

<b>MAYOR AND CABINET</b>		
<b>Report Title</b>	Approval for budget to start redevelopment plans at PLACE/Ladywell site	
<b>Key Decision</b>	Yes	Item No.
<b>Ward</b>	Lewisham central, Ladywell (bordering)	
<b>Contributors</b>	Executive Director of Resources & Regeneration, Executive Director of Customer Services	
<b>Class</b>	Part 1	Date: 13th March 2019

## 1. Summary & Purpose

- 1.1. This report sets out the rationale and strategy for the redevelopment of the PLACE/Ladywell site, formally the Ladywell Leisure Centre site, to provide new homes and commercial floor space in Lewisham. The report provides outline details of the redevelopment proposals, and provides an indicative programme to completion.
- 1.2. Initial capacity studies show that the site could deliver circa 200 new homes, and circa 1,350m<sup>2</sup> of ground floor commercial space. The proposals will also involve investigating an alternative site for the relocation of the PLACE/Ladywell demountable building. A separate report will be presented to Mayor and Cabinet in due course regarding this re-location.
- 1.3. The longer term objectives for the Ladywell Leisure centre site were always for redevelopment to provide new homes. This report sets out the rational and outline proposals for the comprehensive redevelopment of the site, and seeks funding to continue those objectives.

## 2. Recommendations

It is recommended that the Mayor and Cabinet:

- 2.2 Note the rationale and outline proposals for comprehensive redevelopment of the site in line with those set out in Section 6.
- 2.3 Agrees a budget set out in Part 2 of this report to progress plans to redevelop the site to RIBA Stage 3 and submit a planning application.
- 2.4 Note that officers intend to consult with local residents, ward councillors, local amenity groups and other relevant stakeholders about the Council's intention to redevelop the Ladywell Leisure centre site.
- 2.5 Agree that no Residents' Ballot will be required as the Place/Ladywell homes are being relocated rather than demolished
- 2.6 Delegate authority to the Executive Director for Customer Services to consider the outcome of the consultation referred to recommendation 2.4 and to approve the submission of the final redevelopment proposals for planning permission, subject to not less than 50% of the homes within the development being Council Social homes.

- 2.7 Note that, subject to planning permission for the development being approved, a report setting out the proposals for procuring the development, together with a budget for the construction of development will be presented to Mayor and Cabinet for approval.
- 2.8 Note that Officers will explore options to relocate the PLACE Ladywell Building and present recommendations back to Mayor and Cabinet in due course for approval.
- 2.9 Approve submission of a planning application to temporarily extend the PLACE/Ladywell de-mountable building.

### 3. Policy Context

- 3.1. The Council's Corporate Strategy (2018-2022)<sup>1</sup> outlines the Council's vision to deliver for residents over the next four years. Building on Lewisham's historic values of fairness, equality and putting our community at the heart of everything we do, the Council will create deliverable policies underpinned by a desire to promote vibrant communities, champion local diversity and promote social, economic and environmental sustainability. Delivering this strategy includes the following priority outcomes that relate to the provision of new affordable homes:
- Tackling the Housing Crisis – Providing a decent and secure home for everyone
  - Building and Inclusive Economy – Ensuring every resident can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.
  - Building Safer Communities – Ensuring every resident feels safe and secure living here as we work together towards a borough free from the fear of crime
- 3.2. **Homes for Lewisham**, Lewisham's Housing Strategy (2015-2020)<sup>2</sup>, includes the following priority outcomes that relate to the provision of new affordable homes:
- Key Objective 1 – **Helping residents in times of severe and urgent housing need.**
  - Key Objective 2 – **Building the homes our residents need.**
  - Key Objective 4 – **Promoting health and wellbeing by improving our resident's homes.**
- 3.3. The Ladywell site was designated for 'a mix of uses including retail...and housing' in the Lewisham Town Centre Local Plan (Adopted February 2014), which together with the Core Strategy, the Site Allocations Local Plan, is the Borough's statutory development plan.
- 3.4. Development of the site in line with this designation would contribute to key national objectives, particularly by increasing the supply of affordable housing as the scheme would be used to deliver new affordable homes.

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<http://councilmeetings.lewisham.gov.uk/documents/s61022/Draft%20Corporate%20Strategy%202018-2022.pdf>

2

<https://www.lewisham.gov.uk/mayorandcouncil/aboutthecouncil/strategies/Documents/HousingStrategy2015.pdf>

- 3.5. The scheme would support 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.

