



Mayor and Cabinet

The Future of PLACE/Ladywell

Date: 13 January 2021

Key decision: Yes

Class: Part 1

Ward(s) affected: Ladywell/Lewisham Central

Contributors: Acting Group Finance Manager, Director of Law, Governance & HR, SGM Capital Programme Delivery, Executive Director for Housing, Regeneration & Public Realm

Outline and recommendations

This report sets out the options considered for the future of PLACE and makes a recommendation on which option to pursue.

It asks for approval of:

- the phasing of the comprehensive redevelopment of the former Leisure Centre site by developing the rear of the site as a first phase and retaining the PLACE/Ladywell building to be developed as a second phase in the future as set out in Section 6 of this report.
- the proposed baseline tenure mix for the new dwellings as set out in Section 7 of this report.
- the inclusion of the additional area (Lammas Green Nursery) to the development site as set out in Sections 5 and 8 of this report.

Timeline of engagement and decision-making

Part 2 Mayor and Cabinet: Approval for budget to procure and delegate the appointment of an Employer's Agent to produce an options Appraisal for the end use of PLACE 25 March 2020

Part 2 Mayor and Cabinet: Approval for budget to start redevelopment plans at PLACE/Ladywell site 13th March 2019

Mayor and Cabinet: temporary use of the site for residential purposes 25th October 2014

Mayor and Cabinet: Part 2 Re- Deployable Temporary Accommodation 22 October 2014

Mayor and Cabinet: The Future of Ladywell Leisure Centre 19th June 2013

Community engagement events – 27th Feb 2020

1. Summary

- 1.1. This report sets out the options considered for the future of PLACE and makes a recommendation on which option to pursue. The options would either result in the Ladywell site being cleared in order to deliver a comprehensive scheme delivering circa 232 homes or to retain the PLACE building and deliver circa 69 new homes to the rear of the site.
- 1.2. Each option is explored in the context of cost, time and alignment with the original ambitions for the PLACE/Ladywell building and the redevelopment of the site.
- 1.3. Officers are seeking approval for the option to retain PLACE/Ladywell as it provides the least risk in term of financial exposure, programme and reputation and, subject to further review, it could deliver a comparable amount of new social rented homes.
- 1.4. Approval is also sought to extend the development site area to deliver more homes.
- 1.5. Commercially sensitive cost implications and budget requirements are considered in Part 2 of this report.

2. Recommendations

Mayor & Cabinet are recommended to:

- 2.1. agree to the phasing of the comprehensive redevelopment of the former Leisure Centre site by developing the rear of the site as a first phase and retaining the PLACE/Ladywell building to be developed as a second phase in the future as set out in Section 6 of this report;
- 2.2. approve the proposed baseline tenure mix for the new dwellings as set out in Section 7 of this report; and
- 2.3. approve the inclusion of the additional area (Lammas Green Nursery) as outlined in red on the plan at Appendix E to the development site as set out in Sections 5 and 8 of this report.
- 2.4. delegate authority to the Executive Director for Housing, Regeneration & Environment in consultation with the Chief Finance Officer and Director of Law, Governance & HR to procure and appoint consultants and contractors or extend existing contracts to redesign the land to the rear of PLACE/Ladywell and the nursery site, together with public realm treatment around the PLACE/Ladywell building.

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- 2.5. delegate Authority to the Executive Director for Housing, Regeneration & Environment in consultation with the Chief Finance Officer and Director of Law, Governance & HR to procure and appoint consultants and contractors to carry out the refurbishment works to the PLACE/Ladywell building.

3. Policy Context

- 3.1. The Council's Corporate Strategy (2018-2022) 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 an 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. Lewisham's 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.
- 3.3. Themes 1 – 5 directly relate to the delivery of new homes at the Ladywell site.
- 3.4. The former Ladywell Leisure Centre 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.
- 3.5. 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 site would be used to deliver new affordable homes.
- 3.6. 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

- 4.1. The London Borough of Lewisham faces a distinct housing challenge in terms of demand, supply and affordability. To help combat this, the Council announced a new programme to deliver new council homes, known as the Building for Lewisham Programme. 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. The Ladywell site forms part of that programme.

