

Early Findings

Housing Delivery Test Pilots

9th Feb 2018

Recap

PAS and their partner HYAS have held 5 workshops around the country and identified 5 initial pilot authorities. These 5 have been visited and they have shared the detail of their initial attempts at a monitoring dataset, along with some thoughts about a root cause analysis. We are designing two things at this stage

- A template to capture and help analysis the delivery pipeline site-by-site
- A 'cribsheet' or process map of how to perform a structured root cause analysis

Our assumption is that the action plan itself will be local and specific, and will not lend itself to templates. This may turn out to be false, and there may be a helpful set of standard headings. These outputs are not yet in draft to share.

There are another 10 round 2 pilot authorities who are available to road-test the materials and processes designed in the initial stage.

We have identified four key issues:

1. To bring this data together as a national picture requires standards and upfront discipline
2. Councils already do lots of monitoring and reporting. The HDT needs to be knitted in properly to reduce duplication and work
3. Councils worry that this test will punish ambition
4. The HDT itself needs to prove it can increase housing delivery, otherwise it will be just more process / game playing

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Headline	This work has the potential to create a fantastically valuable dataset that will help policy makers understand the various barriers to housing delivery across England. But creating a “bigger picture” from all these spreadsheets is going to be impossible without standards
Details	<p>Action Plan and Root Cause Analysis will potentially provide a useful information/evidence to support the need for continued corporate focus and support (and resources) to enable the delivery of homes and growth and aid corporate reporting. As a body of information, this analysis could event inform national policy/approaches to the delivery of sites and associated infrastructure.</p> <p>Councils have an excellent understanding of how key pieces of infrastructure can unlock a series of developments. This is a neat way to evidence investment decisions and provides a feedback loop of whether those decisions were correct.</p> <p>But already councils are providing information in a “messy” format which means that data cannot be aggregated, common themes are not readily obvious and the behaviour of developers across regions is opaque.</p>
Thoughts	<p>Link to i-stand and their work on data standards for local plans ?</p> <p>Provide a £20k bonus to councils providing clean data that meets standards ?</p>

Headline	The Housing Delivery Test should not be introduced as a stand-alone requirement on councils. There is an opportunity for knitting together all this pipeline monitoring.
Details	<p>The HDT, the 5YHLS, the HFR and monitoring of the local plan are all different views of the same pipeline of land being turned into homes. However they all use subtly different definitions and timetables. To reduce work and increase value they need to be carried out in the same manner by the same teams. End the confusion over student flats, sheltered accommodation etc.</p> <p>But there is clearly an issue that publishing a detailed root cause analysis and action plan could potentially undermine some authorities 5 year housing supply case. The delivery test analysis could be used in appeal cases against authorities to demonstrate that sites are not deliverable (or at least delivering as expected) and therefore the 5 year housing land supply is not met, therefore further undermining the local plan process</p>
Thoughts	<p>The work of standardising the approaches, definitions and timetables is not difficult, and would reduce confusion and workload of all councils. Again, a good link to i-stand.</p> <p>The link between the HDT and 5YHLS means that some councils are incentivised to continue their “optimism bias” which reduces the value of the results. Perhaps clarify that HDT carries no weight with regard to 5YHLS ? Or bring the two regimes together so they don’t appear to tread on each other’s toes ?</p>

Headline	Be clear what the test is designed to 'catch' – is it fair to punish ambition ?
Details	Some Local Authorities are looking to use growth in a transformative manner. So, planning for significantly more homes than their needs assessments (however done) would suggest, in order to drive and or support economic growth and change/improve the socio-demographic profile of their places in order to drive increased productivity. It is also recognised that significant strategic sites can take longer to bring forward and may have low delivery rates in the earlier years (due to the need for advanced infrastructure etc. Authorities being ambitious, in line with Government objectives, could inadvertently result in them being penalised through failing the Housing Delivery Test. This could lead to further difficulties of politicians struggling to 'sell' a growth agenda to their electorate, if it could potentially result in the presumption in favour of sustainable development being 'imposed'. A similar point is around that of demolitions – using the net housing figure could potentially deter promoting schemes that facilitate housing renewal.
Thoughts	Demolishing uninhabitable flats does not lead to a reduction in homes – can they be excluded from the HFR? Clarify what the “expected delivery” covers – is it base LHN where a plan target is higher ? Is it plan target where LHN is higher ?

Headline	Let's focus on outcome not process. How will we know that the HDT has worked?
Details	How will we know if an Action Plan has been successful? The currently proposed system suggests a simple binary test – you either meet your delivery target or you don't and you therefore either have to provide an action plan (or incur the 20% buffer etc.) or you don't. Can the test be more nuanced, to allow for measurement/assessment of more proactive measures that are proposed in an Action Plan and a recognition that it will take time for an action plan to be effective. Could, for example more time be allowed for an action plan to take place before the 20% buffer or presumption in favour takes effect? This could potentially focus local authorities on providing a more robust action plan, if they are allowed to then demonstrate mitigating circumstances etc. for under delivery and an effective plan of action. More importantly, how will we know if the HDT policy has worked ? How can we differentiate between development that would have happened anyway as compared to development that only happened because of an Action Plan intervention ?
Thoughts	This feels difficult, but some sort of evaluation needs to be designed in at the beginning. The detail of the root cause analysis can be used as a snapshot, which can be used to baseline future delivery. We will try, as part of our pilot work, to suggest an evaluation model for individual councils and the policy as a whole.