no effect on the supply of such accommodation. This is nothing more than a revenue gathering exercise as are landlord registration schemes.	The proposal responds to the evidence that a meaningful part of Islington's new housing supply potentially does not contribute to meeting its housing needs.
Survey	Yes	Foreign investors also fly backward and forward, which adds to the air pollution which is suffocating us all	Comments noted.
Survey	Yes	But I would like to know how much this will cost to implement and how many extra occupied homes it will generate. From my reading of the discussion paper, there's an average of just over one home per week in this category, since 1 April 2008.	Islington's housing targets are challenging, and the demand for housing in the borough is significant, therefore the council considers that the measures in the draft SPD to prevent new homes from being wasted are justified.
Survey	No	We completely agree that unoccupied homes are of no benefit in addressing the chronic housing shortage in London but we strongly disagree with LBI's proposal to deal with the issue. Investors leaving new build properties empty are not as common as is made out in the media and is usually	The draft SPD does not contain any financial penalty as considered in the Discussion Paper. The evidence set out in the draft SPD suggests that Buy to Leave is potentially occurring in Islington and the council considers that the measures in the draft SPD are necessary, proportionate and reasonable. There

Respondent(s)	Yes / No	Comments	Council's response
		<p>only relevant in very high value areas that would not otherwise be accessible to the financial ability of most Londoners. Our own record is of near 100% rentals being secured where we have sold to investors across London and this is all at capital values below £1,000 per square foot. Any sort of financial penalty for non-occupation of new build properties is certain to have more far reaching implications than I believe are envisaged by LBI. It will clearly deter any kind of investment in homes whether overseas, UK based or in terms of institutional investment in the private rented sector. This is because it introduces a new and potentially significant financial risk to anyone even if they fully intend to rent out their property. There are always void periods in any rental property and more to the point in any future economic downturn there may be extended periods where properties are not occupied even though having a tenant is the full intention of the owner. The charge would kick in at the worst possible time in an economic cycle. This financial risk will prevent investors buying in Islington and therefore will reduce the availability of new rented accommodation in the borough despite evidence of an increasing need for private rented homes. Shutting out a section of the market will lead to development in Islington becoming less attractive and is therefore likely to reduce the number of</p>	<p>will be no likely negative effect on investment, given the level of demand for new homes in Islington.</p>

Respondent(s)	Yes / No	Comments	Council's response
		homes being built so that, rather than having a small proportion (across the entire borough) of unoccupied homes, a greater number of potential new homes are not built in the first place. The main issue of unoccupied homes comes at very high values in excess of £1,000 per square foot. Please don't shut down a well-functioning private rental market at relatively more affordable levels by imposing financial penalties that will put off investors and as a result possibly reduce the total potential housing stock in the borough.	
Survey	Yes	Purchasers of new-build dwellings who are not British Subjects should be required to provide proof of occupancy for at least nine months of every year.	Comments noted. The council does not seek to control who occupies new dwellings, only that they are occupied and contribute towards meeting any kind of housing need.
Survey	Yes	The housing waiting lists are only getting longer and the housing crisis only getting worse so unoccupied dwellings must be avoided by any means necessary. Private investors using housing as a commodity to make profits. Private rents have become unaffordable to most in Islington. Housing should not be left empty when we have so many people without housing living in bed and breakfast or over crowded	Comments noted.

Respondent(s)	Yes / No	Comments	Council's response
		conditions.	
	Yes	Anything that can be done to stop property speculators getting richer while local people have to remain homeless - due to cost - has to be a good thing.	Comments noted.
Survey	No	My experience of such regulations is that councils over-interfere with the life of residents. This is over-regulation; let the market regulate itself.	Comments noted.
Survey	Yes	However, a key problem seems to be that most of these purchases are made by shell companies in offshore jurisdictions, which means that it will be extremely difficult to enforce any rulings in their regard. A requirement either for a deposit with LBI against future potential payments might be regarded as punitive but would at least ensure that there is no additional administrative burden of enforcement. (It is notable that at 1 Hyde Park there is no council tax paid by any of the flats because the cost of chasing the payment is greater than the sum which would be recovered.)	Comments on enforcement noted. The council will take action as set out in the draft SPD. If necessary, the council will pursue a court injunction to force an individual or company who breaks the terms of the agreement. The council can claim back the costs of pursuing court action as part of those proceedings.

