

<b>HOUSING SELECT COMMITTEE</b>		
<b>Report Title</b>	Housing Regeneration Schemes	
<b>Key Decision</b>	No	<b>Item No.4</b>
<b>Ward</b>	All Wards	
<b>Contributors</b>	Executive Director of Customer Services	
<b>Class</b>	Part 1	<b>Date:</b> 5th March 2014

## 1. Purpose

- 1.1. To provide a summary of the Council's approach to estate regeneration, including an update on current estate regeneration projects.

## 2. Policy Context

- 2.1. Lewisham's Sustainable Community Strategy 2008-2020 contains the shared priorities for the borough. It sets out a framework for improving the quality of life and life chances for all who live in the borough. This approach works towards meeting the 'Clean green and liveable' priority to increase the supply and quality of housing to accommodate the diverse needs of the population.
- 2.2. Regeneration covers most of the key principles of the Council's Housing Strategy 2009-2014:
- Increasing housing supply
  - Widening housing choice and manage demand
  - Developing a quality private rented sector
  - Expanding the housing offer
  - Greening homes and neighbourhoods.

## 3. Recommendations

- 3.1. To note the contents of this report.

## 4. Background

- 4.1. The Council has a long history of working in partnership with Housing Associations to create long term change for residents through the provision of new and better housing and neighbourhoods. The Council has utilised a mix of capital grant and other funding to regenerate

neighbourhoods. There are currently live schemes at Heathside and Lethbridge, Excalibur, Milford Towers (as part of Catford) and Kender, and new flexibilities for HRA borrowing and bidding for grant funding mean that the opportunity for further estate regeneration programmes is increased.

- 4.2. These estate regeneration or renewal schemes deliver mixed and sustainable communities, are developed in such a manner as to “design out” crime and anti social behaviour where possible and they provide a cohesive approach to improving homes and the area than a programme focussed solely on internal improvements might.
- 4.3. Previous successful schemes at Honor Oak, Pepys, Silwood and Sundermead, replaced a total of 1,187 non decent, unsatisfactory homes with new homes constructed to a modern, decent standard and introduced a range of tenure types in the place of mono-tenure places. In total these schemes levered in more than £66m of external funding into the borough, thereby creating business and employment opportunities as well as improving homes and whole areas.
- 4.4. This report provides further detailed information on the current estate regeneration schemes in the sections that follow.

## **5. Heathside and Lethbridge**

- 5.1. On 25th June 2003 Mayor and Cabinet agreed the proposal to expand Lewisham's established estates regeneration programme to include Heathside and Lethbridge. Following the outcome of an open competition, on the 22nd February 2006 Mayor and Cabinet agreed that Family Mosaic become preferred development partner for the re-development of Heathside and Lethbridge.

### Scheme Proposals and Features

- 5.2. The overall scheme has planning permission for 1,192 new homes. The minimum number of general needs rented homes will be 447, an increase of 31. There are expected to be around 160 shared ownership and shared equity (for resident leaseholders) units resulting in a total increase of 190 affordable units. The remainder (542) are expected to be for private sale or could be private rent.
- 5.3. All of the homes will meet the lifetime homes standard and all affordable rented homes will meet the code for sustainable homes level 4. There will be the required 10% wheelchair accessible or adaptable homes across the whole site. A multi function community centre is being provided as part of Phase 3.

- 5.4. The Homes and Communities Agency (HCA) committed £26m funding to Phases 1, 2 & 3 and a further £3.072m to support Phase 4. The structure of the scheme is that the Council forward funds the cost of obtaining vacant possession of each site and these costs are reimbursed by Family Mosaic. To date the Council has received half of the amount spent on the scheme.

