

Lambeth Council
Consultation on the Key Guarantees

Prepared by Local Dialogue

Contents

This report	3
Executive Summary	4
Local Dialogue	5
The Key Guarantees	6
Introduction	6
Lambeth Council's goals	6
The improved Key Guarantees for secure tenants	6
The improved Key Guarantees for homeowners	7
Consultation activity	9
Introduction	9
Goal and purpose	9
Outline of consultation activity	9
Consultation events	10
Feedback	12
Introduction	12
Key points	12
How feedback was returned	13
Tenants response summary:	
Key Guarantee 1	14
Key Guarantee 2	15
Key Guarantee 3	15
Key Guarantee 4	16
Key Guarantee 5	16
Key Guarantee 6	16
Key Guarantee 7	17
Homeowners response summary:	
Key Guarantee 1	17
Key Guarantee 2	18
Key Guarantee 3	19
Key Guarantee 4	19
Key Guarantee 5	20
Key Guarantee 6	20
Key Guarantee 7	20
Lambeth council's response to consultation feedback	21
Appendix: feedback log	

This report

This report describes the consultation undertaken by Lambeth Council around improvements to the Key Guarantees for secure tenants and existing homeowners that accompany the council's estate regeneration programme.

It has been prepared by Local Dialogue and sets out:

- What consultation activity was undertaken by Lambeth Council; and,
- The feedback received from residents across the six estates in the regeneration programme

Feedback from residents is summarised in the body of the report, and full details is included in the Appendix.

Executive Summary

Between 10th October 2016 and 21st November 2016 Lambeth Council sought feedback from residents on its improved Key Guarantees to both secure tenants and homeowners.

The Key Guarantees themselves were initially published in July 2015 and the council has been keen to explore how they can be further refined and developed with residents across the six estates in its regeneration programme.

This process resulted in the council publishing its improved Key Guarantees in October 2016. Ahead of implementing the improved Key Guarantees it was decided to carry out one final consultation to get feedback from all estates in the programme. This feedback has been used to ensure any further queries residents may have about the Key Guarantees can be resolved and make any further improvements where possible.

What consultation took place?

In summary the council has:

- Supplied all households on the six estates in the estate regeneration programme with a booklet on the improved Key Guarantees. This included a pull out feedback form and Freepost address to return comments;
- Set up a specific page on the improved Key Guarantees on the Lambeth Estate Regeneration website; this included a link to an online form to provide feedback;
- Wrote to all households midway through the consultation, reminding them how to provide feedback and providing them with a Q&A document to clarify common questions which had already been raised;
- Carried out 26 separate events and workshops across the six estates to explain how the Key Guarantees have been improved and how residents can offer further feedback.

What was the feedback?

In summary:

- 5 feedback forms were returned via Freepost
- 35 feedback responses were submitted online
- Feedback summaries were provided from the events and workshops held on the estates
- 13 emails containing feedback were sent to programme officers

Local Dialogue

Local Dialogue is an award winning stakeholder engagement consultancy. We are members of the Consultation Institute and work across England and Wales to engage with communities affected by changes to the built environment and development.

We were appointed by Lambeth Council to prepare this Consultation Report, summarising consultation activity undertaken and feedback received.

We adhere to the principles of best practice set out by the Consultation Institute and treat all feedback received in a fair, secure and honest manner. All data gathered is handled in accordance with the Data Protection Act and no details will be passed on about any individual without prior consent.

The Key Guarantees

Introduction

This section of the report sets out the context to the consultation including:

- A summary of Lambeth council's goals; and,
- A summary of the Key Guarantees for tenants and homeowners

Lambeth council's goals

Lambeth council is addressing the housing crisis facing the Borough. This includes enhancing the quality of existing social homes through the Lambeth Housing Standard (LHS) Programme and increasing the supply of additional new homes through the Estate Regeneration Programme.

The Estate Regeneration Programme encompasses six estates: Central Hill, Cressingham Gardens, Fenwick, Knight's Walk, South Lambeth and Westbury; regeneration proposals for each of these estates are subject to additional consultation activity.

Lambeth council understands the potential distress that regenerating an estate could cause for residents. To reduce this as much as possible, the council is committed to keeping uncertainty to a minimum by giving residents the information they need. As part of this the *Key Guarantees* were published in July 2015.

The council has always been open to suggestions about how these Key Guarantees could be improved. That is why the council asked TPAS, a well-respected tenant engagement organisation, to review the Key Guarantees and suggest improvements. Following the review by TPAS and feedback from tenants and homeowners across the six estates in the regeneration programme, the council has improved and updated the Key Guarantees.

This report summarises the final consultation held to get residents' feedback and any further suggestions. These amended Key Guarantees will then be adopted by the council and implemented on all estates which are to be rebuilt.

The improved Key Guarantees for secure tenants

These Key Guarantees are made to all secure tenants who will have to move home as a consequence of the rebuilding of an estate.

Guarantee 1

If you need to be rehoused during the rebuild of your estate, you will either be able to remain on your estate or take 'Band A' status to move to another council or housing association home of your choice in Lambeth.

Guarantee 2

You will be able to move into a home that meets your housing needs. If applicable, your newly built home will be designed to meet your disability requirements.

Guarantee 3

Your rent, as an assured lifetime tenant living in a newly built Homes for Lambeth home, will be set in the same way as council rents. If you experience an increase in your rent as a result of moving to a newly built home, then your rent increase will be phased in over a five year period.

Guarantee 4

You will be compensated for having to move. A home loss payment will be paid to you, plus reasonable disturbance costs.

Guarantee 5

The council will provide you with help to enable your move, with additional support offered to you if you have special needs or a disability.

Guarantee 6

The council will provide you with advice and information to help you make informed decisions about your future housing.

Guarantee 7

If you choose to stay on your current estate, you will be able to get involved in the design of the new homes and the estate as a whole and influence decisions around the phasing of building new homes and the construction works.

The improved Key Guarantees for homeowners

These Key Guarantees are made to all homeowners who will either have to move home or sell their property as a consequence of the rebuilding of an estate.

These Key Guarantees apply to both freeholders and leaseholders.

Guarantee 1

If you, as a resident homeowner, wish to continue to live on your new estate, you will be given the opportunity to do so. You will be offered a range of options depending on your personal financial circumstances. If none of these options are adequate to enable you to continue living on your estate, the council will explore alternatives with you. *(This Guarantee does not apply to non-resident homeowners.)*

Guarantee 2

If you, as a homeowner, do not wish to live in a home on the newly built estate, you will have to sell your home at the market value to the council after an independent valuation and make your own new housing arrangements. *(This Guarantee is the only option available to non-resident homeowners.)*

Guarantee 3

The valuation of your property will be independent and based on market values and you will be compensated for having to move home.

Guarantee 4

The council will provide you with help to enable your move, with additional support offered to you if you have special needs or a disability.

Guarantee 5

The council will provide you with advice and information to help you make informed decisions about your future housing.

Guarantee 6

If you choose to stay on your current estate, you will be able to get involved in the design of the new homes and the estate as a whole and influence decisions around the phasing of building new homes and the construction works.

Guarantee 7

If you choose to stay living on your estate and if you require adaptations due to a disability or that of a family member, you will be able to have these adaptations made to your new home.

Consultation activity

Introduction

This section of the report sets out the context to the consultation including:

- The goal and purpose of consultation with residents;
- The activity undertaken to gather residents' views and feedback;
- Levels of response and participation in the consultation.

Goal and purpose

This consultation was held in order to give tenants and homeowners a final opportunity to comment on, ask questions and suggest further changes to the improved Key Guarantees prior to their adoption by the council.

This followed a review of the Key Guarantees led by tenant engagement organisation TPAS and earlier feedback from tenants and homeowners across the six estates included in the council's estate regeneration programme.

Outline of consultation activity

The formal consultation period ran from 10th October to 21st November 2016, and incorporated the following ways for residents to find out more about the Key Guarantees and give their feedback:

Website: A dedicated section was hosted on the Lambeth council Estate Regeneration website, outlining the process to date and details of the Key Guarantees. The website also included an online form to submit feedback and contact details, and a Q&A to respond to a range of key questions and issues being raised.

Consultation booklets: Consultation booklets were posted on 12th October 2016 to every property on the six estates. There were separate versions of the booklet for tenants and homeowners, relating to the relevant Key Guarantees for each. The booklets also included a tear-off form for residents to give written feedback via Local Dialogue's Freepost address as well as details of the webpage for online submissions.

