

SOUTHWARK COUNCIL

COUNCIL ASSEMBLY

(ORDINARY MEETING)

WEDNESDAY 12 JULY 2023

LATE QUESTION WITH RESPONSES

1. QUESTION TO THE LEADER OF THE COUNCIL FROM COUNCILLOR VICTOR CHAMBERLAIN

On 19 June 2023, a senior council officer told a parliamentary committee that Southwark Labour's commitment to build 11,000 new council homes was "unfunded". Can the leader of the council confirm that this statement is true, and that Southwark Council will not be able to meet its commitment to building 11,000 new council homes?

RESPONSE

The scale of our commitment to build new council homes remains unchanged. Under the leadership of this administration – combined with the hard work of officers across the council and the support of our community – Southwark now has the largest new council house building programme in the country.

I'm delighted to say we have completed over a thousand of these homes and that we have over two thousand more on site being built. Indeed, the latest national data shows a third of all new council homes started across the country in the last year were here in Southwark. A truly remarkable achievement.

I hope every Southwark councillor will join me in thanking and congratulating everyone who is working so hard to deliver these truly affordable and high quality homes that will transform the lives of many thousands of people for decades to come.

When we set out our landmark commitment to build 11,000 new council homes by 2043 a decade ago, we were always clear on the challenges ahead. We would need to secure funding from government and from local sources and we would need to rebuild the council's ability to build, and that is exactly what we have done.

We have successfully worked with the Mayor of London to secure grants, we have successfully campaigned for new powers for councils to raise and keep finances, and we have used sales of some homes as well as a range of other funding sources to pay for our new council homes. We will continue this work. Our success in finding a way and securing new funding over the last decade gives me confidence that we will continue to do so over the decades ahead. Our April 2020 'Route to 11,000' Cabinet Report sets out our plan to do that and the different funding sources we will explore.

It is certainly true this government has made the task harder. Since the government's disastrous mini budget last year we have seen the cost of borrowing rocket, meaning money we could have spent on new homes now needs to be spent servicing a higher cost of borrowing. We have also had the government repeatedly intervene to reduce the income councils receive to manage their existing homes and build new. Should this government continue it seem clear the housing crisis will only deepen and building new council homes will only get harder. That stands in stark contrast to the Labour Party's national pledge to deliver council housing, council housing, council housing.

So whilst none of us can predict the future, I have every confidence that Southwark Labour will continue to build thousands more new council homes, and I refute entirely any assertion that our mission to deliver 11,000 cannot be achieved.