

MAYOR AND CABINET			
Report Titles	Deptford Southern Sites regeneration project – Update and Decant		
Key Decision	Yes		
Ward	NEW CROSS		
Contributors	EXECUTIVE DIRECTOR FOR CUSTOMER SERVICES, EXECUTIVE DIRECTOR FOR RESOURCES & REGENERATION, HEAD OF LAW		
Class	Part 1	Date	25 March 2015

1. Summary

- 1.1 The Deptford Southern Housing sites consists of two developments being carried out as part of an ongoing programme the Council has led in Deptford since 2006. The previous Phases have seen completion of the Wavelengths extension, Frankham Street parking boulevard, Tidemill/ Deptford Lounge development and relocation of Deptford Green School. These have paved the way for further development opportunities now being carried out in Amersham Vale and a further site that sits across Reginald Road and the old Tidemill School.
- 1.2 Previously Mayor and Cabinet have been informed of key stages of the schemes including statutory Section 105 consultation in September 2013. Following on from a competitive dialogue process Mayor and Cabinet agreed that Family Mosaic, Mulalley and Sherrygreen Homes be appointed as the preferred development partner in February 2014.
- 1.3 This report seeks to update Mayor and Cabinet on progress made since the last report. Mayor and Cabinet are being asked to agree that Officers commence the process of re-housing tenants and buying back leaseholders in 2 – 30A Reginald to enable the scheme to move forward. Secure tenants and resident leaseholders will be able to move directly into new homes built as part of these developments as outlined in this report. The Amersham Grove site will also see the Council re-provide a public park required as part of the re-location of Deptford Green School.

2. Purpose of Report

- 2.1 To update Mayor and Cabinet on the progress of the Deptford Southern Housing Regeneration Scheme.
- 2.2 To set out the necessary re-housing and buyback arrangements for 2 – 30A Reginald Road.
- 2.3 To seek authority to serve Initial Demolition Notices on all secure tenants within 2 – 30A Reginald Road in order to suspend the requirement for the Council to complete right to buy applications for as long as the Notices remain in force.

- 2.4 To seek authority to serve Final Demolition Notices on all secure tenants within 2 – 30A Reginald Road once the proposed demolition dates are known, in order to render all existing right to buy applications ineffective and prevent any further right to buy applications being made.
- 2.5 To seek approval to demolish 2 – 30A Reginald Road when vacant possession has been achieved in accordance with the programme agreed between the Council and its development partner.

3. Policy Context

- 3.1 The re-development of the two sites in Deptford contributes to key national objectives, particularly meeting the decent homes standard and increasing the supply of affordable housing.
- 3.2 The re-development will provide 321 new homes, of which 117 are expected to be affordable (including 77 for rent). This is to replace an existing block of 16 homes and bring new life into an old school building.
- 3.3 Development of the sites supports the Sustainable Community Strategy 2008 – 2020 especially the priority outcomes Reducing inequality – narrowing the gap in outcomes for citizens; Clean, green and liveable – where people live in high quality housing and can care for and enjoy their environment and Dynamic and prosperous – where people are part of vibrant communities and town centres, well connected to London and beyond. It also supports the Council's corporate priorities notably 'Clean, Green and Liveable' and 'Decent Homes For All.'
- 3.4 Further, the re-development of the two Deptford sites is in line with Lewisham's established housing policy as set out in previous reports to Mayor and Cabinet and also contributes significantly to the Council's incoming Housing Strategy for 2015 – 2018.
- 3.5 The scheme will increase local housing supply and by introducing a range of housing types and tenures for a range of income households, the scheme will help to widen housing choice. More specifically, the scheme contributes to a host of strategic objectives. By obtaining funding from the HCA and using Council owned land for the purposes set out here, the Council is engaging with delivery partners and making the best use of available resources. A key principle of the scheme is to make the new development a desirable place to live, supporting the strategic objectives around design quality and safety, accessibility and improving environmental performance. In addition, Family Mosaic will manage all new homes, regardless of tenure through an integrated management body that will work with existing residents to ensure it provides high quality housing management.

