



London, United Kingdom

INCREASING SKILLS AND CAPACITY TO SUPPORT COUNCIL HOME BUILDING

FINAL REPORT



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BA Executive Summary

INTRODUCTION:

Bloomberg Associates (BA) was engaged by the Mayor of London Sadiq Khan in September 2019 to identify ways to enhance the skills and capacity of London councils to increase the delivery of council homes.

To address this request, BA conducted research between October 2019 – February 2020 to identify the challenges councils are facing relating to skills and capacity and recommend actions that the Greater London Authority (GLA) and/or its partner organizations such as London Councils, Future of London or similar entities could implement to scale-up and accelerate council homebuilding efforts. BA’s research contributes to the GLA’s broader policy work considering how councils might expand housing delivery in the future.

SUMMARY OF KEY FINDINGS AND RECOMMENDATIONS:

BA identified four predominant, interlinked challenges related to skills and capacity that are hindering councils’ efforts to build new council homes. The challenges and the recommendations included in this report were identified through extensive interviews and consultations with more than 55 housing professionals from a variety of public and private sector roles, including 16 councils; a literature review; and four in-person workshops. The challenges include:

1. **Workforce pipeline:** Educational institutions are not generating a sufficient supply of development officers, managers and directors with the right skillsets to meet homebuilding industry needs, especially in the public sector.
2. **Attraction:** Councils struggle to attract talent among competing players in the housing industry.
3. **Delivery:** Councils face hurdles in structuring their housing delivery units and throughout the development process.
4. **Employee development and retention:** Councils struggle to retain and develop talent relevant for council home delivery. Legal and finance staff within councils are not equipped with the right knowledge to support delivery teams in development projects.

To address the challenges, BA recommends 13 distinct actions for the GLA and/or its partner organizations:

Challenges	#	Recommendations
Workforce Pipeline	1	Form partnerships with universities and further education providers to better market the council home delivery sector to students
	2	Commission a partner to lead an outreach campaign to attract employees to local authorities
Attraction	3	Build on the success of Public Practice by developing a housing delivery focused offshoot
	4	Conduct a survey of salaries of housing professionals
Delivery	5	Develop a central shared resources platform to provide dedicated resources to councils
	6	Retain on-call experts to serve as consultants to councils
	7	Promote and potentially expand framework agreements
	8	Pursue citywide purchasing for precision manufactured products
	9	Research precision manufactured homebuilding methods and materials for home building and the contractor sector
	10	Broaden outreach to councils and disseminate a good practices guide
Employee Development & Retention	11	Facilitate skill-development partnerships with housing associations and/or developers
	12	Provide additional support/training for housing delivery staff
	13	Expand outreach and education for legal, finance and procurement staff within councils

Figure 1. Summary of recommended actions

The 13 recommendations described in this report represent a subset of ideas generated through the research process. In order to determine the most viable actions, ideas were vetted by the GLA, its partner organizations, council representatives, and other relevant stakeholders through workshops facilitated by Bloomberg Associates, including an assessment of potential feasibility and impact.

CONCLUSIONS:

No single action on its own recommended in this report will solve the challenges councils face. The deficit of skills and capacity that London's councils face was created by approximately four decades of disinvestment in the council home building sector as a result of central government policy. Fully rebuilding the skills and capacity within councils to achieve the targets set forth in the Mayor's BCHfL programme will take time – years – and continued, significant investment by councils, the GLA, and its partner organizations.

BA recognizes that it may prove unrealistic or not feasible for the GLA and its partner organizations to undertake all 13 recommendations outlined in this report. To be successful, however, the GLA and/or its partner organizations will need to undertake multiple actions that cut across all four challenges highlighted. As a next step, the GLA should assess available resources for implementation and prioritize which recommendations to implement across the four challenge categories in the near term.

Mayor Sadiq Khan took an important first step of setting ambitious targets, making reinvestment into council home building a priority for Greater London, and instituting an initial set of interventions through the current BCHfL programme. It will be critical for the Mayor and senior leadership of the GLA to sustain such leadership on the issue, moving from the important phase of goal setting to implementation of a priority set of recommended actions in 2020 and beyond.



Context, Scope and Methodology

CONTEXT

BA developed its research methodology and scope based on historical context largely provided by the GLA and identified in our research, summarized below.

London's councils were historically major builders of new homes during most of the 20th century. At their peak, councils built an average of over 20,000 homes per year during the 1970s. However, central government policy changes enacted in the 1980s, including the introduction of the Right to Buy scheme, and years of austerity caused the quantity of homes built by councils to plummet while the quantity of homes built by private development companies and housing associations increased. Since the early 1990s, councils have built less than two per cent of London's new homes.¹

The trend of disinvestment in council home building is beginning to reverse. London's councils built over 2,000 homes in the last seven years, compared to only 70 homes in the seven years before that.² The trend reversal is due to councils' ambitions to build more homes, incremental policy shifts by the central government including changes to Housing Revenue Account (HRA) borrowing cap rules, and strategic policy shifts at the municipal levels, especially under Mayor Sadiq Khan.

