

<b>Housing Select Committee</b>			
<b>Report Title</b>	New Homes Programme	<b>Item No</b>	8
<b>Contributors</b>	Head of Strategic Housing		
<b>Class</b>	Part 1	<b>Date</b>	November 2018

### **1. Purpose of paper:**

- 1.1. This report provides an update on progress of the delivery of the 500 new homes in the New Homes, Better Places programme and the broad strategy for the delivery of a further 1,000 new social homes.

### **2. Recommendations:**

- 2.1. It is recommended that Housing Select Committee review and note the report.

### **3. Background:**

- 3.1. The Lewisham Housing Strategy 2015-2020 contains four priorities:

- Helping residents at times of severe and urgent housing need
- Building the homes our residents need
- Greater security and quality for private renters
- Supporting our residents to be safe, healthy and independent in their home

- 3.2. London faces one of the most significant housing shortages since the end of the Second World War. In line with our strategy priorities, Lewisham Council acknowledges the challenges faced by our residents and is committed to tackling those with the greatest housing need.

- 3.3. In July 2012 the Council embarked on a programme to build 500 new social homes in response to a series of on-going housing policy and delivery challenges, most notably an enduring under-supply of new affordable homes available to the Council to meet housing demand.

- 3.4. A series of update reports has subsequently been considered by both Mayor and Cabinet, and Housing Select Committee, outlining progress in meeting the target of starting 500 new Council homes for social rent in 2018.

- 3.5. The Council has set a target of a further 1000 social homes by 2022.

#### **4. New Homes update**

##### *Edward Street*

- 4.1 On 1st November 2018, the Council's proposed development at Edward Street was granted planning permission.
- 4.2 This application will provide 34 new homes for use as temporary accommodation for homeless households on the site of a former ball court which is currently underutilised and in a poor state of repair.
- 4.3 As well as providing new temporary accommodation units, Edward Street will all provide new community/commercial spaces on the ground floor to benefit the local community. The final uses will be established through further consultation with local people, but based on the engagement that has taken place so far officers are investigating the provision of space for a community nursery, and affordable office space that can be targeted at small business, start-ups and the voluntary sector.
- 4.4 The development is one of four modular scheme to come forward following on from the success of PLACE/Ladywell. This is widely considered an exemplar scheme that provided new housing units for 20 per cent lower cost than other new build projects in the programme, in approximately two thirds of the standard construction time.

##### *Building Council Homes for Londoners Bid*

- 4.5. In September, a paper was noted by the Housing Select Committee that enabled officers to progress with submission of a bid to the Greater London Authority (GLA) for grant funding and to central Government for additional Housing Revenue Account (HRA) borrowing to enable the direct delivery of new council homes.
- 4.6. It has now been confirmed that the Council was successfully awarded £37.7m in grant funding for 384 dwellings.
- 4.7. Whilst this is around £20m less than originally bid, the shortfall can be made up out of Right to Buy receipts, section 106 payments and additional HRA borrowing, meaning that there should be no significant impact to the new build programme. The GLA have commended officers on the strength of the bid, noting that our per unit grant rate (just over £98k unit) is one of the highest in London.
- 4.8. It should also be noted that in recent weeks, the Government has confirmed that the HRA cap has been lifted for all boroughs. Officers are looking at the implications and potential opportunities that this may facilitate with regard to the new build programme.

#### **5. Financial implications:**

- 5.1 The Council's current 30 year financial model for the Housing Revenue Account (HRA) includes provision for up to 500 new units, for social rent purposes, at an average cost of £190k each (adjusted annually for inflation) over the first 10 years of the model.
- 5.2 The delivery of the HRA Social Units from the New Homes Better Places programme will be funded from this provision.
- 5.3 The delivery of the Temporary Accommodation schemes, such as Edward Street, will be funded through the use of RTB 1-4-1 receipts and General Fund Prudential Borrowing.
- 5.4 Work continues on the identification and financial impacts of the individual sites associated to the delivery of the new 1,000 additional homes target.
- 5.5 The final funding allocation, under the Building Council Homes for Londoners programme, has been confirmed as £37.7m from the GLA to support the provision of an additional 384 dwellings. The difference between the original grant application of £57.5m and the final allocation of £37.7m will be made up from the use of retained RTB 1-4-1 receipts.
- 5.6 The government has also announced the abolition of the HRA borrowing caps with effect from 29<sup>th</sup> December 2018. Future HRA borrowing will now be assessed under the Prudential Borrowing regime.
- 5.7 The financial implications of the schemes associated with the 1,000 homes programme will be reported on individually as and when they are sufficiently developed and brought forward for approval by Mayor and Cabinet.