4. Recommendations

It is recommended that the Mayor:

- 4.1 notes the progress of the Deptford Southern Housing Regeneration Scheme;

Agrees that

- 4.3 Where necessary, Notice of Seeking Possession is served and possession proceedings brought against secure tenants in 2 -30A Reginald Road under ground 10 of Schedule 2 to the Housing Act 1985;
- 4.4 Secure tenants are re-housed in line with section 7 of this report;
- 4.5 Any properties in 2 – 30A Reginald Road which were previously sold under the Right to Buy be repurchased by the Council at market value (plus reasonable professional fees) where agreement can be reached with leaseholders in advance of a Compulsory Purchase order being made by the Council and to delegate authority to the Head of Asset Strategy and Development in consultation with the Head of Law to negotiate and agree the acquisition terms;
- 4.6 Home loss and disturbance payments are made to displaced secure tenants and owner-occupiers where appropriate in accordance with the Land Compensation Act 1973.
- 4.7 Initial Demolition Notices be served on all secure tenants within 2 – 30A Reginald Road in order to suspend the requirement for the Council to complete right to buy applications for as long as the Notices remain in force;
- 4.8 Final Demolition Notices be served on all secure tenants within 2 – 30A Reginald Road once the proposed demolition date is known, in order to render all existing right to buy applications ineffective and prevent any further right to buy applications being made; and
- 4.8.1 2 – 30A Reginald Road is demolished following vacant possession being achieved in accordance with the programme agreed between the Council and its development partner.

5. Project Progress

5.1 Summary of the principles of this project and progress to date:

- Family Mosaic, Mulalley and Sherrygreen Homes were appointed as the preferred development partner by Mayor and Cabinet in February 2014.
- The Council is seeking authority from the Secretary of State to dispose of the sites and this is expected imminently.
- The Development Agreement covering both sites is to be signed following this.
- Section 105 consultation has carried out with residents of 2 – 30A Reginald Road three times during the development of the scheme, most recently this was in May 2013.
- The partners have begun the process of developing the planning application, which is due to be submitted in the Autumn 2015.
- A programme has been agreed between the Council and our partners and this is set out in paragraph 6.8 below.

5.2 There is a significant background to this scheme, of which there is a summary in the report 'Deptford Southern Housing Sites project – section 105 housing consultation outcome' which was approved by Mayor and Cabinet on the 11th September 2014.

This history has included a number of changes including to the area of the Tidemill regeneration, notably to take out two Giffin Street blocks, which will now remain in situ.

6. Scheme Proposals and Features

- 6.1 The scheme has several distinct features brought about by the location and background of the scheme as well as developed through the competitive dialogue process.
- 6.2 Amersham Vale – this site, now vacant, was previously occupied by the old Deptford Green School. As the new school was relocated on Fordham park, the Council agreed to re-provide some public open space as part of the re-development of Amersham Grove. There is outline Planning approval for the park, early construction of which is an important part of this scheme.
- 6.3 The site that covers 2 – 30A Reginald Road and the old Tidemill school building will see new homes built through a combination of demolition and refurbishment and provision of public amenity spaces. The old Tidemill School building is to be retained and two additional storeys added to provide new homes. 2 – 30A Reginald Road is to be demolished, with tenants re-housed and leaseholders bought back. New homes will then also be built on this site.
- 6.4 Family Mosaic, Mulalley and Sherrygreen Homes were selected as preferred development partners by Mayor and Cabinet in February 2014 and since this time the Development Agreement for both sites has been agreed and the Council has been seeking to put in place the required approvals from the DCLG.
- 6.5 The key features of the scheme, developed through the procurement process are set out below. The scheme is still subject to detailed Planning approval however the Council set out key requirements as part of the Competitive dialogue process which bidders were to adhere to or improve on.

The schemes will provide:

- 204 new homes will be built on the Reginald Road/ Tidemill site, including 53 for social rent, 25 for shared ownership and 126 for sale. This equates to 38% affordable housing.
- 117 new homes are to be built on the Amersham Grove site, including 24 for social rent; 15 for shared ownership and 78 for sale. This equates to 33% affordable housing.
- All existing tenants can be re-housed and resident leaseholders can buy into new homes being built on either site or elsewhere in the Borough should they choose.
- Family Mosaic have offered to provide a new home to resident leaseholders through shared equity – as used on other regeneration schemes such as Heathside and Lethbridge.
- Family Mosaic use ‘target rent’ levels rather than up to the 80% of market rents levels allowed through ‘affordable rent’ with a lower rent commitment for those residents who are re-housed into the new homes from 2 – 30A Reginald Road
- Homes will be built to London Housing Design Guide space standards, Code for Sustainable Homes level 4, rented homes will be built to lifetime homes standards and 10% of homes will be wheelchair adaptable.

