

London Assembly Housing Committee – 5 October 2017

Transcript of Item 5 – Community-Led Housing in London

Sian Berry AM (Chair): That brings us to today's main item, which is a discussion on community-led housing.

We will have two parts to the meeting. We have as our first panel two guests from co-operatives. This will give us an opportunity to hear, as we did for other projects, about the models that you use running housing as co-operatives and the issues you might face. The second part of the meeting will move on to the policy levers and the local authorities which are implementing this, as well as some of the experts from the industry and the Mayor's Office. That set of guests can listen carefully and then join in in the second half of the meeting. We will direct our questions to you when we get to them.

Our guests in the first part are Greg Robbins, who is the Secretary of the London Federation of Housing Coops; and Jessica Jacobs, who is from Co-ops for London.

Can you give us a brief overview of the range of co-operative housing models that there are in London and how many homes that they have under their control?

Greg Robbins (Secretary, London Federation of Housing Coops): I think you have already received a briefing note that I did for Tom [Copley AM] and Leonie [Cooper AM] some months ago, but if I try to add a little bit of flesh to it, I have to begin by saying there is a variety of types of housing co-op with considerable overlap between. It is not a distinct set of models. Some of the groups that I will be mentioning could fall into more than one type.

I am going to be defining as a 'housing co-op' or 'tenant-led housing' those organisations which are managed democratically by tenants. Some of these figures are drawn from other research, which included some community-based housing associations which have tenant representation or an ethos of involving tenants. I am only talking about those which are formally either completely or majority-led by tenants.

The majority of units, as it were, are within Tenant Management Organisations (TMOs). Those are mostly organisations within local authorities where there is, by contract, a tenants' democratically elected management committee, which arranges services which are negotiated with the local authority. That might vary from an organisation like the Leathermarket, which has complete control over the budget and all services, including paying off the historical debt, to an organisation which only has control of caretaking and some maintenance services. The varieties could be anywhere in between, but there are about 116 TMOs. The number varies as there have been another three or four come online since I have done these figures. They house about 42,000 units and that might be about 100,000 people. The 12,000 [units] and 25,000 people is for ownership co-ops. Overall, there are nearly 70,000 co-operatively managed properties in London

Throughout this, the numbers sound significant. They are significant if they were all in one London borough. Essentially, what we have in the co-op movement is a long-established and successful model, even if it is less than 1% of housing overall. Nevertheless, those co-ops have -- my co-op has existed for 40 years and is still going strong.

Jessica Jacobs (Coops for London): It has just had its 40th anniversary.

Greg Robbins (Secretary, London Federation of Housing Coops): -- 40, too, and so these are not unusual. We are not odd groups of strange individuals. This is a mainstream activity, and in other countries. You will have read the reports. In Austria, it is nearly all of non-private housing. In other countries like Denmark it is 25%. It is something that could be scaled up.

Numerically, in the largest number of co-ops in London, the co-ops owning the property rather than managing on behalf of other people. They tend to be smaller, in the range of 50 to 100 properties. Some are larger; some are smaller. That tends to be a nice size for a community where you can get to know everyone else and know their children and know their parents. The problem is that there tends to be little scope for those organisations to develop. There is not an awful lot of infill land if co-ops are in a close geographical area, but there are about 130 ownership co-ops, according to my list.

For co-ops that own the properties - I will complete - some of those have nominations agreements with the local authorities. Probably about half of them are registered with the Homes and Communities Agency (HCA). Of the others, some of them are for social rent; some are not for social rent. There is a range.

Sian Berry AM (Chair): When you say, "registered with the HCA", do you mean registered as registered housing providers?

Greg Robbins (Secretary, London Federation of Housing Coops): Yes.

Sian Berry AM (Chair): Only about half?

Greg Robbins (Secretary, London Federation of Housing Coops): Yes. Some have previously been registered and deregistered. If you look at the Radical Routes types of co-ops, they never registered because they were doing it within the private market.

There are a number of short-life housing co-ops, which we would like to see more of. They are being partly excluded by guardian companies. We do not think it is the best model.

Greg Robbins (Secretary, London Federation of Housing Coops): Then there is a number in between with management co-ops within housing associations, some short-life co-ops that have obtained leases which are held by a parent landlord, and some which have short-life and some long leases and some have their own properties. It makes it quite difficult to do a simple breakdown of the figures because people are largely self-described and, if they just say they are a housing co-op, then that drops into that.

We also have a couple of large community gateway models. Phoenix in Bromley has about 5,000 properties and is tenant-led. It is a very good organisation. They are doing some interesting things and developing, too, I believe. Watford I have included because they self-describe as being involved in London. I do not know where their properties are but they, again, have another 5,000 properties.

You see that the different types of co-operative can generally band into different sizes. Community gateway models tend to be the largest. TMOs vary, if you include Kensington and Chelsea - which is a little bit controversial at the moment - they would be the largest in London; others like Friday Hill or the Leather Market have about 1,000 each, down to the smallest, which has only 22. Ownership co-ops have 50 to 100. Short-life co-ops vary so quickly it would be difficult to give you an actual figure.

I expressed a view earlier that we have been a little bit left out. We do not seem to have been publicising ourselves particularly well. Within the movement we have co-housing groups and CLTs. They are doing a fantastic job of raising the profile of tenant-led housing, but has felt at some of the events that have been organised that the housing co-operative movement as a whole has been left out. Although co-housing and CLT might be the fastest growing parts, if the housing co-operative movement is only 1% of the overall housing in the country, the CLT and co-housing is probably less than 1% of the housing co-operative movement. I am not saying that to detract from it in any way because they are doing fantastic work, but when things like the community hub are organised and people say that you do not want to reinvent the wheel, we would encourage you to include housing co-operatives in the discussions.

Sian Berry AM (Chair): This is why you are here today. Thank you. Jessica, that overview presumably you would agree with, but let us know if there is anything you would add. Can you tell us more about the benefits of co-ops in terms of the rent and that sort of thing?

Jessica Jacobs (Coops for London): I would love to. Thanks, Greg. Coops for London represents perhaps more the independent, boutique, bespoke kinds of co-operatives, which shows how difficult they are to define. The group of co-ops that have joined our group are not necessarily always but would like to be fully mutual. A fully mutual housing co-op is our model, the one that we are trying to publicise and promote as a future model, because mutuality keeps ownership in the hands of its members and it protects tenants from their homes - I am reading from our report here - as a result of changes to Government legislation and avaricious property speculation. For us, the key element of housing co-operatives is the mutuality of it.

A mutual housing organisation was defined in 2009 by the Commission on Co-operative and Mutual Housing as, I quote:

"... one which enables residents, through having the right to become members, to control or participate in governance and to exercise control over their housing environment, neighbourhood and community."

The idea about co-ops is they might be small but they punch above their weight. They have a much bigger impact on the wider community. It is not just about units. It is about homes and the impact that co-operative, collective communities can have on everything in their environment.

A fully mutual housing co-operative for us is a co-operative that owns, governs and manages their properties collectively under the aegis of the Co-operative and Community Benefit Societies Act. Of importance here is that while members of a housing co-operative collectively own their properties, they cannot trade in them. When you join as a member of a co-op, you receive a nominal share. It could be any amount. If you leave the community, that share returns to the co-operative. You cannot cash it in. For us, that is key to why we want to promote housing co-ops as part of the solution to the housing crisis in London. I just wanted to add that. It is something you ascribe to when you sign up. If you become a member of a CLT or you buy a share in something, you are signing up to that sort of belief that it is not something that you can speculate on, it is not something that you can make a profit from; it is something that you are investing in that has a very high social value. That is quite difficult to quantify, which we might get into later.

Sian Berry AM (Chair): I wanted to know about rent and also if you can tell us about the kinds of people who live in co-ops. One of the criticisms we have seen of community-led housing is that you are giving them this land for a lucky few. What are the sorts of income levels of the types of people who live in co-ops? Is it the same as social housing more widely? Are the rents comparable to other social housing?

Jessica Jacobs (Coops for London): As Greg was pointing out, a lot of co-ops take nominations from the local council. That would just come through as a case of housing need. One of the issues is that most recently Camden, for example, has dropped its council waiting list from 30,000 to 6,000 and so that leaves 24,000 people who are no longer eligible for social housing in London. I would like to see co-ops pick up some of that slack, actually.

It is quite important that when you look at registered social housing and registered social housing providers, again, that interpretation of who is housing need is not so narrowly defined as it has been in recent years. Not everybody on that 30,000-long waiting list was living in Camden or was relatively eligible, but there have been a lot of restrictions now and all those people are being pushed into private renting. When Universal Credit comes in, there is going to be a very big problem.

Andrew Boff AM (Deputy Chair): Can I just ask about that? Do the nomination rights come from a contractual relationship --

Jessica Jacobs (Coops for London): Yes.

Andrew Boff AM (Deputy Chair): -- with the council or is it merely so that you can find people in housing need?

Jessica Jacobs (Coops for London): It is a mixture. Not many co-ops like to find their own people right now because we are small units. It would work quite well if we grouped together and had a third party helping us with nominations, but it is a tough job and we do know that councils have a lot of checks and balances and can provide that qualification of who is in housing need.

Andrew Boff AM (Deputy Chair): That is not an obligation on you to go to the council?

Jessica Jacobs (Coops for London): We have a contractual agreement with 50%, I think, with Camden. Different boroughs - maybe Greg knows about Lewisham - have different agreements. Different co-ops have different agreements. Not everybody takes people from the council.

Greg Robbins (Secretary, London Federation of Housing Coops): If I run through quickly, for TMOs, which take the majority of tenants, because they are council tenants, the rents will be the same. Practice varies considerably but, in most cases, people are nominated by the local authority and so the local authority is putting forward people who meet their criteria and are towards the top of the lists.

For ownership co-ops that are private registered providers, the rents will be set at target rents under the old regime or sometimes they will be below them because they have not yet converged with the target rents. As private registered providers, they would be generally tied into a nominations agreement with the local authority, as all housing associations are, and so the local agreement and whether it is 50% or 100% would vary by local authority more than by the type of organisation.

