



Mayor and Cabinet

Building for Lewisham: Approval of Capital Budget and Procurement Strategy

Date: 24 January 2024

Key decision: Yes

Class: Part 1

Wards affected: Perry Vale, Forest Hill, Lee Green, Lewisham Central.

Contributors: Executive Director for Housing, Regeneration and Public Realm, Executive Director of Corporate Resources and Director of Law, Corporate Governance and Elections.

Outline and recommendations

The sites at Valentine Court estate, Mayfield Hostel (now known as Mayfield), Fairlawn Nursery School Annexe (now known as Fairlawn) and the former Ladywell Leisure Centre (now known as Ladywell Park Gardens) are part of the Building for Lewisham (BfL) programme. Planning permission has been secured for a total of 219 new affordable tenure homes on these four sites. This paper also requests interim approval of costs for Longfield Crescent remedial works.

On 06 December 2023, M&C were advised of updated budgets for these four projects.

It is recommended that Mayor and Cabinet:

- (i) Approves the updated forecast Contract Sums as detailed in Part 2 of this report
- (ii) Approves the forecast total scheme On-Costs as detailed in Part 2 of this report
- (iii) Approves the updated forecast Total Scheme Costs as detailed in Part 2 of this report
- (iv) Approves the allocation of Right to Buy receipts to contribute to the funding for Valentine Court, Mayfield, Fairlawn, and Ladywell Park Gardens, as detailed in Part 2 of this report
- (v) Approves the receipt and use of GLA grant to contribute to the funding for Valentine Court, Mayfield, Fairlawn, and Ladywell Park Gardens, as detailed in Part 2 of this report
- (vi) Approves such additional GLA or other grant funding that facilitates successful delivery and delegate authority to the Executive Director of Housing Regeneration and Public Realm in consultation with the Director of Law and Corporate Governance to approve and enter into such agreements and ancillary documentation as may be required to utilise such grant funding.
- (vii) Approves the procurement strategies for demolition, enabling and main works construction contracts for Valentine Court, Mayfield, Fairlawn, and Ladywell Park Gardens, as further detailed in Part 2 of this report
- (viii) Approves the procurement strategies and the progress to tender of the sites at Valentine Court, Mayfield, Fairlawn, and Ladywell Park Gardens, and delegates authority to ED Place (in consultation with Director of Law and Governance) to enter into contract with the most economically advantageous tenderer as determined by the evaluation criteria set out in the tender documentation provided the relevant contract sum is within the financial limits set out in the Part 2 report.
- (ix) Approves the procurement of a Principal Contractor for Valentine Court, delegate authority to the Executive Director for Place to award a Pre-Construction Services Agreement (PCSA) to the most economically advantageous tenderer (to be determined in accordance with the published evaluation criteria) and, subject to both satisfactory performance of the PCSA and provided the contract sum is within the limits set out in this Part 2 report, delegate authority to the Executive Director for Place to enter into the main works contract with the PCSA contractor.
- (x) Delegates authority to the Executive Director, Place (in consultation with the Executive Director for Housing, Regeneration and Public Realm and with the Director of Law, and Corporate Governance), to agree the final contract sum for demolition and enabling works for Mayfield and Fairlawn, up to delegated authority approval levels.
- (xi) Delegates authority to the Executive Director, Place to approve the estimated costs detailed in part 2 of this paper for remedial works to Longfield Crescent to continue on the first two houses while further surveys on the other houses and flats are undertaken.

Timeline of engagement and decision-making

Mayor and Cabinet, 11 July 2018 – New Homes Programme

Mayor and Cabinet, 15 January 2020 – Building for Lewisham Programme

Mayor and Cabinet, 9 July 2020 – Building for Lewisham Update

Mayor and Cabinet, 10 March 2021 - Building for Lewisham Programme Requirements

Mayor and Cabinet, 19 May 2021 - Building for Lewisham Programme Requirements

Mayor and Cabinet, 12 January 2022 – Building for Lewisham Update

Mayor and Cabinet, 1 February 2023 - Building for Lewisham, Appropriation for Planning

This report is a Key Decision, therefore any decision will be subject to scrutiny

