

# Local authority provision of housing

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## Overview of research

- Context
- Motivations
- Methods
- Funding
- Issues
- Relationship with planning
- Research method
- Outputs

## Context

- 2011 Localism Act s1-7 gives powers for local authority
  - companies, banks etc through the general fund
  - Where housing provided through GF, not subject to RTB
  - Also can offer social rents using s2 of 2000 Local Government Act as long as not sole purpose of the company
- 50% local authority leaders are committed to having a housing company
- 125+ local authorities have started housing companies
- Over 180 local authorities are active in over 27 different types of housing provision
- Housing white paper included local authorities as providers

## Motivations (from scoping so far)

- Design
- Housing numbers
- Unimplemented consents
- Homelessness
- Special needs
- Income
- Place changing
- Small sites
- Abandoned/vacant sites
- Abandoned vehicles/fly tipping
- Demographic change
- Support SMEs
- lack of providers
- Regeneration
- Second homes

## Methods (from scoping so far)

- HRA
- ALMO
- LA company (multiple forms)
- Partnership
- SPD
- CPO
- Office to residential
- Open market purchase
- Land bank
- RTB buyback
- Estate renewal/hidden homes
- Estate agency

## Funding (from scoping so far)

- PWLB
- Own funds
- Borrowing from other local authorities
- bonds
- EIB
- Commercial borrowing
- HRA
- RTB
- S106/CIL
- HCA
- LEP/Growth Fund/City Deals
- Hedge fund
- Land
- Own bank

## Perceived issues (from scoping so far)

- Local authorities can only use HRA land for housing
- GF can only be used to build up to 50 dwellings
- Housing companies difficult to set up
- No market for more housing
- No homelessness problems
- Can't offer social rent under GF
- Can't offer secure tenancies
- Planners can't recharge to housing company
- Local authorities should not build for sale as unethical

## Where no issues perceived (from scoping so far)

- Obtaining planning consents for local authority development
- Professional skills – buy in



## Planning issues?

- Does knowledge of local housing market gained through a local authority owned housing company influence views of inspectors at appeals and examinations?
- How can housing companies support costs of planning staff?

## Research method

- **Scoping** round tables (6) and (4) at next stage
- **Literature** review
- Some **industry** round tables
- **Stakeholder group** – RICS, RIBA, CIPFA, Lyons, lawyers, practitioners – housing and planning
- **Survey** to all local authorities
- **Data** gathering through other means eg published reports, websites
- **Case studies**

## Outputs – 4<sup>th</sup> December 2017

- Interim report June 2017
- Data base
- Report
- Recommendations