

Item No. 13.	Classification: Open	Date: 17 September 2019	Meeting Name: Cabinet
Report title:		New Council Homes rooftop development principles and programme update	
Ward(s) or groups affected:		All Wards	
Cabinet Member:		Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes	

FOREWORD - COUNCILLOR LEO POLLAK, CABINET MEMBER FOR SOCIAL REGENERATION, GREAT ESTATES AND NEW COUNCIL HOMES

The acute housing need of Southwark residents is well documented, with over 12,000 families waiting for a new council home, and over 2,000 children currently growing up in temporary accommodation. Subsequently, our determination to tackle this housing crisis is now turning towards new and innovative ways of building new council homes, with a special focus on unlocking the potential for very many upward extensions on existing blocks making a significant contribution to creating new high quality, enduring council housing.

This report sets out a new bespoke approach to rooftop development, to maximise the benefits and minimise the impacts to residents, and our focus on this type of development reflects a special kind of caution and consideration. Residents we have spoken to have told us of their desire to remain on the top floor where homes are being built on top of them; and for as brief a construction period as is possible. They have also told us it would be desirable to be prioritised for a brand new home, given the impact; that improvements be made to the existing block, and that any associated costs would be non-rechargeable and confined to the development itself.

To this end, we have established a set of rooftop development principles for adoption – firstly, we will seek to build rooftop homes in modular form in off-site factories, craning them on to adapted blocks in order to minimise the on-site time and potential disruption to existing residents. Secondly, we will be offering first dibs on those new homes to residents living immediately underneath them, with the vacated homes being made available to the wider housing waiting list. Thirdly, our plans include accompanying the development with improvements to the existing block, with a new roof, lift and landscaping non-rechargeable to leaseholders. We are also developing an accompanying rooftop design guide, detailing some of the best options for how to complement and enhance the existing block well, maximise internal living and amenity space and solutions for connecting new homes to existing services.

Unlocking a new dimension of council housing supply like this is not straightforward, but we are driven by the potential for several hundred such developments and potentially thousands of new homes in our borough built through upward extensions on blocks that are well configured and within their life cycle. Such an approach also offers a new approach to competing claims on estate land, as well as a new way of delivering robust, thermally efficient homes while preserving the embodied energy and carbon of existing buildings. I look forward to developing this conversation with our residents further, continuing to learn essential lessons for our existing rooftop schemes, and to realising the great benefits rooftop housing can offer.

This cabinet report also presents an update on progress across the new homes programme, including our efforts to expand the delivery capacity of our new homes team, an ongoing review of our design specifications and new architects framework for smaller design practices being

developed with the London Housing Consortium. We also present a refreshed communications approach for the several dozen new sites we will be bringing into the programme in the coming weeks following an intensive round site identification and acquisition.

RECOMMENDATIONS

Recommendations for the Leader of the Council

1. To delegate to the cabinet member for social regeneration, great estates and new council homes the agreement of the new housing design review principles, including rooftop developments.
2. To delegate to the strategic director for housing and modernisation the offer to be made to residents to mitigate the impact of rooftop developments in consultation with the strategic director of finance and governance, the cabinet member for social regeneration, great estates and new council homes and cabinet member for housing and modernisation.

BACKGROUND INFORMATION

3. A new council homes programme has been established and is delivering homes under the governance of a steering group chaired by the leader of the council. Delivery of the programme is the responsibility of the director of new homes within the housing and modernisation department.
4. The programme coordinates council resources and activities to deliver new homes and resources as necessary to increase delivery capability in order to expand the programme to meet the council target. Teams directly delivering the programme and supporting delivery have been increased to meet the resource requirement to deliver the planned and future pipeline. The programme also includes partnership working to deliver new homes such including working with Leathermarket JMB to deliver new council homes and collaborative working on the delivery of a Community Land Trust development in Southwark.
5. Residents are at the heart of the programme, both those who do not currently have a home as well as those who will be affected by homes being developed in their estate or area. With that in mind a communications strategy is being progressed that will affirm why the council is undertaking a new build programme and how all residents can expect to see the benefits of new council homes, including the planned enhanced offering to those residents affected by construction projects. The new homes projects will also be sequenced, where possible, with other planned works to ensure value for money and an enhancement of the existing environment aligned to the great estates programme. The implementation of the design review will ensure that the programme adds to the aesthetics of the built environment and leaves a legacy of great design.
6. The programme was originally established in January 2015 when the council 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.
7. The Council Plan adopted in October 2018 commits to build at least 2,500 council homes by 2022, 654 of which have been completed to date, leaving a balance of 1,846, left to deliver.
8. The council is already building new homes with 654 delivered, 223 under construction

and a further 539 council homes with planning permission. A further 1,426 are in various stages of design development. In addition, initial consultation is underway on a number of further potential development opportunities, with an IDM planned for October to seek approval to include this tranche of sites within the new homes programme.

