

Written evidence submitted by Jonah Munn The Local Government Association

Key messages

- Councils play a [vital role in housing supply as planning and housing authorities](#), as partners with house builders and registered providers, as direct builders, as providers of homes for the most vulnerable and as local place leaders. Local authorities have historically played a key role in delivering housing at scale in England. Working in partnership with Government, local government can help deliver much needed high-quality housing to achieve the Government's proposed 300,000 new homes per year.
- Only a [publicly financed substantial programme of council house building](#) supported by Government grants for construction will help the Government meet their target of 300,000 new homes. This means cooperation and partnership across the sector, including Government, councils, housing associations, landowners/developers, and the construction sector. Since 2018, new homes have delivered [almost £148 billion of construction output, of which 16 per cent was delivered by the public sector](#).
- Councils are committed to getting homes built where they are needed but do not have all the planning powers to ensure it happens once planning permission has been granted. To meet the Government's aspirations for the build out of new homes to help deliver their target of 300,000 new homes per year, the Government needs to provide councils with the tools to encourage/oblige developers to build out sites with permission in a swift and timely manner.
- Post-pandemic, people want their local area to have [high-quality affordable homes built in the right places](#), supported by the right infrastructure, which provides enough schools, promotes greener and more active travel, and tackles climate change. This can only be achieved through a [locally-led planning system](#) with public participation at its heart which enables councils to deliver resilient, prosperous places that meet the needs of their communities. [Building Back Locally](#) will ensure that we support the Government's goal to [Build Back Better](#), driving up housing supply and supporting local areas to deliver more safe, secure, housing that meets local needs.
- Drivers of homelessness are often personal to the individual, however there are a number of structural factors that make homelessness more likely, particularly issues in the housing and labour market. Social housing is a major tool used by councils to mitigate homelessness and can provide families and individuals with the stable accommodation they need to thrive.

- Councils are delivering homelessness and rough sleeping strategies seeking to respond to local conditions. Local approaches led by councils are best placed to succeed in reducing homelessness, as they can shape housing markets and target the delivery of services to prevent and respond to homelessness.
- Local government is keen to benefit from the success of the 'Everyone In' initiative, and take the lessons learnt forward into a more long-term strategy which can end rough sleeping for good. But it is crucial that this target is fully funded and supported by Central Government.
- The LGA is committed to working with the Government, the Committee, and our full range of partners to explore the ways we can end rough sleeping by 2024 and fulfil the commitments on housebuilding.
- The Covid-19 pandemic demonstrated that councils can move quickly to build effective services that deliver better outcomes for residents if given the powers and resources to do so. Similarly, councils are best placed to lead of the Government's levelling up agenda. Responding to the significant economic challenges ahead requires a renewed joint endeavour between local and national government as equal partners. Building back better means [building back local](#).
- The Levelling Up White Paper presents an opportunity to reset the relationship between central and local government and put councils at the heart of delivering the Government's ambitious programme to improve opportunities in all parts of the country. The LGA supports the findings of the [Devolution APPG inquiry into 'Levelling Up Devo'](#). The APPG recommends that Government should work with local government to set out a National Devolution Baseline for England, including a list of new powers available to every council, as well as further powers which are available subject to clear eligibility requirements.
- For levelling up to be a success Government needs to move away from a pattern of piecemeal and fragmented funding streams, many of which fund very similar activity. We need to move towards a localist settlement that gives councils the powers and resources to drive green and inclusive growth.

Levelling up

The importance of local leadership in levelling up

- The Covid-19 pandemic demonstrated that [councils can move quickly to build effective services that deliver better outcomes for residents](#) if given the powers and resources to do so. During the pandemic, the centralised test and

trace model failed to utilise local data and expertise. This wasted critical time and made it more likely that vulnerable groups – of whom community leaders have the greatest knowledge – were missed.

