

Kensington and
Chelsea Homes:
**solving the
challenge
together**

A DISCUSSION PAPER



THE ROYAL BOROUGH OF
KENSINGTON
AND CHELSEA

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Foreword by Councillor Kim Taylor-Smith

The Grenfell tragedy has changed Kensington and Chelsea forever. There can be no going back to the old ways of working. It has shined a light on the Council's housing policy – how we manage our estates, our relationship with our Council tenants, how and where we build new homes. The reality is, if Grenfell had not happened, the KCTMO would still be managing council homes and the Council leadership would not have changed. However, Grenfell did happen and major changes have been made to the way in which the Council is run.

At the same time, the tragedy has brought the housing crisis facing Londoners into sharp relief.

It poses questions about the state of affordable housing in the capital and the country.

Waiting lists are long, housing supply short, and genuinely affordable housing is for the most part beyond the dreams of anyone on an average income. Children cannot afford to live in the area where they have grown up, teachers, nurses and other keyworkers cannot live locally and are forced to move further and further out of the Borough

Councils do not have enough money to build more houses, although the recent announcement lifting of the Housing Revenue Accounts [HRA] borrowing cap will do a lot to assist with this. Housing associations are struggling in the current climate, with a small but significant minority relying on private sales, moving genuinely affordable homes out of London to areas with lower land values. Private developers driven by business considerations and market conditions don't necessarily build what is needed where local communities need it.

Demand for genuinely affordable homes and council housing is rising yet supply is inadequate. In the past, politicians, developers and housing associations have been unwilling or unable to tackle the problem. As deputy leader of Kensington and Chelsea Council, with responsibility for housing, I am in a unique position to advocate for change. Grenfell and the subsequent hand back of housing management by KCTMO has forced us to look with a critical eye at our housing provision – how much we build, what we demand of developers and housing associations, how we manage our own stock and how we genuinely put residents at the heart of our housing decisions.

This is the start of a conversation with you, our stakeholders, about how we will build more and better housing, how we will improve our estates and how we will work with in collaboration with our residents to deliver on our commitments.

It is also the start of a process where we will demand more of ourselves and others – specifically developers and housing associations

We must start learning and applying lessons now. We must ensure that the legacy of this tragedy gives hope to future generations.

Introduction

This Discussion Paper is designed to start a conversation with residents, local stakeholders and other interested parties about the housing challenges facing Kensington and Chelsea, which have been brought into sharp relief after the Grenfell tragedy in June 2017.

The Council is working through these challenges to look for solutions which residents will embrace

Many of the challenges we face are around building new homes, managing our current homes better, and repairing and maintaining our estates to the best of our ability. We also want to make them safe and ideal places to live which support thriving communities. All of these are challenges faced by many local authorities.

It is our hope that from this process of engagement with residents we will draw lessons and develop policies and ideas that are useful and relevant to others.

This paper will set out some ideas about how we, as a borough, might move forward. We welcome your feedback.

1.0 Part One – Management of Council stock

1.1 Background

1. Kensington and Chelsea's housing stock was managed by the Kensington and Chelsea Tenant Management Organisation (the TMO) until it was handed over to Council control on 1 March this year. The Council undertook an audit of outstanding repairs and of the process of reporting, logging and responding to repair requests. The audit highlighted a backlog of more than 5,000 repairs. Since absorbing the TMO into the Council, the backlog has been reduced to close to zero.
2. At the same time, the Council is working hand-in-hand with residents both to understand the problems they face on their estates and to find and agree solutions to those problems. To this end, residents and the Council jointly have selected a community engagement company (Traverse) to facilitate a borough-wide conversation to capture how residents want their homes to be managed in future, how repairs and major works should be done and by whom.
3. This concept of 'co-design' is already in play on the Lancaster West estate and our intention is that this model be adapted and employed wherever possible in the future.

4. The Council has set up a number of 'task and finish groups' involving Council tenants to focus on key areas that are important to them. Through these groups we have identified a number of issues. This document outlines proposals based on these issues, and preliminary conversations around what the solutions could be. These include the following:

1.2 Contracting major works

5. New Framework Agreements for contracting major works (for example replacing windows) could maximise the use of local small and medium enterprises (SMEs) thereby playing an active role in supporting the local economy. Such contracts would be informed by residents and held and enforced by the Council, which would set the standards expected of firms engaged to carry out these works and repairs, as well as the terms and conditions (for example the payment of a living wage for work crews).
6. The level of customer service delivered by the former TMO and now by Kensington and Chelsea does not meet residents' expectations of the service, although this is improving. The organisation and delivery of frontline services can be confusing and residents often do not know who is responsible for what. We are working with residents to give defined points of contact/ individuals with specialisms to provide real assistance, as opposed to residents needing to go through a faceless call centre. Where we can digitise services to provide residents with genuine options on how they prefer to engage the service, we intend on looking at these as part of a longer term project.
7. Residents have also mooted the idea that they be involved in recruiting Council housing management staff; an idea which the Council is minded to put in place, subject to feedback and further consultation. We already do this in the Lancaster West Neighbourhood Team.

1.3 A two-way residents' charter

8. There has long been a lack of trust of the TMO and the Council in terms of delivering a good, speedy and high-quality repairs service. In order to deliver a decent service, the Council is positively considering working with residents to draw up a Customer Service Charter which will lay out the agreed duties and responsibilities of the Council to its tenants and leaseholders and what compensation residents are entitled to if the Council falls short of those standards.
9. At the same time, as well as setting out residents' rights, the Charter would seek to set out, by agreement, the duties of tenants and leaseholders to each other and the Council, including maintaining homes, and keeping them safe.

10. In addition, it would set out standards of behaviour in order to facilitate neighbourliness and strong communities. Anti-social behaviour (ASB) is an issue that causes great concern and anxiety and feedback to date has focussed on the need for clear rules and for fair and strong enforcement. The Council has traditionally emphasised logging complaints, but fallen short on enforcement. Currently, there is no dedicated ASB enforcement team within our housing management set up.

1.4 More active management

11. Since taking over ex-TMO stock, the Council has had to do stock condition surveys as this information was not available. We have also understood that there is more that we can do to use housing services to improve our relationships with tenants. This could be achieved through an annual visit, putting a human face on the organisation. The emphasis of these visits would be on the general health and wellbeing of our tenants, with officers identifying issues including mental health wellbeing, loneliness/isolation issues, physical impediments that might require alterations to a property or any other extenuating difficulties i.e. rent issues.

12. These visits would be an important step to building a better relationship with our tenants, putting a human face on the organisation and ensuring that we do actively manage Council properties.

13. The Council is also concerned about illegal subletting in the Borough. In a borough the size of Kensington and Chelsea a property recovery rate of 40 illegal sublets might be expected each year. Last year the Council identified and dealt with only four illegal sub-lets. These visits could help to identify instances of illegal subletting.

1.5 Linking housing and adult social care, helping residents stay in their own homes

14. The Council would like to explore other ways of keeping tenants in their homes. Housing management can look at commissioning other services such as care provisions, in consultation with our Adult Social Care teams, to give residents suffering from mental health difficulties every opportunity to lead an independent life within their own homes. Through the Tenants Consultative Committees, we are already running a disability panel with residents at the heart, ensuring that services are bespoke to residents' needs.

15. Respecting the fact that our residents are busy people and to provide a digitised service that allows residents who prefer to access services online with minimum intervention, but on tenancy matters that require face-to-face contact we will be there for them to take the stresses and strains.

2.0 Part Two - Delivering New Homes

2.1 Delivering Council homes on Council land

1. We also want to find innovative ways of delivering new genuinely affordable homes. This will include building council homes ourselves.
2. The Council has already committed to a policy of no regeneration of our estates. The Council believes there are sufficient infill opportunities, as well as major privately-owned sites in the borough, for several thousand new homes that could be delivered without the need to impact existing estates. The focus is what is described as infill sites, which are sites that would not result in a loss of existing homes. Before proposals are progressed we will ensure that local residents and the community are consulted, and where applicable direct proceeds towards the maintenance of existing homes.
3. The Council is exploring a programme in the order of 300 new council homes alongside another 300 open market homes. Building homes directly is new to this Council. It is a statement of intent. However, it is only a start. We want to build many more homes. The Council has applied to the GLA for a grant to help fund this first tranche of new council homes.
4. There would be benefits to building Council homes in-house, including financial, risk management, specification and quality of build. It does, however, present a challenge as whilst we have delivered major construction projects, we have not delivered housing-specific projects of this scale before.
5. It is proposed that the Council's housebuilding scheme would be self-financing. If successful in our bid to the GLA, the Council would receive a grant worth £100,000 per socially-rented home delivered. In order to ensure that cost of delivery would be returned to the HRA to replenish funding for future affordable units, the Council would need to deliver homes on the open market, either for sale or for rent. Delivery of homes for open market sale would provide a capital receipt to fund new affordable homes, alternatively renting them would provide a longer term revenue stream.