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- 4.2. The site comprises land formerly used and occupied by the Ladywell Leisure Centre, now occupied in part by the PLACE/Ladywell (PLACE) temporary housing development. The remainder (and majority) of the site is vacant. The site and the PLACE building are both on land accounted for within the Council's General Fund.
- 4.3. 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.
- 4.4. Demolition of the Leisure Centre 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.
- 4.5. In October 2014, Mayor and Cabinet approved the temporary use of the former Ladywell Leisure Centre site for residential purposes, and the construction of a building using Modern Methods of Construction (MMC) to provide affordable workspace and temporary homes.
- 4.6. In 2015, planning permission was approved for the temporary installation of a redeployable building to be located at the former Ladywell Leisure Centre site whilst it awaited plans to be drawn up for comprehensive redevelopment. The redeployable building is now known as PLACE/Ladywell.
- 4.7. PLACE/Ladywell delivers 24 high quality Temporary Accommodation (TA) homes, and 4 units of commercial space, 3 of which are occupied by Meanwhile Space who provide temporary business space for small businesses. The fourth unit has recently been used to provide welfare during the COVID-19 pandemic.

The successful PLACE

- 4.8. PLACE/Ladywell has provided high quality temporary accommodation for homeless households within the borough who may have otherwise been placed in Nightly Paid accommodation, potentially out of the borough. To date, the 24 two-bedroomed properties in PLACE/Ladywell have provided homes to 49 separate families
- 4.9. The average cost to the Council for a 2 bed household in Nightly Paid (Temporary Accommodation paid on a nightly, rather than weekly or monthly) accommodation is £6.9k per year. PLACE/Ladywell has saved the Council £166k per year in avoided nightly paid fees over the 4 years since it was first occupied.
- 4.10. PLACE/Ladywell is an innovative approach and one which had not been adopted in London before. MMC, whilst extremely popular in education, healthcare and hospitality sectors, was relatively untested as a residential product in London. This risk was accepted in adopting this approach. It has been a valuable learning experience and the original time savings and environmental performance has been realised.
- 4.11. PLACE/Ladywell has won numerous awards for its innovative design and pioneering technology, highlighting Lewisham as a forward thinking borough seeking to accelerate housing growth in the capital.
- 4.12. It has also been used for a number of high profile site visits and is considered an exemplar use of modular construction. Visitors have included representatives from the GLA, MHCLG, HM Treasury, several local authorities from across the country as well as government delegations from China, India, Ireland and Sweden. PLACE also featured as part of Open House 2017 and was an integral part of New London Architecture's On Location series in 2018.
- 4.13. The successful use of MMC at PLACE/Ladywell has informed an approach to scale up the delivery of new affordable housing across the borough using this technology; in particular at the two new sites for permanent modular construction at Edward Street and

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Home Park Estate. In partnership with the Council's housing delivery and management agent Lewisham Homes, these schemes signal the Council's intent to bring forward a second and much bigger phase of development utilising modular housing, delivering 65 new homes of high quality accommodation for local housing need, as well as a range of non-residential spaces.

- 4.14. The demountable building was erected in the knowledge that a larger and more comprehensive redevelopment proposal would come forward in the future.

Ladywell site redevelopment/Relocation of PLACE

- 4.15. Moving the PLACE building from Ladywell to another site in the Borough to make way for comprehensive redevelopment was always the intention, endorsed by Mayor and Cabinet in October 2014.

- 4.16. To remove the PLACE building from its current location would mean that the former Ladywell Leisure centre site can be redeveloped in its entirety.

- 4.17. In March 2019, M&C approved a budget for the work required to submit a planning application for the redevelopment of the former Leisure Centre site and to carry out the feasibility work for the relocation of the PLACE/Ladywell building. M&C also approval an application to extend the PLACE building's five year temporary planning permission for a further two years whilst plans continued to be developed. The planning permission has since been extended until March 2022. However, if the recommendations set out in Section 2 of this report are approved, officers will need to further extend the permission. Further information on this point is set out in Section 8 below.

- 4.18. The plans for the comprehensive Ladywell redevelopment are at pre-application stage and have been presented to the Local Planning Authority. During the course of preparing the plans, officers considered it prudent to incorporate the nursery building to the rear to maximise the number of homes to be delivered. Further information about the extension of the red line and the inclusion of the nursery site can be found at section 8 of this report.

- 4.19. The most recent plans have considered the potential for the full redevelopment of the entire site, including the nursery site at the rear, and the delivery of circa 232 new homes with commercial spaces.

- 4.20. When PLACE/Ladywell was approved, M&C were advised of the cost to move the PLACE building to a new location.

- 4.21. The expectation was that the PLACE building would occupy the Leisure Centre site for up to 4 years, and that it could be relocated up to 5 times, having a life of up to 60 years.