1. Summary

- 1.1. Officers have undertaken to provide regular updates to Mayor and Cabinet on the delivery of new housing and to seek approvals as required for the Building for Lewisham programme and wider housing delivery in the borough. Further to M&C being advised of updated scheme budgets in the BfL programme on 06 December 2023, this report seeks to obtain M&C approval to progress the procurement for demolition, enabling and main works contracts for Valentine Court, Mayfield, Fairlawn, and Ladywell Park Gardens as further detailed in this report.
- 1.2. Information relating to this report which is considered as commercially sensitive, is contained within the accompanying Part 2 report.
- 1.3. The schemes are summarised below;

<i>Project</i>	<i>All Tenures</i>	<i>Social Rented</i>	<i>Shared Ownership</i>
<i>Valentine Court</i>	<i>41</i>	<i>26</i>	<i>15</i>
<i>Mayfield</i>	<i>64</i>	<i>23</i>	<i>41</i>
<i>Fairlawn</i>	<i>12</i>	<i>1</i>	<i>11</i>
<i>Ladywell Gardens</i>	<i>102</i>	<i>47</i>	<i>55</i>
	219	97	122

2. Recommendations

It is recommended that Mayor and Cabinet:

- 2.1. Approves the procurement strategies and progress to tender Valentine Court, Mayfield, Ladywell Gardens, and Fairlawn and delegates authority to Executive Director Place (in consultation with Director of Law and Corporate Governance) to enter into contract with the most economically advantageous tenderer as determined by the evaluation criteria set out in the tender documentation provided the relevant contract sum is within the financial limits set out in this Part 2 report.
- 2.2. Approves the procurement strategies for demolition, enabling and main works construction contracts detailed in this report for Valentines Court, Mayfield Hostel, Ladywell Baths, & Fairlawn Annexe, and as further detailed in Part 2 of this report;

- 2.3. Approves the procurement of a Principal Contractor for Valentine Court, delegate authority to the Executive Director for Place to award the Pre Construction Services Agreement (PCSA) to the most economically advantageous tenderer (to be determined in accordance with the published evaluation criteria) and, subject to both satisfactory performance of the PCSA and provided the contract sum is within the limits set out in the Part 2 report, delegate authority to the Executive Director for Place to enter into the main works contract with the PCSA contractor.
- 2.4. Delegates authority to the Executive Director, Place (in consultation with the Executive Director for Housing, Regeneration and Public Realm and with the Director of Law, Governance and Elections), to agree the final contract sum for demolition and enabling works for Mayfield and Fairlawn, up to delegated authority approval levels.
- 2.5. Delegates authority to the Executive Director Place to approve the estimated remedial works costs to Longfield Crescent, as detailed in part 2 of this paper. Costs incurred are to continue on the first two houses while further surveys on the other houses and flats are undertaken.

3. Policy Context

- 3.1. The Council's Corporate Strategy (2022-2026) explains our values, priorities and focus for the next four years, our learning from how the borough worked together in response to the pandemic, and how we plan to continue improving our services for residents, businesses and partners in an ever more challenging environment.
- 3.2. Above all, the strategy outlines the principles that showcase who we are as an organisation; our focus on equality, putting our residents at the centre of everything we do and ensuring transparency and sound financial management are embedded within all key decisions the council makes.
- 3.3. Delivering this strategy includes the following priority outcomes that relate to the provision of new affordable homes:
 - Cleaner and Greener – working to tackle the climate crisis through our development policies.
 - A Strong Local Economy – continue to expand our apprenticeship programme and invest in our high streets, doing what we can to be the best place in London for new businesses.
 - Quality Housing and Safer Communities – we will deliver more social homes for Lewisham residents, providing as many people as possible with safe, comfortable accommodation that they can be proud of and happy to live in.
 - Open Lewisham – we will co-design services and ensure strong consultation processes that reach out to people whose voices are seldom heard.
- 3.4. Housing Strategy (2020-2026), includes the following themes that relate to the provision of new affordable homes:
 1. delivering the homes that Lewisham needs.
 2. preventing homelessness and meeting housing need.
 3. improving the quality, standard and safety of housing.
 4. supporting our residents to live safe, independent and active lives.
 5. strengthening communities and embracing diversity.