If it is an ownership co-op which is not registered, then it may or may not have a nominations agreement as a requirement. They may operate at market rents because, for many people, the issue is not about whether they can pay the rent, hard though it is for us to believe; the issue is about security of tenure. When people have had a number of times when they have been living somewhere, settled children in school and then been told to move, they want a way of organising so that they are not able to buy individually but they are able to organise collectively. The rent would depend entirely on the circumstances of that particular group. The Bridge co-op in Walthamstow was set up three or four years ago entirely without public subsidy. The rent, though, would

not have increased in the same way that other market rents in the area have increased. I do not know what it is in Waltham Forest or if their local rents on average have gone up to 40% in four years; 10% seems to be the average for a lot of the private rented sector.

For those that have long-term leases or short-life, the rents will depend on the local agreement. They will tend to be submarket but there are very wide variations. If those short-life co-ops have long-term leases going back five or ten years with the housing association or local authority, it is likely to still be at the same level, except that when they are offered newer ones they tend to be at higher values and so some are offering two tiers of rent depending on what is being offered.

Sian Berry AM (Chair): It is likely to be social rents but can be higher depending on --

Greg Robbins (Secretary, London Federation of Housing Coops): It can be all the way up to affordable rents.

Tom Copley AM: Just going back to the whole nominations question and housing waiting lists and things. Some boroughs are now setting up intermediate waiting lists. Is that something that you would welcome and would that be a way for you to engage with councils and for them to be able to nominate people in?

Jessica Jacobs (Coops for London): Definitely. One of the issues we have again - and I am in Camden and so I can talk about Camden - is that when we get referrals they do not always know what a co-operative is. They are just looking at a picture of the property and they do not understand some of the obligations and responsibilities and some of the appeal of co-operatives. Therefore, we have a problem with a lot of people coming in; we get a high turnover and we have to have maybe two or three rounds of people coming before we get the right person.

To have a separate list or something a little bit connected but not connected where people who express an interest in co-operative values and principles and the co-operative way of life would be great for us because then we could work with other co-operatives.

We have, to some extent. There is some communication between different co-ops and so occasionally there is some switching between co-ops for people who want to upsize or downsize, which is another issue we have. We have a lot of families growing in size because they have children. In our properties we have 59 properties, for example, but we have only a few three-bedroom flats. Therefore, we need to know where people can go afterwards and where people can downsize.

To create better systems of communication between co-ops and between councils would be very welcome.

Leonie Cooper AM: What do you consider to be the main challenges in developing new homes? Earlier on, you were referring to small sites with not much space for infill, and so I am guessing things like - obviously, we talked about this - financing is one of the big areas. What are the main challenges?

Greg Robbins (Secretary, London Federation of Housing Coops): We have a number of areas to look at here. One thing that you said you will be dealing with separately is bringing empty properties back into use, which you said is going to be another discussion and so I will not dwell on that. However, we have a number of types of co-op that specialise in that sort of area.

We have the question of established housing co-ops looking for places to develop an infill around their own close area to maintain their own community. The issue tends to be that it takes quite a while to develop.

Dealing with it usually involves approaching a local authority. Sometimes agreements have been agreed in the past that some property could be developed but there needs to be certain political elements in place or there needs to be certain agreements with local officers. By the time the co-op is ready to move ahead with when the property actually becomes available, the local authority no longer wants to follow through with that or someone else in the local offices has found somewhere else where they think they may be able to sell it. If the co-ops are going to be developing for a social housing rent, they cannot compete with something that goes to auction; it is simply not possible.

Therefore, the main issue is identifying land which is geographically close enough to an existing organisation and then negotiating a price which will allow them to develop it as social housing.

If they wanted to be developers and just sell it off as a profit, they could pay more, but let us put it this way. If a local authority is going to build its own housing, it already has the land and it works on the basis of what it will cost to build on it. There may be land clearance costs, but that is the basis on which they will be doing their own calculations. Then they will come to you and they will ask for some grant from the Greater London Authority (GLA) to help them do it. If the local authority does not want to do it and would rather that a housing co-op and the local community does it or if the community comes together and says, "We would like to develop. Can you suggest a serviced plots of land?", and if it is going to be doing it as social housing, it needs to do it on the same basis as the local authority would, which is not paying a premium for the site. It would then be expected to enter into an agreement with the local authority to take nominations, but that is something that people expect.

Leonie Cooper AM: There seems to be an issue there about the amount of time it might take for discussions with officers and then, by the time the co-op is ready, coming back again and discovering things have changed. Do you think there is an issue here about the capacity of co-ops to develop? Perhaps they are too small to be able to be fleet-of-foot in those circumstances?

Greg Robbins (Secretary, London Federation of Housing Coops): No, it is the issue of negotiating over the land. If the co-op draws up a business plan and works out what it could provide to the council and what the council could provide to it, and then it secures grant funding from the GLA as the local authority would, the likelihood is that a local authority officer will attempt to amend the business plan to say you can pay more for it, which means that all you are doing is transferring GLA grant to the funds of a local authority.

Leonie Cooper AM: Why is it working that way around for co-operatives when it seems to work the other way around for developers who have their viability assessments and, in some cases, hold them quite close to their chests? Perhaps you are sharing too much information with the local authorities?

Greg Robbins (Secretary, London Federation of Housing Coops): It is quite possible that the co-ops share too much information with the local authorities. I will give you an example, it is of a TMO looking to take over the freehold of their estate, spending five years or more largely negotiating over the price with the local authority officers. There is an element of waiting for the right political moment to have the local councillors on board to support it, but there is also the issue of just agreeing over the land where there is a certain inertia with dealing with certain local authority departments. Each time a plan is agreed, each time there is a positive business plan which will allow them to proceed, there is a realisation that maybe the co-op could be squeezed a little bit more and so the prices that are being offered change. That happened to three or four times over a period of four or five years. It is impossible for the TMO to ever move forward. However, because it is democratically and openly accountable, the TMO does not have so much capacity. It is not a private developer.

Leonie Cooper AM: Those are the problems. What I am trying to find out is when it does actually happen and trying to talk about the challenges in developing new homes. You talked about raising money via the GLA and perhaps the price point of purchasing some land from the local authority might alter. That is the world that we live in. Are there any other sources of finance that you can go to? The Co-operative Bank springs to mind as a potential source of finance and I know that certainly --

Tom Copley AM: It is not a cooperative any more.

Leonie Cooper AM: Exactly, but are there other sources of finances?

Greg Robbins (Secretary, London Federation of Housing Coops): You are talking about raising the public and private finance. The finance is not necessarily the issue.

Leonie Cooper AM: Or from members. That was going to be my next point.

Greg Robbins (Secretary, London Federation of Housing Coops): There are a number of small co-ops which are setting up. We talked about Radical Routes. There is a co-op which London co-ops have helped set up down in Brighton, the Bunker housing co-op. It is fantastic to see. The model they are following is that the co-op raises 25% of the equity through its own resources and from loan stock from other local co-ops, credit unions and friends, family and supporters. It has been fantastic to see a number of London co-ops buying loan stock in that organisation. The other 75% is then going to be a loan from the Ecology Building Society. We would like to see that being pursued elsewhere but that is on the basis of getting some land from the council. The community hub seems to be working effectively down there. They are getting that land from the council and the co-op is developing land that the council was not in a position to develop and so they are giving it to them on a peppercorn -- it is more than a peppercorn rent.

Leonie Cooper AM: OK. That was really helpful and that has given us a picture.

Jessica Jacobs (Coops for London): I have the 'co-op cluster' model from Radical Routes, yes, which involves a group of co-operatives coming together and creating enough money to buy another co-op so that five become six and it grows like that. Then, once this little baby co-op grows up, it can contribute to the larger group and so on. It is a way of increasing capacity.

Leonie Cooper AM: Has that been successful? Has that actually operated?

Jessica Jacobs (Coops for London): It is a proposal from Radical Routes. It is something that works and has worked outside of London. The difficulty that London has of course is that the prices are quite high the last time I looked.

The other thing that we would like to participate in is the target for affordable rent homes for the London Plan. We could work with private developers very well. If they have an obligation to provide affordable rented homes, why do not co-ops help them out? On the London Plan at the moment, six authorities - Camden, Hillingdon, Lambeth, Merton, Richmond and Wandsworth - have delivered more than double their target for market housing. However, 38% of homes have been delivered in the London Plan. We could help to get that target up.

Greg Robbins (Secretary, London Federation of Housing Coops): It would be useful to say that we have three different types of scales of housing. Radical Routes has been doing good work and it has dozens of co-

ops now, but it is doing it one house at a time with groups of five, six or seven people. That is fantastic but it is going to take a long time to make a big change like that.

We have smaller developments that are infill like Leather Market who are doing 28 units. RUSS is 33. It is growing, but these are all very small developments. Brixton Green is slightly bigger at 300, but it has to be said, I was talking about the figures earlier on in the meeting and thinking we are not doing as badly as we think if we have less than 1%.

There was a report from the Confederation of Co-operative Housing (CCH) last year which lists over 1,000 properties being built, either just completed or in the pipeline, which is not bad. That is nationally but of that, over 400 are in London. Given the size of what we are doing, that is a lot of effort going into producing housing and some of it is 7 or 8 at a time, 10s, 12s, 30s. The next step is to start doing those developments of 50 or 100 units which are too small for the big developers but are will within the capacity of organisations that have been managing and maintaining 100, 200 properties for 20, 30, 40 years. To be honest, it is not rocket science. We can have the partners. We have shared some information about Accord but there are other offsite manufactured housing developers. Because development prices are so high in London, in central London, if some of the work is done outside of central London, it keeps the cost down. We have got those links. These are things that we can achieve. Some of it, the finance can be raised from within co-ops, whether it is from the radical routes or whether it is a growing wish amongst co-ops.

Let us be honest. We have got money in the bank. Inflation is running at 3%. We are getting zero interest or 0.25% interest. All co-ops are losing £10,000 effectively a year. If, instead, that is put into some common developments, there is a lot of desire to do something a bit more productive with that money.

Leonie Cooper AM: You must also have a lot of equity which is why we are saying there must be sources of finance because most fully mutual are not going to be highly leveraged, are they?

Greg Robbins (Secretary, London Federation of Housing Co-operatives): There are two issues. One is the money that is actual reserves cash in hand and in the bank which people are more likely to invest in other people's properties. An organisation will mortgage its own property to develop housing for itself and children and grandchildren. Asking them to mortgage their own property to build housing for someone else is a big ask. If you own your own home, would you mortgage it? You do not borrow money to invest it. If you own your house, would you mortgage your own home to help someone else up the street? You might lend them money but mortgaging your home would be a big thing to ask. Leveraging equity only works if a co-op is building its own housing.

