

Item No. 16.	Classification: Open	Date: 23 October 2012	Meeting Name: Cabinet
Report title:		The Report from the Independent Commission on the Future of Council Housing in Southwark	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Peter John, Leader of the Council	

FOREWORD – COUNCILLOR PETER JOHN, LEADER OF THE COUNCIL

Today (Monday 15 October) I received the report from the independent commission on the future of council housing in Southwark and have made it available to our residents.

We are absolutely committed to the long-term future of council housing in Southwark. As such, when I first appointed a cabinet in 2010, we knew that making Southwark's council homes fit to live in and improving our borough's housing service would be our greatest challenge and our top priority. Poor design and decades of underinvestment in our housing stock had left many of our borough's council homes in a poor condition. Satisfaction in the council's housing services – particularly the repairs service and despite official figures – was unacceptably low. We knew that council housing in Southwark needed to change – not only for the sake of our existing tenants and future tenants, but for the benefit of our whole borough.

As a result, we started to take immediate remedial steps: investing £326 million to make all of our homes warm, dry and safe; hiring a new Housing Director to head a new professional, housing department; taking the call-centre back in-house and terminating Morrison's repairs and maintenance contract. But we knew that if we were going to make genuinely lasting improvements we would need truly transformational change looking beyond the immediate, to the long-term. Too often in the past the council had just looked for short-term quick fixes. We knew – just as our residents and our staff know – that we would need a new strategy, looking a whole generation into the future, to improve and sustain our borough's council homes and services for tenants and leaseholders.

Furthermore, we knew that to get the most clear-headed view, to win the trust of our residents, to truly draw a line under the past, we would need to ask for an external, unbiased perspective.

To that end, we asked a commission, independent of council interference or control, to look at how we can make our borough's council homes and housing services sustainable for the future at the quality we expect. This is their report. We thank them for their work.

In receiving the report today, we will not rush into quick judgements but if there is one conclusion within the report that all of us in this borough will be able to accept without discussion, it is that – whether as tenants, as politicians or as council staff – in Southwark we are absolutely committed to council housing.

The commissioner's report endorses the immediate remedial action that we have taken, but calls for further, more fundamental change in the future. It acknowledges new opportunities, but sets out tough decisions that we must take together as a community. These will pose challenges for all of us; whether politicians, council officers, tenants, homeowners or other residents.

In the weeks ahead we must consider the report's contents. Over the coming months we will want to discuss the changes we must make and the choices we must take together. This report must mark the start of our conversation about the future of council housing in Southwark, not the end. It now falls to us all to turn the analysis, findings and conclusions made by the independent commission into positive action and to plan for the long-term future so that when we look back 30 years from now we can be justifiably proud of what we've achieved.

RECOMMENDATIONS

1. Formally to receive the report of the independent commission on the future of council housing in Southwark. (report received and made publicly available on Monday 15 October).
2. To instruct officers to undertake a detailed review of the report and draw up a plan for engaging residents in an extensive and wide-ranging debate on its analysis, findings and conclusions; the community engagement plan to be agreed by Cabinet in December 2012.

BACKGROUND INFORMATION

3. On the 13 December 2011 cabinet made the decision to establish the independent commission on the future of council housing in Southwark. Cabinet noted that the independent commission would commence work in January 2012 and report back to cabinet in October 2012.
4. The commission's brief was to explore options for the future financing, ownership and operation of Southwark's housing stock beyond 2015/16 (when the current five year investment programme comes to an end). The aim was to examine the proposals and make recommendations for an investment strategy, for up to thirty years, that is sustainable, affordable to the council and breaks the current cycle of an escalating demand for resources to maintain the quality of the stock.
5. The cabinet paper to establish the commission set out the following criteria for measuring the success of the commission's work which were that:
 - The report recommendations would be financially sustainable and deliverable and affordable to the council for up to a thirty year time period.
 - The report recommendations would demonstrate a strong understanding of differing perspectives of all the key stakeholders including councillors, residents, officers, landowners and developers.
 - The report recommendations would be acknowledged as professional and independent by all key stakeholders.
 - The report recommendations would be seen as acceptable by those most affected in the Southwark community and realistic by the council, external funding bodies and leading housing associations.

