

Cabinet

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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

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

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.

There are simply not enough homes to meet the needs of people in Lambeth, and there are not enough homes, particularly social homes, to meet the needs of local families. This is a stark challenge and instead of watching the housing crisis become worse, the Council is committed to taking what action we can by investing in our neighbourhoods and building new homes. This will improve the quality of housing for our existing residents and offer the chance of a home to the thousands of local families who desperately need a place to call home.

As well as an historic £490m investment into our estates through the Lambeth Housing Standard (LHS) programme, the Council is committed to building 1,000 extra homes at council rent levels to deliver a new generation of homes for Lambeth's residents. With local communities being priced out of London, we want to ensure that new homes are built at a range of affordability levels. Our commitment to 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 1,559 new homes will need to be built per annum until 2025, to make sure local communities have the opportunity to stay in Lambeth and to accommodate 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. This programme will contribute towards the 1,000 extra homes we want to build over the next 4 years and importantly the Council is giving all existing tenants and leaseholders on these estates a series of key guarantees so that they will be able to continue living there.

The Council has taken a leading role in building new homes so that we can maximise the number of homes at council rent levels and ensure they are of a high quality.

This report focuses on the future of the Cressingham Gardens estate, which is one of the estates within the Council's estates regeneration programme. It is recommended that the Council progress complete redevelopment of this estate to meet the Council's objectives to provide better quality homes for the residents of Lambeth and to deliver additional new homes. This route achieves more of the Council's objectives, gives all existing residents the guarantee of a high-quality home, provides many more new homes, and can achieve pay-back at an earlier time which is much more appropriate for the type of development.

Finance Summary

- It has been confirmed that the proposed redevelopment of Cressingham Gardens has been financially assessed, that it complies with Lambeth's requirements and is a viable proposition on the basis set out in more detail in Section 3 and Appendix A.

The Council's Financial Planning and Management Team have been involved in the process from the outset. The conclusions reached are borne out of the financial analysis of the scheme. The underlying financial assumptions used in the analysis are correct and, albeit not part of the HRA, they are consistent with the HRA 30 Year Business Plan.

- It is confirmed that funding is available to progress the Cressingham Gardens project for the design, planning and land assembly processes.
- It is confirmed that funding is available to commence buying back properties from those homeowners who wish to sell their properties to the Council.

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 Appendix A, and to procure a development management team to progress the redevelopment of the estate as set out in paragraph 2.1.
- (2) To agree the Key Guarantees to secure tenants and homeowners (as annexed to Appendix A) at Cressingham Gardens in accordance with the principles as set out in paragraph 2.7 in the context that a compulsory purchase order may be required in due course to enable redevelopment of the estate.
- (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 would improve the placemaking outcomes and deliver a net increase in the number of homes (see paragraph 2.5).
- (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.

Attachments

- **Appendix A – Cressingham Gardens – update including the following annexes:**
 - **Plan of the Estate**
 - **Draft Masterplan Objectives**
 - **Household Needs – Survey Summary**
 - **Test of Opinion – Survey Summary**
 - **Financial Appraisal of Options**
 - **Equalities Impact Assessment (Cressingham Gardens)**
 - **Information for Secure Tenants (including Key Guarantees)**
 - **Information for Homeowners (including Key Guarantees)**
- **Appendix B – Draft Assured Lifetime Tenancy (for consultation)**
- **Appendix C – Draft Decant Policy (for consultation)**

1. History and Context

Background

1.1 There is a severe shortage of affordable housing in Lambeth as shown by the following statistics:

- 21,738 households on the housing waiting list (April 2015);
- 1,865 households in temporary accommodation (April 2015) and rising;
- 1,300 families living in severely overcrowded homes; and,
- the Council is losing around 250 social rented properties per year due to Right to Buy, in comparison to only 22 properties a year in 2010, and changes in government policy suggest that the number of social homes could reduce further in the coming years.

In addition to the above, the average sale price of properties in Lambeth now exceeds £500,000 and the median cost to rent a 2 bed flat is around £345 per week in the private sector, compared to an average rent of £108 per week for a council property.

