



House of Commons
Communities and Local
Government Committee

**Pre-appointment
hearing with the
Government's
preferred candidate
for the post of Chair
of the Homes and
Communities Agency**

Second Report of Session 2016–17



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*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)

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

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

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

[Liz Kendall MP](#) (*Labour, Leicester West*)

[Julian Knight MP](#) (*Conservative, Solihull*)

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

[Jim McMahon MP](#) (*Labour, Oldham West and Royton*)

[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.

Evidence relating to this report is published on the [inquiry publications page](#) of the Committee's website.

Committee staff

The current staff of the Committee are Mark Etherton (Clerk), Helen Finlayson (Second Clerk), Craig Bowdery (Committee Specialist), Tamsin Maddock (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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Summary

On 14 June 2016 we held a pre-appointment hearing with Sir Edward Lister, the Government's preferred candidate for the post of Chair of the Homes and Communities Agency. On the basis of the evidence provided at this hearing, we have concluded that he is a suitable candidate for the post.

1 Background

The Homes and Communities Agency

1. The Homes and Communities Agency (HCA) is the national housing, land and regeneration agency; and the regulator of social housing providers in England. It is a non-departmental public body sponsored by the Department of Communities and Local Government (DCLG). The appointment of the Chair of the HCA is subject to a pre-appointment hearing.

The recruitment process

2. The former Chair of the HCA stood down on 31 December 2015. DCLG began the process of recruiting a successor in September 2015. However, in November 2015, the Office of the Commissioner for Public Appointments and DCLG decided that none of the applicants were suitable given the degree of challenge in the role. DCLG decided to appoint a member of the HCA Board, Kevin Parry, as interim Chair, and to restart the recruitment process. We held a hearing with the interim Chair in January 2016 to discuss the recruitment process, and the role of the HCA.¹

3. A revised role was advertised on 6 March 2016 with a closing date of 29 March. This was subsequently extended to 4 April. The post was advertised on the Sunday Times, the Women on Boards, and the Public Appointments websites. In a memorandum to the Committee, DCLG stated that:

Given the known challenge in attracting a strong field the Department consulted widely inside government, in parallel with Veredus search activity, to identify suitable potential applicants. No 10 and the Cabinet Office were consulted. The Secretary of State and the Minister of State for Housing and Planning took a close interest in the competition.²

4. In total, 33 applications were received. Three candidates were shortlisted, and following the withdrawal of one candidate, two were interviewed. The panel assessed one candidate as “strong and appointable” and “someone who would bring a blend of senior commercial experience at Chair level, knowledge of and commitment to the Agency’s work, and skill and realism in building relationships”. However, after meeting the candidate, the Secretary of State, the Rt Hon Greg Clark MP, and the Minister of State for Housing and Planning, Brandon Lewis MP, decided not to appoint him. In its memorandum to the Committee, DCLG states that this was because:

the individual had insufficient knowledge of the housing industry and little recent experience of delivering large-scale change. They were concerned that these weaknesses would undermine the candidate’s credibility and effectiveness in the role.

¹ [Oral evidence](#) taken on 18 January 2016, HC (2015–16) 568

² The memorandum is included at Appendix 1.

5. In May 2016, DCLG again restarted the recruitment process. The advert went live on the Public Appointments website on 6 May 2016, and on the Times Online website on 13 May 2016. DCLG told us that by the deadline of 23 May 2016, nine applications had been received. On 9 June 2016, DCLG told us that Sir Edward Lister had been identified as the Government's preferred candidate to take up the post of Chair of the Homes and Communities Agency. We accordingly invited Sir Edward to attend a pre-appointment hearing on 14 June 2016.³

³ Sir Edward Lister's CV is included at Appendix 2.

2 The requirements of the post

Role and person specification

6. The Chair of the HCA is an appointment made by the Secretary of State for a term of three years. The job description for Chair states that the Secretary of State is seeking a candidate able to provide “strategic direction and confident, clear and consistent leadership”, who can demonstrate “strategic thinking, leadership and influence”, and who is “comfortable with complexity and scrutiny”.