Reinvigorating the council home building sector is a major priority of Mayor Khan. His Building Council Homes for Londoners (BCHfL) programme, launched in May 2018, aims to support councils in their home building efforts through multiple interventions and set an ambitious target to start at least 10,000 new council homes over a four-year period.³ Toward this end, the GLA has already begun to take multiple actions, including but not limited to:

- Provided higher capital grant rates to councils for affordable homes

- Provided access to £10 million in revenue funding through the Homebuilding Capacity Fund
- Advocating to central government for higher capital grant funding
- Ring fenced Right to Buy receipts
- Provided technical expertise and secondment opportunities for placement of GLA staff within councils for an agreed length of time
- Promoting information sharing between councils and professional development opportunities among council staff, including by funding partner organizations such as Future of London's Council Led Housing Forum

Despite these actions already underway, the GLA recognizes there are still challenges that remain to be addressed. The GLA has launched an initiative entitled "Expanding council delivery of new housing" to better understand the full range of challenges councils face and identify how else councils can be supported. It is the intention of the GLA to review potential ways in which councils can be supported, as a result of this initiative.

One prominent challenge shared among councils is a significant deficit in skills and capacity to build more council homes. Following four decades of extremely limited council home building, few councils, if any, have the same level of in-house development expertise and capacity that they did during the peak of council home building in the 1970s.

To more deeply understand the challenge around skills and capacity, and identify potential solutions, Mayor Khan requested the support of BA in the Fall of 2019. This report is the result of BA's research into this topic. BA's research feeds into the 'Expanding council delivery of new housing' initiative, which will separately explore additional challenges councils face in building homes, including land availability and funding constraints.

¹ Greater London Authority, 'Building Council Homes for Londoners, Funding Prospectus,' May 2018

² *ibid*

³ *ibid*

SCOPE

BA was asked to identify ways to enhance the skills and capacity of London councils to increase the delivery of council homes as part of the Mayor's Building Council Homes for Londoners programme (BCHfL).

BA's research contributes to the GLA's 'Expanding council delivery of new housing' initiative, which aims to better understand the full range of challenges councils face in increasing the production of council homes, including land availability and funding, and develop a package of actions to address such challenges in the Spring of 2020. For this reason, BA's research did not seek to identify challenges that councils face beyond skills and capacity, though BA recognizes that challenges and solutions for capacity, funding and land are often interlinked.

BA sought to answer eight core questions through its research process:

1. What challenges do London councils face regarding skills and capacity as they strive to build new council homes, and why?
2. What resources or strategies are councils utilizing or considering to overcome the challenges they face?
3. What could the GLA do to help councils overcome skills and capacity challenges?
4. What could others, beyond the GLA, do?
5. How do challenges and solution ideas vary depending on how the council is approaching council housing delivery?
6. Which solutions would generate the greatest impact and value for investment?
7. What resources and next steps would be required for each potential solution?
8. Which potential solutions do councils, the GLA and potential partners support?

METHODOLOGY

To answer these core questions, BA undertook a research process between October 2019 through February 2020 that included several steps:

- **Interviews**

BA consulted representatives from 16 councils through a combination of one-on-one interviews and workshops organized by the GLA and London Councils. The councils selected for interviews

represent a range of delivery approaches, political affiliations, and geographic dispersion. BA requested interviews with several additional councils who did not respond to the request. See Figure 2 for a map of consulted councils.

In addition to the 16 councils interviewed, BA interviewed more than 35 experts representing private development companies, housing associations, housing experts, public sector entities, non-profit organizations, educational institutions, architects and planners. See the appendix for a complete list of interviewees.

- **Review of relevant publications and articles**
- **Workshops to vet recommendations**
BA facilitated discussions in four workshops with key stakeholders to identify challenges and vet potential solutions, including:
 - London Councils' Housing Directors Steering Group Meeting
 - GLA and London Councils Staff Workshop
 - GLA Expanding Council Delivery Working Group
 - Workshop with GLA Staff



Figure 2. Map of councils consulted

BA Key Findings

CHALLENGES

BA identified four overarching, interlinked challenges which hinder councils' ability to deliver new council homes at scale:

(1) Workforce pipeline

Educational institutions and further educational providers are not generating sufficient quantities of development officers, managers and directors to meet home-building industry needs, nor are educational institutions offering relevant curriculum or degrees to generate individuals with the specialized skills required by the industry.

- Local authorities setting up delivery units face shortages in project officers and managers
- Established delivery units face shortages in senior directors, building control officers, and development management professionals

(2) Attraction

Councils struggle to attract talent and compete with other players in the housing industry.