6. The independent commission on the future of council housing in Southwark was formally launched on 30 January 2012. The commission had their own website, which included information on how to submit evidence. www.southwarkhousingcommission.com/
7. The independent commission was chaired by Jan Luba QC, a leading housing lawyer with extensive experience of work in the voluntary sector including with the citizen's advice bureau service, Child Poverty Action Group and the National Housing Law Service. A full list of all the members of the commission is set out in the report.
8. The commission undertook an open call for evidence and information from all key stakeholders, tenants, leaseholders, residents, housing associations, voluntary organisations and all those who are involved and interested in providing housing across the borough. This evidence was essential in informing and supporting the work of the commission. Views were sought from the wider community and feedback was reviewed by the commissioners. A summary of who was consulted is included in the introduction of the report and a full list of those consulted is provided in the appendix of the report.
9. The commission was serviced and supported by the Smith Institute, an independent think tank which specialises in housing and place-making. The Smith Institute provided the role of secretariat to the commission.
10. In agreeing to establish the independent commission the Cabinet noted that it would report back to cabinet in October 2012.

KEY ISSUES FOR CONSIDERATION

11. Today (Monday 15 October) the council received the report ("investing in council housing: options for the future, a report by the independent commission on the future of council housing in Southwark"). It is being made available to the public as part of the publication of the 23 October cabinet agenda.
12. The cabinet are now asked formally to receive the report from the independent commission on the future of council housing in Southwark. In receiving the report the cabinet will want officers to undertake a detailed review of the report's content.
13. Importantly, as noted in the report to Cabinet in December 2011 to establish the independent commission, the council wants to look beyond the next five years and develop a longer term strategic approach to its housing stock, to deliver sustainable outcomes that benefit all future generations across the borough. The independent commission's report provides a fundamental basis for developing that strategic approach.
14. The independent commission's report explores different scenarios for the future of Southwark's housing stock beyond 2015/16 (when the current five year investment programme comes to an end) and examines proposals for an investment strategy, for up to thirty years, which will have implications across council services. Detailed consideration of the report's findings will therefore now be undertaken. This will require full and extensive community engagement involving councillors, officers, tenants, homeowners and other residents, as well as key stakeholders over the coming months.

15. Officers will therefore immediately begin work on a plan for wider community engagement and report back in detail to cabinet by December 2012. The first phase of engagement will commence following this.

Community impact statement

16. The commission undertook an open call for evidence and information from across the communities of Southwark. Their report includes an analysis of who lives in council housing and examines the socio-demographic trends that will need to be considered when drawing up longer term plans for council housing. The report explores different scenarios for the future of Southwark's housing stock beyond 2015/16 and examines proposals for an investment strategy, for up to thirty years. As noted elsewhere within this report, there will need to be full and extensive community engagement on the analysis, findings and conclusions of the independent commission's report, the outcome of which will have implications across all communities within the borough which may require detailed analysis to be undertaken as appropriate.

Resource implications

17. The work of the independent commission was completed to the original budget of £104,000.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

18. This report asks the cabinet to receive the final report of the independent commission on the future of council housing in Southwark. There are no legal implications attached to receiving the report at this time.

Strategic Director of Finance and Corporate Services (NR/FCS/21/9/12)

19. The strategic director notes the resource implications contained within the report. Officer time to effect the recommendation will be contained within existing budgeted revenue resources.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet paper – Establishment of a housing commission – 13 December 2011	Southwark website - http://modern.gov.southwark.gov.uk/ieDecisionDetails.aspx?id=2588	Stephen Gaskell, Corporate Strategy 020 7525 7293

Background Papers	Held At	Contact
Housing investment programme – Confirmation of five year programme and update on the high investment need estates options appraisal project	160 Tooley Street, London SE1 2QH	David Markham, Head of Major Works 020 7525 7201 Maurice Soden, Housing Regeneration Initiatives Manager 020 7525 1292
Council Plan	160 Tooley Street, London SE1 2QH	Stephen Gaskell, Corporate Strategy 020 7525 7293

APPENDICES

Appendix	Title
Appendix 1	“Investing in council housing: options for the future, a report by the independent commission on the future of council housing in Southwark”

AUDIT TRAIL

Cabinet Member	Councillor Peter John, Leader of the Council	
Lead Officer	Graeme Gordon, Director of Corporate Strategy	
Report Author	Stephen Gaskell, Head of Strategy and Partnerships	
Version	Final	
Dated	15 October 2012	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
List other officers here		
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	15 October 2012	