Building relationships with central and local government, blog from our roundtable event

On 16 May LSE London hosted a roundtable on ‘building relationships between the Mayor and GLA and central and local government’. Attendees included participants from local authorities, the GLA, think tanks and central government and the discussion centred on the relative powers of the Mayor, the boroughs and central government and how these might be harnessed to help achieve the new Mayor’s housing objectives.

The most positive finding was that a great deal of goodwill exists – not only from national and local government towards the new Mayor but also a real sense of a reinvigorated commitment among local authorities to make things work London-wide. Elections and political change can have a near-magical effect and generate a space for people to think differently and to put aside long-standing differences.

This is not to say that everything changes. First no-one saw much likelihood of additional powers for the Mayor in the near future, especially given that central government is Conservative and the Mayor is Labour. Moreover central government’s main goals are national, concentrating on increasing the number of new homes and particularly on promoting owner-occupation. They are more interested in London’s contribution to meeting national targets than in London-
first term is a major challenge. There are therefore deals to be done and there are negotiations between central government and the new Mayor already taking place.

Second, 33 boroughs with 33 housing and planning policies generates a lot of tension as well as opportunity. Much could be done to improve processes and make them more predictable but this does not mean every borough doing the same thing. Instead it entails each borough playing to its own strengths but in a spirit of cooperation aiming towards similar goals. As importantly, the Mayor and the boroughs need to work together to negotiate with national government the best possible cross-London approach – this is especially true for the implementation of starter homes and shared ownership schemes.

On specifics – a key issue discussed was the mismatch between boroughs with respect to money and land. Many inner and central London boroughs have hundreds or thousands of households in temporary accommodation and are crying out for more housing. Homeless households are being accommodated in private rented accommodation in other, mainly outer, London boroughs – but in an unstructured fashion. Central boroughs have regeneration and deal-making expertise, and some have plenty of money to spend. But the majority of available land is in zones 4 and 5. Moreover, even where central boroughs are happy to provide support for additional services as well as fund the housing, outer London boroughs do not necessarily welcome such investment.

Another important issue discussed was the increasing tension between employment land use and housing land use, especially with permitted development rights allowing the conversion without planning permission of even occupied offices to residential. Some feared that employment would be shunted out to zone 3 and beyond, while housing becomes the preferred use in inner areas – adversely affecting the economic health of the capital. Others raised the question of how the devolution of business rates might play into this scenario – increasing the benefit of expanding commercial and industrial activity.

Small sites offer one underused resource across both inner and outer London, and participants agreed that boroughs should do more to package up small sites so SMEs could access them. However planning departments are so pressed that they do not have time for this. The house building industry is too concentrated already
What could help? Participants said central government could do more to allow boroughs with cash to spend it in the boroughs that have land—there are too many rules limiting how they spend their money. And boroughs could be allowed to spend S106 money, and pre-2012 right-to-buy receipts, outside their own boundaries.

Boroughs could help by making deals with other boroughs and other stakeholders – and a lot of this is now in train. GLA can help by supporting these local processes, by providing expert support where planning Departments are overstretched; by working to speed up the development of large sites; and by leading in negotiations with central government to make it easier for London to meet national as well as London wide goals.

What does this mean for the newly elected Mayor? Clearly there is a great deal of goodwill and optimism. This can help to create partnerships and coalitions willing to work together and to make collective representation to central government. The Mayor will need to bring issues like Starter Homes, borough finances and the extension of Permitted Development Rights and their impacts on London to the forefront of discussions with government. At a time when central government needs London if they are ever to come close to meeting their housing targets the Mayor should use this leverage to gain a better housing settlement for London.