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date: 14th March 2017

Dear Mayor Khan

Barnet's Response to Homes for Londoners – Draft Good Practice Guide to Estate Regeneration

I am writing in response to the draft 'Good Practice Guide to Estate Regeneration' which was published in December 2016. The council welcomes the approach to engagement and consultation set out in the guide as well as the opportunity to share some examples of how the council have already adopted many of the principles set out in the guidance.

Introduction to regeneration and housing development in Barnet

Barnet's approach to growth and regeneration is based around five clear priorities:

- To enhance Barnet as a successful London suburb through the delivery of quality new homes and neighbourhoods in the areas of the borough in greatest need of investment and renewal
- To deliver sustainable housing growth and infrastructure, and improve the condition and sustainability of the existing housing stock
- To ensure residents in all areas of the borough can share in Barnet's success while taking responsibility for the well-being of their families and their communities
- To promote economic growth by encouraging new business growth while supporting local businesses and town centres
- To help residents to access the right skills to meet employer needs and take advantage of new job opportunities

There are currently five estate regeneration schemes underway in Barnet - Grahame Park, West Hendon, Stonegrove Spur Road, Dollis Valley and Granville Road. Dilapidated, poor quality housing is being replaced with modern, high-quality mixed-tenure accommodation. In

addition the council is about to commence procurement of a master-planner to work with the local community to explore the provision of housing on the Upper and Lower Fosters Estate in Hendon.

The council in partnership with Argent and Hammerson and Standard Life is also in the process of delivering Brent Cross Cricklewood; one of the capital's major regeneration schemes and among the most significant planned new developments in Europe. The scheme will deliver a new town centre for Barnet and North West London, creating up to 27,000 jobs and acting as a catalyst for future economic growth. Brent Cross Cricklewood will be a great place for existing and new communities with 7,500 new homes delivered (217 of which to replace the Whitefield Estate) as well as new buildings for three local schools, new health facilities, and high quality parks and open spaces. It will provide all the elements of a thriving town centre with a transformed Brent Cross Shopping Centre forming the heart of a new retail and leisure district. More than £400m will be invested in transport infrastructure including new roads, increased capacity at key junctions and the creation of a new station on the Midland Mainline and Thameslink lines.

The council also has an ambition to build new affordable homes on council housing land. This programme is already underway, with the first new council houses in Barnet for over 20 years being completed in March 2014 and a further 40 completing in 2016.

Furthermore the council is progressing plans to provide hundreds of new mixed tenure homes on its own non- housing land and other public sector sites, which will be funded through the sale of market housing.

Our response to the principles set out in the Draft Good Practice Guide to Estate Regeneration

Setting out aims and objectives

Pledges / residents charters have been used successfully across the schemes, including Grahame Park and Stonegrove Spur Road, to establish the aims of the regeneration. The pledges have helped to set shared expectations and we've learned that is important to work with the community to revise and update the pledges as the scheme changes.

Re-provision of affordable housing

Estate regeneration is a complex process which must take account of the specific circumstances of each site, including local infrastructure needs, local housing need (tenure mix, affordability and unit size), other local development opportunities, placemaking, viability and the nature of the surrounding area. The council therefore believes that a blanket approach to re-provision of affordable rented housing is too simplistic, and should be a matter for local policies and decision making.

Our schemes have all endeavoured to ensure that there has not been a loss of affordable housing. However this requirement has had to be balanced with the need to make the schemes viable and the importance of creating a mixed tenure community. On some estates the council has purposely chosen to reduce the number of social rented units in order to promote a more diverse housing stock.

For example, on the Grahame Park estate it is likely that there will be a net loss of social housing of around 250 homes. However, there is a preponderance of two bedroom dwellings on the estate that has led to significant overcrowding. The new dwelling mix proposes more

large homes and actually leads to an improved balance of "bed spaces" on the estate. The development of a mixed tenure community is likely to result in a more sustainable and balanced community. In addition significant development of social housing is already planned on the nearby Adastral (South) site which will improve the balance of rented homes/owner occupation as well as meet the deficit of rented homes on Grahame Park.

Additional affordable housing is being delivered in Colindale, Millbrook Park and on infill sites across the Borough.

Integration with surrounding environment and improvements to public realm

All our schemes aim to ensure that new housing development is properly integrated into the surrounding environment. This is being achieved through improved public realm, better transport links and improved linkages to surrounding areas. The West Hendon regeneration scheme, for example, will create improved transport infrastructure and link the estate to the neighbouring Welsh Harp Reservoir and a new town centre/commercial hub. Extensive work has been undertaken to ensure that the redevelopment fully recognises the environmental and nature conservation importance of the Welsh Harp. As part of the Brent Cross South project there is an explicit aim to tackle the 'island' nature of the site, including through improved links between the Whitefield Estate, neighbouring parks and a new town centre, as well as to the improved shopping centre on the north side of the North Circular.