- Council salaries cannot compete with private sector and housing associations; growth opportunities are often constrained by standard pay rates
- Professionals are dissuaded by typically lower salaries and less favorable perceptions associated with local authorities and council homes.
- Job descriptions are not always written in ways that make the council homebuilding sector seem compelling to job seekers
- Human Resource departments are not equipped to circulate position openings to development-specific networks
- Authorities have not fully tapped into the recruitment assistance opportunities offered through Public Practice, and in many cases are not aware of the programme
- Uncertainty of year-to-year funding leads councils to use contract staff through agencies or consultants rather than hire permanent staff

(3) Delivery

Councils face hurdles in structuring their housing delivery units and throughout the development process.

- Authorities often lack critical knowledge to determine their development approach and capacity for business planning
- The flow of the development process within a given council is often unclear, causing delays among the many actors that touch the development process
- Procurement of support services is important, but requirements are cumbersome; not all councils are aware of existing framework agreements and some framework agreements have limitations and gaps
- Authorities lack incentive to share knowledge or resources with each other
- Not all relevant staff are aware of the Mayor of London's Small Sites, Small Builders programme and other supportive programmes
- A weak builder/contractor industry requires strong oversight by local authorities; local authorities do not always have the required experience to manage smaller builders and contractors. Both sides lack experience with precision manufactured housing methods and materials
- Precision manufactured housing could produce eventual cost savings but in some instances is too expensive at the individual borough level

(4) Employee development and retention

Councils struggle to retain and develop talent. Legal and finance staff often lack the experience and knowledge to support delivery teams in development projects.

- Private sector companies and housing associations offer more opportunities for professional development
- The skills most needed are learned on the job via rotation programmes; not in the classroom. Only housing associations and private developers offer rotation programmes
- Finance, legal and accounting teams lack development-specific expertise to support delivery teams, especially in land transfers,

procurement and deals. No programme currently reaches them

- New hires from private sector and housing associations face steep learning curves with local authority processes
- Delivery unit staff lack knowledge or experience with modern manufacturing techniques
- Councils are often restricted from pay-raises due to standardized rates

4. **The GLA and partner organizations should target interventions to reach a broader array of council staff** (e.g. finance, legal and procurement), as skills and capacity gaps extend beyond delivery units
5. **Private developers and housing associations could likely provide additional assistance** if they were more directly and explicitly engaged by the Mayor and GLA

CROSS-CUTTING THEMES

In addition to the four challenges, BA identified five cross-cutting themes that impact the council home building sector in general:

1. **Despite being at different stages in their delivery structures, many councils have similar needs regarding skills and capacity building.** The GLA will need to prioritize which needs to address with finite resources
2. **Several GLA programmes are helping councils in delivery of homes but could be more fully utilized** with increased awareness and/or programme refinement
3. **Councils are collaborating with each other and with housing associations on an ad hoc basis** and could benefit from more formalized collaboration

