

14 May 2019

## **Housing Update Paper May 2019**

### **Purpose of report**

For information.

### **Summary**

An update of the housing policy work that has recently been carried for the Environment, Economy, Housing & Transport Board.

### **Recommendation**

That members note the contents of the report.

### **Action**

Officers to take forward any member comments for future policy work.

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### **Planning**

1. Planning fees – we have undertaken a joint LGA/MHCLG survey with local authorities on the impact of the planning fee increase and resourcing issues more generally. The results are currently being analysed and it is anticipated that this will generate a robust evidence base to support our ask for properly resourced planning departments.
2. Permitted development rights (PDR) – The government has confirmed that it will be undertaking a [review](#) of permitted development rights for conversion of buildings to residential use in respect of the quality standard of homes delivered. We will be working with civil servants to influence the terms of reference for the review. Following LGA lobbying the government has now also brought forward regulations to remove the permitted development right and associated advertising deemed consent in respect of new telephone kiosks.
3. Letwin review of build out rates – The government has provided an [update](#) following the publication of the Letwin review, confirming that it will shortly publish additional planning guidance on housing diversification and will explore the case for further reform of the land value capture system. We will continue to engage with MHCLG to continue to make the case for councils to have stronger levers to enable housing diversification and to capture a greater proportion of the uplift in land value created from the granting of planning permission.
4. Accelerated planning green paper – the government has confirmed it will publish a green paper later this year to discuss how greater capacity and capability, performance management and procedural improvements can accelerate the end-to-end planning process. We will be seeking to influence the proposals in the green paper.
5. Housing, Planning and Infrastructure Conference - The LGA's Annual Housing, Planning and Infrastructure Conference took place on 13 March 2019 starting with a keynote address from Kit Malthouse MP, Minister for Housing. The winners of the Future Place programme were also announced at the event. Future Place is a joint programme from the LGA, RTPI, CIH, RIBA and now Homes England to unlock local potential for place-shaping.

### **Social housing**

6. Housing Revenue Account cap – The results of the LGA survey of stock-owning councils have been published. Headlines were featured in a [press release](#), including a headline figure that 94% of respondents will use the new powers to accelerate or increase their building programmes.
7. Analysis of public savings from investment in social rent - Research for the LGA into the savings to the public purse if 100,000 government-funded social rent homes had been built a year over the past two decades. A [press release](#) highlighted the savings that

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would have been made on housing benefits and by tenants who would have had more disposable income

8. Regulation of social rents – MHCLG has confirmed a change to rent regulation. Councils with housing stock will have their rents regulated by the Social Housing Regulator. The LGA argued against this change as contradictory to the principles of self-financing, but will be working with the Regulator and councils to understand the implication of the change and any new burdens arising. The Regulator will consult on the new rent standard for local authorities. This is expected soon after the local elections.
9. Right to Buy (RtB) reform – We are still awaiting the Government’s response to the RtB consultation which closed last year. The consultation proposed a number of helpful reforms which the LGA have been advocating for some time, for instance for councils to be able to recycle greater proportions of RtB receipts into replacements, and to have more time to build replacements. While we’re hopeful some of these proposals will be taken forward the LGA expressed a concern that they did not go far enough and has continued to make the case for 100% receipt retention and ability for councils to set discounts locally.
10. Social Housing Green Paper – The Government has not set a date for when it expects to publish its response to the submissions to its proposals, which include recommendations for reforming the regulatory and performance framework, tenant engagement and other issues. The LGA has published a [project](#) with the Tenant Participation and Advisory Service looking at good practice in enabling and empowering tenants through engagement. Work has started on new measurements of consumer standards in social housing, driven by social landlord bodies. A draft set of indicators has been tested with tenants and landlords and discussions will now be opened up to include MHCLG officials. The LGA is represented on the group steering this piece of work.
11. Joint work with the National Housing Federation – Following a meeting between the LGA Chairman and Chief Executive with the National Housing Federation (NHF) the LGA is working with the NHF to develop and share good practice in partnership working between councils and housing associations. A roundtable discussion will take place on 12 July.

## **Homes England**

12. Homes England local government capacity work – We continue to work with HE which is looking into how it might support councils to build their capacity to enable the delivery of new housing, for instance the LGA attended a roundtable hosted by HE and the Deputy Chief Executive attended the EEHT Board. The LGA are working with them to ensure the development of an offer that adds most value to local authorities.

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13. Home England engagement – The LGA has been approached by a number of councils expressing concern with the processes for awarding funding to projects, and will open discussions with Home England on these issues.

#### **Private Rented Sector**

14. Private rented sector improvement project - A research project with councils will begin shortly to investigate good practice approaches to improving the quality of private rented housing, and how councils can secure sustainable sources of funding.
15. Ending of Section 21 - Government has announced a [consultation on proposals to reform eviction powers](#) to increase the security of tenants and end section 21 “no fault” evictions. The LGA’s response noted that around a third of all families that councils accepted as homeless last year were made homeless by the ending of an assured shorthold tenancy.