- 4.22. Following the Grenfell tragedy, some immediate temporary fire safety work needed to be retrofitted to the PLACE building. This was completed in 2018/19.

Feasibility Study findings

- 4.23. In order to progress the relocation of PLACE/Ladywell, feasibility studies were completed by Aecom. Aecom acted as the planning agent for the PLACE/Ladywell building when originally constructed.

- 4.24. The feasibility report was produced in July 2020 to provide a technical and financial appraisal for the moving of PLACE.

- 4.25. This study noted that moving PLACE elsewhere would come at a much greater cost than initially anticipated, due to a number of factors outside of the Council's control. Chiefly, the additional requirements to comply with emerging policy changes to fire safety and building regulations. A copy of the report is appended to the Part 2 report.

- 4.26. The report reviewed three sites, as suggested by officers, as potential relocation sites for the PLACE building; Forest Hill Car Park, a non-council owned site and Slaithwaite Road car park. The site not owned by the Council is reported in the Part 2 report and

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due to commercial confidentiality cannot be disclosed in this paper.

- 4.27. The Forest Hill Car Park was originally considered as the next location for the building on a like for like basis i.e. retaining 24 homes and 4 commercial units based on a high level consideration by architects.
- 4.28. Following further, more detailed investigations, it was established that due to the constraints of the site, coupled with the complexity of the PLACE building's structural form, this site was no longer considered suitable. Further, there is strong local opposition to the loss of the town centre car park.
- 4.29. The non-council owned site comprised unstable ground and a significant budget would be required in addition to relocation costs in order to stabilise the ground for a building of the size of PLACE.
- 4.30. The PLACE building could be relocated at the Slaithwaite Road car park site in up to three different configurations. Slaithwaite Road is a short distance from the current location but the lack of footfall would make any commercial units difficult to let. As such, the commercial units would be converted to residential units, providing an additional eight homes, taking the total capacity of the relocated PLACE up to 32 homes.
- 4.31. The report concludes that Slaithwaite Road is the only option of the three provided that is feasible for the relocation of PLACE. As such, all modelling and further appraisals which have considered a relocation have assumed that this will be the donor site for PLACE.
- 4.32. Following informal discussions with the Local Planning Authority, it is considered that the principle of relocating the PLACE building at the site would be considered favourably.
- 4.33. Further design work has been paused pending approval from M&C on the options for the comprehensive redevelopment proposals of the Leisure Centre site.

Sustainability

- 4.34. PLACE was manufactured using a highly precise system with a factory which is specifically designed to eliminate some of the inefficiencies of traditional construction. Furthermore, MMC homes are manufactured to a more intricate specification so as to make the homes more energy efficient to run.
- 4.35. Whilst re-using the building is positive, the transportation to the factory outside of London and returning the units back to Lewisham will require multiple long distance journeys for the large vehicles required.
- 4.36. Changing the use of a town centre car park could reduce car journeys resulting in visitors using more sustainable transport options.

Costs

- 4.37. The cost of relocation is high and will have a significant impact on the immediate headroom in the Council's Housing Revenue Account, with this cost having to be absorbed now. This will ultimately mean that the BfL programme as a whole will not be able to support the delivery of as many genuinely affordable homes.
- 4.38. Over time, the relocation costs would be offset against the continued rental income that can be achieved by retaining the building. Modelling has been undertaken on the scheme at the Slaithwaite site and over a period of 40 years, the legacy debt, cost of moving and cost of refurbishment/upgrade works will be paid back.

5. Appraisal outcome

- 5.1. Following due diligence and consideration of the feasibility study, officers were able to re-examine the financial viability of relocating PLACE.

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- 5.2. This was substantially different to what was initially envisaged in 2014.
- 5.3. In light of this, an options appraisal was undertaken to consider relocation against more cost-effective options: demolition, sale and retain.
- 5.4. The prospect of selling the PLACE building on the open market was considered. In part to continue the legacy of the building as a fully demountable structure but also to alleviate the loss of rental income.
- 5.5. IG9, who have acted as the Council's Employers Agent carrying out the appraisal, advised officers that there were limited opportunities within the market for prospective purchasers. Whilst there could be some benefit to the Council in terms of sale, the impact on time to identify a potential and suitable purchaser and negotiate with them made this option unsuitable in light of the Council's timetable for delivery of the Ladywell Leisure Centre site.
- 5.6. Demolition and clearance of the building is the quickest option for obtaining a clear site for redevelopment allowing for a single phased delivery as with the relocation option. Demolition is also the most cost effective option for obtaining a clear site at Ladywell.
- 5.7. The costs of demolition are substantially lower than the figures advised for relocating the building given all the elements as outlined above and in the Part 2 report. Opting for relocation over demolition would have an immediate impact on the Council's finances as the total scheme cost of this approach would be far greater and limit the Council's ability to deliver more genuinely affordable homes on other sites.
- 5.8. It should be noted that the land behind PLACE/Ladywell and the nursery site would need to be appropriated from the General Fund to the Housing Revenue Account in order to bring forward a much needed part of the site which will allow the development to increase the number of homes provided.
- 5.9. In terms of programme, the logistics around relocation mean that it would take approximately 7 months to clear the site. This can be accelerated to around two months if the building is to be demolished. Therefore, the indicative programme for delivery of a vacant site is as follows:

Works Description	Date if Relocation	Date if Demolition
Mayor & Cabinet Approval	January 2021	January 2021
Decant of PLACE completed	April 2021	April 2021
Dismantle/demolition works commence on site	August 2021	June 2021
Cleared site	March 2022	August 2021
Start on site	February 2023	July 2022

- 5.10. The current programme demonstrates that in neither option, the main works construction would deliver a start on site (as per the current definition) by March 2022. However, the demolition option would see activity on site, with both PLACE and the nursery being demolished as well as site investigation works taking place. The demolition and investigation activity would take place from September 2021 until December 2021, with the main construction works starting on site in July 2022.
- 5.11. The nature of this innovative building mean that there are very few examples of

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demountable residential MMC buildings that have tested the manufacturer's claims and this may result in delays and potential additional costs in moving the building which would adversely affect the redevelopment programme as well as adding to the costs.

- 5.12. Retaining PLACE and developing to the rear of it, provide a more streamlined programme as only the nursery site will require decanting and demolition. Under this option, the indicative programme, subject to re-design and planning, would be:

Works Description	Date if Retention
Mayor & Cabinet Approval	January 2021
Decant of nursery site completed	April 2021
Demolition of nursery	August 2021
Start on site	June 2022

- 5.13. The following is a summary of the three options in terms of unit numbers and time:

			RECOMMENDED OPTION	
	RELOCATE 32 HOMES FROM PLACE & REPLACE WITH MIXED TENURE SCHEME	DEMOLISH PLACE & REPLACE WITH MIXED TENURE SCHEME	RETAIN PLACE & BUILD MIXED TENURE SCHEME AT REAR	100% LAR AT REAR
New Build Social Homes	81	81	24	69
PLACE homes	32	-24	24	24
Net Social Homes	112	57	48	93
Other New Homes	151	151	45	0
Total Homes	263	208	93	93
Start on site	February 2023	July 2022	June 2022	June 2022

- 5.14. The above comparison between the programme and the number of social rented homes yielded, together with the need to look pragmatically the Council's finances, demonstrate that the retain option is, on balance, the most advantageous for the Council to pursue at this time.

- 5.15. The retain option provides the least risk in term of financial exposure, programme and reputation and it could deliver a comparable amount of new social rented homes.

6. Retaining PLACE

- 6.1. As outlined in this report, work to date indicates that comprehensive redevelopment could deliver 232 new homes. The Planning Annual Monitoring report for 2018/19 forecasts that the Ladywell site could deliver approximately 274 homes and the site

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allocation in the draft local plan also assumes comprehensive redevelopment of the Ladywell site.

