



# **Southwark Housing Strategy 2009 to 2016**

Providing more and better homes

**Executive – 14th October** 

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# Welcome

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Chair of the Southwark Housing Strategic Partnership
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Councillor Kim Humphreys
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Welcome to Southwark's new Housing Strategy.



This is the first Housing Strategy produced by the new Southwark Housing Strategic Partnership, a multi-agency group which includes representatives from housing associations, private landlords, the Council, tenants and homeowners. Details of the full membership of the group are attached at Appendix 1. The partnership is a sub-group of the local strategic partnership, Southwark Alliance. The strategy reflects all housing tenures in the borough.

Our vision is to: 'To improve residents' lives by providing high quality homes and housing services that promote successful and inclusive communities'.

Southwark is a borough of opportunities and we will work towards building the mixed and sustainable communities that can fully exploit these opportunities. We are helping to change and shape the London landscape and we have an ambitious regeneration programme which will help unlock the potential of our local communities.

We want to create and support the diverse mix of housing tenures that a sustainable community requires to meet the aspirations of our residents. We also recognise the vital contribution of housing to other strategic priorities, such as improving the health of the borough by tackling overcrowding, providing accessible homes and meeting the needs of an ageing society.

Southwark Council is the largest social landlord in London and there are also a large number of housing association rented properties in the borough. 45% of properties are social rented. The private and housing association sectors are continuing to grow.

The Southwark Housing Strategic Partnership is committed to finding the investment required to improve the condition of all of our homes, not just those in social ownership, and to achieve this we will continue to work with private sector partners and sub-regional, London and national agencies.

We have well developed partnerships which continue to make a tangible difference to the lives of our residents in all three of the Sustainable Communities Strategy, Southwark 2016 objectives:

- Improving life chances
- A better place for people
- Delivering quality services.

Given the crucial role that housing plays in residents' lives, these objectives pose a clear challenge to the Housing Strategy 2009-2016 and we have responded to it.

We cannot possibly do everything we would like to, so we have to make choices. This Housing Strategy is therefore about clear priorities and realistic outcomes over a seven year period that will deliver costed and funded solutions for the people of Southwark.

We would like to thank everybody who has contributed to the development of the Housing Strategy.

John Schofield	Cllr Kim Humphreys		
Signature	Signature		

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# 1.0 Introduction

Southwark's Housing Strategy 2009 to 2016, Providing more and better homes, sets out the strategic objectives and priorities for housing and housing–related services across all tenures. It explains how the Council and its key partners aim to respond to the housing issues facing us over the next seven years. It covers how we intend to work towards the 'more and better homes' objective contained in 'the Sustainable Communities Strategy, Southwark 2016'. The strategy sets out our plans for promoting new housing, improving the quality and management of existing housing, addressing the housing needs of the borough, preventing homelessness and eliminating rough sleeping.

The Housing Strategy 2009 to 2016 has been developed through a rigorous and inclusive consultation process which started in summer 2008 and which has encompassed twelve months of consultation with a range of stakeholders and partner agencies. It takes into account:

- An evidence base including the private sector house condition survey 2008 (PSHCS), the council's stock condition survey 2009, the Southwark Housing Requirements Study 2008 (SHRS), the sub-regional Strategic Housing Market Assessment and other Southwark Council internal housing data.
- ➤ Government strategy and policy including the housing green paper (July 2007), "Homes for the future: more affordable more sustainable", the Housing Regeneration Act 2008; "No one left out: Communities ending rough sleeping"
- London strategy and policy including the Mayor's draft London Housing Strategy (which will be finalised towards the end of 2009), the London Plan, and the new draft London Plan.
- > Sub-regional strategy and policy as set out in the South East London Housing Strategy. The Southwark Housing Strategy will in turn influence the next South East London Housing Strategy.

The Housing Strategy 2009 - 2016 links to a number of other Council strategies and partnerships (as shown in table 1 below) including:-

- The Sustainable Communities Strategy, Southwark 2016
- The Local Development Framework, particularly the Core Strategy
- Thematic Partnerships from Southwark Alliance<sup>1</sup>

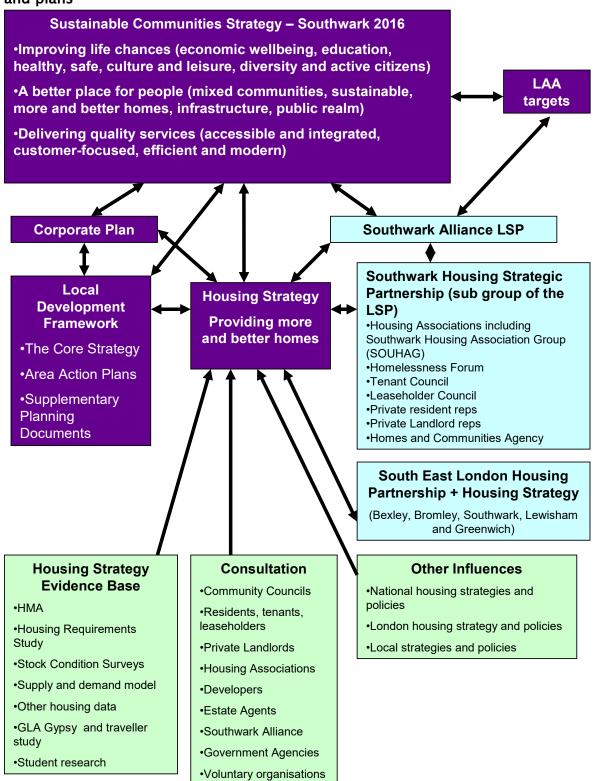
<sup>&</sup>lt;sup>1</sup> Southwark Alliance is Southwark's local strategic partnership made up of agencies and individuals, who are responsible for improving the borough.

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- Supporting People Strategy.

This is an overarching document setting out the strategic direction of housing for the next seven years. Further documents will be produced over the lifetime of the strategy giving more detail on specific topics, for example developing a more detailed strategic approach to private sector housing.

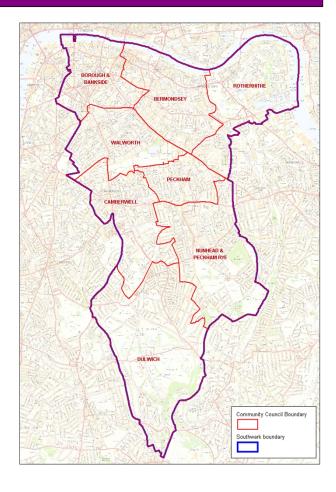
Figure 1: Links between the Housing Strategy and other key strategies, policies and plans



# Overview of the borough

Southwark is an exciting, diverse place to live. Nearly half the population is from an ethnic minority. Many parts of the borough are fast acquiring the characteristics, market perceptions and land values of central London. We have a well established reputation in the development world.

The level of wealth is very high in areas such as Herne Hill, Dulwich, London Bridge and Bankside. However, there are high levels of poverty in areas such as Peckham, Elephant and Castle and the Aylesbury Estate. Less development takes place in the southern part of Southwark which has more open space and



conservation areas. Further regeneration is planned or ongoing in the middle and north of the borough including Elephant and Castle, Bermondsey and Canada Water. Successful regenerations include Bankside, Borough and London Bridge.

Regeneration is not just about physical redevelopment. It is about improving the life chances of residents and creating neighbourhoods that are great places to live by providing improved housing, schools, healthcare, transport, leisure facilities and employment opportunities. The needs and aspirations of the people who live and work here are vital to the future of Southwark. Regeneration must be delivered first and foremost for local people so that we can make Southwark a place where people can aspire to succeed and stay.



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The Core Strategy is the overarching planning framework for the borough replacing the UDP. Based on consultation on the Core Strategy, most new development will be in the defined growth areas (see objective 2). We aim to provide as many homes as possible while ensuring the growth of other activities that create successful

places for work, leisure, arts, culture, sports, tourism and health.

# The borough's demographics

- The total population of Southwark in 2007 was estimated at 274,000<sup>2</sup>. This has risen by well over 50,000 since 1981. The GLA project the population to grow to around 309,600 by 2016 and around 355,000 by 2026<sup>3</sup>. The population of Southwark grew by 23% between 1981 and 2006 compared to 10.4% for London and 8% nationally<sup>4</sup>
- The GLA estimated that there were 116,300 households in Southwark in 2006 and projected this to increase to 136,100 by 2016 and 160,200 by 2026
- Southwark has a higher proportion of people aged between 20 and 44 compared to London and a lower proportion of older people. 51.2% of the population are female.

45.00% 40.00% 35.00% 30.00% 25.00% 20.00% 15.00% 10.00% 5.00% 0.00% 0--4 5-14 15-19 20-24 25-44 45-64 65-74 75+

Figure 2: Age profile of Southwark and London

Source: ONS mid year estimates 2007

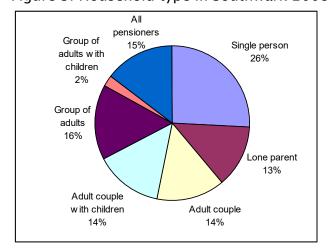


Figure 3: Household type in Southwark 2008

Source: Southwark Housing Requirements Study 2008

<sup>&</sup>lt;sup>2</sup> ONS mid year estimates 2007

<sup>&</sup>lt;sup>3</sup> GLA 2008 Round Population Projections (High)

<sup>&</sup>lt;sup>4</sup> Southwark Housing Requirements Study using ONS mid year estimates Housing Strategyv23 5 Oct 2009.doc

100%
80%
40%
20%
0%
Lone particular induseriolds, 69.1% live in social refited flousing)

Social Rent
Private Rent
Owned

Group d adults with children
Ratur Couple with children
Caroup d adults with children
Ratur Couple with children
Ra

Figure 4: The proportion of tenure by each household type (e.g. of all the pensioner households, 69.1% live in social rented housing)

Source: Southwark Housing Requirements Study 2008

- Between 2001 and 2006 an estimated 16,960 households moved out of Southwark, mainly to Lewisham, Greenwich, Bexley, Bromley or Croydon. In this same period an estimated 29,040 households migrated to Southwark. Southwark has experienced high levels of international migration- in 2007/08 a total of 9,980 new national insurance numbers were issued in Southwark to non-UK nationals. The largest proportion of these (the top five) were Polish (9.1%), French (7.4%), Nigerian (7.0%) Italian (5.5%) and Australian (5.5%). In 2007 there were an around 300 asylum seekers who either received accommodation or financial support from the National Asylum Seeker Service
- In 2006 64.6% of the population was white, 4.0% was mixed, 6.1% was Asian or Asian British, 20.9% was Black or Black British and 4.4% was Chinese or other ethnic group. 5 An estimated 16% are African communities (mainly Nigeria and other parts of West Africa) and 7% are Caribbean communities
- There are very low income levels in Southwark, especially among those in council rented housing as demonstrated in table 1.

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<sup>&</sup>lt;sup>5</sup> ONS mid year estimates 2006 Housing Strategyv23 5 Oct 2009.doc

Table 1: Average household income in Southwark by tenure, 2008

Tenure	Mean	Median
Owned outright	£33,100	£19,200
Owned with a	£64,200	£46,000
mortgage		
Rent from Council	£14,800	£9,100
Rent from housing	£18,500	£14,300
association		
Private rent	£31,700	£22,200
Total	£29,800	£16,800

Source: Southwark Housing Requirements Study 2008

- The Southwark Housing Requirements Study found that 53,500 (20%) people living in Southwark said they had health problems. So 25% of households contained at least one member with a health problem. 18,030 people had long term illness, disability or infirmity. 690 were wheelchair users and 4,460 had other walking or mobility difficulties. 4,470 had difficulties due to old age or frailty
- Over 40% of council renters and over 30% of housing association renters contain at least one person with a health problem. 9,600 people needed some form of care or support. In 2001 there were 8,500 unpaid carers in Southwark<sup>6</sup>.

#### **Deprivation**

- Southwark is the 26<sup>th</sup> most deprived local authority area out of 354 nationally based on the average of scores and the 9<sup>th</sup> most deprived in London<sup>7</sup>
- The most deprived areas are concentrated in the centre of the borough while some areas in the south and north of the borough have lower levels of deprivation. Over half (58%) of LSOAs<sup>8</sup> in Southwark are in the 20% most deprived LSOAs in England, but this has reduced from 64% in 2004<sup>9</sup>.

OK Cerisus 2001

<sup>&</sup>lt;sup>6</sup> UK Census 2001

<sup>&</sup>lt;sup>7</sup> Index of multiple deprivation 2007 as quoted in the *Southwark vital statistics* 

<sup>&</sup>lt;sup>8</sup> Lower Layer Super Output Areas (LSOAs) are units of geography used in the UK for statistical analysis which have an average population of about 1.500 people.

<sup>&</sup>lt;sup>9</sup> Index of multiple deprivation 2007 as quoted in the *Core Strategy* Housing Strategyv23 5 Oct 2009.doc

#### **Employment, worklessness and qualifications**

- In 2007, Southwark had an estimated 165,800 jobs. Of these, 5.7% were in manufacturing, 3.7% construction, 14.6% retail/ hospitality, 5.5% transport/communications, 42.4% finance and business services, 21.2% public administration/education/health, and 6.5% 'other services'<sup>10</sup>
- In the Southwark Housing Requirements Study 42.1% were in full time paid employment, 8.7% were in part time paid work, 7.3% were self employed and 41.9% were not currently in paid work. 8.6% of respondents worked from home
- In 2001 24.5% of those of working age in Southwark had no qualifications compared to 23.7% in London. 49.9% of people had level 3 qualifications or above compared to 46.2% in London<sup>11</sup>
- In 2001, around 12% of residents were managers or senior professionals 50% above the national figure, but less than in Inner London. Southwark in 2001 was home to 18,800 full time students, a proportion almost double the national average<sup>12</sup>
- Unemployment (claimant count) remains nearly double the national average, and the equal 7th highest borough in London.<sup>13</sup>

# Tenure mix and the sustainability of our local communities

- The proportion of social housing stock (council rented plus housing association rented) at the 1st April 2009 was 45% (down from nearly 70% in the 1970s). This is still nearly three times the national average and the highest in London. 33% of the stock is council rented and 12% housing association rented
- At the 1st April 2009 an estimated 28% of the stock is owner occupied, well below London and national proportions. 27% of the stock was private rented<sup>14</sup> and this has risen significantly over the past few years.
- Private landlords are acquiring significant numbers of traditional street properties
- These changes reflect both 'right to buy' purchases and the construction of extensive private housing schemes since the 1980s.

