

1,000 new 'council rent' homes will renew our estates and maintain the mixed communities reflective of Lambeth's diverse population. These homes will be delivered over the next 4 years through a combination of initiatives, including estate regeneration, small sites development and specific housing projects. The Council also needs to look forwards to future demand, where it is predicted that more than 1,500 new homes will need to be built every year until 2025, to make sure local communities have the opportunity to stay in Lambeth and to cope with London's growing population.

The estate regeneration programme gives us the opportunity to improve the quality and size of homes on selected estates, invest in the wider neighbourhood and increase the provision of new homes on those estates. We made a commitment to deliver a 1,000 extra homes over the next 4 years but we also want to give existing tenants and leaseholders on these estates a series of key guarantees so that they know that they can continue living there.

The report goes into some detail about the following estates: Knight's Walk, South Lambeth, Westbury, Central Hill and Fenwick. The recommendation is that we continue looking into what can and should be done on each estate and we also want to have a team in place to help oversee the way forward for each estate through the different phases.

What we have learnt from the work to date is that we must engage local people in an open and honest way and be realistic about the options available to us. We also want to be clear that the quality of much of the current housing is not good enough and that redevelopment is often the way we can afford the improvements that are needed. It is clear also that we must be upfront about the approaches, the timescales and the costs. This commitment underpins the way we want to take these issues forward.

Finance Summary

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 sites. (Westbury, Knights Walk, South Lambeth, Fenwick, Central Hill, Cressingham).

Recommendations

- (1) To authorise the procurement of a development management team to progress the regeneration or redevelopment of each of the estates as set out in paragraph 2.1 to 2.4.
- (2) To continue with feasibility work towards confirming masterplan objectives for each estate considered in this report according to the timeframes as set out in paragraph 2.1.
- (3) To commit to officers working with residents in the process of procurement of the development management teams for the respective estates..

1. History and Context

Demand for Housing in the Borough

- 1.1 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.

Case study

A family has recently been re-housed in a suitable family home. They have been living in temporary accommodation for four years. They have three children, one of whom is severely disabled. They have moved into a ground floor 3-bed council flat. Despite their urgent need it still took four years to find them appropriate accommodation.

Case study

A family with four children all under the age of 10 is living in a 2-bed council flat. They need to move to at least a 4-bed and ideally a 5-bed. Two of the children have disabilities and the parents also have medical needs. Despite the apparent high need, they have been waiting for almost 5 years for a suitable new home.

- 1.2 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.

- 1.3 At the current time, each year the Council is able to provide housing for around 1,200 households. This equates to around 24 per week and includes internal transfers from one council house to another.

- 1.4 We know there will be real successes for individuals and families but our experience is that many people will be waiting for a long time. We have given three recent examples of the issues we are facing and the potentially great outcomes that we can achieve.

Background to the Estate Regeneration Programme

- 1.5 The estates that are covered by this Cabinet Report are: Knight's Walk, South Lambeth, Westbury, Central Hill and Fenwick. Together with Cressingham Gardens, these form the estate regeneration programme in Lambeth. The estate programme was initiated in 2012 and extended to these estates by the Cabinet decision in December 2014.

Case study

An under-occupying council tenant, who was affected by the bedroom tax has been moved from a 3-bed to a 2-bed, thereby freeing up a 3-bed for a larger family. Despite this tenant wishing to move quickly to minimize the cost incurred by the bedroom tax, it still took over 18 months to find a suitable alternative home.

- 1.6 We provided background to the Council's estate regeneration programme in the Cabinet Report of 13th July 2015. The report focused on the Cressingham Gardens estate, but the background section to that Report, covering the Council's programme objectives, planning context and proposed delivery strategy are applicable across all the estates that are considered here in this Report.

