

Cabinet

Date of meeting: 21 March 2016

Report Title: Investing in better neighbourhoods and building the homes we need to house the people of Lambeth – Cressingham Gardens Estate

Wards: Tulse Hill

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Report Summary

Lambeth's ambition is to ensure that every resident in the borough has the opportunity to live in a good quality home that is affordable and suitable for their needs.

The borough faces a major housing crisis, with 21000 people on the waiting list; over 1800 families in temporary accommodation, overwhelmingly families with children; and 1300 families are severely overcrowded. To address this challenge the council administration was re-elected in 2014 on a pledge to build 1000 additional council rent homes by 2018-19.

Lambeth is investing hundreds of millions of pounds in bringing existing council homes up to the Lambeth Housing Standard, but the budget shortfall in the LHS programme has grown from an estimated £56m when the programme was launched in 2012 to over £85m as last reported. The council faces additional pressures on the Housing Revenue Account (HRA) due to government changes in the reduction of 1% per annum in council rents (over the next 4 years), as well as the Welfare Reform and Housing and Planning Bills that will put further pressure on the HRA in the next few years.

Rebuilding Cressingham Gardens will enable the council to fulfil its obligations and duties to council tenants, despite the major shortfall in the LHS budget, to live in a warm, dry, decent home which meets the needs of their family at council rent levels. It will also deliver an additional 158 homes, of which 47% will be affordable.

The new affordable homes will all be for rent, with 27 extra family-sized homes for council rent and a further 48 one and two bedroom properties at rents set at Lambeth's Tenancy Strategy at

no higher than LHA rates. Lambeth aspires to increase the number of additional council rent homes through the masterplanning process and is committed to maximising the number of additional genuinely affordable homes for people in the local community.

The council will also do its very best to keep the community together by trying to phase any rebuilding so that existing residents should only have to move once and by offering a range of options, including shared equity, shared ownership or a rented home to existing homeowners so that anybody who wants to stay living at Cressingham Gardens can continue to do so once it has been rebuilt.

The council has consulted extensively and considered all representations, including the 'People's Plan' which was a proposal submitted to the Council on behalf of a group of residents. Having considered all five options and the People's Plan it is only the option of full rebuilding that can both deliver better homes for existing residents but also increases the number of homes, particularly genuinely affordable rented homes, in the depths of a severe housing crisis.

After over three years of on-off consultation this report will provide certainty for residents of the estate, enable the key guarantees to be offered to tenants and homeowners, and enable the council to commit the resources necessary to commence the masterplanning of a new, exemplary, estate for the people of Cressingham Gardens.

Finance Summary

The Council is the freehold owner of most of the properties on the estate; all income and expenditure for the estate falls within the Council-wide HRA. This means there are strict budgeting controls that prevent the Council from running a deficit in any one year. Moreover, the Council cannot borrow more than is currently planned because borrowing via the HRA is capped by Central Government either by means of a fixed "headroom" limit or because the HRA simply cannot afford to borrow more (i.e. there is insufficient income to pay any higher interest payments). Furthermore, grants from Central Government, such as were previously available for the Decent Homes programme, are now severely limited, if not curtailed altogether. This means that money spent on the estate from within the HRA is money that is not available to be spent on other Council-wide properties. Hence the Council has to make some difficult decisions about how best to spend its scarce resources.

The recommendation to redevelop Cressingham Gardens is based on the initial financial modelling and analyses from the massing studies that have been carried out. Refurbishment options for the estate are not value for money. The original budget for the LHS refurbishment programme was £499m, based on an average cost of refurbishment of £16,000 for every property. The estimated average cost of refurbishment of properties on Cressingham Gardens is just over £30,000. This represents poor value for money compared to carrying out refurbishment on other estates.

Financial viability analysis was also carried out to establish whether each of the four refurbishment options for the estate would have an acceptable risk profile and a positive net present value (NPV). If the NPV of a prospective project is positive, the project stands to provide an increased return on investment and would be considered acceptable. None of the refurbishment elements of the options would provide value for money because each has a negative NPV, meaning that over a 30 year period there would be a net cost to the HRA.

Option 5 representing only redevelopment provides a positive NPV. Further detailed financial modelling and viability assessment will be undertaken as the master planning process progresses. Different funding options, structures and the impact of all taxation Stamp Duty Land Tax (SDLT), Vat and corporation tax will all be explored further and reported appropriately.

Funding is already in place within the General Fund to progress the project through design, planning and budget to commence initial property buybacks and land assembly costs. For any additional land acquisitions and buyback costs further funding would need to be allocated subject to approval.

Recommendations

- (1) To authorise the redevelopment of the entire Cressingham Gardens estate, in accordance with the approach set out in Section 2 of this report and to procure a development management team to progress the redevelopment of the estate.
- (2) To implement the Key Guarantees as included in Appendix K (pending any improvement to the Key Guarantees through further consultation with residents) and to negotiate purchase of leaseholder properties under the shadow of a compulsory purchase order (CPO), as set out in paragraphs 2.6 and 2.7.
- (3) To authorise inclusion of additional land holdings within the masterplan for Cressingham Gardens estate, where such land lies on the boundary of the Estate, and where such inclusions can be shown through the masterplanning process to improve the place-making outcomes and/or deliver a net increase in the number of homes (see paragraph 2.6).
- (4) To require officers and the procured development management team to work closely with residents in the procurement and formulation of the masterplan, including a phasing strategy and a local lettings policy for the Estate.

1. History and Context

Context

- 1.1 The Council is seeking to improve the quality and quantity of the housing in Lambeth.
- 1.2 To address the quality of homes in the Borough, the Council commenced its Lambeth Housing Standards Programme in 2012. There is, however, as set out below, a funding gap and the Council cannot, in any reasonable time period, afford to bring all council homes up to good quality standards. This means that difficult decisions have to be taken with regard to prioritisation of estates for refurbishment and what to do with those estates that are not good value for money to refurbish.
- 1.3 Lambeth, like all London boroughs, is facing a major housing crisis. Over 21,000 people are on our waiting list for a council home; the number of homeless families in temporary accommodation has risen sharply to over 1,800, the vast majority of which are families with children; and 1,300 families are living in severely overcrowded homes. Every year between 3,000 and 4,000 people apply to be on the Council's housing waiting list. This equates to 60 to 80 households per week. At the current time, each year the Council is able to provide housing for around 1,200 households. This equates to around 23 per week and includes internal transfers from one council house to another.
- 1.4 To begin to address these challenges, Lambeth has embarked upon an estate regeneration and housing delivery programme to provide more and better homes for the residents of Lambeth. The estate regeneration component of this programme can deliver better homes for existing residents and additional new homes for those on the waiting list.
- 1.5 The Council has allocated investment funding of £25m through its General Fund to enable progression those aspects of the estate regeneration programme that involve redevelopment, where this investment will be recouped in due course through Homes for Lambeth, the new company being established by the Council to directly deliver new homes for Lambeth.
- 1.6 The detailed genesis of this estate regeneration programme is provided in Appendix A, setting out the previous decision-making that led to Cressingham Gardens being considered for estate regeneration. This is summarised below.

Lambeth's Estate Regeneration Programme and Cressingham Gardens

- 1.7 After the national changes to the Housing Revenue Account in 2010, Lambeth Council sought to take control of its own housing stock and bring about improvements to the lives of its residents. A major initiative, which became known as the Lambeth Housing Standards Programme, was commenced – a refurbishment programme aimed to bring all council owned homes in the Borough up to a good quality. However, from the outset it was known that the Council was unable to fund this programme in full and it was estimated that there was a funding shortfall of some £56m.