<sup>&</sup>lt;sup>10</sup> Core Strategy

<sup>&</sup>lt;sup>11</sup> UK Census 2001

<sup>&</sup>lt;sup>12</sup> UK Census 2001

<sup>&</sup>lt;sup>13</sup> Core Strategy

<sup>&</sup>lt;sup>14</sup> The proportions for owner occupied and private rented are estimated using proportions from Southwark Housing Requirements Study 2008 and applying these to the stock figures in the HSSA 2009.

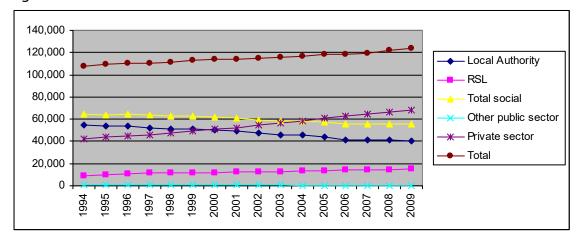


Figure 5: Tenure trends in Southwark 1994 to 2009

Source: Southwark Housing Strategy Statistical Appendix

- The housing association sector has been growing steadily over the past 14 years and will continue to grow through partnerships with a number of 'developing' housing associations. However the number of housing association properties coming up for re-letting has been declining in recent years, although the reasons for this are not yet known
- Southwark Council has retained its stock and remains the largest local authority landlord in London
- There are 14,600 council leaseholders and service charge payers.

# Housing need in Southwark

- In 2008 there were an estimated 38,412 households living in unsuitable housing with a need to move.<sup>15</sup>
- On the 1<sup>st</sup> April 2009 Southwark's housing register had over 15, 500 households registered and eligible for a move
- There are around 2,500 council and housing association nominations of social rented lettings a year
- Homelessness approaches have declined significantly from over 1,400 in 2007/08 to under 900 in 2008/09 as a result of the development of a range of homelessness prevention initiatives. Homeless acceptances have also fallen significantly
- Levels of overcrowding are high, particularly in the Council's own stock.
   The full extent of under-occupation in social housing in the borough is not known currently
- There can be lengthy waits for rehousing for even high priority households.

More information on housing need is given in Objective 3.

<sup>15</sup> Southwark Housing Requirements Study 2008 Housing Strategyv23 5 Oct 2009.doc

#### Stock condition in Southwark

Key facts on private sector stock condition from the Southwark private sector house condition survey 2008 (PSHCS) –which included housing association dwellings in order to capture data on the condition of this sector:

- 43% of private sector dwellings were constructed pre-1919 and 43% after 1964. 48% are purpose built flats and 37% are terraced dwellings
- 37.4% of private sector dwellings have a Category 1 hazard, about 28,700 dwellings. Over 90% of Category 1 hazards are caused by the likelihood of exposure to excess cold
- In Southwark, 47% of owner occupier and private rented homes are nondecent compared to national rate of 38%. The principal reason for not meeting the standard was: presence of Category 1 hazard
- 44% of vulnerable private sector households (excluding RSL tenants) in Southwark live in decent homes compared to the 2020 target of 75%
- About 20% of homes in Southwark are at risk of fuel poverty, higher than national average of 11%  $^{16}$
- 8,000 to 9,000 buildings are acting as HMOs representing about 17,000 dwellings <sup>17</sup>
- 3.3% of dwellings in the private sector were vacant.

More details on housing association stock condition are included in the next section.

#### Social housing stock condition

As at 1.4.2009 47.2% of council stock was non-decent in accordance with the Government definition; the baseline for this figure is from the 2002/3 stock condition survey. On the basis of the 2008 PSHCS, 35% of housing association dwellings in Southwark were also non-decent, compared to 29% nationally.

A new survey (2008/9) has been carried out on council stock condition and will give a more accurate reflection of our stock condition, ongoing investment needs, and progress in meeting the Government's Decent Homes Standard and the higher Southwark Decent Homes Standard. In spite of significant levels of spending on improvements, the investment needs of the Council's stock still remain very high. We also know that the current assumptions of resources

<sup>&</sup>lt;sup>16</sup> Fuel poverty is where fuel costs are more than 10% of total household income (net of tax and national insurance). These are average figures in 2006 for all tenures.

<sup>&</sup>lt;sup>17</sup> HMO estimates should be treated with a degree of caution as a general house condition survey is unlikely to provide a true estimate due to sampling methodology. Also HMO definitions are complex. Findings should be used to identify and illustrate trends within this sector of accommodation.

available are insufficient to meet these needs, and therefore we will continue to explore measures to identify other sources of funding, including lobbying the Government and funding bodies for increased resources. The results of the survey will also be a tool in looking at the requirements of some of our high cost estates and the potential for considering alternative 'local' solutions with residents. More information on the results of the survey and measures to improve stock condition across all tenures are set out under Objective 1.

# Key challenges for the borough

# The economy

This strategy has been written at a time of almost unprecedented change in the economy and housing markets nationally and locally. However, we expect that at some point during the lifetime of this strategy, the recession will end and we will be faced with new issues and challenges. What will be consistent is our commitment to providing more and better homes of all tenures, types and sizes, improving skills and access to employment, promoting environmental sustainability, and helping to shape the long-term future of the borough.

#### Regeneration programmes

Southwark has one of the most ambitious regeneration programmes in the country. The plans, in particular those for the Elephant and Castle area, Canada Water, Bermondsey Spa and the Aylesbury Estate, will have a positive impact on the type of place Southwark will be in the future. Realising the plans for these areas will significantly improve the quality of the physical environment, creating the conditions necessary to stimulate investment, re-invigorate the local economy and promote sustainable long-term regeneration. Much of the new housing in the borough will also be provided in these areas and we want it to be of the highest standard, with a good mix of sizes, types and tenures. Driving these plans forward in the current economic climate will be challenging. We will work flexibly with development partners, the GLA, and the new Homes and Communities Agency (HCA) to resource our plans, and deliver the optimum amount and type of housing for each area to enable sustainable communities.

Some regeneration scheme costs have implications for the Council housing investment programme and housing revenue account. One example of this is the cost of buying back the homes of leaseholders on regeneration estates. Acquisitions are normally required early on in schemes and forward funding may be needed. In addition, most funding regimes do not cover the cost of acquisitions, so the impact on the Council's investment programme may only be

relieved by capital receipts being accrued later on. Any stock reduction reduces rental income. In order to make informed decisions on these issues we are developing an enhanced housing supply and demand model and site appraisal process.

# The Decent Homes Standard target for council stock

Southwark's housing options appraisal in 2006 showed that Southwark could retain both ownership and management of its stock, and meet the Government's Decent Homes Standard by 2010/11. Retention was seen as a positive option, particularly in light of a history of tenant opposition to other funding options, including three unsuccessful attempts at stock transfer. The 2008 Council Decent Homes Review, although recognising a significant investment gap, re–affirmed the commitment not to undertake wholesale change in management or ownership of the council stock to finance the council housing investment programme. As part of this review it was also recognised that the Government standard neither met the investment needs of the stock nor addressed resident aspirations for their homes and wider environment. A higher Southwark Decent Homes standard was therefore agreed; it was however acknowledged that this standard would cost more and take longer to deliver.

The challenge, made more difficult in the current economic climate, is to manage the consequences of this decision. We remain faced with a significant funding gap, so we need to use our assets in the most effective way to resource the much needed improvements. This will include looking at local solutions for specific estates, the sale of a limited amount of stock and the pro–active disposal of under–utilised land and buildings within the housing revenue account. Just as importantly, the Council needs to consider how it manages the homes, carries out its landlord obligations, and meets residents' expectations while housing revenue account resources are diminishing.

The implications of the recent tragic fire at the Lakanal block in Camberwell are likely to be far-reaching, not just for Southwark but nationally. In terms of investment, most programmes of works have a health and safety element to them and we will continue to honour our commitment to the health and safety of our residents. At the time of writing this strategy it is too soon to fully evaluate the implications of the fire for the Council's investment programme.

## **Delivering housing targets**

The London Plan set very challenging targets for new housing in Southwark which equate to approximately 1,630 new homes per year from 2007/08 to 2016/17 of which 50% were to be affordable. This was among the highest targets in London. In addition, the new Mayor has revised the affordable housing target upwards to 2,453 gross affordable units to be achieved over the three years 2008–2011. At the time of developing this Housing Strategy a new London Plan is being prepared which is likely to set a new numerical target for market and affordable housing for future years.

A major challenge for us is therefore how to meet these housing targets and at the same time deliver mixed and balanced communities, and other priorities such as increasing employment opportunities, new schools, better health facilities, better public spaces, and protecting open spaces and the character of different areas. The strategic housing land availability assessment (SHLAA) will assist in the identification of suitable sites to enable us to deliver on these targets which will inform the Core Strategy. The Core Strategy will then identify potential sites of over 0.25 hectares for development. As part of the review of housing revenue resources smaller sites will also be considered for development.

In responding to these challenges we will build on our track record of success in creating new homes, improving the condition of social housing and private sector housing, bringing empty homes back into use, meeting housing needs and preventing homelessness. Examples of some of our key successes are listed in Section 2 'Our strategic objectives and priorities'.

We know we cannot do everything we would wish. Therefore, as a partnership, we have had to make choices about our key objectives and our key priorities as detailed in Section 2. Effective partnership working is essential to deliver our shared vision.

# **Our vision**

The overarching vision for the Southwark Housing Strategy is:

'To improve residents' lives by providing high quality homes and housing services that promote successful and inclusive communities.'

To achieve our vision we have agreed four strategic objectives. These are to

- 1 Improve the quality of existing housing and use it more efficiently
- 2 Increase the supply of good quality housing
- 3 Enable choice while meeting housing needs
- 4 Prevent homelessness and reduce the use of temporary accommodation.

More details of how we intend to deliver on our vision and strategic objectives are given in the sections that follow.

# 2.0 Our strategic objectives and priorities

Objective 1: Improve the quality of existing housing and use it more				
efficiently				
	<ul> <li>Bring council homes up to the Southwark Decent Homes Standard</li> <li>Use existing assets to better meet changing needs</li> <li>Bring empty homes back into use</li> <li>Improve the energy efficiency of homes in all tenures</li> <li>Improve and maintain the quality of private housing</li> <li>Improve housing management</li> <li>1,977 council homes were made decent in 2008/09, and 23,136 had works that involved new installations (such as bathrooms or kitchens) or major repairs</li> <li>In 2008/09 we helped to make 307 private homes decent</li> <li>In 2008/09, 313 major adaptations completed to council homes against a target of 200</li> <li>198 minor adaptations to council homes were carried out against a target of 180 in 2008/09</li> <li>96 private sector properties were adapted through disabled facilities grants against a target of 65 in 2008/09</li> <li>The repairs control centre won the UK Housing Award in autumn 2008</li> <li>In 2008/09, the Council brought 142 empty private sector homes back into use</li> <li>170 properties improved in 2008/09 either through enforcement actions (the landlord complying with conditions</li> </ul>			
	enforcement actions (the landlord complying with conditions imposed by HMO licences), or the owner responding to an informal approach to improve their property			
	<ul> <li>Southwark Council achieved 24 de-conversions and 2 extensions to existing properties (2006-2008) to help tackle overcrowding</li> </ul>			
	<ul> <li>Southwark Council was awarded funding from the Migration Impacts Fund for private rented housing improvement of £105,000 for 2009/10.</li> </ul>			

# Why this objective?

The quality of housing and the local neighbourhood can have a big effect on the quality of life for residents, including health, feelings of security, education and employment opportunities. Housing also has a major environmental impact. Improving the quality of existing housing will improve the lives and opportunities for residents today for years to come. This will mean preventing properties from falling into disrepair, modernising properties that have fallen into disrepair, and reducing the impact that our homes have on the environment.

While objective 2 explains how we will try to increase the supply of housing, there will still be insufficient housing to meet need; therefore we need to make the best use of the existing housing in the borough. As there is not enough social housing to help meet the borough's housing needs, we have increasingly come to rely on the private rented sector to house people in housing need, so this further underlines the need to maintain and improve the private sector. We also need to improve empty property (void) turnaround times and bring more homes back into use.

# **Challenges**

# High levels of poverty

As indicated in Section 1, Southwark is a borough with high levels of deprivation, diverse income levels and in social housing, very low average income levels. This severely limits households' housing options and increases the importance of providing good quality housing services. There are also issues with poor health and high rates of disability. This is reflected in high levels of demand for adaptations to people's homes to make them more accessible. In 2008, 3,580 households in Southwark had health problems where the layout of their current home did not meet their needs, of which 37.4% could be adapted.<sup>18</sup>

### Meeting the Decent Homes Standard

As already indicated, there are high levels of properties across all tenures in Southwark which do not meet the Government's Decent Homes standard. Southwark Council is one of the biggest landlords in the country, with 40,485 social rented dwellings, 33% of the total stock in Southwark. 47.2% of council stock was non-decent in accordance with the Government definition as at

<sup>&</sup>lt;sup>18</sup> Southwark Housing Requirements Study 2008

<sup>&</sup>lt;sup>19</sup> Southwark Housing Strategy Statistical Appendix April 2009 Housing Strategyv23 5 Oct 2009.doc

31.3.2009, based on the 2002/03 stock condition survey. There were nearly 15,000 housing association homes in the borough at this time.

As identified in the private sector housing stock condition survey 2008, 35% of housing association homes were also non-decent. Housing associations in the borough are generally in a more advantageous position than the Council in that their stock is more modern on average, with some exceptions among longestablished RSLs.

In the Council's new survey of the condition of its own housing stock, 2,700 properties have been surveyed internally and 1900 blocks were surveyed externally. We will continue to carry out further surveys: e.g. on location of asbestos, and conducting fire safety risk assessments to further increase the robustness of the data.

The table below shows the indicative annual targets for council homes to be made decent through a range of investment activities for the duration of the strategy. It shows the number of homes where internal work only will be carried out, the number of homes to be improved to the Decent Homes standard, and the number of homes to be improved to the Southwark Decent Homes standard as part of our major schemes; namely the Friary and East Dulwich Estates.

	Targets for Council Homes to  be made Decent					
	2009/10	2010/11	2011/12	2012/13	20013/14	2014/15
Internal works only	100	500	500	500	500	500
Decent Homes						
programme	909	1,000	1,486	1,522	1,695	1,695
Major Schemes –						
Decent Homes Plus						
Standard	682	686	0	0	0	0
Voids						
	115	110	108	108	108	108
Total	1,806	2296	2094	2130	2303	2303

We know that there are not sufficient resources to meet the level of investment the stock requires; although we are exploring options to increase funding for investment.