1.2 To try to meet the demand and need for new housing, the Council needs to seek to meet or exceed the targets set out in the London Plan either to enable delivery of or to deliver directly at least 1,559 new homes per year through to 2025. Furthermore, the Council has set its own ambitious target to deliver 1,000 extra homes at council rent levels over the next four years through a combination of initiatives, including estate regeneration, small sites development and specific housing projects.

1.3 In the context of this high level of housing need and demand in the Borough, different solutions are needed to address different parts of the challenge. A response is necessary because Lambeth, as with London generally, has experienced such significant economic polarisation alongside population growth that current and future needs of residents will not be effectively served by market forces alone.

1.4 Lambeth's housing estates are its largest land asset and in order to tackle the housing crisis then we need to use that land efficiently and effectively to deliver benefit to as many people as possible.

1.5 The estate regeneration programme will contribute both to the target of 1,000 extra homes at council rent levels before 2019 and will also put in place an initial pipeline of Council delivered homes beyond that time. More specifically, this report considers the future of Cressingham Gardens estate, which is one of the estates within the programme.

1.6 In October 2012 the Cabinet approved the recommendations in the report '*Lambeth Estate Regeneration Programme: Strategic Delivery Approach (131/12-13)*' including the development of a Lambeth Estate Regeneration Programme. The Cabinet report of October 2012 identified Cressingham Gardens as a front-runner project to form part of the Council's estate regeneration programme.

1.7 The estate regeneration programme aims to provide additional homes at council rent levels that will house the people of Lambeth and to improve the condition of housing for existing residents, either through new homes or refurbishment of existing homes.

1.8 The Cabinet report of October 2012 set out six programme priority objectives:

- a programme which is based on joint working with residents to develop proposals which they can support (*noting the tensions that can arise regarding housing numbers, as considered further in paragraph 1.24*);
- to increase the supply and quality of homes, maximising the delivery of new affordable homes and meeting local needs, including housing for families;
- to improve access to and the quality of the local environment with outstanding public spaces and housing that promotes low energy consumption and environmental sustainability;
- to promote mixed and sustainable communities which provide a high quality of life for people of all ages and backgrounds, in safe, cohesive and healthy neighbourhoods, supported by high quality housing and excellent community buildings;
- to enable local people to take advantage of economic opportunity in Lambeth with support for training, employment and enterprise; and,
- to support the cultural heritage of the borough and to build on the distinct sense of place.

1.9 Drawing on the experience and understanding gained since 2012, these objectives can be further supplemented with the following aspirations:

- to improve and transform neighbourhoods through wider regeneration benefits;
- to provide a better private rent product with the Council (or its agents) acting as landlord; and,
- to develop long-term investment models which generate revenue income which can be used to deliver new homes across the Borough into the future.

1.10 Three overarching principles have been developed to assess whether an estate would be considered eligible for regeneration; these are:

- to focus on those housing estates where the costs of delivering the Lambeth Housing Standard are prohibitive; and/or,
- where residents and the Council have identified that the Lambeth Housing Standard works in themselves will neither address the fundamental condition of the properties nor address many of the wider social and economic issues experienced by residents; and/or,
- to focus on those estates where the wider benefits arising from regeneration justify the intervention.

- 1.11 In terms of wider benefits that can arise from regeneration of an estate, these include:
- the capacity to increase density and thereby deliver a net increase in number of homes; and,
 - the ability to consider estates within the context of their local areas and use the opportunity for regeneration to deliver wider regeneration benefits in accordance with the Community Plan 2013 to 2016.

The above two factors can work together, such that residential population increases and the financial benefits secured through the regeneration of an estate can be used to improve local placemaking and enhance local social and physical infrastructure.

