

Overview and Scrutiny



Delivering Affordable Homes in Partnership Task and Finish Group Agenda

Monday, 24 February 2025
7.00 pm,
Civic Suite
Lewisham Town Hall
London SE6 4RU

For more information contact: Nidhi Patil (Nidhi.Patil@lewisham.gov.uk)

This meeting is an open meeting and all items on the agenda may be audio recorded and/or filmed.

Part 1

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Delivering Affordable Homes in Partnership Task and Finish Group Members

Members of the Committee, listed below, are summoned to attend the meeting to be held on Monday, 24 February 2025.

Jeremy Chambers, Monitoring Officer
Friday, 14 February 2025

Members Councillor Pauline Dall Councillor Billy Harding Councillor Mark Ingleby Councillor Jack Lavery Councillor Stephen Penfold	
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Delivering Affordable Homes in Partnership Task and Finish Group

Declarations of Interest

Date: 24 February 2025

Key decision: No

Class: Part 1

Ward(s) affected: All

Contributors: Jeremy Chambers (Director of Law and Corporate Governance)

Outline and recommendations

Members are asked to declare any personal interest they have in any item on the agenda.

1. Summary

1.1. Members must declare any personal interest they have in any item on the agenda. There are three types of personal interest referred to in the Council's Member Code of Conduct:

- (1) Disclosable pecuniary interests
- (2) Other registerable interests
- (3) Non-registerable interests.

1.2. Further information on these is provided in the body of this report.

2. Recommendation

2.1. Members are asked to declare any personal interest they have in any item on the agenda.

3. Disclosable pecuniary interests

3.1 These are defined by regulation as:

- (a) Employment, trade, profession or vocation of a relevant person* for profit or gain
- (b) Sponsorship –payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in

respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).

- (c) Undischarged contracts between a relevant person* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.
- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member’s knowledge, the Council is landlord and the tenant is a firm in which the relevant person* is a partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.
- (g) Beneficial interest in securities of a body where:
 - (a) that body to the member’s knowledge has a place of business or land in the borough; and
 - (b) either:
 - (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or
 - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

4. Other registerable interests

4.1 The Lewisham Member Code of Conduct requires members also to register the following interests:

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council
- (b) Any body exercising functions of a public nature or directed to charitable purposes, or whose principal purposes include the influence of public opinion or policy, including any political party
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25.

5. Non registerable interests

5.1. Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members’ Interests (for example a matter concerning the closure of a school at which a Member’s child attends).

6. Declaration and impact of interest on members' participation

- 6.1. Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take not part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**
- 6.2. Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in consideration of the matter and vote on it unless paragraph 6.3 below applies.
- 6.3. Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- 6.4. If a non-registerable interest arises which affects the wellbeing of a member, their, family, friend or close associate more than it would affect those in the local area generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.
- 6.5. Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

7. Sensitive information

- 7.1. There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

8. Exempt categories

- 8.1. There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-
 - (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
 - (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor
 - (c) Statutory sick pay; if you are in receipt
 - (d) Allowances, payment or indemnity for members

- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception).

9. Report author and contact

- 9.1. Jeremy Chambers, Director of Law and Corporate Governance-
Jeremy.Chambers@lewisham.gov.uk , 0208 31 47648



Delivering Affordable Homes in Partnership Task and Finish Group

Scoping Report

Date: 24 February 2025

Key decision: No

Class: Part 1

Ward(s) affected: All

Contributors: Director of Law and Corporate Governance (Nidhi Patil, Scrutiny Manager)

Outline and recommendations

This report defines the role of the Delivering Affordable Homes in Partnership Task and Finish Group (TFG) and outlines the scope of the work it will carry out.

Members of the TFG are asked to:

- consider and comment on the content of the report.
- agree the Group's key lines of enquiry.
- agree the Group's intended outcomes.
- agree a timetable for the completion of this work.

Timeline of engagement and decision-making

The subject of this TFG was proposed by Councillor Rudi Schmidt.

The subject and membership of the TFG were agreed by the Overview & Scrutiny Committee on the 5th of November 2024.

1. Summary

- 1.1. This report asks the members of the Task and Finish Group to consider and agree the scope of its review.

2. Recommendations

- 2.1. Members of the TFG are asked to:
 - consider and comment on the content of the report.

- agree the Group's key lines of enquiry (Section 6).
- agree the Group's intended outcomes (Section 7).
- agree a timetable for the completion of this work (Section 11).

3. The role of the Task and Finish Group

- 3.1. The role of this Task and Finish Group (TFG) is to explore how the council can maximise its delivery of affordable housing through partnerships. It will examine innovative approaches to affordable housing delivery, explore alternative financial models, and identify opportunities for collaboration that could enhance the supply of affordable homes in Lewisham. As part of its work, the TFG will engage with housing developers and housing associations to gain insights into the key challenges and barriers to affordable housing delivery. Additionally, it will also examine good practices from other areas that could be applied locally to improve outcomes. The TFG's findings and recommendations will be compiled into a final report for the Mayor and Cabinet.
- 3.2. The proforma for the TFG, written by the proposing Councillor, is attached as Appendix A. Following discussions with officers and TFG members, it is recommended that the scope of this TFG is expanded to cover all affordable housing to ensure a more comprehensive approach to this review.

4. Context

What is affordable housing?

- 4.1. At the start of this Task and Finish Group's work, it is essential to clarify what it means by 'affordable housing' to ensure a shared understanding throughout its work.
- 4.2. The most commonly used definition for affordable housing is the one set out in the government's National Planning Policy Framework which is 'housing for sale or rent, for those whose needs are not met by the market'.