9. The council is exploring options for undertaking rooftop developments in order to create new homes. Rooftop sites can be less nuisance and inconvenience than traditional builds. The use of off-site modular manufacturing, where it is appropriate, will minimise the on-site 'installation' time which compares favourably with conventional construction projects built on new foundations. Where modular is used the modules are being manufactured in controlled and 'sterile' conditions, the output of the product exceeds the standard of construction being delivered in all-weather conditions. Rooftop sites also allow the council to retain more green spaces and parking spaces which are under pressure in the context of our housing targets.
10. This is an update following the previous cabinet report tabled in October 2018.

WHAT HAS BEEN ACHIEVED

Enhanced offer for residents affected by construction projects

11. Acknowledging the impact of new development on existing estates and the need to tackle housing need on the same estates, currently at least 50% of new homes built are offered to residents in the neighbouring estate/area. The extent of the area is approved by the cabinet member for housing management and modernisation.
12. A review of the housing allocation policy is currently being consulted upon and the draft includes the proposal to enhance this offer and allow up to 100% of new homes to be considered for local lettings.
13. The council is further exploring options for undertaking Rooftop Developments in order to create new homes. The council is already undertaking this type of development at Chilton Grove within the Rotherhithe ward, with 44 new homes being added on top of existing homes alongside the enhanced refurbishment of the existing properties. This development is following a traditional method of construction however for future projects the council is considering the use of off-site, modular construction to minimise time spent on site and thus greatly reducing disruption to existing residents. In addition, every individual scheme will use the most appropriate, cost efficient method of construction to provide the best quality home in the fastest period possible.
14. However, it is acknowledged that any form of rooftop development will have an impact on existing residents. Therefore, it is proposed that Leader delegates an agreement of enhanced offerings for residents impacted by construction projects. These benefits may include (though not limited to):
 - First priority for new top floor properties to go to existing top floor resident leaseholders and tenants on the top floor who are in appropriate housing need, subject to availability. Leaseholders may be able to purchase a proportion of the new property based on difference in valuations between the new homes and their existing home, on a shared equity basis or provide additional finance to purchase the new home outright.
 - Second priority for any remaining tenants (who meet housing need for the property) or existing resident leaseholders in the block.

- Third priority will be for local needs – adjoining blocks or estates according to scheme.
- Any homes becoming available due to a resident moving into a new council home will be made available on ‘home search’.
- The offer to apply to resident leaseholders only.
- It would not be proposed to provide home loss or disturbance payments to residents taking up the option to move.

15. Consideration will also need to be given to impact specifically on leaseholders and the potential recharge for Rooftop Home developments and associated improvements. These arrangements may include:

- Not recharging for any element of the new roof associated with the development of the new homes.
- Not charging for a new lift created as a directly as a result of the development.
- Reviewing how service charges are levied equitably as a result.
- Not recharging for associated landscaping carried out as part of the building works
- Security works such as the installation of entry phones would be recharged as the majority of residents will have support the works.
- Associated building works costs such as Scaffolding costs will only be charged as a reasonable proportion of costs which are attributable to the existing block. Only charging a reasonable proportion of scaffolding costs which are those attributable to the repairs to the existing building

As noted in paragraph 2 it is recommended that these issues and the possibility of applying these to existing schemes retrospectively, are explored for approval delegated to the strategic director of housing and modernisation in consultation with the strategic director of finance and governance, cabinet member for social regeneration, great estates and new council homes and cabinet member for housing and modernisation.

The overall programme

16. With 654 homes completed, there is currently a total programme pipeline of 2842 homes and there are further plans to identify and include additional homes within this pipeline. It is clear that the council is making significant steps towards its aims for new council homes for 2022 and beyond. It is also important to highlight that over such a major programme, with around 70 live individual schemes, there will be those that take longer to deliver or may not progress to completion for a variety of reasons. Therefore it is crucial to ensure there are sufficient schemes within the programme to compensate for this (over programming). Also, that a robust monitoring regime is in place to ensure any potential slippage to projects and the overall programme is readily identified with mitigating actions employed.