- 1.7 Since the Autumn of 2014 consultation has taken place with residents on the future of four of the five estates (excluding Fenwick). Summaries are provided on these consultations in Appendices A to D.
- 1.8 The feasibility work that has been carried out to-date suggests that up to 790 additional new homes could be accommodated across Cressingham Gardens, Knight's Walk, South Lambeth and Westbury; this figure assumes the upper limit of the various design scenarios that have been tested across these estates. This potential number of new homes does not include Central Hill or Fenwick, where feasibility work is not sufficiently advanced to be able to predict the capacity of these two estates.
- 1.9 For those estates where feasibility work has produced estimates of net additional new homes, then very preliminary viability work suggests that the Council will be able to deliver between 40% and 60% of those net additional new homes as affordable homes. The Council's aspiration is for 60% of net additional homes to be affordable.
- 1.10 We had wanted to have finalised a lot of the feasibility and consultation work by this point but the learning from the work to date meant it has been appropriate to extend deadlines and make sure we are getting this right. There is more information in the appendices explaining some of the background.
- 1.11 On the Fenwick Estate, work has been underway to develop plans for three sites alongside the railway lines, on which there is currently no housing. This has been done with close involvement from residents. A planning application is expected to be submitted shortly for these three sites, providing 55 new homes. Consultation on the future of the wider estate will commence in September 2015.
- 1.12 One of the things that we have been keen to get right are around the rights of the people who are already living on the estates. We have called these "Key Guarantees". In the previous cabinet report of the 13th July we considered the Key Guarantees (paragraphs 1.25 and 1.26) that have been made to residents of the estates within the estate regeneration programme. These Key Guarantees include the following headline commitments:
- that secure tenants, whose homes are affected by the regeneration of an estate, will be provided with a new lifetime home at council rents that meets their housing need on the estate; and,
 - that resident homeowners, whose homes are affected by the regeneration of an estate, will have the opportunity to remain living on the estate.
- 1.13 These Key Guarantees have now been fixed for the Cressingham Gardens estate. Consultation on these Key Guarantees will continue on the estates covered in this Report; however, further changes to these Key Guarantees, as applied to the estates covered in this Report, will only be made where there are exceptional reasons for making such changes.

2. Proposal and Reasons

Proposal

- 2.1 The proposal is to continue the feasibility work on each of the following estates: Knight's Walk, South Lambeth, Westbury, Central Hill and Fenwick. In effect this is about giving us realistic options and from that we then work out what we can achieve – this is all part of creating the masterplan objectives, where it is proposed that such objectives will be confirmed for each estate according to the following programme:
- Knight's Walk – by end of October 2015;
 - South Lambeth – by end of October 2015;
 - Westbury – by end of October 2015
 - Central Hill – no earlier than the end of December 2015 and no later than end of March 2015; and,
 - Fenwick – no earlier than the end of April 2016 and no later than end of July 2016.
- 2.2 One of the things we have learnt is that it is very important to be clear about the significance of these objectives. For instance they will identify the number of homes that are to be replaced on an estate and also the number of new ones that can be built. They also reflect what local residents have told us about the kind of estate they want to end up seeing.
- 2.3 We recognise that all the estates are different so although many of the processes will be similar it is important that we have objectives that are relevant to each particular estate. Alongside the masterplan objectives, we will make sure that we have a viability report and an equalities impact assessment for each estate; these help us to be clear about what is possible and understand what it means for people who are living on the estates.
- 2.4 What we would like to do is get development management teams in place as soon as possible to enable continuity for residents once the masterplan objectives have been confirmed for each estate. Our intention would be to procure these teams once we have agreement to proceed.

Reasons

Extension of Feasibility Work

- 2.5 In December 2014 Council Cabinet set an ambitious timetable for decision making on each estate, which reflected the scale of the housing crisis in the Borough. Over the past few months there has been a significant amount of consultation, engagement and information for residents. Across the programme residents have asked for more time to consider what regeneration would mean for them and their communities and so the Council's Cabinet is asked to agree an extension in response to residents' wishes.
- 2.6 More detail on the reasons for extending the feasibility and consultation work on each of the estates is set out in the respective appendices.

Procurement Strategy

- 2.7 The reason for commencing procurement of development management teams for each estate now is to progress these projects as effectively as possible, recognising that we need to ensure that all elements are managed smoothly to avoid adding to concerns for local residents. In each case the intention is that the development management team will have been procured and be ready to start work at the same time that the masterplan objectives are finalised for each estate, according to the timeframes set out in paragraph 2.1.

3. Finance

- 3.1 Taking forwards the estate regeneration programme represents a commercial endeavour for the Council. The programme is not about selling off our estates to private developers, but investing in them for the future. Each estate regeneration project is a significant development project that will require commercial and financial acumen and understanding and management of development risk.
- 3.2 At this early stage of the programme, individual projects need to be assessed on their own financial merits to determine whether or not they are viable to be progressed.
- 3.3 As set out in the Cabinet Report of 13th July 2015, it is the Council's intention to establish an SPV to facilitate the delivery of the new homes. This will need to be supported by appropriate commercial advice and expertise. In due course, this may enable a degree of cross-subsidy from one project to another. However, in the shorter term, projects that are being progressed as part of this programme will each be considered separately in terms of financial viability.
- 3.4 At the time that the masterplan objectives are being confirmed for each project, then these will be tested for viability in order to provide confidence that a project can be progressed.
- 3.5 When comparing different design options (such as partial or complete regeneration or different densities of development), a process will be pursued whereby numerous different scenarios will be tested for viability. These will be considered against the following tests to help to identify, in the round, which regeneration to recommend:
- positive Net Present Value (NPV) essential;
 - delivers the re-provision of existing homes in line with the Key Guarantees to residents;
 - meets as a minimum Council planning policy and Council tenancy strategy on affordable housing for the net additional new homes;
 - quantum of new homes provided – which option provides more;
 - quantum of new homes for council rent – which option provides more;
 - tenure split between market and affordable homes – which option is best able or closest to being able to provide a 60% affordable/40% market split;