- 1.12 In 2012 Cabinet approved the Lambeth Housing Standards (LHS) programme, to invest £490m in Lambeth's social housing stock and bring thousands of homes up to a standard that goes above and beyond the government's Decent Homes Standard. The Cabinet report set out an estimated shortfall of £58m, which would have to be met, in part, through the extensive rebuilding of estates.
- 1.13 In December 2014 the Cabinet approved the recommendation in the report *Building the homes we need to house the people of Lambeth* (108/14-15) which set out and confirmed the Council's commitment to 1,000 extra homes at Council rent levels and recommended that estate regeneration forms an important part of the strategy to achieve this. The December 2014 report stated that Lambeth's strategy would include an ambition to deliver a net addition in the homes for council rent, homes for subsidised rent and affordable home ownership. The role of the local authority being to fill the gaps that the private market cannot. This will mean an entirely new model of housing finance and delivery.
- 1.14 In the Cabinet report of December 2014, Cressingham Gardens estate was re-affirmed as being an estate within the Council's estate regeneration programme. The detailed reasons for inclusion of Cressingham Gardens within the estate regeneration programme are set out in paragraphs 1.1 to 1.7 of Appendix A.
- 1.15 In March 2015, the Cabinet agreed to no longer consider those regeneration scenarios that were primarily or entirely refurbishment of existing homes. From that time the Council has only further considered two scenarios that involved significant regeneration of the Estate. The continued consultation and engagement since March 2015 that has been carried out on the estate with residents is set out in more detail in Appendix A. The scenarios that remain for consideration and the assessment of these scenarios are set out in Appendix A.

General Planning Commentary

- 1.16 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, 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.

- 1.17 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 borough-wide assessment of the architectural / heritage significance of the developments is being carried out by conservation officers and it is anticipated that this will be completed in Autumn 2015.
- 1.18 Specific planning comments relating to Cressingham Gardens are provided at paragraph 1.21 of Appendix A.

Delivery Strategy

- 1.19 The estate regeneration programme aims to improve the quality and quantity of housing, the quality of the local environment and the quality of life for Lambeth residents. It will provide residents with safe, new, modern homes, which meet their housing needs in cohesive communities and healthy neighbourhoods. It will enable the Council to deliver additional homes to help to address the high level of housing need and demand in the Borough. Other opportunities that arise from the programme include:
- residents in overcrowded conditions can be rehoused in larger accommodation, vulnerable tenants can be given additional support and residents can play an active role in how their new neighbourhoods are designed and managed ensuring that mistakes of the past are not repeated; and
 - estate regeneration provides opportunities to contribute towards putting into place the social infrastructure required to make successful and sustainable communities, providing new community facilities, new business and employment opportunities and often new parks and open spaces as well as additional school places.
- 1.20 To enable delivery of the estate regeneration programme, the Council is currently developing a strategy that entails the creation of a special purpose vehicle (SPV), which

will both complement and add to the Council's existing abilities and tools for housing delivery and community benefit. The viability of such an SPV is currently being investigated.

- 1.21 By delivering new homes directly, the Council will be better able to meet the aspirations to involve residents in the development of masterplans and designs on their estates and retain as much control as possible within the local community in the process of regeneration of estates and the future management of these estates, while at the same time allowing the Council to deliver additional housing and secure the necessary funding for the programme.
- 1.22 Given the very high level of housing need and demand in the Borough, the Council is seeking to maximise the number of new homes that can be delivered through the estate regeneration programme, to make best use of its land assets to enable delivery of new homes. This requires balancing the expectations of existing residents on estates (who may desire to keep their estate at a relative low density) with the needs of both those on the housing waiting list and existing tenants living in overcrowded properties, who need affordable homes now, and the requirements of future generations to have good quality housing and neighbourhoods to live in. The changes that are being made through this programme need to seek to create places that are sustainable:
- that create desirable, high quality residential neighbourhoods that provide a good quality of life for residents and enable the formation and continuation of cohesive and supportive communities;
 - that are cost effective to manage and maintain into the future, that enable the formation of mixed communities with a variety of income profiles; and,
 - that provide good quality environments, are resource efficient and provide good local amenity.
- 1.23 Taking into account the strategy and objectives of the programme, as set out above, the generic priorities for developing masterplan objectives for each estate are:
- to achieve a high quality and sustainable residential neighbourhood;
 - to maximise the number of new homes in response to housing demand, taking into consideration planning constraints and expectations and local social and physical infrastructure;
 - to meet the housing needs of the residents on the estate;
 - to achieve the best possible viable balance of tenures for the additional new homes, with an aspiration to secure up to 60% homes for council rent and 40% private sale/private rent;
 - to harness the process of estate regeneration to deliver positive benefits to the local area; and,
 - to seek to minimise the disruption caused to existing residents during both the decant and construction processes.

- 1.24 The Council's objectives for estate regeneration and housing delivery (set out in the above paragraphs) have been applied to consideration of the options available for regeneration or redevelopment of Cressingham Gardens. The assessment of options is set out in detail in Appendix A.

Estate Regeneration – Programme Level Consultation

- 1.25 The March 2015 Cabinet report on Cressingham Gardens included draft documents: Information for Secure Tenants and Information for Homeowners. These set out the "Key Guarantees" (see page 4 of each of these documents as attached as part of Appendix A) and the various options that will be available to secure tenants and homeowners, when regeneration of an estate is progressed. These documents have been widely consulted on with tenants and homeowners across five of the six estates in the estate regeneration programme.
- 1.26 As a consequence of the consultation, amendments have been made to the Key Guarantees. These are shown as track-changes to the draft documents and are annexed to Appendix A. In addition to the clarifications to the Key Guarantees, a definition of 'resident homeowner' has been included within the Information Document for Homeowners.

2. Proposal and Reasons

Proposal

- 2.1 The proposal is to proceed with redevelopment of the entire Cressingham Gardens estate, to procure a development management team to help the Council to work up a masterplan for the entire estate and to seek to secure a planning consent for development. This has many advantages over the more limited partial regeneration options, as set out in paragraphs 2.12 onwards and Appendix A.
- 2.2 Redevelopment of the Cressingham Gardens estate means assumed demolition of all existing properties on the estate and replacement with a minimum of 464 new homes.
- 2.3 In parallel with the procurement of the development management team, a set of masterplan objectives (as provided in draft in Appendix A) will need to be finalised before end of October, where such objectives will incorporate the following:
- financial viability;
 - regeneration of the entire estate (that is replacement of all existing homes); and
 - delivery of a minimum of 464 new homes.
- 2.4 The procurement strategy to be pursued is very similar to the approach that has been taken for the Somerleyton Road project. It will involve procuring a development management team to work up the masterplan for the project, to secure a planning consent for that masterplan, to assist the Council in land assembly (such as a compulsory purchase order, if needed) and to assist the Council in the procurement of

construction contractors. The Council intends to fund directly the design, planning and land assembly processes.

2.5 As the masterplan is developed, it may become apparent that acquisition of additional land holdings adjacent to the estate, in particular where such land holdings might be partly enclosed by the land area of the estate, 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 it in placemaking terms (either 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 Cressingham Gardens redevelopment would be confirmed at the time the Council decides whether to proceed with a compulsory purchase order for the estate.

2.6 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.

2.7 The “Key Guarantees” for secure tenants and homeowners, provided in the information documents which are annexed to Appendix A, are now considered finalised for Cressingham Gardens. These 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 estates, 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.

2.8 Also attached to this Cabinet Report are drafts of the following documents:

- Appendix B – Draft Assured Lifetime Tenancy (for consultation); and,

- Appendix C – Draft Decant Policy (for consultation).

These documents will now be consulted on at Cressingham Gardens. In the case of the draft Decant Policy, this is an early draft that may be further refined before being consulted on.

- 2.9 The Council is also in the process of preparing draft leases that will support the Key Guarantees for Homeowners. These will also be consulted on in due course.
- 2.10 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.
- 2.11 The design brief will also seek to minimise disruption to residents on the estate through both the re-housing and construction processes.