Categories	Delivered	On site	Planning Approved	Earlier Consultation stages	TOTAL
Direct Delivery	328	143	336	712	1519
Hidden Homes	41	16	3	11	71
Leathermarket	27	40	0	112	179
SRPP	0	24	200	451	675
S106 purchase	258	0	0	140	398
Unknown	0	0	0	0	0
TOTAL	654	223	539	1426	2842

17. Most recently the Sumner Road development completed in April 2019, providing 67 new council homes (Blossom Court), as well as 3 homes from shared equity to assist with decanting leaseholders from Aylesbury and Ledbury estates, a new community centre (Cornerstone Community Centre) and an additional 42 homes for private sale (Leyland Court).

The following schemes are currently on site;

Location	New Council Homes
• Meeting House Lane	29
• Pelier Street	17
• Tenda Road.	12
• Lakanal Shops new Build	28
• Chilton Grove Rooftop Development	44
• Copland Road Car Park	24
• Tustin Hidden Homes	13
• Other Hidden Homes	16
• Joseph Lancaster	40
TOTAL	223

The following schemes are due to commence imminently:

Location	New Council Homes
• Daniels Road	19
• Welsford Street	10
• Ivy Church Lane Garages	21
• Commercial Way	74
• Thaxted Court / Damory House	
• Rooftop Development	28
TOTAL	152

18. A further 387 homes have planning permission, 146 homes across eight schemes are in the planning process and a further 1280 in the design development stage.

Delivery of New Homes

19. The council works in partnership to ensure that the best value and most efficient use of resources are optimised. Delivering new homes is a corporate and collaborative effort, ensuring legal and procurement processes work together to maximize delivery.
20. The majority of schemes in the current programme are direct delivery projects within the Housing and Modernisation Department. The New Homes Development Team directly manage the delivery of schemes on existing housing land, including infills, garage sites, hidden homes and other opportunities.
21. The Asset Management Team deliver sites when it makes more sense and it is better value to deliver works whilst the council is also undertaking major refurbishment.
22. The Regeneration team in the Place and Wellbeing Department are also delivering nearly 700 new council homes which are primarily sites that were not originally housing land. These are being delivered through a mixture of development agreements, where a developer carries out the particular development in line with

agreed plans and specifications, as well as the team directly managing the delivery of some sites.

Leathermarket

23. The Leathermarket Community Benefits society successfully delivered 27 new council homes, known as Marklake Court on the site of garages on Weston Street. The development was very well received and was visited by the Mayor of London, who was particularly impressed with the scheme.
24. A report is planned for the next cabinet to seek approval to enter into a further overarching grant agreement with Leathermarket to directly deliver up to 180 new homes across 10 sites, within the borough. Initial funding has been provided to support the delivery of 40 new homes on the Joseph Lancaster nursery site with pre-construction works including full enabling and archaeological investigations ongoing. Community conversations have also informed the design brief for the next sites on the Elim Estate, aimed at delivering approximately 46 new homes, new community facilities and a new office for Leathermarket JMB.

Section 106 (s106) and land acquisitions

25. The council has secured a number of sites that are delivering new council homes through purchasing affordable homes from developers. The latest delivered are 19 new council homes at Danny McCarthy House (previously known as Odessa Street).
26. The council is also actively pursuing land, to incorporate site assembly, or property acquisitions in line with the councils asset management strategy in order to provide additional opportunities for new council homes developments. An example of this was the purchase of a former medical centre at Ann Moss Way in Rotherhithe.

New site identification

27. As noted in the cabinet report of October 2018, external industry experts were commissioned to carry out a borough wide capacity study of housing land to identify potential opportunities for new build development, expanding the programme.
28. Stage 1 was a desktop review of the sites and this generated a significant number of potential estates opportunities for Stage 2 Reviews (the Architectural review of development potential).
29. The conclusion of the stage 2 reviews will likely refine the opportunities down to a number of sites, that could produce around 900-1000 additional homes. The various opportunities will fall into the following criteria: infill, redevelopment and rehousing, rooftop development and minor regeneration.
30. Initial consultation has been undertaken with relevant ward councillors and lead members and this resulted in adjustments of potential areas for development.
31. From those identified, initial consultation is underway of sites where no decanting of existing residents is required. The results of the consultation will be included in IDM(s) for the Lead Member for Social Regeneration, Great Estates and New Council Homes seeking approval to include new schemes within the new homes programme.
32. Further consultation on sites identified including those that offer the potential for rooftop development and redevelopment and rehousing will be carried out in a phased

schedule in order to develop the future pipeline of schemes in a progressive, planned schedule.