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	I do not have a problem with investors, just with the properties lying empty/ Empty houses and flats are a bad thing.	Comments noted.
Survey	Yes	Yes before LBI starts filling up playgrounds with more new high density housing, they should make sure the housing that it already owns and controls are fully occupied.	The council's own stock is fully occupied and the only voids are temporary and due to natural churn or repairs.
Gerald Eve on behalf of client Berkeley Homes	No	No, for the reasons set out in main response.	Noted, see response above.

Question 2, a: Do you agree with Islington Council's intention to request proof of occupancy from owners of properties that are subject to such a section 106 agreement, where it is suspected that a property is left unoccupied?

	Per cent	Number
Yes	85.2%	52
No	14.8%	9

Comments		17
Answered question		61
Skipped question		1

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	In reality it may be difficult to enforce occupation levels and any reasonable powers are okay providing there are appropriate safeguards over privacy and public disclosure	Comments noted.
Survey	No	No for the same reasons as above and what proof is required and what does occupancy mean in these terms?	This is set out in the draft SPD, section 6.
Survey	Yes	Yes – there would be no other way to enforce the obligation without the power to do this, although it is important the resource implications for the Council are understood. I would also be a little bit worried about any suggestion that this just targets foreigners. It would need to be sensitively done. I definitely agree that if you are using property in London simply as an investment, without renting it out or occupying	The measures are not aimed specifically at overseas purchasers, only at investors who 'Buy to Leave' and waste the borough's supply of new housing.

Respondent(s)	Yes / No	Comments	Council's response
		it yourself, then you should pay for this privilege.	
Survey	Yes	See answer to Q1. Bunhill and Clerkenwell took 80% of new development in the London Plan: in Exmouth Market there is a corner building converted into luxury apartments (the footprint replaced the businesses of the local bakery, the shoe repair shop and a small second-hand jewellery/watch repairer) - the apartments are still empty and for sale.	Comments noted.
Survey	No	You already have powers to charge full council tax on unoccupied property so that is all you need to do.	Comments noted. Council tax is not a sufficient deterrent to discourage Buy to Leave.
Survey	Yes	This is a good idea. But investors are devious, so you must be one step ahead of them.	Comments noted.
Survey	Yes	That must be the only way to implement if you do go ahead.	Comments noted.
Survey	Yes	Although concerned this will lead to wasted utilities by property owners attempting to create an illusion of	The council considers that this is unlikely to happen.

Respondent(s)	Yes / No	Comments	Council's response
		occupation.	
Survey	No	There seems little evidence that this is a major issue in the borough, and as interest rates rise, the incentive to fill unoccupied speculative developments will increase. Using a Section 106 this way is a sledgehammer to crack a nut. Better to work to ensure that the Council and local housing associations are refilling their own properties promptly and with people who genuinely have an entitlement.	Comments noted. The council and Registered Providers can only directly control their own stock. Voids in council and Registered Providers' stock are extremely low and only due to natural turnover in tenancies and for repairs. The draft SPD sets out measures that the council considers to be appropriate to ensure that the majority of the supply of new housing, within the private sector, is not wasted.
Survey	No	Councils should not be landlords, they are incompetent, would rather have an absent owner who rents to a good tenant, keeps the property maintained and raises standards.	Comments noted. If an absent owner rents to a tenant they would not be affected by the draft SPD. Voids in council stock are extremely low and only due to natural turnover in tenancies and for repairs.
Survey	Yes	This is a necessary step to enforce the policy.	Comments noted.
Survey	Yes	Absolutely. This must be rigorously enforced.	

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	Too many properties in the south of the borough are unoccupied.	
Survey	Yes	I think properties should be regularly inspected to see if they are occupied has well has proof of occupancy.	The council does not have the powers to inspect existing homes. The council does not have the resources to carry out regular inspections on new homes when the draft SPD may be implemented. As with any breach of planning control the council will take appropriate action where a breach is reported or noticed.
Survey	No	My experience of such regulations is that councils over-interfere with the life of residents. This is over-regulation; let the market regulate itself.	Comments noted.
Survey	Yes	Unless this forms part of the evidence base it is almost certain that there would be a large number of cases in which the property is left empty. However, rather than simply require utility bills - this type of owner might well organise for the heating and lights to be run on timers - there also be scope to seek access to the premises and ascertain whether it is genuinely being inhabited.	The council will investigate any relevant evidence on a case by case basis, but in general utility bills may be a useful element of evidence demonstrating occupancy. Where justified, the council may carry out visits to properties as with any suspected breach of planning controls.