1.8 This funding shortfall has now grown to more than £85m as last reported for a variety of reasons including that:

- when the Council has commenced refurbishment on estates in the Borough, it has discovered that there tend to be more properties requiring Lambeth Housing Standards works than originally predicted; and,
- the scope of works has tended to be more than expected.

The overall cost of delivering the Lambeth Housing Standard has therefore grown at the same time that Central Government austerity measures have severely limited the availability of finance through the HRA, whether through reductions in funding (such as Decent Homes) or changes to council rents.

1.9 To seek to resolve the original (and now exacerbated) funding problem, the Council decided to consider an estate regeneration programme, to identify those estates where it felt that refurbishment alone would not achieve the goals of the Lambeth Housing Standard Programme, where the level of work required to bring properties up to the Lambeth Standard was difficult to justify. It was also noted that, in the context of the desperate housing need, there was opportunity on some estates to intensify the use of land and to build more homes.

1.10 In 2012, Cressingham Gardens was identified as a first estate to be included in the emerging plans for estate regeneration. It was originally envisaged that, after six months consultation with residents, a decision would be taken on the future of the estate. This six months has drawn out to almost 4 years, which the Council fully recognises is far too long a time period for residents to be living with uncertainty about the future of their homes.

1.11 Over the course of the ensuing 3 to 4 years, a robust discourse has taken place between the Council and, increasingly, just a few residents on what the future of the estate should be; it is clear from the recent round of consultation, that consideration of the future of the estate has been going on for so long that many residents have disengaged. Over that time period, however, the Council has gone on a long journey to explore with residents whether there may be other opportunities to redevelopment. Key steps of that journey have included:

- 2012 - original approach to residents to suggest redevelopment of the estate;
- 2014 - the estate was considered for listing by Historic England;
- 2013 - commissioning of Roland Karthaus Architects to explore design options for the future of the estate;
- 2013 - carrying out of the Tall Report Survey to understand better the condition of the properties on the estate;
- 2014 to 2015 - estimating the cost of refurbishment of the estate;
- February/March 2015 – Housing Needs Survey carried out;

- March 2015 - Council decision to closedown options to only those that included significant redevelopment (note this decision was subsequently successfully Judicially Reviewed and quashed);
- April/May 2015 – Test of Opinion Survey;
- July 2015 – Council decision to redevelop the entire estate (the recommendations within this Cabinet Decision in relation to the redevelopment of Cressingham Gardens estate became invalid as a consequence of the Judicial Review of the March 2015 decision);
- August 2015 – call-in of Cabinet decision by Council’s Scrutiny Panel (which confirmed the July decision); and,
- January 2016 – renewed consultation on the future of the estate.

1.12 Key documents that have been produced, all of which have been made available to residents, include:

- Roland Karthaus Architects – Design Options Report;
- Tall Report (survey results);
- Estimated refurbishment costs;
- Living on Cressingham Gardens (Social Life report);
- Housing Needs Survey; and,
- Test of Opinion Survey.

1.13 Over the course of the 3 to 4 years since 2012, various design options were developed to explore the future of the Cressingham Gardens estate. These are discussed in more details in Paragraphs 1.42 to 1.46.

1.14 The recent consultation exercise leading up to the preparation of this Cabinet Report has to be considered in the context of that long history since 2012.

Why has Cressingham Gardens been considered for estate regeneration?

1.15 There were and remain very good reasons for considering redevelopment of the Cressingham Gardens estate. Cressingham Gardens is not a typical 1960s estate; it is not a Brutalist concrete architecture; it is a relatively low-density estate built in brick on the edge of the Brockwell Park, within a short bus-ride of Brixton (and commuting into London). It is a desirable location to live and a proportion of the residents of the estate very much like it as it is.

1.16 As a consequence of this location and the external appearance of the estate, a significant proportion (circa 62%) of the right-to-buy properties have been onward sold to incoming leaseholders, who have acquired these properties as a way of acquiring a home at a cost that is lower than normal for this location. Almost immediately (in 2012) that it was announced by the Council that it was contemplating regeneration of the estate, a Save Cressingham Gardens campaign commenced.

- 1.17 But, from the outset in 2012, the Council had identified that it was a costly estate to manage and maintain, that there are serious problems with the condition of many of the properties and that refurbishment of the properties would not alone resolve matters such as accessibility (as in disabled access), which is manifestly problematic with numerous stair cases around the estate (even many single storey properties have flights of steps inside them). More evidence is provided below on the matter of the condition of the estate and what it would cost to refurbish.
- 1.18 In a Cabinet Report of October 2012, reasons were provided for the inclusion of Cressingham Gardens in the estate regeneration programme. These are re-iterated with more evidence below.
- 1.19 Firstly, refurbishment of the Cressingham Gardens estate to Lambeth Housing Standard would be above average cost. The original Lambeth Housing Standard programme estimated a cost of £499m across circa 31,000 properties. This suggests an original estimate of an average of £16,000 per property to refurbish. During 2013 a structural survey (Tall Report) of the Cressingham Gardens estate was carried out. This fed through to a more detailed estimate of the full refurbishment cost of the estate (albeit recognising that these types of estimates are always just estimates); the suggested costs of refurbishment were included in the Cabinet Report of March 2015. This indicated a minimum immediate cost of £9.4m to refurbish the estate. With 306 properties on the estate, this suggests an average refurbishment cost of over £30,000. This is roughly double the estimated average cost for the Lambeth Housing Programme.
- 1.20 In the view of Council officers, the estimate of £9.4m (and hence the £30,000 per property) is conservative and could be significantly more than this: for example this cost also excludes significant other potential costs, such as replacement of windows. It is certainly the experience elsewhere on the Lambeth Housing Standard programme that actual costs of refurbishment have significantly exceeded initial estimates. This has contributed to the widening gap in funding of the Lambeth Housing Standard programme as noted in Paragraph 1.8.
- 1.21 Secondly, the on-going day-to-day maintenance costs for Cressingham Gardens are above average. The average annual cost per property of maintaining the Cressingham Gardens estate is £1,552. This compares to an average across Lambeth of circa £1,000 and a median of below £1,000. Whilst it might be hoped that a major capital refurbishment would reduce day-to-day running costs of the estate, given the condition of properties (see Paragraph 1.22), this cannot be stated for certain. These high running costs are indicative of an estate in a poor state of repair.
- 1.22 Thirdly, through the Tall Report, it was confirmed that there are more serious problems with the properties on the Cressingham Gardens estate. It was identified that there are potential structural problems with some areas of the estate. The problems that have been identified with regard to the roofs on many properties, causing severe damp, will likely mean that refurbishment of these properties would be highly disruptive to current residents, requiring

those worst affected to move out of their homes temporarily, potentially for many months to allow the homes to dry out.

- 1.23 Fourthly, and in line with the overall objectives of the estate regeneration, the design work (albeit only a massing study) that was carried out during 2013 and 2014 indicates that there is potential for additional new homes to be delivered as part of a redevelopment of the Cressingham Gardens estate.
- 1.24 Fifthly, the Housing Needs Survey (Appendix H) carried out in Spring 2015 suggests that there is significant overcrowding in the tenanted properties on the estate. This cannot be resolved through refurbishment alone.
- 1.25 Sixthly, the work carried out by Roland Karthaus confirmed that it performs poorly in comparison with modern expectations for disabled access.
- 1.26 Bringing all these factors together, the Council has good grounds for considering Cressingham Gardens for redevelopment (in part or whole) as opposed to refurbishment.