Reasons

Recommended Option

- 2.12 The reasons for the chosen redevelopment strategy for Cressingham Gardens are set out below and in more detail in Appendix A.
- 2.13 A combination of social, economic and environmental considerations, as well as viability issues, lead to a recommendation to seek to redevelop the Estate through demolition of all the existing dwellings and replacement with new and additional new homes.
- 2.14 Regeneration of the entire Estate (Option 5) is preferred for the following reasons:
- Option 5 better enables the Council to meet its objective to deliver new homes for council rent.
 - Option 5 also delivers more homes generally and will enable more residents of Lambeth to live in better quality homes.
 - Option 5 better enables the Council to resolve existing overcrowding across the Estate.
 - Option 5 delivers a greater quantum of new homes meeting Tenancy Strategy.
 - Considering the various viability scenarios, Option 5 is more likely to better enables a tenure mix close to the Council's aspirations.
 - Whilst both options will provide home in excess of the Lambeth Housing Standard, Option 5 provides more homes at a higher standard, and more certainty that they will stay at a high standard for longer.
 - Option 5 provides more certainty that residents on the Estate will be able to live in homes that meet the Lambeth Housing Standard.
 - Whilst Option 5 may give rise to more disruption in the short-term, Option 5 provides more certainty that more people will have a better quality of life into the future.

- There is less risk associated with viability of Option 5, given the uncertainties around refurbishment costs and how marginal viability is for Option 4.
- Option 5 baseline enables a much shorter pay-back period. Pay-back periods for Option 4 are not only longer, they are likely to be well over 50 years, which is far too long for refurbished properties, outside the likely life-span of the buildings.

Procurement Strategy

2.15 The reasons for the selected procurement strategy for taking forwards regeneration of the estate include:

- this approach best enables the Council to control all elements of the project including quantum, design, housing mix, housing tenure and cost; and,
- this direct delivery route negates the need for a 'developer margin' which is currently at 20% for most schemes; this means that more value can be reinvested back into the developments themselves, improving the quality of housing and the proportion of affordable housing.

2.16 The reason for commencing procurement of a development management team for the Estate now is to progress this projects as quickly as possible, recognising that delays to estate regeneration projects can cause added stress to residents. The procured development management team will have been procured and be ready to start work at the time that the masterplan objectives are finalised for the estate.

“Key Guarantees”

2.17 The reason for adopting the “Key Guarantees” as set out in the documents Information for Secure Tenants and Information for Homeowners and providing the draft documents identified in paragraphs 1.25 and 2.7 are as follows:

- to provide those who will be affected by regeneration with as much certainty as possible to enable them to understand better how regeneration will affect them;
- to provide confidence to those who will be affected by regeneration that, as far as is possible, they will not be made homeless as consequence of regeneration;
- to set out how tenants and homeowners will be compensated for being forced to move or have to sell their home as a consequence of regeneration;
- to enable the Council to negotiate with homeowners either to acquire their properties or to enter into an equity swap agreement; and,
- because it is quite possible that CPOs may be required to facilitate the delivery of each estate and to make it clear that negotiations with leaseholders will be taking place in that context.

3. Finance

3.1 Taking forwards the estate regeneration programme represents a commercial endeavour for the Council. 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 stated in paragraph 1.20, 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 are each being 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. To this end, given that the headline masterplan objectives for Cressingham Gardens are being confirmed within this Cabinet report (number of dwellings to be replaced and minimum number of new homes to be built), then these have been tested to confirm viability.
- 3.5 Consultants have been retained to develop financial appraisals of the estates within the programme. A process has been followed to ensure that the prepared financial model is consistent with the Council's financial requirements and assumptions made in the current Housing Revenue Account (HRA) 30 Year Business Plan. The HRA Business Plan in the short to medium term deals with the need to complete the Council's LHS programme commitment and the HRA's ability to fund and resource that. There is no scope due to affordability constraints to fund any Estate Regeneration projects from within existing HRA Resources during this time either for regeneration or redevelopment.
- 3.6 Consultants have been retained to carry out the viability analysis on the basis of the massing studies that have been undertaken. These provide an approximation of the minimum number of dwellings that can be accommodated on the Estate. Layered onto this are the Council's objectives for individual projects, as set out in paragraph 1.23 (such as aspirational tenure split).
- 3.7 When comparing different options (such as partial or complete regeneration), a process has been pursued whereby numerous different scenarios have been tested for viability. These have then been considered against the following tests to consider, in the round, which regeneration options are better:
- 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.
- 3.8 This process has been carried out in regard to the two remaining options for Cressingham Gardens. This analysis is provided in Appendix A. It is the Council's consideration that complete redevelopment of the Cressingham Gardens estate better meets the Council's viability objectives.
- 3.9 The Council's Financial Planning and Management Team have been involved in the process from the outset. The conclusion reached regarding the relevant option is born out of the financial analysis of the scheme.
- 3.10 The underlying financial assumptions used in the analysis are correct and in line with the HRA 30 Year Business Plan.