Construction joint ventures

33. The council is exploring joint ventures (JVs) with specialist contractors, as one of a number of options to increase the capacity to deliver new homes. With good governance and shared objectives, JVs can offer an alternative delivery model, bringing in outside expertise rather than operating alone and can also widen the community benefits. Further work is required before seeking approval for a JV.

Additional programme resources

34. Acknowledging the importance of the programme as a key council priority, a Directorate of New Homes has been created to provide a sole focus on delivery the programme. Stuart Davis was appointed as the Director of New Homes in July 2019, reporting to the strategic director of housing and modernisation.
35. Additional resources are being recruited to the council to ensure we have the capacity to take into account the acceleration of the programme and maximise opportunities for acquiring and developing new sites. A programming team is in place to oversee the monitoring of the overall delivery programme and a communications role added to lead that function.
36. To secure additional resources the council bid for funding from the Homebuilding Capacity Fund via the Greater London Authority (GLA). This afforded councils the opportunity to bid for revenue funding for 2019-20 and 2020-21 to build skills and capacity across their housing and planning teams.
37. The programme focuses on four principles to support increased levels of housing delivery:
 - delivering a new generation of council homes;
 - increasing housing supply by supporting the development of small sites;
 - proactive planning in areas with significant growth potential; and
 - ensuring optimal density of new residential developments.
38. The proposals that the GLA could fund included (but were not limited to):
 - Priority one: Delivering a new generation of council homes
 - Priority two: Increasing housing supply by supporting more development on small sites
 - Priority three: Proactive planning in areas with significant growth potential
 - Priority four: Ensuring optimal density of new residential developments.
39. The overall fund was £10million across the two years with councils only able to bid for £750,000 each. The council bid for £750,000 across priority one – three, including seven specific elements.
40. The council secured £572,000 to fund the following additional resources for the programme:
 - Two dedicated contract lawyer's
 - Procurement specialist
 - Design specialist: working on key design documents
 - Additional role based within planning to provide urban design expertise for the programme and increase capacity.

41. To provide additional funding to support the programme a grant bid of £168m against the pipeline was applied for through the GLA's Building Council Homes for Londoners fund. This includes bidding for all possible units starting on site before March 2022. The grant available for social rent was £100,000 per home.
42. The council was successful in securing £88m funding towards the programme to assist the funding of over 900 new homes. This was within the top three allocations in London.

Communications strategy

43. As noted in paragraph 35 a new position has been created to lead on the communications strategy for the programme. A key element of this is the first contact strategy which will include:
 - A summary of the Programme
 - Early stage communication checklist
 - The standards that we use
 - The Great Estates promises outlining 'what is in it for them / their community'
 - How the works will be programmed in with existing planned works
 - A map of the site
 - A timeline for the consultation
 - How they can be involved
 - Templates for regular newsletter.
44. Work is also underway to enhance further the new homes websites providing far more information about the programme and achievements in real time.

Sequencing of new homes programme and major works

45. The new homes programme is continually reviewed for co-ordination with the major works programme where appropriate to maximize improvements for residents whom may be impacted by the new homes building works and to minimize disruption. In addition, the Great Estates offers further opportunities for existing estate residents to gain additional improvements to the wider estates.

Community Land Trust (CLT)

46. Community Land Trusts (CLTs) are a way of providing genuinely and permanently affordable home ownership, offering up one model to address the growing gap in the market between people who are a priority for a council property and those who can afford to buy on the open market.
47. The CLT homes are sold at levels linked to local income and every subsequent sale through the CLT will also be linked to local incomes.
48. As part of the overall borough wide capacity study noted in paragraphs 27-32 consideration was given to identify suitable sites that can be explored and taken forward from inception to delivery with Southwark Citizens in order to deliver a CLT in Southwark.
49. A potential site has been identified and shared with Southwark Citizens, who are looking to establish a CLT, and a site visit undertaken. The council has commissioned

feasibility studies to assess if the site can meet the aspiration of the CLT, in particular potential to deliver a scheme of 12-14 homes with minimal service charge implications.