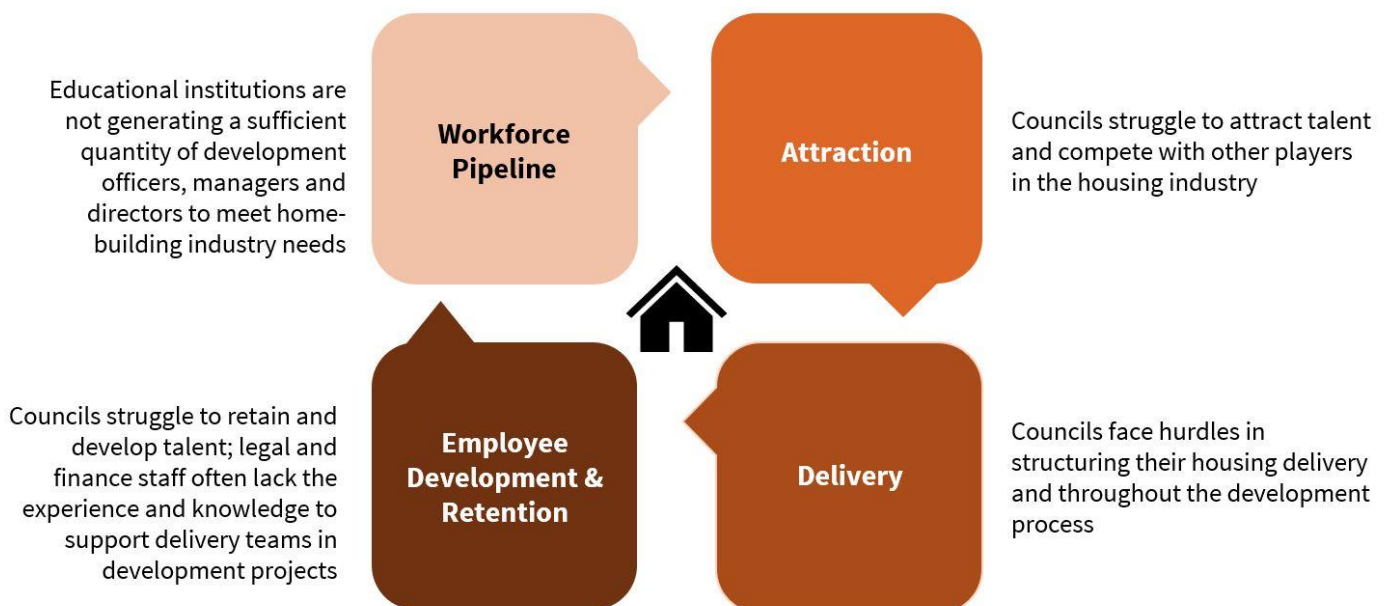


Figure 3. Four interlinked challenges

BA Recommendations

OVERVIEW

Based on ideas generated through the interview process, BA recommends 13 concrete actions for the GLA and pan-London partner organizations pursue to address the range of challenges and unlock councils’ potential to deliver more council homes, faster.

BA emphasizes the importance of implementing as many of the 13 actions as feasible. Implementing only a small selection will likely result in little impact in improving councils’ ability to deliver more new council homes given the scale of the challenges they face.

Furthermore, it is important to implement recommendations in each of the four categories – workforce pipeline, attraction, delivery and employee development and retention – to holistically address the ecosystem of challenges expressed by the councils.

More than twenty actions were identified as potential solutions through the interview process, the majority of which were generated from councils themselves. To hone-in on the final list of recommended actions, BA facilitated a feasibility and impact assessment process, vetting the ideas among council members, GLA leadership and staff, and pan-London partner organizations, including London Councils and Future of London. This resulted in the 13 recommendations included in this report.

BA has provided a description of the challenge, the recommendation, and implementation considerations for each of the 13 recommended actions.

Challenges	#	Recommendations
Workforce Pipeline	1	Form partnerships with universities and further education providers to better market the council home delivery sector to students
	2	Commission a partner to lead an outreach campaign to attract employees to local authorities
Attraction	3	Build on the success of Public Practice by developing a housing delivery focused offshoot
	4	Conduct a survey of salaries of housing professionals
Delivery	5	Develop a central shared resources platform to provide dedicated resources to councils
	6	Retain on-call experts to serve as consultants to councils
	7	Promote and potentially expand framework agreements
	8	Pursue citywide purchasing for precision manufactured products
	9	Research precision manufactured homebuilding methods and materials for home building and the contractor sector
	10	Broaden outreach to councils and disseminate a good practices guide
Employee Development & Retention	11	Facilitate skill-development partnerships with housing associations and/or developers
	12	Provide additional support/training for housing delivery staff
	13	Expand outreach and education for legal, finance and procurement staff within councils

Figure 4. Summary of recommended actions

1) FORM PARTNERSHIPS WITH UNIVERSITIES AND FURTHER EDUCATION PROVIDERS

Challenge: Due in part to an overall shortage of talent in the residential development field in the UK, councils that are setting up delivery units struggle to fill project officer and manager positions. Established delivery units struggle to fill senior director, building control officer, and development management positions.

Recommendation: Form partnerships with universities, further education providers, technical schools, and other institutions to better market the field of council/affordable home delivery to students and school leavers in order to increase the talent pipeline. This could include potential incentives or supports from the GLA or councils to encourage partnerships and enrollment.

Cost	Medium
Implementation Time	Medium-term
Owner and Stakeholders	GLA; Mayor's Construction Academy, RICS, CITB, RTPI, UCL Bartlett School and others.
Impact	Medium impact; felt in long-term
Feasibility	Medium-low
Immediate Next Steps	<ul style="list-style-type: none"> • Survey universities and institutions; determine key potential partners • Evaluate current GLA skills development programmes to understand how GLA funding might work and potential to use job commitments or guarantees to encourage participants to work with local authorities after graduation • Meet with career service staff at key potential partners and promote councils as viable career pathway; determine significant moments to promote opportunities, i.e. career fairs, email blast, career posting • Find opportunities to present to high school students about benefits of working in construction and development for councils • Bring together professional associations and key schools to ensure curriculum matches industry needs

2) COMMISSION A PARTNER TO LEAD AN OUTREACH CAMPAIGN

Challenge: Students are dissuaded from pursuing careers in the council home delivery sector by average lower salaries and less favorable perceptions associated with local authorities. The value and impact of the sector is not well communicated.

Recommendation: Commission a third party, such as Public Practice or a similar institution, to lead an outreach campaign to universities and students to frame the sector as an attractive career path. Working with trusted partners such as career advisors will be critical to ensuring the messaging is received by students.