Leonie Cooper AM: If it has the space for infill and that sort of thing. Anyway, thank you, Chair.

Sian Berry AM (Chair): Thank you very much. That was really interesting.

If I could introduce the second half of our panel. We have got Jeff Endean who is the Housing Strategy Manager for the Lewisham Council. We have Tim Southall who is the Housing Delivery Manager from Bristol City Council. Emily Auckland who is the Senior Project Manager for Bioregional and Leigh Pearce, the Chief Executive of the Nationwide Foundation. Finally, we have Jamie Ratcliff who is the Assistant Director for Programme, Policy and Services, Housing and Land, GLA. Thank you all for coming.

Nicky Gavron AM: How is Lewisham supporting community-led housing? I know you do quite a lot, but community-led groups.

Jeff Endean (Housing Strategy Manager, Lewisham Council): You will have seen the note that was circulated in advance that sets out the history that we have in supporting community-led housing. Lewisham has a track record going back 30, 40 years with the Segal developments and so on. It was mentioned earlier that the Phoenix Housing Trust was something we do not talk about very often but it is a housing association with 3,500 homes that is in community ownership.

What we are working on now is a deliberate policy of incrementally trying to establish ways of enabling the community to build their own homes. We have two projects on the go at the moment. I say in every one of these things that I do that we are the only local authority working with two community land trusts. No one has put me right yet; I am going to keep saying it. We have the RUSS development on Church Grove and another with London.

Nicky Gavron AM: That is in Ladywell, is it not?

Jeff Endean (Housing Strategy Manager, Lewisham Council): In Ladywell, that is correct.

Nicky Gavron AM: Yes. You have had a site, was it not?

Jeff Endean (Housing Strategy Manager, Lewisham Council): Yes. It was mentioned earlier, 35 homes, 100% affordable housing. The land is currently still in council ownership and it has been made available to RUSS following the competition under which David Dayes [Board Trustee, RUSS] took part in for community-led development offering affordable housing, jobs and skills and the sort of community that comes from building your own home.

The second scheme is working with London CLT and Lewisham citizens, a community organisation of another 14 homes. There, the project is entirely affordable home ownership. These are two schemes that we have worked with the community on. Effectively, the community came to us and said, "We would like to build our own homes. Can you help us to make that happen?" Over the last four to five years, we have got to the point where both schemes are on the way.

Nicky Gavron AM: OK. How much do you find that these groups need subsidy in order to get going?

Jeff Endean (Housing Strategy Manager, Lewisham Council): To use the RUSS example, they have very good financing for the development themselves. They are able to finance pretty much the entire construction of the site. What they are not able to do is finance the purchase of the land and the financing that they have in place is against the security of the land. In the end, the Council's process was to make land available to be security for private finance that builds the homes out. They do realise they cannot build 100% affordable housing on sites and generate land values at the same time. One of the issues is the processes that authorities have to go through to release land for less than market value. That is one of the reasons it can be quite slow coming forward.

Nicky Gavron AM: Right, that is interesting. Is it the high land values that make it so difficult in London as compared with, say, Bristol or Leeds?

Jeff Endean (Housing Strategy Manager, Lewisham Council): If you look at places like Cornwall, for instance, and rural land that has much lower land values, you have got community self-building and those sorts of things happening where land value is lower. You have got less of it in London where values are higher. Local authorities have duties to secure best value and there are lots of ways of doing that. It is not just about land values; the social value can be captured and so on but there is a process to go through to establish that

the use of the land is the right use and that value is being secured. The easiest way of doing that is to have a cash sum that is equivalent to the value of the land.

Nicky Gavron AM: To have a what, sorry?

Jeff Endean (Housing Strategy Manager, Lewisham Council): A cash receipt for the land equivalent to the value of the land. It is an easy thing for people to understand. Other ways of doing it through social value or other benefits can be done. It just makes the process slightly more complicated and slower.

Nicky Gavron AM: Lewisham, as you said, have got a pretty good track record in this. Are there lessons for other London boroughs from what you have?

Jeff Endean (Housing Strategy Manager, Lewisham Council): We have been through the process a couple of times and we are quite happy to talk to people about the way the decision-making took place. With the RUSS scheme, that process was a competitive dialogue using procurement rules which, if we could have avoided, we would have liked to, but, at the same time, it did give RUSS an opportunity to develop their own plan and thinking. We are always looking to try to find ways to simplify the process. Our second land disposal was a lot simpler and quicker than the first one, and there are various reasons for that but it was also learning from the first process. We are happy to be part of a collaboration of sharing how that worked.

Tom Copley AM: When you say you took release of land to them, you sell the land, you give the land to them I suppose, are you selling it freehold or are you giving them a long lease?

Jeff Endean (Housing Strategy Manager, Lewisham Council): A long lease.

Tom Copley AM: Long lease, OK.

Jeff Endean (Housing Strategy Manager, Lewisham Council): Especially for them to attract funding.

Tom Copley AM: I am just a little bit interested in what the process is where you are trying to get around, I was going to say, but that sounds like you are trying to evade, but get around this having to get the best receipt. How does a borough make the case legally that that is what you are going to do?

Jeff Endean (Housing Strategy Manager, Lewisham Council): In both cases, the first decision that was made was that the land should be made available for community-led affordable housing on the basis of the policy priorities the council has and the demand it has out there. Once that decision is made, it makes it much easier then to find a way of competing different community-led organisations for who can offer the best value.

Tom Copley AM: It is still a competitive process but not including big developers.

Jeff Endean (Housing Strategy Manager, Lewisham Council): Absolutely.

Jeff Endean (Housing Strategy Manager, Lewisham Council): On the RUSS project, it had to be a community-led organisation to bid in the first place to achieve the aims that we wanted.

Tom Copley AM: Finally, is it possible to get any return for the borough financially over a very long period? For example, once rents or income starts coming in for you then to get some back or do you not do that or not want to do that?

Jeff Endean (Housing Strategy Manager, Lewisham Council): We have not done that yet. It might be possible to look at, for instance, ground rents or something like that but it is another factor in the valuation for the community groups, more pressure on them. We get the benefits back from Council Tax and the development and things like that; therefore, that is what we factor in.

Tom Copley AM: Great, thank you.

Nicky Gavron AM: In responding to what Assembly Member Copley was asking you, when you say it is council policy where is that enshrined? Is it particular pieces of land? You say, "This land is going to be suitable for this kind of housing".

Jeff Endean (Housing Strategy Manager, Lewisham Council): Our Housing Strategy has an objective to support community-led housing as part of our overall strategy for housing development. One of the main reasons for that is to diversify the way that housing is built and to have a type of developer who is local and able to take some of the sites that might not be suitable for other developers. There is an overarching policy in our Housing Strategy to enable housing development through community levels and after that, it is a case of finding the right sites that would be appropriate for them. There is always demand for sites for lots of different reasons; therefore, finding sites that will enable the right level of housing development for the community. Having two on the go right now, from Council's perspective, that is it achieving its housing objective of enabling groups to do so.

Nicky Gavron AM: Fine, but you are not designating the sites in advance.

Jeff Endean (Housing Strategy Manager, Lewisham Council): On the Church Grove site and Ladywell, the council made a decision that that site should be set aside for community-led development.

Nicky Gavron AM: In your planning, in your Local Plan.

Jeff Endean (Housing Strategy Manager, Lewisham Council): It was not in a Local Plan. It is more the Council's landowner decision that it would prefer that site to come forward for community-led development and for officers to find a way to enable that to happen. Once that was in place, then the conversation can be with community groups about: which is the best place for community groups to make that happen or what is the best place or way of doing it?

Nicky Gavron AM: Yes. I am just very interested in what you can -- because we have the London Plan coming up too and of an influence in local plans and what you can actually designate but you are saying it came up from your plan?

Jeff Endean (Housing Strategy Manager, Lewisham Council): Yes. I am not a planner and I do not know whether it is possible to designate sites for community-led housing from that perspective but, from our perspective, it was more councils as landowner and asset owner and trying to establish different ways of development that sites were earmarked really for housing development for community groups.

Nicky Gavron AM: Does anybody else know the answer to that?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Community led housing is not a separate use for us in planning. I do not think you could but I am happy to take it away and speak to planning colleagues and confirm.

Tom Copley AM: Do you take nomination rights at all?

Jeff Endean (Housing Strategy Manager, Lewisham Council): With the RUSS scheme, the Church Grove scheme that we found for social interzones will have nominations for those.

Nicky Gavron AM: Emily, are there other ways that either groups or boroughs are working differently from Lewisham?

Emily Auckland (Senior Project Manager, Bioregional): There are lots of different ways. Outside of London, there are lots of examples, particularly with community land trusts. We were just talking about a report that Nationwide Foundation supported, which examines case studies from Yorkshire and the North, examples where local authorities have worked in partnership with community housing groups to support them, taking various different approaches, for example, of TurnKey development where an agency will develop the land and then sell it back to the community and the local authority would support that process.

We are working with a group at the moment in York. I am not sure whether it is through planning but the planning outline identified affordable housing in the terms of the group as a requirement for that site. They have just got to a point where they have been able to acquire the land as a result of that. Effectively, the council were working in partnership with the group to ensure that they were the most likely contender for that land.

Bioregional's own experience of working - we wear many hats but we work in joint venture with private real estate developers - we are also getting into not-for-profit development ourselves and then this project that I deliver which is all about the community-led approach. From our experience, working in partnership with local authorities is incredibly difficult when it comes to best consideration of land value. Even where a local authority has been very willing and has engaged significantly with a group, getting around that requirement and other public bodies, so the National Health Service (NHS) for example, getting around that requirement and justifying something which is perhaps considered riskier is one of the issues. That does not quite answer your question but that report might.

Nicky Gavron AM: Are there lessons; are there things Lewisham could learn from these other places?

Emily Auckland (Senior Project Manager, Bioregional): Lewisham is doing a great job. RUSS is an amazing example, particularly in London with community-led housing. It depends on the model that is being used, whether it is a co-operative approach or a community land trust, the relationship in the local context. Lewisham is a great example that others can learn from.