50. As noted in the Cabinet report on 30 October 2018, it is likely that any site taken forward may still require subsidy, possibly in the form of land or external grants to ensure they are genuinely affordable to Southwark residents

Key principles for strategy to deliver 11,000 homes by 2043

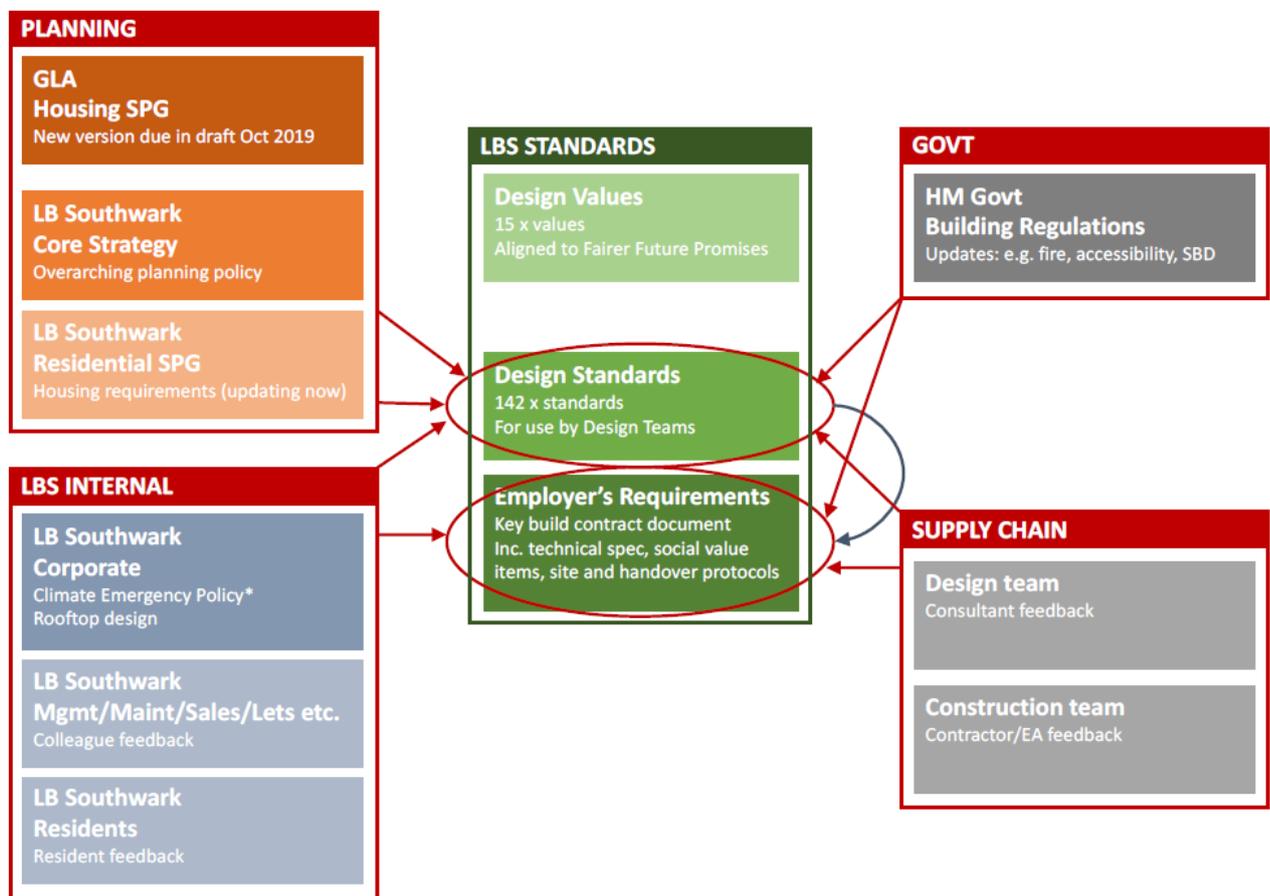
51. The draft key principles for 11,000 Council Homes Strategy is currently being developed and will be subject to consultation and Cabinet report later in the year.
52. The strategy will outline the short (to 2022), medium (to 2028) and long-term (to 2043) goals and the next steps
53. The strategy will include how the council will deliver high quality new homes at speed including exploring the use of modern methods of construction and the use of modular construction with a view to minimizing on site construction time.

Design Review

54. The council is moving at pace to deliver, on average, 500 new homes per year and the speed of delivery will not be in conflict with high quality. In October 2018, the council commissioned a report on 'Delivering Quality' from an industry expert, presented to senior officers in February 2019.
55. The key four ways in which design quality can be sustainably achieved within a development organisation are:
 - Culture, people and skills
 - Governance and scrutiny
 - Standards
 - Supply chain selection
56. Many of the recommendations from that report (on all four fronts) are now in train. This is an update on the refreshing of council's various 'Design Standards' documents. Funding has been received for this work stream from the Mayor's 'Capacity Building' funding allocations, see paragraph 40 and an industry expert has been appointed to oversee the refresh of the documents in combination with our in house technical experts and from soliciting residents view from recently completed schemes.
57. The Council's New Homes Design Standards documents consist of the following:
 - Design Values – high level outcomes which the council wishes to achieve.
 - Design Standards – more detailed design standards with design team must adhere to and which the council's delivery teams use as an audit checklist.
 - Employer's Requirements – main build contract documents which dictates some build components to ensure compliance with existing arrangements in place as well as site and handover protocols.
58. It is proposed only to update the second two documents, as the design values are still robust and well understood by members, officers and residents alike,
59. The Design Standards are now four years old and require revision for five key reasons:

- **Planning:** Changes to planning policy at local and regional level.
- **Regulation:** Updates to building regulations and outputs from the Hackitt review.
- **Internal Feedback:** Changes to internal policy as well as front-line feedback from residents and housing colleagues. This 'product-user' feedback loop is critical to ensure that the council is listening to and learning from its residents and officers and evolving its product accordingly.
- **Supply chain feedback:** Feedback from the council's current cohort of design teams, Employers Agents and contractors. This 'document user' feedback loop is also critical to ensure that the council presents a clear and lean set of requirements to its supply chain. In the case of the Employers requirements it also ensures clear contractual liabilities and risk apportionment
- **Carbon Neutral Target:** The standard will categorise items which can contribute to the councils aim for follow on work to highlight and agree standards based on a costed outputs.

60. A summary of the influences on the council's documents is shown below.



61. The Design Standards document will be updated by a leading architects practice, once agreed with officers, and the methodology will be as follows:

Initial review principles

- Reviewing the 142 standards against all current regulations and planning policy.

- All relevant internal stakeholders are being given the opportunity to review the standards. Filtering out redundant standards as applicable.
- Splitting the standards into pre-planning and post-planning standards (easier to use for both design team and council officers checking compliance),
- Moving some standards into the Employer's Requirements (some standards are important, but too detailed for this document).
- Creating some bespoke standards for rooftop development projects, as well as indicating where some standards could be challenging to meet in light of this type of development (e.g. communal amenity, wheelchair homes).

62. The Employer's Requirements document will be updated by an experienced building surveying consultancy. The methodology will be as follows:

Principles of change

- Restructuring the ERs to give clarity on the council 'red line' requirements against those subject to contractor/designer further input, and documents which are supplied 'for information only'
- Re-formatting the ERs to make them more user-friendly for the various Employer's Agents using them on varied schemes, with clarity on what is fixed and what requires user inputs.
- Reviewing the ER clauses against all current regulations. Resident feedback and lessons learnt from previous schemes being used to inform new ERs.
- Filtering out or moving clauses as applicable, with complete clarity on what has been moved/deleted and why
- Moving some standards from the 'Design Standards' document into the Employer's Requirements.

63. For both processes an initial review will be undertaken with further consultation and workshops carried out with internal stakeholders before final draft. In addition, a presentation will be made to the Future Steering Board.

64. As noted in paragraph 1 it is proposed that approval of these revised documents is delegated to the cabinet member for social regeneration, great estates and new council homes.

Technical and architectural services framework

65. A professional technical services framework is being developed to provide the expert professionals that can enable the delivery of homes to the high standards of design and specification that the council expects. The professional technical services framework is currently being re-evaluated for financial criteria, to go to Invitation to Tender Shortly with the aim of an implementable framework in 2020. A smaller architects framework is also being developed that will be procured in partnership with an external framework provider with whom we be in an agreement with by the end of the year. This will provide a host of small and innovative architects to work with the council's design guide to provide a legacy of great design in delivering the new homes programme.

Funding

66. During the last year there have been significant changes to the funding of local authority housing which has benefitted councils and allowed a more locally determined approach to the funding of new build programmes. This is certainly an improved financial position for landlord councils compared to a year ago but there are still

barriers in place which hinder new build delivery.

