

29 April 2008

Dear Colleague,

This is the first of my regular updates on our progress in setting up the HCA since taking up my post full time on 31 March.

I have now started the regional tours which I promised in my last letter and have to date been to London and Thames Gateway, the North West, Yorkshire and the Humber and the East of England and Milton Keynes. I am using these to meet as many staff and key stakeholders as possible.

These visits are proving enormously beneficial in allowing me to get a feel for the issues on the ground, for both our partners and the staff of the existing organisations. It's also really helpful to finally put some faces to names.

April has also seen the start of a series of targeted consultation events with a wide range of stakeholders, with each one looking at a different issue relevant to the HCA. During these events we encourage very frank and open discussion, seeking feedback which will help us develop our core policies.

The first three have been with housebuilders and with diverse groups of experts in sustainability and urban design. All three have been well attended and positive. These events have revealed an eager expectation of the benefits that the HCA will bring in the market as well as providing a rich resource of proposals for new ways of working that the Set-up Team will be considering over the coming months. They are also laying the foundations for a much broader round of stakeholder events in the regions after the summer, of which I will keep you informed in future letters.

The Housing and Regeneration Bill, which will formally establish the Agency, has now successfully completed its Commons stages. An important amendment was made at the Report Stage giving the HCA an additional statutory objective of contributing to sustainable development. An amendment was also made to require the Agency to have regard to the Mayor of London's housing strategy. Both of these changes will bolster the HCA's ability to deliver quality places where they are needed most.

A number of important amendments were also made to the new regulator's legislative framework to strike the right balance between establishing an effective regulatory framework and allowing providers to manage their own businesses. The Second Reading in the Lords took place yesterday, 28 April, with the Committee stage expected in May. We therefore remain on target for Royal Assent in the summer, although we can never take this for granted. The Bill is being enthusiastically championed in the Lords by Baroness Andrews, whom I met recently to talk through our plans.

There have been a number of important government announcements in the last few weeks of significance for the Agency. The Eco-towns shortlist was announced on 3 April. Eco-towns will play an important part in achieving the government's housing growth targets, along with providing extremely high environmental and sustainability standards. I have agreed with the Department that the Agency will undertake deliverability assessments of each of the bids, which will feed in to the final selection process.

The consultation document on the Sub National Review of Economic Development was published on 31 March. This sets out how government Departments and agencies should work on a regional and local basis, and has significant implications for the way in which the Agency is organised at national and regional level. The Set-up Team is working on what this will mean for the HCA and will provide more detail as soon as it is available.

We are currently on target to appoint and have in place the Chair and Board of the HCA by mid-September, and we are now working with English Partnerships, the Housing Corporation, the Academy for Sustainable Communities and CLG to establish how the HCA will operate between December 08 and the end of the financial year.

Staff will continue to focus on the delivery of the programmes and responsibilities they take with them into the HCA, with priority accorded to the achievement of their existing targets for 2008/09. At the same time we will all play a full part in developing the new business, which will be set out in the interim Corporate Plan.

On 1 April the final Corporate Plan for 2009/10 to 2014/15 will have been approved by Ministers and published, supported by a complete set of Regional Strategies which have been built up on the basis of extensive local consultation. This will be launched as the new programme of the HCA.

This approach allows us all to make a phased transition to the new programme of the HCA which does not disrupt current delivery. It also provides the time necessary to develop and recruit the new skills that will be necessary to exploit the full potential of the HCA.

I am sharing with you our early thinking on the details of transition and there is plenty more work to do on the details. You can be sure that I will continue to update you as our thinking develops. In the meantime, you are welcome to email me with your thoughts at chief.executive@hca.gsi.gov.uk.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bob Kerslake', with a stylized initial 'B'.

Sir Bob Kerslake
Chief Executive Designate
Homes and Communities Agency Set-up Team