- The park at Amersham Grove will be built to in accordance with the Planning approval and it will meet the specification agreed with the Council's parks team. The park will remain in the ownership of the Council.

Phasing and Programme

- 6.5 The sites will be under construction at the same time. Key to this is that the developers will commence works on the Amersham Grove park on signing of the development agreement as they are building out the Authorities Planning permission. The park will be 90% complete (and safe to use) with the remaining part used as the site compound during the remaining construction programme. The park will be fully handed over when the housing on Amersham Grove is complete.
- 6.6 On obtaining Planning permission and discharging pre commencement obligations, the developer will commence works across Amersham Grove and Tidemill sites. The latter will include Tidemill school refurbishment and new building works to provide new homes for residents from 2 – 30A Reginald Road prior to demolition of that block and then building on that site.
- 6.7 The old Tidemill School building is currently occupied by several different organisations, who will be required to vacate the premises in order for the development to proceed. The Council is in discussion with the guardians in the main school building; the artists who currently occupy the school annex and organisers of the community garden about project progress and timescales for the development.
- 6.8 An indicative programme is set out below:

Milestone	Date
Park works	Spring/ Summer 2015 – Spring 2016 (90%). Final completion Spring/ Summer 2018
Planning submission	Autumn 2015
Granted	End 2015
Start on site (all sites)	Spring / Summer 2016
Reginald Road decant complete	Summer / Autumn 2017
Completion (in phases)	During 2018 – Spring 2019

7. Re-housing Proposals

- 7.1 There are 16 properties in 2 – 30A Reginald Road including 13 tenanted properties and 3 previously sold under right to buy.
- 7.2 Family Mosaic are contributing towards the cost of a dedicated Decant Officer who will work individually alongside tenants throughout the re-housing process. The Council has a well established approach to re-housing tenants and buying back properties during regeneration schemes and Officers intend to utilise the same processes.

- 7.3 All secure tenants will be visited by the Decant Officer to discuss their housing needs and aspirations. They will then be able to choose whether they would like to move into new homes being built by Mulalley and Sherrygreen Homes on either of the two sites in Deptford or whether they would prefer to move away throughout the borough through the Council's choice based lettings system, Homeseach.
- 7.4 Secure tenants resident for over 12 months will be eligible for a Home Loss payments, which are a statutory payment of £4,900 (this has recently increased from £4,700) as well as reasonable costs associated with moving including removals and re-connections.
- 7.5 The Council will also meet with leaseholders on an individual basis to discuss their circumstances. Resident leaseholders will be able to purchase a new home in the new development through 'shared equity' which is similar to shared ownership but with individually tailored financial offers. Leaseholders who live elsewhere or who have another property are not offered further re-housing.
- 7.6 Leaseholders are bought back by the Council at market value plus a home loss payment (10% of the value of the property if they are resident and 7.5% of the value of the property if they have another property). The Council also pays reasonable costs associated with the process including for independent Valuer representation.
- 7.7 The Council intend to use all vacant properties in 2 – 30A Reginald Road for temporary accommodation for homeless households, where possible. Alternatively Officers will secure the properties using property guardians or as a last resort, grills.

8 Demolition Notice

- 8.1 The Council will serve Initial Demolition Notices on all secure tenants within 2 – 30A Reginald Road in order to prevent any current or future Right to Buy applications from completing.
- 8.2 The Initial Demolition Notice is required to contain certain prescribed information including a statement that the landlord intends to demolish the property, the reasons for this and the period within which the demolition will take place. Once the proposed demolition date is actually known, the Council can then serve a Final Demolition Notice which renders all existing right to buy applications ineffective and prevents any further right to buy applications being made.
- 8.3 At present it is envisaged that 2 – 30A Reginald Road will be demolished by the Council within the next five years.

9. Consultation

- 9.1 There has been several stages of consultation with and information given to residents and local stakeholders throughout the life of the scheme so far including exhibitions and Section 105 consultation in 2008 and then again in 2012. In May 2013, the Council carried out formal Section 105 consultation with tenants to seek their views on the current scheme. This included a letter and drop in sessions. A number of written responses were received from residents, including a group petition against the scheme from residents across Deptford. These responses were

considered by Mayor and Cabinet at the meeting on the 11th September 2013.

