



House of Commons
Communities and Local
Government Committee

**2015–17 Parliament:
Legacy Report**

Eleventh Report of Session 2016–17

*Report, together with formal minutes relating
to the report*

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Communities and Local Government Committee

The Communities and Local Government Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Communities and Local Government.

Current membership

[Mr Clive Betts MP](#) (*Labour, Sheffield South East*) (Chair)

[Rushanara Ali MP](#) (*Labour, Bethnal Green and Bow*)

[Bob Blackman MP](#) (*Conservative, Harrow East*)

[Mr Christopher Chope MP](#) (*Conservative, Christchurch*)

[Helen Hayes MP](#) (*Labour, Dulwich and West Norwood*)

[Kevin Hollinrake MP](#) (*Conservative, Thirsk and Malton*)

[David Mackintosh MP](#) (*Conservative, Northampton South*)

[Melanie Onn MP](#) (*Labour, Great Grimsby*)

[Mr Mark Prisk MP](#) (*Conservative, Hertford and Stortford*)

[Mary Robinson MP](#) (*Conservative, Cheadle*)

[Alison Thewliss MP](#) (*Scottish National Party, Glasgow Central*)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the internet via www.parliament.uk.

Publication

Committee reports are published on the Committee's website at www.parliament.uk/clg and in print by Order of the House.

Committee staff

The current staff of the Committee are Mark Etherton (Clerk), Tamsin Maddock (Second Clerk), Craig Bowdery (Committee Specialist), Nick Taylor (Committee Specialist), Tony Catinella (Senior Committee Assistant), Eldon Gallagher (Committee Support Assistant), Gary Calder (Media Officer) and Alexander Gore (Media Officer).

Contacts

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The Committee's two themes

1. In one of our first meetings in the 2015–17 Parliament we decided to choose two main themes in order to focus our work. These were housing, and the form, function and financing of local government. All of our reports in this Parliament can be put into one of these categories, and in many reports we deliberately agreed conclusions that committed us to following up one or more aspects of an inquiry, so that our focus was maintained. In this legacy report, we briefly summarise these forward-looking conclusions, and also outline the inquiries we had started or agreed provisionally, in the hope that our successors may find it useful to have a list of suggestions on which to base their consideration of their own future programme. We wish them well.

2. We recognise the contribution made to our work by Jo Cox, a member of the Committee from July 2015 to March 2016; like the House as a whole, we mourn her loss.

1 Forward-looking conclusions

Local government

Devolution

3. We concluded our first report of the Parliament, on devolution, with a substantial and detailed commitment to look at progress on devolution before 2020:¹

Before the end of this Parliament, once the majority of deals have bedded in and elected mayors have established their positions, we intend to undertake a review of the progress of devolution in England which will examine the issues that we have identified in this report. The review is likely to consider, but will not be limited to, the following:

Success and scope:

- The success of devolution deals, measured by, for example, improvements to local economies and health economies, and whether we have reached the stage where powers can automatically be devolved to local areas as of right, and whether it is time for negotiation of further, more ambitious deals and/or a more comprehensive package of devolved measures between Government and local areas as a whole.
- What further powers areas have accumulated over time, including fiscal powers, and whether there are any powers not currently being devolved to local areas which should be.
- The impact on areas which do not have a devolution deal.
- Whether the Government is capturing data at the right level—for example, city region and combined authority level—to assess the effectiveness of deals.
- Local authorities' views on the Government's commitment to devolution, working with different Departments and the process of negotiation and consultation.

Progress:

- Progress with the development of further devolution to London, outside of the framework of the Bill.
- The rate at which the Government negotiated and agreed the 38 devolution bids submitted by local areas for the deadline of 4 September 2015 and whether any new deals are being agreed.
- The number of deals proposed since 4 September 2015 with new areas and the number of existing deals which have been extended.

¹ Communities and Local Government Committee, First Report of Session 2015–16, [Devolution: the next five years and beyond](#), HC 369, para 106

Geography:

- The geographic spread of deals and the extent of devolution to non-metropolitan areas.
- Whether areas without deals which adjoin or are nearby those with deals are at an advantage or disadvantage and, if the latter, how this could be addressed.

Governance and accountability:

- With particular regards to health devolution, how accountability is working in practice.
- The impact elected mayors are having on local areas.
- How scrutiny is working in practice and whether local areas are building on the scrutiny requirements set out in the Devolution Bill.
- The extent to which local areas are engaging and consulting the public and whether local democracy has benefitted from devolution.

Wider issues:

- Whether there are any signs that devolution is encouraging the restructuring of local government—for example, towards local authorities in two-tier areas becoming unitaries or a single, large authority across a combined authority area.
- How access to new sources of local finance—for example, 100 per cent retention of business rate growth—have impacted on local areas.
- How devolution deals relate to the debate on the UK constitution and whether the deals, once embedded in local areas, are a balance to devolution to Scotland, Wales and Northern Ireland.

We believe that this is still a comprehensive list of issues which any inquiry into devolution in England will have to take into account.