Nicky Gavron AM: Yes, sorry; it was not to imply that Lewisham has not been doing a good job.

Emily Auckland (Senior Project Manager, Bioregional): Maybe Leeds and Low Impact Living Affordable Community (LILAC) is another example of a local authority.

Nicky Gavron AM: I want to know more about the LILAC scheme.

Emily Auckland (Senior Project Manager, Bioregional): Yes. It is a great one. It is one of the inspirations for our approach because they use something called a mutual homeownership society. It takes the co-operative principles but residents have the opportunity to earn equity back from the scheme which, in time, will hopefully mean that the group themselves are able to acquire more land. It also means that there is a drawdown for members for the sweat equity that has gone into getting the project off the ground in the first

place and hopefully, our view, and the view of many, is that mutual homeownership societies offer the potential to appeal to a wider range of households because it is speaking to the mortgage housing as some opportunity to earn equity that many people struggle with when it comes to co-operative models.

Nicky Gavron AM: Chair, we want to learn a bit more about the LILAC model.

Sian Berry AM (Chair): We should look at it. Can I just ask one point of clarification though? When you say “earn equity”, you mean equity that they can cash in as a profit?

Emily Auckland (Senior Project Manager, Bioregional): Yes. It is not at the market rate. It is a maximum of 40% of the money that they invest through affordable rent over the course of their tenancy there. It is owner managed, it is member owned. They have the opportunity to draw down money when they leave. The challenge with that is the gap that then leaves in the group’s finances when someone leaves. What we have been trying to do is look at whether we can take inspiration from housing associations that often have the revolving fund where they can increase the debt on the fund in order to invest in other projects. We are looking at whether you can merge - it is all very complicated - mutual homeownership with that kind of revolving finance idea. Someone could leave, draw down a bit of equity that they have invested over time and the group itself would reduce the risk on the group.

Sian Berry AM (Chair): We have some more questions about finance coming up. Shall we move on to asking questions about Bristol?

David Kurten AM: Tim, from Bristol I hear good things about what is going on in Bristol. What are the key things that you have learnt from what is happening in Bristol that might help London boroughs to support community-led housing here?

Tim Southall (Housing Delivery Manager, Bristol City Council): The first thing is clear leadership. All the way through, and rather like Lewisham, we have been on a 30, 40-year journey as well. It is very much part of the DNA of Bristol. About five or six years ago, there was very much a political drive to see whether community land trusts and community-led housing could be part of the answer of our affordable housing deficits in the city. That would be the first thing I would say.

The second thing is ensuring that there were adequate staffing resources to support it from a local authority point of view. It needs a champion. It needs people within the housing delivery team to bid to support the various organisations. It is very resource hungry, like all affordable housing activity is.

To come back to Assembly Member Gavron’s questions about whether the planning system can help designate sites, what I would say is we have a lot of neighbourhood plans being prepared in the city. In those, groups like Ambition Lawrence Weston in the Lawrence Weston part of the city, have within their neighbourhood plan, which is now adopted, identified a site they wanted to bring forward themselves for community-led housing and the city has respected that. It is the Council’s land. Therefore, there is the issue about capital receipts and all the rest of it.

The other thing is to have very clear policies. It is not something that Bristol has put in place. We have gone from one scheme to another and we have built up our knowledge. It is important it is in the Housing Strategy or, in our case, our Housing Delivery Plan. It is important that there are policies identifying how the land would be made available, how it would be released and so on because, otherwise, you get into competing priorities. We are always in competing priorities, whether it is over the capital receipt, the maximised in the capital receipt and the wish to put it to the full open market.

They are things that we have had to wrestle with over the years. One of the things we have done recently which is worthy of replication is the exclusive option. We found that by providing exclusive options to both community-led housing groups and CLTs and a development trust, we were able to give a breathing space, if you like, which enabled the organisation then to think, "Well, we have the land potentially. We can now go out into the market and get the best possible deals. We can get the pre-development finance we need, and so on, and we can work up with the community the type of housing they want". Otherwise, they are always playing catch-up. If there is no land available, they are always playing catch-up.

Also, the local authority, as we have learnt, has a role on community leadership. Cornwall is a great example of where a local authority developed an umbrella community land trust, so that other community land trusts, other housing organisations could work within that framework. We tried that with Bristol Community Land Trust but I am sure you are aware, many organisations are different and all the rest of it and they want their own community land trust. We are just trying, at the moment, to encourage them to work with their existing structures. That is a bit of a learning curve at the moment.

David Kurten AM: You mentioned some fantastic things there, but some of the constraints are the availability of land and the different visions of what the neighbourhoods want with the community land trusts. Which is the biggest constraint, do you think, out of the ones you have mentioned? Which is the biggest obstacle to overcome?

Tim Southall (Housing Delivery Manager, Bristol City Council): Until recently, because there is political will, it was land valuation. We found a way of, as I say, entering into exclusive options but the land valuation, we always said, "Well, you have it for 12 months to sort it out but we want market value at the end". In that way, we felt that we could sign off section 123 of the Local Government Act. What we have learnt recently is that the Housing Access Centre (HAC) model for valuing social value is potentially an extremely powerful tool.

In the past, if we wanted to sell things on a discounted basis, we have had to work out the value of the nomination rights which is relatively straightforward and the Royal Institution of Chartered Surveyors (RICS) accept that. Social values are a lot more difficult and least HAC have had a go at trying to do it. What pleased us when we were working through it the other day was they have had it recognised by Treasury, by Her Majesty's Government. That makes all the difference. Although we have not got RICS guidance, RICS say you can, as a valuer, take social value into account but do not then tell you how to do it. Our valuers say it is too difficult but this is a potential game changer, particularly if it is included in this toolkit that is talked about in your papers.

Nicky Gavron AM: You were beginning to indicate ways of creating a much more level playing field between, as you call it, the competing priorities.

Tim Southall (Housing Delivery Manager, Bristol City Council): Yes. As long as the political will is there. As you have read, our Cabinet Member for Homes has said that he wants to be delivering 300 community-led homes in the next five-year period. Quite an ambitious target but, once that political will is there, it is up to the officers to try to find ways to do it. The other planning thing we are going to be able to use is, through the local plan, we should be able to say that intermediate housing could be provided by a community-led housing group or a self-build collective or a range of different ways of cutting that cake rather than just relying on resident providers.

David Kurten AM: Right, thank you.

Sian Berry AM (Chair): Thank you very much. When you said one of the neighbourhood planning groups has said they want to, essentially, designate a site for community-led housing and you said the council is respecting that, technically what do you mean by that?

Tim Southall (Housing Delivery Manager, Bristol City Council): My colleagues in the housing revenue account see a site for 40 units as quite valuable to develop out as council housing and they say that perhaps it is more important in this occasion than community-led housing. They have to come to a mutual agreement.

Sian Berry AM (Chair): Jessica, you were talking earlier on about potentially private developers fulfilling their affordable housing requirements through co-op housing, essentially. That is basically normal for a developer to build and then hand over homes to their housing association. In what sense might it be possible for them to fulfil their affordable housing obligations by handing over land to somebody who wanted to build? Would that be something that co-ops might be interested in?

Jessica Jacobs (Co-operatives for London): Definitely.

Sian Berry AM (Chair): Not finished homes; just the bare land.

Jessica Jacobs (Co-operatives for London): It could also be that they work in partnership with co-ops in order to design and build those houses, therefore, they are reflecting what the community want for that land.

Sian Berry AM (Chair): With some finance coming in from co-ops as well.

Jessica Jacobs (Co-operatives for London): Quite possibly and, in terms of financing, to include social value as a financing, therefore allow co-operatives to value their contribution and put a number to that value that is not necessarily cash because we can produce that social value. We are great generators of social value. Another quantifier that came up at a meeting at the Culture Party last week was what doctors use, which is a quality adjusted life year, which is another way of quantifying value through not necessarily in terms of money in the bank. In terms of what community-led housing, co-operative community-led housing can offer to the community. There are so many different ways of measuring it.

I know social values and the Social Value Act have got into trouble because it has not quite found a way to measure things very accurately. There are lots of things out there. Again, as you pointed out, Tim, it is the political will. If there is a political will, there is a way.

Emily Auckland (Senior Project Manager, Bioregional): Just on that relationship with private developers and it is something that we have explored. We have had fairly progressive private developers come forward and say they would be willing to take a community-led approach on a site if they are still making the same profit. That is what you have to juggle with and even when you can get that to work financially for the scheme itself, for the valuation of the land and the build itself, then you have to have a landowner who is willing to accept that value to make it stack up. If they want more, it is never going to work. Working with a private developer, the profit margin is always going to be a challenge unless you can get the land at the right price.

Leonie Cooper AM: It has occurred to me having dug into this a little bit earlier on, Leigh, could you outline for us a bit about what Nationwide and Nationwide Foundation are doing to support community-led development currently and, also, perhaps a little bit about the plans going into the future as well?

Leigh Pearce (Chief Executive, Nationwide Foundation): I can certainly talk about the Nationwide Foundation. I do not speak on behalf of the Nationwide Building Society but I have a little insight into what

they are doing. At the Nationwide Foundation, we have supported community-led housing since 2008. It very organically evolved on to our radar as something that had huge potential to be part of the solution to the housing crisis.

We currently have grants funding and support available for a programme called Backing Community Led Housing that we are investing in over the foreseeable future. We fund pieces of work, such as a start-up fund which offers grant funding to groups who are getting started to help them understand what is possible, what they need to do, how they can constitute themselves, what their options are for feasibility studies, and that is run through the CLT network.

We also, through a social investment fund with other investors, support CLTs with pre-planning support, loan funding and development loan funding. There are other elements as well through Locality, through some work with HACT, through NatsCSBA -the National Custom and Self Build Association. There are a number of projects going on but, ultimately, what we want to do is find the ways that we can support community-led housing to increase the number of homes that it delivers for people in need, and we believe there is potential for it to do that.

Nationwide, as a mortgage lender, has been having conversations with the sector to try and understand where it can look at some of its lending practices, and it has a test case at the moment working with one of the London schemes - East London CLT - looking at how it can lend when the sale price of the property is linked to local incomes which is usual for a lender to do, but that is work-in-progress as to where that might end up.