2.2 Supporting delivery of sites outside Council ownership

6. Where the Council can support landowners to develop new housing, it will. For example, the Kensal Gasworks site in the north of the borough comprises several land owners. It has been considered as a potential location for a Crossrail station. In any event, it is a significant opportunity for positive development including much needed new homes. We will be starting real

community engagement on this site later this year and will use this process to show how the Council has changed.

7. The Council is keen to encourage and facilitate housing development across the borough. New homes must be balanced with better transport links, commerce, businesses and industrial hubs in order to support and maintain communities.
8. The Council is keen to encourage the delivery of new homes including genuinely affordable new homes across the Borough. In addition to development on our own sites, we will work collaboratively with developers and other housing providers in order to progress opportunities to achieve this. These new homes must be balanced with better transport links, employment opportunities and other facilities to support and maintain communities.

2.3 Working collaboratively with housing associations

9. Housing Associations (HAs) are vital partners in the borough. They own half of the social housing homes. Turnover of these homes and council homes is very low. Many associations came forward to assist with temporary and permanent homes after Grenfell, which we really appreciated. We want to work with HAs to make sure every home in the borough is let to those that most need it and that residents are more easily able to move between landlords. In the wake of the Grenfell tragedy, the council needs to let more homes quickly to those that need it. We are asking all the housing associations to consider letting all their vacant homes locally through the housing register, rather than keeping some back.
10. As financial pressures have increased and central government grants to HAs have decreased, a small minority of HAs have relied more and more on private sales from inner London where land values are high, to fund affordable developments outside of the borough. The Council believes that in these minority of cases, HAs have moved too far away from their core purpose.
11. The council does not support the sale of much needed affordable homes by some housing associations to invest in areas of London with cheaper land values. We will ask HAs to work with us to retain and invest in the stock they have in the borough, as some very clearly do.
12. Essentially, the Council wants to work with HAs and to ensure our objectives are aligned with theirs.

2.4 Empty Dwellings Management Orders

13. Currently, councils can apply for what are called Empty Dwelling Management Orders (EDMOs) to take temporary control of anti-social and dilapidated

houses and flats. Kensington and Chelsea Council is asking the Ministry of Housing Communities and Local Government to extend the orders to all empty properties, including those that are in a good state of repair and ready to live in.

14. The Council has asked Government to consider reforming this piece of legislation to incentivise owners of empty properties to allow the Council to manage their properties. The legislation is currently unworkable as the property must be deemed vandalised, a condition which rarely applies to properties in the borough. EDMOs are limited to 12 months, whilst the Council discusses a long-term solution for keeping the property in use with the landowner.

3.0 Aiding housing delivery through planning

1. Our Local Plan contains a number of local planning considerations, with planning decisions taking account of what these areas need. There will be scope to revisit these areas and what is needed through extensive consultation with residents, led by planning but supported by our community engagement team, that will set the strategic priorities for the borough as part of our next Local Plan review.
2. The Council will do everything in its power to ensure that residents are fully engaged in the pre-planning process to ensure that any planning application is aligned to what residents would like to see for their area as well as take housing need into account where relevant. We are committed to reviewing our statement of community involvement and will be talking to all stakeholders about this early next year. We will lobby government for pre-application consultation being a statutory requirement for major developments.
3. This borough is attractive to developers. We will challenge viability, and press these developers to deliver much needed affordable homes on their sites as well as private housing.
4. In many cases, a developer will prefer not to deliver any affordable homes on a site and will offer a cash payment (through section 106 agreements) in lieu of affordable homes. It is Council policy to support mixed tenure and to build genuinely affordable homes within private developments, rather than elsewhere.
5. Developers often argue that increasing the percentage of affordable homes over a certain percentage can make a scheme unviable. The Council is operating an 'Open Book Zone' whereby any developer applying for planning permission to build private homes must hit 35 per cent and emphasise the viability assessment when developers say they cannot meet the criteria of the Local Plan. If they state they cannot deliver 35 per cent, they must

demonstrate clearly why.

6. The only exemption to this is set as national planning policy. On small developments of a few homes, where it may be impractical to deliver any affordable homes at all and in those limited circumstances, the authority must consider taking a cash payment to build affordable homes elsewhere.
7. Planning policy will take into account future potential conservation areas ensuring that new developments are of the highest standards, taking into account the local environment.

Conclusion and how to get in touch

As stated, this Discussion Paper is designed to start a conversation with our stakeholders, to inspire new ideas, flush out challenges, and provoke reactions, both positive and negative. We actively seek your views.

There are several ways to feed back.

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You can write to:

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