Residents' letter and Q&A: Before the end of the consultation period (17th November 2016), a further mailout was hand delivered to residents, enclosing a Q&A document that addressed some of the most common questions being asked, and also encouraging residents to participate in the consultation if they had not already done so. In addition to reminding residents of the details for submitting comments online or through Freepost, the letter included a telephone number provided by Local Dialogue for residents to call and request further copies of the booklet.

Resident emails: To launch the consultation, emails were issued to residents on Cressingham Gardens (11th October) and Fenwick (12th October) with relevant weblinks included; a followup email was sent to residents on all estates on 16th November.

Consultation events

As well as providing written information through the booklets, letters, emails and website, and inviting feedback online or in writing, a number of individual events were held across each of the estates. These were facilitated by a combination of council officers and Independent Advisors and the summary details (including levels of participation) are highlighted in the table below. The number of other estate-specific queries is also recorded.

ESTATE	IRA	COUNCIL EVENTS	IRA EVENTS	ATTENDEES	OTHER QUERIES
Central Hill	PPCR	6 events • 3/11 x 2 • 5/11 x 2 • 10/11 x 2		Council: 62	
Cressingham Gardens		6 events • 19/10 • 25/10 • 26/10 • 2/11 x 2 • 9/11	1 event • 2/11	Council: 1 specifically re: KGs but other residents attended to discuss other matters IRA: 11	Council: 6 comments / queries IRA: 1 individual meeting, 2 phone, 1 email
Fenwick	Strategic Urban Futures	2 events • 17/10 • 10/11	2 events • September • October	Council: 17 IRA: 59 (21 tenants, 38 homeowners)	Council: 3 emails IRA: 9 individual meetings, 8 phone, 5 email
Knight's Walk	PPCR	1 event • 26/10	1 event • 4/10	Council: 12 IRA: 15	Council: 1 email
South Lambeth	TPAS	5 events		Council: 5	

Westbury	Newman Francis	6 events <ul style="list-style-type: none"> • 18/10 • 25/10 • 1/11 • 8/11 • 15/11 • 16/11 	6 events <ul style="list-style-type: none"> • 19/10 (Tenants Forum) • 26/10 (Leaseholders forum) • 26/10 (Drop in) • 15/11 (Tenants Workshop) • 16/11 (Leaseholder workshop) • 16/11 (Door knocking) 	Council: 18 IRA: 52	Council: 3 email / phone IRA: 2 email, 1 phone
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Feedback

Introduction

This section of report provides the feedback that was received from residents across the six estates consulted on the Key Guarantees. It:

- Explains how Lambeth council has responded to feedback through its Q&A document;
- Sets out the key points raised by residents;
- Describes how feedback was returned; and,
- Provides a summary of the written feedback provided, where possible, against each Key Guarantee.

Key points

It should be noted that while written feedback was requested for the purposes of recording and processing feedback, residents also made comments at events and in person and many expressed sentiment to the regeneration process as a whole and in reference to their particular estate, as well as providing feedback on the Key Guarantees. A full feedback log is available in the Appendix to this report. However, in summary, the following key points were raised by residents in relation to the Key Guarantees themselves:

Tenants

- Further clarification on the situation regarding adult children,
- Further information on how the local lettings policy will work and how residents can get involved in shaping this,
- Further information on what provision there will be for elderly residents as well as those deemed 'vulnerable' and more widely, what criteria will be used to assess vulnerability,
- Further information about how Homes for Lambeth (HfL) will be operated, when it will come into existence, whether it can be sold and who will staff it.

Homeowners

- The belief that the move from shared equity to shared ownership will make homeowners worse off,
- Further clarification is required on inheritance issues,
- Common belief that 'Option A' - buying a new home outright is unaffordable to almost all homeowners,
- Further clarification required on how valuations will be carried out,
- Further clarification required on how compensation will take into account cost of taking out new mortgages and associated costs.

How feedback was returned

Feedback forms

On 12th October two separate booklets titled “Improving the Key Guarantees” were delivered to residents on all six estates in Lambeth Council’s estate regeneration programme. Emails were also issued to residents on Cressingham Gardens (11th October) and Fenwick (12th October). The booklets detailed why the council was consulting on the improved Key Guarantees and listed what the improved Key Guarantees were. The booklet advised residents that they would have one final chance to provide feedback on the Improved Key Guarantees and that the deadline for this feedback would be 21st November 2016.

A cut out feedback form and Freepost address was provided within this booklet allowing residents to provide comments. In total five of these feedback forms were returned.

Online responses

As well as a physical feedback form, the booklet included a link where residents could leave their feedback on the Improved Key Guarantees online, with the same deadline for comments - 21st November 2016. Reminder emails were also sent to residents on all six estates on 16th November with links to the consultation website. These online comments were then logged in the same way physical feedback forms were. This method of returning feedback proved to be more popular for residents, with 35 responses received.

Workshops and events

Throughout the consultation, a number of workshops and other events, such as Resident Engagement Panel meetings were held on individual estates. These events were designed to take residents through the improved Key Guarantees so they could have a better understanding of the changes and could provide more informed feedback.

Feedback received from these meetings was then logged by the relevant council officers and provided to Local Dialogue.

Other responses

In addition to the responses received from feedback forms, online comments and from workshops and events. A number of additional comments were provided to Local Dialogue. These additional comments were made up of:

- Feedback reports from Independent Advisors;
- Comments from council officers (based on conversations they had with residents on the estates);

- Emails with feedback that were sent to individual officers rather than through the online feedback form
- Phone calls made to council officers

Tenant response summary

- **General comments:**
 - Request for more information on how succession rights will be written into the Homes for Lambeth (HfL) Assured Lifetime Tenancies
 - Comments on poor condition of current properties and desire for regeneration to continue without further delay.
 - Requests that Key Guarantees should be written into new leases and tenancy agreements to ensure they are enforceable on the landlord and future landlords.
 - Requests for further information be provided on timelines for demolition and regeneration.
 - Comments that without a legal agreement the Key Guarantees should not be labelled as such.
- **Key Guarantee 1**
 - Comments:**
 - Desire to take up offer of HfL Assured Lifetime Tenancy;
 - Concerns over losing Right to Buy and the belief that if Right to Buy were offered as part of the HfL Assured Lifetime Tenancy then residents would be more inclined to stay on their estates.
 - There is no clear date for when tenants wishing to move off their estate would be placed in Band A for their replacement home.
 - Clarification requests:**
 - After existing tenants have been rehomed, do those who have exercised their option to return have next highest priority?
 - What are the options for tenants who have not lived in their property for 12 months at the time when their block is earmarked for demolition?
 - More clarification needed on the difference between the two tenancy types aside from losing Right to Buy, Right to Manage and Right to Transfer Ownership;
 - How many times can a tenant turn down an offer if they do not like the property offered?
 - How long will tenants have to keep bidding before their property is demolished and they are forced into a property that is not of their choice?
 - More clarification requested on how the bidding process works.
 - Recommended changes:**
 - Request to add a guarantee that any changes to housing management policies must be done in consultation with tenants if these changes directly impact upon the tenancy agreement.

- **Key Guarantee 2**

Comments:

- Keeping rents affordable is a challenge for all London landlords. An affordable rent by central government standards (80% of market rent) is not necessarily affordable for many people.

Clarification requests:

- More information is requested on council tax bands for the new homes.
- Question of whether after existing tenants have been rehomed, do those who have chosen the option to return have next highest priority?
- What is deemed as original tenancy?
- What will be the impact on anyone living in the property who may not have been recorded on the original tenancy or the council have no record of?
- If a tenant moves off the estate due to overcrowding, will their housing entitlement still be the same as if they were staying on the estate (e.g. a home that meets their housing need)?
- If you downsize will your rent be cheaper?

Recommended changes:

- It would be more reasonable for adult children to provide evidence of residency for the previous 12 months rather than be included on the original tenancy.
- Tenants should not lose secure tenant status during the decanting process.

- **Key Guarantee 3**

Comments:

- Belief that increase in rents, even over a five-year period, will leave tenants homeless.

Clarification requests:

- What will happen once the five-year rent increase phases are over.
- Why are tenants not being given the same option of not paying rent rises for 12 months which will bring this guarantee in line with the offer to homeowners and rises in mortgage costs?
- Will percentage rent increase over five years be in addition to the annual rent increase which already applies to social tenants?
- Why are tenants not being given the same option of not paying rent rises for 12 months which will bring this guarantee in line with the offer to homeowners and rises in mortgage costs?

Recommended changes:

- Rent and council tax values should be made available to residents, as this information is related to property valuations which the council already has. This will help residents to make informed choices as to whether they can afford their new home.
- The council should write annual rent rises into tenancy agreements so it is clear what residents should expect.

- The council should guarantee equal amounts of housing benefit to cover rent increases, particularly if benefit caps directly impact families.
- **Key Guarantee 4**
 - Comments:**
 - Recognition that home loss payments will now be automatically updated according to government guidelines.
 - Clarification requests:**
 - Why has the council introduced the term ‘exceptional circumstances’ against some advance home loss payments, when these were not in the original Key Guarantees
 - Will tenants be compensated for improvements they have made to their property?
 - Recommended changes:**
 - There should be a choice when to be paid homeloss payments, since money paid on first move could be spent by time of second move.
- **Key Guarantee 5**
 - Comments**
 - There is nervousness about provision for the elderly.
 - Clarification requests:**
 - How does the council decide who is and isn’t vulnerable? What measure is used to determine this?
 - Who pays for tenants’ aids and adaptations? Are these expected to be paid from tenants’ home loss payment?
 - Will the council offer this service to all residents affected by the regeneration?
 - Recommended changes:**
 - Older people who may not consider themselves as vulnerable should be considered within this guarantee.
 - All assistance offered in moving and handyman services should be insured and professional. There should be a designated, named handyman, available to support all residents.
 - The Key Guarantees should give an undertaking to explore supported living for the elderly where possible.
- **Key Guarantee 6**
 - Comments**
 - Desire to see Independent Resident Advisors remain in place
 - Clarification requests:**
 - Request for more information in what priority residents will have in choosing their new home, what floor they will live on, what orientation their home will be etc.
 - If the council can only offer limited support to residents choosing to move outside the borough, it should provide more information on what exactly this support will include.

Recommended changes

- Support to help people move outside the borough is dependent on agreements with other authorities, if there are none then the council cannot guarantee this and should remove it from the Key Guarantees

- **Key Guarantee 7**

Comments:

- Residents are only being offered the opportunity to take part in the more 'menial' decisions when bigger questions that they should be able to influence are not being properly heard.

Clarification requests:

- How can tenants be involved in the development of the local lettings plan for new homes?
- Does the council have a fuel poverty strategy?

Recommended Changes

- The council should guarantee that residents are not disadvantaged by design that affects utilities and where possible protect from fuel poverty by ensuring that:
 - Water supplies will not be disconnected if bills are difficult to pay due to water meters being installed - this will have a particular impact on larger families
 - Dual fuel supplies will be provided within the properties (Gas and Electric)
 - No long term deal will be made with any fuel companies enabling residents to switch to better deals when they want to
 - Central heating systems are individual rather than communal

Homeowner response summary

- **General comments**

- Further clarification needed about HfL, its structure and management.
- Further clarification on assignments needed, in particular inheritance.
- Further clarification needed on first right of refusal.
- Further clarification on sub-letting and lodgers should be provided.
- Confusion over references to 'the council' in the Key Guarantees rather than HfL, which is understood to be a separate entity.
- There should be more information about service charges and a guarantee that the council/HfL will aim to keep these to a minimum.

- **Key Guarantee 1**

Comments:

- The change from shared equity to shared ownership changes the nature of the offer and could impact negatively on homeowners

both financially and in terms of size of home available to purchase.

- Option B would be the only attractive option to homeowners (Option A would be unaffordable and Option C would be very expensive).
- Zero rent Shared Ownership is unfair.
- It is unfair that a homeowner should pay 100% of service charges if they will not own 100% of their home.

Clarification requests:

- More information on inheritance requested.
- What if the homeowner's mortgage company regards this as a new mortgage deal, and charges a new fee to set it up and a higher interest rate than the homeowner's current deal? Will the council compensate for this?
- Will the ground rent be set at the current rate and will that be guaranteed to stay at a reasonable rate?
- Will council tax bands remain at the same bands on new properties or will they increase?