Leonie Cooper AM: It is quite cutting edge and, in the context of house prices in London now, the national average is eight times an average salary. I have no idea what that figure would be in London, but it would be some sort of ridiculous multiple that most mortgage lenders, presumably, would not be prepared to consider. If your salary is £50,000 and local properties are £800,000 you are unlikely to get a mortgage.

Leigh Pearce (Chief Executive, Nationwide Foundation): Yes. That is a challenge. When the group is looking at its disposal model, how does it set its prices and if it is set at 80% of the market value it is still not affordable, so that clearly is not helpful in trying to deliver genuinely affordable homes. East London looked at the sale price of its properties and set it as a percentage of median local incomes. As a lender, your risk analysis is not usually based on that because there is very little control over that. You would not look at what is happening in the employment market to decide whether somebody is lendable to. I am not sure if that is a word. However, Nationwide has been willing to have the discussions and look into it. The jury is out as to what happens next.

Leonie Cooper AM: Interesting. I am sure we would be quite keen to follow what the outcome of that is.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): In previous roles I have done quite a lot of engagement with retail mortgage lenders and how we make different affordable housing products mortgageable, and the key thing that Leigh [Pearce] has alluded to there is around getting a simple process that mortgage lenders can do at scale that their business relies on getting large numbers through quickly. There are some relatively simple tweaks that could be made to some of the community home ownership models to make them fit into lenders' processes. While it would be great if lenders' processes could fit into the way community-led housing wants to work, it probably will have to be that way round at least at first. I am certainly supporting a little bit of work there and am hopeful that there can be some progress in getting a wider range of lenders to support it.

Leonie Cooper AM: I was just about to say is that something that you and others are working on in the team to try to facilitate moving that forwards?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes.

Leonie Cooper AM: That is good to hear.

Leigh Pearce (Chief Executive, Nationwide Foundation): To add, and just building on what Jamie has said, there is a suggestion in the paper that mortgage funding is a significant barrier and mortgage funding for community-led housing projects is difficult to get hold of. If a community-led scheme is using a normal disposal model, such as shared equity, shared ownership, it is no harder to get a mortgage for one of those models on a community-led housing scheme than it is for any other models. Where the problem arises is where there is something alternative happening, when the construction is using straw bales, when it is linked to local income. Self-build is a challenge with mortgage lending at the moment, but if there is thought and discussion at the early stages of a scheme and if there is the support available to schemes to think about their disposal models if sale is what they want to do rather than rent, then there are ways to ensure a scheme fits the existing availability of mortgages rather than worrying later that their scheme has not fitted something and the buyers cannot find mortgages.

Sian Berry AM (Chair): That is interesting. Thank you very much. Can I ask you to outline a bit more about the problem with self-build and unusual materials? Obviously, Assembly Member Gavron's comments about modular factory built homes those are things that presumably could solve some of those issues with self-build. If you are a self-build co-operative or whatever but you are using a reputable factory to build basically all of what your homes are, is that helping to solve the problem potentially?

Leigh Pearce (Chief Executive, Nationwide Foundation): I would not claim to be an expert on the mortgage lending available for modular housing, if I am honest. What I do know is that mortgage lending on self-build schemes is not available in the mainstream and you have to go to fairly specialist lenders where the costs are often higher, and an increase in availability of mortgage lending for self-build schemes would be welcome.

Certainly, the Foundation's experience is mainly with the pre-development or the pre-planning funding and the development financing for schemes, whereby we see the biggest gap at the pre-planning stage. The at-risk funding that small community groups need to get a site ready to submit their planning permission is where there is the largest lack of availability of finance. Through the CLT Fund there is at-risk loan funding available but, ultimately, some sort of subsidy, some sort of grant funding is necessary for schemes who are working on individual sites to progress to the point where they are ready for planning.

If we also reflect on the time it takes, the negotiations around land, the various surveys you have to do, it is resource heavy, as we have noted already. That area of financing is the biggest gap. Development financing, once planning permission is in place, is available but mainly through your social lenders: Triodos; Charity Bank; and Ecology. Again, a growth in the market of providers of development finance to a scheme that has planning permission and is relatively low risk would also help increase the volume of community-led housing to come through.

Leonie Cooper AM: Which brings us back to the point that Jamie made about working with the lenders to try to increase the volume, because we are never going to move on from the number of units and the number of co-operatives unless we can do something about moving it to volume and the finance, despite all these issues, still seems to be the main sticking point.

Nicky Gavron AM: The due diligence on finance too. There is the Build off site Property Assurance Scheme (BOPAS), in terms of off-site construction. The issue is, if you are using off-site - Jamie may want to come in on this - then it works best if it is designed in from the beginning to make it so that you get that quality and that cost control. That means to a certain extent it is front loaded and that might make it even more difficult.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): One of the very many good recommendations in your report was around a standardisation guide, which would take that away to some extent.

If the internal layout of properties and the way that different manufacturers' products fitted together was much more standardised, then you would not need to necessarily design it in from the beginning because you would know that different systems could fit together and you would know that the layout would be standard across a range of different properties.

Nicky Gavron AM: We can talk about that.

Sian Berry AM (Chair): We are moving on now to ask Jamie Ratcliff some questions. Since the Mayor took over a lot of us have been asking the Mayor, "Will this initiative of yours include community housing?" and the Mayor has been saying, "Yes, it will". We have not had many details on it yet and I know you have been working on that, so we are now here to ask you for some of the details.

Tom Copley AM: Could you outline for us how the Mayor's proposed Small Sites Small Builders Programme will support the development of community-led housing?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Sure. We have heard from quite a lot of people here that land is at the heart of this and the availability of land is incredibly important, so if you will allow me to answer that question slightly more broadly with two other elements in relation to land.

The first one that is really important - which is outlined in the housing strategy - is around a much more positive view for planning policy for small sites. We have seen the amount of development on small sites generally go down really significantly over the last few years, so in the housing strategy we say that the London Plan will contain policies that will support presumption in favour of development on small sites. That creates an overall environment that is much more supportive of development of small sites, hopefully many of which could be done by community-led housing organisations.

In terms of the Small Sites Small Builders Programme, there is some detail outlined in the Housing Strategy. We aim to get that up and running this financial year. Transport for London (TfL) has identified a number of sites that they want to pilot this approach on. TfL have spoken to a number of you about that at various points in the past. I am hopeful that at least one of those sites that TfL are piloting will be able to be designated for community-led housing.

The way in which we are setting this up allows a mechanism where the sites could be designated for 100% of affordable housing. They could be designated for entirely community-led housing, but recognising that different landowners will have different drivers it is targeted at public landowners. Hopefully, a lot of them will want to be driving high levels of affordable housing. The Mayor has set out his expectation that public landowners should deliver half of all the homes on their land as affordable homes, so that is where the small sites, small builders are.

Tom Copley AM: Is it just TfL land or is there other land as well that is going to be available for this through other parts of the GLA, for example, or will they be buying up small bits of land?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): For it to have a significant impact, it is going to need to go beyond TfL sites but we have not launched it yet. Certainly, there are options looking at other organisations that might want to come in. Some London boroughs have definitely expressed an interest in participating in it. Whether there are other parts of the GLA group that have land I am not sure. Purchasing small sites is another option.

Tom Copley AM: From TfL's perspective, we have looked at this on the Housing Committee in quite a lot of detail. We know that TfL has a financial imperative, as well as the Mayor's housing strategy to get a decent amount of affordable but to get a decent return. We have heard that CLTs generally require a land subsidy. Does that stack up from TfL's perspective if they need to make a return on this land? Are you going to be providing this land at a subsidy or is there going to be a long-term return that is going to come back to TfL?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): I do not think I can particularly answer on behalf of TfL but I could replay back your point to you, which is they have those twin imperatives in terms of raising a level of resources from land sales but also delivering a high level of affordable homes and small sites are probably a good way of driving very high levels of affordable housing on those sites, which may not be worth a huge amount in and of themselves anyway.

Tom Copley AM: It is part of the whole eco system you might say that there might be high levels there but less income for TfL, that there would be more revenue for TfL on the bigger sites?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes. Then my third point: we have had the second of the meetings. The first of the meetings was looking at the interesting way community-led housing could unlock more land with a range of faith-based groups. About seven months ago I was with four bishops, there is a huge amount of energy from a range of different churches that are looking at unlocking their land and delivering large amounts of affordable housing on that.

In a couple of weeks' time I have a tour of East London with one of the property managers for one of the churches there looking at a range of different opportunities. They are going to want to lead community-led affordable housing on those sites and some of them are progressing at an interesting pace. That is another example where we are supporting that and trying to create an environment where more of that can come forward.

Nicky Gavron AM: There is a church foundation, is there not, some version of nation-wide churches?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): We are also working with Housing Justice which is a housing association with a Christian focus that has helped set that up. It has been very positive in the two meetings we have had so far.

Tom Copley AM: There are Christian housing associations, I am sure there are. There are even humanist housing associations which is part of Origin now.

Leonie Cooper AM: There used to be but I think they have all merged and become G1 now. English Churches Housing Group (ECHG) which was Baptist and before that Church Army, is now part of Riverside, so there you go.

Tony Devenish AM: Do you and Kevin Hines [Commercial Asset Manager at Transport for London] have some targets for how many homes are going to be built in terms of small builders and with this particular very respectable part of the industry?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): We have not yet set a target for the small builders' sites or the community.

Tony Devenish AM: Will you be setting targets?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): We will certainly be looking at that.

Tony Devenish AM: You are on message. Thank you.

Nicky Gavron AM: Back to off-site housing because off-site housing is so good for constrained sites. If you take the Bacton in Camden, which tenants have been very involved in from the beginning, council-led, of course, but it is right up against the railway line, the West Coast Main Line (WCML). You do not hear a thing when you are in those homes and it is a very constrained site. There are others, you could take over railway lines. You could build over tunnels. Surely, there must be some marriage here of community-led housing and community land trusts and off-site?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes, and not just the high quality that you can get in terms of environment, performance, noise insulation, but also the ease at which you can customise. That is one of the things that is a great benefit of what I like to call precision manufactured home. It is quite easy to set up a range of different options. You can customise your home in a way that does not mean you need to learn manual trades of how to run electricity lines in different places. You could just order it out of the factory and have a very different home to your neighbour by clicking a few buttons, in the same way as when you order a new car. You can have a load of different options to make it look different.