This includes housing for rent at¹:

- A 'social rent' level (around 50% of local market rents)
- An 'affordable rent' level (up to 80% market rents)
- An 'intermediate rent' level (between social and market rents)

This also includes low-cost home ownership:

- Housing sold at a discount of at least 20% below local market value
- Shared ownership, where people buy a share of a property and pay a subsidised rent on the remaining share
- Rent to buy, where people rent at around 80% of market rents in order to save for a deposit to buy the property

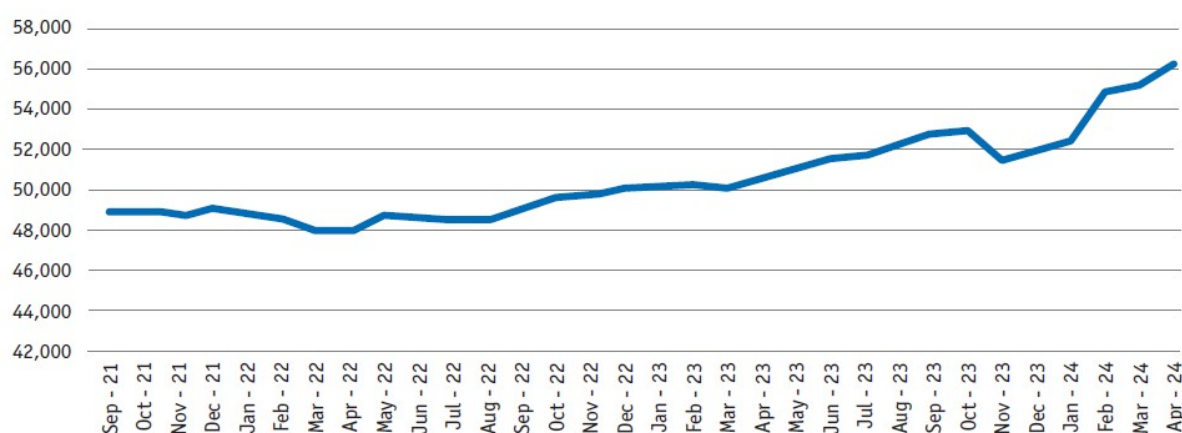
- 4.3. For the purposes of this Task and Finish Group, 'affordable housing' will be defined as set out in the National Planning Policy Framework. The TFG's research will focus on affordable housing within that definition, with an emphasis on social and affordable rent homes.

¹ [Affordable housing in England- House of Commons Library](#)

The Need for Affordable Housing

- 4.4. London is facing a deepening housing crisis, marked by rising homelessness and a severe shortage of affordable homes. Skyrocketing private rents, inadequate housing benefits, and a lack of genuinely affordable housing have driven more people into homelessness. Rough sleeping in London has surged by 58% since 2014, and more than 183,000 Londoners are estimated to be homeless and living in temporary accommodation².
- 4.5. The lack of affordable housing, coupled with the shortage of social homes, is forcing many into homelessness, with thousands of households relying on temporary accommodation (TA) arranged by local councils. As of November 2024, Lewisham alone had 2,826 households in TA³. However, a declining supply of available TA is making it increasingly difficult for councils to meet demand.

London households in temporary accomoration (25 boroughs)



London Councils data

Figure 1- Increasing number of London households in temporary accommodation²

- 4.6. The strain on temporary accommodation is leading to worsening conditions for homeless families, especially in London. With fewer TA options, councils are placing more families in unstable arrangements such as bed and breakfasts (B&Bs). The number of homeless families placed in B&Bs by 27 London boroughs increased by 662% between April 2022 and April 2024², highlighting the growing crisis.
- 4.7. Addressing homelessness is also placing immense financial pressure on London boroughs. Government data shows that in 2023-24, London councils spent nearly £1.6 billion on homelessness services, including £114 million per month (or approximately £4 million per day) on temporary accommodation alone². Lewisham Council's temporary accommodation budget, as of September 2024, was projected to overspend by £12.9 million³.
- 4.8. Households are also spending longer periods of time in temporary accommodation due to the lack of affordable housing to move into. In 2024, 336,366 households were on local councils' social housing waiting lists across London, with Lewisham accounting for 11,008 of them⁴. This backlog further exacerbates the housing crisis, keeping families stuck in precarious living

² [London's Homelessness Emergency- London Councils](#)

³ [Temporary Accommodation Supply and Pressures and Renters Rights Bill](#)

⁴ [Live tables on rents, lettings and tenancies- Table 600: number of households on local authority housing registers \(waiting lists\)](#)

conditions.

- 4.9. The housing crisis is being fuelled by multiple factors, including but not limited to rising rents in the private sector, a decline in rental property supply, benefit shortfalls and the persistent shortage of affordable homes. As councils struggle to house those in need, their budgets are being stretched to breaking point. The urgent need for more affordable housing is clear.
- 4.10. However, rather than increasing, the delivery of affordable homes has sharply declined. In 2023-24, there were only 43,439 starts-on-site (the stage at which construction work begins on new development) across England- a 39% drop from the previous year and the lowest figure on record since 2016-17⁵. In London, the situation is even worse, with just 3,156 starts-on-site in 2023-24- an 88% decrease from the previous year's 26,386 starts-on-site.