7. The job description makes clear that housing is a key priority for the Government, and that the HCA has a central role in delivering the Government’s housing ambitions. It highlights that “The Chair will play a crucial role in leading the organisation through a transformational period while continuing to deliver on the Government’s housing priorities”. The role description states that the Chair will:

Box 1: Role of the HCA Chair

- Be accountable to Ministers for the success of the HCA in delivering the Government’s priorities for housing supply and home ownership.
- Lead the implementation of the plans emerging from DCLG’s review of HCA that is now underway.
- Lead the Board effectively, set the agenda and deliver high standards of governance behaviours, holding Board members and the Chief Executive to account.
- Ensure that the Board as a whole plays a full and constructive part in the development and determination of the HCA’s overall strategy and objectives.
- Appoint the new Chief Executive of the Agency and advise the Secretary of State on the recruitment of new Board members, when required.
- Act as the direct line manager of the Chief Executive (recognising the Chief Executive’s Accounting Officer responsibilities to the DCLG Accounting Officer) and support the Chief Executive to achieve the delivery aims and targets of the Agency.
- Be publicly visible as an important ambassador for the Agency who can influence decision makers.
- Encourage members to play a full and active role on the Board, undertaking appraisals of members and making recommendations to Ministers and officials on any proposed reappointments.
- Be a member of the DCLG Audit and Risk Assurance Committee which meets approximately five times per year.

8. The job description calls for candidates to be “well informed about the HCA and the environment in which it operates”, and “be able to demonstrate strong commercial and financial acumen with a track record of driving organisational change”. It also cites experience of dealing with Government as “highly beneficial”. Candidates were asked to demonstrate the following:

Box 2: Person specification for the HCA Chair

Essential criteria

- Ability and strength of character to provide exceptional leadership skills and to encourage commitment, innovation and flexibility within the Board.
- Strong commercial and financial acumen with a track record of driving rapid change within public and/or private organisations.
- Political judgement and ability to work with stakeholders in local and national government with an understanding of decision-making processes.
- Excellent communication, interpersonal and influencing skills to foster strong, mutually-beneficial relationships with stakeholders.
- Ability to navigate an increasingly commercial and complex delivery landscape, with multiple and sometimes conflicting interests and to secure consensus.

Desirable criteria

- A good understanding of current housing market issues.
- A proven track record of dealing with Government.

Source: Department for Communities and Local Government

3 The preferred candidate

The candidate

9. DCLG notified us on 9 June 2016 that Sir Edward Lister was its preferred candidate for the role of HCA Chair. Most recently, Sir Edward has been Chief of Staff to the former Mayor of London, and Deputy Mayor for Policy and Planning. Before 2011 he served for 19 years as leader of Wandsworth Council.

The questioning

10. We held a pre-appointment hearing with Sir Edward on 14 June 2016.⁴ In line with the guidance drawn up by the Liaison Committee on the conduct of pre-appointment hearings, our questioning sought to test the professional competence and personal independence of the candidate. During the hearing, we explored the following areas with Sir Edward:

- the recruitment process;
- his skills and experience;
- the HCA's priorities, and reflecting the different challenges in different parts of the country;
- leading change;
- financial management;
- the challenges facing the HCA;
- the recruitment of a new chief executive.

The suitability of the candidate

11. On the basis of the evidence presented to us, we believe that Sir Edward Lister is suitable for appointment to the post of Chair of the HCA. We wish him well in his new post.

⁴ Oral evidence taken on 14 June 2016, HC (2016–17) 41

Appendix 1: Memorandum from the Department for Communities and Local Government

HCA Chair Recruitment

This competition was initiated in April 2015. Over the course of the last twelve months the post has been advertised on two previous occasions, neither of which were successful in identifying an appointable candidate acceptable to the Minister.

The first advertisement went live on the Sunday Times website on the 27th September 2015 with a closing date of the 19th October 2015. The OCPA panel Chair and the Department considered the applications and agreed that the field was not sufficiently strong to proceed, bearing in mind the degree of challenge in the role. A decision was taken to pause the competition.

A revised advertisement and pack went live on the 6th March 2016 on the Sunday Times, the Women on Boards and the Public Appointments websites. The closing date was the 29th March, subsequently extended with the agreement of the OCPA Panel Chair to 4th April.

Given the known challenge in attracting a strong field the Department consulted widely inside government, in parallel with Veredus search activity, to identify suitable potential applicants. No 10 and the Cabinet Office were consulted. The Secretary of State and the Minister of State for Housing and Planning took a close interest in the competition.

On this occasion 33 applications were received, of whom 3 were short-listed for interview. In the event one candidate withdrew, and two were interviewed on 18 April 2016. Of these the panel assessed one as strong and appointable, someone who would bring a blend of senior commercial experience at Chair level, knowledge of and commitment to the Agency's work, and skill and realism in building relationships. The other it assessed as a poor fit with this role and therefore not appointable.

