

# Executive

## Recent developments in housing policy Item no: 5

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**Summary** This paper alerts the Executive to the content and implications of recent discussions with local authorities in Essex on out of London placements; reports on the recent consultation response 'Building a Safer Future: Proposals for reform of the building regulatory system'; and seeks guidance on selecting proposals for improved housing supply to be developed through politically led task and finish groups.

**Recommendations** That the Executive:

- Note the progress of discussions on out of London placements with Essex authorities and anticipate further detail on this work to return for sign off;
- note the recent consultation response to 'Building a Safer Future: Proposals for reform of the building regulatory system';
- consider the 8 specific options for cross sector joint working, agree which proposals should be taken forward, and further agree the process for ensuring that task and finish groups are politically led.

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## Recent developments in housing policy

### Introduction

1. This paper reports on three areas of housing policy where events or decisions with relevance to the Committee have crystallised since the Executive last met in June.
  - A meeting with local authorities in Essex has clarified to the need for significant action on the management of out of London housing placements.
  - The MHCLG consultation: 'Building a Safer Future: Proposals for reform of the building regulatory system' and London Councils' response point to the growing significance of the challenge in building safety standards and the need for further lobbying to influence government policy.
  - Following the decisions on housing cross sector working made at the June Executive, officers consulted with stakeholders amongst housing associations, developers and senior officers from London boroughs. Consequently, options for cross sector collaboration to enhance London's home building capacity are now reported for consideration by members. Guidance is sought from the Executive on which proposals should be included in a politically led task and finish group.

### Out of London Placements

2. Leaders of councils in Essex wrote to all London leaders (and the Mayor) in December 2018 outlining their concerns about the placement of homeless households outside of London by London boroughs. The issues raised included:
  - A lack of housing available for Essex residents due to London placements;
  - an over representation of households placed in Essex that need further help and assistance from the host authority (including social services, school places, advice and support, an inability to sustain employment due to distance);
  - poor information sharing between placing and receiving authorities (both a lack of s208 notices and other information sharing for example with adult and children's services and the police);
  - the fitness of accommodation selected by London authorities where some private housing, including PDR buildings, was considered unsuitable.

The Executive will be aware that concerns over the suitability and scale of out of London placements are a recurring issue in relations between London authorities and nearby communities, especially local authorities in Kent and Essex.

London boroughs have delivered at significant scale within London. None the less demographic and housing market factors do create major pressures on the provision of housing within London's boundaries

- Over 54,000 households are accommodated in temporary accommodation by London boroughs (about 70% of the England total). Between December 2010 and March 2018 this increased by 54%.
- The population of London continues to grow faster than the development of new homes; at around 7000 new arrivals per month
- New duties through the Homelessness Reduction Act have increased the numbers of households in receipt of local authority help (the statistics on this are still being developed).
- Of all the temporary accommodation placements being made by London local authorities, less than 8% are outside London. Of these placements, most are in the Home Counties, with about 29% in Essex – or 2.1% of total placements.
- Recent London Councils analysis of the LHA levels in London show that across different parts of London only between 0 and 15 per cent of private sector rental properties available are within LHA rates. In areas such as Outer South West London, not a single property is affordable for single claimants looking for a room in a shared house.

A meeting was held on 15<sup>th</sup> July to discuss concerns and seek improved solutions. The meeting was chaired by the Chair of London Councils. All party group representation was assured through the attendance Cllr. Jayne McCoy and also Cllr. Ravi Govindia. Councillors representing Essex authorities included Members from Essex County Council, Tendring, Harlow, Basildon and Epping Forest District Councils.

Further issues highlighted during the meeting included:

- A need to refresh the current London Advice Note on out of borough placement in the light of new legislation and changes in practice and scale.