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 A more detailed summary of historic consultation at Cressingham Gardens was included in the Cabinet Paper of March 2015; a summary of the additional consultation that has taken place since March 2015 is provided in Appendix A.

5.2 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. The initial

feasibility stage inevitably involves tensions between the Council and residents and it is sometimes difficult to reach agreement, because of opposing objectives: some residents naturally may want to pursue options that minimise disruption with only refurbishment work, whereas the Council has the responsibility to also consider the needs of the wider community of Lambeth and in particular the need for additional new homes in the Borough.

- 5.3 While the Council can seek to engage and consult with the residents as much as possible, it has to be recognised that it may not be possible to achieve full agreement with residents in the process of confirming masterplan objectives (involving confirmation of the number of homes to be replaced and the target minimum number of additional new homes to be provided).
- 5.4 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.
- 5.5 To progress the feasibility work on each estate, the Council has engaged with consultant teams that have each included experts in resident engagement. Going forwards, it will be a key requirement of procured development management teams that they demonstrate experience and expertise on resident engagement and an ability to work in a co-production manner.
- 5.6 In addition to the above, the Council has already retained an Independent Resident Adviser for Cressingham Gardens. For the other estates, a panel of Independent Resident Advisers is being established 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.

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 engage and actively oppose any option which involves demolition and new build	H	H	Co-production and on-going involvement to ensure that proposals reflect local wishes as far as it offers VFM. Effective communication and consultation strategies and action plans.
Residents do not validate the data on which regeneration, demolition and new build actions are based	H	H	Resident reps involved in the project team, can validate how options are arrived at having access to relevant information. Project plan – delivery stage addresses tasks required to mitigate
Residents take external legal	H	H	Resident reps involved in the project team,

action to stop demolition options, do not vacate homes when required

can validate how options are arrived at, Project plan – delivery stage addresses tasks required to mitigate

Masterplan not financially viable

The Independent Resident Advisor retained to advise residents on options and impacts Robust financial advice and modelling to interrogate options as they are developed.

Planning permission not granted

Financial oversight to be provided by [AIMG/AMCAP] 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 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).

7.3 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.