The Judicial review of 2015

- 1.27 On 9 June 2015 a tenant issued a judicial review against the Cabinet's decision of exactly three months earlier, which was to cease consulting on options 1, 2 and 3. The tenant brought her claim on four grounds but permission to proceed was refused on two grounds (including her alleged breach of the public sector equality duty).
- 1.28 On 24 November the High Court quashed the Cabinet decision of 9 March 2015. This was because the judge was not satisfied that there was a sufficient change in circumstances to entitle the Council, fairly, to abandon its consultation on options 1, 2 and 3 in March 2015. Nevertheless, the Judge gave the Council permission to appeal on five grounds (see 'Application for Leave to Appeal' as Appendix I). The Council gave serious consideration to appealing to the Court of Appeal but decided not to having regard to the uncertainty of such an appeal and the time it would take. Accordingly, it engaged in a further round of consultation.

Consultation – January to March 2016

- 1.29 Having had the Cabinet decisions taken during 2015 quashed, the Council commenced a new round of consultation with residents in January 2016. A detailed summary of this consultation exercise is included in Consultation Report, which is provided as a supporting document to this Cabinet Report. This Consultation Report includes a detailed chronology of the consultation exercise, lists out all the documents released to residents during that consultation exercise and lists and summarises the responses that have been received.
- 1.30 The consultation exercise has operated as follows:
 - January 20th to February 19th (extended on request to February 22nd) – Setting out of the issues that the Council has to consider in reaching a decision on the future of the

estate, describing the options that could potentially be available, but making it clear which options the Council considered to be value for money or not. This part of the process included two exhibitions and running workshops to enable residents to understand better the issues and to discuss with residents the potential impact on them of different outcomes. During the period, residents were able to pose questions and the Council sought to respond to these as best it could.

- February 25th to March 4th – Setting out the recommendation (as per Section 2 of this Report) to Cabinet and allowing residents to make comment on that recommendation. This enabled residents to comment on a clear preferred proposal for the future of the place they live.
- There is also, as per normal Council processes, the opportunity for residents to view the Cabinet Report in advance of the Cabinet Meeting and to make representations at the Cabinet Meeting. This opportunity has been clearly communicated to all residents on the estate.

1.31 The consultation took a variety of forms and enabled residents to participate, question and comment in a variety of ways: exhibitions, workshops, drop-ins, on-line and by paper, by email and by telephone.

1.32 During the course of the consultation exercise, the Council made sure that it had:

- explained to residents the context of a decision on the future of the Cressingham Gardens estate;
- explained to residents the different issues that need to be considered for each of the potential options;
- explained to residents (homeowners and tenants separately) the impact of refurbishment and redevelopment; and,
- sought to be clear what information would be made available and what information would not be made available.

This culminated in the issue of a 31 page Questions and Answers document that was issued to all residents of the estate at around the time of the closing exhibition, which answered all questions that had been raised throughout the consultation period. At the end of the process, whilst some residents were still unhappy with the level of information provided and were asking for yet more detailed financial analysis, others told officers at events that they had been inundated and did not wish to receive any more information.

1.33 Identified below are key elements of the information provided to residents during the consultation exercise:

- *Structure and scope of the consultation exercise:*
 - provided in booklet issued on 19th January 2016 (issued to all residents) and at exhibition on 20th January 2016

- *The status of the Housing Revenue account, the Council's capacity to borrow in the HRA and the Council's inability to fund refurbishment of all council homes across the Borough:*
 - set out in booklet issued on 19th January 2016; and
 - further clarified with more detail in the Financial Q&As and both Viability Workshops.
- *The difference between the HRA and the General Fund and the restrictions around the HRA and properties that sit within the HRA:*
 - set out in booklet issued on 19th January 2016; and
 - further clarified with more detail in the Financial Q&As and both Viability Workshops.
- *The Council's consideration of value for money of different options:*
 - set out in booklet issued on 19th January 2016; and
 - further clarified with more detail in the Financial Q&As and both Viability Workshops.
- *The Council's consideration of other ideas that residents have put forwards:*
 - set out in booklet issued on 19th January 2016;
 - discussed at the first Green Retrofitting Workshop;
 - statement on Council's view of the People's Plan presented at exhibition on 25th February 2016; and
 - Appendix B and set out below in Paragraph 1.47 are assessments of the merits of the People's Plan proposal.
- *The impact on residents, if their home were to be redeveloped or refurbished:*
 - set out in booklet issued on 19th January 2016.
- *The impact on tenant's tenancies:*
 - set out in letter and leaflet issued on 17th February 2016.
- *The financial impact on homeowners (including indicative sale prices of existing and future properties):*
 - set out in the letter and document issued on 17th February 2016 (amended on 18th February 2016).
- *The impact on rents for tenants:*
 - discussed at workshop on 11th February 2016; and
 - answered in Q&A issued on 29th February 2016.
- *The impact on living costs to homeowners and tenants, if redevelopment were to take place, including a statement on service charges:*
 - answered in the Q&A document issued on 29th February 2016.
- *The options that residents would have should redevelopment take place:*
 - set out in booklet issued on 19th January 2016;
 - discussed at the tenants meeting on 11th February 2016;
 - set out in documentation around the Key Guarantees;
 - set out in the financial information for homeowners document; and
 - answered in the Q&A issued on 29th February 2016.
- *Financial appraisals, including Net Present Value information, showing the viability of different options:*

- letters sent to all residents on 17th February 2016 summarising financial outputs of the appraisals and directing residents to more detailed information;
- viability reports for refurbishment and redevelopment components of regeneration; and
- redacted datasheets supporting the viability reports.

1.34 It was also made clear to residents during the consultation exercise, especially at the Viability Workshops, that the financing of refurbishment and redevelopment has to be considered entirely separately. Homes that are to be refurbished remain within the HRA and are therefore reliant on identifying funding through the HRA to enable capital investment to take place; refurbishment is therefore simply reliant on whether resource within the HRA could (funding availability) or should (value for money) be allocated to refurbishment of Cressingham Gardens. Homes that are to be redeveloped can be funded by other means, outside of the HRA, and instead rely on whether a redevelopment scenario can be considered viable as a commercial proposition. It is for this reason that the Viability Reports in Appendix D are treated separately for refurbishment and redevelopment.

1.35 As residents had historically requested, and the Council had historically committed to provide viability appraisals of all scenarios, then appraisals were run and supplied of both the refurbishment and redevelopment components of each design option. It was, however, made clear to residents during the Viability Workshops that the refurbishment appraisals were purely theoretical and had no relationship to practical reality. Instead, in practice, refurbishment simply relies on availability and allocation of funding from within the HRA.

1.36 The Consultation Report documents in detail the outcomes of the consultation exercise. This is summarised below. Appendix C provides a summary of the key issues raised during the consultation exercise and the response that has been given to residents.

1.37 In looking at the consultation responses, there are several clear conclusions that can be reached. These are:

- That there is a huge discrepancy in the level of engagement of residents on the estate, with some not participating at all, while a few have been very heavily engaged. Of the almost 200 questions included in the final Q&A document, almost half of these were submitted by just two leaseholders and of 16 emails received by the Council seeking clarifications and raising questions around half of these were from the same two individuals. The workshop sessions were also dominated by repeat attendance of only a few individuals.
- Out of those who have responded, there remains a preference for refurbishment only.
- Opinions on the estate appear to be quite polarised; there remain strong views both for and against redevelopment. There is little support for the intermediate options 3 and 4.
- That a sizeable proportion of the residents spoken to at events wish simply that a decision is made one way or the other and to move forwards and bring to an end the seemingly endless consideration of what the future of the estate should or could be.