Respondent(s)	Yes / No	Comments	Council's response
Gerald Eve on behalf of client Berkeley Homes	No	No, for the reasons set out in main response.	Noted, see response above.

Question 2, b: Do you agree with Islington Council's intention to require owners of properties which are kept unoccupied to make a financial contribution to the council, which would be used to deliver affordable housing elsewhere in the borough?

	Per cent	Number
Yes	75.0%	45
No	26.7%	16
Comments		25
Answered question		60
Skipped question		2

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	This is an excellent idea, whilst it would require levies amounting to £10m's to make an impact on	The council has noted these comments. The draft SPD does not propose a financial contribution as part of any

Respondent(s)	Yes / No	Comments	Council's response
		the provision of affordable homes, every £500K would help	measure to prevent wasted housing supply.
Survey	No	This would be unenforceable for foreign residents and unfair for those who for no fault of their own cannot occupy their property-they may have it on the market and be unable to sell it they may be trying to let it and not be able to get a tenant, there may be a structural problem. Is this intended to apply to all Islington's housing or just new developments? The former would be unfair as it would be in effect retrospective legislation.	
Survey	Yes	Yes - if you are using a property simply as an investment then you should pay for this privilege, particularly given the amount of money that many investors will make, simply by doing nothing.	
Survey	Yes	Although this should not be a means of allowing the properties to remain empty. My concern would be around re-occupying the existing and new housing, as well as trying to provide affordable. However, if both are not possible, then a financial contribution might at least result in some other housing becoming	

Respondent(s)	Yes / No	Comments	Council's response
		occupied, and at an affordable level.	
Survey	Yes	This will not put off property investors who will be more than able and willing to pay a financial contribution for their future return on investment. 'Development creep' is not the answer either.	
Survey	No	Why should property owners prop up council finances?	
Survey	No	I agree with this policy, but you don't want too many to pay just a small fine and get away with it.	
	No	1) I don't agree with hypothecation of tax 2) There are good reasons for homes to be empty from time to time.	
Survey	No	See question 1 and in addition please consider that nobody will buy a home in LBI if they believe that the financial charge will actually take effect. Therefore it is very unlikely that there will actually be any new	

Respondent(s)	Yes / No	Comments	Council's response
		money for affordable housing. In fact there will just be fewer investors buying in the borough and as a result I believe this will impact on the total delivery of new homes as outlined previously.	
Survey	No	Such compensation would need to high enough to adequately compensate. Furthermore an empty home has an indirect impact of reducing the vibrancy of Islington, trade to shops etc.	
Survey	No	Absolutely not. [This comment then raised questions about the level of residents' involvement in council spending priorities.]	
Survey	Yes	But I would also think other measures such a requiring owners to let unoccupied would be more effective.	
Survey	Yes	Absolutely. Properties shouldn't be allowed to be left empty for more than a minimum period; say 6 months (am still considering suitable time-scale).	

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	The charges should be high enough to make the practice prohibitive.	
Survey	Yes	Property owners should not be able to keep residential properties empty such as on Baltic Street EC1.	
Survey	Yes	It would be better to stop such people owning property in the first place, but this plan is better than nothing	
Survey	Yes	If owners leave properties unoccupied they should be made to make extra payments considering if they have unoccupied property's they claim against their taxes for a reduction and sometimes this is more preferable than to let the property has the price of property never goes down and if they sit on it for a year then sell it on for a very good profit.	
Survey	No	My experience of such regulations is that councils	

Respondent(s)	Yes / No	Comments	Council's response
		over-interfere with the life of residents. This is over-regulation; let the market regulate itself.	
		Not sure - there may be lots of reasons why a property is unoccupied - so it depends how long I think.	
Survey	Yes	Ideally, properties should not be left unoccupied in the first instance. Making a facial contribution to keep the property empty might bring income to the council but it would still leave the property empty.	
Survey	Yes	Absolutely - though preferable if at all possible would be to organise some system of forgetting the ownership of such properties to the council or other registered social landlord. That might cause them to think carefully about whether this would be a suitable purchase in the first place.	
Survey	No	While this would help Islington to provide additional affordable housing within the borough which is always welcomed, I consider that if this was allowed	