- 6.2. There have been officer level discussions with the Planning department around the potential to keep the PLACE building on the Ladywell site indefinitely. Planning have indicated that this would be difficult to support given the history of the PLACE building and the limitations that retention would present in the new development.
- 6.3. However, there would be in principle support, for a submission of a phased scheme underpinned by an illustrative masterplan whereby the rear of the site would be developed now in a way that would allow for the development of the PLACE site in the future.
- 6.4. Retaining the building would keep the 24 temporary accommodation homes in continued use, with refurbishment and upgrade works being able to be carried out with the building remaining occupied. These works would take approximately 7 months.
- 6.5. As with demolition, retaining the building also would allow for the Slaithwaite car park to potentially come forward as part of the future pipeline for the Building for Lewisham programme, subject to planning and town centre demand for parking.
- 6.6. Due to the complexities of the existing PLACE building, the Slaithwaite Road car park has the capacity to deliver more homes using new structures than can be achieved if the PLACE building were to be relocated to the site.
- 6.7. The PLACE building requires refurbishment and upgrade works to ensure that it is compliant with current regulations. Details of the costs are set out in the Part 2 report. Officers are mindful that this work may require approval from M&C prior to commencement of work once the appropriate procurement route has been established.
- 6.8. Retaining PLACE on the Ladywell site beyond March 2022 would require a new planning application as the temporary permission will expire.
- 6.9. Whilst there has been some high-level capacity testing undertaken on a retain option, the focus of design work to date has been on developing the whole site. If the retain option is pursued, there will be abortive costs. These costs set out in the Part 2 report.
- 6.10. The consultant project team may have to be re-procured as the basis of the procured scope will have changed and costs may increase as a result.
- 6.11. Detailed design work for a retain option would take approximately 7 months. Under this option, a planning application would be submitted in August 2021 and a decision expected in December 2021/January 2022.
- 6.12. All community engagement to date has been on a comprehensive redevelopment as a single phase with the PLACE building moved from the location. Officers will seek to re-consult with residents if PLACE is to be retained.
- 6.13. It should also be noted that there are reputational risks associated with this option. One of the defining innovative attributes of the PLACE building was for it to be able to be relocated to a new location when the current site was ready for redevelopment. To retain the building in its current location would go against this. However, this must be balanced against the unprecedented financial demands that the Council now faces as a result of the pandemic, and to support our aims of fighting climate change.
- 6.14. There does remain the risk that future maintenance and refurbishment costs exceed what is being forecast, due to the unique nature of the building. It should be noted that building requirements and compliance has changed since PLACE was designed and built and therefore statutory requirements in the future may require additional compliance upgrades. This may be the same position if PLACE were to be relocated.

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7. Proposed Ladywell Development

- 7.1. Current proposals by Lewisham Homes, acting on behalf of the Council, would see the site delivering circa 232 new homes. If officers' recommendation to retain PLACE/Ladywell is approved, that number reduces to circa 69 new homes. This is subject to change as the design is revised and this will be required to pass the agreed viability parameters.
- 7.2. In 2019 M&C approved proposals to deliver the site with 50% of units for social rent. However, the escalated costs as set out in the Part 2 to this report have resulted in the need to apply flexibility in the number of new homes to be delivered at a social rent.
- 7.3. Given the above, officers are recommending that M&C approve proposals to seek a baseline policy compliant scheme with 50% affordable housing - a split of 70% social rent and 30% intermediate products from the previous position to deliver 50% social rent. However, the intention will always be to deliver as many social rent homes as viability allows.
- 7.4. The request to have a policy position as a baseline is to allow greater flexibility in the financial viability of the scheme given the above mentioned challenges. However, the ambition will continue to focus on delivering as many social rent homes as viability will allow.
- 7.5. Based on work to date, the following tenure mix was proposed in the event of a comprehensive redevelopment of the site:

Tenure	Social rent (LAR)	Private Sale	Shared Ownership	Total number of new homes
Number of homes	81	58	93	232

- 7.6. If PLACE is to be retained and the new homes are to be built around it, including the nursery site, current proposals are that circa 69 new homes could be delivered – a reduction of 70% against the opportunity presented through either relocation or demolition.
- 7.7. As referenced in the table in 5.13, removing PLACE and delivering 232 new homes would yield 112 social rent and TA homes, while retaining PLACE/Ladywell and building to the rear would yield a minimum 48 social rent and TA homes. However, the financial risk associated with the larger scheme is not commensurate with the gain in affordable housing numbers or the impact on the wider BfL programme.

8. Extending the development site area

- 8.1. In addition to the work on the options for the PLACE/Ladywell building, a review of the site boundary identified that more homes could be delivered as part of the scheme on land to the rear of the site which is currently being used by a nursery.
- 8.2. This is located on Longbridge Way and shares an access way at the rear of the former Ladywell Leisure Centre site.
- 8.3. The nursery is within a temporary container building, and has a small yard to the rear which acts as playspace.
- 8.4. The initial brief to Lewisham Homes when asked to redevelop the site advised that the nursery should be excluded from the development site, with the intention that it could come forward at a later date if appropriate.

