



Department for Levelling Up,  
Housing & Communities

Dame Meg Hillier MP  
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London  
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Dear Dame Meg

**Further information regarding Treasury Minute progress reports**

We will shortly be providing progress updates against the Committee's outstanding recommendations to the Department. In the meantime, I am writing to provide additional information on the below reports, where we have extended our target implementation dates.

Timeliness of local auditor reporting in England (11<sup>th</sup> report, session 2021-22)

**Recommendation 4:** *The Department should work with the FRC and the accountancy institutions to implement accelerated training and accreditation to increase the supply of qualified auditors quickly, and to build attractive career paths in local audit.*

**Revised implementation date: Autumn 2023**

Recent market testing has shown that we need to work with the new market entrants to understand their needs for technical support further, this is therefore being reviewed as part of the Local Audit workforce strategy led by the FRC. Due to the strong support for the local audit qualification, we have been progressing our work to develop a new Local Audit Qualification to facilitate experienced auditors moving across to local audit. We expect to launch procurement in the coming weeks. Subject to a successful procurement, we anticipate rolling out the qualification later this year.

Local government finance system: overview and challenges (34<sup>th</sup> report, session 2021-22)

**Recommendation 7:** *In its response to this report, the Department and the Treasury should set out what changes will be required to deliver a strategic, cross-government approach to rationalising funding for local government, especially for major strategic priorities.*

**Revised implementation date: Summer 2023**

The Levelling Up White Paper recognised that local funding is currently characterised by a patchwork of fragmented funds, separate but often overlapping, each seeking to improve place-based economic development. We are focused on meeting the White Paper commitment to simplify the local funding landscape and we have made progress in this area,

including an announcement at Spring Budget 2023 we will provide Greater Manchester and West Midlands Combined Authorities with multi-year, single, flexible revenue and capital funding settlements at the next Spending Review. Single department-style settlements represent an ambitious step on the road to greater simplification of funding that those authorities currently receive from central government. The government and the trailblazers anticipate that single settlements will become a permanent feature of the funding landscape and the government's ambition is to roll this model out to all areas with a devolution deal and a directly elected leader over time. We will set out detail on further simplification measures shortly.

Regulation of private renting (49<sup>th</sup> report, session 2021-22)

**Recommendation 3:** *The Department should take a more proactive approach to supporting local regulators and sharing good practice. To do so, it should learn from other consumer protection systems that provide central intelligence and support to local regulators.*

**Revised implementation date: 2026**

**Recommendation 5:** *The Department should develop a coherent data strategy to identify and collect the data it needs to:*

- *understand the problems renters are facing; and*
- *evaluate the impact of legislative changes.*

*Once complete, this strategy should be shared with this Committee and the Levelling up, Housing and Communities Committee.*

**Recommendation 6:** *As part of its planned reforms, the Department should ensure it has a full understanding of the cumulative impact of proposed changes on tenants, landlords and the housing market as a whole. In doing this, it should work closely with other departments, including formally where appropriate, to understand how the reforms may affect or be affected by other policy areas such as benefits and tax.*

**Revised implementation date (for both): Spring 2024**

I am delighted that since the last update on policy related to the private rented sector (PRS), my department has introduced the Renters (Reform) Bill. Several aspects of your committee's recommendations will be implemented by virtue of the successful passage of the Bill.

In the meantime, we have recently been reviewing the outstanding recommendations in your committee's inquiry into the PRS and I am writing to update you on progress of three of the committee's recommendations, where the implementation milestone has changed.

In response to recommendation 3 of your report, that the department should take a more proactive approach to supporting local regulators and sharing good practice, we are implementing a range of measures. A variety of non-legislative workstreams are already underway such as the Pathfinders Project and the development of a national fine framework, in line with the target date of Summer 2023, but part of our response to this recommendation is covered by legislative measures that will not be implemented until later. We suggest it would make sense to set the target implementation date for the legislative element of our response to Summer 2026 – the target date for other legislative measures.

Your committee also recommended that the department should develop a coherent data strategy (recommendation 5).

My predecessor previously updated you on our work to improve our knowledge of the sector which will form the basis of our 'data approach'. This is a framework setting out how we will

continue to grow our understanding of the PRS, setting out our priority areas for enhanced knowledge and the practical actions we will take.

As part of our approach, I want to be able to share more detailed plans on how we will evaluate our reforms. Again, this is something that my officials are progressing and we anticipate this work being complete by the end of the year. We will provide this update after legislation has been passed and therefore suggest updating the implementation date to Spring 2024.

Finally, recommendation 6 relates to the department's assessment of impact of the reforms on the sector. We will publish an impact assessment relating to the Bill during its passage. An assessment of the impact of the Bill will need to take account of the final content of the Bill. As we don't anticipate that the Bill will complete its passage until Spring 24, we have updated our target implementation date to Spring 24 to align with this date.

The Affordable Homes Programme since 2015 (29<sup>th</sup> report, session 2022-23)

**Recommendation 2:** *The Department should consider how it can work with local authorities to take greater account in the Programme of local need for affordable homes.*

**Revised implementation date: Spring 2024**

The implementation date for this recommendation now matches the date for recommendations 4 and 5. Ministers will consider these questions as part of the options for a new programme to succeed the 2021 programme.

A handwritten signature in black ink, appearing to read 'Sarah Healey', with a stylized flourish at the end.

Yours sincerely,

**Sarah Healey**