

Local Authority Housing Supply, Review 2014

Introduction from the Reviewers

On 30 January 2014 the Secretary of State for the Department of Communities and Local Government and the Chief Secretary to the Treasury asked us to conduct an independent review into Local Authority Housing Supply (LAHR14). The formal terms of reference and formal limitations for the Review can be found at <https://www.gov.uk/government/policy-advisory-groups/review-of-local-authorities-role-in-housing-supply>.

Our Review is expected to report in December 2014.

Since our appointment we have been putting together a timetable and plan for the collection of evidence and setting out our approach to the Review. The initial work explores four themes.

Themes

1. Delivery of new housebuilding and new housing partnerships

Examples may include housing partnerships which have been led by local authorities, where local authorities have contributed land or money, or where local authorities have encouraged and enabled housebuilding and new housing partnerships to happen by facilitating and introducing parties and helping with planning and other advice.

2. New ways of financing housing

Examples may include investment or guarantees given by local authorities, for building homes, or to underpin the sale of homes into the market. Local authorities may have worked with others, such as a housing associations or building society, to underpin financial support or land, or undertaking/ funding remediation work. Support for the creation of a new social enterprises or community housing groups or local housing associations. Setting up meetings or roadshows with potential investors and finance advisors or funding research work on new ways of financing housing.

3. Accessing information and assets

Examples may include land strategy documents prepared by local authorities to identify and move forward stalled sites, practical assistance by local authorities in facilitating conversations between land owners and potential developers and others, support for community building projects or community land trusts, setting up registers/ waiting lists of people interested in becoming homeowners, supporting self-build, shared ownership and other stepped ownership information services, such as websites. How easy is it to search and find land for development? How are assets reviewed and valued? Are there good examples of asset management and efficiencies, such as shared services agreements?

4. Exercise of new freedoms and flexibilities

Examples may include use of the New Homes Bonus, releasing HRA or other land for development, direct development or the setting up of development companies, borrowing to build new housing or fund improvements to homes, investing alongside partners in joint ventures. It will be rare for a local authority to 'go it alone'. Successful housing delivery requires a broad spread of skills and experiences. We are interested in different approaches to selecting and monitoring those partnerships, through panel arrangements, direct contractual procurement, responding to market led initiatives and establishment of in-house teams.

Timetable and Structure for LAHR14

The LAHR14 is expected to form three parts as follows:

1. Call for Evidence March 2014 to May 2014

Launch of the Call for Evidence which is to include:

- a set of formal questions
- workshops and roundtables with industry groups and local authorities
- inviting contributions through published papers of policy and other ideas relevant to the Review.

2. Assessment of information and interim report June 2014 to September 2014

Assessment of evidence, development of initial conclusions and publication of interim report. Further specific evidential analysis on specific themes or topics, 'dragon's den' style days to explore best examples of housing delivery and innovation.

3. Preparation and publication of final report September 2014 to December 2014

Preparing final report, testing final recommendations and confirming evidential and data assumptions. Publication of LAHR14 Report.

Who will be helping us with the Review and how is it funded/ supported?

Remuneration: As chairs of the LAHR14 we are not paid, other than for expenses incurred in carrying out our role.

Secretariat: We work with a small secretariat from DCLG to support the work of LAHR14 and also work with their Treasury counterparts. Our email for the Review is Lahousingreview@communities.gsi.gov.uk.

Expert Advisors: To assist us in assessing the information, evidence and recommendations, we will be asking individual experts and specialists to work with us from time to time. These expert advisors will reflect a range of industry and local authority specialisms relevant to the Review and their contribution will be acknowledged in our final Report.

Assisting Organisations: To assist us in collecting the widest and most relevant evidence during our Review, we will be inviting membership and professional organisations to work with us and arrange roundtables and workshops. These will reflect a range of perspectives relevant to LAHR14, from local authorities, tenants and specialised housing & care organisations through to mortgage providers. The contributions of these assisting organisations will be acknowledged in our final Report.

Specialist Market Segments: We have identified three specialist areas during the Review involving practical market experiences: (i) asset management and services; (ii) innovation and financing; and (iii) development, including self-build and different construction methods. We will invite formal evidence to be submitted in relation to these segmental sessions. Where there is commercially sensitive information about new markets or new methods of working in the market, this will be respected. It is important to the relevance of our Review that we are able to communicate with cutting edge market participants and understand the direction in which the markets are currently developing while respecting commercial confidentiality.

A record will be kept of all organisations and individuals providing evidence to the Review.

Information and Updates

Information about LAHR14 can be found on <https://www.gov.uk/government/policy-advisory-groups/review-of-local-authorities-role-in-housing-supply>

Updates and information are flagged through #LAHR14 on twitter.

Expectations

We have three hopes for our Review:

- (i) to highlight practical examples and best practice which can make an immediate difference to housing supply;
- (ii) to contribute to the understanding of local authority and industry opportunities and challenges in the areas which are set out in our terms of reference; and
- (iii) to produce recommendations which government can start on straight away and those which could inform longer term policy.

Our formal call for evidence will come out in the next couple of weeks. We hope that as many people as possible who are interested in the aims of our Review will engage with us and submit evidence, ideas and experience.