

Housing, Planning and Homelessness Update

Purpose

For discussion and direction.

Summary

This report summarises recent and forthcoming housing, planning and homelessness activity and seeks Board direction on priority issues moving forward. An Executive Summary of the Housing Commission Final Report can be found at **Appendix A**.

Recommendation

That Members consider the report and provide comment and steer on paragraphs 4, 8, and 11.

Action

Officers to take action as directed.

Contact officer: Nick Porter
Position: Senior Adviser
Phone no: 0207 664 3113
Email: nick.porter@local.gov.uk

Housing, Planning and Homelessness Update

Background

1. Housing is a priority for the Government and local government. The Local Government Association (LGA) has sought to influence housing policy and practice in a number of ways. This paper summarises some of the continuing activity and seeks the Board's steer on the future direction of LGA work, including:
 - 1.1. Housing White Paper and Autumn Statement
 - 1.2. Housing and Planning Act implementation
 - 1.3. Homelessness Reduction Bill progress and implementation

Housing White Paper and Autumn Statement

2. The Government will publish its Autumn Statement on 23 November and we anticipate that a Housing White Paper will be published shortly afterwards.
3. The LGA has taken forward ideas introduced by the LGA Housing Commission's preliminary findings¹ and Autumn Statement submission² with the Government, councils and partners. The report and subsequent work has been well received by partners and the Government, and some of the LGA's asks may be reflected in forthcoming announcements.
4. The Board's comments and steer are sought on:
 - 4.1. A summary of draft recommendations of the final Housing Commission, and the aim to publish the report in advance of Housing White Paper. The full draft report will be sent for comments and clearance following the Board meeting. The Executive Summary is set out in **Appendix A**.
 - 4.2. Supporting sector led improvement in housing - working with LGA Improvement, Local Partnerships and other partners - to help support councils to share learning and experiences in delivering housing growth in their areas.
 - 4.3. The priority areas around which the LGA can develop a proactive policy case for change, taking into account the Housing White Paper. Following discussions with the sector through the Housing Commission, it is proposed that the LGA focus lobbying efforts on:
 - 4.3.1. Housing Revenue Account freedoms and flexibilities to build more homes.
 - 4.3.2. Support for councils to explore and scale up new routes for investing in directly building new homes.
 - 4.3.3. Tools for councils to incentivise developers to build out sites more quickly.

¹ [Building our homes, communities and future: preliminary findings of the housing commission](#), LGA, 2016

² [Growth and opportunities for all: local solutions to national challenges](#), LGA, 2016

- 4.3.4. Additional powers to speed up land assembly and to engage other public agencies on land disposal.
- 4.3.5. Resourcing of planning departments, including allowing councils to set planning fees locally to cover costs.
- 4.3.6. Establishing a stable national policy environment for locally led planning services.
- 4.3.7. Funding infrastructure to deliver housing growth, for instance through devolution, capturing uplift in land values, review of Community Infrastructure Levy.
- 4.3.8. Establishing a clear, robust and transparent viability procedure to ensure the delivery of a mix of affordable housing needed in areas.
- 4.3.9. Powers to establish and run Development Corporations to increase housing growth through garden villages and towns where meeting local need.
- 4.3.10. Sustainable funding model that enables councils and housing associations to increase in the supply of specialised housing.

Housing and Planning Act implementation

5. The Government has been working on regulations that will set out the details to deliver elements of the Housing and Planning Act, this includes separate sets of regulations on:
 - 5.1. The forced sale of higher value council homes to fund the extension of the Right to Buy.
 - 5.2. The mandatory rents for high income social tenants, and; starter homes.
6. It is unclear when the Government will publish regulations or other further details, though the Housing White Paper and Autumn Statement offer opportunities to do so. We understand new Ministers have taken the opportunity to look again at the policies in light of their emphasis on increasing housing supply across all tenures.
7. There are a number of risks to councils and their communities associated with these policies. The LGA has continued to engage with the Government to take forward the sector's position, and is a member of the technical working groups alongside some councils. The LGA's position has been that:
 - 7.1. Forced sale of higher value council homes³, is made voluntary and that councils retain 100 per cent of sales and, if this is not achieved, has minimal financial impact on council Housing Revenue Accounts, and protects the supply of social housing in order to fulfil their wider housing and homelessness duties

³ [Implementation of forced sale of council homes briefing](#), LGA, 2016

- 7.2. Mandatory rents for high income social tenants⁴, is made voluntary as it will be the case for housing associations and, if this is not achieved, that implementation is delayed by at least a year to allow for effective implementation, and that all administrative costs are fully reimbursed
- 7.3. Starter homes⁵, offers councils maximum flexibility to determine the mix of affordable housing products negotiated in section 106 agreements, and seeking flexibility on the definition to include other low cost home ownership products like rent to buy.
8. The Board's comments and steer are sought on LGA activity once regulations are published, it is proposed that the LGA:
 - 8.1. Continue to privately engage Ministers and officials as they consider how policies will be implemented.
 - 8.2. Undertake rapid analysis of the implications of regulations on councils and their wider housing and homelessness duties once regulations are published.
 - 8.3. Work with Parliamentarians and the Government in seeking to influence the impact of regulations on councils and their wider housing and homelessness duties.

Homelessness Reduction Bill

9. The Homelessness Reduction Bill is a Private Members Bill that is likely to become law in some form as it has cross-party support including from the Government.
10. The Bill proposes extending the duties on councils with the aim of preventing homelessness⁶. Measures include extending the period during which a council should treat someone as threatened as homeless, a new duty to prevent homeless for all eligible applicants threatened and to relieve for all eligible homeless applicants.
11. The Board's comments and steer is sought on the LGA's activity as the Bill progresses. It is proposed the LGA:
 - 11.1. Make the wider case for reforms that increase the supply of suitable housing and the incomes of households in order to deliver the collective ambition to prevent homelessness.
 - 11.2. Seek to ensure that councils are fully funded to deliver the additional responsibilities the Bill will create if it becomes law, and that funding responds to changes in demand over time.
 - 11.3. Influence the development of the Bill as it progresses to ensure that the legislation does not have unintended consequences for councils focus on prevention or the financial sustainability of services.

⁴ [Implementation of mandatory rents for high income social tenants](#), LGA, 2016

⁵ [LGA response to technical consultation on starter homes](#), LGA, 2016

⁶ [Homeless Reduction Bill Second Reading Briefing](#), LGA, 2016

- 11.4. Work with LGA improvement colleagues, the Government and partners to support councils to develop and exchange good practice in order to meet duties and respond to future homelessness demand.

Next Steps

12. Next steps are set in the sections above.