

Homes for Londoners Board

Date of meeting: **27 February 2018**

Title of paper: **Land Assembly Research Findings**

To be presented by: **Scott Bryant, Senior Policy Officer**

Cleared by: **James Murray, Deputy Mayor for Housing and Residential Development and
David Lunts, Executive Director of Housing and Land**

Classification: **Public (with reserved appendices – information to be published at a later date)**

1 Executive Summary

- 1.1 This paper summarises findings from research commissioned by the GLA to explore international models of land assembly, and how they could support an increase in housebuilding in London. The research has been led by Urbanism Environment and Design Ltd. (URBED). The recommendations relate to how land assembly could be better resourced, incentivised and enabled through the use of new statutory powers in order to support a significant increase in the pace and scale of housing delivery in London. A presentation will be delivered to the Board to accompany this report.

2 Recommendations

- 2.1 That the Board
- a) Notes the report and presentation; and
 - b) Comments on the recommendations made in the research report.

3 Introduction and Background

- 3.1 The GLA commissioned research to investigate international models of land assembly and how they could support an increase in housing delivery in London. Following a procurement process, in July 2017 the commission was awarded to Urbanism Environment and Design Ltd., supported by Dentons LLP, Gerald Eve, Housing Futures Ltd. and the Network of European Metropolitan Regions and Areas (METREX).
- 3.2 The key elements of the brief were to:
- a) Review land assembly models employed internationally, and draw conclusions from these about the conditions that would best support land assembly in London;
 - b) Identify specific land assembly mechanisms that could support housing delivery in London;
 - c) Evaluate how these measures could be applied in London, including the resource, legislative and planning implications of these measures;

d) Test in-principle these measures on two sites in London.

- 3.3 GLA has also facilitated a Research Advisory Group to inform the development of the research, comprising a range of organisations with an interest or role in land assembly in London. Appendix 1 lists the external organisations represented on this Advisory Group. Alongside this, extensive engagement with teams across the GLA and Transport for London (TfL) has taken place as this research has developed.

4 Research Findings

- 4.1 The research highlights that land assembly is an inherently complex and time-consuming process. This has been exacerbated in the UK by a shortage of necessary skills in both the public and private sectors, high expectations of the value of land, and uncertainties about the costs and risks involved in assembling sites, which has hindered long-term strategic planning.
- 4.2 The research explores land assembly mechanisms used in the UK in the past, as well as those utilised in France, Germany, the Netherlands and the USA. It finds that successful international models of land assembly are underpinned by strong public-sector leadership, focussed in specific areas of the greatest opportunities and supported by public investment. Whilst the legislative context varies across the case-study countries, the research highlights a role for more comprehensive and streamlined planning and land acquisition powers to support land assembly.
- 4.3 The research makes recommendations in four key areas, which are summarised in Appendix 2 (reserved for publication at a later date):
- a) Resourcing land assembly;
 - b) Incentivising voluntary land assembly;
 - c) Compulsory acquisition of sites; and
 - d) Strategic planning for land assembly.
- 4.4 At the core of the recommendations is the need for a more interventionist approach by both the GLA and boroughs to land assembly. This is consistent with the findings of the Homes for Londoners new delivery models sub-group, which reported to the Board in June 2017.

5 Key Risks and Issues

- 5.1 The research makes recommendations for long-term change to improve land assembly in London. The findings are particularly relevant to the GLA's emerging position in three areas:
- a) London Housing Strategy: following a three-month consultation that concluded in December 2017, a revised Strategy is now being prepared. The draft Strategy made the case for further reforms of, and resources to support, compulsory purchase and commits to exploring new land assembly models, drawing on international examples.
 - b) Development and funding infrastructure task force: following a Memorandum of Understanding on further devolution to London, published alongside the Spring Budget 2017, Government established a joint task force to explore

options for piloting a Development Rights Auction Model (DRAM) on a major infrastructure project in London. The GLA, TfL, London Councils, HM Treasury, Department for Transport and the Ministry for Housing, Communities and Local Government are represented on this task force.

- c) Letwin Review: during the Autumn Budget 2017, Government announced a review into the gap between housing permissions and completions in areas of high demand, to be led by Sir Oliver Letwin MP. A full report from this review is expected at the 2018 Budget.

6 Equality Comments

- 6.1 The research seeks to identify land assembly mechanisms that have the potential to increase the supply of housing in London. This will help to address problems such as overcrowding and homelessness, which evidence indicates disproportionately affect specific groups, including Black and Minority Ethnic groups and women¹. The delivery of high-quality housing will also promote improved health and wellbeing, given evidence of an association between poor housing conditions and poor health.²

7 Financial Comments

- 7.1 A budget of up to £50,000, from the GLA Housing & Land budget, was established to fund the research. Implementing the research recommendations would have further financial implications for the GLA.

8 Legal Comments

- 8.1 The commission was supported by Dentons LLP, which has evaluated the implications of the research recommendations on existing legislation. TfL Legal has also provided comments on the recommendations.
- 8.2 Implementing the research recommendations would require legislative change, as set out in Appendix 2.

9 Next Steps

- 9.1 The research is scheduled to be launched in March / April 2018.

Appendices:

Appendix 1 - External membership of Land Assembly Research Advisory Group

Appendix 2 - Summary of research findings and GLA response (reserved – scheduled for later publication)

¹ DCLG (2016): statutory data on homelessness

² Shelter (2013): People living in bad housing; Office of the Deputy Prime Minister (2004): the impact of overcrowding on health and education