4. Background

- 4.1. In January 2020, the Building for Lewisham (BfL) programme was officially launched. The programme is to provide much-needed genuinely affordable new homes, at the time through partnerships with the Council's Arm's-Length Management Organisation, Lewisham Homes, and its partner Registered Providers.
- 4.2. The BfL programme highlighted a number of Council-owned sites held within the Housing Revenue Account (HRA) which were under-used in their current form and therefore presented opportunities to deliver new housing.
- 4.3. The four BfL sites that are the subject of this report will deliver a total of 97 social rented homes. All these homes for rent will be allocated to households on the Council's housing register.
- 4.4. The BfL programme is not only providing the much-needed genuinely affordable homes that our residents need, but also will deliver wider social value benefits for residents through training and employment opportunities, as well as improvements to our existing estates, thereby making the best use of Council assets. The development of these four sites will additionally deliver an improved environment for those borough residents living adjacent to them, as well as those currently living in homes within the relevant sites.
- 4.5. In October 2023, Lewisham Homes ceased as an ALMO and its functions, including the BfL programme, were incorporated back into the Council's services.
- 4.6. In December 2023, M&C were advised of the updated budgets for the BfL programme, which includes the projects of Valentine Court, Mayfield, Fairlawn and Ladywell Park Gardens. Part 2 of this paper now seeks formal approvals for these projects, as presented in the Part 2 Recommendations.
- 4.7. In December 2023 M&C were also advised that the new homes completed in 2019 at Longfield Crescent were having remedial works undertaken and further investigations into the causes of water penetration. The principal contractor, Mid Group, is now insolvent so we are unable to make recourse to them. However, once full investigations have been completed the Council will seek recourse, where possible, from NHBC (who provided the New Build Warranty). A full report will be brought to M&C in early 2024 once a full scope of remedial work has been specified and priced by United Living (UL), the Council's preferred housing contractor. The budget approval in this paper is to enable the works and investigations to continue.

5. Progress to date

Valentine Court

- 5.1. Valentine Court is a small estate in the Perry Vale Ward comprising 112 existing homes split across either side of the road Perry Vale. There is a planning permission (DC/22/127024) to add a further 41 units across 3 blocks and a row of houses. 26 of these will be target rent homes and 15 will be shared ownership, along with some landscape and facilities improvements for the existing estate.
- 5.2. Valentine Court is in the Perry Vale Ward. The estate currently comprises of the blocks listed in table 5.2, with the North and South sites split by the road Perry Vale. The table below indicates locations of the proposed new blocks in relation to the existing provision.

Table 5.2 Valentine Court - Existing and new blocks

<i>North side (of Perry Vale)</i>	Block containing Flats 1 - 20	New Block A: 15 units: 8 x 1bed [2 wch] 4 x 2bed [1 wch] 3 x 3bed
	Block containing Flats 21 - 32	
<i>South side (of Perry Vale)</i>	Block containing Flats 33 - 48	New Block B: 4 units 4 x 3bed Houses (SO)
	Block containing Flats 49 - 60	
	Block containing Flats 61 - 72	
	Block containing Flats 73 - 84	New Block C: 11 units 4 x 1bed [1 wch], 7 x 2bed
	Block containin112	New Block D: 11 units 3 x 1bed , 8 x 2bed

- 5.3. These blocks are surrounded by green space as well as un-used ancillary buildings and hardstanding areas.
- 5.4. Officers identified the estate as a potential development site to be included in the Building for Lewisham programme, specifically the area around the former derelict laundry building, caretaker's facility, play area (being re-provided), hardstanding and some green space.
- 5.5. Lewisham Homes engaged with residents and other key stakeholders to bring forward an infill scheme totalling 41units, with one new block A on the north side to be adjacent to existing block containing flats1-20 and two further new blocks of flats (C&D) and a row of 4nr SO houses. The engagement has included newsletters, door-knocking, a dedicated Commonplace site, surveys and online video-conferencing meetings , in addition to pop-up events at the site.
- 5.6. In March 2021, Council Officers carried out a consultation with local residents under s105 of the Housing Act 1985. The outcome of the consultation was reported to Mayor and Cabinet on 19 May 2021 where the recommendation to continue work on the proposed development was approved.
- 5.7. The derelict laundry building and care-takers facility were demolished in January 2022 in preparation for commencement of the main works.
- 5.8. On 31 May 2022, Lewisham Homes submitted a full planning application (DC/22/127024) for 41 new residential properties, including new play spaces, provision of car parking spaces, cycle parking spaces, refuse/recycling stores, new public realm and associated landscaping works to be built on locations across the estate and a new crossing for Perry Vale road. The submission is for 15x 1 bed properties, 19x 2 bed properties and 7x 3 bed properties. Planning permission was granted by Committee on 29 September 2022. All properties will be affordable, with 26 being for target rent and 15 for shared ownership.
- 5.9. The Council owns the freehold interest of the site. The land was originally occupied by a disused laundry building, former caretaker's facility, play area (to be re-provided), hardstanding and green space.
- 5.10. In February 2023, Mayor and Cabinet approved that the land be appropriated for