Cost	Low
Implementation Time	Short-term
Owner and Stakeholders	Public Practice; GLA, RICS, CITB, RTPI, University of Reading, UCL Bartlett School
Impact	Medium impact; felt in the long-term
Feasibility	High
Immediate Next Steps	<ul style="list-style-type: none"> • Work with Public Practice and similar institutions to identify current university and institutional partners and outline existing Public Practice outreach tools • Develop with Public Practice a campaign to promote the council housing delivery sector • Leverage existing Public Practice partnerships and outreach methods to promote the development and construction professions, as it does with the design profession

3) BUILD ON SUCCESS OF PUBLIC PRACTICE WITH HOUSING DELIVERY FOCUSED OFFSHOOT

Challenge: Councils struggle to attract talent because of competition from the broader housing industry, the perception that political cycles can cause large swings in homebuilding investments, and less favorable perceptions associated with working for local authorities and council homes.

Recommendation: Expand Public Practice to have a targeted focus on recruiting associates specifically in the housing delivery sector. (Note: BA believes Public Practice is well-positioned to implement this recommendation; however, the GLA may choose to explore alternative entities that could also perform this function). Launch an awareness campaign among councils so they are aware of the opportunity.

Cost	Moderate
Implementation Time	Short-term if funding is available
Owner and Stakeholders	Public Practice
Impact	High impact; felt in the medium-term
Feasibility	Medium
Immediate Next Steps	<ul style="list-style-type: none"> • Confirm host organization for targeted recruitment effort focused on housing delivery • Identify and hire personnel to manage new development-sector portfolio • Obtain/identify gap financing to fund programme expansion • Confirm target cohort size and professions to be included • Develop marketing collateral and recruitment strategy for housing delivery programme • Build out sector-specific programming and training curriculum to offer development cohort; survey councils to build out internal training and application criteria • Leverage Public Practice’s existing schools and institutional relationships to promote new practice area to young professionals • Coordinate with councils to ensure salary ranges are aligned with potential associates’ expectations • Promote expanded portfolio to councils

4) CONDUCT SURVEY OF SALARIES OF HOUSING PROFESSIONALS

Challenge: Council salaries are not on par with private sector and housing associations; growth opportunities are often constrained by standardized pay rates. Local authorities default to hiring temporary staff or consultants where it is easier to pay higher salaries, but without the long-term commitment.

Recommendation: Commission a partner to conduct a periodic survey of salaries of housing professionals across councils, housing associations and development companies. This data should be made available to councils to equip them with valuable information to help advocate for higher pay rates for housing staff.

Cost	Low
Implementation Time	Short-term
Owner and Stakeholders	London Councils; GLA, councils, housing associations, private sector companies
Impact	Low impact; felt over medium-term
Feasibility	High
Immediate Next Steps	<ul style="list-style-type: none"> • Determine exact scope and questions in survey • Determine regularity of survey • Identify appropriate party to conduct the survey

	<ul style="list-style-type: none"> • Conduct survey and compare results to industry average • Provide results to councils
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5) DEVELOP CENTRAL SHARED STAFFING PLATFORM

Challenge: Authorities often have small homebuilding teams that are stretched thin and do not always have the volume of transactions necessary to build up expertise, especially for functions less directly connected to homebuilding (e.g., finance, legal).

Recommendation: Launch a centralized support service, housed outside of any one local authority (it could potentially be housed at the GLA or a partner organization), that provides dedicated, but shared, staff to councils to support housing delivery. Target recurring parts of the housing delivery process that rely less on local knowledge and more on specialized skills that could be better delivered from a single, larger team of staff (e.g., procurement, design, development, finance).

Cost	Moderate (long-term costs supported by local authorities)
Implementation Time	Long-term
Owner and Stakeholders	GLA or other pan-London organization
Impact	High impact; felt over long-term
Feasibility	Medium-low
Immediate Next Steps	<ul style="list-style-type: none"> • Identify specific services to explore in detail and evaluate previous centralized programmes that could be scaled or learned from (e.g., Small Sites, Small Builders Programme, London Councils' Capital Letters initiative) • Survey London boroughs to understand potential demand • Develop high level staffing needs and cost estimates • Develop governance model(s) in collaboration with local authorities

6) RETAIN ON-CALL EXPERTS

Challenge: Many councils are just restarting their home building programs and lack the track record or expertise needed to determine their development approach and capacity for business planning.

Recommendation: Contract select experts who have experience building and executing council delivery units to serve as on-call consultants that can provide targeted one-on-one advice to councils at low or no cost without procurement constraints. Make available to legal, finance, accounting and procurement staff within councils in addition to delivery units.