Monitoring and review

The council recognises the importance of establishing the expected benefits of regeneration schemes. For all new projects, including Upper and Lower Fosters, work will be undertaken with local communities to establish what is important to them and so define the project benefits which will then be baselined and monitored throughout the lifetime of the scheme and beyond.

Community Engagement

The council ensures meaningful consultation with residents and other stakeholders is carried out. Some of the ways in which the council has engaged with residents to date has included holding surgeries, open days and by having a Partnership Board chaired by a local resident. On Grahame Park, Barnet Homes have established a local office so that residents can drop in and obtain regular updates. Feedback from residents has suggested that this is a better way of engagement, rather than holding more formal meetings.

Following completion of the first compulsory purchase order (CPO) process at West Hendon a lessons learned review has taken place and has recommended a number of ways in which resident engagement can be improved ahead of the next phase of development. These include:

- Provide short accessible information packs for residents across all tenures.
- Ensure all offers are clear and understood from the start by sending informative and concise letters.
- Identify vulnerable residents early into order to provide them with extra support throughout the CPO/regeneration process.

- Ensure there is significant consultation with stakeholders and the wider community.
- Local presence by partners.
- Relocate showroom / provide 'mini-show room' for leaseholders (shared equity) and secure tenants.
- Plan and prepare a schedule of Partnership Board activities for the year ahead to assist with information management.
- Endeavour to incorporate West Hendon's history within the regeneration.
- Identify issues early and work with key stakeholders (and the partnership board where appropriate) to resolve e.g. Electrical Riser Works.

All schemes utilise an Independent Resident Advisor to support residents throughout the regeneration process.

Fair deal for tenants and leaseholders

We recognise that regeneration can be a disruptive process for residents, particularly those that are living in non-secure accommodation, and will seek to minimise this disruption at the point that tenants are required to move by making use of flexibilities within our allocations scheme and providing advice and support. We will also consider buying out leaseholders in financial hardship when this will assist in the regeneration process.

The council support the principle of offering full rights to return for displaced secure tenants and a fair deal for leaseholders. Throughout all the schemes secure tenants have been offered a new home on the estate. As a basic principle all secure tenants are offered the right to return and where possible made an enhanced offer. For example, at Stonegrove Spur Road secure tenants were offered an additional bedroom above their housing requirement. The aim is always to only decant tenants once to minimise disruption to their lives.

Where properties due for demolition become vacant they have been used as temporary accommodation. It is extremely important given the pressure on housing in London that we can continue to do this, and do not leave homes empty. The council is unable to guarantee non-secure tenants a right to return on the regeneration estate, though we have a good track record of rehousing non-secure tenants in alternative local accommodation. For the 86 non-secure tenants within phase 3b at West Hendon, 39 were provided with secure tenancies elsewhere, and all but 4 households were rehoused within the London Borough of Barnet, with 2 of the 4 having requested to move outside of the Borough.

Leaseholders are being offered a range of options depending on the scheme. We always meet CPO compensation regulations by providing market value and appropriate home loss and disturbance payments. At Grahame Park there is a retained property exchange scheme where owners can buy a retained property of a similar value.

All resident leaseholders have been offered generous shared equity and shared ownership products on regeneration schemes. As part of West Hendon CPO 1 the market value of the properties were held down to ensure that all qualifying leaseholders could afford one if they chose to exercise the shared equity option. In CPO1 take-up was moderate due to

leaseholders being uncertain about the shared equity product. With residents now more knowledgeable about the product, all remaining shared equity units have been filled with leaseholders coming forward from later phases of the scheme. It is anticipated that there will be very high take-up levels in the next phase. The take-up has also been positive for phase 1 and 2 for Dollis Valley.

Surgeries/drop in sessions are regularly held on the estates, attended by the Independent Tenant Advisor and Barnet Homes (our ALMO), to maximise access to support services.

Extra support and assistance for vulnerable groups

A housing needs assessment is always carried out to identify vulnerable residents across our schemes and to ensure additional services are provided for these residents. Specialist decant officers also assist with their move.

In West Hendon a comprehensive support programme has been established which builds on the lessons learned from earlier phases of the scheme. One recent example of note is our enhanced assessment regime for residents requiring property adaptations. Usually schemes undertake an assessment prior to the design stage and any adaptations are made thereafter. To address situations where peoples illnesses worsen or new properties throw up new challenges for residents, we now have two further assessment points – one a few months prior to the move, and a third full post-move visit with an Occupational Therapist.