planning purposes and then appropriated back to the Housing Revenue Account to deliver the new housing.

- 5.11. In June 2023, procurement of a main works contract for Valentine court was undertaken on the basis of a RIBA3 design, and evaluated in September 2023. Both tender returns were unviable as substantially above the order of cost estimate. The tender process was formally stopped the following month.
- 5.12. A single-stage tender process for Valentine Court was terminated earlier in the year, as the build costs contained within all of the tender returns resulted in a project unable to meet the council's financial hurdles, and therefore became unviable.
- 5.13. As the single-stage process essentially provides the council with a lump sum a contractor assesses they can build a project for, the project team is now seeking approval to undertake a two-stage tender process, the ultimate aim of which is to contract at a level of build cost that ensures overall viability of the project. The procurement mechanisms enabling this outcome are further detailed in s.7 of this report.

Mayfield

- 5.14. Mayfield site currently has on it a hostel building containing 26 temporary accommodation(TA) units but that is not fit-for-purpose as either temporary or sustainable accommodation.
- 5.15. A decanting strategy is in place for the occupants of the hostel's TA units, and officers across relevant departments are ensuring both decanting and development programmes are in alignment.
- 5.16. The project team has submitted a planning application (DC/23/132184) for 64 new homes across 3 blocks, providing 23 target rented homes and 41 shared ownership units. Landscaping, resident gardening, and ecology enhancements are also proposed. All draft planning conditions and s106 obligations are agreed for Mayfield, and a resolution to grant permission to develop is expected to be issued from the planning authority by the time members read this paper.

Fairlawn

- 5.17. This site has a single structure on it, formerly an annexe building to the nursery school of the same name. The land is now appropriated for both planning and housing purposes.
- 5.18. Planning permission (DC/22/130308) is granted to develop a single block comprising 12 units. 11 of these are for Shared Ownership tenure homes, with a target rented wheelchair unit to address a known need designed into the structure at street level.

Ladywell Park Gardens

- 5.19. Located on land of the former leisure centre and to the rear of Place Ladywell, this site in November 2023 gained planning permission (DC/22/129317) to construct 102 homes across 4 blocks and are 3 to 7 storeys in height. 47 of these homes will be social rented, with the balance of 55 being for shared ownership tenure.

Longfield Crescent

- 5.20. This project provided 27 affordable homes and completed in 2019 by our principal contractor MID Group. This contractor is now insolvent.
- 5.21. Following completion, several defects were reported relating to water penetration and consequent mould growth. These are timber-framed buildings so the possibility of the effect of protracted water penetration on the structure is particularly significant,

particularly in view of the defects observed above.