In delivering investment works, the Council will be moving away from an areabased approach, to a borough-wide approach in order to achieve greatest value for money. The priority will be to tackle estates with the greatest need, in terms of both Decent Homes and our landlord requirements, such as lifts, district heating, tanks and health and safety issues. Residents will be consulted on how to Housing Strategyv23 5 Oct 2009.doc

prioritise on the basis of limited resources, and to test the stock condition survey results against local knowledge. The Council will also be working with residents to identify capital receipt opportunities from council assets and we will continue to lobby for more Government support to bring the homes up to 21st century standards and bid for any available funding appropriate for stock investment.

#### Changing communities leading to changing needs

Over a number of years the needs of a community are likely to change. It is necessary therefore to recognise what the needs of communities are today and what they will be in the future, and ask whether we are using what assets we have in the most productive way. The limited supply of land also demands that we use what we have in the most productive way to help meet housing needs.

#### High levels of run-down private sector housing

The private sector house condition survey 2008 (PSHCS) shows that there are around 77,000 private sector properties (including housing associations) in the borough. Housing association homes were included in this survey in order to ensure a comprehensive approach to all non-council rented homes, which were covered in a separate survey (see section **Meeting the Decent Homes Standard**), but for all other purposes would be classified as falling within social housing tenure.

43% of private sector homes pre-date 1919, and 43% were built after 1964. Of the 77,000 private properties around half are owner-occupied, some 29% have private tenants and the remainder are housing association properties. With the right approach, existing older housing could be with us for another 100 years. The PSHCS also found that 47% of private properties (excluding housing associations) are non-decent.

The PSHCS estimates that about 38% of private sector homes (28,700 properties) in the borough have a Category 1 hazard. In 97% of cases this is due to excess cold. Under the Housing Health and Safety Rating System (HHSRS)<sup>20</sup> hazards are graded according to their severity with the most serious being Category 1 hazards. Dwellings can have more than one hazard. Dwellings with a Category 1 hazard are below the statutory minimum required in the Decent Home standard and are therefore non-decent. Local authorities have a duty to take action to seek to remedy Category 1 hazards. While this has resource implications as a result of

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<sup>&</sup>lt;sup>20</sup> Housing Health and Safety Rating System: this is the first survey to fully consider the condition of the stock against the measure of the Housing Health and Safety Rating System (HHSRS), introduced by the Housing Act 2004. The 2003 survey used the "draft" HHSRS which was then available, alongside the Housing Fitness standard. Housing Strategyv23 5 Oct 2009.doc

the increased activity for Council services e.g. in taking enforcement action against landlords who fail to remedy such hazards, there are also programmes available to increase the thermal efficiency of homes, particularly for vulnerable households.

Table 2: Estimated total costs to remedy Category 1 hazards

Hazard	Southwark
Excess cold	£62,926,357
Crowding and space *	£547,195
Personal hygiene, sanitation etc. *	£26,304
Falls on the level *	£111,231
Falls associated with stairs etc. *	£508,506
Falls between levels *	£13,387
Electrical hazards *	£1,897
All	£64,134,878

Source - Southwark PSHCS 2008 table 4.28. \*- indicates small numbers.

The HHSRS operating guidance links 'crowding' in homes with health issues like psychological distress, hygiene risks and an increased risk of accidents. 'Overcrowding' has a legal definition associated with the number of people living in a property, the number of bedrooms in the property and the ages and sexes of household members.

#### High numbers of vulnerable households in run-down housing

The Government target is that by 2020, 75% of vulnerable private sector households (excluding RSL tenants as housing associations have their own Decent Homes targets) nationally should live in decent housing. In Southwark, around 44% of vulnerable private sector households currently live in decent homes under HHSRS. (The HHSRS relates the condition of the property to the health of the occupants). This means there is a large gap (31%) between the 2020 target and the current position so there is a big resource implication of trying to meet these targets.

#### Meeting our environmental commitments and reducing fuel poverty

In 2006, total  $CO_2$  emissions in Southwark were estimated at 1.8 million tonnes. 28% of this was from homes. The Southwark Sustainable Environment Partnership has agreed a target for its Local Area Agreement (LAA) to reduce per capita  $CO_2$  emissions across the borough by 8.5% over the period 2008–2011. The Council also reports to the Government on a new performance indicator (NI187). This is a measure of the percentage of households in receipt of income based benefits,

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living in the most and least energy efficient homes (as measured by SAP<sup>21</sup> rating). The PSHCS found that energy efficiency of dwellings overall in the private sector is higher than the national average. The standard assessment procedure for energy rating of dwellings (SAP rating) for private sector dwellings including housing associations in Southwark is 59, compared to a national average of 49 for all tenures. This is mainly due to a high proportion of flats. There is still significant potential to improve the efficiency of the stock. The PSHCS showed that older properties tend to be in greater disrepair and are less energy efficient, requiring more investment.

Older people and vulnerable households are more likely to suffer from fuel poverty. This is when a household has to pay more than 10% of their income on fuel bills. The recent PSHCS suggested that 20% of all homes in the private sector (owner occupied, private rented and housing association tenures) in Southwark are at risk of fuel poverty, compared to a national average of 11% (all tenures). Energy efficiency measures can dramatically reduce the cost of heating a home to a comfortable standard. Amongst older people, cold is a significant cause of premature death. Tackling this issue will not only reduce the numbers of people suffering from excess cold but will contribute to reducing  $CO_2$  emissions. It is worth noting that the relationship between income and energy efficiency is complex. Some poorer households' homes may have the best energy efficiency (due to grants or housing association tenure), and some wealthier households may have worse efficiency as fuel costs are a lower priority for them.

#### Relatively high levels of vacant stock

The recent Private Sector House Condition Survey (PSHCS) 2008 suggests that around 3.3% dwellings in the private sector (includes owner occupied, private rented and housing association tenures) are currently empty. Given the demand for housing it seems incomprehensible that a property should be left empty. Furthermore, an empty property that is not maintained can be a blight on a neighbourhood, making an area look uncared for. In some cases a property may be squatted or attract criminal activities. But there can be understandable circumstances that can lead to a property becoming empty, for example when a property is repossessed, or the landlord cannot afford to repair it.

#### Increase in private renting by smaller landlords

There has been a big increase in the number of households renting properties in the private sector, compared to the last survey in 2003. Many private landlords purchased properties in a rising market which they saw as good investments, but

<sup>&</sup>lt;sup>21</sup> Standard Assessment Procedure for Energy Rating of Dwellings Housing Strategyv23 5 Oct 2009.doc

had little or no knowledge of their responsibilities as landlords. The majority of landlords in Southwark only own a few properties. Within the private rented sector we have seen a sharp increase in the number of houses in multiple occupation (HMOs), which the PSHCS estimates to be about 17,000 dwellings<sup>22</sup>. Some HMO landlords seek to minimise investment in property maintenance and improvement while maximising rental income through increasing the number of occupants, resulting in overcrowded properties in poor condition. So we need to ensure that the private rented sector is well managed and is of a decent standard.

#### Our plans

To bring council homes up to the 'Southwark Decent Homes Standard' we will:

- Make best use of Council assets including:
  - Selling some empty (void) properties to provide a capital receipt (currently agreed up to a maximum of 100 properties per year for three years). Money raised from this will also be used to increase the supply of properties through the 'Hidden Homes' scheme.
  - Identifying available land and under-utilised non-housing assets, potentially using part of the capital receipt to improve the external environment of estates.
  - Maximising the cost efficiency of spending through improving the
    quality of information on stock condition and investment needs, and by
    changes to specifications and the way major works contracts are
    packaged. This is being undertaken by dividing borough wide major
    works contracts into four lots, with a further package for street
    properties and major voids, to obtain economies of scale and also
    continual improvement of delivery.
- Deliver major housing-led regeneration schemes such as the Heygate (part of the Elephant and Castle regeneration area), and the Aylesbury estate programmes. This will mean demolishing a lot of housing in poor condition, reducing the overall number of non-decent homes. More new, high quality homes will be built than are demolished and the replacement housing will be a mix of tenures; private, intermediate, and social rented.
- The Southwark Housing Strategic Partnership will also work with our RSL
  partners to demonstrate a common commitment to improving the condition of
  all social housing in the borough, including exploring innovative use of
  resources and lobbying the Government and Homes and Communities Agency
  for additional investment.

<sup>22</sup> HMO estimates can only illustrate trends within this sector of accommodation due to the size of the survey sample and the complex definition of such buildings.

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# To use existing assets better to meet changing needs we will:

- Develop an asset management approach including the 'Hidden Homes' programme to identify potential under-utilised assets, such as garages, rent offices and old laundry rooms, in order to turn them into new homes.
   Residents will be involved in the identification and development of sites. Our priority is to deliver larger family homes, and homes of all sizes which are accessible for people in wheelchairs. These will in part be funded from the sale of smaller and higher value units as part of our strategy of generating capital receipts
- Extend homes and de-convert smaller flats to provide larger units for families.
   This may be done through a Southwark scheme to address our 'major voids' or through the sub-regional extensions and de-conversions scheme funded from the Mayor's Targeted Funding Scheme. The programme for 2009/10 includes 10 de-conversions, all part-funded by a sub-regional targeted funding stream
- Provide older people with more choice in the type of accommodation they live
  in. Some estate-based sheltered accommodation is unsuitable for the needs of
  older people and may be better converted to house families. The level of care
  required, if at all, may change and services should be flexible enough to adapt
  to different needs. On the Lettsom estate some former low demand sheltered
  units are being converted to family housing
- Adapt properties to prevent households from needing to move if they are
  otherwise suitably housed. We will work with partners to secure what funding
  is available to be able to meet the current demand and encourage landlords in
  other tenures to do the same. The Council provides disabled facilities grants
  (DFGs) for eligible households in private sector properties. There has been a
  big surge in demand for DFGs from housing associations. Therefore there is
  need to maximise resources and work with housing associations to share the
  burden of this responsibility with the Council, and to reduce waiting times for
  these adaptations
- Converting shared supported accommodation to self-contained accommodation where appropriate to better serve the residents who live there
- Encourage under-occupiers to move to smaller properties through measures to help people find a property more suitable to their needs such as the 'Small is Beautiful' initiative (see objective 3).

To bring empty homes back to use we will:

Private properties

- Reduce relet times by helping private landlords bring their properties back into use through advice, grants and loans (through empty homes initiatives)
- Help landlords to find a new tenant
- Continue to limit council tax discounts on second homes and limit exemptions for empty and unfurnished homes in the private sector to the statutory requirement to ensure vacant stock is kept to a minimum
- As a last resort, compulsorily purchase properties if a landlord refuses to remedy the problems with a property to protect the neighbourhood around it and to rehouse another household.

#### Social rented properties

- Build on recent improvements in the Council's re-letting times through the voids improvement plan, with a void turnaround target of a 60% reduction to 30 days for 2009/10
- Encourage housing associations to minimise the amount of time they take to re-let properties
- Use stock that becomes vacant in regeneration schemes as temporary accommodation for homeless people, to prevent the negative impacts of having large numbers of vacant properties on blocks, such as squatting.

# To improve the energy efficiency in all tenures we will:

- Continue bringing council homes up to the Southwark Decent Homes standard which will improve energy efficiency
- Retro-fit insulation to 14000 council rented properties over the next 3 years
- Upgrade individual and communal heating systems. Many of the Council's properties are heated through communal systems. In line with the Council's climate change strategy we are committed to retaining and upgrading district heating systems to combined heat and power (CHP) and/or alternative fuels where it is appropriate to do so. We will also continue to lobby the Government for additional funding for energy efficiency in existing homes. For example, the Council will strongly argue the case for district heating and CHP where there is currently little national funding and support available. We are looking at developing more local energy networks such as the MUSCo<sup>23</sup> project at the Elephant and Castle as outlined in objective 2
- Offer grants and other assistance for energy efficiency works to private sector owners

<sup>&</sup>lt;sup>23</sup> MUSCo = Multi utility services company Housing Strategyv23 5 Oct 2009.doc

- Develop energy schemes such as solar heating schemes. Southwark has received £420K towards solar heating schemes within the East Peckham and Nunhead Renewal Areas for 2009–11. The Council is currently considering a possible link to CESP<sup>24</sup> schemes within the two areas.
   Consideration is also being given to adding solar works into Street Renewal schemes in order to reduce fuel bills and CO<sub>2</sub> emissions
- Prioritise the use of national and regional energy efficiency grant schemes to help households containing older people and vulnerable people to tackle poverty and improve health
- Work with partners to develop innovative schemes to support "able to pay" households to reduce their emissions
- Work with partners to secure funding for low carbon energy technologies, which will improve energy efficiency of homes. This will include Government grants for renewable energy technology, insulation and energy suppliers' obligations to fund carbon reduction measures in homes
- Improve the energy efficiency of new housing as detailed in objective 2.

# To improve and maintain the quality of private housing we will:

- Advise owner occupiers through methods such as the Southwark website about the need to carry out preventative maintenance to stop private properties falling in to disrepair
- Prioritise providing financial assistance (grants and loans) to vulnerable homeowners and private tenants who are living in homes that do not meet the Government's Decent Homes standard <sup>25</sup>
- Assist landlords to implement HHSRS standards effectively and enforce standards where necessary
- Engage with landlords through the Southwark Private Landlords Forum and the London Landlords Accreditation Scheme to improve standards in the private sector through training and advice
- Encourage landlords to become accredited and assist accredited landlords who may wish to offer properties to us
- Provide housing benefit advice and problem resolution service to accredited landlords through a dedicated officer which also assists with homelessness prevention
- Work as part of the South East London Housing Partnership (SELHP) in delivering sub-regional schemes to improve private housing.

<sup>&</sup>lt;sup>24</sup> CESP stands for Community Energy Saving Programme. The programme supports energy saving and efficiency measures at a local community level by encouraging new and existing partnerships between energy companies, and local authorities and other local community groups, to offer support to poorer communities.

<sup>&</sup>lt;sup>25</sup> A vulnerable household is defined as being in receipt of at least one principal means tested or disability benefit.

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#### To improve housing management we will:

#### Management of council stock

- Ensure the Council's housing management service is configured to be able to better deliver key priorities, including local service delivery and higher staff visibility on estates
- Implement the housing management service improvement plan including a free, flexible one-call repairs line replacing three separate systems
- Continue to focus on our landlord obligations, including health and safety, in the delivery of our management service and investment in our stock
- Tackle anti-social behaviour through effective case management and measures such as introductory tenancies, acceptable behaviour contracts, possession notices and crack house protocols
- Reduce the level of unauthorised occupancy in council stock
- Deliver a Joint Security Initiatives (JSI) programme which enables council tenants and residents to build partnerships with the police, statutory and voluntary sectors at estate and area level to combat crime and anti-social behaviour
- Ensure residents are aware of options for council (and housing association tenants) to take control of a range of services, operations or budgets through creation of new local management agreements. Southwark has led the way with promoting new tenancy management regulations since they were first introduced. Southwark and partners are now involved in training other local housing authorities to support their Tenant Management Organisations (TMOs).<sup>26</sup> Currently around 8% of Southwark's estates manage at least one service themselves, offering tenants the ability to adjust budgets to better suit their needs, closer control on quality and efficiency and a local office on their estates
- Refurbish existing gypsy and traveller sites; of the four sites, two have been refurbished in recent years, one refurbishment is planned to start in 2009/10. We will seek funding to refurbish the remaining site.

#### Management of privately-owned properties

- Please see the section on *Improving and maintaining the quality of private housing* for more information
- Seeking to encourage larger institutional landlords, lenders and housing associations to invest in private rented sector properties in Southwark.

Management of housing association properties

<sup>&</sup>lt;sup>26</sup> The term TMO can be used to refer to any organisation set up by tenants to run one or more of their services.

- Encourage housing associations to manage their properties well
- Implement a common tenants' satisfaction survey for housing association tenants across the South East London sub-region
- Carefully select our partner housing associations in Southwark based on a monitoring of capacity, their track record in delivering schemes, and their policy on tenancy services
- Work in partnership with the Council, housing associations and Safer Southwark Partnership to deal effectively with complaints of anti social behaviour
- Southwark Council to share expertise in tackling unauthorised occupation with housing associations, and explore the potential of sub-regional working to address unauthorised occupation in RSL properties.

Objective 2: In	crease the supply of good quality housing
Priorities (key priorities underlined)	<ul> <li>Increase the opportunities for housing development</li> <li>Increase the supply of housing, particularly family sized homes</li> <li>Ensure new housing is of the right type and quality</li> <li>Ensure a supply of new affordable housing to meet a range of needs</li> </ul>
Successes to date	<ul> <li>Over the five years to April 2008, 8,808 new homes (net) were completed<sup>27</sup></li> <li>In 2008/09, even in a difficult economic climate, 479 new affordable homes were achieved. 232 of these were social rented. The intermediate housing was mainly for shared ownership.</li> <li>Over the past three years (2006/07 to 2008/09) 2,116 new affordable homes were completed. Of these, 1,074 were social rented and 1,042 were intermediate housing.</li> </ul>

This section has considerable overlap with the parts of the Core Strategy<sup>28</sup> that cover new housing growth. The Core Strategy was at the preferred options stage at the time of publication of the Housing Strategy. If any discrepancies occur with new housing supply targets between these two strategies the Core Strategy is the definitive version as it is part of the Local Development Framework and externally examined by a Planning Inspector. This will be more up to date as it will be adopted later than the Housing Strategy. If this occurs figures will be revised in a review of the strategy's key targets.

# Why this objective?

New housing has a key role to play in terms of contributing towards meeting the demand for housing in all tenures. It can also engender other improvements by drawing in further funding such as for the streetscape and infrastructure. Partnership working with housing associations and developers is crucial to ensure we continue to get a good supply of high quality well maintained housing in the future. Southwark, like London as a whole, is an area of high and rising housing demand with significant projected increases in population.

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 <sup>&</sup>lt;sup>27</sup> Figures for completions across all tenures take time to finalise as they depend on a completions survey. The Council knows figures for affordable housing earlier as the housing associations let us know when schemes complete. This is why there are different years for these two outcomes.
 <sup>28</sup> The Core Strategy is a planning document that sets out how Southwark will change up to 2026 to be the type of place set out in the Southwark Sustainable Communities Strategy.
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The two main categories of affordable housing are social rented and intermediate.

- Social rented housing is homes available to rent either from the council, a
  housing association (also known as Registered Social Landlords) or other
  affordable housing providers. The allocation of social housing is based on
  housing need
- Intermediate affordable housing refers to homes at prices and rents above those of social rented but below private prices or rents. It can include part buy/part rent, key worker housing and intermediate rent housing.

# **Challenges**

## Meeting national and regional targets and policy

The Government has given a high priority to delivering 240,000 additional homes a year to 2016 nationally, and an extra 3 million homes by 2020. The London Plan sets housing supply targets for each London borough; Southwark's current target is to deliver 1,630 additional homes (net of demolitions) per year over the period 2007/08 to 2016/17, of which 50% is to be affordable. Our Local Area Agreement target was for 2,215 affordable homes for the period 2008/09 to 2010/11. A new London Plan is currently being developed.

The Council has recently agreed a new affordable housing target with the Mayor and the GLA, of 2,453 homes from 2008/09 to 2010/11. This is the gross target, including open market homebuy and empty homes returned to use. 470 affordable homes were completed in 2008/09 therefore a balance of 1,974 will be required over the remaining two years of the target. Targets beyond March 2011 will probably be established during 2010.

#### High levels of housing need

The Southwark Housing Requirements Study (SHRS) 2008 shows that the borough has a high level of need for affordable housing, and in particular larger social rented housing. The Government (through PPS3) requires documents such as Core Strategies to be informed by a Strategic Housing Market Assessment (SHMA). In 2008 Southwark commissioned Opinion Research Services to carry out a Housing Requirements Study. This informs the sub–regional SHMA, which is being carried out by the same consultants. The SHMA was commissioned by the five South East London boroughs. At the time this strategy was being written, the SHMA was approaching finalisation. Both studies look at migration in and out of the borough and the sub–region, household formation and dissolution, and who needs to move due to housing problems, using CLG methodology for carrying out such assessments.

The SHRS study found that there were around 11,300 existing households who were in housing need, that is, they were living in unsuitable housing, needed to move, but were unable to afford to pay for a solution themselves. Assuming that when any existing household moves it simultaneously creates a vacancy, the study then looks at where shortages are likely to occur, across all tenures. It allocates a housing 'destination' based on affordability in the order; owner occupation, private renting, intermediate housing and then social rented housing. So if somebody is social renting, has a high income but needs to move, the demand from this household will show up in the demand for owner occupation. It does not take account of social policy aspirations e.g. to have a mix of incomes in social housing, or residents' aspirations.

After looking at the initial results, it was apparent that Southwark's actual experience on the ground was different in a number of respects. After discussions with the research contractor and with staff of other South East London boroughs, some changes were made to the methodology, as follows:

- The CLG guidance treats as adults needing their own room any person not in a couple who is over 21 years old. However both Southwark policy and the Housing Benefit regulations use the age of 16
- CLG guidance treats any household who could afford even £1 over social rent as in need of intermediate housing. This would mean that any household with an income of, for instance, £15,400 for a 1 bed or £23,600 for a 4 bed would be seen as needing intermediate, not social housing. However there are no intermediate housing products currently available at these prices in Southwark. Using Homes and Communities Agency guidelines for intermediate rents, the point at which people could afford intermediate housing was reset to reflect current reality on the ground, and those with lower incomes than £25,900 for a one bed, or £59,000 for a four bed, were treated as in need of social housing. (There is still a problem with the availability of three and four bed intermediate housing products.)

The resulting calculations of additional housing needed by tenure and bed size using the amended methodology are shown in the table 3.

Table 3: Five year net housing requirement by housing type and size (amended methodology) addressing the backlog of need over five years – brackets represent a surplus

Havaina	T					
Housing Requirement	Market Housing	Intermediate Housing	Social Rented Housing	Total		
5-year Net Requirement						
Shared housing						
for 25 years or under	3,020			3,020		
1 bedroom	4,041	(298)	2,073	5,816		
2 bedrooms	(239)	(1,579)	1,165	(652)		
3 bedrooms	624	1,789	(284)	2,128		
4+ bedrooms	(2,380)	(775)	3,504	349		
Total	5,066	(862)	6,458	10,662		
Annual Requireme	nt					
Shared housing for 25 years or						
under	604			604		
1 bedroom	808	(60)	415	1,163		
2 bedrooms	(48)	(316)	233	(130)		
3 bedrooms	125	358	(57)	426		
4+ bedrooms	(476)	(155)	701	69		
Total	1,013	(172)	1,292	2,132		

(Source: ORS Housing Market Model, Southwark Housing Requirement Study 2008. Note: Figures may not sum due to rounding)

Social rented housing – The analysis shows a requirement for 3,504 "four bed plus" additional social rented properties, but a surplus of three beds. In reality this surplus would only materialise if all the needed four beds are provided: – if we built 3,504 four bed social rented properties the overcrowded people in three beds would move to these, the two bed overcrowded would move to the three bed etc. In reality, while we try to build larger social rented housing we will never be able to build anywhere near 701 of these a year.

It should be noted that the figures in the table are requirements for additional units, after we have provided for much of the needs of existing households. An additional problem is the creation of vacancies by the movement of existing households. In practice, looking at lettings figures, it seems unlikely that Southwark will achieve the required number of moves within the five year period.

There is a high requirement for rehousing of tenants living on estates in current and planned regeneration schemes, and some under-occupying tenants will only move if they have an additional bedroom to their assessed requirements. This means that the total requirement for social rented housing is higher than the survey indicates, particularly in the case of family sized properties. With regard to one beds, these have a higher turnover rate than other homes and Southwark feels that it can manage to provide for this need.

To summarise, there will still be a requirement for the new two beds and three bed properties, as well as a considerable need for four bedroomed (and larger) ones. These figures also highlight the need to try and create movement of under occupiers in the social rented stock to free up larger properties.

Intermediate Housing – The figures also show that there is a need for larger intermediate housing. It could be possible to look at these figures and assume there is no requirement for smaller intermediate housing in Southwark; however these properties were allocated properties based on Government guidance on the methodology, not policy in Southwark. Under the methodology households in social rented housing who can't afford owner occupation but can afford private renting and who need to move, are assigned to private renting under the model. While this Housing Strategy mentions using the private sector to meet needs (given the shortage of affordable housing), it also mentions trying to create opportunities for people to move towards home ownership through intermediate housing products. People in social rented properties are generally unlikely to move to private renting but may move towards intermediate housing products. There is normally a healthy demand for shared ownership, including properties available in other South East London boroughs. Demand has dropped in the recession but there may be a demand for intermediate rented products.

In addition, in the model the current supply of intermediate housing products includes private rented dwellings with rents in the lowest quartile (below the market rent threshold), intermediate rent housing and specialist products such as Homebuy. There has been a large increase in the buy-to-let market in Southwark over the last few years and this has created a significant one bedroom, private rented sector. These are typically lived in by smaller newly formed households or inward migrant households. Any property which falls within the lower quartile of private rents was considered as intermediate rather than market housing. The intermediate surplus exists in the form of private rented dwellings rather than dedicated intermediate housing products.

Market housing – This analysis also shows a surplus for four bed market properties. This is based on the fact that four bed properties are unaffordable to

the vast majority of the population in Southwark. If prices fall significantly in relation to incomes, more of the higher income households will be able to afford them and the surplus could well reduce.

Around 12% of Southwark households live in overcrowded conditions, with the highest proportions in Council rented homes (15%) and private rented homes (12%)<sup>29</sup>. 15% of households on Southwark's housing list require three-bedroom homes and 6% need homes with four or more bedrooms. Over recent years the majority of new homes built in Southwark have been one or two bedroom homes. In 2007/08 only 22% of new social rented properties, 2% of new intermediate housing and 15% of market housing had three or more bedrooms. Given the relatively low average income in Southwark, there is a particular need for larger affordable homes.

#### Meeting the need from our regeneration projects

Southwark has developed a 'supply and demand model' which includes details of how much new social rented housing is projected to become available each year, against how much is needed for key housing priorities. It takes account of the need to rehouse tenants currently living on estates that will be redeveloped. It is possible to enter in details of any planned regeneration schemes and see how this will affect the supply of lettings over the next twenty years. This enables interactive and locally sensitive programme decisions to address a range of competing priorities.

An inevitable consequence of the regeneration process is that some dwellings will be taken out of management for long periods of time, or demolished. During this time blocks and estates will be proactively managed to ensure safety and security.

#### Limited space for development

The north and the middle of Southwark are highly developed. There are few spaces not occupied already by either commercial or residential buildings. In some areas there is little green space and this is important to residents and plays an important role in health and well-being, so it is important to protect our open spaces. The Government requires all local authorities to identify a 15 year supply of land for housing in their area as part of their Local Development Framework; this is being done through the Core Strategy and the preparation of the Strategic Housing Land Availability Assessment (SHLAA). In addition Southwark is looking at land capacity within its estates for smaller development opportunities. As a result

<sup>&</sup>lt;sup>29</sup> Southwark Housing Requirements Study 2008 Housing Strategyv23 5 Oct 2009.doc

much of the development of new housing in Southwark involves demolishing or redesigning existing buildings.

#### The economy

Until the economic downturn, good progress was being made on affordable housing delivery. In the last few years 27% to 30% of our affordable housing programme has been delivered by section 106 agreements with developers. However, the economy has started to impact on schemes delivering affordable homes through section 106 agreements. Some privately led schemes at various stages of delivery have struggled to remain viable as the proceeds from sales of private units have reduced, putting pressure on resources for the affordable homes. Potential buyers are facing problems getting mortgages. Private housing sales may cross–subsidise the provision of affordable housing in the development so this is putting extra pressure on making schemes "stack up". This is impacting on the amount of social housing that can be developed without additional funding through social housing grant.

We have been less reliant on Section 106 schemes than other London boroughs. The majority of our affordable housing programme is still from housing association grant funded schemes which tend to have more certainty of delivery and better quality and scheme mix. The fully affordable schemes, funded through the national Affordable Homes Programme, have continued to deliver, but there is evidence of housing associations not starting as many new developments as would normally be the case, and of a reduction in the scale of schemes in which housing associations are seeking involvement. It is clear that housing associations are more cautious than previously and that this is partly to do with difficulty in raising finance, and partly due to housing associations becoming more risk averse.

The intermediate market has been particularly badly hit, due to the difficultly of applicants in obtaining mortgages for shared ownership homes. This may have an impact on the type of intermediate housing products that will be developed in the immediate future.

In the short to medium term we will focus on delivering affordable housing. The Homes and Communities Agency has brought forward significant amounts of funding for affordable housing as one among several measures to keep the house building industry going.

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<sup>&</sup>lt;sup>30</sup> The council can enter into a Section 106 agreement, otherwise known as a 'planning obligation', with a developer where it is necessary to provide contributions to offset negative impacts caused by construction and development.

#### Ensuring high and sustainable quality standards

We need to increase supply while ensuring high quality housing and creating mixed and balanced communities to avoid problems in the future. Some examples of components of poor quality housing include rooms that are too small for families, poor sound insulation, or neighbourhoods where people do not feel safe.

Southwark is committed to ensuring new housing is built to high environmental standards. To help tackle climate change, new housing must meet increasingly tough  $CO_2$  emission targets. However this can increase the cost of development.

#### Example of good practice - The MUSCo at Elephant and Castle

The regeneration of the Elephant and Castle will include implementing economically viable innovations in buildings, the generation of clean energy, waste and water management, and transportation and outdoor lighting systems. We have now set up MUSCo, a Multi-Utility Services Company, which will deliver a low carbon infrastructure to over 6,000 new homes and businesses across the entire Elephant and Castle regeneration area, one of the biggest projects of its kind in the UK. MUSCo will help the Council achieve significant carbon reduction targets as the infrastructure is extended to other estates. Elephant and Castle has been selected as one of 16 founding projects for a Clinton Climate Initiative (CCI) programme.

#### Our plans

#### To increase the supply of housing we will:

- Extend the London Plan target for Southwark-24,450 new homes (all tenures) between 2011 and 2026, approximately 1,630 additional homes (net of demolitions) per year) to 2026. (This target may change when the new London Plan is adopted, or through Southwark's Core Strategy once this is adopted in 2012)
- Provide 8558 new affordable homes between 2011 and 2026. These numbers are below the current London Plan target of 50%, reflecting the borough's strategic priority to create mixed and balanced communities. Initial indications from the GLA on our draft Core Strategy, which includes these targets, is that it is in conformity with the principles of the London Plan. The 8558 new affordable homes will be achieved by requiring developments of 10 units or more to have a minimum of 35% as affordable homes. In reality the borough may deliver higher numbers of affordable homes (pro rata) over the next few years through the partnerships it has developed as described elsewhere in this document

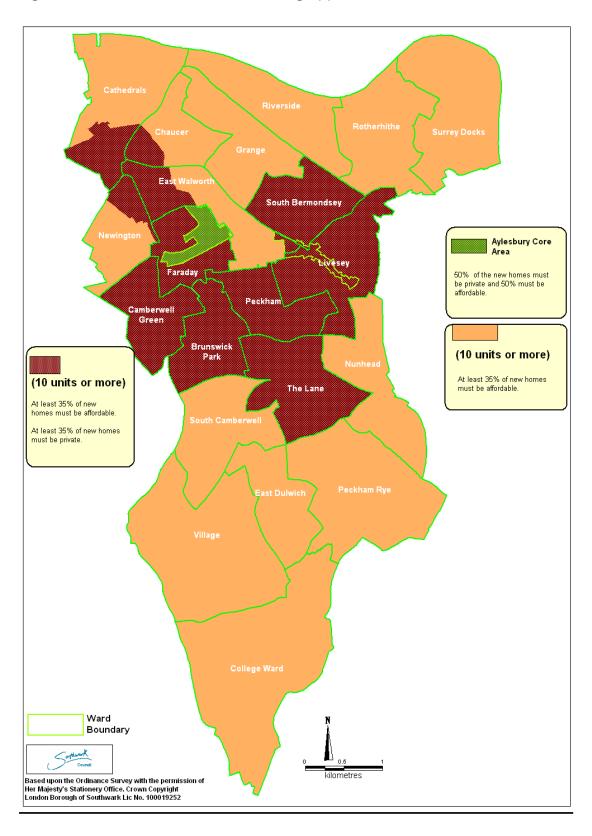
- Focus large developments in the defined growth areas. However, applications for new housing development in other areas will still be considered. By focusing housing in growth areas that are being regenerated and have good accessibility to public transport, we can contribute to protecting, our open space, the character of all the different places in Southwark, employment areas and community facilities. An overview of plans by area is included in table 4 at the end of this objective (Further information can be found in the Core Strategy.). Therefore new housing growth will be prioritised in:
  - Central activities zone
  - > Elephant and Castle opportunity area
  - > Borough, Bankside and London Bridge opportunity area
  - > Peckham and Nunhead action area
  - Canada Water action area
  - > Aylesbury action area
  - > West Camberwell regeneration area
  - > Old Kent Road regeneration area.
- Prepare area action plans for Aylesbury, Canada Water and Peckham and Nunhead. Each area action plan will include a target for how much housing will be provided within its boundary
- Prepare Supplementary Planning Documents for Borough, Bankside and London Bridge, and Dulwich. There is already an adopted Supplementary Planning Guidance for the Elephant and Castle and an adopted Supplementary Planning Document for the Enterprise Quarter (which covers part of the Elephant and Castle). These will also set out the detail of how we will increase the supply of housing
- Regenerate estates. Regeneration schemes are in progress or being considered on a number of housing estates. This is in response to a combination of factors including poor stock condition and significant investment requirements. There are also schemes where redevelopment provides a more beneficial solution than investment in the existing properties. On some large scale redevelopments there may not be 100% re–provision of social rented housing in order to achieve greater tenure mix and sustainability, and to help make the schemes financially viable. However we are increasing the supply of affordable housing in the borough overall
- Complete a strategic housing land availability assessment (SHLAA) with the GLA to identify suitable sites for development. We will also explore opportunities with residents for additional housing on existing housing developments and over shops and other appropriate areas, including the Council's 'Hidden Homes' scheme. We will allow housing to be built on

- employment or industrial sites that are no longer needed. The final Core Strategy will include a list of possible sites for housing development based on the SHLAA.
- Adopt a co-ordinated land assessment approach to ensure that all opportunities for development flow through a central asset management and investment process. This includes the 'Hidden Homes' schemes. This looks at any possible area for development and the feasibility and viability of the various options for development. It looks at potential to bring in HCA funding if required. It considers how to best package a site such as how to get the most value from it. This is then built into the supply and demand model to help inform the understanding of what housing is needed and likely to be available in future
- Maximise opportunities to use housing development to improve the health
  of residents through improving green spaces, providing spaces for
  bicycles, and providing and improving health facilities. All new residential
  development must provide an adequate amount of useable outdoor
  amenity space as detailed in the residential design standards. Children's
  play areas should also be provided if the development contains ten or more
  child bed spaces
- Maximise opportunities to use housing development to improve the surrounding infrastructure including educational facilities, community facilities and improving business support
- Give careful consideration to the needs of gypsies and travellers. The Council will endeavour to meet the targets which the Mayor of London sets for providing sites for gypsies and travellers, when these are agreed.

# To ensure a supply of new affordable housing to meet a range of needs we will:

- Endeavour to meet the revised gross affordable housing target of 2,453 over the period 2008/09 to 2010/11 that was agreed with the Mayor of London
- We will endeavour to meet the new London Plan affordable housing target of when developed by requiring a range of homes for people on different incomes.
- Developments of 10 units or more must provide a mix of types of housing as set out in Figure 6 below.

Figure 6: Private and affordable housing approach



- Secure affordable supply through a number of mechanisms, including agreeing changes to section 106 agreements, or support the use of grant from the HCA, where an economic appraisal has demonstrated that developers cannot meet their affordable housing obligations. There are two specific initiatives in development to contribute to continued supply:
  - Establishment of a framework agreement with the Homes and Communities Agency which aims to identify and, where appropriate, accelerate the creation of affordable housing in the borough over the next three years and stimulate the wider "place making" of communities within Southwark
  - Adoption of new asset management processes to give more structure to the process of option appraisal and disposal of council land assets
- Make the most efficient use of public subsidy to build developments with a very high percentage of (or wholly) affordable housing, and by securing affordable housing as part of private developments through planning agreements
- Consider applications from developers for social housing grant to
  maximise the affordable housing element in any development, subject to a
  financial appraisal, given the current economic climate. The positive impact
  of giving grant would be more control over the quality of new supply.
  However the social housing grant pot is finite. Another option to
  supporting applications for grant would be to accept less affordable
  housing as part of the scheme but focus on the quality and size of the
  accommodation being provided. This would be reviewed when the
  economy improves to ensure maximum benefit for Southwark's residents
- Use the Council's affordable housing fund to provide additional affordable homes
- Work with the HCA and with developer and housing association partners to develop a range of intermediate housing products
- Consider the potential of options such as Local Housing Companies and Community Land Trusts for delivering affordable housing. We will also consider proposals for building council housing outside of the Housing Revenue Account finance system when clearer details are provided by the Government
- Bid for private finance initiative (PFI) funding for redeveloping the
   Aylesbury Estate which would enable us to build council rented properties
   as well as intermediate and private housing
- Identify potential sites and bid for HCA Challenge Fund investment to build new council housing
- Require affordable housing (or a payment in lieu) on new student housing developments in accordance with affordable housing policy in that area.

• We will also look to balance the building of new student homes against the need for sites to meet our housing targets.

#### To increase the supply of family sized homes we will:

- Ensure developments of 10 or more units must have:
  - o Developments of 10 or more units must have:
  - At least 60% 2 or more bedrooms
  - At least 30% 3, 4 or 5 bedrooms. This must be split between private, social and intermediate housing
  - Within the Elephant and Castle Opportunity Area at least 10% must have 3, 4 or 5 bedrooms
  - o A maximum of 5% as studios and only for private housing
- Seek, through the South East London guide for housing associations and developers, at least 50% of all new affordable homes to be homes with three or more bedrooms. These schemes would attract a higher level of support. The Council will support social housing grant applications to enable affordable housing schemes to deliver a higher proportion of family homes than could be delivered without grant
- Continue the Council's programme of de-converting and extending Council owned properties to create larger family homes. During 2006 to 2009, the programme delivered 24 de-conversion and 2 extensions, all of which (with one exception) were 4 bedroom or larger. The programme for 2009/11 includes 10 de-conversions, all part funded by the sub-regional targeted funding stream, and all but two are currently on site
- Give a high priority to provision of larger homes in the 'Hidden Homes' initiative.

#### To ensure high standards of new properties we will:

- All developments will need to meet the following minimum overall floor sizes: studios 36sqm; 1 bedroom 50sqm; 2 bedrooms; 70 sqm, 3 bedrooms 86 sqm, and 4+ bedrooms 95 sqm. These are set out in the Core Strategy.
- Investigate setting targets for homes of 2 or more bedrooms for larger unit sizes than the minimum, and for more double sized bedrooms through the Core Strategy
- Seek to ensure all new homes should be built to Lifetime Homes standards<sup>31</sup>. This will make it easier to adapt homes to meet future needs, for example, in the case of mobility problems

<sup>&</sup>lt;sup>31</sup> The lifetime homes standards incorporate 16 design standards to make homes more flexible, convenient, safe and accessible so that they are more easily adapted to people's changing needs Housing Strategyv23 5 Oct 2009.doc

- Ensure at least 10% of all major new developments over ten units should be suitable for wheelchair users, where the physical constraints of the site do not prevent this. Wheelchair units must be built in accordance with the residential design standards set out in the SELHP wheelchair standard. This was adopted by Southwark Council through the Residential Design Standards SPD
- Require high energy efficiency standards for new housing development to minimise the amount of energy used and carbon dioxide emissions.
   Residential development should achieve at least Code for Sustainable Homes Level 4 as required by the Core Strategy. 32
- Encourage new development close to existing district heating schemes to connect (subject to affordability and capacity considerations), as for most larger, high density developments adoption of district heating and combined heat and power (CHP) is the most cost effective means of meeting CO<sub>2</sub> targets
- Continue to support the development of local energy generation networks, such as MUSCo<sup>33</sup> in the Elephant and Castle, and CHP through planning policies and via development of innovative schemes.

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<sup>32</sup> Full details of the various sustainability codes are explained in the Core Strategy

<sup>33</sup> Multi-Utility Service Company Housing Strategyv23 5 Oct 2009.doc

Table 4: Broad overview of the plans for areas in Southwark including the Core
Strategy targets and major regeneration schemes <sup>34</sup> (Affordable housing targets
given are for developments of ten units or more)

<u>Area</u>	Highlights for housing
Southwark	• 35% of new homes as affordable with at least 70% of the
	affordable to be social rented and a maximum 30%
	intermediate <sup>35</sup>
Elephant and	Major regeneration across 70 acres including improved
Castle	shopping, leisure, health and transport and green spaces
	A target of 4000 new homes between 2011 and 2026 is set
	out in the Core Strategy as agreed with the Mayor.
	• 35% should be affordable housing. Of the affordable
	housing provided, 50% of these should be social rented
	At least 35% should be private housing
	Housing development needs to replace the 1,100 social
	rented homes that were provided by the Heygate Estate
Borough,	A target of 1900 new homes between 2011 and 2026 is set
Bankside and	out in the Core Strategy, as agreed with the Mayor
London Bridge	Maintain historic character but create a more cohesive and
	vibrant London Bridge
	Restrictions on use of development opportunities used for
	hotel and student accommodation
	Excellently designed tall buildings in London Bridge and
	lower developments in Borough and Bankside
Canada Water	A target of 2500 new homes between 2011 and 2026 is set
and	out in the Core strategy, as agreed with the Mayor
Rotherhithe	Major regeneration to create more of a town centre
	Mixed use developments with new housing above
	More shopping, leisure, health and community facilities
	Fairly high density levels in the town centre area but less
	dense outside the core area of the Area Action Plan.
Peckham and	A target for new homes will be included in the Peckham and
Nunhead	Nunhead Area Action Plan.
	Bring accommodation above shops back into use
	Work with landowners to bring forward key sites for
	development
	Improved environment.
Aylesbury	Phased redevelopment of the whole Aylesbury Estate of

<sup>&</sup>lt;sup>34</sup> Many of the individual schemes are undergoing revisions to enable them to deliver in the

changed economic climate, these are marked with a \*

35 This 70%-30% split is justified by the increased demand for social lettings as result of the major regeneration schemes and the very low income levels in Southwark. Housing Strategyv23 5 Oct 2009.doc

	2,700 existing units to provide 4,200 mixed tenure homes over 15-20 years
	• A greater mix of housing tenures, 50% of new homes will be affordable and 50% will be private. 75% of the affordable
	homes will be social rented and 25% intermediate.
	• 30% of new homes to be family housing with particular targets for 3,4 and 5 bedroom properties
	Design excellence and quality public and private open
	spaces
	<ul> <li>The scheme, including consultation and rehousing tenants</li> </ul>
	because of the regeneration scheme, is being managed by
	Aylesbury NDC and Major Projects Department
	<ul> <li>HCA grant funding has been agreed for phase 1A. L&amp;Q have</li> </ul>
	been selected to deliver the affordable housing element
	An expression of interest for housing PFI round 6 was
	submitted in August 2008 for the phase 2 and 3 area.
Peckham,	Most of the new housing built in this area has been social
Camberwell	rented. To create more mixed and balanced communities,
Green, South	for new housing a minimum of 35% private housing will
Bermondsey,	apply as well as a minimum of 35% affordable housing.
Livesey and	
The Lane wards	
Bermondsey	Completion of the 2,000 new homes currently being
	developed. Of these 40% will be affordable with a mix of
	flats, maisonettes and townhouses
	Some existing poor condition council housing blocks are
	being demolished
	Better facilities including a nursery, playgrounds, open
	spaces, and retail
	No targets for further growth and it will no longer be an
	action area.
Elmington	Mixed tenure development of 450 - 500 units that will
Estate*	utilise vacant land created by the demolition of blocks that
Regeneration,	had developed structural weaknesses
Camberwell	Optimistic prediction to start on site in 2010, with at least
	35% of the new homes being affordable, but with
	developers or housing associations delivering, not the
	Council directly
	<ul> <li>In response to economic circumstances, the affordable</li> </ul>
	housing phase may start ahead of the market homes and
	HCA grant support may be necessary
	<ul> <li>The Elmington scheme may also be suitable for seeking</li> </ul>
	- The Eministran seneme may also be suitable for seeking

funding to go havend the 25% affordable level in the
funding to go beyond the 35% affordable level in the
framework agreement with the HCA.
A mixed tenure housing development on a cleared site
Capacity for approximately 400 homes overall
Estimated commencement of construction is 2010
A similar delivery strategy as outlined for Elmington will be
pursued.
Refurbishment and redevelopment scheme wholly funded
from capital receipts
Full refurbishment of 700 homes in existing blocks
Disposal of at least 34 existing empty properties on the
estate and conversion of unused drying rooms within
blocks to generate capital receipts
Developing on the open sites formerly occupied by
demolished blocks
Providing community facilities to meet a range of needs on
the estate and in the wider area
Given the economic climate, adjustments to the strategy are
likely, this may include a greater involvement of HCA grant
funding, and if necessary the disposal of more void
properties.

Objective 3: En	nable choice while meeting housing needs
Priorities (key priorities underlined)	<ul> <li>Enable options for renting in a high quality private rented sector</li> <li>Provide options to sustain home ownership</li> <li>Provide options to access home ownership</li> <li>Enhance social rented housing options</li> <li>Ensure the right type of housing for an ageing population, supporting independent living</li> <li>Provide support for young people to live independently</li> <li>Provide for special housing needs, supporting independent living</li> <li>Improve life chances by contributing to preventing and tackling worklessness</li> <li>Improve life chances by contributing to improving the education and skills of residents</li> <li>Improve life chances by contributing to tackling poverty</li> <li>Improve life chances by contributing to improving the health of residents</li> </ul>
Successes to date	<ul> <li>One of only 12 authorities nationally to be appointed as CLG enhanced housing options trailblazer</li> <li>Introduction of Southwark Homesearch, our straightforward choice-based lettings scheme</li> <li>163 under-occupying social housing tenants rehoused in 2008/09</li> <li>828 overcrowded households rehoused in 2008/09</li> </ul>

#### Why this objective?

We want Southwark to be a place that has good quality housing which contributes to improving the health of our diverse population at all stages of their lives. Residents' housing needs and aspirations change over time and their ability to meet their needs is constrained by income and the availability of the right housing product and/or housing services.

Southwark is a borough with very high levels of housing need in spite of the large size of our housing stock. Figure 7 shows the estimated number of households in housing need in the borough in 2008 in the Southwark Housing Requirements Study 2008 which uses CLG methodology. Table 5 shows the number of households on Southwark's housing register by assessed bedroom need for the

period 2004/05 to 2008/09. There is not an exact match between the Housing Register and the Housing Requirements Study data, but the Housing Register does give an indication of those who are actively seeking, and eligible for, social housing in the borough. The Housing Requirements Study extrapolates housing need projections on the basis of interviews with residents on their housing circumstances in all tenures.

UNSUITABILITY Tenancy/mortgage Accommodation CATEGORY under notice too expensive Harassment 1,847 7,057 Overcrowding 1,695 13,986 38,412 98 households 4,913 Lacking Sharing facilities facilities 11,878 529 2,888 4,747 Home too difficult to maintain Major Children in disrepair Support high rise flats needs

Figure 7: Established households living in unsuitable housing

Source: Southwark Housing Requirements Study 2008

Table 6: Households on Southwark's housing register by bedroom need 2004/05 to 2008/09

	Total requiring 1 bedroom	Total requiring 2 bedrooms	Total requiring 3 bedrooms	Total requiring 3 + bedrooms	Total bed size requirement unknown	Total households on the register
2004/05	7117	4022	1875	914	28	13956
2005/06	7535	4111	2036	961	26	14669
2006/07	8042	4310	2218	962	81	15613
2007/08	7201	4198	2136	893	120	14548
2008/09	7714	4543	2232	904	193	15586

Source: Housing Strategy Statistical Appendix

Table 7: Number of households on the Southwark housing register in 2009 by priority bands 1–3 and by bedroom need <sup>36</sup>

	1 Bedroom	2 Bedrooms	3 Bedrooms	4 + Bedrooms	Totals
Band 1	215	329	112	45	701
Band 2	387	409	359	277	1432
Band 3	2245	2704	1408	525	6882

Source: Southwark Council internal data

The reality is that there will never be sufficient social housing in the borough to assist everyone with a housing need, no matter how many new homes are built. We will therefore continue to prioritise the most serious types of housing need under our lettings policy. Band 1 represents the greatest level of need, with bands 2 and 3 having lower levels of priority, and Band 4 having a wish to move, but no need to move. Table 6 above shows a breakdown of the Southwark housing register for each of the priority bands (bands 1 to 3) on the housing register, by bedroom need. Applicants registered in these 3 categories have an assessed priority to move. While applicants in band 4 have a wish to move, the mismatch between demand and supply means that we are generally not in a position to assist them with social housing, but we can provide advice about finding suitable accommodation.

The table below illustrates how long applicants on Southwark's housing register who were rehoused during 2008/09 had been waiting for rehousing.

Table 8: Waiting times for rehousing by band and bedroom category in months (households rehoused 2008/09)

Band	bedsit	1 bed	2 bed	3 bed	4 bed	5+ bed
Band 1	8	3	5	5	4	19
Band 2	2	3	3	7	15	18
Band 3	12	19	24	33	33	-
Band 4	18	3	61	1	-	-

Source - Southwark Council internal housing data

We will develop and promote a range of housing options for those with a range of needs and for those on a range of incomes. We must also look to the private rented sector to address the gap. To do so, we want to work effectively with private landlords to provide good quality, settled homes which people want to live

<sup>&</sup>lt;sup>36</sup> People who are on the housing list are placed in band one, two, three, or four, depending on an assessment of need. Band one is the highest priority and band four is the lowest. This is explained further under the section on choice-based lettings.

in. We will also provide a range of advice and support to enable people to remain in their homes where they are at risk of losing them.

#### **Challenges**

The main challenge for this objective over the duration of the strategy is how to balance competing rehousing needs and priorities. The regeneration of our estates creates in the short-term a high level of demand for rehousing for tenants who have to be relocated while the improvement works take place. We also have to meet our statutory and priority housing obligations, including Government targets to halve numbers in temporary accommodation, and tackle overcrowding. Failure to address these needs would result in increased levels of homelessness, increased temporary accommodation costs with serious implications for the Council's General Fund, and the risk of increased legal challenges, with their attendant costs.

Our aim is to achieve a balance between the priority of improving our stock and creating homes and areas where people want to live, with meeting our other priority housing obligations. To assist us in this objective we are developing a supply and demand model (as described in objective 2), which will enable us to make informed strategic decisions about regeneration of our housing stock, the availability of new and existing housing supply, and the impact on other housing priorities.

We are working in partnership with the G15<sup>37</sup> housing associations to increase housing supply for homeless and other high priority housing needs. We are also developing proposals for a common housing register with local housing associations; more information is provided on our plans later in this section.

#### Housing options approach

We invested over £1m in our Homesearch housing options centre which opened in December 2007. Housing options advisers provide advice tailored to the person's individual circumstances, including: advice on retaining the client's existing home; assistance with renting a private sector property; advice on intermediate housing; and relative priority and average waiting times for social housing.

The reality is that the private sector is the most likely housing option for the majority of households who approach us for housing assistance. We therefore provide a package of financial advice and other services, such as fast-tracked housing benefit, to attract private rented sector landlords to work with us. We are

<sup>&</sup>lt;sup>37</sup> The G15 is a group of London housing associations. Housing Strategyv23 5 Oct 2009.doc

also seeking to increase the number of accredited landlords in the borough, to improve standards in the sector and to provide reassurance to prospective tenants.

Southwark is one of 12 local authorities from across the country appointed as housing options trailblazers by the Department of Communities and Local Government. We are developing an enhanced housing options approach which encompasses employment, education and training advice via the Southwark Works programme, as well as outreach housing options and debt advice services. We believe that an approach which looks at the client's needs and aspirations is more likely to lead to a positive and sustainable housing outcome.

#### **Choice-based lettings**

Our approach to meeting housing need also incorporates choice-based lettings. We introduced a choice-based lettings scheme and new lettings policy based on a simple banding system in 2005. This replaced a complex system where the prospective tenant had only limited say over where they lived and which we believe did not contribute to creating sustainable communities. The new approach has proved popular with housing applicants for its transparency and ease of use.

#### Southwark Homesearch- the choice-based lettings scheme

- The bidding telephone hotline offers the service in 14 languages
- The website <u>www.southwarkhomesearch.org.uk</u> also offers information in 14 languages, and British Sign Language. It also provides a web translation service in a range of languages
- The site has a browse-aloud facility to assist people who have visual impairment
- We mail the Southwark Homesearch magazine direct to housebound applicants
- We have a small team within the Housing Options Service who support vulnerable/disabled applicants with the bidding process
- The telephone advice line provides bidding advice to all applicants
- Over 85% of bidders use the on-line bidding facility.

#### Tackling overcrowding

As at April 2009 there were over 5,200 overcrowded households on Southwark's housing register, (3,870 using CLG's<sup>38</sup> overcrowding definition). Not all overcrowded households in the borough are registered on Southwark's housing

<sup>&</sup>lt;sup>38</sup> CLG stands for Communities and Local Government Housing Strategyv23 5 Oct 2009.doc

list as some may not be eligible to join, or may feel that they have little prospect of moving.

Southwark's Housing Requirements Study 2008 estimated that there are 13, 986 overcrowded households in the borough. The highest level of overcrowding was experienced in Southwark's own housing stock with 15% of council tenants, 12% private renters and 9% housing association renters being overcrowded.

Overcrowding has major impact on the health and wellbeing of families. Southwark's lettings policy gives priority to overcrowded households irrespective of their housing tenure, and gives additional priority to overcrowded households with additional needs, e.g. medical. Statutorily overcrowded households attract Band 1 (top) priority for rehousing. 828 overcrowded households were rehoused in 2008/09. We offer a range of financial and practical incentives to underoccupiers living in social housing to move to smaller accommodation. In 2008/09 we rehoused 163 under-occupiers under the 'Small is Beautiful' initiative, freeing up larger homes for those who need them.

We are using our CLG Overcrowding Pathfinder funding to help overcrowded social housing tenants who have voluntarily expressed a wish to move to the private rented sector. We assisted 15 overcrowded households to move to the private rented sector in 2008/09.

#### Support for vulnerable people

The Council's Supporting People Strategy sets out the framework and priorities for housing support services for vulnerable households including older people, people with mental health problems, vulnerable young people, etc. The Housing Strategy does not seek to duplicate this, but reflects the need for vulnerable people to access suitable housing and services, and sustain independent living.

We have responded to the recent decision by the Supporting People Commissioning Body to reshape the in-house sheltered housing service to provide a 'hub' based approach to meeting the housing and support needs of older people. A recent decision by the Council's Executive to invest up to £250,000 in telecare and other assistive technology will enable more people to remain in their own homes.

We recognise that changing patterns in delivery of health and social care mean that demand for the traditional models of housing for older people will continue to decline, and there are also gaps in housing provision for older people with mental health problems, alcohol problems, etc. In response to this we will develop a strategic approach to older people's housing which involves relevant partners.

We recognise that the majority of people with support needs would prefer to remain in their own homes. To minimise the need for people to have to move, we will endeavour to ensure that all new homes are built to lifetime homes standard, and 10% to wheelchair standard. We will also continue to provide adaptations to council homes and disabled facilities grants for private sector and housing association properties. We will explore the reasons for the 300% growth in demand for adaptations to housing association properties during 2008/09 with our housing association partners, as well as seek to identify sources of additional funding to meet this increased demand.

We will also continue to provide a handyperson's scheme, providing practical assistance to older and vulnerable people to enable them to remain at home.

#### Partnership working with housing associations

By 2011 we want to set up a joint housing register between the Council and a group of housing associations. A steering group is working on this. The key objectives are: equality of access irrespective of landlord or tenure; improved customer care through greater transparency and consistency for housing applicants; effective use of the choice-based lettings scheme as the process for delivery of this common approach, based on a simple classification system; housing association and the Council's highest priorities reflected in the scheme outcomes.

We are also working with SOUHAG<sup>39</sup> partners and through the sub-regional Perfect Fit scheme to promote and publicise measures to assist under-occupying housing association tenants to move to more suitable homes.

#### Sustaining home ownership

Southwark has one of the lowest proportions of home ownership in the country. The main threat to sustaining home ownership at the moment is the economic downturn. Being out of work makes it much more difficult to afford mortgage payments. Households in these circumstances are at risk of losing their home.

Council tenants who want to buy their property through the Right to Buy or Social Homebuy have to carry out detailed financial assessments to prove they would be able to afford the monthly payments in the long run. Even so, some council

<sup>&</sup>lt;sup>39</sup> SOUHAG is the Southwark housing association group Housing Strategyv23 5 Oct 2009.doc

leaseholders who bought their properties through the Right to Buy are now struggling to pay major works bills. We continue to work with these households and are able to provide a range of options for leaseholders in financial difficulty over payment of major works bills, including a low interest loan from the Council.

The Government has introduced a range of options to help homeowners at risk of repossession, including a mortgage rescue scheme. We will continue to monitor the effectiveness of these schemes and will work with housing associations to implement, where appropriate, any packages that will prevent homelessness, and encourage homeowners to seek financial advice. We will continue to provide a mortgage repossession advice and advocacy service at the County Court, through the Southwark Advice Agencies Forum.

#### Providing options to access home ownership

Increasing the amount of home ownership in the borough will help us to achieve more mixed and balanced communities. There are currently many barriers for first-time buyers wishing to access the market. Average income per household in the borough is relatively low. While house prices have fallen, many first time buyers cannot afford to buy because they are unable to raise the large deposits required to obtain mortgages. This has also had an affect on homeowners further up the chain.