- 1.38 The above conclusions align with the outcome of the Test of Opinion survey that was held prior to the Cabinet Decision of July 2015 and the experience of officers working on the estate since early 2015.
- 1.39 It is also apparent from the rate of take-up of the Key Guarantees between July and November 2015 that there is a significant number of households who simply desire to leave the estate. From before July 2015, there were already 50 tenants of the estate signed up to the housing transfer list; of these 35 tenants approached the Council to sign up to Band A status to enable them to move away from the estate. In addition to this, 20 (out of 92) leaseholders registered interest in the Council purchasing their property, which is 21.7% of homeowners.
- 1.40 In contrast to the above observations, the Save Cressingham Gardens group also carried out their own survey in July 2015 and they claim that on a response rate of 72%, 86% of residents favoured refurbishment and only 4% wanted demolition.
- 1.41 It is undeniable that there is a significant number of residents who wish to remain living in the Cressingham Gardens area; they both like the estate and the location; this was demonstrated through earlier work carried out by Social Life, as part of the original engagement process with residents during 2013 and 2014. It is, however, unclear what the precise numbers are in terms of those who favour and those who oppose redevelopment.

Design Options – the future of Cressingham Gardens

- 1.42 During the course of the long engagement period with residents during 2013 and 2014, five design options were formulated to facilitate the discussion. These were only massing studies and give a very rough approximation of the capacity of different approaches for regeneration, involving different degrees of refurbishment and redevelopment.
- 1.43 Options 1 to 3 are primarily refurbishment options with varying degrees of minor infill or redevelopment of a few properties, such as the derelict void properties at Crosby Walk at the northern end of the estate. Option 4 involves redevelopment of the northern third of the estate, refurbishing the southern two thirds. In summary, Options 1 to 4 all comprise a significant amount of refurbishment, while Option 5 represents complete redevelopment with no refurbishment.
- 1.44 Appendix B provides a detailed analysis of the different options against the criteria that have been adopted for all estates within Lambeth's estate regeneration programme. The ability of the Council to fund refurbishment of properties on the estate must be also factored onto this.
- 1.45 As set out in Paragraphs 1.34 and 1.35, the funding of refurbishment and redevelopment takes place by entirely separate means. The consequence of this is that for an option to be viable to take forwards, it must separately meet the criteria of:

- redevelopment component of the option must be viable; AND,
- refurbishment component of the option must be considered to be value for money AND funding can be allocated from within the HRA.

1.46 Table 1 shows a comparison of the five design options and the outputs from the viability analyses that have been undertaken.

TABLE 1 – Comparison of Design Options

	Option 1 – full refurbishment	Option 2 – part redevelopment/ part refurbishment	Option 3 – part redevelopment/ part refurbishment	Option 4 – part redevelopment/ part refurbishment	Option 5 – comprehensive redevelopment
Number of net additional homes	0	19	20	72	158
Number of new, replacement homes at Council rent	0	7	17	93	212
Number of new, additional homes at Tenancy strategy	0	11	12	35	75
Net Present Value for refurbishment	-£662k	-£523k	-£526k	-£493k	n/a
Net Present Value for redevelopment (base scenario)	n/a	£2.6m	£1.27m	£3.15m	£824k

People’s Plan

1.47 The “People’s Plan” for Cressingham Gardens has been submitted to the Council during the recent consultation exercise; it is attached as Appendix J (excluding all the appendices that were attached). The Council has committed to considering this proposal. A more detailed technical assessment is provided in Appendix B, which suggests that despite the apparent attractiveness of the proposal to residents there would be some very problematic (quite probably irresolvable) technical difficulties to deliver it. It looks positively at numerous different ideas focussed around refurbishing the estate, but glosses over or ignores the negative issues associated with each proposition.

1.48 The “People’s Plan” is essentially another refurbishment option, effectively the same as Option 2 but with some added components and the suggestion (albeit unfounded) that additional funding could be found to support the proposals. Regardless of the technical merits of the proposal, fundamentally the question of whether it is realistic or not depends

on exactly the same set of questions as those applied to those design options reliant on significant refurbishment. So, whether or not it is viable to build the proposed additional new homes as suggested, the “People’s Plan” depends upon finding and allocating sufficient resources from within the HRA to refurbish the retained homes. This in turn depends on whether it is value for money to refurbish these properties and whether refurbishment alone would resolve other problems with the condition of the estate.

- 1.49 It is, however, recognised that a great deal of effort has been expended in preparing the “People’s Plan” and there are definitely some ideas contained within it that could be incorporated into the redevelopment for the estate.

General Planning Commentary

- 1.50 In line with the National Planning Policy Framework (2012) and the London Plan (2015) the Council has adopted planning policies, which seek to maximise the supply of additional homes, including affordable housing, within the Borough. The delivery of new housing is a key priority of the development plan, but this has to be balanced against the requirements of other policies, which deal with a wide range of issues such as design, heritage, amenity, trees, open space and transport. The Local Planning Authority has been proactively involved in the initial design development work, which has been undertaken on the six estates in the estate regeneration programme referred to in this report. Planning officers have visited the sites, assisted in identifying constraints and opportunities in terms of the existing built form and its surrounds, they have advised on key constraints and provided commentary on the emergent design study proposals in the context of adopted planning policies. It is considered that there is the potential to deliver new homes on each of these estates whilst also addressing key existing issues such as poor quality accommodation, lack of permeability, accessibility, insufficient legibility, anti-social behaviour; and poor quality public realm / open space. Officers will be seeking to optimise the quantum of additional housing that can be delivered on each estate taking account of the particular constraints of the site.
- 1.51 Lambeth has a number of housing estates of architectural interest and heritage, including the estates developed by Ted Hollamby between 1965 and 1980. Listing requests have been made to English Heritage for two such sites already; one of which has been successful. A listing application was made for Cressingham Gardens, which was assessed and not recognised; this was rejected with the following reasons for not being designated:

“Cressingham Gardens, built 1921-78, by Lambeth Borough Council Architects’ Department under Edward Hollamby, is not recommended for listing for the following principal reasons:

- Variable architectural interest: some elements within the scheme are creatively planned and visually engaging, whereas others have lesser interest; overall it lacks the structural cohesion, strong architectural expression as an ensemble, and the quality of details, of the best public housing schemes of the period;
- Variable quality of planning: while the relationship between some elements within the scheme is exceptionally successful, the relationship between other elements is either less well resolved, or has a much looser, more informal quality;

- Alteration: the wholesale window replacement and gradual attrition of the uniformity of the buildings has undermined in part the quality of their simple, robust, details.

Park View Court

- 1.52 Park View Court represents a block of six flats on Tulse Hill Road, which is surrounded on three sides by the Cressingham Gardens estate. From early on in the feasibility work, it was identified that it might be beneficial in terms of net additional number of homes delivered and quality of the masterplan to include Park View Court.
- 1.53 Through this consultation process, the residents of Park View Court have been notified that there is a strong likelihood that their properties would in the future be included in the masterplan. But they have been notified that no decision on this matter is being taken at this time and that it will only be through the masterplanning process that this will be considered.