- 5.22. The objective of the project team is to achieve a speedy resolution of the defects which will ensure resident safety and restore residents' full access to external balconies and terraces.
- 5.23. We have appointed United Living (UL) the Council's preferred housing contractor to assist us in remedying of these defect issues. Whilst some minor repairs have been completed, we are undertaking further Intrusive surveys on site to ensure we obtain a full report to the extent of the issues within these buildings.
- 5.24. One house is fully decanted, and the second house has scaffolding as well. The budget approval will allow works to the first two houses to continue while full estimates for the other 6 houses and the 19 flats is developed for a subsequent M&C approval.
- 5.25. **Mayfield**
March 2020 M&C approved a budget to meet on-cost project requirements
- 5.25.1. *March 2021* following the re-appraisal of an earlier (and consented) modular design for the site, a further sum was approved by M&C to cover the progression of a new design and contingency sum, resulting in a new approved budget.
- 5.26. *July 2021* M&C, via delegated authority, approved Development allowance for previous two years not originally included, plus contingency increases, bringing the current approved agreed budget to develop a 67-unit concrete frame scheme.
- 5.27. *Sept 2022* Major Projects Board were presented with the new design proposal for a 67 to 64 units scheme across three blocks, developed to RIBA2.
- 5.28. *Dec 2023* Project is included in an update paper to M&C detailing financial and other changes to projects in the BfL programme since the last approvals.
- 5.29. **Ladywell** Now known as Ladywell Park Gardens, this 102-unit project, to be set across 4 blocks on the car park of the former Leisure Centre, achieved planning consent on 24th October 2023 (DC/22/129317). All drawings and reports are available on the planning portal. Ctrl and 'click' the link below to view the project particulars.
https://planning.lewisham.gov.uk/online-applications/applicationDetails.do?activeTab=documents&keyVal= LEWIS_DCAPR_117239

6. Procurement and tendering

- 6.1. **Valentine Court** - The procurement for the construction of the Valentine Court scheme started before the housing delivery function transferred from Lewisham Homes (LH) to Lewisham Council on 1 February 2023.
- 6.2. Grant: £1,010,500 of income, namely 'brownfield land release fund(BLRF2)' and 'Small sites, small business(SSSB)' funding is available for this project, both earlier approved by M&C to be received.
- 6.3. LH's Chief Executive approved the procurement approach under her delegated powers under Lewisham Homes' Scheme of Delegation for the procurement process for the appointment of a Principal Contractor for the main works.
- 6.4. The invitation to tender was sent out on 17th November 2023 with tender returns expected by 31 March 2023.
- 6.5. Three contractors committed to submit a tender for the contract, detailed in Part 2 of this report. At close of tender, two remained. These two tenders have been assessed in line with the commercial and technical evaluation procedures and protocols. Due to the wider economic conditions prevalent during the tender period, both tenders were

not viable, the details of which are considered commercially sensitive and contained within Part 2 of this report.

- 6.6. To progress the BfL programme, officers consider a 2-stage tender process at this juncture will deliver a viable construction contract via a pre-construction services agreement (PCSA). In outline, the tender procedure is to offer an invitation to tender to the market via the proactis portal of the Find a Tender Service, shortlist to 5 tenderers who will propose a budget price in their tender returns, and award a PCSA with an agreed target price for the main works.
- 6.7. The successful tenderer will collaboratively develop and optimise the design, secure works packages on an open-book basis as the design is optimised and cost-reducing solutions are embedded, and ultimately the target price for a main works contract is achieved. Note, there is no contractual obligation under the PCSA to enter into a subsequent main works contract.
- 6.8. At conclusion of the successful PCSA, the overall aim of which is to work with the successful contractor to review and enhance project value to achieve a viable project, the project team will submit to M&C, via delegated authority, an approval to enter into a main works construction contract with the PCSA contractor.
- 6.9. Terms within the PCSA will allow, if the need becomes apparent, to terminate the contract at an early stage and well before incurring its full value, providing a mechanism to ensure financial prudence is available at all times.
- 6.10. **Mayfield Hostel** - in January 2024, planning consent was secured. Officers are now seeking M&C approval to procure a main works contract, along with procurement of associated demolition and enabling works, to deliver 64 units across three blocks, as summarised below;

Mayfield - Summary		Shared Ownership		Affordable Rented	
1beds	30	1beds	25	1beds	5
2beds	26	2beds	16	2beds	10
3beds	8	3beds	1	3beds	7
	64		42		22

Block A		NIA (m ²)	Qty	Block B		NIA (m ²)	Qty	Block C		NIA (m ²)	Qty
[SO] 1b2p	50	18	[AR] 1b2p	50	4	[SO] 1b2p	50	4			
[SO] (wch) 1b2p	60	3	[AR] (wch) 1b2p	60	1	[SO] (wch) 1b2p	60	0			
[SO] 2b3p	61	4	[AR] 2b3p	61	3	[SO] (wch) 2b3p	67	1			
[SO] 2b4p	70	5	[AR] (wch) 2b3p	69	1	[SO] 2b4p	72	6			
[AR] (wch) 3b5p	102	1	[AR] 2b4p	72	5	[SO] 3b5p	95	1			
		31	[AR] (wch) 2b4p	84	1			12			
			[AR] 3b5p	86	3						
			[AR] 3b6p	97	3						
					21						