7.4 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

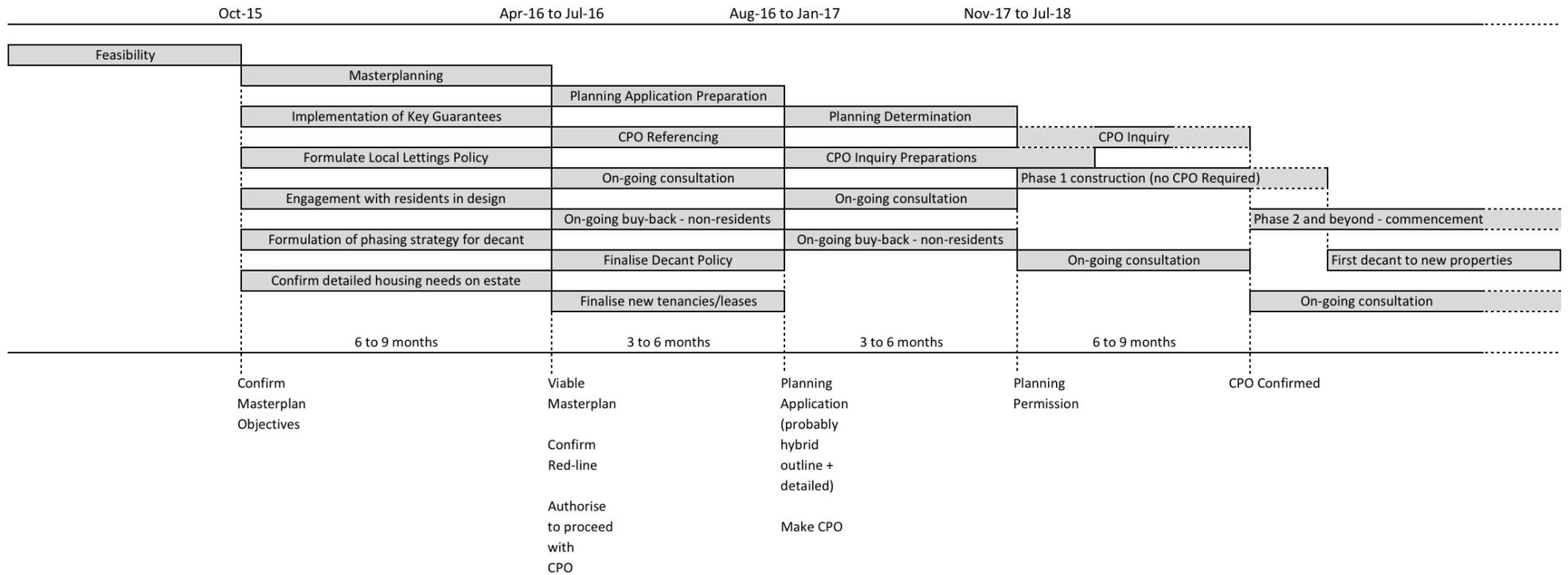
both in the short and longer term and work with residents to identify ways to minimise the impact of any additional costs.

- 7.5 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. Timetable and Implementation

- 8.1 The diagram on the following page shows a potential programme for Cressingham Gardens; this will become clearer, refined and more detailed over time.
- 8.2 The programme suggests that first construction of an initial phase of development on the estate could commence during 2017.

Cressingham Gardens Estate Redevelopment - Indicative Programme



9. Community Safety

9.1 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.

Audit trail				
Name/Position	Lambeth cluster/division or partner	Date Sent	Date Received	Comments in para:
Sue Foster – Strategic Director	Delivery	30.06.15	02.07.15	Throughout
Mike Pocock: Delivery Director – BGR	Delivery	25.06.15	03.07.15	Throughout
Rachel Sharpe – Commissioning Director	Commissioning	25.06.15	02.07.15	Throughout
Greg Carson - Legal Services	Enabling	19.06.15	19.06.15	4.1 to 4.9
David Rose – Democratic Services	Enabling		22.06.15	Throughout
Hamanth Bharadia/ Akuffo, Solomon -Finance	Enabling	23.06.15	23.06.15	3.1 to 3.10
Cllr Matthew Bennett, Cabinet Member	Housing	29.06.15	02.07.15	Throughout

Report history	
Original discussion with Cabinet Member	11.02.15
Report deadline	01.07.15
Date final report sent	03.07.15
Report no.	41/15-16
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 2013 http://moderngov.lambeth.gov.uk/documents/s61039/07_Deliv

	<p>ering%20Better%20Homes.pdf</p> <ul style="list-style-type: none"> Lambeth Estate Regeneration Programme: Strategic Delivery Approach' (22/10/12) <p>http://modern.gov.lambeth.gov.uk/documents/s50180/06%20Estate%20Regen%20Final_22%2010%2012_NV.pdf</p>
<p>Appendices</p>	<p>Appendix A – Cressingham Gardens – update, business case and brief, including the following annexes:</p> <ul style="list-style-type: none"> ▪ Plan of the Estate ▪ Draft Masterplan Objectives ▪ Household Needs – Survey Summary ▪ Test of Opinion – Survey Summary ▪ Financial Appraisal of Options ▪ Equalities Impact Assessment (Cressingham Gardens) ▪ Information for Secure Tenants (including Key Guarantees) ▪ Information for Homeowners (including Key Guarantees) <p>Appendix B – Draft Assured Lifetime Tenancy</p> <p>Appendix C – Draft Decant Policy</p>