Recommended Changes:

- Possibility of homeowners being able to purchase new homes on other estates affected by regeneration should be included as part of the Key Guarantees as this could be a cheaper option for some residents (due to lower corresponding values of the new properties).
- More flexibility required on 60% minimum share for Zero Rent Shared Ownership, so that as many homeowners as possible can take up this option over Option C.
- These options should all be available to non-resident homeowners.

• **Key Guarantee 2**

Comments:

- This guarantee is fair for buy to let investors but it does not take into account resident homeowners that may need to rent out their home with the intent of returning to the estate due to temporary work commitments. These residents are at a severe unfair disadvantage and some guarantees should be made for residents in this situation.

Clarification requests:

- Request to see legal details that prevent homeowner from selling to an external buyer if they can find one.
- More clarification needed on whether the council will cover costs of finding a new mortgage, brokerage costs, penalty for closing old mortgage, fees for taking out new mortgage and higher interest rates.
- How will the council value views in the current and new homes?

Recommended Changes:

- Lambeth should compensate non-resident homeowners for the amount of tax liability they will have to pay on capital gains tax through being forced to sell their properties, or be allowed to buy a new flat on an estate.

- **Key Guarantee 3**

Comments:

- Valuations are still a key issue for homeowners. The undertaking that valuations will be based on the good condition of the structure and fabric of the properties was welcomed by many residents.
- There is concern about whether the council really will pay a fair price when buying back homes

Clarification requests:

- Will the council/HfL pay Stamp Duty in full?
- Will disturbance payments be made in a lump sum and will residents be expected to provide receipts?
- More information required on how the process of valuation based on good condition would result in higher values.
- Will the council pay for valuations done by residents in advance?

Recommended Changes:

- Disturbance costs should also be paid to non-resident homeowners
- Disturbance fees and legal fees should be separated into two separate guarantees.
- Forwarding of post for a 3-month period is too short, this should be extended.
- Homeowners should be able to retain a proportion of compensation.
- Homeowners should be provided with a valuation for their property as soon as possible and there should be a guarantee that this offer will not decrease unless property prices in the overall area fall.
- 10% home loss payment is the legal minimum, given the unaffordability of housing in London, this should be higher.

- **Key Guarantee 4**

Clarification requests:

- Other councils provide accommodation for the period between sale of properties and completion of the new estate. The council should confirm that it will provide accommodation during this period.
- More clarification needed on what priority homeowners will have in choosing their new home in the new development e.g. property type and orientation.
- If a resident is in temporary accommodation for more than 12 months because their new home is not available, how will this impact on their disturbance payments?

Recommended Changes:

- The council should incorporate the policy for early buy-backs they are developing into the Key Guarantees before they are finalised.

- **Key Guarantee 5**
Clarification requests:
 - How does the council decide who is and isn't vulnerable? What measure is used to determine this?**Recommended Changes:**
 - Older people who may not consider themselves vulnerable should be considered within this guarantee.

- **Key Guarantee 6**
Comments:
 - Residents are only being offered the opportunity to take part in the more 'menial' decisions when bigger questions that they should be able to influence are not being properly heard.**Clarification requests:**
 - **More information about the size of new homes should be included.****Recommended Changes:**
 - There should be a guarantee that the council will properly maintain the new estate through service charges and not let them get into the state that brought about the need for regeneration in the first place.

- **Key Guarantee 7**
Clarification requests:
 - Is the decision to make homeowners pay for aids and adaptations on their homes final, or is this still being consulted on?
 - How will the council ensure that residents who need aids and adaptations will not be 'worse off' than other residents given that they need to pay for these adaptations through the home loss payments? This will mean they will have less money to buy a share of their home and therefore have to choose Option C instead of Option B.**Recommended Changes:**
 - For vulnerable residents, the council should pay for any adaptation in full rather than deduct them from home loss payments.

Lambeth council's response to consultation feedback

All feedback received through the consultation process, including individual submissions and reports from workshops and events, has been carefully reviewed by council officers.

Full copies of all individual responses received have been replicated in the Appendix to this report, as have summary reports from workshops and events.

The council's response to feedback, including clarifications and any further amendments to the Key Guarantees, is documented elsewhere in the detailed papers for consideration by Cabinet.