Nicky Gavron AM: Whereas, it would be much more expensive if you use conventional ways of building.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes, a cheaper choice.

Nicky Gavron AM: It is a very good way of getting buildings on constrained sites, which you might not even think of building on.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Also the cost of developing some small sites, getting a contractor that is willing to do it is tricky. Most people know that we have a demonstration project on some of our land at Gallions Reach at the moment. We lent that land to Ilka Homes so they could get their BOPAS certification. I do not know what that stands for either but you have to install some actual homes. They are doing that. They should be able to deliver a relatively low-density type of housing very cheaply, and they are talking to a lot of boroughs about how that could work as well as us.

Nicky Gavron AM: Thank you.

Tom Copley AM: I was going to ask now if any of our guests have any views on the Small Sites Small Builders Programme. Is it a good thing? Can it be improved in any way? I am seeing nods.

Greg Robbins (Secretary, London Federation of Housing Coops): We have talked about the amount of resources that individual co-ops have and co-ops have collectively. One of the things we do need is some pilot models so we have some success to build on. We are trying to change the culture a bit so that people are used to investing their reserves, so there is a range of projects they can put their money into. You would not want any individual co-op to put all of its money at risk in one venture. That would be ridiculous, bad asset management.

If we can start with some pilots and people can see that they are working, then we can bring more co-ops in and use some of those assets to leverage and try to build something that is self-financing and sustainable for the future.

Tom Copley AM: When Jamie says the idea of having at least one of these bits of land for co-op community housing that is something that you would be interested in?

Greg Robbins (Secretary, London Federation of Housing Coops): We have a range of partners within the co-op movement. We have small bespoke developers that will build exactly whatever you like for the tiniest - end of a garage driveway - type of developments. We have partners with Redditch Co-operative Homes and the Accord Group, who want to build 50/100 properties for us and will give us the financial back up and support in doing that and in between we have all sorts.

You do not develop and build properties and maintain them for 40 years without building a network of small builders and tradesmen that you can call on to do interesting work.

Jessica Jacobs (Coops for London): That don't pay Value Added Tax (VAT).

Greg Robbins (Secretary, London Federation of Housing Coops): Yes, that does help. A place like Bunker doing that one down in Brighton is a one-off development, but once you have done one you can find more. Leather Market is doing 28 units. We need to have some places. We have been talking on and off to Jamie over the last three or four years but it is just having the pilots to develop and move forwards on, so we are completely in favour of that but the issue is the land.

There has been a lot of talk recently about low cost housing, "This is a cheap way of building. That is a cheap way of building". We do not need a cheap way of building. We need a cheap way of clearing the land to build on and a cheap way of getting the land. Then we want to build high cost housing, which is cheap for people to live in and keeps living costs down and has a low carbon footprint.

We are not against housing associations but we want to have a housing co-operative model which locks the value of the land into the community into the future, rather than being something that is sold off. Some housing associations are taking advantage of changes in legislation, so have new lets that are affordable rents rather than social housing rents. It is the co-op model that does not have the right to buy and will keep rents down and keep the value of wages within the community.

Tom Copley AM: I think the Mayor has stopped that actually, and Jamie is nodding. He has stopped that in London certainly, the conversions. Is the intention with this - talking about clearing the land - that essentially the land will be prepared before it goes out to a small builder or small developer?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Of the ones that are being looked at the moment, I do not think it is finalised and I do not know the details of the individuals. They are all in different places and I do not know that they will be entirely prepared and ready to go immediately. They certainly will not have planning, but they will hopefully be sites that it is plausible for people to get on and deliver and are not setting people up to fail.

Tim Southall (Housing Delivery Manager, Bristol City Council): Yes. In the West of England, that is the four authorities that make up the West of England Partnership, we have recognised that one of our biggest assets is small sites and the problem is they have not been looked at. It really needs a huge amount of work, so we are in the process of making a bid to Government through the Housing Deal. I have so many funds going - through One Public Estate (OPE) Phase 6. We are making a bid for the starting resourcing we need to bring those sites forward and that is basically property.

We need people to be able to quickly evaluate those sites: whether they are goers, whether they are not goers, what sort of pre-development works would be needed to bring them forward, whether they are likely to secure planning permission. Now that is a lot of work. We are struggling at the moment with our statutory requirements for just meeting the self-build requirements in the city. We just see the wish to now help Small and Medium-sized Enterprises (SME) builders, community-led housing, we have a tremendous demand for small size, yet we have very little worked up sites with planning permissions that we can bring quickly to the market.

Jeff Endean (Housing Strategy Manager, Lewisham Council): We have been in conversations with the team doing the small sites work at the moment and it does feel like, if you look at the constraints that boroughs are under trying to bring forward land, there is definitely a good purpose behind that work and some use to it.

Boroughs are constrained in terms of the people that they have available to bring forward sites. Small sites are often just as hard to bring forward as big sites. The bigger gains are in the big sites but at the same time competing pressures: land and money from sites. A process for us that creates clarity about how land can come forward, and which happens on a bigger scale than just one authority would be helpful, in principle, so some way of identifying sites to go through a co-ordinated process would be good. On the flip side of that from the community, so community groups that we have spoken to, for them to have visibility about sites that are coming forward that are not just necessarily in Lewisham. There is also a benefit for community groups to see what is coming forward too, so it does feel like there are some good principles that are behind the approach and obviously we will have to see how it shapes up.

Emily Auckland (Senior Project Manager, Bioregional): That point about visibility about sites that are available, small builders alongside the community-led housing hub has real potential. If those things work in partnership with each other and groups are getting the technical support and expertise they need but are also able to connect with the land that is available, and the community-led housing hub can help them do that, then that could work really well.

Jessica Jacobs (Coops for London): I would add that the concept of co-ops has so many people, not just existing co-ops but people who want to become part of co-ops. Especially in the private rented sector we have seen a lot of people interested in that. There is a whole group of new people coming up that can be not just CLTs. It is great that there is a CLT Fund but there could be a housing co-operative fund too from Nationwide. That would be great.

When we are thinking about co-operatives it is not necessarily just being about the small hard-to-let, hard-to-make-a-profit-from sites next to railways, which are great, but actually being at the centre of private development so we can be part of the housing solution from the beginning. We might be small but we do not have to be put in the margins. We can be central to the debate.

Tom Copley AM: What you were saying earlier about delivering the affordable element of a larger private development.

Sian Berry AM (Chair): Can I ask Jamie a quick question about delivery? I know you just said you would not tell us any targets but the Mayor's office and TfL both have been staffing up quite a lot in terms of growing the housing teams, growing the development teams. Do you know how many new staff the Mayor and TfL have taken on for this?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): I do not. I saw a letter that went to Assembly Member Tony Devenish, which if he has got it to hand he might be able to answer. If not, I could access the information and write to you confirming it.

Tony Devenish AM: I understand it has been updated since then anyway. I cannot remember the figures, sorry.

Sian Berry AM (Chair): It would be useful for us to know. I know you are still piloting the projects and I am listening to what the other people on the panel have said. It is bringing forward small sites but, if you are doing pilots and only one of them is to do community-led housing, there are so many diverse models of community-led housing. That did not seem like enough of a pilot because you will pick a model and that may or may not work, but there are lots of different community-led housing type initiatives there could be. Will you be looking to expand that pilot quite quickly?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes. It is a fair challenge and there is a balance between doing a pilot that is meaningful but is not so big that you cannot learn as you are going on, so certainly we have a lot of ambition to do something that is big and good but we also want to be able to learn and develop from it. It is also that the Small Sites Small Builders Programme is not going to be the answer in and of itself to these challenges. The community-led housing hub is a big part of that and how we address the land challenge through that is really significant.

A thing I would throw in to you considering your recommendations is around - and Leigh might remind me of the name of this - the Government's community-led housing fund.

Leigh Pearce (Chief Executive, Nationwide Foundation): It is the Community Housing Fund, yes.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): £60 million a year. London got an incredibly small share last year. London should have a much bigger share going forward because of housing need and proportion of population. If we got an ongoing slug of that there would be some quite interesting things we could do around land assembly and revolving funds to be dedicated to support community-led housing.

Sian Berry AM (Chair): That bypassed the GLA this year and went straight to the boroughs. Have you been monitoring how that is being spent by the boroughs?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): A number of boroughs have pledged some or all of their funding to us to help do even more with the hub. We are certainly engaging closely with those that pledged.

Sian Berry AM (Chair): How many boroughs is that?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): We are just finalising it at the moment and there is an approval form going through. In the very near future it will be clear who and how much has pledged that.

Sian Berry AM (Chair): That is interesting.

Tony Devenish AM: When you send the updated organisation chart - you sent it in June [2017] to me - because you have the GLA Group, you have the TfL lot, you have you and you have the Metropolitan Police Service (MPS), who are selling off these police stations against our will, so perhaps you could add that in as a pilot as well.

Leigh Pearce (Chief Executive, Nationwide Foundation): I wanted to add to the point around the Community Housing Fund. Only year one of the money has been released. We are well into year two and

there is no sign of the second year being released. There is a lot of uncertainty around how that money is going to be distributed but the community-led housing sector is chomping at the bit waiting to make the most of that influx of capital and, as Jamie said, to London as well. That will make a huge difference if we could get it released.

Sian Berry AM (Chair): Just to be clear, this is not lots of development money, is it? This was £60 million for the whole country?

Leigh Pearce (Chief Executive, Nationwide Foundation): £60 million a year for England and the biggest investment amount for community-led housing. That would make a step change in what the sector can do, so we are very keen to hear more eventually.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): For example, if London got a quarter of that, £15 million, that would probably be enough to buy three or four sites suitable for this every year. Probably every two or three years you could start to rotate some of that money and that would grow fairly rapidly into quite a significant pipeline.

Sian Berry AM (Chair): Yes. Split up between all the boroughs it is a few hundred thousand each.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes.

Andrew Boff AM (Deputy Chair): Just on the previous question, what is the smallest site that is attractive to co-ops?

Jessica Jacobs (Coops for London): Our co-op is 59 homes. I think smaller ones do work as well but I think that is a good size and then other ones that are about 150. So, it really depends whether it's a new co-op or whether it is an extension from that co-op. For example, at the moment we would be quite interested in having another property added. We have one building of 55 flats and we have two houses and two maisonettes. At some point in the 1980s we expanded a little bit.

