

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD226

Title: Research into the development capacity of small housing associations and stock-owning local authorities

Executive Summary:

Approval is sought for expenditure of up to £50,000 to commission research into the development capacity of small housing associations and stock-owning local authorities. The research will test the concept of a setting up a 'support team' to provide skills, experience and expertise to these organisations, and the extent to which such a team could enable them to reach their full development potential. The research will contribute towards the GLA's objective of significantly increasing housing supply in the capital.

Decision:

That the Assistant Director approves expenditure of up to £50,000 to commission research into the development capacity of small housing associations and stock-owning local authorities.

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: 8 September 2014

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The Mayor has set out a long term ambition to increase housing supply to at least 42,000 new homes per annum – levels not seen since the 1930s. In order to deliver on this ambition, every organisation involved in the housing sector will need to play their part. This includes the hundreds of small housing associations and stock-owning local authorities who manage much of the capital's affordable housing but who account for a relatively small proportion of new development.
- 1.2 Several recent studies have focused on the development capacity of small housing associations and stock-owning local authorities. These have identified a range of interlinked issues, including the extent to which these organisations have access to development skills, expertise and experience. The aim of this research is to focus specifically on whether this issue is limiting development capacity and, if so, to identify practical steps that the GLA and others can take to address it. It will also test the concept of a 'support team' for small housing associations and stock-owning local authorities.
- 1.3 The work will culminate in a report and a conference. We are working closely with London Councils and g320 on this project; both will act as 'critical friends' to the research and may help in implementing the findings.
- 1.4 A research specification will set out the aims, research questions and outputs of the research, along with information on the procurement process. Due to the specialist nature of this work, which includes quantitative research involving potentially hundreds of organisations, GLA officers consider it appropriate that the research is carried out by an external organisation with the appropriate skills and experience. This will also make any findings and recommendations more credible and help to maintain the co-operative nature of the research.

2. Objectives and expected outcomes

- 2.1 The research objective is to test the concept of a 'support team' to provide development skills, experience and expertise to small housing associations and stock-owning local authorities who require it.
- 2.2 The principal research output will be a written report and a conference. The former will include recommendations for the GLA and others. The outcomes of the research are anticipated to include:
 - a much better understanding of the skills, expertise and experience required for development and whether or not organisations have access to these
 - intelligence about what small housing associations and stock-owning local authorities are doing, either individually or collectively, to maximise their development potential
 - a set of evidenced and robust recommendations for the GLA and its partners to consider and take forward, particularly in relation to the 'support team' concept.

3. Equality comments

- 3.1 Some small housing associations are specialist black and minority ethnic (BME) housing providers or supported housing organisations so there could be positive impacts on these protected equalities groups as a result of this research (and specifically as a result of any GLA interventions that might follow it).

4. Other considerations

a) Key risks

Risk description	Rating	Mitigating action
Shortage of organisations willing or qualified to carry out research.	Green	Although three quotes are required as minimum, the GLA will send the proposal to at least four organisations who we know are qualified and willing to undertake the work.
Some housing associations and boroughs unwilling to participate in the research.	Green	The review will be carried out by an external organisation and has the support of London Councils, the National Housing Federation and the g320.
The recommendations may be resource-intensive and costly to implement.	Green	The scope of the research is deliberately tight and will focus on organisational capacity and practicable interventions, rather than potentially far more costly factors such as land costs, levels of affordable housing grant and borrowing caps. Any recommendations with a cost implication that officers consider should be taken forward would be subject to GLA scrutiny and approval processes.

b) links to Mayoral strategies and priorities

The draft London Housing Strategy includes a target of increasing long term housing supply to at least 42,000 new homes per annum, around double what has been achieved over the last twenty years. Achieving this ambitious target will require a range of interventions and will require the efforts of housing providers of all sectors, large and small. This research is one component of the GLA's efforts to better understand the components of housing supply and how existing housing organisations in the affordable housing sector can make greater contributions to new supply.

c) impact assessments and consultations.

The draft London Housing Strategy has been subject to a full integrated impact assessment and undergone statutory consultation.

5. Financial comments

- 5.1 The expenditure of up to £50,000 to commission the research will be funded from the existing 2014-15 housing consultancy budget.

6. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract	Early September
Start Date	Mid September
Finish date	Late November

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

If YES, for what reason:

Until what date: 22 September 2014

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:

James Clark 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.

✓

HEAD OF GOVERNANCE AND RESILIENCE:

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

Signature:

Date: