

## 11,000 new council homes Frequently asked questions

The council has made an unprecedented commitment to building 11,000 new council homes by 2043, with 1,500 delivered by 2018, to help meet the existing and future demand for council housing in the borough. The following is a list of answers to the most commonly asked questions from residents.

### General questions

#### Why is the council building 11,000 new council homes?

In 2013 we asked residents across the borough about the future of council housing in Southwark; an overwhelming majority of the residents we spoke to wanted the council to build more genuinely affordable homes.

In 2014, in response to residents' views, our large housing waiting list and the predicted increase in the borough's population, we pledged to build 11,000 new council homes by 2043. It's one of the most ambitious building plans in the UK and we are determined to lead the way in London.

#### Where will the new council homes be built?

Starting in January 2015, the council will be launching a borough-wide consultation asking residents to suggest sites where new council homes could be built.

All existing council estates are considered as potential sites for new homes. Each potential site will need to be carefully assessed for suitability and extensive consultation with residents will take place in advance of any decisions being taken.

As 1,500 new council homes will be delivered by 2018, a number of sites have already been identified, with work on-going, about to begin or nearing completion. Public consultation with local residents has taken place on all schemes where work is underway, and this process will be guided by the Charter of Principles for new schemes starting from January 2015.

Further information on locations where new council homes are already being developed can be found at

[http://www.southwark.gov.uk/info/200538/new\\_homes\\_delivery](http://www.southwark.gov.uk/info/200538/new_homes_delivery)



## **Will the council still continue with the Warm, Dry, Safe (WDS) programme of investment in its existing council homes?**

Yes, the WDS investment will continue, the council has already committed to investing £326 million to make every council home warm, dry and safe. £180million has been spent so far with 9,000 homes having benefitted.

The first stage of WDS focused on the externals of our buildings – e.g. windows, doors and roofs. The next stage will include internal investment such as new bathrooms and kitchens where kitchens are older than 20 years and bathrooms older than 30 years. This work is separate to the building of 11,000 new homes and will continue. More information can be found here:

[http://www.southwark.gov.uk/info/200510/major\\_works](http://www.southwark.gov.uk/info/200510/major_works)

## **Resident involvement**

### **What is the Charter of Principles?**

From 15 August to 13 October 2014, the council consulted with residents on a 'Charter of Principles'. The principles are a set of promises on how the council will involve residents when planning and building new homes.

Over 2000 residents responded, 90% of who supported the principles.

More information on the Charter of Principles can be found here

[http://www.southwark.gov.uk/info/200539/get\\_involved/3716/charter\\_of\\_principles](http://www.southwark.gov.uk/info/200539/get_involved/3716/charter_of_principles)

### **What is the Future Steering Board (FSB)?**

The FSB is a group of council tenants and homeowners appointed by tenant and homeowner councils to act as an independent check and critical friend on our plans to build new homes and invest in our existing ones.

### **How can I suggest an area or site for the council to build new homes on?**

You can highlight a site on our interactive map of the borough. The interactive map also lets you see where the council's existing homes are, where building is underway and areas where new homes are planned.

There will also be a chance for residents to suggest sites in person at one of the many consultation events across the borough.



The interactive map can be accessed here <http://southwark.communitymaps.org.uk/>

A list of the consultation events taking place can be found here [http://www.southwark.gov.uk/info/200463/community\\_conversations](http://www.southwark.gov.uk/info/200463/community_conversations)

### **Will tenants and council homeowners be treated equally?**

Council tenants and council homeowners will have the same opportunities to get involved and make their views known.

Please note there are some issues where the law states we must consult with council tenants and council homeowners differently - for example the council has a legal duty to consult council homeowners on certain charges they, but not tenants, are required to pay and this legal process will continue alongside other forms of consultation.

### **How will I be kept informed about the programme?**

The council will provide all residents with regular updates via the council's website, email newsletters and outreach events.

For residents who are directly affected by a development the council will communicate at a local level in a way agreed with local residents or groups as set out in the Charter of Principles.

### **If you are developing on my estate, how can I ensure my views are taken into account?**

As set out in the Charter of Principles, the council is committed to putting residents at the centre of its house building programme both when seeking sites for development but also when designing and building the new homes. During this process, residents will also have the opportunity to raise concerns about any potential sites or proposals.

If you live on an estate where the council is building new homes, we will provide regular updates to residents through a variety of means.



## About the new homes

### Will the new homes be let at council rent or target rent?

All new council homes will be let at target rent; this will reflect the increased level of investment and quality of the new home.

### What does 'council rent' mean?

Council rent is the current level of rent paid by council housing tenants. Until recently it was increased annually to get it in line with 'target rent' (see below). The average Southwark council rent is £99.07 though this varies across properties sizes with average rent for a 1 bed at £81.06 and £114.06. The council has agreed to keep council rents low in the borough by only increasing these by inflation plus one per cent.

### What does 'target rent' mean?

The previous government introduced 'Target rent' as a means of ensuring that, over time, rent charged for a social housing property in a given area (e.g. a local authority area) was consistent across all social housing – so, for example, councils and housing associations would charge a similar level of rent for a similar size and type of property.

As Southwark Council properties have had historically low rents, the average council rent is still lower than 'target rent'. The average council rent for a 2 bedroom property in Southwark is £99.37p/w whereas the average target rent for a 2 bed is £107.41.

The government's intention was to see council rents increased each year until they 'converge' or 'meet' the target rent level.

However, in Autumn 2013, the Government suggested councils stop gradually increasing all tenants' council rents until they meet 'target rent' levels, instead that all new lets be rented straight at 'target rent' levels.

### What does 'affordable rent' mean?

Affordable Rent is a level of rent for council or housing association housing introduced by the Government. It means the rent charged can be anything up to 80% of the local market rent. The council thinks that rents set at 80% of the market rate are not affordable for most people living and working in the borough.



## What does 'affordable housing' mean?

Affordable housing is intended to meet the needs of households whose incomes are not enough to allow them to buy or rent at market rates in their borough.

There are three types of affordable housing:

- **Social Rented Housing** is housing that is available to rent either from the council or a housing association.
- **Affordable Rent housing** is similar to social rented housing but a rent of up to 80% of the local market rent can be charged.
- **Intermediate housing** is housing at prices and rents above those of social/affordable rented but below private housing prices or rents. It can include shared ownership (part buy/part rent), key worker housing and intermediate rent housing.

## Who will get the new homes? Will people who have been on the waiting list for along time get priority?

At least half of the homes built will be let via local lettings agreements. The remaining new homes will be allocated in the normal needs based way all Southwark council homes are – e.g. through the council's choice based lettings system – Homesearch

## What are local lettings?

Local lettings agreements allow for a proportion of the new homes in a development to be ring-fenced to households who live close by (e.g. on the same estate) and are in housing need and on the housing list. For the 11,000 new homes the council has agreed that at least 50% of the homes will be let via local lettings.

## Funding and building the new homes

### How will the council pay for the new homes?

The council will fund the new homes through a variety of means including borrowing, cross-subsidy (from sale of private homes), grants and utilising current council assets (such as land).



### What is a 'special purpose vehicle'?

A special purpose vehicle is a company that the council can set up, control and own to fund new council homes. The benefit of this is that the council can budget its home building programme in a more efficient way than the law allows through the council's housing revenue account.

### Will my rent go up?

Your rent will not be increased [outside of the traditional yearly rent rise] to pay for the new homes.

### Will my council tax go up to pay for the new homes?

Your council tax **will not** go up to pay for the new homes. By law, the council's housing budget is kept separate from the rest of the council budget which is partially funded by council tax.

### What is 'Phase 1' of the new homes?

The council has committed to building the first 1,500 homes by 2018. Phase 1 covers 9 different sites where consultation with residents is already underway and building has already begun or will begin in the next couple of months.

To see the full list of sites included in phase 1 go here:  
[http://www.southwark.gov.uk/info/200540/phase\\_1\\_sites](http://www.southwark.gov.uk/info/200540/phase_1_sites)

### What is 'Phase 2' of the new homes?

Phase 2 consists of 15 sites that have been identified by the council as potential sites for new home with further investigation and consultation with residents planned.

To see the full list of sites included in phase 2 go here:  
[http://www.southwark.gov.uk/info/200541/phase\\_2\\_sites](http://www.southwark.gov.uk/info/200541/phase_2_sites)

### Who will be building/developing the 11,000 new council homes?

The 11,000 new homes will be delivered in a number of ways including the following:

- built by contractors appointed and managed directly by the council and
- purchased from developers who are building in the borough and have been required to build affordable homes within their developments.



### **How will you decide what type of homes to build?**

The types of homes will depend on a number of factors ranging from the size and type of site, planning policy and the views of residents.

The council will be consulting with residents on the design principles for homes we build later in the year.

### **I understand the need for these council homes but are our parks and woodlands safe?**

Much of the green spaces in the borough, particularly the parks, are protected from further development. Where land is not protected the council will work in conjunction with local residents to identify possible plots of land for new council homes.