#### **4. Background & Rationale**

- 4.1. The Site comprises vacant land formerly used and occupied by the Ladywell Leisure Centre, now occupied in part by the PLACE Ladywell temporary housing development, the majority of the site is vacant. The Site is held in the General Fund.
- 4.2. A Mayor and Cabinet report setting out the case for demolishing the old Ladywell Leisure Centre building was approved on 19th June 2013. The report also set out the plans for undertaking feasibility studies to investigate options for future development of the site and surrounding area.
- 4.3. Demolition of the building was completed in May 2014. At that time, the feasibility studies for the site confirmed that the scope and complex nature of the site and its surrounds would necessitate at least 18 months to submit to planning and procure contractors prior to any solution being built on the site.
- 4.4. In October 2014, Mayor and Cabinet agreed to the temporary use of the site for residential purposes, and the construction of a building using Modern Methods of Construction (MMC) to provide affordable workspace and temporary homes. As such, the Council delivered PLACE/Ladywell, a demountable 4 storey building to make use of a vacant town centre location and meet local housing need.
- 4.5. Planning permission was approved 5 May 2015 for temporary period of 5 years total (Planning expires on March 24th 2020). Planning case reference number DC/15/90792.
- 4.6. The demountable building was erected in the knowledge that a larger and more comprehensive redevelopment proposal would come forward in the future and therefore its ability to re-locate was paramount.
- 4.7. The London Borough of Lewisham, like all London Councils, faces a distinct housing challenge in terms of demand, supply and affordability. To help combat this the Council announced a bold new programme to deliver 1,000 new Council Homes over four years. This signals a significant step change for the Council from historic affordable housing enabler and advocator, to becoming a direct delivery agent of new homes.
- 4.8. This proposal forms part of that Programme and achieving it in order to combat the boroughs housing challenge requires innovative solutions across a mix of densities and tenures, delivering well-designed and aspirational local affordable housing.
- 4.9. The proposed redevelopment will meet key Council priorities by:
- Increasing the provision of high quality, affordable homes, for residents in housing need.
  - Provide a high quality, place-making led scheme which will significantly improve the appearance and quality of this area of Lewisham Town centre.

- Develop the most advantageous and architecturally responsive designs to the local context and current housing requirements in the borough.

## **5. Redevelopment Proposals**

- 5.1. The Ladywell site currently comprises the PLACE building, fronting Lewisham High Road. To the rear, the site is largely vacant, but has an existing single storey nursery building which has recently been granted a 5 year lease with a 2 year break clause. There is also a temporary modular building used to showcase an updated version of the modular homes within PLACE/Ladywell. Collectively, the vacant land to the rear and the temporary buildings, excluding the nursery, are referred to as 'the site' hereinafter within this report.
- 5.2. The land is currently General Fund, due to its previous use as a leisure centre, and its current temporary use as a mixed use scheme. Once housing is delivered, officers may seek to appropriate the land to the Housing Revenue Account.
- 5.3. The brief is to redevelop the site to its optimum to provide new homes for the Borough's residents. The ambition is for the scheme to deliver a minimum of 50% Council Social homes. The redevelopment should also provide for commercial space at ground floor to facilitate small businesses and create an active presence on this side of Lewisham High Street. Any final design should allow the opportunity to develop the wider area should consultation exercises indicate a clear appetite for wider regeneration.
- 5.4. As the PLACE/Ladywell homes would be relocated to either a permanent home, or another form of temporary accommodation, and not demolished, a ballot would not be required to redevelop the site. However, as the residents are being re-located as a result of the proposed development, for completeness, officers seek Mayor & Cabinet approval to not hold a ballot for the reason stated above.
- 5.5. Whilst some feasibility work was carried out in 2014, that work has been updated and further feasibility studies have been carried out which forms the basis of this report.
- 5.6. Initial feasibility studies indicate that the site, and the land behind could accommodate circa 200 new homes. This figure would be derived from four blocks up to 10 storeys in height, with circa 1,350m<sup>2</sup> of commercial floor space at ground floor level and homes located on the upper floors and to the rear of the site. This is subject to ongoing investigations, studies and consultation. The above figures are used as the basis to predict the cost and time of the proposed redevelopment.
- 5.7. From start to finish, the planning permission, transfer of the PLACE/Ladywell building and the construction process, based on the 4 blocks is predicted to take 3-4 years.
- 5.8. Officers have undertaken basic feasibility studies (RIBA Stage 0) in preparation for redeveloping the site. Initial massing drawings are appended to this report.
- 5.9. This paper seeks authorisation for officers and Lewisham Homes to build upon this work and undertake in-depth design and consultation works through the appointment of a design team in preparation for the submission of a planning application.

- 5.10. The proposals would make a significant contribution to the target of 1,000 new homes required by 2022; it is proposed that 50% of the homes built as part of these proposals will be genuinely affordable, with the intention to have these homes delivered by that date.
- 5.11. Officers have undertaken high level financial modelling of the proposals which considers a number of options within that, these are presented in Part 2 of this report.

## 6. Relocation of PLACE/Ladywell

- 6.1. Officers and Lewisham Homes are of the opinion that the early phases of the development, in particularly the Council Social homes, can be delivered whilst PLACE is still on site. However, the comprehensive redevelopment of the site, including the private sale homes required to cross subsidise the scheme would require relocation of the current PLACE building. Therefore, an alternative relocation site for PLACE, preferably within the borough, will need to be found.
- 6.2. Officers therefore require the funds to investigate an alternative location for the siting of the PLACE/Ladywell building, and intend to present the options to Mayor and Cabinet in the summer of 2019, including the cost to relocate

It is officer's intention to submit a planning application to extend the temporary permission for PLACE/Ladywell, which expires in 2020 until 2024. A further planning application will be required for PLACE to be located to a new site, the outline details of which will also be presented to Mayor and Cabinet later this year.