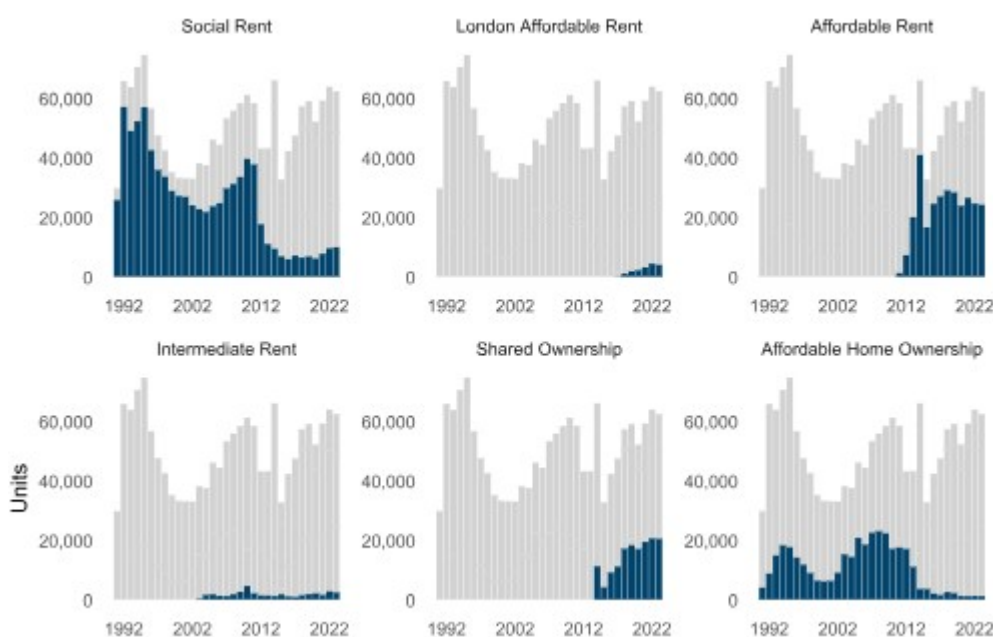


Figure 2- Affordable housing completions by tenure, England 1991-92 to 2023-24⁵

- 4.11. The London Plan 2021 recognises that the insufficient supply of homes is contributing to London's growing housing crisis. The 2017 London Strategic Housing Market Assessment identified a pressing need for housing, and for affordable housing in particular. It stated that London needed 66,000 new homes per year over at least two decades, with 43,000 of them needing to be genuinely affordable to meet demand. The Mayor of London's strategic target is for 50% of all new homes to be genuinely affordable⁶.
- 4.12. The severe shortage of affordable housing is widely acknowledged. Without urgent action to increase supply, London's housing crisis will continue to worsen, pushing more households into homelessness and straining local government resources. Delivering more affordable homes is essential to providing stability for residents, reducing homelessness, and ensuring that councils can manage housing costs sustainably.

Role of Local Authorities in Affordable Housing Delivery

- 4.13. Local authorities play a vital role in affordable housing delivery. They contribute directly by building homes themselves; partnering with other entities such as registered housing providers, community partners or private

⁵ [Affordable housing supply in England: 2023-2024](#)

⁶ [The London Plan 2021](#)

sector partners; and through their role as the local planning authorities (through mechanisms like Section 106 agreements, which require developers to include affordable homes in their projects).

- 4.14. Previously, local councils in England were very involved in the direct provision of affordable housing, especially social rent homes. Between 1946 and 1980, 4.4 million new social homes were built, with an average of 126,000 homes delivered annually- most of them by England’s local councils⁷, but this trend began to decline in the following decades. By the 1980s, the Right to Buy policy and restrictions on local councils’ borrowing capacity, combined with other factors, led to a reduced role for councils in housing delivery and an increase in provision of social housing by housing associations⁸. However, local authorities have been gradually increasing their direct involvement in housing delivery since 2011-12. As illustrated in Figure 3 below, the pace of direct delivery of affordable housing by councils is slowly rising.

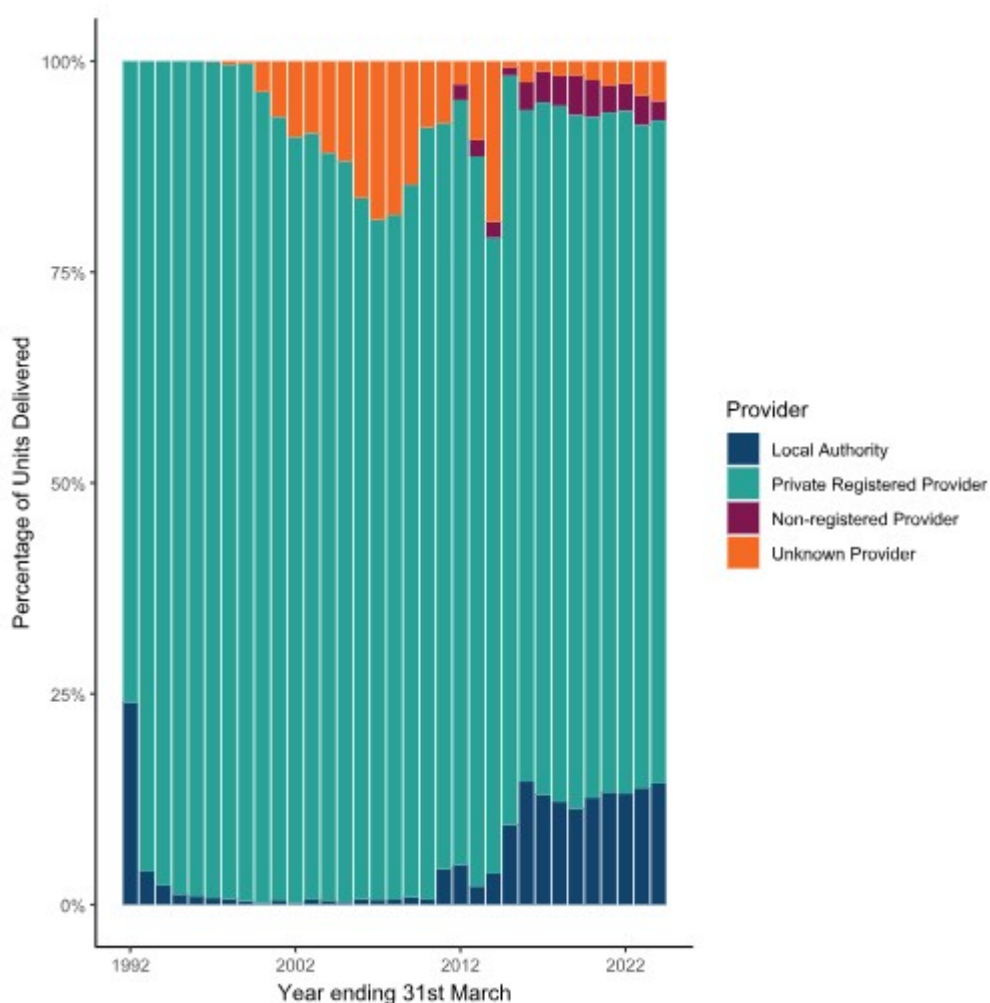


Figure 3- Percentage of affordable housing completions by provider, England, 1991-92 to 2023-24⁵.