- Where local government was allowed to lead, outcomes were better, as is referenced in the recent '[Coronavirus: lessons learned to date](#)' report from the Health and Social Care and Science and Technology Committees, which said: “the established capabilities of local Directors of Public Health and their teams were not effectively harnessed during the initial response to the pandemic, despite local approaches proving effective in places where they were pursued. It is now clear that the optimal structure for test and trace is one that is locally driven with the ability to draw on central surge capacity but it took the best part of a year to get to that point.”.
- Just as local councils were best placed to lead the response to the pandemic in their communities, so they are best placed to lead on the Government's levelling up agenda. We need a collective effort to rebuild our economy, get people back to work, address inequalities within and between regions and create new hope in our communities. Responding to the significant economic challenges ahead requires a renewed joint endeavour between local and national government as equal partners. Building back better means [building back local](#), local government's vision to recover from the pandemic.
- The Government has set an ambitious target to level up the entire country and improve the lives of its citizens. The Prime Minister was clear that to make progress on levelling up we have to raise living standards, spread opportunity, improve our public services and restore people's sense of pride in their community. Councils are well placed to help deliver these shared outcomes, but they need the necessary funding and powers to be able to do so.

Levelling Up White Paper

- The Government announced its intention in the Queen's Speech to introduce a Levelling Up White Paper later this year. This presents an opportunity to reset the relationship between central and local government and put councils at the heart of delivering the Government's ambitious programme to improve opportunities in all parts of the country.
- The LGA supports the findings of the [Devolution APPG inquiry into 'Levelling Up Devo'](#), Among the APPG's recommendations are that the Government should work with local government to set out a National Devolution Baseline for England, including a list of new powers available to every council, without the need to negotiate a devolution deal, as well as further powers which are available subject to clear eligibility requirements. Devolution from Whitehall to councils should be by default and at the heart of the national government policy. An English devolution taskforce should be established to enable discussion between national and local government on progress with devolution to councils.

Funding and levelling up

- The Government should build on the approach to future growth funding signalled at the recent Budget and continue to move away from a pattern of piecemeal, fragmented and short-term interventions, which have been less effective. [LGA research](#) found that £23 billion of public money was spent on growth, regeneration and skills, fragmented across 70 different national funding streams and managed by 22 government departments and agencies.
- Similarly, there are numerous funding streams related to the Government's levelling up agenda, with some streams funding very similar activity. New funds such as the Levelling Up Fund, the High Streets Fund and Freeports, are all operating different processes. The then-MHCLG Secretary of State's [commitment at this year's LGA Annual Conference](#) to reduce the number of funding streams is positive. We need to move towards a localist settlement that gives councils the powers and resources to drive green and inclusive growth and truly level up their communities.

Homelessness

- Social housing is a crucial tool for councils in relieving homelessness [with 19% of accommodation type secured for households at the end of the relief duty being in the social housing sector](#) as shown by the Government's latest data. However, new LGA research shows [one in 10 households in need of housing are on council waiting lists for over five years](#), highlighting [our case for councils to be given powers to build 100,000 social homes for rent each year](#). In the [financial year 2020-21](#) levels of starts were the lowest since 2015-16 and levels of completions were the lowest since 2017-18. The reduction in both starts and completions are as a result of a slow-down in housebuilding activity caused by the Covid-19 pandemic. However, pre-pandemic levels were well below the levels required for an efficient and fully functioning housing market.
- There is largely consensus around the [long-term under-supply of housing in England](#) and the need to address this. Prior to the pandemic it was suggested that approximately [345,000 new homes per year were needed](#), more than the Government's current ambitions of [300,000 new homes per year](#) by 2025.
- The [amount of social housing has declined](#), and [over a million households await local authority housing](#). There is also a huge need to ensure that households in temporary accommodation can be moved into settled housing. The latest statutory homelessness statistics show that there are currently [more than 95,000 households](#) in temporary accommodation.
- This number will get worse without intervention, with [94% of councils telling Crisis](#) they expect to see an increase in people made homeless after being evicted from the private rented sector and the increase in newly unemployed people made homeless by the pandemic. [The district councils network found](#) that there are 486,242 households paying over half of all their income on

private rented housing who could be most at risk as incomes fall and the eviction ban is lifted.

