

Councillor Ian Wingfield
Deputy Leader of the Council
and Cabinet Member for
Housing Management
Labour Member
for Brunswick Park Ward

Date: 28 October 2011

Ref: IW 1057

Dear Colleague,

Council Assembly 29 November 2011 – Themed Debate on Housing

There is no greater challenge confronting our borough today than that of housing. Having a warm, dry and safe home to live in for ourselves and our family is a necessary condition for a happy, healthy and successful life, and good quality housing is essential for stable, vibrant communities. As a council we have agreed how, by investing £326 million, we will bring all of our council homes up to a minimum standard over the next four years, so that all of our tenants have the opportunity to fulfil their potential. We have established a dedicated housing department, with a new focus on performance management to improve the service that we provide for our existing residents. But these acts alone will not meet the housing challenge we face.

The investment in our council housing is set against the backdrop of the climbing cost of private housing and continuing national economic uncertainty. The average price of a home in our borough in August this year was £382,803 – twenty times the local average wage. For our borough's private tenants, Shelter recently described average rent levels as two levels above 'extremely unaffordable' – a level of unaffordability to which the charity has not even ascribed a name and the most unaffordable average rents south of the river. And while most of our borough's private landlords are responsible, we can't ignore the increasing national focus on a return of *Rachmanism* in the parts of the sector.

As a consequence we have seen spiralling demands for social housing. Our housing waiting list now stands at 20,000, even before the implications of the huge changes in national housing and welfare policies have been fully felt. With a projected increase in our borough's population of 20% by 2030 and an expected small *decrease* in economically active residents over the same period, the existing pressures only look set to grow.

In 1981 some 70% of housing in Southwark was owned by the council. Today that figure stands at 31%. Given this, it is clear that the solution to our borough's housing challenge cannot be provided by the council alone. We will never be in a position to build a sufficient number of homes to meet local housing needs. And despite our ability to invest heavily in our stock over the next five years through one-off capital receipts, we will not be able to make the same level of investment in improving our stock in the future.

But this does not mean that we can leave the solution to chance.

Our existing supply of housing and the council's approach is as much the product of

circumstance as it is of design. We now have an opportunity to properly plan for the borough's long-term housing needs looking forward over a period of decades taking a fully strategic approach.

So in December this year, the council will task an independent commission of experts to examine the borough's housing needs for the next 30 years and propose bold solutions to our housing challenges. In order to inform the Commission's work we would like council assembly to consider and discuss the following points:

- How do we balance the increasing demand for the council to supply housing with the need to maintain existing stock and with the limited geographical and financial resources available?
- The proportion of housing stock in the private rented sector has ballooned in the last 30 years to a point where the numbers of private rented, privately owned and council homes are roughly equal. How do we ensure tenants rights and responsibilities are guaranteed in a sector over which the Council has less control?
- What role can other social landlords play in helping to ensure we deliver the housing which Southwark needs?

The Commission will consider these issues in detail. But we believe that members should have the opportunity at the outset of their work to inform them of the local context and to have an input. As a result I would like to encourage all councillors to speak in the debate and to bring your local knowledge and those of your constituents forward on our most critical local issue.

Yours faithfully,

COUNCILLOR IAN WINGFIELD
DEPUTY LEADER OF THE COUNCIL
AND CABINET MEMBER for HOUSING MANAGEMENT