Resident Commitments

- 1.54 As set out in paragraphs 1.23 to 1.27 in Appendix A, the Council has made commitments to residents to minimise the impact to residents that could arise from redevelopment and ensure, as far as is possible, that they can remain living on their estate. These commitments are embedded in the Key Guarantees – see Appendix K; more details on the Key Guarantees and associated processes were provided to all residents on the estate during 2015 in the documents Information for Secure Tenants and Information for Homeowners and more recently they have been reminded of the availability of these documents in the letter sent to all residents on 29th February 2016. Key elements of these Key Guarantees are set out below. The Council recently asked TPAS to review formally the Key Guarantees and TPAS has confirmed that the Key Guarantees meet, and in many cases exceed, statutory requirements. The TPAS Review has also been made available to residents.
- 1.55 The commitments embedded in the Key Guarantees are that all tenants will be re-housed; any tenant wishing to remain on their estate will be able to do so and will be provided with a new home that meets their housing need. However, where tenants value their existing secure tenancy, they can be elevated to Band A status on the Choice Based Lettings system and will have plenty of opportunity as the planning for redevelopment takes place to look for an alternative secure tenanted (or other) home elsewhere in the Borough. A draft new Assured Lifetime Tenancy has been drafted and is available for residents to review. Tenants will also be given help moving, with extra help provided for those who are vulnerable or have special needs.
- 1.56 The commitment to homeowners embedded in the Key Guarantees involves a variety of different options that are specifically made to deal with the different financial circumstances of different households. The offers include purchasing a property, to enable the homeowner to move away, or re-providing a home on the estate through a variety of mechanisms. Furthermore, in the Homeowners Financial Information document, information was provided to enable homeowners to understand better the potential financial impact of redevelopment, including the ability to call independent mortgage advisers (paid for by the Council) to enable

them to explore their own personal situation. In addition to this, assistance would be provided to vulnerable homeowners to help them move.

- 1.57 For both secure tenants and homeowners, the Council will provide compensation through homelessness payments and disturbance payments.
- 1.58 Concern has been expressed by some residents that the current appraisals do not appear to show adequate replacement of 4-bedroom properties. The Key Guarantees contain a commitment to provide existing tenants with replacement homes that meet their housing needs. The combination of allocations policy and housing standards define how those needs would normally be assessed, interpreted and provided for through a new home. The advantage to tenants in the context of redevelopment is that new homes can effectively be designed to cater for their particular needs, where these can be considered in terms of both the current need (at time of moving into a new home) and in the immediate future thereafter (to take account, for example, of growing children).

2. Proposal and Reasons

Proposal

- 2.1 The proposal is to proceed with complete redevelopment of the Cressingham Gardens estate. This decision would enable the Council to procure a development management team to progress design work towards a masterplan for the estate, which can then be taken forwards to a planning application.
- 2.2 The demolition of all the properties on the Cressingham Gardens estate and building of new homes can be expected to deliver:
- replacement of all existing homes – all existing tenants and resident leaseholders will have the opportunity to move into new high quality homes in a well-designed new neighbourhood;
 - a minimum of 158 additional new homes; and,
 - a minimum of 75 additional affordable homes, of which a minimum of 27 would be for council rent.
- 2.3 The design brief for the development management team (to be procured) will look to develop a phasing strategy for the regeneration of the estate so as to minimise the need to move anyone temporarily off the estate and to make sure (as far as is possible) that households only need to move once. In any event, the Council would work with residents to agree a construction programme that seeks to minimise disruption to residents.
- 2.4 In addition to this, in the spirit of the “People’s Plan”, which seeks both to embrace the existing character of the estate and to promote a ‘green solution’ for the estate, the Council will ensure that the development management teams engaged to progress the masterplanning of the project embrace an ambition to achieve a highly sustainable solution,

embracing low energy, ecology, etc., and recognise the unique location on Brockwell Park to deliver an exemplar new housing neighbourhood.

Consequences of the Recommendations in this Report

- 2.5 If the recommendations in this Report are adopted, then the Council will embark on a programme of masterplanning of the Cressingham Gardens Estate based on the assumption that the whole estate would be redeveloped. The financial viability of the project will continue to be assessed as the master planning develops. If the Council is unable to reach agreement for acquisition of leasehold properties, then it would be necessary to seek to acquire them by compulsory purchase.

Land Acquisition

- 2.6 Funding is already in place within the General Fund to commence the process of property buybacks from those homeowners who wish to sell back to the Council. A strategy will be developed to roll out this buy back programme, which will in due course become informed by the phasing strategy, which will be part of the masterplan.
- 2.7 As the masterplan is developed, it may become apparent that acquisition of additional land holdings on or adjacent to the estate, where such land holdings are partly enclosed by the land area of the estate (in particular, freehold dwellings and Park View court), would enable an enhanced masterplan to be produced and allow delivery of more homes. Where this is the case, the following tests should be applied:
- that the incorporation of such additional land area within a masterplan would qualitatively improve the masterplan in place-making terms (both within the masterplan area and in terms of how it fits within its wider context); and,
 - that incorporation of such additional land area would achieve net additional new homes.

Incorporation of such additional land holdings should be pursued in first instance through negotiation with the existing landowners. If this is not successful, then inclusion of such properties within the redevelopment would be confirmed at the time the Council decides whether to proceed with a compulsory purchase order for the estate. The decision to use CPO powers will require a further report to Cabinet.

- 2.8 There is a strong likelihood that a compulsory purchase order (CPO) will be required in order to proceed with the redevelopment. This is most likely to be once the masterplan has been prepared and the perimeter for the future estate determined, prior to making a planning application. This will enable the making of a CPO to run in parallel with the planning determination process. In the meantime, every effort will be employed by the Council to acquire properties by negotiation.

Resident Commitments

- 2.9 If the recommendation in this Report is confirmed, then the “Key Guarantees” (pending refinement and improvement through a subsequent consultation exercise) for secure

tenants and homeowners will now be implemented at Cressingham Gardens in accordance with the following principles:

- they will be implemented in the context of existing Lambeth Policies, noting specific exceptions that are set out in the above referenced information documents;
- officers will be tasked to work with the residents of the estate to formulate a local lettings policy that will determine how new built homes will be allocated, taking into consideration the housing needs of the existing residents on an estate; and,
- while recognising that there is no obligation on the Council to do this, officers should explore what opportunities there may be to provide assistance to tenants of private landlords on the estate, with a view to enabling such tenants to remain part of the community of the estate or at the least to remain part of the community of Lambeth.

Reasons

2.10 The reason for recommending complete redevelopment of the estate are set out below.

2.11 While recognising preferences expressed by residents for refurbishment and taking on board all those elements of the estate that residents like, it would not be value for money to commit funds to refurbishing properties on the estate because:

- as stated to residents, it would cost significantly more to refurbish properties at Cressingham Gardens than elsewhere;
- it is highly unlikely that refurbishment would resolve all the problems with the properties (as evidenced through the Tall Report);
- there are inherent design problems with the estate, such as inability to cater for disabled residents; and,
- there is significant overcrowding in the properties on the estate.

All of the options that have been considered represent significant refurbishment and consequently none of them can be justified.

2.12 Focussing on redevelopment, while the redevelopment component of Option 4 appears to be the healthiest option in purely financial terms, this is ignoring that it leaves two-thirds of the estate unfunded and requiring refurbishment. Option 5 is viable, is not reliant on funding of any refurbishment and, as set out in Appendix B, best delivers to the Council's stated criteria and objectives for the estate regeneration programme.

2.13 The Council has assessed the People's Plan and concluded that it is not a viable proposition and would be technically very difficult and costly to achieve.

3. Finance

3.1 Because the Council is the freehold owner of most of the properties on the estate all income and expenditure for the estate falls within the Council-wide HRA. This means there are

strict budgeting controls that prevent the Council from running a deficit in any one year. Moreover, the Council cannot borrow more than is currently planned because borrowing via the HRA is capped by Central Government either by means of a fixed “headroom” limit or because the HRA simply cannot afford to borrow more (i.e. there is insufficient income to pay any higher interest payments). Furthermore, grants from Central Government, such as were previously available for the Decent Homes programme, are now severely limited, if not curtailed altogether. This means that money spent on the estate from within the HRA is money that is not available to be spent on other Council-wide properties. Hence the Council has to make some difficult decisions about how best to spend its scarce resources.

- 3.2 *Refurbishment* and *redevelopment* are funded differently. Refurbishment costs must fall within the HRA because refurbished properties remain Council properties. However, with redevelopment, existing properties are demolished and the land would be transferred to a different owner so that the redevelopment costs can come from money borrowed from the outside of the HRA, rather than from within the HRA.
- 3.3 It is for this reason that the Council is proposing to set up a Special Purpose Vehicle ('SPV'), an independent company that would be wholly owned by the Council. Properties that would be owned by the SPV would cease to be accounted for within the HRA so as to free these properties from the above mentioned budgeting constraints. The SPV would be able to raise private sector funds outside of the HRA for schemes that had a sound business case.
- 3.4 It is not possible to make a sound business case for investing in properties on the estate that are to be refurbished. As noted above on average a typical Council property would cost circa £16,000 to refurbish but properties on the Cressingham Gardens estate are estimated to have an average refurbishment cost in excess of £30,000 per property. This expense would not be offset by greater income and although maintenance costs would fall they would not fall sufficiently to make the investment worthwhile to a private investor. Hence, properties for refurbishment will have to remain within the HRA and subject to the consequential financial constraints.
- 3.5 The Council instructed Airey Miller to run viability reports on the refurbishment and redevelopment costs for each of the five options. Their reports are attached as Appendix D. They have performed a financial viability analysis to establish whether each of the five options for the estate would have an acceptable risk profile and a positive net present value ("NPV"). NPV is a measure of how profitable a future cashflow is by comparing the value of a pound today to the value of that pound at a future point, taking inflation into account. If the NPV of a prospective project is positive, the project stands to provide an increased return on investment and would be considered acceptable. However, if NPV is negative, the project probably should be rejected because the cost of implementing will not be recovered in the future.
- 3.6 The NPV models for each of the four options that contain an element of *refurbishment* is theoretical because they assume that the finance would be borrowed from the private sector, which, as explained above, would not be possible for properties held within the HRA.

However, these theoretical models give an indication of whether each option (if the finance could be found from within the HRA) would provide value for money. In fact none of the four options would provide value for money because each has a negative NPV meaning that over a 30 year period the net cost to the Council would, by these theoretical models, be:

- Option 1: -£622k
- Option 2: -£523k
- Option 3: -£526k
- Option 4: -£493k

3.7 The NPV models for the four options that contain an element of *redevelopment* are not theoretical and indeed iterated versions of these (once further design work has been undertaken) will form the basis for the business case that will be used to raise finance (this is why some of the financial information has been redacted because the information cannot be seen by potential contractors or investment partners). They show that each option has a positive NPV meaning that over a 60 year period the Council could expect a return on its borrowed finance by each of these dates:

- Option 2: in 2046
- Option 3: in 2019
- Option 4: in 2020
- Option 5: in 2022

3.8 From a financial perspective none of the options that involves an element of refurbishment would offer value for money: each would require the Council to divert from the HRA a considerable sum to fund the refurbishment part of the project. Option 4 is the least costly of the four refurbishment options but even this would require the Council to incur a peak capital debt on the project of £6.74m; money which is simply not available within the HRA.

3.9 Option 1 would offer even less value for money because it would require the Council to divert £10.8m from other areas towards refurbishment of the Cressingham Gardens estate. Furthermore, since Option 1 involves no redevelopment there would be no increased income in the years to come.

3.10 From a financial perspective alone the Council recommends that Option 5 is progressed because each of the other four options would not provide value for money and would require the Council to divert considerable sums from its other Council-wide tenants and leaseholders over the next few years. This would be at a time when there are already two significant financial pressures on the HRA:

- The programme of estate refurbishment that was agreed in 2010, which provided for the Council to spend £499m over 5 years, was identified (even before the Chancellor's budget of 2015) as having an expected funding gap of some £56m.

- That funding gap has now grown to more than £85m for reasons including: the Chancellor's decision that council rents should decrease by 1% per year for 4 years; and refurbishment costs have been greater than expected.
- 3.11 In addition to financial considerations there are other reasons, as noted above, for preferring Option 5 over the other four options.
- 3.12 In June 2015 AMCAP Asset Management Cabinet Advisory Panel) recommended the allocation of resources to fund the master planning work on the six estate regeneration schemes. (Westbury, Knight's Walk, South Lambeth, Fenwick, Central Hill, Cressingham). This was followed up by the Cabinet Decision on 27th July 2015 to begin the procurement process for development management teams for the estates within the estate regeneration programme.
- 3.13 A sum of £5m per annum was also approved by Cabinet in April 2014 to support the provision of affordable housing, including a budget to commence property buybacks and site assembly costs.

4. Legal and Democracy

- 4.1 Section 1 of the Localism Act 2011 introduced a new "general power of competence" for local authorities, defined as "the power to do anything that individuals generally may do" and which expressly includes the power to do something for the benefit of the authority, its area or persons resident or present in its area.
- 4.2 Section 9 of the Housing Act 1985 empowers the Council to provide housing accommodation by erecting houses, or converting buildings into houses, on land acquired by them.
- 4.3 Section 105 of the 1985 Housing Act requires the Council to maintain such arrangements as it considers appropriate to enable those of its secure tenants who are likely to be substantially affected by a matter of housing management, including a new programme of maintenance, improvement or demolition:
- a) to be informed of the authority's proposals in respect of the matter; and,
 - b) to make their views known to the authority within a specified period.
- 4.4 The Council is required, before making any decision on the matter, to consider any representations made to it in accordance with those arrangements.
- 4.5 Article 1 of The First Protocol of the Human Rights Act 1998 provides that every person is entitled to the peaceful enjoyment of their possessions and that no one shall be deprived of their possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law. These provisions do not impair the rights of the state to enforce such laws as it deems necessary to control the use of property

in accordance with the general interest or to secure the payment of taxes or other contributions or penalties.

4.6 Section 149 of the Equality Act 2010 requires the Council in the exercise of its functions to have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and other form of conduct prohibited under the act; and,
- (b) to advance equality of opportunity and to foster good relations between persons who share a relevant protected characteristic (age, disability, gender re-assignment, pregnancy and maternity, race, religion and belief, sex, and sexual orientation) and persons who do not share it.