Business rates

4. In Spring 2016 we took evidence on the Government’s plans for 100 per cent retention of business rates by local authorities, and were surprised to be told in May of that year that no Minister would be able to give evidence until the autumn, at the earliest. Not wanting to create a lengthy hiatus in our inquiry, and hoping to contribute to a period of consultation and discussion announced by the Department for Communities and Local Government, we published an interim report, setting out issues for consideration by the Government.² We were clear that once the consultation was complete we would invite the Department again to give evidence and then consolidate our conclusions and recommendations in a final report.³

² Communities and Local Government Committee, First Report of Session 2016–17, [100 per cent retention of business rates: issues for consideration](#), HC 241

³ *Ibid*, para 8.

5. We were able to raise the Government’s plans for business rates with the Secretary of State and the Minister for Local Government shortly before dissolution. Although the discussion was constrained by the impending General Election, it was clear that any new Government would have to consider carefully both the balance between out of town and high street businesses, and how to ensure that revenue from online businesses is captured by local government, and we would recommend our successors look at these issues early in the new Parliament.⁴

Public parks

6. Of all our inquiries in this Parliament, the one that generated perhaps the most public interest was into public parks.⁵ Given the significant interest in, and the overwhelming response to, our inquiry we made clear that we would return to the issue, on the basis of annual written statements by the Department outlining progress made on our recommendations.⁶

Adult social care

7. Our longest inquiry was into adult social care. We published two reports: the first, specifically intended to influence the funding for social care in the Spring 2017 Budget, asked the Comptroller and Auditor General to produce an assessment of the funding gap for adult social care,⁷ and we understand that he is considering how best to undertake this work. The main report, which stressed the importance of a cross-party consensus on the funding of social care, welcomed the Government’s forthcoming Green Paper, and promised to take further evidence on the Government’s proposals.⁸

Housing

The Right to Buy

8. Our second report of the last Session looked at the Government’s proposals for extending the Right to Buy to housing association tenants.⁹ One aspect of wider government plans to which we thought we should return was the impact of ending lifetime tenancies.¹⁰

Homelessness

9. We undertook a major inquiry into homelessness in 2016, and we are proud that this was a significant factor in the passing of the Homelessness Reduction Act 2017. The

4 Oral evidence taken on 19 April 2017, [HC 1082](#), Qq 51–81

5 Communities and Local Government Committee, Seventh Report of Session 2016–17, [Public parks](#), HC 45

6 *Ibid*, para 137

7 Communities and Local Government Committee, Eighth Report of Session 2016–17, [Adult social care: a pre-Budget report](#), HC 47, para 70

8 Communities and Local Government Committee, Ninth Report of Session 2016–17, [Adult social care](#), HC 1103, para 172

9 Communities and Local Government Committee, Second Report of Session 2015–16, [Housing Associations and the Right to Buy](#), HC 370

10 *Ibid*, para 114.

problem of homelessness is long-standing and in our report, published in August 2016, we highlighted a number of points on which we planned to take further evidence in due course:¹¹

- The Government must take steps to improve data collection and implement the recommendations of the UK Statistics Authority as a matter of urgency. [...] We will monitor the Department’s progress improving their statistics, and will return to the issue in twelve months’ time (paragraph 12).
- We acknowledge that the task facing local authorities is significant and that under the current legislation, sorting and prioritising some applicants over others is required. However it is not acceptable that the level of support offered to vulnerable people can vary significantly across the country. [...] We will continue to monitor the work of local authorities and will return to the issue in twelve months and may consider commissioning independent research of local authority practises (paragraph 50).
- Given the prevalence of mental ill health among homeless people, especially those sleeping rough, it is essential that mental health support services maintain the flexibility needed to deliver effective treatment and that the sum of multiple needs is considered. [...] We see this as a priority for the cross-Departmental Ministerial Working Group and will be seeking an update in twelve months’ time (paragraph 76).
- We welcome the aspirations of the Welsh legislation and support efforts to prevent homelessness before it occurs. [...] We appreciate the Government’s position of waiting for more evidence on the impact of the Welsh legislation and will be returning to the matter next year. We look forward to hearing from the Department on its assessment of the Welsh legislation in twelve months, including both on strengthening the duty to prevent homelessness and on measures to address applicants who are deemed to have behaved unreasonably (paragraph 106).
- All homeless people deserve to receive the best possible support. In particular we would like to see monitoring of the quality of customer service in housing teams, the frequency of out of area placements and the process followed when housing families away from their home. This would most effectively be done by the Government, but we do not rule out the Committee seeking assurances directly from local authorities that our concerns are being met. (Paragraph 108)

Capacity in the homebuilding industry

10. Similarly, in our report on the homebuilding industry, agreed shortly before the House was dissolved, we set out in a final chapter the issues we thought our successors might want to follow up on with the Government:

11 Communities and Local Government Committee, Third Report of Session 2016–17, [Homelessness](#), HC 40

Alongside our conclusions and recommendations for Government, we have identified a number of issues that that we believe should be kept under scrutiny to ensure our housing market improves. To aid our successors, we present them below for ease of reference:

- The operation of the land market (paragraph 12)
- The implementation and effectiveness of the Home Building Fund and the German model of support for SMEs (paragraph 44)
- The accelerated construction programme should be closely monitored. The HCA should provide regular written updates to the Committee with progress reports against key milestones (paragraph 48)
 - We recommend that in a year’s time, our successors seek reassurance from the Government that the consolidated Home Building Fund is providing effective support to build to rent products (paragraph 72)
 - The Government’s response to the Community Infrastructure Levy Review (paragraphs 79, 86 and 90)
- Policies relating to assessing the viability of housing developments (paragraphs 91–93)
 - We ask that the Department provide the Committee with an update on accessing finance for custom and self-builders in twelve months’ time (paragraph 122)
 - The Government’s review of the Construction Industry Training Board should be monitored, and we expect the Government to come forward with practical measures within a year (paragraph 132).

2 Planned work

11. Because of the dissolution of Parliament we had to close inquiries into Housing for older people and Overview and scrutiny in local government before taking any oral evidence, but we have published the written submissions we received. We believe that these demonstrate the importance of both inquiries, and encourage our successors to consider restarting them both.

12. Shortly before the announcement of the General Election, the Committee considered its programme for the rest of 2017, and beyond. We list here the inquiries we had agreed in principle, so that our successors can draw on what we judged to be the important issues within the Committee's remit when they come to consider their own future programme.

13. The two large inquiries for the autumn were to have been into:

- the Private Rented Sector, looking at the powers local authorities have to apply and enforce standards and whether they take a strategic approach to the sector for the provision of accommodation; and
- Brexit, covering the devolution to local government in England of powers repatriated from the European Union and the future of Regional Development Funds.

14. We had also planned a number of shorter inquiries:

- Planning guidance for fracking, considering the lack of up to date guidance from central Government on the handling of applications for fracking works, which are dealt with under the normal planning application process;
- The Community Infrastructure Levy (CIL): we had been told by the Housing and Planning Minister that the Government would be responding to the independent Community Infrastructure Levy Review in the autumn of 2017 to coincide with the Autumn Budget. Reforming CIL and the method of capturing developer contributions is particularly important in light of the conclusions we reached in our report on the Capacity in the homebuilding industry with regard to encouraging smaller sites, permitted development rights and site viability; and
- Land value and the land market, to explore the feasibility of increased public intervention into the land market to incentivise schemes that prioritise long-term community benefits over short-term commercial profit.

15. In addition we had intended to follow up our evidence session with Dame Louise Casey on her report on integration once the Government had announced proposals to implement its recommendations.

16. Finally, we feel that our work was hampered by delays in the Department responding to our reports and hope that their performance will improve in the next Parliament.

Formal Minutes

Monday 24 April 2017

Members present:

Mr Clive Betts, in the Chair

Helen Hayes

Mr Mark Prisk

Kevin Hollinrake

Alison Thewliss

David Mackintosh

Draft Report (*2015–17 Parliament: Legacy Report*) proposed by the Chair, brought up and read.

Ordered, That the Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 16 read and agreed to.

Resolved, That the Report be the Eleventh Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

[Adjourned until Tuesday 25 April at 3.30 p.m.]

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2016–17

First Report	100 per cent retention of business rates: issues for consideration	HC 241
Second Report	Pre-appointment hearing with the Government's preferred candidate for the post of Chair of the Homes and Communities Agency	HC 41
Third Report	Homelessness	HC 40 (CM 9443)
Fourth Report	Government interventions: the use of Commissioners in Rotherham Metropolitan Borough Council and the London Borough of Tower Hamlets	HC 42 (CM 9345)
Fifth Report	The draft Homelessness Reduction Bill	HC 635 (CM 9443)
Sixth Report	Pre-appointment hearing with the Government's preferred candidate for the post of Local Government Ombudsman	HC 737
Seventh Report	Public Parks	HC 45
Eighth Report	Adult social care: a pre-Budget report	HC 47
Ninth Report	Adult social care	HC 1103
Tenth Report	Capacity in the homebuilding industry	HC 46
First Special Report	Housing associations and the Right to Buy: Homes and Communities Agency response to the Committee's Second Report of Session 2015–16	HC 902

Session 2015–16

First Report	Devolution: the next five years and beyond	HC 369 (CM 9291)
Second Report	Housing associations and the Right to Buy	HC 370 (CM 9416)
Third Report	Department for Communities and Local Government's consultation on national planning policy	HC 703 (CM 9418)
First Special Report	Child sexual exploitation in Rotherham: Ofsted and further government issues: Ofsted Response to the Committee's Ninth Report of Session 2014–15	HC 435
Second Special Report	Private rented sector: the evidence from banning letting agents' fees in Scotland: Government Response to the Committee's Eighth Report of Session 2014–15	HC 434