- nature of market housing – preference for private rent;
- pay-back period – preference for shorter pay-back periods, while acknowledging that the Council is able to invest in the local community over a far longer period than a private developer, to support the needs of local families; and,
- subsidy – which option requires the least subsidy to meet the above objectives.

3.6 As each project is progressed, the Council’s Financial Planning and Management Team will be involved to ensure that the conclusions reached are consistent with Council requirements.

3.7 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 sites. (Westbury, Knights Walk, South Lambeth, Fenwick, Central Hill, Cressingham).

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 This proposed key decision was entered in the Forward Plan on 29 May 2015, 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 The key is that the dialogue is open and honest and that we acknowledge early on that not all decisions and approaches will be fully accepted. This is why the masterplan objectives must be fully understood and once drawn up adhered to.

- 5.3 Once masterplan objectives have been confirmed, the council will continue to work with residents in detailed design and masterplanning both of the estate and of their new homes.
- 5.4 In parallel with the work to formulate masterplan objectives, the Council has been working with residents to establish Resident Steering Groups for each estate. At time of writing this Cabinet Report, the Council is working with several of the formative Resident Steering Groups to develop Terms of Reference and Codes of Conduct for these Groups. These Terms of Reference for Resident Steering Groups will, in due course, become standardised (with discrete exceptions where appropriate) across all the estates in the programme. These will place responsibility on both the Council and Residents, where for the Council's part they will set out expectations in terms of sharing of information and on timely provision of paperwork prior to meetings.
- 5.5 We recognise that direct engagement with residents throughout the process is essential. That is why we will ensure that the procured development management teams can demonstrate real experience around engaging residents
- 5.6 We are establishing a panel of Independent Resident Advisers with the help of the Tenants and Leaseholder Councils; this panel will then be available for residents on each estate to select a preferred Adviser for themselves. Independent Resident Advisers are experts in housing and estate regeneration. They are well versed in the rights of residents in the context of estate regeneration.

6. Risk Management

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

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 regeneration, demolition and new build actions are based	H	H	Resident reps involved in the project team, can help to 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	We want the Resident reps to help us engage and inform local people so that they can test the information in an open and transparent way. Project plan – delivery stage addresses tasks required to mitigate

			The Independent Resident Advisor retained to advise residents on options and impacts
Masterplan is too expensive			Robust financial advice and modelling to make sure we are completely clear about costs Financial oversight to be provided by the Financial Planning and Management Team, reporting to AIMG/AMCAP
Planning permission not granted			Planning colleagues and advisers to remain engaged throughout masterplan development. PPA in place to ensure engagement