- 4.15. Local councils can fund affordable housing delivery through several mechanisms including government grants, borrowing, cross-subsidisation (for example, local councils can build homes for sale or market rent and use the profits from those sales or rentals to subsidise the construction of affordable housing) and private sector investment¹.

⁷ [Securing the Future of Council Housing](#)

⁸ [History of housing- Parliament Publications](#)

- 4.16. However, despite this growing activity in direct delivery of affordable homes, councils face significant challenges. These include but are not limited to insufficient grant funding, unfavourable market conditions, rising building costs, and increasing budget pressures, all of which hinder their capacity to meet the demand for affordable homes.
- 4.17. Insufficient availability of grant funding poses a significant challenge for financially constrained local authorities. Research by Legal and General and the British Property Federation in March 2022 found that grant funding would need to increase by up to £14 billion annually to deliver affordable housing at the necessary scale¹. Additionally, councils are grappling with rising operational costs, including inflation, higher energy prices and increased borrowing costs. There are also substantial financial pressures associated with decarbonisation, ensuring properties meet decent homes standard, and the new fire safety requirements⁹.
- 4.18. Housing associations, or Registered Housing Providers (RPs), also play a vital role in the provision of affordable homes. They have the capacity to develop and manage affordable housing projects on their own but they also partner with local councils to deliver affordable homes. RPs can access both government grant funding and private finance to deliver homes.
- 4.19. However, RPs face many of the same challenges as local councils in delivering affordable housing. The industry-wide increases in construction costs and the impact of schemes being required to change to meet the Building Safety Act requirements, have led to RPs having reduced financial capacity for their development pipelines¹⁰. RPs are also facing rising costs associated with the repair and maintenance of their existing housing stock along with the increased costs associated with meeting the net-zero target.
- 4.20. In addition to collaborating with housing associations, local councils are increasingly partnering with other entities to deliver affordable housing as well. These partnerships can involve private sector developers or community partners and social enterprises. By combining resources and expertise, local authorities and these partners can pool funding, share risk, and ultimately deliver more affordable homes to meet the needs of their communities.
- 4.21. Beyond their role as direct developers or partners in affordable housing delivery (either with RPs, community- or private- sector partners), local councils play another important role as the planning authorities. Through Section 106 agreement, local councils can require developers to provide a percentage of affordable housing within new developments. These legal agreements set out the obligations that a developer needs to meet in order to manage the impact of the new development on the local community and infrastructure. This is an important mechanism for affordable housing delivery as 44% of all affordable homes delivered in 2023-24 were funded through Section 106 agreements⁵.
- 4.22. However, a significant challenge in this area is the reduced ability of Registered Providers (RPs) to take on Section 106 affordable homes. This has created difficulties for developers and housebuilders, as the affordable housing component of their schemes often cannot be sold, leading to stalled projects, revisions to planning applications to amend on-site provision to alternate tenures, or requiring conversion to a payment in lieu¹⁰.

⁹ [The Finances and Sustainability of the Social Housing Sector](#)

¹⁰ [The challenges for affordable housing delivery in London- Savills](#)

- 4.23. A survey conducted by the Home Builders Federation in October 2024, covering 31 developers across the country, revealed that at least 17,432 Section 106 affordable housing units with detailed planning permission, remained uncontracted¹¹. Factors such as increased investment in remediation works on existing housing stock, inflation, and reduced cash flow have all impacted RPs' ability to take on new affordable homes. Additionally, capacity issues are also causing problems, with most RPs having a minimum threshold for the number of homes they will take on, meaning that fewer units on smaller sites are often left stranded. This is resulting in a reduction in affordable housing supply and forcing developers to re-evaluate the pace and direction of their building programmes.
- 4.24. While local councils play an important role in the delivery of affordable housing, they face significant challenges in overcoming financial, market and policy constraints. As the demand for affordable homes continues to rise, it will be essential for local authorities, housing associations, and other partners to work together, innovate, and secure additional funding to ensure that residents' housing needs are met.

Case for Innovative Approaches

- 4.25. To overcome the persistent challenges that are hindering the effective provision of affordable housing through traditional routes, it is imperative to explore innovative approaches and foster strong partnerships. As the housing crisis continues to escalate, relying solely on conventional methods of housing delivery is proving insufficient to meet the growing demand for affordable housing. This calls for a shift towards creative solutions that leverage the strengths and resources of various stakeholders. Innovative partnerships can play a transformative role by providing additional funding, technical expertise, and resources, which are essential for accelerating the delivery and sustainability of affordable housing initiatives.
- 4.26. One promising avenue is the expansion of public-private partnerships, which have demonstrated significant potential in accelerating affordable housing delivery. Several partnership models have emerged, each offering distinct advantages-
- 4.26.1. One such model is the Joint Venture (JV) approach, where a local authority seeks a partner to incorporate a new joint venture company to deliver a new development with both parties sharing the risks and rewards that are generated¹². Lewisham has already adopted this approach for its Besson Street development- where the council and its Investment Partner, Grainger plc have entered into a 50/50 joint venture to develop and construct a viable Build to Rent development. 35% of homes delivered via this scheme will be genuinely affordable.
- 4.26.2. Another approach is the development-led or investor-led partnership: in a development-led model a local authority enters into an agreement with a partner, typically a developer, to purchase land in return for a cash receipt; in an investor-led model, long-term investors provide upfront funding for a development while assuming part of the risk, with the local authority responsible for the long-term operation of the completed project¹².
- 4.26.3. There are also, land-led development partnerships that allow councils to contribute public land to a private developer in exchange for a share of the

¹¹ [Bid Farewell- An examination of the crisis in S106 Affordable Housing](#)

¹² [Housing partnerships: delivering the homes London needs](#)

newly built homes being allocated as council-owned affordable housing. These models enable local authorities to maximise land use and resources.