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- 8.5. However, extending the development's redline boundary would provide an additional circa 10 homes and would ensure that the site could come forward without future disruption or access issues that may arise if it were to be considered at a later date.
- 8.6. The lease with the current nursery provider included a break clause which if enacted in June 2020, would ensure that the site is vacated by the end of December in line with the required vacant possession of PLACE.
- 8.7. The lease break clause was activated, and in accordance with the terms of the lease, the nursery were due to vacate the nursery building by 10th December 2020.
- 8.8. However, a review of the programme has led to the nursery being offered an extension to April 2021.
- 8.9. In addition, the Council and Lewisham Homes have offered alternative sites from Council stock which have subsequently proved to be unsuitable, but have also offered assistance to facilitate locating new premises. The Council will continue to support the nursery in trying to find alternative premises in time for their departure in April 2021.
- 8.10. This report seeks approval for the inclusion of the nursery site (as outlined in red on appendix E) into the overall development site in order to seize the opportunity to deliver the 10 additional homes in this tranche of development, rather than missing the opportunity to develop the site in the future.
- 8.11. Not approving the inclusion of the nursery site could result in the missed opportunity to deliver much needed homes, and the potential of an abandoned site once the building is no longer fit for purpose due to its temporary nature.

9. Vacant Possession Requirements

- 9.1. Some residents of PLACE have already been decanted and possession action is under way for the remaining residents. However, the residents in PLACE/Ladywell are there on a temporary basis, awaiting a permanent home. Therefore, whilst the decanting process was initiated as a result of the redevelopment proposals, the moving on of residents within 2 years of their first occupation was always the intention and is part of the Council's commitment to helping those in the greatest housing need.
- 9.2. If the recommendation to retain PLACE/Ladywell is approved, the possession action will be withdrawn for the remaining residential tenants.
- 9.3. However, it would be financially unsustainable to retain the Meanwhile businesses beyond their current agreement to stay until April 2021 on their existing rent levels. Therefore officers will seek vacant possession at that time, or a time which minimises the length of time the commercial units are left vacant.
- 9.4. As referenced above, officers have been supporting the nursery with relocation options and on reviewing the build programme, have been able to offer a short-term lease to April 2021 when their current lease expires in December 2020.

10. Financial implications

- 10.1. Financial implications are contained in Part 2 of this report.

11. Legal implications

- 11.1. Section 2 of the Local Authorities (Land) Act 1963 gives the Council the power to erect any building and construct or carry out works on land but this power may only be used where the development of buildings/works is for the benefit or improvement of its area. The aim for the Ladywell site is to carry out comprehensive redevelopment proposals in line with the objectives set out in this report, which include the provision of a high quality, place-making led scheme which will significantly improve the appearance and

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quality of this area of Lewisham Town centre. Accordingly it is considered that the Section 2 power is engaged.

- 11.2. These proposals are still at an early stage and there will be other detailed legal and financial implications associated with them. These will be set out in detail in subsequent reports to decision makers.
- 11.3 The Council has a public sector equality duty (the equality duty or the duty - The Equality Act 2010, or the Act). 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.
- 11.4 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.
- 11.5 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 above. 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 Mayor and Cabinet, bearing in mind the issues of relevance and proportionality. Mayor and Cabinet must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. 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.
- 11.6 The Equality and Human Rights Commission (EHRC) has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance. The Council must have regard to the statutory code in so far as it relates to the 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 on the EHRC website.
- 11.7 The EHRC has issued five guides for public authorities in England giving advice on the equality duty. 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.

12. Equalities implications

- 12.1. The retention of the PLACE/Ladywell building and the redevelopment of the land at the rear results in the provision of homes for families on the Council's housing register. It further significantly reduces the immediate substantive costs associated with the original ambition to relocate PLACE/Ladywell. Therefore, by approving the recommendations set out in Section 2 of this report, the Council is continuing its obligation to provide housing for the borough's residents in housing need.

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13. Climate change and environmental implications

- 13.1. The retention of the PLACE/Ladywell building results in the re-use or continued use of an existing, high quality building. The 24 homes in the existing building already achieve the equivalent of Passiv Haus standards.
- 13.2. The report sets out the various options considered for the PLACE/Ladywell building. By approving officer's recommendation to retain the PLACE/Ladywell building, the impact to the environment from the demolition or relocation is delayed.
- 13.3. Therefore, through retention we are lessening negative impacts of waste, transportation and demolition.

14. Crime and disorder implications

- 14.1. There are no matters arising from this report.

15. Health and wellbeing implications

- 15.1. There are no matters arising from this report.

16. Social Value implications

- 16.1. Social value implications will be set out during the procurement of the refurbishment works.

17. Background papers

- 17.1. Aecom Feasibility Study Report
- 17.2. Ig9 Options Appraisal Report
- 17.3. Lewisham Homes' Options drawings
- 17.4. Site boundary extension drawing

18. Glossary

Term	Definition
GLA	Greater London Authority
MHCLG	Ministry of Housing, Communities and Local Government

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