

Housing, Communities and Local Government Committee

House of Commons, London SW1A 0AA

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Melanie Dawes CB
Permanent Secretary
Ministry of Housing, Communities and Local Government

25 March 2019

Dear Melanie,

I am writing regarding the Ministry of Housing, Communities and Local Government's 2018-19 Supplementary Estimates and the accompanying explanatory memorandum. There are a number of areas where the Committee would like further information. Please see the questions below.

- 1) The memorandum notes that the capital and depreciation budgets for Starter Homes were not needed as none of these homes have been built as the secondary legislation is not in place.
 - a) The Starter Homes scheme was originally launched over four years ago in 2015¹ – what has caused the significant delay?
 - b) Why was budget allocated to this scheme in the Main Estimates if legislation still hadn't been passed to allow the scheme to proceed?
 - c) Since 2015 potential first-time buyers have been able to register their interest in starter homes² – how many expressions of interest has the scheme received and what advice has been provided to those people on the scheme's launch?
 - d) Is the scheme going to continue? If so, how many starter homes do you expect to be built in the next 2 years?
- 2) £51 million Resource DEL budget was allocated to Rough Sleeping: £30 million for the Rough Sleeping Initiative; £16 million for Strategy and; £5 million for 'Housing First'. Can you provide further detail about how this funding will be spent in 2018-19 and how many rough sleepers you estimate will be helped?
- 3) Most of the MHCLG's own affordable homes capital budget was reallocated to other priorities but capital investment by the Greater London Authority, and Homes England, was higher than initially expected.
 - a) Please provide a table which shows the level of capital investment of MHCLG capital grants, Homes England and from the GLA settlement on affordable and social homes between 2015-16 and 2018-19. Please also provide an estimate of how many new affordable and social housing will and/or have been built with this investment.

¹ gov.uk Press release, Young first-time buyers can register online for 100,000 cut-price homes, February 2015 <<https://www.gov.uk/government/news/young-first-time-buyers-can-register-online-for-100000-cut-price-homes>>

² <https://www.ownyourhome.gov.uk/scheme/starter-homes/>

- b) Is there not the demand (outside of London) for the MHCLG affordable homes capital grant funding or was it deliberately held back so that it could be used for other priorities?
- 4) The estimates memorandum notes that £315 million has been moved to the “Cladding Remediation” budget. However, elsewhere in the memorandum the revised 2018-19 “Building Safety” capital budget for cladding remediation is listed as £209.5 million.
 - a) How much has been spent on cladding remediation in 2018-19?
 - b) How much has been the average cost of the work per building and per dwelling?

The Committee has noted the steps that the Ministry of Housing, Communities and Local Government has taken to comply with the new guidance on Estimate memoranda issued by the House of Commons Scrutiny Unit, following the Procedure committee's Estimates inquiry in 2017. We encourage you to maintain dialogue with the Scrutiny unit and ensure that you continue to apply the requirements set out on the Scrutiny unit's [webpage³](#) in the future.



Clive Betts MP
Chair, Housing, Communities and Local Government Committee

³ Scrutiny Unit, Guidance of producing Estimates Memoranda
<<https://www.parliament.uk/mps-lords-and-offices/offices/commons/scrutinyunit/reports-and-publications/guidance-on-producing-estimates-memoranda/>>