- 4.27. Beyond partnerships, the financial sustainability of affordable housing initiatives requires a reassessment of traditional funding mechanisms, which often fail to address the sector's complex financial challenges. Alternative financial models can offer more sustainable and efficient solutions, ensuring the continued viability of affordable housing projects. For example, social impact bonds present an innovative funding mechanism, leveraging private investment to support public projects that generate measurable social benefits. By diversifying funding sources and reducing reliance of government grants, such models can enhance the long-term viability of affordable housing delivery.
- 4.28. Incorporating these innovative approaches- through strategic partnerships and alternative financial models- can significantly improve the process of affordable housing delivery.
- 4.29. In light of these opportunities, this Task and Finish Group will focus its efforts on exploring how the council can maximise its delivery of affordable housing through strategic partnerships. It will examine innovative approaches that leverage public-private collaboration, assess alternative financial models that enhance long-term sustainability, and identify good practice from successful affordable housing initiatives.

Lewisham's Policy Context

- 4.30. The work of this Task and Finish Group will be consistent with the Council's policy framework-
 - 4.30.1. Lewisham's Corporate Strategy (2022-2026) outlines the Council's vision for serving its residents. Under the corporate priority of '*Quality Housing*', the council is committed to delivering more social homes for residents and ensuring that more residents have access to safe and comfortable accommodation. Delivery of affordable housing is central to achieving this corporate priority. The work of this TFG will support this corporate priority by identifying practical solutions to enhance affordable housing delivery in the borough.
 - 4.30.2. Lewisham's Housing Strategy (2020-2026) outlines the council's approach to tackling the housing crisis. This TFG's work will support the themes outlined in the strategy, particularly the key theme of '*delivering the homes that Lewisham needs*'.
 - 4.30.3. Lewisham's Homelessness and Rough Sleeping Strategy (2023-2026) provides the framework for the council's efforts towards preventing homelessness and meeting housing needs. The strategy objectives include ensuring there is a supply of suitable accommodation for eligible households to move into if homelessness occurs. The TFG's work on exploring ways to maximise affordable housing delivery will directly support this objective.
- 4.31. The Building for Lewisham (BfL) programme is highly relevant to the work of this Task and Finish Group. This is the council's housebuilding programme which is central to the council's efforts to deliver new homes for social rent, affordable rent, as well as properties for shared ownership. The BfL programme includes- homes built directly by the council, homes delivered in partnership and housing acquisitions undertaken as part of the programme.

- 4.32. It is important for the TFG to stay informed about the BfL programme's progress, including successes, challenges and lessons learnt. This awareness will ensure the TFG's efforts are aligned with ongoing initiatives and responsive to evolving housing needs.

5. Areas of Focus for the TFG

The urgent need for affordable housing in Lewisham- and across the UK- is widely recognised. At the same time, it is acknowledged that the challenging financial climate is creating significant barriers for all stakeholders involved in the delivery of affordable housing.

In response to these challenges, this Task and Finish Group will explore how the council can maximise delivery of affordable housing in Lewisham. The TFG will focus its attention on the following overarching themes:

Innovative Delivery Models and Partnerships

- 5.1. The delivery of affordable housing faces numerous challenges. Now more than ever, it is essential to explore innovative approaches and form strategic partnerships to maximise outcomes in this area, in order to ease the housing crisis that affects households across the borough. To gain a comprehensive understanding of existing innovative models and partnerships, the Task and Finish Group will conduct an in-depth investigation. This research will provide insights into effective strategies and opportunities.
- 5.2. Strategic partnerships in the field of affordable housing delivery have proven to be a valuable mechanism for unlocking investment, land, resources and expertise. When structured effectively, partnerships can accelerate development, share financial and operational risks, and generate both economic and social benefits. This collaborative approach is especially critical in today's challenging economic climate.
- 5.3. The TFG will explore alternative housing delivery models, including but not limited to joint ventures and land-led approaches. This will involve leveraging the council's past experiences, reviewing good practice case studies and engaging with relevant stakeholders.

Financial Partnerships and Funding Mechanisms

- 5.4. It is widely acknowledged that the current financial climate is challenging. Local councils across the country are struggling to set balanced budgets and are grappling with increasing overspend. Housing associations are also under immense pressure, with rising costs for repairs and maintenance of existing housing stock and increasing building costs along with other factors. Additionally, high inflation and volatile market conditions continue to affect the overall delivery of affordable homes.
- 5.5. Given these challenges, it is important to evaluate different financial models and funding opportunities that can support affordable housing delivery. Exploring sustainable funding solutions will help address financial constraints and also ensure long-term viability in housing development.
- 5.6. The TFG will seek to understand the different financial models available and explore whether there are any underutilised funding opportunities. This will involve engaging with a range of stakeholders, including socially-minded investors and financial institutions, as well as examining good practices that have been successfully implemented by other councils.

Engagement with Housing Developers

- 5.7. As highlighted earlier in the report, a significant proportion of affordable homes were funded through Section 106 agreements. Therefore, it is important for the council to maximise positive outcomes in this area by having an efficient and transparent planning process and fostering good engagement with developers.
- 5.8. The TFG will seek to engage with housing developers to understand the challenges they face in delivering affordable housing and explore ways in which the council can support and improve outcomes. Additionally, the TFG will review good practice case studies and consult key stakeholders to identify successful strategies elsewhere that could be applied locally.