- 6.11. The procurement strategy for Mayfield is to commence a single stage tender process via an LBL-approved framework, for the demolition of the existing hostel on the site and the construction of the consented 64-unit scheme, with project team first procuring a RIBA4a design package for inclusion in the tender pack. The Mayfield site presents fewer utilities challenges than for example Valentine Court does, and when the market is presented with a Mayfield scheme that has detailed design, and its site risks addressed, a single stage procurement will achieve best value for the borough.
- 6.12. **Fairlawn** - The procurement strategy for Fairlawn is to commence a single stage tender process via an LBL-approved framework, for the demolition of the existing timber-framed Annexe building on the site and the construction of this consented 12-unit scheme, with detailed design drawings to RIBA4a being progressed prior to tender and the output included in the tender pack. By providing detailed design drawings

within the tender pack, the Council can achieve best value as prospective tenderers can price more accurately as design risks are known.

- 6.13. Fairlawn has planning consent as a social rented development. To secure the necessary tenure change on this site that will support the wider BfL programme due to its very positive consequential NPV, the project team has submitted a s.73 application to the LPA for tenure change, citing a programme-wide and evidence-based rationale for doing so that is acceptable to planning officers.
- 6.14. **Ladywell** — the procurement strategy for Ladywell Park Gardens is predicated on first completing, over a 16-week period, RIBA Stage 4a design co-ordination of key details, to be submitted as part of the tender pack. This will leave the final delivery options open to the tendering contractors. Demolition is already completed at Ladywell.
- 6.15. This will also deliver a very robust tender pack. The key here is ensure we *do not* design out every detail but ensure the solutions put forward within the design are *options*.
- 6.16. Note the design integrity is nonetheless protected, as planning conditions for Ladywell stipulate that the project architect, FCB Studios, shall be retained as design guardian for the Council throughout, or be novated as the contractor's designer.
- 6.17. The project team and employer's agent will methodically address project risks, and mitigate where possible and provide provisional sums for inclusion in the tender pack
- 6.18. A RIBA 4 design pack will be included in a tender pack to be submitted within an approved framework, specifically the Development Framework administered by Notting Hill Genesis.
- 6.19. **Longfield Crescent** – United Living (UL), the Council's preferred housing contractor, has been appointed to assist us in addressing remedial issues initially on two houses which includes erection of scaffolding, opening up works, investigation and determination of scope of rectification works required, roof and structure works, and associated making good of the aforementioned.
- 6.20. Estimated costs associated with these works are detailed in part 2, and for which M&C approval is sought.

7. Contract Management Arrangements

- 7.1. The JCT 2024 suite of contracts may be available to the market by the time these main works contracts are executed, and it is the recommendation of Legal Services to adopt them at the appropriate time. All tender packs will inform bidders of LB Lewisham's right to opt for the JCT 2024 suite irrespective of any earlier-dated contract suites cited at time of tender
- 7.2. For procurements undertaken in the period whilst waiting for JCT Ltd to issue the JCT 2024 suite of contracts, tenderers will be notified of that intention, and provided with the JCT 2016 D&B form of contract, with LBL's Amendments.
- 7.3. A JCT pre-construction services agreement (PCSA), amended to align with our main D&B main contract form will be the additional contract management arrangements for the Valentine Court project.
- 7.4. Fairlawn, Ladywell, and Mayfield are intended to operate within the JCT Design&Build contract form, with LB Lewisham Amendments, as agreed and updated as necessary with legal colleagues.
- 7.5. For Longfield Crescent the existing term contractual arrangements are being used.

8. Risk Implications

- 8.1. Risk implications for the Valentine Court, Mayfield, Fairlawn and Ladywell Park Gardens are addressed in the December 2023 M&C paper, which covered Financial, governance, programme and reputational risks associated with the BfL programme, and outlined ways these risks are being mitigated.
- 8.2. Risk registers for all schemes are held within each project folder and reviewed quarterly by heads of service.

