

<b>Mayor and Cabinet</b>			
<b>Title</b>	New Homes Programme Update		
<b>Key decision</b>	Yes	<b>Item no</b>	
<b>Wards</b>	All wards		
<b>Contributors</b>	Executive Director for Customer Services		
<b>Class</b>	Part 1	June 28 2017	

### **Reasons for Lateness and Urgency**

This report is late owing to delays in collating all the information required, including from third parties and other stakeholders, so as to provide Mayor & Cabinet with the most up to date detail possible

The report is urgent and cannot wait until the next meeting of the Mayor & Cabinet on July 19 2017 because the decisions to proceed, and to cease letting the Mayfield Hostel, need to be made as soon as possible ahead of the scheduled submission of a planning application in July.

Where a report is received less than 5 clear days before the date of the meeting at which the matter is being considered, then under the Local Government Act 1972 Section 100(b)(4) the Chair of the Committee can take the matter as a matter of urgency if he is satisfied that there are special circumstances requiring it to be treated as a matter of urgency. These special circumstances have to be specified in the minutes of the meeting.

### **1 Purpose of report**

1.1 This report provides a general update on the Council's new homes delivery programme, New Homes, Better Places. It also makes specific recommendations to progress proposal to re-develop the Mayfield Hostel Site to provide an additional 47 new Council homes.

### **2 Summary**

2.1 In July 2012 the Council embarked on a programme to build new Council 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.

2.2 A series of update reports has subsequently been considered by Mayor and Cabinet outlining progress in meeting the target of starting 500 new Council homes for social rent, by March 2018.

2.3 17 new council homes have now been completed, 143 are on-site and being delivered, and a further 34 have planning consent and are awaiting start on-site. This means that a total of 177 new social rented homes are now underway. In addition there are a further 19 projects on which design development is

advancing and which have the capacity to provide around 295 council homes, all of which could start before March 2018. A full summary of the development programme is appended to this report as appendix A.

- 2.4 The majority of the projects within the programme are expected to be considered at planning committees and to start on site this year. As a result officers are bringing monthly updates to Mayor & Cabinet to approve development plans on sites as they progress, and after formal consultation has taken place. If these approvals are provided, the projects are then progressed through the statutory planning process.
- 2.5 This report recommends that the Mayfield Hostel Site project is approved and progressed with planning applications. This is for 47 new Council homes to provide permanent housing for people in housing need, along with a range of potential community uses on part of the ground floor of the development.

### **3 Recommendations**

- 3.1 It is recommended that the Mayor:
- 3.2 Notes the progress update on the New Homes, Better Places Programme;
- 3.3 Notes the design development and consultation which has been carried out on the Mayfield Hostel Site;
- 3.4 Agrees that Lewisham Homes should proceed with the design development of the scheme, and submit a planning application to deliver approximately 47 new Council homes and non-residential uses on some of the ground floor;
- 3.5 Agrees the budget as set out in sections 9.8 and 9.9;
- 3.6 Notes our approach to obtaining vacant possession of the Mayfield Hostel Site as set out in paragraph 9.12.

### **4 Policy context**

- 4.1 The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Sustainable Community Strategy policy objectives:
  - Ambitious and achieving: where people are inspired and supported to fulfil their potential.
  - Empowered and responsible: where people can be actively involved in their local area and contribute to tolerant, caring and supportive local communities.
  - Healthy, active and enjoyable: where people can actively participate in maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities.
- 4.2 The proposed recommendations are also in line with the Council policy priorities:
  - Strengthening the local economy – gaining resources to regenerate key

localities, strengthen employment skills and promote public transport.

- Clean, green and liveable – improving environmental management, the cleanliness and care for roads and pavements and promoting a sustainable environment.

4.3 It will also help meet the Council's Housing Strategy 2015-2020 in which the Council commits to the following key objectives:

- Helping residents at times of severe and urgent housing need
- Building the homes our residents need
- Greater security and quality for private renters
- Promoting health and wellbeing by improving our residents' homes

## **5 Background**

5.1 The Council's New Homes, Better Places programme has currently delivered seventeen new Council homes, and a further 119 are on site. A full summary of the programme is appended to this report as Appendix A.