- Numbers of out of London placements have increased (the share of all placements that are out of London placements has also increased from 6-8% in two years).
- A number of placements are also made under s19 and s20 of the Children's Act and the data on these placements (which include NRPF households) is not included in currently collected data.
- In the last few years there have been increases in large scale bulk placements (e.g. 15+ households in one building), often in buildings converted for residential use under permitted development rights, leaving authorities with limited powers to plan for the implications of this on housing in their area.
- Concerns have been reported over whether appropriate notifications are being made under s208.

It was agreed at the meeting that it would be helpful to consider development of a joint protocol on out of London placements. In tandem it was agreed to explore development of a joint lobbying strategy to help central government understand the impact of national policies such as Permitted Development rights.

Following the meeting the Chair of London Councils wrote to all London Leaders reporting the content and outcomes of the meeting and also reiterating the importance of our existing obligations on out of borough, and out of London, placement.

An officer working group has since met to begin work on developing proposals for political consideration by January 2020. In parallel, the Local Government Association is working to produce a national protocol on out of area placements. The joint work with Essex authorities will be taken forward taking account of this national work. It will however be concluded more quickly. It is further intended that London Councils' work with Essex authorities should be broadened to take account of concerns in Kent authorities.

- The Executive is asked to note the progress on out of London placements with Essex authorities and anticipate proposals for further action in the new year

## Fire Safety and Building Regulation Reform

3. During the summer government consulted on its plans for the implementation of the recommendations made in Dame Judith Hackitt's independent review of building regulations and fire safety which issued its final report in May 2018. Legislation will be required and while some reports have suggested that this might be published in the autumn of 2019, there is not yet any confirmation of a timetable.

London Councils' response to "*Building a Safer Future: Proposals for reform of the building regulatory system*" supported the direction of travel proposed in the consultation and argued that reform should go further in some cases. In particular, the scope of buildings covered by the new regulation; the need for an appropriate implementation period recognising the considerable level of change, and the substantial level of new burdens funding that will be required to implement these reforms. Our key messages from our response are:

- **Buildings in Scope** – we welcome the ambition of government in lowering the threshold from the to 18m for multi-occupancy residential buildings. In our view however the threshold should reflect the current capabilities, and recommendation, of the London Fire Brigade, and apply to all residential buildings above 11m (and buildings where vulnerable people sleep, such as hospitals and care homes, irrespective of height).
- **Transition period** – whilst we believe in putting resident safety first in calling for the broadening of the scope of buildings, this will significantly increase the number of buildings in scope. This is simply not deliverable for local authorities without corresponding new burdens funding, and a phased roll-out.
- **Addressing the skills deficit across the sector** –We need stronger action from government and a detailed roadmap on how it will implement a national training programme for professions such as Environmental Health Officers (EHO), and Fire Engineers to address this need.
- **The leaseholder access problem** – gaining access to leaseholder owned properties in multi-occupancy residential buildings is a key concern. Government must urgently bring forward legislation to address this shortcoming.
- **Fire safety inspections** - neither the Housing Health and Safety Rating System (HHSRS) inspection for individual dwelling, or the Fire Safety

Order (FSO) for common areas is well designed to deal with systemic whole building fire safety issues. We are therefore calling for a new piece of legislation, one framework, to deal with fire safety matters holistically.

- **Approved inspectors** – Dame Judith stated that the competitive nature of regulation with approved inspectors competing against local authority building control has led to a “race to the bottom” in regulation and recommended that approved inspectors should no longer be allowed to carry out building control for high-risk buildings. The consultation seems to avoid this question completely. The consultation response called for affirmative action on this and adherence to the Hackitt recommendation.
- **AFSS (sprinklers)** – London Councils supports the installation of sprinklers in new builds that fall within scope. The consultation response also called on government to provide central funding for the retrofit of AFSS as part of a proportionate risk-based programme of fire safety management in existing buildings.
- **Resources** – London local authorities are only too aware of the financial implications of fire safety issues stemming from the systemic failings in fire safety and building regulation that have come to light since the Grenfell fire tragedy. Croydon alone has spent an additional £10m retrofitting sprinklers in 26 of its tallest blocks. Any new duties imposed upon council landlords must be fully funded by government.