9. Financial implications

- 9.1. Financial implications are provided in part 2 of this report

10. Legal implications

- 10.1. The Council has sufficient powers to procure contracts and enter into agreements for grant funding as envisaged in this report.
- 10.2. Any procurement must comply with the Contract Procedure Rules in the Council's Constitution as well as, where applicable, Public Contract legislation then in force.
- 10.3. Public law principles will apply to the decisions made by the Council in relation to each scheme, including the Council's duty to take account of its fiduciary duty and to act prudently with public monies entrusted to it. The Council is also under a general duty to act reasonably and show that its decisions in relation to the delivery of each scheme are made after having given due and proper consideration to all relevant factors (disregarding irrelevant factors).
- 10.4. All legal agreements arising from the matters in this report, must be in a form approved by the Director of Law and Corporate Governance.

11. Equalities implications

- 11.1. The appropriation of the Council owned land at Drakes Court and Valentine Court is not believed to have any direct equalities implications to local residents. As stated, impacted residents may have the right to claim compensation which would be independently assessed.
- 11.2. The appropriation will allow for the unhindered delivery of new Council owned homes for social rent, which result in a net positive outcome for a greater number of people. Not providing new Council owned homes for social rent means that there are greater disproportionate impacts on those on the Housing Register and in temporary accommodation, as they will remain inadequately housed for longer.
- 11.3. Lewisham Homes on the Council's behalf consider any impact and implications in relation to protected characteristics as the scheme progresses through design, planning and construction stages. It should be noted that the Council is committed to ensuring our developments will be inclusive and feature accessible and adaptable homes that will meet the needs of our residents throughout their life.
- 11.4. Equalities implications will continue to be assessed as the schemes progress through the design, planning and construction process.

12. Climate change and environmental implications

- 12.1. Existing planning consents are and will be in line with the high standards expected by Lewisham Council and the GLA. Developments will consider the guidance including seeking to reduce energy consumption, emissions, and climate change.
- 12.2. The the energy supply for the homes these four schemes deliver will be provided through air source heat pumps. Mechanical Ventilation units are also proposed within each home which would be a positive addition to the scheme.
- 12.3. In relation to the Valentine Court site, the proposed energy strategy is to provide heating and hot water via air source heat pumps (ASHP's) delivered to all affordable rent homes via an ambient loop. SO homes are to benefit from individual ASHP's for which they will be solely responsible. Also, high efficiency mechanical ventilation heat recovery (MVHR) is proposed to all homes where relevant.
- 12.4. Every effort will be made to enhance the natural environment, the landscape and amenity space in adherence to the planning permissions. This will include undertaking demolition and construction works in line with environmental protection and public health guidelines and seek to limit the impact.

13. Crime and disorder implications

- 13.1. There are no direct crime and disorder implications arising from this report. All four schemes have been assessed by Designing Out Crime Officers (DOCO) and where recommendations have been made layout and designs have been altered to address any crime and disorder implications.

14. Health and wellbeing implications

- 14.1. There are no direct health and wellbeing implications arising from this report although the provision of new social homes will have a positive impact on health and wellbeing of people on the housing register waiting for permanent accommodation. Greater permeability of the site will result in fewer car journeys undertaken by the wider community, thereby reducing CO2 and NOx emissions in the vicinity.

15. Social Value Implications

- 15.1. Lewisham Council will address the social value benefits for the Lewisham community when procuring and awarding contracts for works. All tenders above the thresholds contained in the council's procurement procedures for the relevant services will be applied in the procurement of these four schemes' contracts.
- 15.2. A social value matrix is included in the ITT and tender pack for each project, as applicable.

16. Background papers

- 16.1. 06 December 2023: M&C Paper, Parts 1 and 2
- 16.2. 24 January 2024: M&C Paper, Fairlawn: Appropriation for Planning Purposes

17. Glossary

All terms are defined within the paper.

18. Report author and contact

- 18.1. David Sterba, Senior New Initiatives Manager (david.sterba@lewisham.gov.uk)
- 18.2. Comments for and on behalf of the Executive Director for Corporate Resources
- 18.3. Financial Implications: Sandra Gray Sandra.gray@lewisham.gov.uk
- 18.4. Legal Implications: Melanie Dawson melanie.dawson@lewisham.gov.uk (Comments for and on behalf of the Director of Law and Corporate Governance)

19. Appendices

None