

GREATER LONDON AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2054

Title: Commissioning of consultants to research the nature, extent and role of overseas investors in London's residential property market

Executive Summary:

The Mayor is committed to developing an evidence base to understand the role that overseas investors play in the London housing market. This ADD authorises expenditure to commission specialist consultants to undertake this work.

Decision:

The Assistant Director approves the commissioning of consultants, through a mini-competition, to support the GLA's work to consider the extent, nature and role of overseas investors in London's housing market. The commission is for a maximum value of £32,000.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

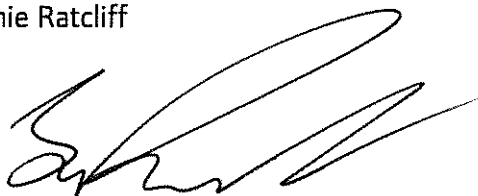
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Jamie Ratcliff

Position: Assistant Director, Programme, Policy and Services

Signature:



Date: 6/12/16

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The GLA wishes to commission consultants to undertake the most extensive research ever undertaken in the UK into the nature of overseas investors in the London housing market. Public concerns over overseas buyers' role in the housing market have grown in recent years, and in response the Mayor committed in his manifesto to introduce policies that give 'first dibs' to Londoners, enabling Londoners to have greater access to new homes built in London.
- 1.2 In order to develop policies that support this manifesto commitment, it is necessary to understand the role of overseas investors in the London housing market. The existing evidence base is increasingly historic and is limited in scope. Specialist consultancy support is therefore required to undertake independent and detailed research to establish the extent to which overseas investors operate in the London housing market. This work will need to take into account their role in financing development, the location of their activities, and the extent to which they add to London's housing supply. Further detail of the exact nature of the work to be undertaken is set out in the draft research brief (appendix 1).

2. Objectives and expected outcomes

- 2.1 The objective of the research is to significantly improve our understanding of the role of overseas buyers in London property market in order to inform public knowledge and policy-making. The outcome will be a robust evidence base that will inform the development of the Mayor's housing and planning policies. More details of the specific research objective are outlined in appendix 1. The main output will consist of a detailed report of the consultants' work, currently scheduled to be completed by March/April 2017, with an interim report to be presented to the GLA in early 2017.

3. Equality comments

- 3.1 The aim of the work is to enhance the GLA's understanding of the London housing market, the extent to which residents are able to access housing in the city and how this affects housing outcomes in London. The Integrated Impact Assessment of the London Housing Strategy states that delivering new housing, including affordable housing, is likely to have broadly positive benefits in relation to social and economic sustainability objectives such as improving health, reducing inequalities, increasing accessibility, and economic development. Any new policy documents arising from this research will be subject to a similar assessment.

4. Other considerations

a) Key risks

- 4.1 The key risk associated with this piece of work is the highly visible and controversial nature of the subject. It is important that the work is seen to be as independent and thorough as possible. The challenge will be to ensure that a work of sufficient depth is delivered within the timescale set and for the budget available. This risk will be mitigated by ensuring that as wide a range of potential bidders as possible are encouraged to bid for the brief, and that these bidders are seen as independent from the property industry.

b) Links to Mayoral strategies and priorities

4.2 The Mayor's manifesto committed to improving Londoners' access to new homes. The Mayor has since committed to commission 'the most thorough research on this matter ever undertaken in Britain'.

c) Impact assessments and consultations

4.3 Any new statutory London Housing Strategy containing policies that are relevant to this issue will be subject to two rounds of consultation and a full and independent Integrated Impact Assessment. Any new London Plan will be subject to consultation and an Examination in Public.

5. Financial comments

5.1 This decision requests an approval to commission consultants, through a mini-competition, to support the GLA's work to consider the extent, nature and role of overseas investors in London's housing market.

5.2 The expenditure of £32,000 is available from Housing & Land Management and Support Consultancy Budget and will be expended in 2016/17 financial year. Any changes to this proposal, including the requirement of additional funds, will be subject to further approval via the Authority's decision making process.

6. Planned delivery approach and next steps

6.1 We will procure consultants by sending the brief to at least six potential bidders asking for tenders to be submitted to the GLA for consideration. Following receipt of the bids they will be considered according to the criteria set out in the research brief and then a shortlisting and interviewing process will take place.

6.2 Once the successful consultants are appointed, an inception meeting will be held to establish and refine the timetable and methodology for the research. Following this, GLA officers will be in regular contact with the researchers to ensure that the outputs described in the project brief are delivered.

Activity	Timeline
Distribution of brief to consultants	Late October
Appointment of consultants	Late November/Early December
Delivery start date	Late November/Early December
Completion of report	March/April 2017

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? YES

The decision form contains sensitive information that could influence the procurement process – in particular details of the GLA’s maximum budget for this work

Until what date: (a date is required if deferring): 30 December 2016

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form –NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Dominic Curran has drafted this report in accordance with GLA procedures and confirms that the Finance and Legal teams have commented on this proposal as required, and this decision reflects their comments.

✓

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 5 December 2016.

HEAD OF FINANCE AND GOVERNANCE:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:



Date:

06.12.16