- 9.2 In June 2014, the group petition was re-submitted to the Council to highlight that some local residents were not in favour of the proposed demolition of 2 – 30A Reginald Road. This petition was signed by almost half of the residents of 2 – 30A Reginald Road. There were a range of concerns raised in the accompanying letter including queries about the condition of the block and consultation process.
- 9.3 In order to better understand which residents had concerns, the Decant Officer began initial individual visits with tenants and Officers also attempted to meet with leaseholders. Visits with tenants highlighted that some residents are in favour of the scheme and / or would like to be re-housed in the new homes or elsewhere in Lewisham.
- 9.4 In February 2015 a further petition was submitted, signed again by some residents of 2 – 30A Reginald Road and other local residents raising further concerns about the proposed development.
- 9.5 In the same week of this petition, Family Mosaic and Mulalley, with Council support, held a drop in session for residents of 2 – 30A Reginald Road. This was well attended with 8 households represented including 6 tenants and 2 out of 3 leaseholders. This gave residents the opportunity to meet the developers, view the proposals and discuss any concerns. The developers will use this to inform their design and layout of the new homes to try to ensure that they take residents preferences into account. The developers will also now seek to provide a consistent approach to communications and consultation with these residents.
- 9.6 The developers approach to consultation and communications during the selection process was very strong and they have agreed a full strategy with the Council to engage residents and stakeholders across both sites throughout the Planning process and delivery stages. The strategy sets out a range of communication tools including exhibitions and drop in sessions, newsletters and a website. This is to commence upon signing the Development Agreement.

10. Legal Implications

- 10.1 The Council has power under the Housing Act 1985 to acquire land for the provision of housing accommodation. This power is available even where the land is acquired for onward sale to another person who intends to develop it for housing purposes. The 1985 Act also empowers local authorities to acquire land compulsorily (subject to authorisation from the Secretary of State) but only where this is in order to achieve a qualitative or quantitative housing gain.
- 10.2 Section 84 of the 1985 Act provides that the Court shall not make a possession order of a property let on a secure tenancy other than on one of the grounds set out in Schedule 2 to the Act, the relevant ground in this case being ground 10.
- 10.3 Ground 10 applies where the local authority intends to demolish the dwelling house or to carry out work on the land and cannot reasonably do so without obtaining possession. The demolition works must be carried out within a reasonable time of obtaining possession.

- 10.4 Where the Council obtains possession against a secure tenant it is required to provide suitable alternative accommodation to the tenant. This is defined in the 1985 Act and requires consideration of the nature of the accommodation, distance from the tenants' family's places of work and schools, distance from other dependant members of the family, the needs of the tenant and family and the terms on which the accommodation is available.
- 10.5 There is a more limited statutory re-housing liability for leaseholders whose properties are re-acquired by the Council under CPO or shadow of CPO powers. The duty imposed by Section 39 of the Land Compensation Act 1973 is to secure that any person displaced from residential accommodation is provided with suitable alternative accommodation where this is not otherwise available on reasonable terms.
- 10.6 Broadly, the effect of the service of Initial Demolition Notices on secure tenants is to suspend the requirement for the Council to complete right to buy applications for as long as the notice remains in force. The Initial Demolition Notice is required to contain certain prescribed information including a statement that the landlord intends to demolish the property, the reasons for this and the period within which the demolition will take place, which must be a reasonable period expiring not more than 5 years after the date of service of the Notice on the tenant. The Notice does not prevent tenants from making right to buy applications. However, the effect of the notice is that the Council is not required to complete any right to buy applications within the period specified in the Notice. In the event that the Notice expires before the demolition has taken place, the consent of the Secretary of State would be required to serve a further Initial Demolition Notice. Tenants with existing right to buy claims at the time the Initial Demolition Notices are served are entitled to claim compensation for legal and other fees, costs and expenses (e.g. survey fees) incurred prior to the Initial Demolition Notices coming into force.
- 10.7 Once the proposed demolition date is actually known, the Council can then serve a Final Demolition Notice which renders all existing right to buy applications ineffective and prevents any further right to buy applications being made. Again, compensation will be payable to Tenants with existing right to buy claims at the time the Final Demolition Notices are served.
- 10.8 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.
- 10.9 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.