Cost	Low
Implementation Time	Short-term, if funding is available
Owner and Stakeholders	GLA or partner such as London Councils or Future of London
Impact	High impact; felt over the short to medium-term
Feasibility	Medium-high, depending on funding
Immediate Next Steps	<ul style="list-style-type: none"> • Evaluate success and insights from previous GLA specialist assistant/secondment team • Define expertise needs to be sourced through an on-call expert programme • Scope roles and responsibilities of experts (i.e., are they delivering formal advice, duration of assignments, whether they will be covered by indemnity insurance)

- Identify programme structure and funding source
- Identify select experts

7) PROMOTE AND POTENTIALLY CREATE NEW FRAMEWORK AGREEMENT

Challenge: Procurement of external vendors throughout the planning and delivery processes is often essential but requirements are cumbersome and delay and/or add risk to the delivery process. The GLA’s London Development Panel 2 (LDP2) framework agreement is helpful but there is a perception that it is only applicable to large sites and large constructors. Furthermore, not all councils are aware of the breadth of services offered under the GLA’s Architecture Design and Urban Panel (ADUP), the Transport for London (TfL) panels, and other non-GLA framework agreements and therefore they are likely not being fully utilized. There are likely gaps in the services covered by existing frameworks that may need to be addressed. A framework targeting small builders was commonly cited as a gap among the councils that BA interviewed.

Recommendation: Conduct a gap analysis and work with a small cohort of councils to understand if any new frameworks need to be created or existing frameworks expanded. In particular, discuss the pros, cons and potential implications of a small builder’s framework. Develop educational materials on the existing array of frameworks and promote the offerings to councils to increase utilization.

Cost	Low if no new frameworks are developed; high if a new framework is developed
Implementation Time	Short-term for promotion; medium-term for development of a small-builders framework or other new/expanded frameworks if deemed necessary
Owner and Stakeholders	GLA and other framework administrators
Impact	High impact; felt over the medium-term
Feasibility	High
Immediate Next Steps	<ul style="list-style-type: none"> • Assign a GLA staff member or retain a partner organization to conduct a gap analysis of all available frameworks. • For identified gaps, gather a cohort of councils to determine the best way to fill them, be it through creation of a new framework, expansion of an existing framework, or an alternative option. • If deemed necessary through the gap analysis and subsequent conversations with the cohort of councils, assign a GLA staff member or partner organization to design a proposal for a small-builders framework (working with the Small Sites, Small Builders Programme and the Administrators of the LDP2 and ADUP frameworks) as well as any other new or expanded frameworks that have been identified. • Vet proposals with the cohort of councils mentioned above. • Develop materials explaining all the available frameworks and broadly distribute to delivery, procurement, and legal staff within councils. • Incorporate awareness-building about framework agreements as part of the additional support/training offered to delivery staff (Recommendation 12) and legal, finance and procurement staff (Recommendation 13).

8) PURSUE CITYWIDE PURCHASING FOR PRECISION MANUFACTURED MATERIALS

Challenge: Cost, relative inexperience among council staff, and the perceived risks associated with precision manufactured housing (PMH) is limiting the ability for PMH to be delivered at scale within London authorities.

Recommendation: Procure PMH units at scale to reduce cost and remove barriers for councils.

Cost	Low for GLA (TBD for local authorities)
Implementation Time	Medium-term for a pilot; longer-term at scale
Owner and Stakeholders	GLA or other pan-London organization
Impact	High impact; felt over the long-term
Feasibility	Low
Immediate Next Steps	<ul style="list-style-type: none"> • Evaluate Pan-London Accommodation Collaborative Enterprise (PLACE) program for learnings and potential replicability for council housing • Identify specifications for units (or unit components) of potential interest • Survey councils to understand potential demand, ability to standardize specs, and critical design considerations • Survey industry to understand potential cost savings and sourcing for bulk purchasing • Evaluate opportunities to incentivize participation in standardized procurements • Develop high level centralized staffing needs, contracting mechanisms, and cost estimates

9) RESEARCH PRECISION MANUFACTURED HOUSING AND CONTRACTOR SECTOR

Challenge: A weak builder/contractor industry requires strong oversight by local authorities, who often lack the needed experience to effectively manage small builders and contractors. Both delivery units and builder/contractors lack experience with and knowledge about precision manufacturing methods and materials. Brexit and the upcoming loss of EU construction workers will further impact London’s construction skills shortage.

Recommendation: Retain a staff member or consultant or utilize an existing staff member to identify case studies and best practices with usage of modern construction methods and materials, and to research weaknesses within the construction sector and future trends that will impact the delivery sector.

Cost	Low
Implementation Time	Short-term
Owner and Stakeholders	GLA Housing Directorate
Impact	Low impact; felt over the long-term
Feasibility	High
Immediate Next Steps	<ul style="list-style-type: none"> • Assign staff member to develop list of topics for further research, consolidate existing research and highlight best practices • Disseminate findings to key policy makers, stakeholders and councils • Craft and implement policies based on findings

10) BROADEN OUTREACH TO COUNCILS AND DISSEMINATE GOOD PRACTICES GUIDE

Challenge: Outreach about available housing delivery resources and programmes (such as Small Sites, Small Builders, existing framework agreements, Public Practice and Future of London offerings) and good practices is often limited to one or two housing staff members within a given council, and does not reach the many additional staff members that touch the housing delivery process.

