

**REQUEST FOR DIRECTOR DECISION – DD1344**

**Title: Right to Build Register: Licence Agreement**

**Executive Summary:**

To provide the Executive Director the opportunity to review and approve an exemption under Section 5 of the GLA Contracts and Funding code, upon the grounds of complete absence of competition within the supplier market, to create the Right to Build Register proposal under the Right to Build Vanguard Programme. To accept the revenue budget provided by DCLG to acquire the licence for the register and to hire a project support officer to maintain the register and promote more widely the Custom Build agenda.

The proposal represents the prospect of meeting aspects of the Mayoral ambitions to support individuals who want to build their own home, emerging Government Policy under Right to Build and data requirements of the Strategic Housing Market Assessment.

**Decision:**

The Executive Director approves:

1. the acceptance of £60,000 revenue funding from DCLG;
2. the appointment and expenditure of £28,150 on the associated salary costs of a project support officer on a fixed 12 month contract, who will maintain the register, manage Ecomotive and promote more widely the Pan-London Right to Build Register;
3. the expenditure of up to £11,700 for entry into a Licence Agreement with Ecomotive for the Pan-London Right to Build Register for an initial period of 12 months and a related exemption from the requirements of the GLA's Contracts and Funding Code.

**AUTHORISING DIRECTOR**

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:** David Lunts

**Position:** Executive Director, Housing and Land

**Signature:**

**Date:**

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1 In September DCLG announced, following an Expression of Interest from the GLA, the establishment of 11 Right to Build Vanguards. Formally the GLA is not a Vanguard but is part of the programme and was awarded £60,000 to set up a pan London register to determine the demand of Custom Build (see Appendix 1). This gives the GLA the ability to help shape the Right to Build policy and ensure it is appropriate for the London context.
- 1.2 This decision is exempt under complete absence of competition in relation to the GLA Contracts and Funding Code. Ecomotive are the only company that can build a register, providing the GLA with in depth demographic data and reports. Ecomotive is a social enterprise working to create more sustainable and affordable homes and communities by supporting and enabling self-build and custom build group projects. They are the leading market expert in this field, currently providing registers across the United Kingdom, under the Government's announcement in 'Laying the Foundations: a Housing Strategy for England' that all local councils establish the demand for Custom Build housing in their area<sup>1</sup>.
- 1.3 On the back of the confirmation from DCLG that there was budget to cover the setting up of a register and recruiting a Project Support Officer they were recruited under the necessary internal approvals to manage the relationship with Ecomotive. The directorate had anticipated that the licence with Ecomotive would have been entered into by the end of April and therefore the recruitment of the offer was carried out in advance of an agreement and in order to manage that process. They will be working on a one year fixed term contract until 31 March 2016 whilst the register will be active. As well as managing the relationship and being a prime day to day contact, they will work to promote the register across London, to the public and the boroughs to ensure it is widely used. The appointed member of staff will also build reports and provide data to the GLA London Plan.

#### *Mayoral ambitions*

- 1.4 The Mayor through the London Housing Strategy supports custom and self build in order to diversify the housing market to increase and speed up housing delivery<sup>2</sup>, improving consumer choice and increasing local employment. The GLA will benefit from the use of the data, as it will provide the GLA with a market assessment of the demand for Custom Build housing across London, the data will allow us to assess whether introducing further Custom Build across London would increase housing affordability. Reports will include demographic data, which will be used in reports to inform the London Plan.

#### *Emerging Government Policy*

- 1.5 The Self Build and Custom Housebuilding Act received Royal Assent on 26 March 2015<sup>3</sup>. The Act will create the obligation in law for Local Authorities to hold a register of individuals and groups of individuals seeking to acquire land to build a home.

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<sup>1</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/7532/2033676.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7532/2033676.pdf)

<sup>2</sup> Policy 59 [https://www.london.gov.uk/sites/default/files/Housing%20Strategy%202014%20report\\_lowresFA.pdf](https://www.london.gov.uk/sites/default/files/Housing%20Strategy%202014%20report_lowresFA.pdf)

<sup>3</sup> <http://services.parliament.uk/bills/2014-15/selfbuildandcustomhousebuilding.html>

- 1.6 The register will for the first time give a reliable dataset of demand for Custom Build and inform planning policy through the SHMA and appraisals for development sites. It is proposed the GLA utilises the vanguard funds to pay for a licence to run a pan London register through an existing website run by the social enterprise, Ecomotive.

## 2. Objectives and expected outcomes

- 2.1 GLA and Ecomotive have agreed a licence option which allows GLA to collect demand information and gives GLA access to anonymised information. The licence will enable GLA to:
- Access online reports at any time
  - Quarterly access to the full anonymised data sets
  - 5x usernames and access accounts
  - Top up to licence to allow GLA to share the anonymised dataset with all London Boroughs
- 2.2 The register will enable GLA to have a comprehensive and live database of demand for self and custom build across London, which will inform GLA policy by providing a market assessment of the demand for Custom Build across London.
- 2.3 Ecomotive are the leading supplier in the custom build field for services related to information with regards to this sector. Ecomotive are unique in their ability to provide a compatible service for a Right to Build register, which is displayed in the existing service they provide of creating these databases across the United Kingdom for local councils. For this reason Ecomotive have been considered to set up the London register as they are the only purpose built online register providing this particular service, they are also continuously heavily involved with the custom build field and its promotion which creates a greater associated value for the GLA's work within this specialist area. Ecomotive have a complete absence of competition, as the only provider of this service.
- 2.4 They have been considered to set up the register, as they are the only purpose built online register providing this particular service. Ecomotive also have previous experience of creating these databases for promotion of Custom Build nationwide, and are considered market leading experts in this field.