Andrew Boff AM (Deputy Chair): When you say expand, does it have to be contiguous?

Jessica Jacobs (Coops for London): No, it is just two houses. They are just in the area.

Andrew Boff AM (Deputy Chair): Just in the area?

Jessica Jacobs (Coops for London): Yes. It would not be impossible for us to do that again if we could find the right property.

Andrew Boff AM (Deputy Chair): You could develop, potentially, on a piece of surplus land that was just enough for a house.

Jessica Jacobs (Coops for London): Yes. I think that is happening quite a lot in Camden. There is a council site near us, Kiln Place, and they have cut down a tree recently and that tree is now going to make six houses. Not literally out of the wood, I hope. There are lots of little spaces like that.

That is just one option. The option is to start new properties and create that sweet spot of between 50 and 150 properties. That is what works best. Smaller co-ops can work but they do not generate much movement, so I think those are good sizes. It is also about income, because you need to have a certain amount of your income in order to manage your own property. For example, Fairhazel Housing Cooperative spends about 10% of its income on a housing manager and things like that because it has a higher turnover, whereas we spend about 30% to 40% on our management team.

Andrew Boff AM (Deputy Chair): But the small sizes are attractive to people who are already established.

Jessica Jacobs (Coops for London): It is handleable. It is easy to absorb, is it not? It is just a few extra properties, a few extra houses.

Andrew Boff AM (Deputy Chair): If there was a right to develop on public land, would that be something that would be of interest to you?

Jessica Jacobs (Coops for London): Yes, I think so. Very much.

Andrew Boff AM (Deputy Chair): Very much. Very good. We will record that.

Nicky Gavron AM: Can I just say small sites can be much bigger than just two or three houses? I think it is 0.25 hectares, which is getting up to 50.

Jessica Jacobs (Coops for London): Yes, I was just talking about how many properties we would be willing to do at one particular time. You could squeeze lots of things into a small space.

Andrew Boff AM (Deputy Chair): The kind of sites that are uninteresting to TfL, for example, are quite big.

Jessica Jacobs (Coops for London): Yes.

Andrew Boff AM (Deputy Chair): Yes. To Mr Ratcliff, can you clarify the arrangements for community groups wishing to access the Mayor's Affordable Homes funding?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes. I will not go into loads of detail on this but I was pre-warned that you might ask a question around this.

Andrew Boff AM (Deputy Chair): Just to narrow it down, there is confusion as to whether or not the applicants have to be registered providers or be part of - what is the terminology - the investment partner.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): The investment-partner status is within our gift and it is relatively simple. It probably should be a bit simpler; it is something that we are looking at reviewing to see what we can do to streamline it. Basically, we have said we will give funding to organisations who will own homes in the long term, own affordable homes in the long term, and that absolutely includes community groups. Where it gets slightly more complicated is in relation to registered providers where there are legislative duties placed upon the GLA by virtue of the Housing and Regeneration Act 2008, as amended by the Localism Act 2011. I can give the exact clauses later, because I am sure you do not want to be bored by them. For rented homes, the landlord has to be a registered provider, which means they must register with the social housing regulator, which is currently the HCA. For affordable home ownership homes, they do not. It is any rented homes that are below market rates.

Andrew Boff AM (Deputy Chair): Those co-op models that take a rent would need to be registered providers. Those that do not would not, is that true?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes. If it was a home ownership model, as we were talking about, then we can absolutely give grant to that and they

do not need to register with the social housing regulator. But if they are renting the homes out and we are funding them or financially supporting them in any way, then they do.

Jessica Jacobs (Coops for London): A lot of co-ops are registered social providers.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): I think Greg said about half.

Greg Robbins (Secretary, London Federation of Housing Coops): About half of the 160. Eighty or 100, yes.

Andrew Boff AM (Deputy Chair): What about if there is a shared ownership model? What happens there?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): If it is a shared ownership model, then they do not need to register with the social housing regulator. We can grant them. That is fine.

Andrew Boff AM (Deputy Chair): That is good. That is nice. Do our guests think that you are going to be bidding for such a fund? Do you think you might bid for this money? Because we do not know where it is coming from.

Greg Robbins (Secretary, London Federation of Housing Coops): If we can identify a pilot site, the cost of building. If we look at the cost of building in the Midlands, it is £60,000 to £100,000 for a one- or two-bedroom property. The same figures in London seem to be £240,000 to £300,000 because of the various costs to do that. To provide social housing we need to look into whatever grant funding is available, in the same way that any local council would. So, yes, it would be attractive to approach them for this. The issue still comes back to we need to be clear that grant funding does not allow council officers to try to raise the value of the land. That grant funding needs to be used to reduce the cost of developing the housing and not be a negotiating factor in purchasing the land. Otherwise, the grant funding becomes irrelevant because it just changes the amount of income to the local authority. We are simply passporting it from the grant funder to the local authority without making the project itself any more viable.

Andrew Boff AM (Deputy Chair): How do you escape from that dilemma?

Greg Robbins (Secretary, London Federation of Housing Coops): It is largely through good contacts with local councillors and persuading them of the value of this, which is partly why the process tends to take so long, because it is not a straightforward transaction. It is much more getting the political support behind it.

Tony Devenish AM: I wanted to go to Jamie, because it is about the cost of the land. Would it help if you just committed that you would clean up the land before you hand it over to whoever you are going to hand it over to, a housing association or a co-op? If we had a fund, and there are funds available to do that, would that make the whole lot easier?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes, I think that is one of the things that could help. The £250 million Revolving Fund that the Mayor announced a couple of weeks ago, that is precisely what it is targeted at in terms of providing land assembly, acquiring land, remediation, infrastructure, other things that are needed to get sites ready for development, and then we can support them to come forward at pace with high levels of affordable housing.

Tony Devenish AM: Is that a commitment on these pilots; that is what will happen?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): I do not know the sites that are being looked at from TfL. We will make sure that they are development-ready. Exactly what is going to be necessary for each of them, I do not know. We are still a little way away from being exactly clear on it.

Tony Devenish AM: Thank you.

Andrew Boff AM (Deputy Chair): Mr Ratcliff, under the Mayor's Innovation Fund, only loans are available, not grants, to non-registered providers. Are community groups still bidding for this funding?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): We had a strong response from a number of community groups, quite a lot of which we have taken forward into detailed due diligence at the moment and will be announcing the deals as they come through, on a case-by-case basis. Because the legislation applies to us regardless of what we call the pot, there are the same obligations. If it is rent they still would need to be a registered provider for those homes, but I am hopeful there will be a number of interesting proposals that we do fund and do deliver with community groups from the Innovation Fund.

Andrew Boff AM (Deputy Chair): Of course, all these people are applying for the Affordable Homes Programme. Have we found the money yet?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): The Government committed £3.15 billion at the last autumn statement to the Mayor, to London.

Andrew Boff AM (Deputy Chair): It is coming from that side?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): That is what we are using for our Affordable Homes Programme. That is where the initial allocations of £1.7 billion came from in July [2017]. We are still actively engaging with partners in what we can do to deliver more affordable housing from that, as well as negotiating with the Government for a share of the money that was announced yesterday.

Andrew Boff AM (Deputy Chair): So it is the existing amount of money that was awarded, the £3.1 billion?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): We may be talking at cross-purposes. The Innovation Fund and our Affordable Homes Programme is coming from the £3.15 billion. The Revolving Fund is separate to that.

Andrew Boff AM (Deputy Chair): I beg your pardon; the Revolving Fund is what I meant.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): The Revolving Fund we are saying is going to come from receipts of properties and land that is sold by GLA as well as other housing budgets.

Andrew Boff AM (Deputy Chair): Which you have identified.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): There is £4.25 billion of housing budgets in the annex to the draft London Housing Strategy. It sets out the totality of the money that we have in existing budgets and then there are also receipts coming in on an ongoing basis.

Tom Copley AM: Use of a fire station, for example. Would that be an example?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): This is money within GLA Land and Property Limited, which is a subsidiary.

Tom Copley AM: Not functional bodies.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): No, no, the money is still coming in because it is on a deferred-receipts basis. Yes, just the land that they transferred to the GLA from the Homes and Communities Agency, the London Development Agency and the London Thames Gateway Development Corporation.

Andrew Boff AM (Deputy Chair): Thank you.

Tom Copley AM: I am going back to Assembly Member Boff's question about only giving loans not grants to non-registered providers. Why?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): No, that is not the case and in fact the legislation is really broad in that if we give of a loan and as a requirement of the loan we make it be affordable rented homes, we have exactly the same restrictions.

Tom Copley AM: Yes, but if it is not. If it is not rented homes, sorry. Am I misunderstanding this? Apparently, you are only giving loans not grants to non-registered providers. If a non-registered provider comes to you with something that is not a rented scheme, can you still give them a grant?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes.

Tom Copley AM: From the Innovation Fund?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): From either. If it was a standard shared-ownership product, which is what we are supporting through the main programme, a non-registered provider could come to us. We could provide them with grant funding. The Innovation Fund is for things that do not fit within our standard set of products or standard way of funding. It might be they are different because it is a different form of home ownership, it might be that they are different because they want the money in a different way. But it is innovation; we have not clamped down on that. But we certainly have not said we will only give loan funding to non-registered providers.

Tom Copley AM: Thank you.

Sian Berry AM (Chair): You said that they have to be registered providers if they are doing affordable rent. Is that social rent? Is that the limit or does it go right up to 80%? So, anyone providing rent up to 80% of the market rate, they would still not be able to get anything from you because it is rent?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA):

Confusingly, the term that is used in the legislation is “low-cost rent”, which is defined as anything which is below the market rate.

Sian Berry AM (Chair): Even if you are not saying it has to be, anyone providing below-market-rate rental products cannot get anything from your Innovation Fund?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): They can, but it becomes a circular argument. The problem is if we require it in any way – and it is if we require it if we are building something, if we require it if we are selling something, if we require it because we are providing infrastructure or because we are giving money in any shape, form of equity loan, grant – if as a condition of doing one of those things we require that the rent is below market rate, we then have to require that the landlord is a registered provider. The problem with that is if you are not requiring it for something, for example, for a loan, we could just give an interest-free loan and say, “We are not going to require it is affordable but we know that you are going to do it as affordable because that is your whole business model”, then we would have to charge a market rate for the loan as if it was commercial housing. Therefore, it would not be affordable to somebody who would do it, so we get caught.