### Phase Summary

- 5.5. Phase 1 - 138 Units complete in 2012 (80 rent; 29 shared ownership; 23 sale, 6 shared equity)
- 5.6. Phase 2 - 190 Units complete in 2013 (70 rent; 61 shared ownership; 46 sale; 13 shared equity)
- 5.7. Phase 3 – Demolition is underway. 218 units to be complete 2015-2016 (98 rent; 111 private, 8 shared equity)
- 5.8. Phase 4 – Decanting is underway & building is to start in stages between 2014 / 2015 and new homes complete between 2016 / 2017.
- 5.9. A recent review of the master programme shows that the scheme is currently expected to complete at the beginning of 2023, with residents re-housed by 2020. This is within the timescales expected at the point that works started on site in 2010.

### New Build

- 5.10. The new homes are well liked by residents and there is a high acceptance rate. Of the 150 new rented homes in Phases 1 and 2, around 120 are occupied by Heathside and Lethbridge decant tenants. Sale and shared ownership properties in both Phases have all sold.
- 5.11. There are some ongoing defects issues with the completed homes to date. This includes a defective heating and hot water system in Phase 1. Family Mosaic are working with residents, the builders & consultants to resolve the issues.

### Consultation

- 5.12. Consultation has been a key element in this project from the outset as the new homes and neighbourhood are being created to benefit existing residents. Consultation with residents and local community groups has been ongoing throughout the process and has included newsletters, fun days / exhibitions and door knocking at key points in the programme.

## Local Labour and Employment

- 5.13. Local labour and employment requirements are a part of the Section 106 agreement which are delivered in partnership with each builder on each Phase. Targets are for apprenticeships; work placements and to use reasonable endeavours to achieve 50% local labour.
- 5.14. Phase 1 builder Rydon and Phase 2 builder Ardmore met or exceeded the first two targets. Ardmore particularly have a strong track record in their approach to local labour. On Phase 2, Ardmore took on 5 Lewisham borough residents as apprentices; at their height, 38% of their work force were borough residents; secured work for 16 borough residents for less than 6 months and employed 7 borough residents for longer than 6 months. There is an agreed approach in place to maximise local employment opportunities.

## **6. Excalibur**

- 6.1. On 17th September 2010, Mayor and Cabinet agreed that the Council proceed with the regeneration of Excalibur in partnership with L&Q.

### Scheme proposals

- 6.2. The master plan and offer to residents was developed through extensive consultation and includes:
- Re-provision of 178 affordable units, enough to re-house all tenants and resident freeholders;
  - The new affordable homes on the estate are to be built to Parker Morris Space Standards plus 10%;
  - A mix of homes and bed sizes including 30 bungalows to meet needs of existing residents;
  - An allocated free parking scheme for all existing Excalibur households, as well as providing a number of visitor parking spaces;
  - Affordable homes will meet code for sustainable homes level 4;
  - All homes will meet lifetime homes standards;
  - 49 (13%) of the homes will be for wheelchair users.
- 6.3. There will be an increase of 193 homes in the new development, the total number of properties on the Estate increasing from 178 to 371. Of these, 178 will be for social rent, 15 for shared equity (for existing resident freeholders) and 35 for shared ownership. 143 will be for private sale.

- 6.4. L&Q have secured funding from the GLA for the development of Phase 1/2. The Council and L&Q have agreed a bespoke financial model that sets out a pot of funding to enable the scheme to go ahead. This will be monitored throughout the scheme. L&Q will seek further grant funding as this becomes available.

### Phase Summary

- 6.5. Phase 1/2 - The Council has obtained vacant possession of the Phase 1 and 2 site with the exception of 1 tenant. The Council has been responding sympathetically to the tenants individual difficult circumstances however Court action is underway. There remain some issues being dealt with in partnership before demolition can commence however officers are expecting this to start in the near future.
- 6.6. Phase 3 - The Council is in the process of obtaining vacant possession of the Phase 3 site. Some tenants have moved away however most now will be able to be allocated a new build home to be built in Phase 1. The Council is in the process of putting in place CPO powers to ensure vacant possession from the freehold units.
- 6.7. Once demolition of Phase 1 and 2 is underway, new homes in Phase 1 are expected to be complete within around 15 months. The overall scheme is programmed to take around 6 years from the point of Phase 1 start on site.