4.9 Having regard to the need to advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share it involves having due regard, in particular, to the need to:

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of the persons who share that characteristic that are different from the needs of persons who do not share it; and,
- (c) encourage persons of the relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

4.10 Where applicable, the Council, as a contracting authority, must adhere to the rules set out in the Public Contracts Regulations 2015. The threshold above which the award of public services contracts must comply with the full rigour of the Regulations is £172,514 and for works contract the sum is £4,322,012. For over-threshold contracts, contracting authorities must, among other things, publish a contract notice in the Official Journal of the European Union. For public contracts below these thresholds, authorities must give due regard to the general Treaty of Rome principles of openness, transparency and non-discrimination and the observance of the Council's procurement procedures in the selection process would provide compliance in this regard

4.11 When considering whether to adopt the recommendations of this report, the decision maker will be exercising discretion within the constraints of the duties referred to above and should therefore have in mind the following principles of administrative law:

- the decision must be within the Council's powers;
- all relevant information and consideration, including the Council's fiduciary duty to the Council Tax payer, must be taken into account; and,
- all irrelevant considerations, including unauthorised purposes, must be ignored.

4.12 This proposed key decision was entered in the Forward Plan on 19 February 2016 having subsumed a previous edition of estate regeneration reports, and the necessary 28 clear days' notice has been given. In addition, the Council's Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days - the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. Consultation and Co-production

5.1 Estate regeneration projects involve a series of stages of work. There is initial feasibility, during which the Council is making a first approach to residents to discuss regeneration of the estate, followed by a process of engagement, in which residents can become closely involved in the planning and design of the future of their estate. We appreciate that local residents need to be able to bring forward ideas and also objections at an early stage. This also allows us to set out our own objectives about improving quality and providing more affordable homes.

5.2 There has been an extensive programme of consultation and engagement on the Cressingham Gardens Estate which has opportunities for residents to shape the masterplan objectives which will in turn shape the new development. The process by which the engagement has operated is set out in detail in the Consultation Report; this includes a detailed consultation log of all the consultation activity.

5.3 Once a decision is taken on the scale of redevelopment of an estate, then it is made clear to residents whether their home will be part of a redevelopment process or not. This enables residents to decide on whether they wish to be part of the future of an area and to become involved in the masterplanning of the estate. The next step for the Cressingham Gardens estate is to begin formulating masterplan objectives for the future of the estate.

5.4 A Resident Engagement Panel has been running for some time at the Cressingham Gardens estate, together with an Independent Resident Adviser.

6. Risk Management

6.1 A project team is in place and a risk register is maintained. Key risks and mitigations are noted below:

Risk	Likelihood	Impact	Mitigation
Residents do not feel engaged in the process	H	H	The approach we are adopting is to have direct engagement throughout all the processes and phases.
Residents do not agree with the data on which	M	M	Resident reps involved in the Resident Engagement Panel can help to

regeneration, demolition and new build actions are based			demonstrate that the information and data is correct. Project plan – delivery stage addresses tasks required to mitigate
We have instances of legal objections or an unwillingness to vacate properties	H	H	The Council is using a wide range of communication methods to work with residents to explain the benefits of estate regeneration at both an individual and collective level. Where individual residents have concerns, the Council can work with them to seek to address issues. The Independent Resident Advisor retained to advise residents on options and impacts
Masterplan is too expensive	L	H	Robust financial advice and modelling to make sure we are completely clear about costs. A development management team will be procured, where it will be their responsibility to present back to the Council viable options for regeneration. Financial oversight to be provided by the Financial Planning and Management Team, reporting to AIMG/AMCAP
Planning permission not granted	L	H	Planning colleagues and advisers to remain engaged throughout masterplan development. PPA in place to ensure engagement

7. Equalities Impact Assessment

7.1 There are significant equalities issues that may arise as a consequence of this estate regeneration programme; these will need to be managed through the course of regenerating each estate.

7.2 An Equalities Impact Assessment was undertaken in June 2015 to support the earlier Cabinet Report on Cressingham Gardens of July 2015. A review has been undertaken to consider whether any additional empirical data has emerged since July 2015, which could cause the Equalities Impact Assessment to need to be revised. No such data has arisen during this time period. As a consequence, given that the recommendation in this Report

is effectively identical to that of the July 2015 Cabinet Report, this Equalities Impact Assessment has not been up-dated. It is attached as Appendix G.

7.3 The Equalities Impact Assessment has been carried out for Cressingham Gardens to support the recommendation in this Cabinet report to regenerate the entire estate. This Equalities Impact Assessment is based on the information available at the time of this decision and given the level of work that has been carried out so far on the estate. Information that has been used to undertake this Equalities Impact Assessment includes:

- Local and Borough-wide Demographic Data;
- Information held by Lambeth Living;
- Consultation work across the estate over the last 2 years;
- Household Needs Survey (carried out in February/March 2015); and,
- Test of Opinion Survey (carried out in May/June 2015).

7.4 A key action that arises from the Cressingham Gardens Equalities Impact Assessment is a need to explore how to mitigate potential living cost increases arising from the regeneration, such as rent increases and service charge changes. Mechanisms that the Council is exploring to mitigate these is to implement a phasing in of new rents over, say, a 5-year period and to ensure that the design brief demands careful consideration of the future service and utility charges on the estates.

7.5 As the development strategy is progressed for the Cressingham Gardens estate, it will be important to consider the whole living cost associated with moving into new homes both in the short and longer term and work with residents to identify ways to minimise the impact of any additional costs.

7.6 As the Cressingham Gardens regeneration project is progressed, then more information will be obtained over time regarding the residents on the estate and the communities in the areas surrounding the estate. This will allow more detailed equalities assessments to be undertaken to support more detailed decisions on design, phasing and other particulars of the development strategy.

8. Community Safety

8.1 New development will contribute positively to community safety by removing areas that attract anti-social behaviour and providing more passive surveillance of streets and spaces. The wider regeneration initiatives will promote estate pride and actively design out the potential for crime as part of the development process.

9. Organisation implications

The following sections must be considered, but are optional and each should be deleted if not relevant to the report. If there are no organisational implications, state "None".

9.1 Environmental

For Procurement reports, please include how the report demonstrates responsible procurement. Keep to one paragraph, if needed.

9.2 Staffing and accommodation

Keep to one paragraph, if needed. HR must be consulted on any potential implications of staffing or accommodation.

9.3 Procurement

Cover any key procurement information and considerations and how the procurement process was used. For reports requiring consideration by the Procurement Board (PB), the report author must record the date of the meeting in the Audit Trail and, after the PB, update the report and audit trail to include comments made by the Board. Reports are no longer signed by the PB Chair but decisions are noted in the meeting minutes. Include "Responsible Procurement" implications, including achievement of apprenticeships schemes, the London Living Wage and environmental considerations.

A separate part 2 (exempt from disclosure) report is required for procurements valued at £100,000 and greater. Detailed advice on drafting part 2 reports is set out at doc 02 08. Simply adapt the single report template to include only the exempt information.

9.4 Health

Keep to one paragraph, if needed. In respect of policy reports, how does the policy meet the priorities of the health and wellbeing strategy and what evidence there is to support the proposed actions in the Joint Strategic Needs Assessment (JSNA)?

10. Timetable for Implementation Procurement Strategy

- 10.1 An OJEU compliant procurement process was commenced in the summer of 2015, to procure a development management team to progress the regeneration of the Cressingham Gardens estate through masterplanning, planning and any compulsory purchase and procurement of construction of the project. This has been suspended as a consequence of the outcome of the Judicial Review. If Cabinet decides to confirm redevelopment of all or part of the estate, then this procurement process will be resumed where it left off.

