

Item No. N/a	Classification: Open	Date: 21 December 2018	Decision Taker: Councillor Leo Pollak, Cabinet Member for Social Regeneration, Great Estates and New Council Homes
Report title:		Creation of a post: Director for New Homes	
Ward(s) or groups affected:		All Wards	
From:		Michael Scorer, Strategic Director of Housing and Modernisation	

RECOMMENDATION

1. The Cabinet Member for Social Regeneration, Great Estates and New Council Homes is recommended to approve the creation of a new post of Director of New Homes, the purpose and duties of which are set out in the job description appended to this report.

BACKGROUND INFORMATION

2. On 27 January 2015 cabinet agreed its new long term housing strategy for the borough including specific commitments to increase housing supply, including building 11,000 new council homes for social rent by 2043.
3. On 30 October 2018 cabinet agreed new approaches designed to accelerate the delivery of well-designed, community welcomed, council homes.
4. As a fulfillment of the manifesto commitment the council plan commits to build at least 2,500 council homes by 2022, 569 of which have been completed to date leaving a balance of 1931 to deliver.
5. The council now needs to accelerate the building capacity to deliver on average 500 homes a year (and many more than that in the remaining years of the current administration) and build on the strengths and lessons learned from the experiences so far.
6. To meet the challenge of expanding the programme a new resource plan will grow the team and bring in key expertise to deliver new homes at the required pace and scale.
7. This report enables recruitment to a key post that will lead the delivery of the New Homes Programme at a strategic level, helping the council to deliver its ambition of significant numbers of council homes.

KEY ISSUES FOR CONSIDERATION

8. The Director of New Homes will provide a lead on the following key areas:

New site identification

9. This work is currently exploring housing land for all reasonable development opportunities including stand alone sites, infill blocks on estates, underused areas, garage sites and developments on top of existing homes.

Detailed and resources communications and engagement strategy

10. The council's Charter of Principles for community engagement, set out how the council wants to work with local people on the development of new, high quality homes on their estates. The council continues to commit resources to ensure that residents are engaged in the delivery of new homes.
11. The council is developing deeper set of consultation principles both for development and council delivery, and will deepen its intensive engagement with affected residents on new homes projects with new standards to support the regularity and clarity of communications.

Accelerating The Forward Programme

12. Once we have a forward pipeline, over and above the current approved programme, resources for the council's in house teams can be assessed and planned in line with the programme.

Estate improvement plan approach

13. The emerging 'Great estates programme' includes a new Estate Improvement Plan approach to estates with new homes potential. With a planned pipeline the council can plan the new build programme around the wider asset management plan ensuring that the efforts are coordinated and opportunities maximised.

Other plans to accelerate the programme

14. The council recognises the challenge and will review its own procedures and barriers to ensure that it can speed up delivery. The lead teams will create standard processes, procedures, and lines of communication, with a gateway approval process that encourages a steady pace.

A Southwark Construction Company

15. The Director of New Homes will take a leading role in delivering the council plan commitment to providing a construction company which is intended to improve the speed cost and quality of homes delivered.
16. Southwark council secured £89.4m of new grant worth £100,000 per home to support 926 new homes on 48 sites of which 891 will be at Council rents.
17. Lifting the HRA debt cap has improved the overall financial envelope of the programme enabling the Council to expand and accelerate its new homes delivery against new sites currently being reviewed and approved for inclusion.

18. The Council also awaits the Government's response on a consultation on more flexible use of Right to Buy receipts which may improve the financial envelope further for growing the pipeline of council homes.
19. Government announced it would raise local authority Housing Revenue Account borrowing limits by up to £1 billion between 2019-20 and 2021-22. The GLA announced London's share of this increase as £500m and all London councils are able to bid for borrowing linked to new build schemes.
20. £204m of borrowing has been identified to deliver the pipeline in addition to the grant, that would be required to come from additional borrowing headroom. Of this, £188m could be eligible for additional GLA borrowing support.

Community impact statement

21. 2014 Strategic Housing Market Assessment demonstrated a continuing need for affordable housing, with the borough experiencing very high house prices that are outside the reach of many of its residents. It has the highest house prices in the housing sub-region (the average 2 bedroom flat being sold for £360k in 2013). At the time of the 2011 census there were 18,547 overcrowded households in Southwark, a higher number, and a higher percentage (15.3%), than any of the other four boroughs in the sub-region. Over the period 1981-2012 the population of Southwark increased by 34%, the fastest growth in the sub-region by some margin. This helps to demonstrate a continuing need for more homes and particularly for affordable homes in the borough.

Resource implications

22. The cost of the new post including allowances and on-costs (at 2019-20 price base) is in the range £135k to £170k, which will be funded through the resources earmarked for the new homes programme, whilst any associated revenue costs can be contained within the existing Asset Management budget within the HRA. This is an integral part of the capacity building required to deliver the programme and will be kept under review by the new homes steering group in line with the pipeline and delivery vehicles employed.

Consultation

23. None required

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

24. This is normally a decision for full Cabinet; however Leader has approved a notice of variation to the executive scheme of delegation.
25. The Council has the power under Section 112 of the Local Government Act 1972 to appoint officers to carry out its duties as it sees fit. This appointment will be subject the 'Appointment of deputy chief officers' rule [paragraph 7] of the Officer Employment Procedure Rules in the Constitution.

Strategic Director of Finance and Governance (IY181218)

26. The Strategic Director of Finance and Governance notes the proposed creation of a Director of New Homes post (grade 18) within Housing and Modernisation, to lead the delivery of the council's ambitious home building programme, and further notes the financial implications arising as detailed in the report.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	Job Description for Director of New Homes

AUDIT TRAIL

Lead Officer	Michael Scorer, Strategic Director of Housing & Modernisation	
Report Author	Michael Scorer, Strategic Director of Housing & Modernisation	
Version	Final	
Dated	21 December 2018	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	21 December 2018	