Respondent(s)	Yes / No	Comments	Council's response
		<p>then it would simply become a tax foreign investors would be willing to pay to be allowed to have their property sit unoccupied. This could then become the norm across London instead of addressing the issue of empty new homes. Alternatively if developers know such a tax would be attached to any future foreign investor buying one of their properties then they might attempt to front load that cost into the viability of the development. Reducing the viability could end up resulting in less affordable housing etc. in the long run.</p>	
Survey	No	No. They just shouldn't be allowed to be left unoccupied	
Survey	No	I agree on the contribution to the council but not for affordable housing, the borough needs money spent on infrastructure, cleaner streets and any levy should go towards that	
Survey	No	Only after a certain time has elapsed. There are lots of reasons why private property might be empty. Probate. Awaiting building works, etc. These properties should not be penalised owners because	

Respondent(s)	Yes / No	Comments	Council's response
		they are in the process of taking the property to the next stage.	
Gerald Eve on behalf of client Berkeley Homes	No	No, for the reasons set out in main response.	

Question 3: Do you agree that Islington should explore introducing measures related to overseas marketing of new residential development?

	Per cent	Number
Yes	78.3%	47
No	21.7%	13
Comments		20
Answered question		60
Skipped question		2

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	Islington should actively monitor all new developments within the Borough and gain feedback from ALL developers on how properties are being marketed	The council has noted all of the comments received to this question. The draft SPD does not propose any measures to restrict overseas marketing.
Survey	Yes	This needs to be a voluntary not mandatory scheme of developers will not construct new property and the Council cannot afford to. There has to be a balance so the developer will make sufficient profit so an initial marketing for a fixed period in the UK would be an option but this will not stop by to let from UK residents.	
Survey	Yes	I definitely agree that properties should be properly marketed in the UK first and abroad second, although there is an issue with UK purchasers being able to purchase as far in advance off plan because of limits to mortgage offers. They may also not be as willing to given that they actually intend to live in the property so may want to see a show flat etc first.	
Survey	Yes	For reasons given in Q1 and Q2.	
Survey	Yes		

Respondent(s)	Yes / No	Comments	Council's response
Survey	No	Probably find that this is illegal under EU law.	
Survey	Yes	Perhaps you can stop them.	
Survey	No	Very hard to enforce and costly to try. Also more appropriate to do on a London wide basis (at least)	
Survey	No	We are signed up to the London Mayors requirement to market homes in the UK at the same time or before marketing overseas and have no issue with this being formalised by LBI. However it is impossible to control the market in the way that some commentators intend. Overseas investors can travel to the UK and buy in London and at that point they are not easy to distinguish from foreign nationals already resident in the UK. Markets are very fluid and you cannot easily control who buys an asset and where they buy it. I don't think anyone is suggesting that you need a UK passport to buy a home in London and I am sure that is not what Islington intend.	

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	UK properties should not be marketed overseas.	
Survey	No	It is not the council's business to interfere in.	
Survey	Yes	The main problem however is that housing has become driven by market forces, as everything else, basic human needs included.	
Survey	Yes	New residential development should NOT be marketed overseas.	
Survey	Yes	Housing in Islington should not be treated as a commodity at the mercy of the 'free market' but should be developed in a democratic and fair way.	
Survey	Yes	Evidence shows properties round Old Street roundabout are owned by overseas buyers.	

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	New residential developments should be for local residents - not venues for money laundering	
Survey	No	It depends if the overseas buyer are helping to push through the need to build. Would builders build if they just relied on the UK market or does the overseas market push up the prices of property?	
Survey	No	I don't see how such regulations would be enforceable, and would rather the council concentrate its resources on core services than interfering in the housing market.	
Survey	Yes	ideally the properties would be open to local people first	
Survey	Yes	Yes, this would also mean that the developers would need to be more accurate in their representations. It is clear from material we have seen that they are not entirely honest in what they purport to be selling when seeking overseas investment.	

Respondent(s)	Yes / No	Comments	Council's response
Survey	No	Think this will be hard to police and seems a step too far	
Gerald Eve on behalf of client Berkeley Homes	Yes	Yes, in that Islington should be wholly supportive of all development within the Borough, following the grant of planning permission. It should, however, not interfere with the appropriate marketing of buildings, which should be left to the market in accordance with the NPPF.	

