

Leaders' Committee

Pledges to Londoners - Update on Housing and Planning

Item no: 7

Report by: Eloise Shepherd **Job title:** Strategic Lead: Housing and Planning
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Contact Officer: Eloise Shepherd
Telephone: 020 7934 9813 **Email:** Eloise.Shepherd@londoncouncils.gov.uk

Summary: This paper provides an update on the Housing and Planning pledges agreed by Leaders' Committee as part of its wider Pledges to Londoners.

Recommendations: Leaders' Committee is asked to note and comment on this report.

Pledges to Londoners – Update on Housing and Planning

Introduction

1. As part of the Pledges to Londoners, London boroughs have committed to work together to address the housing crisis and deliver collaborative solutions on homelessness to improve outcomes for residents across London.
2. The Pledges previously adopted by Leaders within this policy area were as follows:
 - Seek new powers to further raise our delivery potential and so better meet the needs of London's population through developing an agreement with government on extending the powers and financial flexibilities of London boroughs.
 - Create a suite of shared home building services that can be used by all London boroughs. This will include for example:
 - o Expanding the London boroughs' collaborative precision manufacturing company PLACE to deliver homes across the capital by 2022.
 - o Co-designing with the building industry a standard platform for planning major developments.
 - o Ensuring that construction apprentices funded through section 106 deals have access to work and training across all London boroughs.
 - Agreeing a common standard across all boroughs to ensure safety and decency for all homes; especially taking action on rogue landlords.
 - o We will lobby government to provide new powers so that the financial burden of enforcing standards is paid by rogue landlords themselves and that landlord licensing decisions can be enforced at the borough level.
 - o Engage with government to ensure a full response to the Hackitt Review that delivers clear guidance, enforces swift remediation of buildings of all tenures with dangerous cladding and other fire safety issues; and is effectively funded.
 - Supporting each other to reduce homelessness through collaboration across London including:

- o Committing to use the boroughs' joint company Capital Letters as a procurement vehicle for temporary accommodation.
 - o Providing a homelessness prevention service in every London borough based on boroughs sharing their best in class services and gaining adequate funding from central government.
 - o Developing a borough led pan-London strategy to end rough sleeping.
 - o Engage government to create more effective and fully funded solutions for homelessness and temporary accommodation in London.
3. The delivery of these pledges is being overseen by Cllr Darren Rodwell as the Executive Member for Housing and Planning. They reflect shared pan-London priorities for Leaders over the next three years, but the list does not reflect the entirety of London Councils' work on housing.

Progress Update

- *Seek new powers to further raise our delivery potential and so better meet the needs of London's population through developing an agreement with government on extending the powers and financial flexibilities of London boroughs.*

Through much of the previous year, there was limited opportunity to influence government due to changes in ministerial positions, alternative national priorities and the election process. Despite these limitations, the Lead member and the Conservative Lead at the time did meet with the former Housing Minister to begin a constructive dialogue which was truncated by a ministerial reshuffle. Following this engagement, London Councils held a well attended conference in March 2019 bringing together the private, council and housing association sectors to agree points for lobbying together. Since the conference, the London Councils Executive agreed to proceed with cross sector task and finish groups drawn from attendees on housing finance and social infrastructure. The resulting reports are currently being finalised following autumn meetings.

Since the General Election in December, there has also been extensive engagement with senior civil servants, which is leading to work to identify ways of smoothing and removing other barriers to delivering the homes that London needs. We also made a strong case in the consultation on the retention of Right to Buy receipts, a key flexibility for boroughs, and are awaiting the formal government response.

- *Create a suite of shared home building services that can be used by all London boroughs. This will include for example:*

- o Expanding the London boroughs' collaborative precision manufacturing company PLACE to deliver homes across the capital by 2022.*

PLACE (the Pan-London Accommodation Collaborative Enterprise) is the first jointly owned company delivering housing on behalf of London authorities. It delivers modular units (which meet all appropriate space standards, and other standards) for use as temporary accommodation on meanwhile sites. The idea is to maximise the additionality from the unused land, reduce disruption for residents who may otherwise be placed out of area, and reduce council costs for temporary accommodation. Four boroughs are currently members of the company and pursuing specific sites, the first of which is currently progressing through planning. Sixteen boroughs sat on the development working group. The project is in receipt of £11m of GLA funding via the Innovation fund, which will deliver 200 homes, with potential for 100 additional grant funded homes if the sites are available prior to 2022. It is anticipated that the prototype unit will be on site for other boroughs to view this Spring. If successful, the model has considerable scalability.