#### **Homelessness**

16. Homelessness Reduction Act - The LGA has been working with MHCLG and councils to ensure that councils’ concerns around the implementation of the Act are reflected in its review, in particular the concerns that councils have not been sufficiently funded to deliver the new duties. As part of this, we have undertaken a [survey](#) of councils on their experiences of the Act, the results of which have now been published on our website. We also continue to work with Government to influence their review of the Act: Cllr Adele Morrison gave evidence at a one-off parliamentary session in April, and the LGA will join the Government’s HRA working group, which will provide oversight of the delivery of the review.
17. Homelessness prevention project – Following the completion of scoping discussions with colleagues in the voluntary sector, academia and councils, we have successfully commissioned researchers at Heriot-Watt University’s I-SPHERE to undertake elements of our research into how central government can help councils to prevent homelessness. An initial workshop with our Homelessness Officers Policy Network took place on 27 March, and has produced indicative findings which will feed directly into the project and help with our ongoing lobbying work. We have also joined with LGA colleagues to commission a cross-policy analysis of the fragmentation in central government funding, with results due in July.
18. Local Housing Allowance work – Working with the LGA Resource Board, we have been working with colleagues in the voluntary sector, private landlord sector and in London Councils to call for a review of LHA rates in the lead up to the Spending Review. Since this work commenced, we have met the Secretary of State for Work and Pensions to collectively discuss our concerns, as well as various officials from the DWP and Treasury, and have planned a detailed campaign for the coming months.
19. Local homelessness strategies - The Government’s Rough Sleeping Strategy included a commitment to ensure that councils update their local homelessness and rough sleeping strategies, and publish annual action plans for their implementation. Following on from this, we commissioned best practice guidance for local housing authorities on creating a

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local homelessness strategy. This report, which also contains recommendations for central Government on which changes to monitoring and legislation would best support councils to implement this new requirement, will be published in June 2019.

20. Tackling homelessness together – The Government is consulting on “structures that support partnership working and accountabilities in homelessness”. The consultation seeks to introduce a new duty on councils to form local homelessness reduction boards, which would be responsible for bringing together a coalition of relevant public bodies to deliver reductions in homelessness. The LGA will be responding to this consultation, which closes on 17 May.
21. Out of area placements – The LGA has completed an investigation into the circumstances of out of area placements and the growing tension regarding the role of councils in the movement of a household from one council area to another. The LGA is currently commission a supplier to bring together a working group to develop an approach whereby it can add value in ensuring positive working between councils regarding this matter in a way that best supports families and services.

### **Building safety**

22. Hackitt Review – As part of the Joint Regulators Group, the LGA has been working with MHCLG, the Health and Safety Executive, Local Authority Building Control, and the National Fire Chiefs council to design and trial elements of the new regulatory framework for building safety. We have been particularly focused on new roles for building owners, and on the shape of the new regulatory body, the Joint Competent Authority. This work will enable MHCLG to consult on more detailed proposals in the Spring – likely June – ahead of bringing forward new legislation in late 2019.
23. Remediation work – We have made further appointments to the Joint Inspection Team, the MHCLG-funded multi-disciplinary taskforce which will support councils to enforce the removal of ACM cladding, although progress has been stalled by issues with securing professional indemnity. We have also been working closely with the Ministry, the National Housing Federation, councils, and the fire doors industry, to shape the remediation plan for fire doors. This process has been slow and subject to several serious issues from the point of view of councils and the LGA, which were detailed in a March letter from our Chairman to the Secretary of State.

### **Housing Improvement**

24. Housing Adviser Programme update - The LGA Housing Adviser Programme is a direct response to the challenge of the Housing crisis and the need to build new homes and increase housing supply. In 2018/19, the LGA received over 120 bids for independent advice & expert support from Councils who are striving to deliver homes, reduce homelessness or generate savings or revenues in 2018/19. We have directly funded over 45 bids, directly supporting over 60 Councils meet their local Housing need, through

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a mix of direct Grant funding and LGA procured expertise. The projects are diverse and wide ranging; covering our key themes of Homelessness, Housing Supply, Overall Housing Strategy and Planning. Projects are near completion. We will shortly publish comprehensive case studies and best practice / learning from May / June onwards. Learning events will be scheduled for the Summer to share this learning with sector colleagues.

25. HRA cap grant offer - Following the removal of the Housing Revenue Account (HRA), the LGA launched a Building Council Homes Programme to provide some immediate support to those ambitious Councils who want to immediately access skills to increase the delivery of homes via their HRA. The Programme received applications from 48 Councils. The LGA has issued grants to support 16 projects up to the value of £50,000. Projects supported will help build capacity and cover a wide range of activity : examples include , master planning and help with analysis and understanding of development potential; innovation in the delivery of new homes; exploration of partnerships, access to particular professional skills to deliver new homes, and the consideration of wider public service gains through delivering new homes.
26. Housing Business Ready Springboard programme – The LGA has now concluded its joint programme with the Housing Finance Institute and Cheyne Capital to support 16 councils through an intensive masterclass programme supporting councils to explore and develop their potential to enable housing delivery. The programme has held three events, and councils gave their final presentations to an expert housing panel. There will be a final fringe event at the LGA annual conference.
27. Understanding local housing markets – We are working with leading housing analysts to develop advice and guidance for councils wanting to use data in ways to best inform their decisions for intervening in the local housing market. The output will include advice to councils on different data sets, including what can and can't be inferred from them, options for matching data or using other techniques to gain more understanding, and where there might be particular gaps. It will also generate a tool that generates for individual councils a report summarising what the latest data reveals at a local authority level, and a more specific look at what data can reveal below local authority level.