Question 4: Can you make any suggestions as to how Islington could use alternative methods, planning or otherwise, to ensure new housing supply is not wasted by vacancy?

	Per cent	Number
Yes	57.4%	31
No	42.6%	23
Comments		35
Answered question		54
Skipped question		8

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	Requirement for all developers to update council on the manner of how each unit is sold, provide contact details for every buyer so that Islington can contact each buyer to ascertain how the residential unit will be used/ occupied. Publication of how developments are occupied (as a total per development broken down into categories of use/ occupation) on the council website. this could be updated annually if cost effective	Comments noted.
Survey	Yes	Have more new housing only available for occupation at a rental i.e. the long lease would be sold to a housing association or charity who would let the property. This would mean investors, who are only interested in capital growth, would not buy.	Comments noted. It is not within the council's legal remit to regulate private market housing in this way.
Survey	Yes	I also think more can be done early in the planning system to ensure that the units being built aren't specifically targeted at buy to leave investors. My experience of working in residential development in Westminster is that the units proposed for most new schemes (particularly in Mayfair) are designed so as to be specifically targeted at the super-rich. In	Comments noted.

Respondent(s)	Yes / No	Comments	Council's response
		particularly, they are extremely large and with facilities that would price all but the most wealthy out of buying them. It is clear before they even get to the point of being marketed that they are going to do little to meet housing need.	
Survey	Yes	Raise the council tax for unoccupied properties to a level that it would be unsustainable to do so (not just double, for example). There is a housing crisis going on and it's obscene this is happening.	Comments noted.
Survey	Yes	Other European countries have introduced local council legislation (to combat the buying of local property as holiday homes instead of for full-time occupancy). Rather than re-invent the wheel, could the Council research the possibility of using similar legislation. Islington Council needs to press the case for social housing in new developments, and mean it. (Now that the Royal Mail sorting office site has been sold off below market value and at a loss to the taxpayer, how are we still fighting for 50% of any future development to be made available for social housing? (Islington Council seems impotent in the face of big money and the Mayor.)	Comments noted. Local planning authorities do not have the authority to introduce legislation. The council always seeks the maximum reasonable amount of affordable housing according to its development plan and national planning policy.

Respondent(s)	Yes / No	Comments	Council's response
Survey	No	It is of no consequence whether a property is occupied or not. Charge full council tax, council should not have sold off its social housing stock.	Comments noted.
Survey	Yes	Through the electoral register	Comments noted.
Survey	Yes	As I understand it, the proposals affect only new-builds. It would be worth considering how similar measures against existing, empty properties might be imposed.	Measures through the planning system can only address new developments through the planning application process.
	Yes	Build more council houses	Islington has an ambitious new build programme.
Survey	No	I do not believe that you can control the market without unintended consequences. I suggest LBI look at London wide statistics for new build homes being left empty at prices that are affordable to most Londoners and I believe they will see a very different picture to that painted by the few high value developments selected for this discussion paper.	Comments noted.

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	Make sure properties are designed for people to live in, and reduce the planning incentives for developments with heavily commoditised units that Buy to Leave buyers might favour.	Comments noted.
Survey	Yes	Use compulsory purchase powers to take it over: we have a housing emergency!	The council does not have the resources to pursue compulsory purchase on a large scale.
Survey	Yes	It is surely not a good use of Council time to insist that private owners fill their properties speedily - they could perfectly well move in a parent or brother and say the property was full. It is surely more sensible to use scarce Council resources to ensure that its own stock of housing is optimally used. How vigorously are tenants who could afford to purchase encouraged to do so?	Comments noted. As long as new dwellings are being occupied by somebody they are not being wasted.
Survey	No	You need to stay out of it. What you are trying to do is discriminatory and unethical.	Comments noted.