It is also worth noting that government has separately asked councils to undertake a considerable data collection exercise into the composition of cladding on all residential buildings over 18m in height. The new burdens assessment on this is awaited, but already there are concerns it is unlikely to cover the significant costs incurred.

- The Executive is asked to note the recent consultation response.

### **Cross Sector Collaboration to Enhance Borough Housing Delivery**

4. The London Councils Housing Conference in March 2019 brought together representatives from local authorities, Housing Associations and private sector developers to discuss ways of increasing housing delivery that meet the needs of London’s differing communities in each London borough.

Discussions with members of the Executive in May and at the Executive Committee meeting on 18<sup>th</sup> June reflected on the potential for some form of cross sector joint working to develop new tools and capabilities that would support London boroughs to better meet the demand for housing supply in their areas. To this end the Executive called for a set of options for improved local housing delivery, that could be fully developed through a politically led task and finish group to be prepared for consideration at the September meeting.

The Executive emphasised the importance of ensuring that the value of cross sector collaboration was maximised by maintaining a narrow focus on specific goals. To this end it was agreed that any proposals should:

- Focus on borough level delivery and not be dependent on programmes, or other support from regional or national level.
- Collaboration and sharing of the skills, expertise or support of partners in housing associations and private developer sectors should genuinely add value to the quality of any proposals that are fully worked up through task and finish groups.

During the summer officers consulted with stakeholders amongst housing associations, developers and senior officers from London boroughs. Options have been considered, including those reported to the June Executive that might meet the criteria above and so support boroughs to enhance local housing delivery. As a result the following options for further development are now suggested for consideration:

- a) Co-designing a protocol for community engagement on major developments
- b) Co-designing a common approach to engagement on major developments
  - As previously promised in *Pledges to Londoners*
- c) Co-designing an approach to small site development and encouraging small builders to enter the market
- d) Improving the apprenticeship offer across the building industry
  - This would include consideration of cross borough funding
  - Links to schools could be included in the assessment
- e) Mapping the skills available across all London, with special emphasis on senior level skills, from all industry sectors
  - This would involve an assessment of the skill development offers available in London



- There would be an assessment of the gap between need and provision
  - It could involve creating a library of best practise in cross-sector collaboration to share skills.
- f) Develop proposals for more effective and earlier access to capital funding for the infrastructure requirements of housing development
- This could include reforms to the current Housing Infrastructure Fund (HIF) regime
- g) Developing joint proposals for greater access to public sector land
- This would include issues such as “best consideration” requirements on public bodies and the negative impact of “bidding up” land prices on housing delivery.
- h) Exploring the potential for increased local authority financial flexibility to enhance building capacity

As discussed at the Executive in June, all of these proposals can be developed without creating any obligation on any individual borough. They would instead provide tools that boroughs can choose to adopt in order to enhance their individual capacity.

Guidance is sought from the Executive on which, if any, of these options should be taken forward to be worked up by a task and finish group.

It is envisaged that the main task and finish group would be chaired by the Portfolio Holder for Housing and Planning and that this group would also have the Party Group Portfolio Leads as members.

Depending on how many themes are taken forward, it may be helpful to have a series of expert sub-groups reporting into the task and finish group. These sub-groups could also have Member representation if that were considered valuable. The Executive is asked to agree this general approach to the construction of the task and finish groups.

5. Overall the Executive Committee is asked to consider the 8 specific options for cross sector joint working, agree which proposals should be taken forward, and further agree the process for ensuring that task and finish groups are politically led.

**Financial Implications for London Councils**

There are no immediate financial implications for London Councils and the scope of the proposition evidenced is on the basis that it will be contained within existing budgeting provisions.

**Legal Implications for London Councils**

None

**Equalities Implications for London Councils**

None