## 3. Equality comments

- 3.1 The likely potential equalities impact of this decision have been considered having regard to the most recent iteration of the Mayor's Equalities Framework, *Equal Life Chances for All*, agreed in June 2014 under MD1349. This decision will not materially alter the likely potential impacts of the previous decisions in similar topic areas (MD1018) on those with protected characteristics. These decisions were made having regard to the previous iteration of the Mayor's Equalities Framework and the implementation of Mayoral strategies, notably those relating to housing, planning, economic development that have themselves been subject to equalities impact assessment.

## 4. Other considerations

- 4.1 Failing to engage with the emerging Right to Build policy could lead to the GLA and London Borough having to implement a policy inappropriate to the London context. In addition it is the expectation of the funding received from DCLG that GLA sets up and manages a pan London Right to Build Register.

## 5. Financial comments

5.1 This funding has been received from DCLG and will fund expenditure for the Ecomotive licence and a project support officer for 12 months as authorised by STAF 533 within 2015/16.

## 6. Legal comments

6.1 Section 1 of this report indicates that the decisions requested of the Executive Director fall within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London.

6.2 Section 3 of this report indicates that in formulating the proposals in respect of which a decision is sought, officers have complied with the Authority's related statutory duties to:

- Pay due regard to the principle that there should be equality of opportunity for all people
- Consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
- Consult with the appropriate bodies.

6.3 Section 4 of the Contracts and Funding Code (the "Code") requires the GLA to seek three or more written quotations in respect of the services required or call off the services required from an accessible framework or conduct an advertised tender for the services required. However the Executive Director may approve an exemption from this requirement under section 5 of the Code upon certain specific grounds. One of those grounds is that approval of the exemption is justified because a limited number of suitable suppliers exist. Officers have indicated at paragraph 2 of this report that this ground applies and that the proposed contract affords value for money. On this basis the director may approve the proposed exemption if satisfied with the content of this report.

6.4 Officers must ensure that the funding received from the DCLG is spent in accordance with the Funding Approval from DCLG in Appendix 1.

6.5 Officers must ensure that all relevant approvals for the appointment of the Project Support Officer are obtained.

6.6 This approval is sought retrospectively, the reasons for which are set out at Section 1.3 of this report. Accordingly, the director should take account of those reasons in considering whether to approve the recommendations of this report. Officers should be reminded of the importance of seeking approvals in advance.

## 7. Planned delivery approach and next steps

| Activity  | Timeline       |
|---|----------------|
| Procurement of contract [for externally delivered projects] | 1st July 2015  |
| Announcement [if applicable]                                | 29th June 2015 |
| Delivery Start Date [for project proposals]                 | 1st July 2015  |
| Delivery End Date [for project proposals]                   | 30th June 2016 |
| Project Closure: [for project proposals]                    | 30th June 2016 |

**Appendices and supporting papers:**

Appendix 1 DCLG award letter

## Appendix 1: Funding Approval from DCLG

### 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? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

**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:

Nick Taylor has drafted this report in accordance with GLA procedures and confirms that:

✓

#### Assistant Director/Head of Service:

Jamie Ratcliff has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

#### Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

### EXECUTIVE DIRECTOR, RESOURCES:

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

**Signature**

**Date**





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12 September 2014

### Right to Build Vanguard: GLA Expression of Interest

Thank you for your revised proposal to prepare a pan-London register following your expression of interest to become a Right to Build vanguard.

We will hopefully be announcing the successful vanguards this weekend. However, our emphasis in this announcement will not just be on preparing the register but also bringing actual land forward for custom build. So we think it would be better if London was considered separately from the vanguards given the challenge of making sufficient land available for the latent demand for custom build in the capital.

Instead, we are minded to offer the GLA £60,000 – to be spent in the financial year 2014-15 – to support the establishment, maintenance and promotion of a pan-London register. This will particularly help to test whether a pan-London approach to the Right to Build register in the capital would be more appropriate than individual borough registers – in terms of both the perspective of the individual custom builder and administrative efficiency – as we continue to develop the Right to Build policy.

We would expect the pan-London register to run in parallel with the vanguards and for you to participate in our collective discussions with the vanguards, however as the GLA would be running a separate project to the vanguards we would not expect the same key milestones to be met as set out in the invitation to become a vanguard (although we want the pan-London register to be open by November).

Publicly separating the establishment of a pan-London register from the vanguards also gives the opportunity for the Mayor, if he wishes, to take a strong lead announcing the establishment of the register at an appropriate time alongside our Ministers.

We will be in touch shortly to discuss our offer further. I have copied in colleagues Andrew Short and Hannah Scott.

Kind regards,  
Branwen Evans