- Those unable to access owner occupation or social housing alternately seek out private rented accommodation. A [report commissioned by the LGA](#) found that the Private Rented Sector (PRS) has grown considerably over the last two decades. In 2020 PRS housed 19 per cent of households compared to 11 per cent in 2001. However, poor housing conditions exist, and are generally concentrated at the lower end of the market that provides accommodation to vulnerable groups such as households containing a person(s) with a disability or long-term illness. Approximately 40 per cent of the sector comprises households in the bottom third of incomes.
- The [PRS is growing](#), with the number of households in the PRS increasing from 2.7 million in 2007 to 4.4 million in 2019-20, an increase of 1.7 million (63 per cent) households. It is being increasingly relied upon to deliver solutions to housing and homelessness issues. Anecdotally, a severe lack of supply in the private rented sector has been reported from a range of areas across the country over the last 18 months, which has knock-on impacts on demand for, and subsequent provision of statutory council services.
- It is therefore vital that as the sector's role grows that systems are in place to ensure its sustainability and the successful delivery of sufficient levels of high-quality accommodation. A critical part of this is the satisfaction, safety, and wellbeing of tenants in the PRS, as erosion of any of these will result in increased strain on councils. Action must therefore be taken by the Government to protect tenants living in the PRS. Firstly, there is a need to [upgrade the Housing, Health and Safety Rating System \(HHSRS\)](#) which is currently being reviewed due to criticism received for being overly complex. Secondly, the forthcoming Renters Reform Bill must contain tangible strengthened protections for tenants and must be aligned with the Social Housing White Paper.
- [In 2019, LGA commissioned some research](#) around re-thinking homelessness prevention in which welfare policy in general and welfare reform measures specifically were frequently commented upon as a major barrier to homelessness prevention. The benefit cap, local housing allowance rates and the shared accommodation rate were highlighted as issues and there was a perception that there was a lack of joined-up thinking between UK Government departments in ensuring that all policy areas are aligned to support and enable – or at the very least do not hinder – homelessness prevention activity locally.
- The [highest priority council areas for levelling up](#) have some of the greatest concentrations of housing need. Their waiting lists for council accommodation are 56 per cent longer than those in low priority districts, and they have a higher incidence of 'urgent' need cases. With housing costs accounting for over a quarter of all expenditure by families with the lowest incomes, access

to decent affordable homes is central to the success of any attempt to level up the poorest communities. Access to a social rent home provides families with greater housing and financial stability. Compared to private rental, a household typically saves £37 per week in social housing.

- It is the LGA's view that the mainstream benefits system should provide the principal safety net for low-income households, enabling councils to target discretionary support to those who need it most. As we move on from the pandemic, we want to move from crisis support towards improving life chances and building resilience. At the forthcoming [Spending Review](#), we would like to see a commitment to sustained investment in the local safety net to tackle the underlying causes of deprivation, build financial resilience and keep people close to the labour market.

'Everyone In' Initiative

- During the pandemic, councils responded rapidly to support people experiencing street homelessness through the 'Everyone In' initiative. Figures from the Department for Levelling Up, Housing and Communities (DLUHC) show that councils have [supported over 37,000 individuals](#), through this initiative, with more than 26,000 now moved on to longer-term accommodation. This demonstrates that given the mandate and funding, councils, working with their partners, have the means to end most rough sleeping by providing a safe secure home.
- Not only did the 'Everyone In' initiative provide positive housing outcomes for thousands of vulnerable people, but new instructions prohibiting dormitory-style night shelters and mandating local authorities to provide alternative accommodation to those sleeping rough prevented [over 21,000 infections, 266 deaths, 1164 hospital admissions and 338 ICU admissions among the homeless population](#).
- The recently published [Kerslake Commission on Homelessness and Rough Sleeping](#) found that clear messaging from the MHCLG, since renamed DLUHC, helped galvanise local authorities in the initial stages of the pandemic and was then crucially held up through existing and additional funding.
- A recent report published by the LGA found that [73 per cent of councils identify the need for longer term funding to aid the recruitment and retention of high calibre staff and support long-term strategic planning](#) around rough sleeping. Participating councils called for longer term funding solutions to provide more certainty when planning and commissioning local services. The administrative burden associated with multiple grant funding applications can sometimes appear to be disproportionate, with small operational teams needing to divert resources away from the frontline to write multiple bids. It

was also noted that multiple and unaligned pots of funding are also generally inefficient with the lead time necessary for effective recruitment not fitting well with truncated funding cycles.