## **6 Recent completions**

### Dacre Park South, Blackheath Ward (7 home)

6.1 Earlier this month Lewisham Homes took handover of seven new Council homes at Boone Street in Blackheath ward, on the project known as Dacre Park South. There are three x 1-bed flats, three x 2-beds, and one x 2-bed flat specifically adapted for a wheelchair user. These new homes have been prioritised for under-occupiers who wish to downsize from family-sized properties, in order that larger family-sized homes can subsequently be released to families in priority need from the Housing Register. The tenants of these seven new homes have now started to move in.

## **7 Recent starts**

### Campshill Road, Lewisham Central Ward (53 homes)

7.1 In line with the Mayor & Cabinet decisions in July 2016, the site for the Campshill road Extra Care Scheme will shortly be transferred to One Housing Group. The development will provide high quality extra care housing and associated amenities for older people. All of the 53 homes will be affordable, with 34 for social rent and 19 for shared ownership, to be aimed at downsizing older home owners. This could potentially include planned moves for older resident leaseholders on live regeneration projects, such as at Milford Towers. Demolition and enabling works for the scheme will commence over the summer, with the main contract works starting in August 2017. The scheme is due to complete in February 2019.

## **8 Planning Submissions**

### Endwell Road, Telegraph Hill Ward (9 homes)

8.1 A Planning Application is due to be submitted by the end of June for the proposed development of 9 new council homes at Endwell Road, Telegraph Hill Ward. The scheme will be a mix of 1, 2 and 3 bed properties. A final pre-planning consultation event was held 19<sup>th</sup> June 2017 at which officers

presented the final scheme designs prior to submitting them for planning. Subject to planning consent being granted for the scheme, it should start on site in winter 2017/18 and complete in around 15 months.

Marnock Road, Telegraph Hill Ward (6 homes)

- 8.2 A Planning Application is due to be submitted by the end of June for the proposed development of 6 new council homes at Marnock Road, Crofton Park Ward. The scheme will comprise 6 x 4-bed houses. A final pre-planning consultation event was held on 8th November 2016 at which officers presented the scheme designs prior to submitting them for planning. A statutory planning consultation has now been triggered. Subject to planning consent being granted for the scheme, it should start on site in winter 2017/18 and complete in around 12 months.

## **9 Schemes to progress to planning**

Mayfield Hostel Site, Lee Green Ward (47 homes)

- 9.1 Mayfield Hostel, 47 Burnt Ash Hill, is comprised of 41 of bed spaces over 26 units and is used to house homeless families awaiting a permanent social housing offer. The hostel building does not make maximum use of the site it sits on and it was identified as a possible site for redevelopment for permanent social housing in early 2017.
- 9.2 Given the nature of the site, which is easily accessed from a main road is of a regular, square, shape, officers are exploring the potential to use off-site manufacture on any development on the site. This could speed delivery and would also offer the opportunity to develop the next iteration of the modular method of construction used at PLACE/Ladywell. On this occasion this would be for permanent, rather than temporary, new homes, and the design would be changed to enable the scheme to fit with the look and feel of the area.
- 9.3 Lewisham Homes, on behalf of Lewisham Council, have appointed Perfect Circle, from the SCAPE Framework to design permanent social housing on the site, utilising the same design team that developed PLACE/Ladywell and that is working on its successor in Deptford.
- 9.4 Design work carried out to date shows that the site could be re-developed to provide 47 new homes and in the region of 300m<sup>2</sup> of non-residential space. The current proposed mix for the site is 24 two-bed flats, 16 three-bed flats and 7 three-bed maisonettes. This is subject to change as the designs are testing and consulted upon further.