- o Co-designing with the building industry a standard platform for planning major developments.*

As part of the conference we discussed key areas of agreement across London (which of course has an extremely diverse housing market, and requires different things from different developers on many issues). One of the areas it was felt could benefit from input and ultimately a write up of best practice is in community engagement. Initial discussions are now taking place with boroughs.

- o Ensuring that construction apprentices funded through section 106 deals have access to work and training across all London boroughs.*

Cllr Peter John chaired a sub-group of the Homes for Londoners board that looked into this issue, and we continue to support the GLA in their delivery of an improved model.

- *Agreeing a common standard across all boroughs to ensure safety and decency for all homes; especially taking action on rogue landlords.*

o We will lobby government to provide new powers so that the financial burden of enforcing standards is paid by rogue landlords themselves and that landlord licensing decisions can be enforced at the borough level.

The Lead Member, Cllr Rodwell has written to ministers on this matter, and we have worked with the GLA run Private Sector Partnership, the Housing Directors Network and others to consider and trial different ways of improving standards.

Where councils themselves use the Private Rented Sector, we are working with Housing Directors and the West London Alliance to implement a cross London inspection standard for B&B and studio accommodation in use as Temporary Accommodation using an IT platform and a centralised team of EHOs. At this point, 28 boroughs are signed up to the system which seeks to drive up standards. We have successfully applied for £160k from MHCLG for the system set up, and £50k from the GLA.

o Engage with government to ensure a full response to the Hackitt Review that delivers clear guidance, enforces swift remediation of buildings of all tenures with dangerous cladding and other fire safety issues; and is effectively funded.

We have had extensive engagement with MHCLG, the LGA and the National Fire Chiefs Council since the pledges were released. In particular, in preparation for the suite of legislation announced in the Queen's Speech (the Building Safety Programme and the Fire Safety Bill). We were heartened by the Secretary of State's recent announcement of a consultation on extending the ban on combustible materials on facades down from 18m to 11m, which has been a London Councils lobbying position. However, while strong measures and regulation are needed, they must come with appropriate funding. We are also working with MHCLG on the External Wall System identification work, pushing for a risk-based approach to cladding, provision of additional resource for the work and other support for boroughs.

We continue to support the Housing Directors in their Fire Safety Sub-Group which provides a forum for discussion, best practice sharing and informal forum for discussions with MHCLG, LFB and also housing associations.

• *Supporting each other to reduce homelessness through collaboration across London including:*

o Committing to use the boroughs' joint company Capital Letters as a procurement vehicle for temporary accommodation.

Capital Letters is a limited company jointly owned by 13 of London's boroughs. It is supported by £38m from MHCLG with the aim to provide savings and improved service in the procurement of temporary accommodation. The company started to procure accommodation in late summer, and is currently in discussion with a number of boroughs about the potential to join for the start of the next financial year. When the company had been in operation for a year, a full report will be brought to Leaders as previously advised.

o Providing a homelessness prevention service in every London borough based on boroughs sharing their best in class services and gaining adequate funding from central government.

We continue to support a variety of peer networks among housing and homelessness services enabling best practice to be shared. For the point on funding, please see the final pledge.

o Developing a borough led pan-London strategy to end rough sleeping.

Rough sleeping in London continues to increase despite national reductions. We are working with boroughs to foreground some of the excellent practice already going on in London and making the case for the government investment in London to be longer term and more strategic, as at the moment the numerous grant streams and funding rounds lead to disruption, inability for long term planning and losing staff to permanent contracts elsewhere.

o Engage government to create more effective and fully funded solutions for homelessness and temporary accommodation in London.

The report into homelessness costs commissioned from LSE found clear evidence of the large overspend by London boroughs in the increasing cost of statutory homelessness. The report can be found here: <https://www.londoncouncils.gov.uk/our-key-themes/housing-and-planning/homelessness/cost-homelessness-services-london>

The report shows that the capital's local authorities spent over £919 million on homelessness services in 2017/18. £201 million of this expenditure was not covered by central government grants or councils' housing income (such as rental payments), meaning boroughs resorted to covering the costs from their general funds (which could be used for other council services). This report was delivered in time to input into the government's consultation into the Homelessness Reduction Act, and strengthened the

case for additional funding. In January 2020 the government announced an increase in funding available for homelessness via the newly created Homelessness Reduction Grant, just under £27m of which will go to London. We will continue to push for funding, for longer term settlements on homelessness, but the additional funds do demonstrate the impact of the report and our other lobbying, and a synergy of purpose to address homelessness at all levels in government.

Next Steps

4. London Councils officers and Executive members will continue to work on supporting the implementation of the pledges as outlined in this report and will keep Leaders updated on a regular basis.

Recommendations: Leaders' Committee is asked to note and comment on this report

Financial implications for London Councils

None

Legal implications for London Councils

None

Equalities implications for London Councils

None