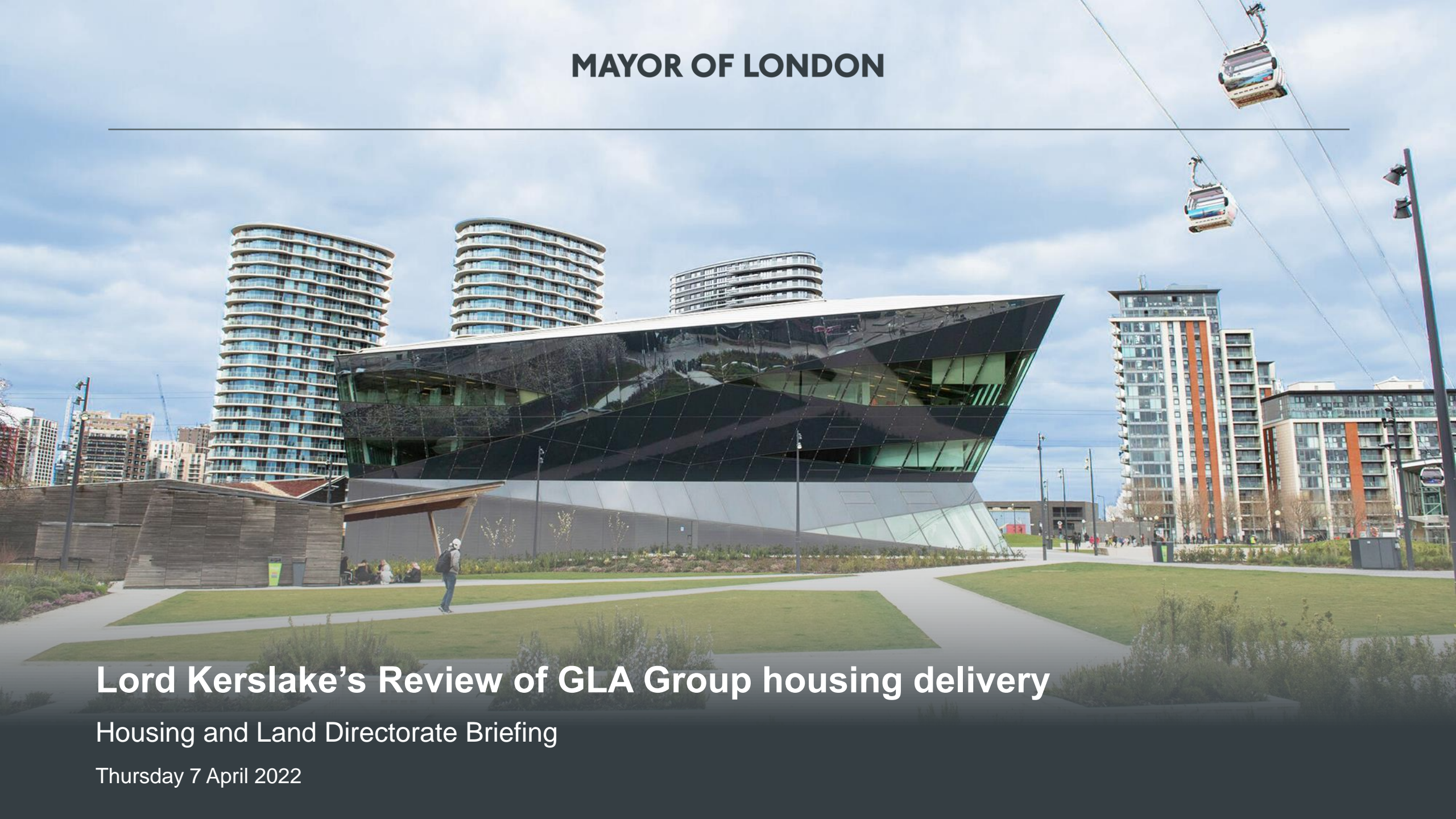


MAYOR OF LONDON



Lord Kerslake's Review of GLA Group housing delivery

Housing and Land Directorate Briefing

Thursday 7 April 2022

THE MAYOR'S AMBITIONS

The Mayor has a clear ambition to **build more genuinely affordable homes on surplus public land** in London and **maximise the number of homes being built on land owned or released by the GLA Group**.

- The Mayor's 2021 manifesto included a commitment to "commission an independent review to streamline housing development across the GLA Group".
- The Mayor's 2021 manifesto also included a commitment to "pilot a new City Hall developer to start directly building the low-cost homes Londoners need".