Engagement with Registered Housing Providers (RPs)

- 5.9. Housing associations or registered housing providers (RPs) are key partners for local councils and they play a crucial role in delivering and managing affordable homes in the borough. However, RPs are facing increasing financial pressures, with rising costs forcing many to shift resources away from new development and towards maintaining existing housing stock.
- 5.10. The TFG will attempt to understand the barriers faced by RPs in delivering and managing affordable housing within the borough. It will also assess the effectiveness of the council's current engagement with RPs and identify any opportunities for improvement. To inform this work, the TFG will engage with local RPs as well as study examples of good practice from other areas to gather insights that could boost collaboration and enhance housing outcomes.

Good Practice and Learning from other Local Authorities

- 5.11. To investigate how the Council can maximise its delivery of affordable housing through partnerships, the Task and Finish Group (TFG) will aim to draw insights from and analyse successful case studies from other councils across England, thereby identifying effective approaches.
- 5.12. Engaging with other councils will offer the TFG an opportunity to glean insights from successful practices. Studying how these practices have contributed to positive outcomes will help the TFG acquire a wealth of knowledge that can inform its own strategies and initiatives.
- 5.13. The TFG will actively explore good practice from other councils across England and investigate how these could be adapted to suit Lewisham's needs.

6. The TFG's Key Lines of Enquiry

Innovative Delivery Models and Partnerships:

- 6.1. What innovative affordable housing delivery models or partnerships currently exist, and how can they be further developed or better utilised to address housing needs in Lewisham?
- 6.2. How can joint-ventures (e.g. between the council, private sector, and housing associations) be better utilised for affordable housing delivery?
- 6.3. What are the opportunities for land-led delivery models (e.g. private and council land collaboration for housing projects)? Are there successful examples of land-led development from other local authorities that could be applied locally?

- 6.4. How can the council ensure that such initiatives deliver long-term value for affordable housing?

Financial Partnerships and Funding Mechanisms:

- 6.5. What financial models (e.g. social impact bonds, public-private partnerships, etc.) could support affordable housing delivery in the borough?
- 6.6. Are there any government funding opportunities that are currently underutilised?
- 6.7. How can financial risk be managed while pursuing innovative funding partnerships?
- 6.8. What lessons can be learnt from successful financial models used by other local authorities?

Engagement with Developers:

- 6.9. What are the key constraints developers face in delivering affordable housing in the borough (e.g. financial, regulatory, planning)?
- 6.10. How effective is the current relationship between the council and developers?
- 6.11. How can the council better collaborate with developers to maximise affordable housing outcomes?
- 6.12. Are we currently getting the best possible outcomes from developer contributions (e.g. Section 106)?

Engagement with Registered Housing Providers (RPs):

- 6.13. What are the primary barriers faced by registered housing providers in delivering and managing affordable housing?
- 6.14. How effective is the council's current engagement with registered providers?

Good Practice and Learning from other Local Authorities

- 6.15. What innovative strategies have local authorities in London and across England successfully employed to maximise the delivery of affordable housing?
- 6.16. How can examples of effective partnerships or financial models from local authorities outside London be adapted to suit the local context in Lewisham?

7. Nature of expected outcomes

- 7.1. The Task and Finish Group will seek to-
- Identify and assess innovative affordable housing delivery models and partnerships that can be applied in Lewisham.
 - Explore and evaluate financial models that support affordable housing delivery, including underutilised government funding opportunities.
 - Improve the council's engagement with developers and registered housing providers to maximise affordable housing delivery.
 - Learn from good practice used by other local authorities in London and beyond and investigate how successful models of affordable housing delivery could be adapted to Lewisham's context.

8. Sources of Evidence and Engagement

- 8.1. The Task and Finish Group will engage with a broad spectrum of stakeholders

to ensure a comprehensive understanding of the issues at hand. These stakeholders include, but are not limited to-

- Cabinet Member for Inclusive Regeneration and Planning- Councillor James J-Walsh; Cabinet Member for Better Homes, Neighbourhoods and Homelessness- Councillor Will Cooper; and Cabinet Member for Finance, Resources and Performance- Councillor Amanda De Ryk
- Lewisham Council officers from the Place and Housing directorates, spanning multiple teams to offer technical expertise and operational insights
- Housing developers, registered housing providers and other private sector partners involved in housing delivery and management
- Organisations such as the Home Builders Federation (the representative body of the home building industry in England and Wales)
- Socially-minded private investors and other financial institutions that can offer perspectives on funding and investment models
- Key officers from other councils across England (to learn from successful case studies).
- Greater London Authority (GLA), London Councils and Local Government Association (LGA) (for insights into broader regional and national policy contexts).

8.2. The TFG will employ a multifaceted approach to evidence gathering, including-

- Desk-based research- Reviewing existing policies, strategies and case studies
- Stakeholder engagement- Holding structured discussions with key stakeholders
- Written and oral evidence collection- Gathering testimonies, reports and data to build a well-rounded evidence base
- Site-visits- Observing housing projects and initiatives both within and outside the borough

8.3. The TFG will aim to ensure a robust and comprehensive approach to evidence collection. While the outlined methods and stakeholders provide a strong foundation, the TFG may identify additional sources of evidence or relevant stakeholders as its work progresses.

9. Out of Scope

9.1. The Task and Finish Group should consider the scope carefully to decide whether there are any areas that do not need to be included in the review. This will ensure a focused approach on other pertinent aspects. Additionally, if the TFG intends to include additional areas, it must carefully assess the allocation of time and resources to ensure the analysis reaches a sufficient level to achieve the group's intended outcomes effectively.