We need to encourage the development of affordable and sustainable home ownership options for households on a range of incomes as detailed in objective 2. The current financial climate has led to a slowing of new properties being built but it is hoped conditions will stabilise and improve over the next couple of years. By working with partners, like housing associations, we can deliver sustainable home ownership options for single households and households with families.

The Government has created a number of products to help people into home ownership over the last few years. There are currently many schemes involving shared equity or shared ownership currently available. Whilst this enables housing associations to offer a choice of products, it can make deciding which one is best confusing and may prevent some people from thinking about home ownership. Through our knowledge of the take up of products in the South East London subregion and working in partnership with the Homebuy agent for south London, London and Quadrant Housing Trust, we will strategically target the best of these products at social housing tenants who have expressed an interest in home ownership. Some products like *Rent to Homebuy* are already proving to be more popular in London than others. If the products are taken up by existing social tenants the vacancies these households create can be used to rehouse households in need.

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Southwark Council has led the way with Social Homebuy which enables council tenants to own a percentage of their council rented property. Southwark has completed more Social Homebuy sales than any other council. This scheme allows the Council to keep all the proceeds from the sale, whilst it can only keep 25% of receipts from a Right to Buy sale. Proceeds can then be invested back into the Council's housing stock.

#### Our plans

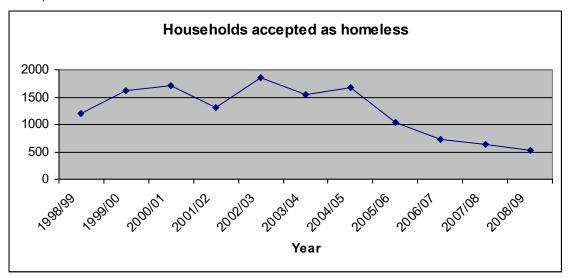
#### To enable choice while meeting housing needs we will:

- Maximise the use of the private rented sector through effective regulation, and by providing a range of incentives to good landlords and assistance to prospective tenants
- Continue to give high priority, practical and financial assistance, to underoccupiers to move to a more suitable home
- Provide assistance with accessing employment, education and training opportunities as part of our enhanced housing options trailblazer programme
- Expand our choice-based lettings scheme to include disability and adapted homes
- Explore proposals for a common housing register with housing associations, maximising the use of all social housing in the borough by 2011
- Provide floating support, disabled facilities grants and adaptations, and other measures such as 'Handy Persons' schemes to enable vulnerable tenants to remain in their homes
- Develop a co-ordinated approach to older people's housing
- Review Southwark's sheltered housing provision to ensure it meets the needs of those with higher support needs (mental health/alcohol misuse etc.) and expand provision of extra care sheltered housing
- Give a higher priority through the economic downturn to supporting people to maintain home ownership while continuing to try to enable more people to take up home ownership options where they can afford it.

Objective 4: Prevent homelessness and r	educe the use of temporary
accommodation	

accommodatio	<u>on</u>
Priorities (key priorities underlined)	<ul> <li>Maximise opportunities for homeless prevention</li> <li>Reduce the use of temporary accommodation</li> </ul>
Successes to date	<ul> <li>As a result of reshaping our services to move from a crisis intervention to a homelessness prevention service, homelessness acceptances have reduced from 1,703 in 2000/01 to 522 for 2008/09 (see figure 8 below)</li> <li>Temporary accommodation numbers peaked at over 1,300 households in 2006/07, but then fell to 1,161 households in 2007/08 and 909 in 2008/09</li> <li>Southwark were regional champions for London for our multi-agency, 'whole systems' approach to tackling youth homelessness in 2008/09</li> <li>Nil use of bed and breakfast for homeless 16/17 year olds other than in an emergency achieved in 2007 in advance of the 2010 target and has been sustained, down from a high level.</li> <li>689 homeless and potentially homeless households assisted with accessing accommodation in the private rented sector via our Housing Options service in 2008/09</li> <li>Homelessness due to domestic violence reduced due to successful multi-agency working and innovative service provision. 156 households were accepted as homeless for this reason in 2004/05. This had reduced to 41 by the end of 2008/09</li> <li>Southwark Council was awarded £95,835 for 2009/10 from the Migration Impacts Fund to tackle rough sleeping and anti-social behaviour amongst A10 migrants.</li> </ul>

Figure 8: Number of households accepted as homeless during 1998/99 to 2008/09



#### Why this objective?

Homelessness is damaging to individuals, to families, and to society as a whole. We also believe that homelessness is often preventable if given the opportunity to intervene early. Our aim is to implement a long-term, sustainable approach to tackling homelessness which is integrated with our housing options approach.

We give a high priority to preventing homelessness wherever possible. This will reduce the requirement for the temporary accommodation which is used to house homeless people awaiting an assessment, and those for whom we have a statutory responsibility to find settled accommodation.

In recognition of the impact of homelessness on the lives of our residents we have incorporated two of the Government's homelessness targets into our Local Area Agreement:

- To halve the number of households in temporary accommodation by 2010
- To eliminate the use of bed and breakfast for 16/17 year olds other than in an emergency.

Although Southwark has made considerable progress in tackling homelessness there are a number of challenges and emerging issues facing us.

#### **Challenges**

#### Meeting temporary accommodation targets

In recognition of the difficulties of achieving the target to halve numbers in temporary accommodation at the same time as meeting our targets to regenerate our estates, Southwark has been granted an extension to the target by CLG until December 2010. Our target is to have no more than 458 households in temporary accommodation by December 2010. We have made reductions in our temporary accommodation population over the last year and a half, which had initially risen, as anticipated, after the introduction of our new lettings policy and choice–based lettings. Numbers in temporary accommodation increased to 1,367 at the end of December 2007 but reduced to 909 households as at the end of March 2009, against a year end target of 990. However sustaining this progress could become increasingly difficult should homelessness presentations increase as a result of the economic downturn.

#### Uncertain future for CLG homelessness grant

A significant proportion of our homeless prevention initiatives are funded through CLG homelessness grant, particularly the Finders Fee scheme- which provides financial assistance to homeless and potentially homeless households to secure accommodation in the private sector. Southwark has been very successful in assisting such clients through this initiative, with 689 households taking up this opportunity during 2008/09. The long-term future of this grant is uncertain.

#### Challenging targets on rough sleeping

The Government's new target to reduce rough sleeping to as close to zero as possible by 2012 also presents a challenge. After an initial reduction, and then broadly stable rough sleeping numbers, 2008/09 saw an increase in rough sleeping from A10<sup>40</sup> and other European nationals. However there is some additional funding associated with this target, and Southwark will be using its allocation to prioritise early intervention and prevention of rough sleeping, working in partnership with St Mungo's, Manna Society, St Giles Trust and others.

<sup>&</sup>lt;sup>40</sup> The A10 states are Poland, Lithuania, Latvia, Slovenia, Slovakia, the Czech Republic, Estonia and Hungary, Romania and Bulgaria.

#### The end of Supporting People fund ring-fencing

Following the Government's decision to end the ring–fencing<sup>41</sup> of Supporting People budgets, it is likely that Supporting People eligibility criteria will be more closely aligned with those for health and social care. This could reduce the supply of supported accommodation for vulnerable homeless people who have lower needs than those required for social care, but who may still be owed a statutory homeless duty. There have also been cuts in Southwark's Supporting People budget and further cuts are expected in 2010/11. Any increase in the provision of temporary accommodation for vulnerable households would have to be funded through the Council's General Fund. We will work closely with colleagues in Supporting People and service providers to minimise any impacts on vulnerable households.

#### Changes to the temporary accommodation subsidy regime

There are also planned changes to the temporary accommodation subsidy regime, which will impact on the Council's private sector leasing and bed and breakfast schemes. The implications of these changes are currently under consideration.

#### Ensuring a sustainable approach

Through changes in our lettings policy, investment in our housing options approach and homelessness prevention initiatives, we are trying to change any perception that a homelessness application is a fast-track to a social housing tenancy. In the longer term, we want to ensure that homeless people, and those at risk of homelessness, have access to education, training and employment services which will reduce their risk of homelessness in the future, as well as improving their prospects and those of their families.

#### Example of good practice

Tackling domestic violence- our sanctuary scheme

In the past four years over 200 victims of domestic violence, rape and homophobic hate crime have been assisted to remain in their homes in safety via the Southwark sanctuary scheme run by Victim Support Southwark. Comparisons with other London and sub-regional sanctuary schemes show that Southwark's scheme is unique in combining integrated risk assessment, practical measures to make the home safer, and support and advice services provided by Refuge's floating support service for victims of domestic violence commissioned by Supporting People.

<sup>&</sup>lt;sup>41</sup> Ring fencing is where the use of resources is restricted for a specific purpose Housing Strategyv23 5 Oct 2009.doc

#### Our plans

To prevent homelessness and reduce the use of temporary accommodation we will:

- Provide a range of housing options and homeless prevention initiatives, including financial assistance for clients to access the private rented sector
- Engage with housing associations in strategic working to prevent homelessness, including exploring the G15 housing associations'42 homelessness offer to the borough in more detail
- Working with the South East London housing associations preventing homelessness group
- Continue to prioritise overcrowded households under the Council's lettings policy as overcrowding is a cause of homelessness
- Provide a range of support and housing options services for victims of domestic violence, including a sanctuary scheme for those who wish to stay in their home safely
- Prevent homelessness due to rent or mortgage arrears through providing a range of advice and support
- Provide tenancy sustainment services for those at risk of losing their homes
- Provide integrated prevention, assessment and support services for young homeless people, and those at risk of homelessness
- Develop schemes to convert temporary accommodation into settled accommodation
- Become part of the South East London settled homes initiative to produce more long-term homes for homeless families
- Involve service users in the development of homeless services
- Ensure that homeless and potentially homeless households have access to education and support services as part of our housing options trailblazer work, and the planned development of an Employment Academy by partner agency Thames Reach
- Continue our successful qualifying offers initiative which provides settled private sector homes managed by housing associations for homeless households
- Work in partnership with Children's Services to prevent youth homelessness
- Work pro-actively to minimise any impact on vulnerable homeless people as a result of changes in the Supporting People regime
- Tackle rough sleeping through working in partnership with a range of providers, prioritising early intervention and prevention.

<sup>&</sup>lt;sup>42</sup> The G15 is a group of London housing associations Housing Strategyv23 5 Oct 2009.doc

## 3.0 Resourcing the Strategy

#### The Council's housing investment programme

The housing investment programme sets out what resources we think will be available to the Council over the next seven years and how we will allocate them to key areas including:

- Meet the target of delivering the Southwark Decent Homes Standard to Council tenanted stock
- Our commitment to major regeneration schemes, and major schemes within the Housing Revenue Account (HRA<sup>43</sup>)
- Improving the condition of private sector homes where possible
- Reducing the number of empty homes in the borough
- Area renewal for both Southwark's, and private, stock
- Contributing to building new affordable homes, through the 'Hidden Homes' programme, affordable housing fund, and potentially, new build council housing
- Maintain other types of accommodation such as temporary accommodation hostels, sheltered housing and travellers' sites.

The resources available to the housing investment programme are a combination of grant and supported borrowing from the Government and Southwark's own resources i.e. capital receipts and a revenue contribution to the HRA. It should be noted that the Government has announced its intention to dismantle the current system of financing council housing and replacing this with a devolved, self–financing system under which authorities would retain all rent and housing capital receipts, and all council housing debt (£18 billion), would be redistributed across councils in England on a one–off basis according to a formula. However these proposals are currently insufficiently developed to assess the implications for Southwark at this stage.

The largest part of the programme is delivered through the HRA as investment to the Council's stock, resourced through both capital and revenue contributions. A new base-case review of the resource allocations and investment needs will be carried out in 2009, on completion of the new stock condition survey update. This will look at the resources needed for commitments including the Southwark Decent Homes Standard, the major schemes and the Council's landlord obligations. We will look at how to achieve a balance between revenue spending

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<sup>&</sup>lt;sup>43</sup> The Housing Revenue Account (HRA) is the Council's landlord account and is 'ring fenced' for this purpose. Income to the HRA is mostly generated by the rents and service charges paid by tenants and leaseholders, while expenditure is on the management and maintenance of the Council's housing stock

and investing in improvements to the stock; with this level of investment prioritised against the delivery of our major schemes, where Southwark has to use its own resources.

The smaller part of the programme is non-HRA investment, funded through the General Fund (GF) and government grant, such as disabled facilities grant.

The strategy for determining allocations to our investment needs is determined by:

- The Council's Corporate Plan identifying both government and corporate priorities such as Decent Homes
- The Council's capital investment strategy which sets the framework for allocation of capital resources across the whole council and is geared to delivering the Corporate Plan priorities. The capital programme is reviewed by the Executive on a six monthly basis
- The Council's asset management plan which ensures best value for money for all the Council's assets, including both a capital and revenue assessment of our property to achieve 'best considerations'
- Priorities within our Housing Strategy and resource allocation through the housing investment programme group, linked to outcomes and outputs.

The Council's Decent Homes Review was agreed by the Council's Executive in April 2008. It revealed that we do not have enough resources to meet all the investment needs of our stock and the aspirations of our residents. We therefore need to maximise resources available by:

- Making bids to the HCA for funding to deliver our major schemes; this could also include access to grant for the direct provision of affordable housing through the HRA.
- Lobbying Government and the GLA to fund key areas of work such as delivering Southwark's Decent Homes Standard.
- Arguing for a positive impact for Southwark in relation to the of the housing subsidy review via the current consultation process, and potentially linked to this – lobbying government in relation to the level of grant allocated to Southwark.
- Supporting bids by our partner Registered Social Landlords to develop affordable housing
- Development of an asset review board to assess both the maximisation of capital receipts from our assets and consideration of wider priorities within both the Corporate Plan and this Housing Strategy
- Using the Council's capital allowance to re-invest 100% of receipts within regeneration areas and the Council's stock

- Sale of some stock, including through social homebuy to raise receipts
- Efficiency savings where possible through the delivery of the investment programme.

#### Key issues and risks

The 'single conversation' is the process that authorities now have with the HCA about stock investment and delivery of affordable housing. This includes:

- The potential ability for local authorities to access grant to build
- The recent changes brought about by the credit crunch will have severe implications in relation to investment in Southwark
- Bridging funding gaps to deliver our major schemes
- Capital receipts expected from our major schemes that are likely to be both reduced and delayed which may have a direct impact on the delivery of the housing investment programme and delivery of our Southwark Decent Homes standard.
- The ability to raise receipts from the sale of stock to fund both the Southwark Decent Homes Standard and the Hidden Homes Strategy.
- Continuation of the supported borrowing element to deliver the Decent Homes programme beyond 2010/11
- Adverse consequences of any review of public spending through the comprehensive performance review
- Ability of the construction industry to gear up to any market changes.