In the event, after meeting the recommended candidate, the Secretary of State and Housing Minister decided not to appoint him. They observed that the individual had insufficient knowledge of the housing industry and little recent experience of delivering large-scale change. They were concerned that these weaknesses would undermine the candidate's credibility and effectiveness in the role.

A third round of recruitment was commenced with the advert going live on 6 May on the Public Appointments website and on 13 May on the Times online with a closing date of 23 May. There were no changes to the advert other than to confirm that previous applicants need not apply.

Sifting of applications for round 3

A breakdown of the diversity of the field is set out in the table below:

	Number of applicants overall	Number in shortlist	Number of appointable candidates
Candidates	9	1	1
Diversity monitoring questionnaires returned	8	1	1
Male	9	1	1
Female	0	0	0
Black, Asian and Minority Ethnic background	0	0	0
Declared disability	1	0	0

The secretariat pre-assessed the applicants against the criteria into 3 categories: ‘C’, does not meet the criteria (5 applicants), ‘B’ meets some of the criteria (1), ‘A’ meets most of the criteria (3). The panel then discussed the A and B candidates in detail. Taking all the information available to it, with reference to the essential and desirable criteria, and the stated requirements of the Minister, the panel selected one candidate for interview. Although each of the other ‘A’ and ‘B’ candidates had merit, none of them had substantial industry experience. The person selected for interview had submitted a very strong written application in which he addressed thoroughly the requirements for the role, and had taken up the offer of a discussion with the Department, which was something, unusually, none of the others had done.

Final Interview – 31st May

The candidate gave a five-minute opening presentation entitled: “What are the key challenges of this role, and what you would bring to the party?”

The Panel asked questions covering motivation, leadership, commercial acumen, the complex delivery landscape, and political judgement, working with stakeholders, communication and influencing skills, and conflicts of interest.

Taking account of performance at interview, together with the other evidence that had been provided, the panel judged the interview candidate to be appointable.

Ministerial Meeting – 8th June

The Secretary of State and Housing Minister met with the candidate. They asked a range of questions regarding the candidate’s experience and understanding of the challenges going forward. They concluded by agreeing with the Panel’s recommendation to appoint Sir Edward Lister to the role of Chair of the Board.

Appendix 2: Sir Edward Lister's CV

Professional profile

An accomplished and high profile figure in the arena of local government (Chief of Staff to the Mayor of London since 2011, also Deputy Mayor for Policy and Planning) with an outstanding record of achievement leading major projects successfully and delivering outcomes in challenging and demanding environments. A politically astute business leader with extensive experience liaising and negotiating at the most senior levels on complex and sensitive issues. A strategic thinker with the vision to define clear goals and the drive and ability to translate vision into compelling courses for action, now seeking an Executive Chairman or CEO appointment to a medium>large sized commercial enterprise looking for strong inspirational leadership.

Sectors of special interest

- Government Relations/Consulting
- Museums/Arts Foundations
- Social Housing
- Environment
- Planning
- Infrastructure Development
- Transportation
- Property Development
- Urban Regeneration
- Local Government

Honours and Awards

2014: Estates Gazette: London Award.

2014: London First: London Award.

2011: Knight Bachelor for Services to Local Government (The Queen's Birthday Honours List).

2011: Freeman of the London Borough of Wandsworth

2007: Chairman's Award: The British Security Industry Association

Board Appointments¹

- 2015–Date: Chairman, Old Oak and Park Royal Mayor’s Development Corporation.
- 2014–Date: Chairman, London & Partners.
- 2011–Date: Director (and Founder), GLA Holdings Limited and GLA Property Limited.
- 2012–Date: Director (and Mayor’s representative), London Legacy Development Corporation.
- 2007–Date: Director, Localis (Independent Think-Tank dedicated to local government issues).
- 1996–2003: Board Member, ADT Technology College.

Career History and Achievements

2011–Date: Chief of Staff and Deputy Mayor for Policy and Planning, City Hall, London SE1

Personally selected by (reporting directly to) the Mayor, Boris Johnson, with principal accountabilities for:

- Coordinating & implementing the Mayor’s priorities, strategy and policy work and activities by the Mayoral team.
- Directly managing City Hall’s relationships with central government, international teams and London boroughs.
- Leading on GLA budgets and administration (City Hall annual budget of £14bn).
- Advising the Mayor on strategic planning applications, in particular the oversight of ‘The London Plan’ and Community Infrastructure Levy (CIL) and for delivering the Mayor’s related jobs and growth agenda.
- Leading and overseeing operations in City Hall (750 headcount) in conjunction with the Head of Paid Services.
- Engaging closely with key contacts around London, including the private sector, not for profit sectors, stakeholder groups and the wider GLA group in fulfilment of all policy and planning issues. Also ensuring that Londoners are consulted on, and involved in, decision making.
- Acting as the Mayor’s spokesperson on all related matters and ensuring all policies and priorities are actively promoted and effectively communicated.