Activities as a consequence of these recommendations

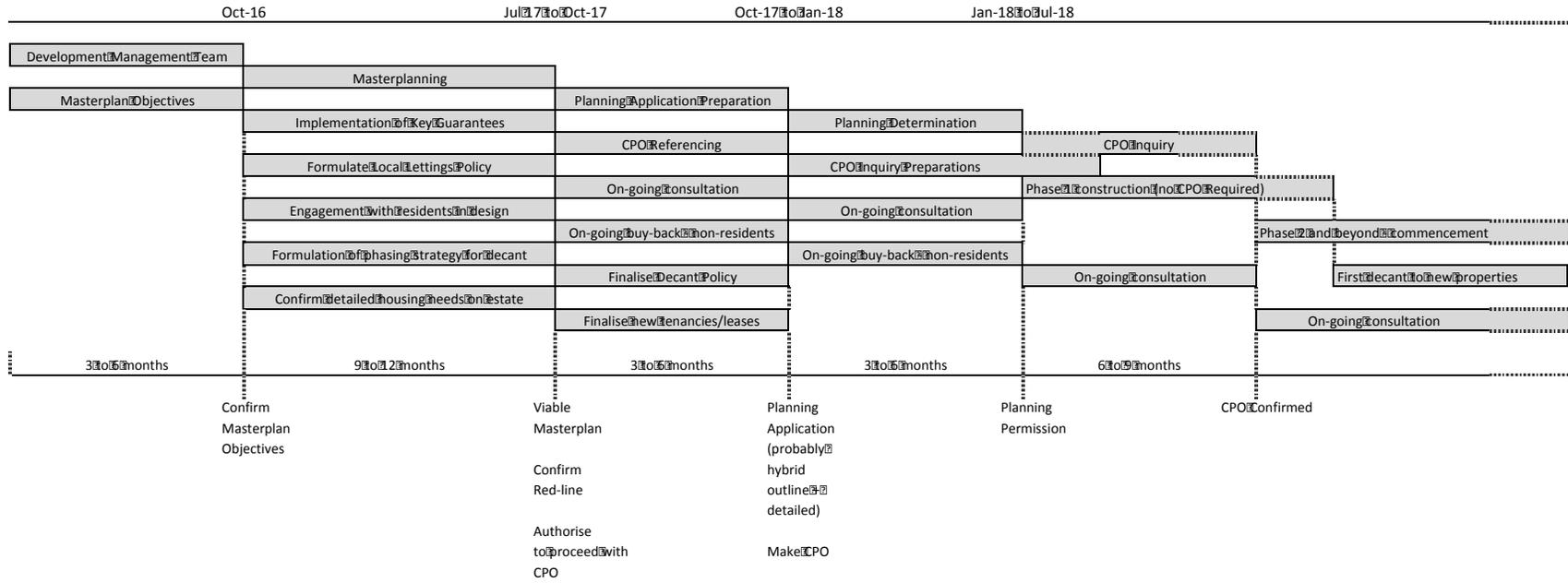
- 10.2 Set out below are the immediate activities to be progressed by Council officers if these recommendations are adopted. These are just the actions that will be observed from a resident's perspective.
- **Communication:** Letter announcing the recommendation to residents, setting out what this will mean for them (this will be tailored to different residents).

- **Engagement:** Council officers to hold weekly or fortnightly drop-in sessions on the estate (depending on demand) to be available to any resident to drop by and ask questions.
- **Resident Engagement Panel:** If the recommendations in this report are adopted, then the membership of this existing Panel will be reviewed to make sure that it is representative of residents on the estate and furthermore that its members are those who are willing to engage to progressing the redevelopment of the estate.
- **Procurement:** Progression of the procurement of the development management team to completion. This process has already started and will continue as follows:
 - selection of resident representatives to be on the interview panel;
 - capacity building training for the selected resident representatives (and any others who want to participate);
 - exhibition of the bidders for the development management role;
 - interviews with the bidders;
 - announcement of the successful bidder; and
 - event – “meet the development management team”.
- **Key Guarantees:** Commencement of implementation of Key Guarantees, including:
 - notification to residents on what the Council’s offers mean to them;
 - details of the process involved in different options under the Key Guarantees;
 - description of the “Resident Journey” from current home to new home; and
 - formal buy-back of leaseholds (where desired by residents) will likely commence at the beginning of 2016.
- **Household Needs:** Council starting to gather detailed household needs information from tenants.
- **Masterplanning:** Early work of the selected development management team, including setting out for residents what the masterplanning process will involve.
- **Other:** Further meetings with landowners affected by the recommendations to consider their options.

Timetable

- 10.3 The diagram on the following page shows a potential programme for Cressingham Gardens; this will become clearer, refined and more detailed over time.
- 10.4 The programme suggests that first construction of an initial phase of development on the estate could commence during 2018.

Cressingham Gardens Estate Redevelopment Indicative Programme



Audit trail				
Name/Position	Lambeth directorate/ department or partner	Date Sent	Date Received	Comments in para:
Councillor Matthew Bennett Cabinet Member	Cabinet Member for Housing	07/03/16	08/03/16	Throughout
Sue Foster, Strategic Director	Strategic Housing, Regeneration and Communities	07/03/16	10/03/16	Throughout
Rachel Sharpe, Director, Strategy and Commissioning	Strategic Housing, Regeneration and Communities	01/03/2016	08/03/2016	Throughout
Christina Thompson, Director of Finance	Finance, Corporate Resources	01/03/2016	09/03/2016	Throughout
Neil Vokes, Associate Director, Housing Regeneration	Strategic Housing, Regeneration and Communities	01/03/2016	08/03/2016	Throughout
Greg Carson, Principal Lawyer	Legal Services, Corporate Resources	01/03/16	02/03/16	4.1 to 4.11
David Rose, Democratic Services Officer	Democratic Services, Corporate Resources	02/03/16	03/03/16	Throughout

Report history	
Original discussion with Cabinet Member	December 2015
Report deadline	11.03.16
Date final report sent	09.03.16
Report no.	186/15-16
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	19 February 2016
Key decision reasons	2. Financial expenditure or saving of over £500,000 3. Meets Community Impact Test
Background information	<ul style="list-style-type: none"> The Community Plan, 2013-16 http://modern.gov.lambeth.gov.uk/documents/s55297/06b%200130403%20Community%20Plan%20FINAL.pdf Delivering Better Homes, Cabinet report, dated 4th Nov 2013 http://modern.gov.lambeth.gov.uk/documents/s61039/07_Delivering%20Better%20Homes.pdf

	<ul style="list-style-type: none"> • Lambeth Estate Regeneration Programme: Strategic Delivery Approach' (22/10/12) http://moderngov.lambeth.gov.uk/documents/s50180/06%20Estate%20Regen%20Final_22%2010%2012_NV.pdf • Cressingham Garden Consultation on the future of the estate http://moderngov.lambeth.gov.uk/ieListDocuments.aspx?CId=225&MId=9379&Ver=4
Appendices	<ul style="list-style-type: none"> • Appendix A – Background Decision-Making • Appendix B – Option Analysis • Appendix C – Summary of Key Issues raised during Consultation • Appendix D – Financial Appraisal of Options <ul style="list-style-type: none"> ○ Part 1 – Refurbishment Appraisals ○ Part 2 – Redevelopment Appraisals • Appendix E – Financial Appraisal of People’s Plan <ul style="list-style-type: none"> ○ Part 1 – Refurbishment ○ Part 2 – Development • Appendix F – Financial Summary • Appendix G – Equalities Impact Assessment • Appendix H – Housing Needs Survey (2015) • Appendix I – Application for Leave to Appeal (November 2015) • Appendix J – Cressingham Gardens – “People’s Plan” (excluding appendices) • Appendix K – Key Guarantees • Appendix L – Consultation Report (March 2015)