



Department for Communities and Local Government

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Dear Sian,

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Thank you for your letter of 4 January. I am grateful for your support for the recent allocation of part of the Community Housing Fund to London boroughs. If the GLA is able to work with the boroughs to identify how best the grant may be deployed, then that may help to deliver the most effective outcome for Londoners. I understand that the Mayor has undertaken to establish a London-wide 'hub' that will help and support boroughs and community groups during the process of bringing forward community-led projects. We have also asked all the councils in receipt of grants to consult the sector stakeholder groups on how the grant may most effectively be spent in each area.

Funding for housing projects in London is devolved to the Mayor. I'm pleased to report that London will receive £3.15 billion to deliver at least 90,000 affordable housing starts by March 2021, including low-cost rent, shared ownership and London Living Rent. The GLA published its prospectus for the Affordable Homes Programme 2016-21 in November and the prospectus states that the Mayor is keen to see more community-led housing projects delivered in London. Organisations are encouraged to make contact with the GLA. The prospectus can be found at: <https://www.london.gov.uk/sites/default/files/homesforlondoners-affordablehomesprogrammfundingguidance.pdf>.

We have a range of strategies to support both government departments and local authorities to make best use of surplus land. These include releasing the land to the open market and using sales receipts to reinvest in essential services, retaining the land in the Housing Revenue Account to use for affordable housing, or retaining the land to build homes for sale on the open market. Local authorities use assessments of local need to decide the mix of strategies appropriate for their area. The recent Housing White Paper sets out a number of options available to local authorities who wish to take an active role in housebuilding and can be found at: <https://www.gov.uk/government/publications/fixing-our-broken-housing-market>. There are a number of options available.

The new £1.7bn Accelerated Construction programme is seeking to provide a tailored package of support to ambitious local authorities who would like to develop out surplus land holdings at pace. On 3 January, we published a document inviting local authorities to express interest in the scheme, which is designed to promote market diversification and proposals for the delivery of mixed tenure sites will be welcomed. The deadline for submitting expressions

of interest closed on the 28th February and officials are now considering the proposals put forward. Major landowning departments have already agreed to commit their surplus land to this initiative and the Accelerated Construction team is currently engaging with London local authorities and the Greater London Authority to explore how an accelerated construction model might work in the capital.

The Government continues to support the community led housing sector and we have encouraged community led groups, including Community Land Trusts (CLTs) and housing co-operatives, to apply for funding from the current Shared Ownership and Affordable Homes Programmes. There are real benefits for larger housing providers in working with community groups who can work effectively in partnership with developers to escalate delivery and ensure local needs are being met. We would strongly encourage identifying new community based partnership members who may be able to bring additional capacity to a bid.

Yours sincerely
Gavin

GAVIN BARWELL MP