### Alternative/Do Nothing Option

- 6.3. For completeness, officers have also considered the 'do nothing' scenario for the Ladywell site, which would include leaving PLACE/Ladywell on the site in perpetuity.
- 6.4. Whilst PLACE/Ladywell is currently providing Temporary Accommodation to 24 homeless families, redevelopment could accommodate at least 200 new permanent homes, including 50% at Genuinely Affordable rent.
- 6.5. To do the 'do nothing' scenario would cost the Council money from the missed opportunity to create more permanent homes for the borough's residents' on the Council's housing register, and also the opportunity of creating an attractive place for the borough's residents to live and work in a prominent location.

## 7. Indicative Programme

- 7.1. The following indicative timeline to planning and construction is proposed, although it should be noted this could be subject to change dependent on a number of factors:

Stage	Date	Purpose
Mayor and Cabinet	March 2019	Brief and budget approval
Consultation	March 2019	Councillor, resident and business consultation event
Design appointment	Spring 2019	Team

Planning application preparation	Spring 2019-spring 2020	All consultation carried out, drawings and associated documents prepared
Consultation	Autumn/winter 2019	Councillor, resident and business consultation event on worked up scheme and seek any further comments
Consultation	Spring 2020	Showing final plans just before submission.
Submit planning application for redevelopment	Spring 2020	Full planning application submission for the redevelopment of the Ladywell site
Planning permission approval	Summer 2020	
Start on site	Winter/Spring 2020/21	
Sectional Completion and handover of homes commences	Spring 2022	First genuinely affordable homes delivered

#### Building Council Homes for Londoners (BCHfL) Grant Funding

- 7.2. The GLA have secured circa £4.8bn to help Council's build new affordable homes. Of this, Lewisham have been awarded £37.7m. This fund will provide up to £100k per home at London Living Rent (LLR) levels or any form of social rent under the LLR benchmark. Whilst Ladywell, is not currently named within this programme, it is anticipated that it will still benefit from funding via the BCHfL fund. Should no BCHfL funding come forward, the Council will look to use its Right to Buy Receipts to fund up to 30% of the cost of developing the affordable units.
- 7.3. The development will be further subsidised by the provision of market homes for sale.
- 7.4. Furthermore, the proposed mixture of homes for sale and rent will promote mixed and balanced communities in the borough. It is worth noting that at this stage, no tenure split or housing mix has been agreed and the assumptions are based on our aspiration to deliver 50% of units as at London Affordable Rent which is social rent.

#### **8. Consultation and engagement strategy**

- 8.1. The proposal is to consult with Mayor and Cabinet (as per this report), local ward Councillors and residents and stakeholders regarding the evolution of the proposed development up to the submission of a planning application.
- 8.2. The proposal is to seek the views of stakeholders about the redevelopment proposals of the redundant Ladywell Leisure Centre site.
- 8.3. Depending on the outcome of initial consultation exercises, it might be advantageous to use the momentum of development to seek the views of residents about other development opportunities in the immediate vicinity of the site.

- 8.4. In the first instance however, the proposed strategy is to consult in stages and timeline to engage with stakeholders regarding the redevelopment proposals can be found below:

Spring 2019	Consult Councillors, residents and other stakeholders to advise them of our redevelopment proposals and to seek their views.
Autumn/winter 2019	Councillor, resident and business consultation event on worked up scheme and seek any further comments

## 9. Financial Implications

- 9.1. The financial implications are contained within the Part 2 report.

## 10. Legal Implications

- 10.1. The Equality Act 2012 (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.
- 10.2. 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.
- 10.3. The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for Mayor and Cabinet, 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.
- 10.4. The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “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/publication-download/technical-guidance-public-sector-equality-duty-england>
- 10.5. 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
- Equality objectives and the equality duty
- Equality information and the equality duty

10.6. 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>

10.7. Other legal implications are contained in Part 2 of this report.

## **11. Crime and Disorder Implications**

11.1. There are no Crime and Disorder Implications arising from this report.

## **12. Equalities Implications**

1.1. This report supports the delivery of the Council's house building programme and Housing Strategy 2015-2020<sup>3</sup> by ensuring that those in housing need in Lewisham have a safe, secure and high quality residence from which to live, prosper and grow.

## **13. Environmental Implications**

1.2. Every effort will be made to enhance the local environments, amenity space and public realm of the developments proposed where appropriate. This will include undertaking environmentally sensitive and locally respective demolition and construction works, as well as meeting Council energy and sustainability targets.

## **14. Background documents**

Mayor and Cabinet report entitled Re- Deployable Temporary Accommodation dated 22<sup>nd</sup> October 2014.

Planning Committee A report entitled former Ladywell Leisure Centre, 261 Lewisham High Street, SE13 6NJ dated 23 April 2015. Author, Michael Forrester 02083148747/[Michael.Forrester@lewisham.gov.uk](mailto:Michael.Forrester@lewisham.gov.uk)

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