Respondent(s)	Yes / No	Comments	Council's response
Survey	No	Let the market determine the right level for house prices and rents and make use of it, instead of trying to distort it. For the price of housing one family in parts of London you could house 5 to 10 (even more) families in other parts of the country. Do that while getting new developments in London to contribute to new housing in cheaper parts of the country.	The council is required by national planning policy to meet its own objectively assessed need for market and affordable housing within its own boundaries. The draft SPD aims to help meet this objective.
Survey	Yes	Punitively high taxes on unoccupied properties (e.g. massively increased council taxes) Taxes/levies on buyers who are not resident in the EU who wish to buy properties in the borough, or simply blocking applications from non-EU prospective buyers (as people who are resident outside the UK will be far less likely to consistently occupy a property in the UK) Blocking or heavily taxing attempts to purchase houses via companies rather than individuals Making it a condition for development that new houses must first be offered for sale to people who can prove they have been resident in the borough/London for a certain period of time (e.g. 3 years +) prior to offering them for sale to those who have not	Comments noted. The council does not have tax raising powers.

Respondent(s)	Yes / No	Comments	Council's response
Survey	Yes	Developers working closer with Local Planning to ensure social housing on-site or provision of funds for council housing/key worker housing in the borough is provided as part of any new residential development.	Comments noted. The council will continue to work to secure the maximum reasonable amount of affordable housing provided in new developments according to its own development plan and national planning policy.
Survey	Yes	Reduced council tax if empty property is let for social housing.	This is not within the council's remit.
Survey	Yes	You could require leases (via section 106) to oblige owners to not leave properties vacant for longer than a certain period otherwise they face forfeiture of the lease. If the property is purchased as a second home then there could be a requirement to be occupied for a set number of months (say three) each year.	The draft SPD proposes using a section 106 agreement to ensure occupancy. The council does not have the power to compel 'forfeiture' of leases, but will pursue a court injunction to make occupiers comply with the legal agreement.
Survey	Yes	At least 50% new supply should be genuine social housing, i.e. council-owned. Property must not be left vacant for more than 6 months - this should be a contractual condition. Land-value tax should be introduced on all new housing supply. This will take central government legislation, of course, but this is something Labour-controlled Islington should be	Comments noted. The council will continue to seek the maximum reasonable amount of affordable housing on each new site. Issues such as land value tax are outside the council's powers.

Respondent(s)	Yes / No	Comments	Council's response
		<p>pressing national Labour to include in General Election Manifesto. Council tax (CT) on empty homes should be 10x standard rate. CT is obscenely regressive, so 10x is not excessive on Islington's bloated property prices.</p>	
Survey	Yes	<p>Require more affordable housing when planning permission is provided. Build more council houses. Fight every large private development tooth and nail to maximise social housing totals and ensure buildings are not a blight to existing residents. Lobby government to place legal curbs on investors buying property for other purposes than immediately providing homes. Use planning rules to make proposed housing abide by best practice rules in terms of space, noise insulation, and public space, providing local amenities and sustainable environmental building methods in order to attract developers of the best kind.</p>	<p>The council will continue to seek the maximum reasonable amount of affordable housing on each new site. The council already requires space and design standards according to its own development plan.</p>
Survey	Yes	<p>A clause could be introduced to allow unoccupied property to housing associations or other social housing groups.</p>	<p>Comments noted. The council cannot re-possess privately owned dwellings and use them for social housing. However the council will be operating its own Lettings</p>

Respondent(s)	Yes / No	Comments	Council's response
			Agency which can help landlords find tenants for empty properties.
Survey	Yes	It is not clear whether under current legislation it would be feasible but a simple step which would significantly simplify locating the owners of the properties would be to require either that all purchases are made in the name of an individual.	Restricting a non-individual (i.e. a company) from purchasing residential property is not within the council's legal powers.
Survey	Yes	Most of the countries from which the bulk of foreign investment in London originates have their own national policy or laws to deal with the issue. While I agree completely that something should be done and will be watching very closely as this develops, I feel it needs to be at a national or legal level or it would simply be challenged if a developers has their application refused due to not signing up to a s106 with this clause in it.	If a developer refuses to sign the section 106 agreement proposed in the draft SPD the council will have grounds to refuse planning permission. The application would then be determined by an independent Planning Inspector appointed by government.
Gerald Eve on behalf of client Berkeley Homes	No	Any methods, "planning" or otherwise, that Islington may seek to employ would, in our opinion be contrary to current planning legislation and guidance and the efficient working of the market and it would ultimately have a detrimental effect upon the viability	Comments noted.

Respondent(s)	Yes / No	Comments	Council's response
		of schemes and the delivery of housing, both private and affordable.	