Housing investment programme 2009 to 2016 – The tables below set out the funding we anticipate and the housing investment programme for the next seven years. The programme is reviewed and updated regularly.

Table 9: Investment programme – indicative resources (£m) – (Sept 2009 estimate)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Resources for HRA							
Credit approvals	12.526	12.526	0	0	0	0	0
Grants & contributions	8.009	1.260	0.310	0	0	0	0
Capital receipts	29.014	21.727	35.656	36.100	43.040	12.000	10.000
Major repairs allowance	33.478	47.080	36.763	38.302	38.660	39.046	39.437
Revenue contributions	16.526	17.211	13.683	13.698	13.715	14.081	14.161
Resources for non-HRA							
Affordable housing	0.915	0.915	0.000	0.000	0.000	0.000	0.000
Private housing renewal	6.913	6.056	4.300	3.515	3.515	3.515	3.515
Travellers sites	0.300	0.465	0.002	0.828	0.000	0.000	0.000
Total	107.682	107.242	99.140	92.443	98.930	68.642	67.113

#### Notes to indicative resources table

- Credit approvals the expected allocation of credit approvals made on a formula basis annually by GLA/CLG, mainly for bringing council homes up to the Decent Homes Standard, is unconfirmed beyond 2011, so not included beyond 2010/11.
- Grants -includes some government grants, energy grants from partners, and the council's affordable housing fund
- Major repairs allowance allocated on a formula basis by government for spending on council homes only
- Revenue contributions all HRA contributions. This includes approximately £7 million per year allocated to external decorations which may be used partly as a contribution to the investment programme and therefore needs to be taken into account
- Capital receipts includes receipts from land sales associated with schemes within the programme, and capital receipts allocated from the council's pooled receipts

Table 10: Investment programme – indicative allocations (£m) – (Sept 2009 estimate)

estimate/							
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Allocations for HRA							
Major regeneration schemes	35.970	33.685	40.154	4.515	4.115	4.306	4.306
Receipts to be allocated	0	0	0	30.400	40.100	9.5	8.00
Decent homes	40.000	40.000	40.000	40.000	40.000	40.000	40.000
Individual properties	5.055	4.000	3.500	2.500	2.500	2.500	2.500
Landlord obligations	13.307	17.836	8.280	7.200	7.200	7.200	7.200
Other	5.150	4.207	2.818	3.799	1.415	1.415	1.415
Allocations for non-HRA							
Affordable housing (RSLs)	0.915	0.915	0.000	0.000	0.000	0.000	0.000
Travellers sites	0.300	0.466	0.018	0.828	0.000	0.000	0.000
Private housing renewal	6.914	6.056	4.300	3.515	3.515	3.515	3.515
Total	107.611	107.165	99.070	92.757	98.845	68.436	66.936

Notes to indicative allocations table:

- Major regeneration schemes the largest part of this allocation is accounted for by schemes on East Dulwich, Friary and Elmington estates and contributions to major projects such as Heygate and Aylesbury.
- The Council is anticipating significant capital receipts to be available from 2012. At the point of confirmation these receipts will be allocated to our Decent Homes programme and also major schemes -e.g. Aylesbury, subject to the relevant decision-making processes
- Decent Homes the bulk of the allocation is for works to meet Southwark's Decent Homes Standard, and other programmed priority works. External decorations works are included in some contracts

- Schemes on individual properties the bulk of the programme is for the major voids<sup>44</sup> programme, works to acquired street properties and the capital element of the adaptations programme
- Landlord obligations the largest part of the programme is accounted for by lifts replacement and refurbishment, rewiring in tenants' homes and communal areas, heating improvements and replacement and tank/tank room refurbishment and replacement
- Housing renewal this covers grants for improving private sector housing (including disabled facilities grants), housing group repair schemes and environmental works in renewal areas
- Affordable housing The 'sequential' test must be applied to the provision of affordable housing. In most cases affordable housing must be provided on–site. Where the developer demonstrates through a financial appraisal that this is not viable, then the affordable housing may be provided off–site. Where this is also not viable, as demonstrated through a financial appraisal, the affordable housing will be made as a payment in lieu.

Ongoing issues – Meeting Southwark's Decent Homes Standard for all Council tenanted stock is a key priority for the council. Capital receipts are key to the delivery of this priority, however with the current market conditions (2009), a number of our assumed receipts from major schemes have been delayed, and potentially reduced. New receipts however will be identified from the sale of some of our assets, both land and stock. At the time of writing, the implications of the tragic fire at one of the Council's blocks in Camberwell, which was built in 1959, have not been fully assessed. What will come out of the strategic decision on the future both of this block, and potentially any similar blocks, within Southwark will have a direct impact on the investment programme.

#### Delivering the investment programme

The Council reports to Communities and Local Government (CLG) each year on our performance in delivering the housing investment programme<sup>45</sup>. A range of measures are in place to ensure delivery of the investment programme including reporting to the Corporate Capital Programme Group, management through the Investment Programme Group (IPG) and individual programme monitoring. The IPG's members are from the key areas of programme delivery for both the HRA and GF housing schemes and Financial Management Services. The IPG has strategic responsibility for monitoring, and ensuring delivery of the investment programme.

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<sup>&</sup>lt;sup>44</sup> Major voids describes those empty council homes which need significant investment

<sup>&</sup>lt;sup>45</sup> This is information included in the annual Housing Strategy Statistical Appendix (HSSA). Copies of recent HSSAs are on the council website.

#### New affordable housing programme

Social housing grant – The biggest source of funding for new housing is allocated as social housing grant to housing associations by the Homes & Communities Agency (HCA) through their National Affordable Housing Programme. The council works closely with the HCA including holding a quarterly "single conversation" to discuss existing and future affordable housing programmes and priorities for investment. Currently our priorities are for larger homes, our regeneration areas and housing for vulnerable people which meets the priorities of Southwark's Supporting People Strategy.

With the boroughs of Bexley, Bromley, Greenwich and Lewisham we agreed broad investment priorities for the south east London sub-region with the Housing Corporation (as it was known at the time). However, ultimately the HCA's resources will be directed to schemes which are deliverable. Southwark has a good track record for deliverable schemes. This is because joint working between housing and planning officers has put robust enabling structures in place to ensure affordable housing schemes are ready to go on site as soon as funding becomes available. As a result, in recent years Southwark has benefited from around £30 million annual investment from the HCA and we are assuming similar levels of investment in future as we still have development opportunities in the borough.

Section 106 agreements – Affordable housing can also be secured as part of private developments through planning agreements known as Section 106 Agreements. Until recently, we had been successful in delivering an increasing number of affordable homes through planning agreements without the need for public subsidy, leaving public subsidy to generate new affordable housing elsewhere. However, in the current economic climate social housing grant has been allocated to schemes where it has been shown by an economic appraisal that the schemes need public subsidy to deliver the required levels of affordable housing. This will be kept under review as the economy revives.

#### We are:

- Working in partnership with the HCA to ensure the development of affordable housing is kept buoyant in the current economic climate and address potential availability of HCA resources in the next funding cycle
- Working with our developing housing association partners to ensure the quality of new affordable housing units
- Looking at barriers to people accessing intermediate housing and options for increasing the flexibility of this tenure, so that it can continue to contribute to diversity in the provision of affordable housing.

# 4.0 Delivering the strategy

We will measure our progress against the key strategic objectives and priorities through the key measures of success in the table below. These will be monitored via the Southwark Housing Strategic Partnership and through the Annual Monitoring Return. These success criteria will be reviewed and updated as necessary on an annual basis.

Sustainable Communities Strategy – Southwark 2016 objectives: Improving individual life chances, making the borough a better place for people, and delivering quality public services.

**Southwark Housing Strategy – Vision:** To improve residents' lives by providing high quality homes and housing services that promote successful and inclusive communities.

Vov strategie priorities				
Key strategic priorities	Our success criteria			
Making the borough a	<ul> <li>Increase customer satisfaction with the Council's</li> </ul>			
better place for people	landlord services to 65% by 2010, and increase			
(Sustainable	satisfaction levels beyond this			
Communities Strategy)				
Provide high quality	Conduct a strategic housing land availability			
homes in attractive	assessment (SHLAA) - 2009/10			
environments,	Provide homes that are affordable on a wide range of			
particularly in our growth	incomes and monitor through the Annual Monitoring			
areas	Return			
(Core Strategy)	Provide a choice of homes in different areas			
Providing high quality	Provide different amounts of new affordable and			
homes and housing	private homes in different areas to increase tenure			
services that promote	mix, including:			
successful and inclusive	<ul> <li>35% minimum affordable housing on all major</li> </ul>			
communities	developments			
(Housing Strategy vision)	<ul> <li>Minimum of 35% private housing in specific</li> </ul>			
	wards with high concentrations of affordable			
	housing			
	<ul> <li>Maintain the existing 70% social rented/30%</li> </ul>			
	intermediate affordable housing split in most			
	of the borough			
	Develop effective site appraisal tool 2009/10			

Objective 1: Improve the qu	ıali	ty of existing housing and use it more efficiently			
Bring council homes up	•	Carry out works to bring 2000 council homes a year			
to the Southwark Decent		up to the Southwark Decent Homes standard, over			
Homes Standard		the next 5 years			
Use existing assets better	•	Develop a robust programme for under-utilised HRA			
to meet changing needs	assets, linked to the SHLAA, including delivery of at				
		least 12 'Hidden Homes' in 2009/10 and 30 in			
		2010/11			
	•	Minimum of 160 under-occupying tenants assisted			
		to move to a smaller home per annum			
	•	Identification of HRA sites for development			
Bring empty homes back	•	The number of non-local authority (LA)-owned			
into use		vacant dwellings returned to occupation- 130 per			
		annum <b>(LAA local target).</b>			
	•	Reduce void turnaround in council homes to 30 days			
		(2009/10), and below this in subsequent years			
Improve the energy	•	(See also Southwark Decent Homes target)			
efficiency of homes in all	•	Provide loft and cavity wall insulation to 14, 000			
tenures		council homes over the period 2009/10-12			
	•	The number of private sector dwellings within which			
		a category 1 excess cold hazard is removed per			
		annum of 150 in 2009/10, 160 in 2010/11 and 170			
		in 2011/12 subject to review at the end of year 1.			
Improve and maintain the	•	Establish private sector housing steering group and			
quality of private housing		develop private sector Housing Strategy			
Ohiostiva 2: Ingress the se	•	Hold an annual private landlord forum			
Objective 2: Increase the su Increase the housing	• ddr	1,630 new homes (all tenures) per annum- (LAA			
supply, particularly of	•	target NI 154)			
family sized homes	•	2,215 affordable homes (2008/09–2010/11) (LAA			
, , , , , , , , , , , , , , , , , , , ,		target NI 155)			
	•	2,453 gross supply of social housing 2008/09-			
		2010/11 ( <b>GLA new target)</b>			
	•	Developments of 10 or more units must have:			
	0	At least 60% 2 or more bedrooms			
	0	At least 30% 3, 4 or 5 bedrooms. This must be split			
		between private, social and intermediate housing			
	0	Within the Elephant and Castle Opportunity Area at			
		least 10% must have 3, 4 or 5 bedrooms			
	0	A maximum of 5% as studios and only for private			
		housing			
	•	10% of new homes developed to full wheelchair			

	standard
Objective 3: Enable choice	while meeting housing needs
Enable options for renting in a high quality private rented sector	<ul> <li>Participation in the London Landlords Accreditation scheme, and provision of incentives and support to accredited landlords</li> <li>Provision of support to enable high priority housing applicants to access or retain private rented sector tenancies</li> <li>Enforcement action against bad landlords where other measures have failed</li> </ul>
Provide options to sustain home ownership	<ul> <li>Provide financial appraisals for applicants for shared ownership, social home buy and right to buy schemes</li> <li>Provide housing advice and a range of options for home owners at risk of repossession</li> <li>Develop range of affordable intermediate housing products</li> </ul>
Improve life chances by contributing and tackling worklessness	<ul> <li>Provide advice on employment and training as part of enhanced housing options approach</li> <li>Provide employment, education and training advice to homeless young people as part of the integrated youth homelessness team</li> <li>Enable local labour and training schemes through partnering contracts</li> <li>Support partner agency Thames Reach in their development of a local employment academy</li> </ul>
Enhance social housing options	<ul> <li>Southwark and partner housing associations to develop proposals for a common housing register – 2009/10</li> </ul>
Ensure the right types of housing for an ageing population, supporting independent living	Develop older people's housing strategy 2010/11
Objective 4: Prevent homel	essness and reduce the use of temporary accommodation
Maximise opportunities for homeless prevention	<ul> <li>Provide a range of options and advice to prevent homelessness</li> <li>Nil use of bed and breakfast for homeless 16/17 year olds other than in an emergency (LAA-local target)</li> <li>Reduce rough sleeping to as close to zero as possible by 2012</li> </ul>
Reduce the use of	Halve the number of households in temporary

temporary	accommodation by December 2010 (LAA target NI		
accommodation	156)		
	Work in partnership with housing associations to		
	implement the G15 homelessness offer		

## APPENDIX 1: Membership of the Southwark Housing Strategic Partnership

Membership of the group as at September 2009:

Southwark Council	Annie	Shepperd	Southwark Council	Chief Executive
Southwark Council	Kim	Humphreys	Southwark Council	Executive Member for Housing
Southwark Council	Simon	Bevan	Southwark Council	Planning and Transport Policy Manager
Southwark Council	Maurice	Soden	Southwark Council	Head of Housing Strategy and Regeneration
Housing Associations	James	Godson	Guinness Trust	Area Development Manager
Housing Associations	Sandra	Skeete	Peabody Trust	Customer Services Director
Housing Associations	Duncan	Howard	Southern Housing Group	Director
Housing Associations	Jacquie	Agyemang- Johnson	London & Quadrant Housing Trust	Development Manager
Housing Associations	Vacant		Supported housing rep	
Housing Associations	Neil	Mawson	Metropolitan Housing Trust	Assistant Director Regeneration
Housing Associations	John	Schofield	Family Mosaic	Director
Private Landlords	Martin	Skinner	Nice Group	Director
Private Landlords	Mary Ann	Pearce	National Landlords Association	Representative of National Landlords Association
HCA to be confirmed				
Council tenant rep	lan	Ritchie	Southwark Group of Tenant Organisations	Member of Tenant Council
Leaseholder rep	John	Nosworthy	Leaseholder representative	Home Owners' Council
Private sector	Ben	Clarke	Private sector tenant	Private sector tenant
Voluntary sector	Chris	Sanford	Community Action Southwark	Chief Executive