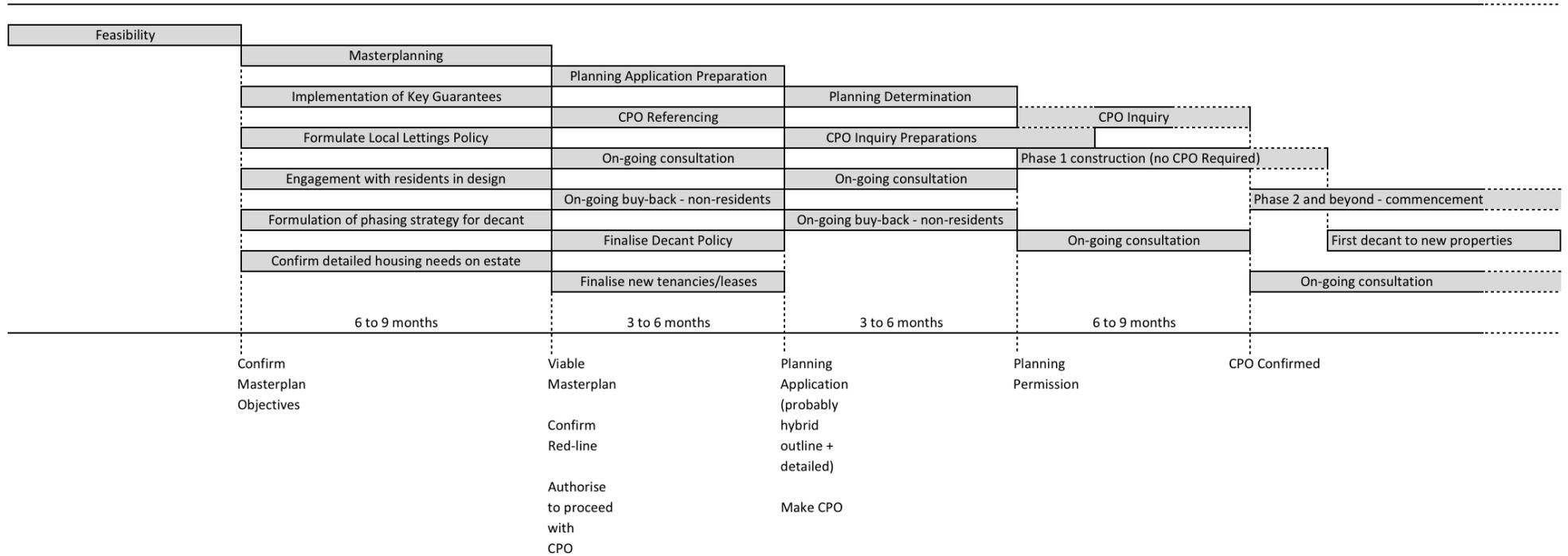
7. Equalities Impact Assessment

- 7.1 There are likely to be equalities issues that arise as a consequence of this estate regeneration programme; these will need to be managed through the course of regenerating each estate.
- 7.2 Equalities Impact Assessments will be completed to accompany the confirmation of masterplan objectives for each of the estates within the estate regeneration programme.
- 7.3 An Equalities Impact Assessment was recently completed for the Cressingham Gardens estate. This will form the template used for the other estates.

8. Timetable and Implementation

- 8.1 The diagram on the following page shows a generic programme for the regeneration of estates. As the work is progressed, more detailed programmes will be developed for each estate and communicated to residents. Some of the larger estates may involve multiple phases of planning and construction work.

Estate Regeneration - Generic Programme



9. Community Safety

- 9.1 Our aim is that the new development will contribute positively to community safety by removing areas that attract anti-social behaviour. The wider regeneration initiatives will also promote greater pride in the estates and look to make sure the estates are designing out crime.

Audit trail				
Name/Position	Lambeth cluster/division or partner	Date Sent	Date Received	Comments in para:
Sue Foster – Strategic Director	Delivery	15/07/15	17/07/15	Throughout
Mike Pocock: Delivery Director – BGR	Delivery	15/07/15	17/07/15	Throughout
Rachel Sharpe – Commissioning Director	Commissioning	15/07/15	17/07/15	Throughout
Martin Hastwell - Legal Services	Enabling	08/07/15	13/07/15	Section 4
David Rose – Democratic Services	Enabling	08/07/15	08/07/15	Throughout
Hamant Bharadia/Daniel Omisore - Finance	Enabling	08/07/15	13/07/15	Finance Summary and Section 3
Cllr Matthew Bennett, Cabinet Member	Housing	13/07/15	15/07/15	Throughout

Report history	
Original discussion with Cabinet Member	11.02.15
Report deadline	15.07.15
Date final report sent	17.07.15
Report no.	52/15-16
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	29/05/15
Key decision reasons	Meets Community Impact Test
Background information	<ul style="list-style-type: none"> The Community Plan, 2013-16 http://moderngov.lambeth.gov.uk/documents/s55297/06b%200130403%20Community%20Plan%20FINAL.pdf Delivering Better Homes, Cabinet report, dated 4th Nov

	<p>2013</p> <p>http://moderngov.lambeth.gov.uk/documents/s61039/07_Delivering%20Better%20Homes.pdf</p> <ul style="list-style-type: none"> • Lambeth Estate Regeneration Programme: Strategic Delivery Approach' (22/10/12) <p>http://moderngov.lambeth.gov.uk/documents/s50180/06%20Estate%20Regen%20Final_22%2010%2012_NV.pdf</p>
Appendices	<p>Appendix A – Knight’s Walk – update</p> <p>Appendix B – South Lambeth – update</p> <p>Appendix C – Westbury - update</p> <p>Appendix D – Central Hill – update</p> <p>Appendix E – Fenwick – update</p>