- 9.5 An initial consultation was held on 27<sup>th</sup> May 2017. Invitations were hand delivered to 200 local residents and businesses. Flyers with a link to the proposals and online feedback forms were distributed to commuters at Lee Station. Approximately 30 people attended the event, including residents of the road which backs on to the site, Pitfold Road, and parishioners from the next door church. Representatives from Lee Forum and Lee Assembly were also in attendance.
- 9.6 The consultation boards showing the proposals for Mayfield were also available on Lewisham Homes' website and feedback was invited via an online form. 10 people completed forms at the event, and a further 9 forms were completed online.
- 9.7 Throughout the design development there has also been a dialogue with planners through a series of pre-application meetings about the scheme. The scheme was also presented at Design Review Panel on 17th May. In response to feedback from residents and the Design Review Panel, the scheme design has evolved to respond to key concerns raised. In particular:
- The extent of the development to the rear boundary of the site has been reduced, and the building line moved forward. This is in response to the concerns of residents in Pitfold Road and also enables the preservation of more trees on the site;
  - The extent of the development to the northern boundary of the site has been reduced, with the development moved further away from the church;
  - The inclusion of a flexible community space which could be suitable for a community café and meeting areas or remote working opportunity. These design amendments have been positively received in pre-application discussions with the Local Planning Authority.
- 9.8 Beyond these changes, the table below sets out the main feedback from the consultation to date, and the response from officers to the concerns raised:

Comments	Design Changes
The rear buildings will overlook gardens on Pitfold Road	The size of the rear building has been reduced to two stories, and the distance between that building and the boundary wall that backs on to Pitfold Road has been increased.
Too many trees will be lost	The overall size of the development has been reduced, which has reduced the number of trees that would need to be felled
The colour is inappropriate	The updated designs for the potential new development are more in keeping with the surrounding buildings.
Parking is an issue	Officers are looking at ways we can offer an alternative to potential new residents, to reduce the likelihood of cars on the scheme (e.g. car club).
Modular construction is inappropriate	Officers are confident that modular building would cause less disruption, and be more cost effective than a traditional method of construction.
There needs to be more play	Lewisham Homes continue to work with landscape architects to incorporate more play into the designs

- 9.9 In order to progress the design development a budget is required to pay for all architects fees, and other necessary consultants. The budget required for design work for the scheme is £1,250,000.
- 9.10 £1,037,790 of this is payable to progress the design in order to submit a planning application (RIBA Stage 4). Approximately £163,250 is for post-planning design which will sit alongside the cost of the construction itself, which will be subject to a separate recommendation at a later stage. The remaining £48,960 will be held as a project contingency.
- 9.11 Subject to Planning Approval being granted for the scheme, the scheme could start on site by November 2017 and complete by May 2018. Should the recommendations in this report be agreed then an indicative programme for this project is shown in the table below:

Date	Key milestone
Further Consultation with local residents	w/c 24 <sup>th</sup> July
Submit Planning Application	Mid-August 2017
Planning determined	November 2017
Start on Site (and factory build)	November 2017
Completion	May 2018

- 9.12 In order to make the recommendation to proceed with the design development to submit a planning application for the scheme, our approach involves desisting from making further lets so that we can obtain vacant possession by the time we need the site. All current tenants are accepted homeless cases on licences who are bidding for moves into permanent social housing, so by the time the site is needed all should have been resettled in permanent lets elsewhere or have moved on through private sector leases (PSL).

## 10 Modular construction and procurement

- 10.1 The plans for the Mayfield site have been designed so that they are appropriate for modular construction. The Council pioneered the use of modular construction at the award-winning PLACE/Ladywell, and the new homes programme now contains a number of projects that could be delivered through modular construction, if this is shown to be an appropriate construction strategy and subject to further decision making.
- 10.2 Alongside Mayfield, the other projects being designed to be suitable for modular construction are those at Home Park and Kenton Court in Bellingham, and at PLACE/Deptford in Evelyn. There is the potential for the construction of all four sites to be procured simultaneously, if that is shown to be advantageous to the Council in terms of cost and speed of delivery. Officers are currently engaging external advice in this regard and will report back for further decisions during the summer or autumn of 2017.