BACKGROUND – SCOPE OF THE REVIEW

In October 2021, the Mayor commissioned Lord Kerslake to undertake a Review of GLA Group Housing Delivery. The objectives of the review were to:

- Provide a high level review of housing delivery across the GLA Group
- Identify the opportunities for closer working across the GLA Group
- Identify the opportunities and challenges of realigning the GLA Group to focus land disposals on maximising housing delivery, in particular affordable housing
- Identify the staffing and governance structures that would need to be in place
- Consider how to ensure that housing development on surplus GLA Group land is maximised in London using the tools and powers held by all the functional bodies
- Consider the GLA's approach to piloting a City Hall developer
- Identify the opportunities and challenges arising from the LLDC transition

BACKGROUND – METHODOLOGY FOR THE REVIEW

- The review was independent of the GLA Group and was chaired by Lord Kerslake.
- Staff resource was provided from GLA Housing and Land to provide research and drafting support to Lord Kerslake.
- A steering group comprised of the Mayor's Chief of Staff and the Deputy Mayor for Housing and Residential Development met fortnightly with Lord Kerslake.
- The findings and recommendations were informed by significant engagement with representatives from across the GLA Group and London's development and affordable housing sector – more than 20 organisations formally consulted.

KEY FINDINGS OF LORD KERSLAKE'S REVIEW (1)

	Housing starts delivered (2016-17 to 2021-22)*		Housing starts forecast (2022-23 onwards)*	
GLA	13,454	36%	43,611	36%
TfL	1,778	47%	18,389	42%
LFC	363	24%	492	35%
MOPAC	561	28%	2,552	49%
LLDC	923	39%	4,674	41%
OPDC	-	-	-	-
Total	17,079	37%	69,718	39%
* Figures include total number of homes and percentage of affordable homes				

KEY FINDINGS OF LORD KERSLAKE'S REVIEW (2)

Positive example of collaboration across the GLA Group include:

- GLA Group organisations successfully use the Mayor's housing programmes to achieve positive affordable housing outcomes – this includes the Mayor's Affordable Homes Programme, the Land Fund, and the Small Sites Small Builders programme.
- GLA Group organisations can access shared resources across the group through shared services arrangements – for example, TfL legal and procurement services.
- There are examples of shared training and secondments across the group.

However, there is no routine sharing of in-house technical development expertise in design, planning, and infrastructure. This, in some instances, leads to duplication in work across the group. There is also currently no cross-group peer-review function.

KEY FINDINGS OF LORD KERSLAKE'S REVIEW (3)

- Development models, housing targets and delivery performance varies across the group
- Oversight of and strategic alignment on housing delivery across the group is imperfect
- Resourcing is a constraint to GLA Group housing delivery

RECOMMENDATION THEMES

- Oversight of GLA Group housing delivery
- GLA Group collaboration on housing delivery
- City Hall developer
- LLDC transition
- Finance and funding

RECOMMENDATIONS

OVERSIGHT OF GLA GROUP HOUSING DELIVERY

1. The Mayor should mandate a **statement of shared policy**, to confirm priorities for housing delivery on GLA Group land. This policy statement would need to be endorsed by senior leaders across the GLA Group and should be published.
2. A **senior professional lead** should be established, with responsibility for providing strategic oversight and system leadership over housing delivery within the GLA Group. This senior professional lead would provide a single point of contact across the GLA Group.
3. A new dedicated **GLA Group housing delivery forum** should be established to support effective oversight and delivery of housing objectives.

RECOMMENDATIONS

GLA GROUP COLLABORATION ON HOUSING DELIVERY

4. The GLA Group should review **organisational arrangements** to ensure greater consistency in roles and to enable employees to move flexibly across the group (including to support career progression).

5. The GLA Group should establish a preferred process of **internal collaboration** on housing delivery. This process should be based on the principles of clear oversight, proactive engagement, and sharing of services and expertise. Collaboration should include the introduction of a peer-review function, a formalised internal planning consultancy, and a new Centre for Expertise.

6. The GLA Group should build stronger and more equal relationships with **London local government** as well as **community, charity, and business** stakeholders.

7. The GLA Group should strengthen strategic relationships with **central government** and its agencies.

RECOMMENDATIONS

CITY HALL DEVELOPER (1)

8. The initial stage of a City Hall developer should **consolidate and expand existing development activities**. A consolidated and expanded City Hall developer should be led by a single entity within GLA Housing and Land.

9. The City Hall developer should undertake a more **active land assembly** approach. This includes intervening where there is an identified market failure and clear value added from public sector intervention.

10. The City Hall developer should use the existing **GLA development management model** as the default delivery model for all large GLAP, LFC and MOPAC sites.

RECOMMENDATIONS

CITY HALL DEVELOPER (2)

11. The GLA should review and enhance the existing **London Development Panel 2** procurement framework.

12. **Small sites** in GLA Group ownership that are identified for housing delivery should be consolidated under a single programme. This consolidation should aim to streamline housing delivery, secure additionality, and deliver social value.

13. A City Hall developer should work alongside the **TfL TTLP property company** to enhance the company structure and support mutual housing delivery objectives.

RECOMMENDATIONS

LLDC TRANSITION

14. The **transition of LLDC** should prioritise collaboration, cost efficiencies, and the retention of key talent.

RECOMMENDATIONS

FINANCE AND FUNDING

15. A strategic review of **funding and finance opportunities** should be undertaken. The review should explore how additional funding could support an expanded City Hall developer and GLA Group housing delivery programme.

MAYOR OF LONDON

QUESTIONS?