

MAYOR OF LONDON

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 Chair of the Housing Committee
 London Assembly
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Our ref: MGLA040814-3215

Date: 1.2 SEP 2014



Housing Committee - Estate Regeneration Fund

Thank you for your letter. The Mayor is pleased to have secured the £150m estate regeneration fund to help transform estates in London. The prospectus was launched in July and we are working closely with partners and boroughs to help ensure bids are of a high quality. In terms of answers to your specific questions:

- The GLA is working in partnership with the HCA and DCLG to manage the Expression of interest and shortlisting process. A recommended shortlist of projects will be drawn up by the GLA for approval by the Housing Investment Group which will then be passed to the HCA for their approval. In the event of over subscription, the GLA and DCLG will work together to agree a joint recommended list.
- The shortlisting process will look at the following factors:
 - Greatest prospect of recovery of funding
 - Greatest VFM
 - Largest net addition of supply for amount of investment
 - Largest number of affordable homes
 - Greatest prospect of early delivery
 - Greatest degree of quantifiable local need and support
 - Greatest increase in density using mixture of different unit types

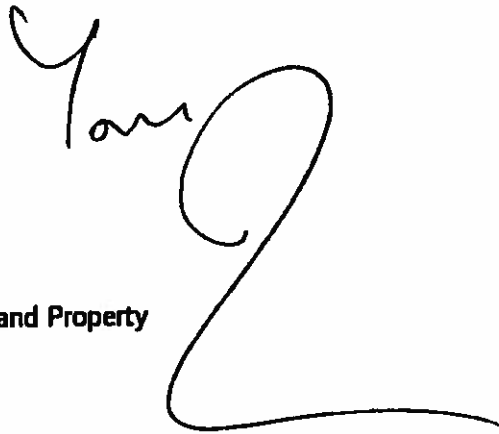
Each factor will have a different weight. The GLA Housing and Land team is currently in discussion with the HCA regarding the weighting of each factor.

- As part of submission of the Expression of interest, bidders will be required to submit an investment proposal document. Section 6 of the document requires bidders to provide a summary of how the local community has been involved in deciding the approach to regenerating the estate and increasing density. Shortlisting priority will be given to schemes which can demonstrate the greatest degree of local need and support (including written support from the Local Authority). Bidders are also requested to explain what will happen to residents being re-located away from the estate during re-development. They will be expected to explain, for example, whether

social tenants will be offered a like-for-like property on the re-developed estate, what the rent level will be and, if changed, by how much and why.

- The deadline for submitting the Expression of Interest was set to allow adequate time for due diligence and contracting processes to be completed in time for the first draw down of funds in April 2015. We have been in touch with a number of interested providers and they are all happy with the deadline and are working towards it.
- The purpose of this fund is to accelerate estate regeneration projects which are at advanced stages of project development and close to starting construction delivery. All bidders will be required to submit a financial model which demonstrates the long term viability of rebuilding estates and bidders will be assessed by their financial case.
- George Clarke's 3 point plan is highlighted in the prospectus as a key consideration, and bidders must show that any demolition is clearly justified through the business case and that the scheme has local support.
- in terms of implementation, we will work closely with successful bidders as part of the monitoring process to ensure the 12 point plan is implemented.

I hope this is helpful and please let me know if you have any further questions.

A handwritten signature in black ink, appearing to read 'Yan' followed by a large, stylized flourish that extends downwards and to the right.

Richard Blakeway
Deputy Mayor for Housing, Land and Property