- 10.3 Modular construction offers a range of potential benefits to the Council. It offers the potential to diversify the nature of construction, while achieving a high quality product as has been shown to be possible at PLACE/Ladywell. This is potentially even more important with the current Brexit process impacting on the availability of labour and construction capacity, and increasing the risk that will be “priced-in” to construction contracts.
- 10.4 For these reasons the GLA is also seeking to incentivise the growth of the modular construction sector, and has launched an “Innovation Fund” with the specific purpose of funding new developments of this type. Officers have been in close dialogue with the GLA and have submitted an expression of interest in taking part in this fund, potentially with all four of the schemes listed above.
- 10.5 For that reason, officers propose to bring back for Mayor & Cabinet consideration a procurement strategy for all four sites, evaluating the potential that each might be built using modular methods, once the current evaluation has taken place and the outcome of the GLA funding programme is known.

## **11 Financial Implications**

- 11.1 The Council’s current 30 year financial model for the Housing Revenue Account 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. The cost of the forty seven units in the proposed development at Mayfield Hostel Site can be met from that provision.
- 11.2 Where schemes are of mixed developments, which include sales, the sales receipts generated will be reinvested back into the new build programme.
- 11.3 More detailed financial analysis of each scheme will be undertaken as they are developed and reported to Mayor & Cabinet at a later date.

## **12 Legal Implications**

- 12.1 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.

- 12.2 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/Mayor & Cabinet (Contracts) as appropriate. 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
- 12.3 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.
- 12.4 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.
- 12.5 foster good relations between people who share a protected characteristic and those who do not.
- 12.6 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 12.3 above.
- 12.7 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.

12.8 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:

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

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

12.9 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

- The essential guide to the public sector equality duty
- Meeting the equality duty in policy and decision-making
- Engagement and the equality duty: A guide for public authorities
- Objectives and the equality duty. A guide for public authorities
- Equality Information and the Equality Duty: A Guide for Public Authorities

12.10 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:

<https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

### **13 Crime and disorder implications**

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

### **14 Equalities implications**

14.1 There are no equalities implications arising from this report.

### **15 Environmental implications**

15.1 There are no environmental implications arising from this report.

## Background Documents and Report Originator

<b>Title</b>	<b>Date</b>	<b>File Location</b>	<b>Contact Officer</b>
New Homes, Better Places Programme Update	1 June 2016	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Phase 3 Update	14 January 2015	Available at this <a href="#">link</a>	Jeff Endean
Response to Healthier Communities Select Committee on the Campaign in Lewisham for Autism Spectrum Housing	18 February 2015	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	15 November 2015	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	1 June 2016	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	11 January 2017	Available at this <a href="#">link</a>	Jeff Endean

If you have any queries relating to this report please contact Jeff Endean on 020 8314 6213.