¹ The Committee was advised on 9 June 2016 that Sir Edward Lister had resigned from the listed posts, with the exception of Director of Localis.

Selected achievements

- Led an innovative funding initiative for the Northern Line Extension (NLE) which, via CIL and the creation of a new Enterprise Zone (development sites in the LBs of Wandsworth and Lambeth including Nine Elms and Battersea Power Station) guaranteed £1bn to underwrite a similar loan from the European Investment Bank, thereby absolving HM Treasury from spending out of central funds.
- Successfully negotiated with central government the creation of the Tax Incremental Finance fund to facilitate major infrastructure developments in Wandsworth, Barnet, Croydon and Haringey.
- Oversaw the modernisation of the London Pension Fund and its merger with the other pensions funds to enable investment in infrastructure.
- Successfully established both GLA Holdings and GLA Property as subsidiaries of the Greater London Authority, transferring 655 hectares of land previously held and administered by the London Development Agency, with the primary aim of creating jobs and housing.
- Over duration, successfully promoted numerous local initiatives to address the specific needs and aspirations of London's diverse communities and grow its international reputation as a hub of innovation and excellence.

1992–2011: Leader of Wandsworth Council, The Town Hall, London SW18

- 19 years as the elected Leader of Wandsworth Borough Council (annual budget of c£500m).
- Successfully made Wandsworth the most successful 'value for money' local authority in the UK.
- Delivered the country's lowest council tax charge and highest satisfaction ratings from residents.
- First elected to Wandsworth BC in 1976.

Executive impact

Thought Leadership: An incisive and creative business thinker with strong emphasis on strategic analysis; a readiness to challenge the status-quo and take responsibility for leading ground-breaking initiatives in pursuance of organisational goals and objectives, and to increase ROI.

Management Style: Espouses a consensual style focused on sharing knowledge and insights, and on building productive relationships. The ability to attract, select, motivate and empower high calibre people, settling challenging KPIs whilst supporting team members to put in place lasting legacies of process and business improvement.

Operational Management: Accustomed to working across business units in large matrix organisations, cutting through silos and complexities, setting clear direction and coordinating multi-disciplinary teams.

Negotiations: Wide experience conducting £multi-million property negotiations. Rigorous scrutiny of the deal making and contractual processes; absolute focus on compliance issues, quality assurance (QA) and levels of service delivery (SLAs).

International Experience: Deep insight into business behaviours and cultures across global regions/individual countries including the Asia Pacific Region (Japan, China, India) Western Europe, the Middle East and USA.

Stakeholder Engagement: A strong communicator and polished public speaker. Engages effectively with stakeholders, winning trust on transparency, fostering an increase in confidence at all levels and gaining 'buy-in' for achieving shared goals.

Earlier Commercial and Professional Appointments

28 years' senior level experience in the commercial world, gained in the 'fire and security' industry.

- 1997–2007: Director, Government Relations, Tyco Fire & Security.
- 1990–1998: General Manager, London, ADT Fire & Security.
- 1987–1990: Major Projects Director, ADT Fire & Security.
- 1979–1987: Sales Manager, Britannia Security.
- 1969–1979: Commercial Director (joined as Trainee), Mather and Platt Alarms.

Formal Minutes

Tuesday 14 June 2016

Members present:

Mr Clive Betts, in the Chair

Helen Hayes

Jim McMahan

Julian Knight

Mr Mark Prisk

David Mackintosh

Alison Thewliss

Draft Report (*Pre-appointment hearing with the Government's preferred candidate for the post of Chair of the Homes and Communities Agency*) proposed by the Chair, brought up and read.

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

Paragraphs 1 to 11 read and agreed to.

Summary agreed to.

Appendices agreed to.

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

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

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned until Monday 27 June at 3.30 p.m.]

Witness

The following witness gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Tuesday 14 June 2016

Question number

Sir Edward Lister, Chair-designate of the Homes and Communities Agency

[Q1-34](#)

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
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Session 2015–16

First Report	Devolution: the next five years and beyond	HC 369
Second Report	Housing associations and the Right to Buy	HC 370
Third Report	Department for Communities and Local Government's consultation on national planning policy	HC 703
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