Sian Berry AM (Chair): Can we write to you about this and get some more clarity, because it seems like the rules are excluding some of the people who we have met who have ideas for this kind of thing? They are not able to claim any kind of grant and that seems a little bit wrong. But it does not seem like it is your fault, it seems like it is the law.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): It is hard to blame me for this one. We are happy to set it out very clearly and it might be something you think Government should change, subject to them having legislative capacity.

Sian Berry AM (Chair): Exactly, thank you, yes. Moving on, I want to ask you about the Community-Led Housing Hub. I think you have given that seed funding. Is it £250,000 per year, or for one year? This is the question: how long will you keep funding it for and how does it have to become self-sustaining and how does it go to manage that?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): The pot that we made available is £250,000 over three years. It is £50,000 this year and then £150,000 next year and the year after. The idea behind this is that we would help set it up but then it would become self-sustaining. Part of that is because we do not want it to be something that we own or control. It should be for the benefit of the community and be seen as an independent voice. There are models. I think the Cornish model is self-sustaining in terms of charging a percentage of the total development costs, which not only incentivises the hub to get projects successfully delivered but also helps sustain it going forward. That is the hope that we are doing.

Of the £50,000, we have spent a small amount of that so far in terms of setting up a business plan. Part of that is about how it will become self-sustaining, what is needed in terms of the breadth of activities, who and how many people it employs. We are hoping to recruit somebody to be carrying that out as a full-time role in the relatively near future. One of the sources that we are hoping will help it grow is the money that is being pledged from boroughs as part of the Community Housing Fund. We are hoping to get the approvals in place for that money coming in relatively soon. Does that answer your question?

Sian Berry AM (Chair): You are going to be adding some of the borough money to the money you have already pledged, to build up its capacity?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): That is the intention, yes. If we could have a share of the £60 million going on every year, then certainly directing a large proportion - if not all of that - towards the hub would be a good idea too.

Sian Berry AM (Chair): And the structure of it is largely based on the Cornwall model, is that right? It is to be an umbrella organisation that helps others to develop?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): I am not an expert on the Cornish model, but precisely. It is about something that comes together, brings learning from people who have done this successfully, and links people who are interested up with other interested people, people who have done it before, technical experts who can help them through different stages. I will defer to Leigh at this stage.

Leigh Pearce (Chief Executive, Nationwide Foundation): The priority for our funding at the moment is funding infrastructure that supports the growth of community-led housing. The models in Cornwall, Wessex, Cumbria and East of England have seen varying success in delivering a sustainable model. But ultimately what community-led housing is made up of is passionate, determined, courageous individuals who really want to do something, but what they do not always come with is expertise and technical knowledge.

Housing is complex. You do not wake up one morning and think you know how to do a development. The infrastructure models that we have seen in Cornwall and Wessex have been hugely helpful in pushing forward and providing that advice, support, technical expertise, to those people who come with the passion and the drive and the determination; something like that in London. The hub has looked at the Cornish model and the other models around and, hopefully with our funding, will be generating more of those hubs across the country and will be making sure the learning is shared across all those bodies to share best practice and approaches that can be used.

Sian Berry AM (Chair): In terms of how the London hub will work, it is not just going to be learning and advice, is it? They will be making experts available to do work on projects, essentially?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): There will be technical experts available as part of the hub, who you can be signposted to, and who are ready and willing to support different groups. You could be advised by the hub of who you might need to speak to at different points.

Sian Berry AM (Chair): But they are not going to be free or subsidised? They are still independent consultants who charge those kinds of rates, presumably?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes, and so to an extent it will depend on how much funding we have and what support can be offered in different things, but a lot of the expert advice is going to come at a cost, certainly.

Emily Auckland, Senior Project Manager, Bioregional): Groups are already accessing that support - they just have to put time into finding the right person. One of the challenges within the sector is the variety of models, and groups making decisions about what is the appropriate solution for them. Something like the hub, where they can go and find all of that information and identify what is important and useful for them and then

be directed to the right person cuts out loads of the effort that is currently delaying the process that they are going through.

Jessica Jacobs (Coops for London): I want to ask about what a technical expert is, because I think us in the culture, we consider ourselves expert in housing. We have management committees; Greg is an expert in governance in terms of modelling. We do not just live in our houses. We run and manage them ourselves. Would you employ us as experts in your community hub or are you talking more about surveyors and people with qualifications and things like that?

Sian Berry AM (Chair): In my mind, as I was speaking just then, I was thinking much more of architects, planning people to get you through the planning, but you are right that when you are setting up, say, your allocation scheme or how you manage your constitution, expertise from people like you will be useful. Presumably that is part of it. The reason I was asking, though, was because of the fact that in-house experts can be much, much cheaper if they are salaried on a public salary than if they are employed project by project as consultants. Is that the sort of capacity you are thinking the hub might build?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): The previous question is, yes, there is a broad range of experts and we are not going to commit to whom we might be employing for different things at the moment. But all the way through the design feasibility, planning, construction, management, operation, you need technical experts in all of that. Some of it will come from scale. We would not rush out now and employ lots of people to be doing this. It is more likely you move there incrementally. If there is enough funding it might be that we can provide more seed grants to people who are interested and help link them up with experts who are at a price that maybe they could not afford at that point. If the demand grows to a certain scale that there is a need for certain types of technical expertise, then looking at how you might salary that and bring it in on a permanent basis is something that could be looked at. Probably it feels like it feels like it is a little way down the line.

Tom Copley AM: Will the Mayor be using his new Revolving Fund for land-buying to support community-led development?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes.

Tom Copley AM: Great. I was at St Anne's Hospital site this morning and I know they are very keen for the Mayor to use as much of that for the purpose. We have now learned where this money is coming from. Presumably this money - I know it is meant to be recyclable - could be tied up for quite long periods of time in certain things. If, for example, it is a community-land trust where you might not be selling it straight on to a developer and getting a return, this might be more a long-term investment. Are you looking at having a more long-term investment in the community-led side of things?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): There is not going to be one single model and we are not going to be tying us down to make us not be able to do certain things. Some of the sites we are looking at could be quite big and some of them could be really quite small. Some of them might be small acquisitions you need to facilitate a larger site. Some of them might be sites that --

Tom Copley AM: Land assembly.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes, as well as the remediation infrastructure provision. In terms of some of the sites might be suitable for entirely

community-led housing development in the way we have talked about from the small sites and hearing Assembly Member Berry's point around having a breadth of different models. Some of them might be larger sites where a proportion of it could be community-led housing, as we have heard the co-operatives are interested in exploring that. I think there will be a breadth of models. We have not identified all the sites that we will be engaging with or exactly how we are engaging on all those sites at the moment. We hope we will be uncovering lots of opportunities as we are going forward, because I think part of this new way of working, of taking a more proactive engagement in the land market is getting our teams out there more to look for opportunities and see what we can do to link them up with our partners.

Tom Copley AM: Am I right in thinking that when part of the public sector is selling a bit of land, other bits of the public sector have the first refusal on it? Is that true? If the NHS sells a bit of land, before it goes out to market the GLA will have the opportunity to get in there?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): It is one of the things we would like. The Homes and Communities Agency outside London does that have that right of first refusal. I think it was in the Infrastructure Act, but unfortunately that was enacted after the Homes and Communities Agency's powers were devolved to the Mayor. We did not get that update at the same point, so there is a mismatch in terms of our powers in relation to public land compared to the Homes and Communities Agency in the rest of the country. We would love to have the right of first refusal; we do not at the moment.

Nicky Gavron AM: We will have to sort that out.

Tom Copley AM: We do. When are you expecting to buy up the first pieces of land? Do you have a timeframe?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): I do not have a confirmed timeframe.

Tony Devenish AM: You could write to us if you like.

Sian Berry AM (Chair): Can I ask whether you are taking suggestions from people? Since this came up I have had a caseworker come in saying, "What about this old hospital?" We have obviously suggested things to do with you having a people's land commission before, of places people have noticed that are not currently public. Is that worth sending in to you?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Yes, we would be very interested in that. It would be more useful to send it in by email than in a public forum, partly because the more people know about --

Sian Berry AM (Chair): Yes, that is what I mean. In general, we can pass these on to you?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): Absolutely. Passing them on would be useful, thank you.

Sian Berry AM (Chair): The final question is: is it not true that best consideration does not apply when you are transferring between bits of the public? I know first refusal, you have explained that, but what about the price?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): I do not know. I would have to come back to you. There is also a provision in relation to how transfers are affected. The Homes and Communities Agency has powers to transfer property by statutory order, which means that you do not pay stamp duty on the transfer. But whether best-consideration rules apply or not, I am not sure. I will come back to you.

Sian Berry AM (Chair): OK, good.

Greg Robbins (Secretary, London Federation of Housing Coops): It would be really nice if the housing co-op movement was involved in a practical way in the community hub. At the moment, it seems to be a three-way partnership with two organisations based in the same building and the community hub being based there as well. It is not very wide. It is a bit dangerous on the Government's front to be so closely tied and there should be representation from co-op groups. I have found it quite difficult to sort out the details but I do not think the board has been finalised, has it?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): No. At the moment, we are just finalising a business plan that has been written to us and that is the first bit of funding that we have used. We are certainly very keen to engage a very wide range of people and we are deliberately framing this as community-led housing and not picking a certain model, because we think it is really important that one of the benefits of community-led housing is people take control, and they should be taking control in which of the various models they want to pursue. At the launch Greg [Robbins, Secretary, London Federation of Housing Coops] or perhaps one of his colleagues was definitely there because I saw a beautiful banner in the picture.

Jessica Jacobs (Coops for London): It is our banner, Coops for London.

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): We definitely are engaging with co-ops but we are not exclusively advocating one model over another.

Sian Berry AM (Chair): At the moment the seed funding that comes from the CLT Network is for CLTs but, potentially, the hub could be giving grant seed funding to co-ops too?

Jamie Ratcliff (Assistant Director, Programme, Policy and Services, Housing and Land, GLA): To a broad range, yes.

Sian Berry AM (Chair): Thank you. We may need to finish that, but thank you very much to all our guests for coming.