Recommendation: Broaden outreach to more staff within councils, including housing-specific staff and beyond, expanding existing methods of communication and trying new methods as well. Develop a recurring ‘good practices guide’ to highlight case studies, especially from other councils, and share information about available programmes and resources.

Cost	Low
Implementation Time	Short-term
Owner and Stakeholders	Future of London, London Councils, Area Heads at GLA or other pan-London organization
Impact	Low impact; felt over the near-term
Feasibility	Medium
Immediate Next Steps	<ul style="list-style-type: none"> • Evaluate current communications practices to determine what works and where outreach is not reaching staff who could utilize it • Assign staff member to develop guide and consolidate information about available resources • Vet draft guide among council leaders • Task or commission an organization or group within the GLA (such as Area Heads) to design an outreach strategy

11) FACILITATE SKILL-DEVELOPMENT PARTNERSHIPS WITH HOUSING ASSOCIATIONS AND/OR DEVELOPERS

Challenge: The skills of project officers, managers and directors that are most needed by councils tend to be learned on the job, not in the classroom. These skills are frequently learned through rotation programmes where staff rotate through different departments to learn the range of skills associated with housing delivery, or through other courses specially created by an employer (largely due to the lack of targeted offerings for the sector offered by accredited educational institutions). However, with few exceptions (including Public Practice), only housing associations and private developers currently offer rotation programmes and tailored courses. Moreover, there is currently no organization or platform explicitly dedicated to facilitating partnerships between councils and housing associations and/or private developers of this nature.

Recommendation: Establish a platform and adaptable partnership templates to help councils set up partnerships with housing associations and/or private developers, especially for partnerships around skill-development such as rotational exchange programmes, staff swaps, or combined training or graduate programmes. Councils staff would gain critical, missing skills through participation in existing programmes run by housing associations and private developers for their own staff. Housing associations and private developers would gain insights into local authorities and the opportunity to form closer relationships with local authorities.

Cost	Low for GLA; TBD for councils, housing associations and developers
Implementation Time	Short to medium-term
Owner and Stakeholders	Pan-London organization as lead; local authorities and housing associations as participants
Impact	High impact; felt over the medium to long-term
Feasibility	High
Immediate Next Steps	<ul style="list-style-type: none"> • Assign a staff member or research partner to identify a range of skill-development partnership models (for example, the council of Camden is currently exploring a partnership with One Housing's Fast Track graduate programme, and staff members from the council of Bristol are participating in a training programme jointly commissioned by 11 housing associations.) • Retain a partner organization, such as Future of London or London Councils, to work with an organization such as the G15 to develop and run a platform that regularly brings together councils with locally based housing associations and private developers to share

	<p>information on skill-sharing and help facilitate collaborations and partnerships (among other topics).</p> <ul style="list-style-type: none"> The partner organization would also be responsible for creating standard agreement templates for skill-sharing partnerships by gathering input from councils, housing associations and private developers regarding terms and conditions that could be adapted.
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12) PROVIDE ADDITIONAL SUPPORT/TRAINING FOR DELIVERY STAFF

Challenge: New hires from private sector and housing associations face steep learning curves with local authority processes, while most delivery unit staff lack knowledge or experience with precision manufactured homebuilding techniques. Staff training is perceived as a benefit and contributes to retention but is not always offered by councils. Most councils, however, have dedicated funds for apprenticeships that they are not fully utilizing.

Recommendation: Provide additional financial support (where apprenticeship levies do not apply) and training opportunities for councils to offer to their housing delivery staff. Training curriculum should include courses on local authority processes. Councils should tap into existing apprenticeship funding for staff development where applicable and reallocate funding for training opportunities, such as those offered by RICS, HATC, CITB, and RTPI, that may not be eligible for apprenticeship levies.

Cost	Low to moderate
Implementation Time	Short to medium-term
Owner and Stakeholders	Future of London; GLA and pan-London organizations such as London Councils, Local Authorities
Impact	Medium; felt over short to medium-term
Feasibility	High
Immediate Next Steps	<ul style="list-style-type: none"> Analyze results of Future of London survey of Local Authorities on skill gaps within staff to develop training curriculum Build upon Future of London’s current training programme to prioritize areas identified within survey Obtain additional funding streams to fund additional trainings

13) EXPAND OUTREACH AND EDUCATION FOR LEGAL, FINANCE AND PROCUREMENT STAFF

Challenge: Legal, finance, accounting and procurement teams within councils often lack development-specific expertise to support delivery teams, especially in land transfers, procurement and deals. Few or no programmes currently reach this group.