- [A lessons learnt report released by LGA last year](#) found that there was real support for the Next Steps Accommodation Pathway funding, which is allowing many authorities to continue to deliver services instigated under 'Everyone In' which would otherwise have to close, and which should provide significant additional accommodation and support for single homeless people for the medium and longer term. However, we also heard that the capital part of the NSAP funding had certain conditions attached that limited its use, and that more flexibility would have been appreciated.
- For Government to realise its ambition of ending rough sleeping by the end of this Parliament they must use the forthcoming [Spending Review](#) to announce a cross-departmental homelessness and rough sleeping prevention strategy following on from the achievements of 'Everyone In' to reap the benefits and deliver on promises to end rough sleeping by 2024. This would need to see councils given the long-term funding needed to prevent homelessness from happening in the first place, [thus reducing numbers of those sleeping rough](#).
- Non-UK nationals make up a sizeable portion of people who sleep rough with [stats from the 2020 autumn headcount](#) showing 23% of rough sleepers as having a non-UK nationality. Another issue highlighted by the 'Everyone In' initiative was the lack of support and assistance available for destitute individuals with no recourse to public funds who fell outside of councils' existing statutory responsibilities. Councils were asked to support those without access to public funds but there was no corresponding change to [the legislative powers and duties](#) that remove access to benefits or council services.
- The LGA's engagement with councils has found that most councils felt that there is a lack of clear policy and ownership across Central Government. There is also a perception that despite the risks residing with local government, there is limited ability to influence the national policy on eligibility and funding for those with no recourse to public funds. The [challenges around access to suitable housing](#) to meet the needs of recently relocated and resettled arrivals from Afghanistan also demonstrates the need for long term and joined up solutions to housing.

Building Back Local

- The LGA welcomes opportunities to work more closely with the Government to deliver more quality homes in places in the right places and the type that people need. During the pandemic, local government, as a delivery partner

together with Government, led local responses recognising different local needs and impacts across the country's diverse communities. Councils already play a vital role in housing supply as planning and housing authorities, as partners with house builders and registered providers, as direct builders, as providers of homes for the most vulnerable and as local place leaders.

- An example of local government collaboration with Government is through [One Public Estate](#) (OPE), an established national programme delivered in partnership by the Office of Government Property (OGP) within the Cabinet Office and the LGA. OPE provides practical and technical support and funding to councils to deliver ambitious property-focused programmes in collaboration with Central Government and other public sector partners. OPE began in 2013 with just 12 areas, and today working with more than 300 councils on projects transforming local communities and public services across England.
- [Local Partnerships](#) is a joint venture between the LGA, HM Treasury and the Welsh Government. Local Partnerships facilitates change by working impartially and collaboratively across all parts of central, local and regional government, and the devolved administrations. In terms of housing, [they help councils accelerate housing development](#) to meet their regeneration and housing growth objectives.
- To tackle the national housing challenges, the LGA is also calling on the Government to provide councils with the powers and tools to deliver 100,000 much-needed social homes per year. Our report [Building post-pandemic prosperity](#) sets out the steps, measures and reforms that would support councils to work towards delivering a new generation of social homes. This would deliver a £15 billion boost to the economy and improve the public finances over thirty years by the equivalent of £24.5 billion in today's money.
- [Recent analysis for the LGA](#) found that almost 8 million people in England are estimated to have some form of housing need. For 1.6 million households, social rent tenure is the more appropriate solution to their problems. But more than one in ten households are on council waiting lists for more than five years. Failure to provide appropriate and affordable accommodation impacts negatively on individuals' health and wellbeing, as well as on their employability, education, and propensity for criminal and antisocial behaviour. It also imposes wider costs on society. Poor quality homes are estimated to cost £2 billion a year to the NHS alone.
- This is exacerbated by the pandemic, which has made it harder to deliver new housing. Over 100,000 fewer new homes, across all tenures, will be built by 2023 than would have if not for the pandemic. Although rates of construction are picking up, this backlog is unlikely to be cleared until 2025 or beyond.

