

Mayor & Cabinet, 27 June 2018

Addendum to Deptford Southern Housing Sites: Tidemill Update

- In his decision letter of 11 June 2018, the Mayor of London confirmed he would not be directing refusal or taking over the planning application for the Tidemill site for his own determination. This is referred to in the Mayor & Cabinet report at paragraph 1.11 and again at paragraphs 5.7, 5.8 and 5.9.
- For completeness, Mayor & Cabinet should be aware that in this decision letter the Mayor of London stated that he “wants to see ballot used as widely as possible, and so he would urge the landlord of this scheme to undertake one.”
- The GLA’s draft proposal for resident ballots in estate regeneration, sets out that the GLA will make it a funding condition that resident ballots are carried out for all schemes that involve the demolition of any affordable or leasehold homes that will result in 150+ new units being built.
- The GLA does not yet require there to be a ballot on any scheme. This is a draft proposal to be implemented at a future point. At the point it is implemented, the GLA sees this policy working in tandem with a new policy in the draft London Plan that means all affordable housing needs to be replaced on a like-for-like basis (i.e. social housing for social housing).
- On the Tidemill project, which is under consideration tonight, the GLA has confirmed that it will not require Peabody to carry out a ballot as a condition of GLA grant funding. This is because the scheme has been in contract with Peabody for grant funding since before the publication of the draft funding condition, and so the requirement for a ballot cannot be applied retrospectively.
- The Council’s Development Agreement with Peabody – its own contract in the same way that the GLA has a contract – equally makes no reference to holding a ballot. The delivery of the project in partnership is not conditional upon the outcome of a ballot organised by the Council.
- As such, to accommodate the GLA’s request the Council would have to take a step that the GLA is not itself taking by either renegotiating the Development Agreement, or seeking to terminate it.
- This report recommends that neither step is pursued, and instead the Council extends the current contract long stop date and delivers the project in partnership with Peabody in the manner originally envisaged by the Council in previous decisions it has made, details of which are set out in the main report.
- This project as proposed now has planning consent and is imminently deliverable. In delivering the project the two sites will deliver:
 - 329 new homes in total

- +104 net social rented homes on Tidemill
 - +24 net social rented homes on Amersham
 - +128 net social rented homes in total
 - Lifetime tenancies on all initial lets
- The project has been scoped and shaped in consultation with residents and in line with the existing statutory framework that guides the Council in delivering estate regeneration projects of this nature. This includes the carrying out of statutory “S105” consultation, the details of which have previously been reported to and considered by Mayor & Cabinet.
- The outcome of this consultation and the partnership with Peabody is an offer for existing tenants and leaseholders that includes:
- No tenant or leaseholder will need to move away from the area. The phasing of the development means that new homes will be built before existing homes are demolished and current residents can move directly into those new homes;
 - 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, and to commit as far as is possible to rehouse existing residents in line with their housing needs and current housing situation;
 - 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 on either of the two sites in Deptford or whether they would prefer to move away elsewhere in the borough through the Council’s choice based lettings system, Homesearch;
 - Secure tenants resident for over 12 months will be eligible for Home Loss payments, which are a statutory payment of £6,100 as well as reasonable costs associated with moving including removals and re-connections.
 - 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;
 - All 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 moving process including for independent surveyor and legal representation.
- In summary, there is no legal requirement for a ballot on this scheme. In considering this issue, Members should weigh up the views of the Mayor of London and residents against the benefits of this scheme as set out in the report and clarified above.