9.2. It should be noted that there is a Task and Finish Group, running concurrently with this one, on the topic '*Community at the heart of housing*'. This TFG will be exploring community-led housing delivery and will be looking at housing

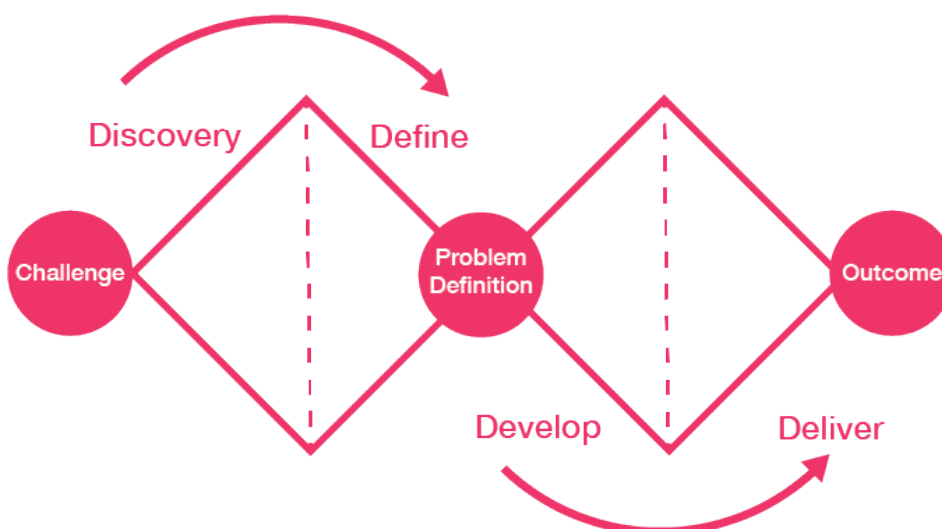
initiatives such as co-operatives, self-build, and community land trust developments. Therefore, any matters relating to community-led housing are out of scope for the Delivering Affordable Homes in Partnership TFG and engagement with community partners in relation to affordable housing delivery will not be undertaken to avoid duplication of work.

10. How the Task and Finish Group will be run

10.1. It is intended that this task and finish group be:

- Collaborative – scrutiny officers, directorate officers and councillors working together to address a topical issue of concern
- Time limited – to suggest solutions in a timely manner, with allocated tasks, progress checks and deadlines
- Flexible – with a mixture of formal and informal meetings, visits, research, user engagement etc.
- Focussed on residents – the issue will be clearly defined, and solutions suggested, on the basis of understanding residents' experience
- Focussed on solutions – the aim is to take evidence from a wide range of sources and good practice to develop affordable, practical solutions that are evidence based and implementable and that will have a positive impact on the lives of residents.

10.2. A 'double diamond' approach will be taken which will split the project into two parts (diamonds). The first part is the 'discovery' stage. The issue (the topic of the task and finish group) is the starting point and then research and evidence collection is carried out to really understand the issue and define it more clearly. Once the issue is well understood and well defined, the second stage begins. Further research and evidence collection is carried out, seeking inspiration from elsewhere and working with a range of different stakeholders and experts to investigate potential solutions. Then a clear set of recommendations can be produced.



11. Timeframe and resources

11.1. The proposed timeframe for this TFG is 9 months from its initial meeting, depending on the extent of the final agreed scope of the review. During these 9 months, the TFG will conduct desktop research, gather evidence, and engage with stakeholders. The TFG's work will culminate at a final formal

meeting where it will formally agree the report containing its findings and recommendations. This report will then be submitted to the Mayor and Cabinet.

12. Financial implications

- 12.1. There are no direct financial implications arising from this report. Elements of the work of the Task and Finish Group may have financial implications, and these will need to be considered in due course.

13. Legal implications

- 13.1. The Council's Constitution provides at paragraph 6.9, Article 6 that the Overview and Scrutiny Committee may from time to time appoint sub-committees, to be known as task and finish groups which will exist for a period of no less than 3 months, nor more than 12 months from the date of their creation. It further adds that "Any task and finish group shall consist of 5 members and be established for the purpose of examining a particular issue in depth. The terms of reference of any task and finish group shall be agreed by the Overview and Scrutiny Committee which shall also appoint members to it."

14. Equalities implications

- 14.1. The Equality The Equality Act 2010 (The Act) legally protects people from discrimination in the workplace and in wider society. It replaced the previous anti-discrimination laws with a single act. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 14.2. The Act also imposes a public sector equality duty. This means that in public bodies, of which this Council is designated, they must consider all individuals in carrying out their day-to-day work when shaping policy, in delivering services and in relation to their own employees. It also requires public bodies to:
- Have due regard to the need to eliminate discrimination
 - Advance equality of opportunity
 - Foster good relations between different people when carrying out their activities
- 14.3. Scrutiny tries to make sure that its work reflects the diversity of Lewisham's communities and that the views of residents are fairly represented in scrutiny processes. Any recommendations arising from scrutiny work support the Council's corporate strategy and reflect the needs of local residents.
- 14.4. There are no direct equalities implications arising from this report but there may be equalities implications arising as part of the Task and Finish group's work and they will need to be considered in due course.

15. Climate change and environmental implications

- 15.1. There are no direct climate change or environmental implications arising from this report. Matters considered by the Task and Finish Group may have climate change implications and the Task and Finish Group will need to give due consideration to this.

16. Crime and disorder implications

- 16.1. There are no direct crime and disorder implications arising from this report. Matters considered by the Task and Finish Group may have crime and disorder implications and the Task and Finish Group will need to give due consideration to this.

17. Health and wellbeing implications

- 17.1. There are no direct health and wellbeing implications arising from this report. Matters considered by the Task and Finish Group may have health and wellbeing implications and the Task and Finish Group will need to give due consideration to this.

18. Appendices

- 18.1. Appendix A- Task and Finish Group Proforma (attached)

19. Report author and contact

- 19.1. If you have any questions about this report please contact the scrutiny manager: Nidhi Patil, 020 8314 7620, Nidhi.Patil@lewisham.gov.uk
- 19.2. Comments for and on behalf of the Executive Director for Corporate Resources- Sandra Gray, Building for Lewisham Commercial Accountant, Sandra.Gray1@lewisham.gov.uk
- 19.3. Comments for and on behalf of the Director of Law and Corporate Governance: Melanie Dawson, Head of Legal Services, Melanie.Dawson@lewisham.gov.uk

Overview and Scrutiny



Task and Finish Group Proforma

This proforma has been designed to capture the information that the Overview and Scrutiny Committee will need in order to decide which task and finish groups to establish.