- Council housebuilding and reforming Right to Buy (RTB) are both critical to boosting the supply of new homes. Following many years of lobbying and recent intensive discussions with the Ministry of Housing, Communities and Local Government (MHCLG) and HM Treasury, the Government announced in March a series of RTB reforms to give councils increased flexibilities to build more homes. This included: extending the time councils have to spend RTB receipts from three to five years; an increased cap in the percentage cost of new homes councils can fund from RTB receipts, raised from 30% to 40%; and allowing receipts to be used for shared ownership, [First Homes](#), as well as affordable and social housing. Alongside this, the Government also introduced a cap on the use of RTB receipts for acquisitions. We will be working closely with councils to monitor the impact.
- Councils are committed to ensuring new homes are built and communities have quality places to live. With nine in 10 planning applications approved by councils, and more than a million homes given planning permission but not yet built, it is clear that it is the housing delivery system that is broken, not the planning system. It is vital that these are delivered through a locally-led planning system with public participation at its heart which gives communities the power to ensure new developments are of a high standard, built in the right places, and include affordable homes.
- Councils are also committed to getting homes built where they are needed but do not have all the planning powers to ensure it happens once planning permission has been granted. This could be achieved by councils having more powers to direct the diversification of products within sites, and a streamlined compulsory purchase process to acquire (at pre-uplift value) stalled sites or sites where developers do not build out to the timescales agreed with a local planning authority. Consideration should also be given to the introduction of financial penalties, for example council tax charges on developers who are not building out to agreed timescales. If the Government is to meet its aspirations on build out of new homes it needs to provide councils with the tools to encourage/oblige developers to build out sites with permission in a swift and timely manner.
- The LGA has repeatedly raised its concern that nationally prescribed permitted development rights (PDR) do not lead to quality housing or placemaking outcomes. PDR is an ad hoc, disconnected approach that undermines councils' and their communities' strategic long-term decisions. PDR significantly impacts communities without genuine public engagement, or the level of transparency proposed in the Government's Planning White Paper.
- The [Government's own research](#) highlighted how conversions to residential through change of use PDR can fail to meet adequate design standards, avoid contributing to local areas, create worse living environments, and affect vulnerable people disproportionately.

- The [Raynsford Review of Planning](#) highlighted that PDR has removed the ability of local planning authorities to secure planning requirements on affordable homes or wider place-making standards, meaning communities have no way to ensure developers meet high standards.
- The LGA [supports the Government's increased focus on design](#), which should include thinking about how places work within their wider context, beyond individual houses, developments, and their aesthetics. The Government's proposals to allow 'beautiful' development to be fast-tracked may not lead to the quality homes and places communities want and need.

Building Safety:

- The Government has made large sums available to remediate dangerous cladding on buildings over 18m. However, this money is only available to social housing providers in the limited case of ACM cladding or to alleviate the proportion of the costs of replacing non-ACM dangerous cladding systems that would otherwise be passed on to leaseholders.
- The Building Safety Bill should be amended to contain specific provision for a fund to cover the initial costs of remediating – through a proportionate approach - fire safety defects that are not the fault of leaseholders.
- One of the challenges we are most concerned about in building safety is the lack of expert capacity to address safety issues. This includes a lack of fire engineers, a shortage of surveyors and assessors with sufficient knowledge of both high-rise structural safety and cladding systems, and the difficulty in obtaining Professional Indemnity Insurance experienced by those who do have expertise in these areas. This lack of capacity could delay the implementation of the Building Safety Bill and limit its scope. As we argued in response to the Bill's initial publication a year ago , the UK needs to invest in addressing this skills shortage as soon as possible. In particular local authority building control and Fire and rescue services require adequate funding of the new safety regime introduced under the Building Safety Bill is to succeed.
- The costs imposed on councils as landlords by the Building Safety Bill and by fire safety reform need to be covered by new burdens funding.
- More detail on this issue can be found in [our submission to the Public Bill Committee inquiry into the Building Safety Bill](#).

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