Appendix A – Programme update

Scheme Name	Ward	Council Homes	Sale	Total	Status	Target Planning Submission	Target Planning Decision	Target Start on Site	Target Completion
<b>Current Approved Programme</b>									
Mercator Road (New Build)	Lewisham Central	6	0	6	Complete				
Slaithwaite Community Room (conversion)	Lewisham Central	1	0	1	Complete				
Ashmead Road (disposal)	Brockley	0	1	1	Complete				
Angus Street (conversion)	New Cross	1	0	1	Complete				
Forman House (conversion)	Telegraph Hill	2	0	2	Complete				
Marischal Road (low cost home ownership)	Lewisham Central	0	26	26	Complete				
Dacre Park South (new build)	Blackheath	7	0	7	Complete				
Dacre Park South (new build)	Blackheath	18	0	18	On-Site				Jul-17
Longfield Crescent (new build)	Forest Hill	27	0	27	On-Site				Apr-1
Hazelhurst Court (extra care)	Bellingham	60	0	60	On-Site				Aug-17
Wood Vale (new build)	Forest Hill	9	8	17	On-Site				Jul-17
Honor Oak Housing Office (conversion)	Telegraph Hill	5	0	5	On-Site				Aug-17
Dacre Park North (new build)	Blackheath	0	5	5	On-Site				Dec-17
Campshill Road (Extra Care)	Lewisham Central	34	25	59	Planning consented, awaiting start			Aug-17	Feb-19
Forster House	Whitefoot	22	0	22	Planning consented, awaiting start			Apr-17	Aug-18
Woodbank	Whitefoot	4	0	4	Planning consented, awaiting start			Jun-17	Jun-18
Rawlinson House (conversion)	Lewisham Central	1	0	1	Planning submitted, awaiting decision		Sept-17	Dec-17	May-18
Hawke Tower (conversion)	New Cross	1	0	1	Planning submitted, awaiting decision		Sept-17	Dec-17	May-18
Marnock Road (new build)	Crofton Park	6	0	6	Planning submitted, awaiting decision		Sept-17	Dec-17	May-19
Endwell Road (new build)	Telegraph Hill	11	0	11	Planning submitted, awaiting decision		Sept-17	Dec-17	May-19
Crofton Park (new build)	Crofton Park	2	0	2	Design development and resident consultation	Jul-17	Oct-17	Jan-18	Mar-19
Pepys Housing Office (conversion)	Evelyn	5	0	5	Approved final scheme, awaiting planning application	Jul-17	Oct-17	Jan-18	May-18
Kenton Court (new build)	Bellingham	26	0	26	Approved final scheme, awaiting planning application	Jul-17	Oct-17	Jan-18	Feb-19
Silverdale Hall (new build) [community centre]	Sydenham	10	0	10	Approved final scheme, awaiting planning application	Jul-17	Oct-17	Jan-18	Feb-19
Grace Path (new build)	Sydenham	0	6	6	Approved final scheme, awaiting planning application	Jul-17	Oct-17	Jan-18	Feb-19
Church Grove Self-Build	Lewisham Central	5	26	31	Approved final scheme, awaiting planning application	Jul-17	Oct-17	Jan-18	Jan-21
Stansted Road	Forest Hill	5	0	5	Approved final scheme, awaiting planning application	Jul-17	Jul-17	Nov-17	Nov-18
Brasted Close	Sydenham	0	15	15	Approved final scheme, awaiting planning application	Jul-17	Oct-17	Jan-18	Aug-19
Crofton Park (new build)	Crofton Park	2	0	2	Design development and resident consultation	Jul-17	Oct-17	Jan-18	Mar-19
Mayfield Hostel	Lee Green	47	0	47	Early Design Stage	Aug-17	Nov-17	Jan-18	Jul-18
Home Park Office	Sydenham	36	0	36	Early Design Stage	Sept-17	Jan-17	Jan-18	Jul-18
Algernon Road	Ladywell	5	0	5	Design development and resident consultation	Sept-17	Sept-17	Jan-18	Jul-19
High Level Drive	Sydenham	26	0	26	Design development and resident consultation	Sept-17	Dec-17	Mar-18	Mar-19
Bampton Estate Site 4 (new build)	Perry Vale	60	0	60	Design development and resident consultation	Sept-17	Dec-17	Mar-18	Sep-19
Somerville Estate (new build) [community centre]	Telegraph Hill	40	0	40	Design development and resident consultation	Sept-17	Dec-17	Jan-18	Apr-19
Embleton Road	Ladywell	3	0	3	Design development and resident consultation	Sept-17	Dec-17	Jan-18	Apr-19
<b>TOTAL</b>		<b>487</b>	<b>112</b>	<b>599</b>					

Future Potential Programme									
Forest Estate	Forest Hill	20	0	20	Design development and resident consultation	Apr-17	Jul-17	Nov-17	Mar-19
Milton Court Road (new build)	New Cross	11	0	11	Design development and resident consultation	Apr-17	Jul-17	Nov-17	Oct-19
Allison Close (New Build)	Blackheath	0	6	6	Design development and resident consultation	Jul-17	Sep-17	Jan-18	Jan-19
<b>Total</b>		<b>31</b>	<b>6</b>	<b>20</b>					
<b>Grand Total (Current Approved + Future Potential Programme)</b>		<b>498</b>	<b>133</b>	<b>631</b>					

Appendix B – Mayfield Site Plan and Images



Proposed development (for illustrative purposes only)