Recommendation: Offer new and/or expanded educational offerings to legal, finance and procurement teams and conduct targeted outreach to encourage participation. Offer access to on-call experts to these teams as well as delivery units.

Cost	Low
Implementation Time	Short to medium-term
Owner and Stakeholders	Future of London; GLA and pan-London organizations such as London Councils, Local Authorities
Impact	Medium; felt over the short to medium-term
Feasibility	High

Immediate Next Steps

- Analyze results of Future of London survey of Local Authorities on skill gaps within staff to develop training curriculum
- Build upon Future of London's current training programme to prioritize areas identified within survey
- Obtain additional funding streams to fund additional trainings



Conclusions and Next Steps

Mayor Sadiq Khan and the councils of London have taken on a formidable challenge to rebuild the council home building sector to help address the capital city's affordable housing crisis. The deficit of skills and capacity that London's councils face was created by decades of disinvestment as a result of national policy and austerity conditions. Fully rebuilding the skills and capacity within councils in order to achieve the targets set forth in the Mayor's BCHfL programme, and targets set by councils, will take time – years – and significant resources. The breadth of the challenge ahead is not unknown, and therefore the Mayor and councils should be commended for their efforts.

Given the strong will and commitment by both the Mayor and councils, the council homebuilding sector can be revived with sustained focus and attention, strategic action, and increased investment.

This report gives the Mayor and the GLA a pathway to address the skills and capacity challenges that councils face. Yet it must be stressed that no one action will solve the challenges councils face if implemented in isolation. It is critical for the GLA, in partnership with support organizations, to:

- Undertake multiple actions that address all four challenges outlined in this report, in addition to actions related to land availability and funding;
- Implement near-term actions that result in immediate impact, even if small; and
- Implement 'foundational' actions whose impact may not be felt in the near-term but will result in sustained long-term change, particularly those that address workforce pipeline issues.

BA recognizes that it may prove unrealistic or infeasible for the GLA and its partner organizations to undertake all 13 recommendations outlined in this report. BA recommends that the GLA assess available resources for implementation, including those offered by potential partners, and prioritize which recommendations to implement.

LIST OF INTERVIEWEES

London-based Councils and/or Associated Development Companies:

- Barking & Dagenham Council: Graeme Cook
- Barking & Dagenham, Be First: Pat Hayes
- Barnet Council: Faisal Butt
- Brent Council: Hakeem Osinaike
- Bromley Council: Sara Bowrey
- Camden Council: Neil Vokes and Rhys Makinson
- Croydon, Brick by Brick: Colm Lacey
- Ealing Council: David Baptiste
- Royal Borough of Greenwich: Pippa Hack
- Haringey Council: Alan Benson
- Hackney Council: Karen Barke
- Islington Council: Jed Young
- Newham, Red Door Ventures: Rob Atkin-House and Deborah Heenan
- Southwark Council: Stuart Davis and Osama Shoush
- Tower Hamlets: Jane Abraham and Michael Rourke
- Waltham Forest: Jennifer Daothong
- Westminster City Council: Richard Dickson

Other Stakeholders:

Private Developers, Housing Associations, Housing Experts, Public Sector Entities, Non-Profits, Educators and Architects/ Planners

- Assel Architecture: Russel Pedeley
- Berkeley Group: Tony Pidgley
- Cast Consulting: Mark Farmer (Government appointed 'MMC Champion')

- Construction Industry Training Board: Caroline Roberts
- Future of London: Nicola Mathers, Oli Pinch, Visakha Sri Chandrasekera, and Amanda Robinson
- Greater London Authority, Housing & Land Directorate, Area Teams: Alison Mayer
- Greater London Authority, Housing & Land Directorate, Strategic Projects & Property: Lauren Noble and Patrese Foster
- Greater London Authority, Housing & Land Directorate, Small Sites, Small Builders Programme: Kuheli Mookerjee
- Housing Expert: Mark Baigent
- Housing Expert: Ken Jones
- JLL: Katie Kopec, Adam Challis and Calum Spencer
- L&Q: Fiona Fletcher-Smith and John Lumley
- LSBU Hub, Mayor's Construction Academy: Amanda Winder
- London Councils: Eloise Shepherd and Alex Sewell
- National Housing Federation: Rhys Moore, Catherine Ryder and Lawrence Morris
- Network Homes: Jamie Ratcliff and Helen Evans
- On-Purpose: Marlise Wisse
- Plymouth Council: Neil Mawson and Nick Carter
- Public Practice: Matthew Turner, Finn Williams and Pooja Agrawal
- Royal Institution of Chartered Surveyors: Tony Mulhall, James Kavanagh and Fiona Mannix
- Royal Town Planning Institute: Tom Kenny

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