This proforma can be completed by individual councillors on their own or by colleagues working together and support is available. If you would like support in completing this proforma, you can approach the Chair of Overview and Scrutiny, one of the Select Committee Chairs or any member of the Scrutiny team.

<p>Proposed title <i>This should be written as a question. What is the main question that you are looking to answer? Ideally use "how" I.e. "How can we improve.....XXX?"</i></p>	<p>Delivering in Partnership: How Can the Council Engage in Innovative Investment Partnerships to Achieve its Social Housing and Supported Accommodation Goals?</p>
<p>Overview <i>Provide 2-3 sentences explaining the proposed investigation in more detail including the key areas that you are proposing to look at.</i></p>	<p>Lewisham is grappling with a growing housing crisis, marked by spiralling demand for social housing and temporary accommodation. This TFG will review the council's current approach to partnerships with private developers and financial institutions which deliver large-scale developments. Gathering evidence from successful developments in the borough and nation-wide delivered through public-private partnerships, a key focus will be on how the council balances ambition and risk. The investigation will delve into the complexities of sharing and managing risks alongside the financial implications of not building at scale. It will aim to gain a better understanding of how councils can innovate to deliver during a time of challenging financial and market constraints.</p>
<p>Reason for proposal <i>Why do you think that a task and finish group is the most appropriate way to address this issue / answer this question? Where has the suggestion come from? (I.e. through resident engagement, casework, external inspection, performance information.)</i></p>	<p>The complexities of this subject make a TFG an ideal forum for exploring this, as a single committee item would not allow the same depth and breadth of evidence gathering.</p>
<p>Policy Context <i>How does the proposal support delivery of the Lewisham Corporate Strategy; national/regional policies, initiatives; legislation etc.</i></p>	<p>This TFG is supportive of Lewisham's Local Plan and Housing Strategy (2020-2026).</p>

	<p>At a broader level, the proposal adheres to national and regional policies, such as the National Planning Policy Framework (NPPF) and the Greater London Authority's (GLA) Housing Strategy. These frameworks stress the importance of increasing the housing supply and fostering sustainable communities through collaborative approaches to development.</p>
<p>Criteria for the investigation (Essential)</p> <ul style="list-style-type: none"> • <i>Is the proposed investigation timely? Why?</i> • <i>Is it a strategic and significant issue? How?</i> • <i>Is it of concern to one or more sections of the population? Who?</i> <p>(Desirable)</p> <ul style="list-style-type: none"> • <i>Is the issue of concern to partners or stakeholders? How?</i> • <i>Will the investigation add value in terms of improving the council's or partner's performance or service delivery? How?</i> • <i>Will the investigation be duplicating any other work? What?</i> • <i>What control or influence does the Council have in this area?</i> 	<p><i>Is the proposed investigation timely? Why?</i> Yes. The ongoing housing crisis in Lewisham necessitates a fresh look at how partnerships can be structured to deliver affordable housing effectively.</p> <p><i>Is it a strategic and significant issue? How?</i> Yes. Affordable housing is a core priority for the council, and this investigation offers a strategic opportunity to use council-owned assets effectively</p> <ul style="list-style-type: none"> • <i>Is it of concern to one or more sections of the population? Who?</i> (Desirable) Yes, it concerns all renters • <i>Is the issue of concern to partners or stakeholders? How?</i> Yes, CLT groups and networks, developers, finance • <i>Will the investigation add value in terms of improving the council's or partner's performance or service delivery? How?</i> Yes it could help contribute to housing targets • <i>Will the investigation be duplicating any other work? What?</i> No • <i>What control or influence does the Council have in this area?</i> It has particular control over council disposal which could be appropriate sites
<p>Sources of evidence <i>Do you have any thoughts/ideas on where you might gather evidence from? e.g. research or site visits. (Officers will be able to recommend suggestions and help with this.)</i></p>	<ul style="list-style-type: none"> • Public-Private Partnerships (PPPs): Review existing PPPs and joint ventures in housing within Lewisham and beyond. Assess their impact on delivering affordable homes and explore how the council can structure partnerships to support its social housing goals. • Alternative financial models: Explore opportunities for innovative financing, such as private financing bonds, social impact funds, and public investment funds, to provide new sources of capital for social housing projects. Assess how the council can collaborate with long-term financial partners, such as ethical banks and social impact investors, to support these ventures. • Leveraging council assets: Investigate how the council's Asset Management Strategy (2024-2034) can unlock underused land and buildings to support the creation of affordable homes. Identify potential sites, such as disused garages and brownfield locations, that can be repurposed for housing development. • High-Quality, Sustainable Design: Ensure that all new developments adhere to high design standards and contribute to net biodiversity gain, while addressing

	sustainability goals, such as energy-efficient design and renewable energy integration.
Co-optees / Technical advisors? <i>Would the task and finish group benefit from having expert input such as an academic or local expert?</i>	The group will benefit from expert input from housing finance specialists, urban planners, and sustainability experts to ensure that proposed partnerships are viable and aligned with best practices.
Suggested timeframe <i>Do you estimate / suggest that the investigation take 3, 6, 9 or 12 months? Outline your suggested timetable for evidence gathering.</i>	The investigation is expected to take 7 months, focusing on reviewing partnerships, assessing financial models, and identifying suitable sites for development.
Equalities Impact <i>Identify any equalities issues that might be applicable.</i>	Positive equalities impact
Councillor(s) submitting the proposal <i>Please list the names of the submitting councillor(s)</i>	Rudi Schmidt