67. The key change was the removal of the borrowing caps by the government in October 2018. The council's headroom under the debt cap regime (including contingency) had been projected to be fully exhausted by 2022. This was due to the anticipated financial pressures of delivering the new build programme and the significant investment required for the existing stock (e.g. fire safety works, district heating). Therefore the removal of the cap was a welcome development.
68. The removal of the cap gives the council increased flexibility when considering the financing of the new build programme. However, there has to be a realisation that increased borrowing will increase the revenue interest costs to the Housing Revenue Account (HRA) and therefore any borrowing has to be affordable within the revenue account. This increases the financial risk to the HRA and so there must be careful financial planning to ensure additional borrowing is affordable.
69. The initial approach of the council is to determine appropriate prudential indicators to assess borrowing affordability. One method is to cap the total interest charges to a set percentage of net rental income as this would reduce the risk to the HRA of over-borrowing and would be a key indicator when considering future borrowing options. If interest charges were capped at 20% of net rental income then this would mean a self imposed borrowing limit of £1.3bn.
70. The Mayor of London secured more than £4.8bn from the Government to help start building at least 116,000 affordable homes by March 2022. A grant level of £100,000 per unit is another financial initiative which will add resources towards funding the council's target of delivering 2,500 social rented homes by 2022. Southwark was successfully awarded £89m towards its new build programme.
71. Under the current rules GLA grant money cannot be combined with 1-4-1 RTB capital receipts to fund new build units. The government announced a consultation on the future use of capital receipts in August 2018 and authorities are still awaiting the government response to the consultation. Two proposals that were put forward by the Ministry of Housing, Communities and Local Government (MHCLG) were:
 - Extending the time limit for spending RTB receipts from three years to five years for existing receipts
 - Allowing AHP funding to top up retained receipts to a maximum of 50% for social rent where the authority does not have sufficient retained receipts
72. If the government were to allow RTB receipts and grant money to be combined to fund new build development then this would certainly increase the potential for new build delivery.
73. The amount of 1-4-1 RTB receipts available to fund the new homes programme has considerably reduced due to the decline in RTB sales. Sales were 278 in 2016-17, reducing to 171 in 2017-18 and then down to 79 in 2018-19.
74. Historically the new build programme has relied on S106 receipts but the future projection of S106 monies has always been difficult to assess. With the council now insisting on more on-site provision of affordable housing it is expected that going forward there will be less commuted sums to support the new build programme.
75. The recent change of government needs to be monitored as there may be an impact on social housing funding. The publication "Inside Housing" reported in July 2019 that

there were indications that the Prime Minister may move away from social rented provision towards a form of home ownership instead, a part buy part rent product. If this change in approach were to take place then this could hinder the delivery of the council's social rented homes target due to the change in funding emphasis.

Future Steering Board (FSB)

76. The focus of the FSB remains on monitoring the progress the Council is making towards the target of 2500 new homes by 2022, along with understanding the likely affects of the changing government housing and planning policy on meeting the new homes target, and on council residents in general. The FSB has monitored the variety of implementation methods used by the council to provide new homes including Direct Delivery and through Southwark Regeneration in Partnership. Where questions or issues for residents arise, the FSB has addressed these directly to the responsible council officers. The council's decision to develop some of the sites in house that were previously part of the Southwark Regeneration in Partnership programme has been supported by the FSB.
77. The FSB has spent a considerable time in the autumn preparing a response to the Government's Social Housing Green Paper. In 2019 the FSB has worked through the Shelter Housing Commission Report which makes the case for a significant increase in Social Homes Building to deal with the housing crisis impacts of homelessness, poor quality and lack of security and affordability in the private rented sector, lack of replacement of homes lost due to Right to Buy, and changing demographics
78. The FSB also received reports on HRA Business Plan, Private Sector Licensing, Great Estates and Canada Water regeneration.

Policy implications

Housing Strategy

79. The long- term housing strategy for the borough was agreed by Cabinet on 27 January 2014. It contains a vision for the future of housing in the borough, which consists of four principles.
 - Principle 1: We will use every tool at our disposal to increase the supply of all kinds of homes across Southwark.
 - Principle 2: We will demand the highest standards of quality, making Southwark a place where you will not know whether you are visiting homes in private, housing association or council ownership.
 - Principle 3: We will support and encourage all residents to take pride and responsibility in their homes and local area
 - Principle 4: We will help vulnerable individuals and families to meet their housing needs and live as independently as possible.
80. A refresh of the Housing Strategy is underway.

Community impact statements

81. 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 £360,000 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

82. The Public Sector Equality Duty requires public bodies to consider all individuals when carrying out their day to day work, in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. The council's consultation with residents on the 11,000 council homes programme has been specifically designed to be inclusive of all the borough's communities and provide a range of mechanisms to provide residents with the opportunity to engage.
83. Consultation on sites is being undertaken in line with the Charter of Principles and continues to provide mechanisms for resident to engage with the development of new homes
84. By providing a stronger link between the new build programme and working with the Great Estates agenda and utilising social regeneration indicators linked to council plan objectives, the programme will help target those most in need to deliver community benefits

Resource implications

85. There are no resource implications as all the work is currently being managed through current resources
86. The resources required to deliver the programme will be kept under review by the new homes steering group in line with the pipeline and delivery vehicles employed
87. The resources to build the current pipeline of new homes to deliver 2,500 are in place. The resources will continue to be reviewed in line with available resources.