- 10.10 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.
- 10.11 The Equality and Human Rights Commission has 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: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>
- 10.12 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
- 10.13 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/>
11. Financial implications
- 11.1 Financial implications are contained within the Part 2 report.
12. Human Rights Act 1998 Implications
- 12.1 The Act effectively incorporates the European Convention on Human Rights into UK law and requires all public authorities to have regard to Convention Rights. In making decisions Members therefore need to have regard to the Convention.
- 12.2 The rights that are of particular significance to Members’ decision in this matter are those contained in Articles 8 (right to home life) and Article 1 of Protocol 1 (peaceful enjoyment of possessions).
- 12.3 Article 8 provides that there should be no interference with the existence of the right

except in accordance with the law and, as necessary in a democratic society in the interest of the economic well-being of the country, protection of health and the protection of the rights and freedoms of others. Article 1 of the 1st Protocol provides that no-one shall be deprived of their possessions except in the public interest and subject to the conditions provided for by law although it is qualified to the effect that it should not in any way impair the right of a state to enforce such laws as it deems necessary to control the uses of property in accordance with the general interest.

- 12.4 In determining the level of permissible interference with enjoyment the courts have held that any interference must achieve a fair balance between the general interests of the community and the protection of the rights of individuals. There must be reasonable proportionality between the means employed and the aim pursued. The availability of an effective remedy and compensation to affected persons is relevant in assessing whether a fair balance has been struck.
- 12.5 Therefore, in reaching his decision, the Mayor needs to consider the extent to which the decision may impact upon the Human Rights of estate residents and to balance this against the overall benefits to the community which the redevelopment of Heathside and Lethbridge will bring. The Mayor will wish to be satisfied that interference with the rights under Article 8 and Article 1 of Protocol 1 is justified in all the circumstances and that a fair balance would be struck in the present case between the protection of the rights of individuals and the public interest.
- 12.6 It is relevant to the consideration of this issue, that should the scheme proceed all displaced secure tenants would be offered re-housing in accordance with the Council's re-housing policy. Resident leaseholders will be offered a range of flexible options to acquire a new home in the new development. The Council retains the discretion to enable resident leaseholders who cannot afford to purchase a new home to rent a home on an assured tenancy in order to prevent homelessness. Secure tenants will be entitled to home loss and disturbance payments. Leaseholders will be entitled to receive market value for their properties as well as home loss and disturbance payments where appropriate in accordance with the Land Compensation Act 1973.
13. Environmental Implications
 - 13.1 The new homes to be built by Family Mosaic will be more thermally efficient than the existing ones and hence, apart from being cheaper to heat, will generate less greenhouse gases.
14. Implications for Law & Disorder
 - 14.1 The Family Mosaic redevelopment is planned to meet the police's Secured by Design standards and should lead to a reduction in crime and the fear of crime.
15. Equality Implications
 - 15.1 Mayor and Cabinet approved the Equalities Impact Assessment for the regeneration of DSH in November 2009. Officers have since taken the new Equalities Analysis Assessment (EAA) additional categories into account in considering the impact of the regeneration scheme. There are equalities implications in the decanting and re-building process and there will also be benefits in the completed scheme and some

of these are set out below.

Equalities implications: during the process

- 15.2 The decanting process provides a very individual service, where decant officers visit tenants at home and get to know them and their needs on an individual basis, so that any special requirements can be taken into account such as language, mobility or support needs. It is recognised that decanting is a very stressful time and decant officers will offer as much support as required to minimise the anxiety to residents.

Equalities implications: the completed development

- 15.3 The scheme will provide thermal and security improvements, with all new properties meeting the decent homes standard. This will be of benefit to the tenants of the new social housing, many of whom are likely to be disadvantaged.
- 15.4 All new affordable units in the development will meet lifetime homes standards. A Lifetime Home is the incorporation of 16 design features that together create a flexible blueprint for accessible and adaptable housing in any setting so that the unit can be adapted when required to suit residents changing needs.
- 15.6 In line with GLA and Council policy, 10% of units across the development will be wheelchair accessible or easily adapted for those using a wheelchair.

16. Conclusion

- 16.1 Officers are seeking the approval be given to commence the next steps of this ongoing regeneration scheme including re-housing of tenants, leaseholder buy backs and serving initial demolition notices.

17. Background papers and author

nil

- 17.1 For more information on this report please contact Rachel George, Strategic Housing on 020 8314 8146