## **6. Legal implications:**

- 6.1 The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything that individuals generally may do. The existence of the general power is not limited by the existence of any other power of the Council which (to any extent) overlaps the general power. The Council can therefore rely on this power to carry out housing development, to act in an "enabling" manner with other housing partners and to provide financial assistance to housing partners for the provision of new affordable housing. In accordance with General Consent A3.1.1 of The General Housing Consents 2013 the Council may dispose of dwelling houses on the open market at market value.
- 6.2 Some of the proposals set out in this report are at an early stage of development. Detailed specific legal implications will be set out in subsequent reports to Mayor & Cabinet. Section 105 of the Housing Act 1985 provides that the Council must consult with all secure tenants who are likely to be substantially affected by a matter of Housing Management. Section 105 specifies that a matter of Housing Management would include a new programme of maintenance, improvement or demolition or a matter which affects services or amenities provided to secure tenants and that such

consultation must inform secure tenants of the proposals and provide them with an opportunity to make their views known to the Council within a specified period. Section 105 further specifies that before making any decisions on the matter the Council must consider any representations from secure tenants arising from the consultation. Such consultation must therefore be up to date and relate to the development proposals in question.

- 6.3 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 6.4 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.
- 6.5 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 9.3 above.
- 6.6 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 6.7 1The 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:

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>

## **7. Equalities implications**

7.5. The provision of new social housing in the borough has a positive equalities impact. Households on the Council's Housing Register are more likely to have a protected characteristic than the wider population as access to the register is limited to those most in housing need.

## **8. Crime and Disorder implications**

8.5. There are no crime and disorder implications arising directly from this report.

## **9. Environmental implications**

9.5. Any environmental implications from the delivery of new homes are considered and addressed on a scheme by scheme basis through the design and planning process. There are therefore no additional environmental implications arising directly from this report.

For further information please contact Jeff Endean, Housing Strategy and Programmes Manager, on 020 8314 6213.

Project	Ward	Number of New Council Homes	Number of Council Home Residents	Next decision/stage	Target Planning Dates		Target Start on Site	Target Completion Dates
					Submission	Approval		
<b>Completed schemes</b>								
Mercator Road	Lewisham Central	6	28	Complete				
Slaithwaite Community Room	Lewisham Central	1	2	Complete				
Forman House	Telegraph Hill	2	6	Complete				
Angus Street	New Cross	1	5	Complete				
Dacre Park South - Phase 1	Blackheath	7	22	Complete				
PLACE/Ladywell	Ladywell	0	0	Complete				
Hamilton Lodge	Forest Hill	0	0	Complete				
Hazelhurst Court	Downham	60	120	Complete				
Wood Vale	Forest Hill	9	36	Complete				
Honor Oak Housing Office	Telegraph Hill	5	20	Complete				
<b>SUBTOTAL</b>		91	239					
<b>Schemes on site</b>								
Dacre Park South - Phase 2	Blackheath	18	73	On site				Jul-18
Forster House (Nuthatch House)	Whitefoot	24	74	On site				Feb-19
Woodbank	Whitefoot	4	18	On site				Mar-19
Longfield Crescent	Forest Hill	27	109	On site				Sep-18
Dacre Park North	Blackheath	5	20	On site				Mar-19
Camoshill Road	Lewisham Central	34	68	On site				Feb-19
<i>On-site subtotal</i>		112	362					
<b>CUMULATIVE SUBTOTAL</b>		203	601					
<b>Schemes awaiting start on site</b>								
Rawlinson House	Lewisham Central	1	2	Tenders to be issued			Sep-18	Jun-19
Kenton Court	Bellingham	25	96	Tenders to be issued			Dec-18	Dec-19
Hawke Tower	New Cross	1	2	Tenders to be issued			Sep-18	Jun-19
Somerville Estate Phase 1	Telegraph Hill	23	101	Tenders to be issued			Dec-18	Jun-20
Marnock Road	Crofton Park	6	30	Tenders to be issued			Sep-18	Dec-19
Pepus Housing Office	Evelyn	5	25	Tenders to be issued			Sep-18	Jun-19
Endwell Road	Telegraph Hill	9	37	Tenders to be issued			Sep-18	Dec-19
Grace Path	Sydenham	5	25	Tenders to be issued			Dec-18	Jun-19
Stanstead Road	Perry Vale	4	8	Tenders to be issued			Dec-18	Dec-19
Algernon Road	Ladywell	4	20	Tenders to be issued			Dec-18	Jun-20
Church Grove	Lewisham Central	5	26	Tenders to be issued			Dec-18	Dec-19
Mayfield	Lee	50	226	Tenders to be issued			Dec-18	Dec-19
Silverdale Hall	Sydenham	6	27	Tenders to be issued			Dec-18	Jun-19
Forest Estate	Forest Hill	17	71	Tenders to be issued			Dec-18	Jun-20
Edward Street	New Cross	34	158	Tenders to be issued			Dec-18	Jun-20
Home Park	Bellingham	31	115	Tenders to be issued			Dec-18	Dec-19
<i>Awaiting start subtotal</i>		226	625					
<b>CUMULATIVE SUBTOTAL</b>		429	1226					
<b>Schemes awaiting planning consent</b>								
Brasted Close	Sydenham	0	0	Planning decision		Jul-18	Dec-18	Dec-19
Bampton Estate	Perry Vale	50	100	Planning decision		Jul-18	Mar-19	Jun-20
Hillcrest Estate (High Level Drive)	ithdrawn							
<i>Awaiting planning subtotal</i>		50	100					
<b>GRAND TOTAL</b>		479	1326					