Consultation

88. The extensive four stage consultation around this programme and the charter of principles consultations are outlined in this and previous reports.

SUPPLEMENTARY ADVICE FROM OTHER OFFCIERS

Director of Law and Democracy

89. The recommendations made in this report do not at this stage give rise to any legal issues. As individual schemes are progressed, they will of course be the subject of scrutiny from different areas of the council as it discharges its various statutory functions. Compliance with planning and highways legislation will be particularly relevant and the practice is to consider the proposal for the council's own schemes as if they were an external developer.
90. The legislation relating to the allocation council homes under secure or introductory tenancy agreements will also relevant. The allocation of housing by local housing

authorities (LHA's) is regulated by Part 6 of the Housing Act 1996. A LHA must comply with the provisions of Part 6 when allocating housing accommodation. However, subject to this compliance, under section 159(7), LHA's may otherwise allocate housing in such manner as they consider appropriate.

91. Section 167(2E) of the HA 1996 Act enables housing authorities to allocate particular accommodation to people of a particular description, whether or not they fall within the reasonable preference categories. Local lettings policies may be used to achieve a wide variety of housing management and other housing policy objectives. A local lettings policy must be fair. It must clearly state the reasons why it is required and the criteria to be met by applicants.
92. The report does refer to the consultation with residents which has taken place and recognition of the need to be aware of the Public Sector Equality Duty (PSED) contained within section 149 of the Equality Act 2010 when considering proposals. The PSED requires the council to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity between persons who share a relevant protected characteristic and those who do not and foster good relations between those who share a relevant characteristic and those that do not share it. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The duty is a continuing one.
93. As schemes develop, active consideration must be given to the impact of proposals on residents so that the effect on persons with protected characteristics under the Equality Act 2010 can be identified and any negative impacts mitigated if possible. Impacts on particular groups must be justified as a proportionate means of achieving a legitimate aim.
94. Consultation on all aspects of the schemes as they develop should continue to be carried out. To meet legal requirements consultation must be undertaken when the proposals are still at a formative stage, include sufficient reasons for the proposals to allow any interested party the opportunity to consider the proposal and formulate a response and allow adequate time for interested parties to consider the proposal and formulate their response. The results of the consultation must be conscientiously taken into account when decisions are made. These central requirements for fair and proper consultation should be applied at all stages of the consultation process.
95. Legal officers from law and democracy will provide further advice as the project progresses.

Strategic Director of Finance and Governance

96. This report makes recommendations to delegate the agreement of the new homes design review principles and the offer to residents who are directly affected by rooftop developments, and also provides an update on progress across the new homes programme since the previous report to cabinet in October 2018.
97. At this stage, there are no financial implications arising directly from the report's recommendations. However, as the new homes programme develops and progresses there is a need to ensure that it, together with the other elements of the Housing Investment Programme, remains affordable and sustainable for the council's Housing Revenue Account.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Next Steps on Developing Long Term plans for the Delivery of New Council Homes (Item 14) 22 July 2014	Housing and Modernisation Southwark Council 160 Tooley Street London SE1 2QH	Tim Bostridge, Head of Development 020 7525 1222
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4861&Ver=4		
Progress Update on the Council's Housing investment Plans (Item 12) 21 July 2015	Housing and Modernisation Southwark Council 160 Tooley Street London SE1 2QH	Tim Bostridge, Head of Development 020 7525 1222
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5138&Ver=4		
New Homes Delivery Programme (Item 15) 19 July 2016	Housing and Modernisation Southwark Council 160 Tooley Street London SE1 2QH	Tim Bostridge, Head of Development 020 7525 1222
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5372&Ver=4		
New Homes Delivery Programme (Item 14) 9 May 2017	Housing and Modernisation Southwark Council 160 Tooley Street London SE1 2QH	Tim Bostridge, Head of Development 020 7525 1222
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5380&Ver=4		
New Homes Delivery Programme : Delivery Review Model (Item 15) 30 October 2018	Housing and Modernisation Southwark Council 160 Tooley Street London SE1 2QH	Tim Bostridge, Head of Development 020 7525 1222
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=6085&Ver=4		

APPENDICES

No.	Title
Appendix 1	Draft Rooftop Homes Guide

AUDIT TRAIL

Cabinet Member	Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes	
Lead Officer	Michael Scorer, Strategic Director of Housing and Modernisation	
Report Author	Tim Bostridge, Head of Development	
Version	Final	
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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		6 September 2019