### Consultation

- 6.8. There is a long history of the Council working with Excalibur residents and the Tenant Management Organisation on the future of the prefab estate. This has included consultation groups and events, surveys and working with independent tenant advisors.
- 6.9. Despite significant resident support for the redevelopment there has also been high profile opposition. This resulted in a resident ballot on the regeneration proposals in 2010, which demonstrated support for the scheme by the majority of residents.

## **7. Milford Towers**

- 7.1. Milford Towers consists of 276 properties, including 22 leaseholders. The Council started re-housing secure tenants in April 2012 and since this time, over 190 have moved by agreement, across the borough using the Council's choice based lettings scheme Homesearch.

- 7.2. Currently there are 50 secure tenants; 163 properties are managed by Notting Hill (including long term voids that have been brought back into use); 22 are leasehold; 35 are used as temporary accommodation and the remaining 6 properties are either remaining as void (1) or undergoing voids works for occupation.
- 7.3. The Council is still working towards obtaining vacant possession of Milford Towers by the end of 2015. The Council also continues to look at the options for the whole of Catford Town Centre and so the detailed timetable for Milford Towers will respond to these wider plans as they develop.

### Void Security

- 7.4. Milford Towers is currently being used as mixed tenure accommodation to address a variety of housing needs including existing secure tenants who will be decanted, homeless households waiting for permanent social rented housing and locally employed people on lower salaries who cannot afford full market rents or access low cost home ownership.
- 7.5. At the start of the process, the Council considered a range of security measures and developed a bespoke approach in order to maximise security and maintain a positive living environment through use of occupation rather than grills. All 2 bed units are used as temporary accommodation to house homeless households. These households are then able to bid for suitably sized permanent social rented housing advertised through Homesearch. For the other properties, the Council initially used property guardian company Ad Hoc to provide live in guardians and a small number have been long term grilled where the condition was such that other occupation at the time was not possible.
- 7.6. In January 2013 the Council began a private leasing scheme with partner Notting Hill Housing Association. Notting Hill lease units on short hold tenancies to local people at low rents. The scheme was introduced to meet a gap in the market and the needs of local employed people on low salaries who due to the impact of the recession are not able to afford home ownership or full market rents. Properties were initially transferred from Ad Hoc and now are immediately passed over to Notting Hill once the secure tenant has moved out. Notting Hill have a waiting list for their properties and they are bringing back into use many of the properties that had been long term grilled.

## **8. Financial implications**

- 8.1 The purpose of this report is to summarise the Council's approach to estate regeneration and to update members on current estate

regeneration projects. As such there are no financial implications arising from this report.

## **9. Legal implications**

- 9.1. There are no additional specific legal implications to insert for this report save for noting the current statutory Equality Act 2010 obligations namely:
- 9.2. The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 9.3. In summary, the Council must, in the exercise of its functions, have due regard to the need to:
  - eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 9.4. The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 9.5. The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:
- 9.6. The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

9.7. The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## **10. Crime and disorder implications**

10.1. Secured by Design, an element of most of the schemes names above, ensures that estates new build homes and estates are generally safer.

## **11. Equalities implications**

11.1. The Housing Strategy and Regeneration strategy both had equalities assessments carried out, and these schemes are delivered as part of these strategies.

11.2. The new homes would include wheelchair standard homes providing more opportunity for those with disabilities.

## **12. Environmental implications**

12.1. New homes are generally more environmentally friendly than the ones that they are replacing and will comply with legislation and planning policy relevant at the time that planning permission is granted.

## **Background documents and originator**

If you have any questions or comments on this report, contact Jeff Endean, Housing Strategy and Programmes Manager on ext 46213