Final thoughts

Our ambition through our regeneration programme is to replace run-down estates and transform them into thriving new mixed developments like the Stonegrove Estate in Edgware, which is now a successful new community; home to long-standing social tenants, young families and commuters. Together with the growth at Brent Cross Cricklewood, Colindale and Mill Hill East these schemes will deliver over 27,000 new homes and new infrastructure by 2025.

We trust that this response provides a positive contribution to the Mayor's emerging policy thinking with respect to estate regeneration, and look forward to working constructively with the Mayor / GLA; commenting further later in the year on the emergent draft London Plan and Housing Strategy.

Yours sincerely



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Commissioning Director, Growth and Development

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Date 13 March 2017

Estate Regeneration Consultation

Housing & Land Directorate

City Hall

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Ref: Mayor's Draft Good Practice Guide to Estate Regeneration

Thank you for the opportunity to comment on the Mayor's Draft Good Practice Guide to Estate Regeneration.

The underlying approach of the guidance is for early and meaningful engagement with residents and stakeholders to shape proposals that affect their homes. In the main this is a common sense approach that the London Borough of Bexley is already doing via its partners (Peabody and Orbit for example). The emphasis is on residential led i.e. 'estate' regeneration, as opposed to wider transport/economic regeneration and is tenant/leaseholder focused. It could be argued that in part it misses the particular challenges of combined estate and physical infrastructure regeneration. It is also relatively silent on the challenges of developing for a new community as well as taking into consideration the needs of current residents. How are the interests of new residents/demographic taken on board?

We have a number of specific comments on the draft guidance.

- 1. Case study 1 – residents involved in delivery process and annual review check by Council to ensure promises kept.**
 - 1.1 Housing Association (HA) Partners currently involve residents via resident groups and through extensive consultation on outline/detailed proposals for estate regeneration. It is not clear how residents can be actively involved in the delivery process other than being kept in the loop via consultation. The guidance acknowledges the challenges in engaging with residents post design stage on matters of procurement and contract and the time this takes to get right. This may not be realistic given time critical development.
 - 1.2 The council's partners actively review promises made during the consultation on regeneration proposals via 'you said we did'. We have examples from Orbit's Erith Park development and Peabody on their wider estate regeneration and we encourage further such engagement.
- 2. Ensuring no loss of affordable housing**
 - 2.1 The guidance refers to 'no loss of affordable housing' when seeking funds from the GLA. Even without recourse to GLA funds, the report states that the proposal should be resisted. The caveat for non GLA funded projects is the need to show homes at existing/higher densities with equal amounts of floor space. This approach



should be considered for GLA funded schemes too or at least where the project needs to address issues of sustainability.

- 2.2 No loss of affordable housing is understandable in areas where many homes have already been old under Right to Buy. However where we have close to 100% affordable as at Arthur St /Erith Park and Thamesmead, this reduces the potential to create more mixed and sustainable communities. It might be useful to look at maintaining affordable housing levels but across the whole area

3. Who should be consulted?

- 3.1 Paragraph 29 refers to seeking the view of tenants/TA and non- resident leaseholders with 'bespoke' consultation to reflect various needs. In the main partners, as far as possible, seek to engage with all residents. Where it becomes more complicated is with the single phase, 'one move' decant. A housing association partner has described a difference of opinion with the DCLG regarding their requirement to consult with AST residents on the future development of an estate even though they are not going to be living there. The Housing association sees little logic in this.
- 3.2 There is little reference within the guidance to the special circumstances surrounding a CPO process. Thamesmead has a large CPO area affecting some 100 residents, leaseholders and businesses. During the CPO process the Council has made sure that when contacting interests within an area this should include, for example, private rented tenants in order to help address their queries even though we are not acquiring their interest and the HA has no obligation to rehouse. Overall, there should be more of a concerted effort to consult and negotiate with everyone affected by a potential CPO in what is, after all, a time of anxiety.
- 3.3 Paragraph 31 notes that Small and Medium-sized Enterprises (SME's) should be involved in discussing the retention of local employment opportunities in order to address community cohesion. This is a challenge as there may be a conflict between the current SMEs and the type of retail/commercial offer for the new regeneration area. The argument of community cohesion may be used to justify continued use of unwanted business. There are issues around viability and what the appropriate use classes might be. This is a complicated discussion that needs a long lead in prior to and during planning and perhaps the commissioning of independent business advisers, particularly in a CPO situation.

4 Local allocations policies

- 4.1 The guidance assumes high priority in local allocations policies for tenants who need to move from estates facing regeneration. This makes sense and is current practice. However, there should be reference to the very real challenge of meeting conflicting housing needs (for example homeless v waiting list). In Bexley's circumstances where estate regeneration is HA led then there should be early meaningful discussion with the Council (concept stage) to discuss any potential decant policy particularly where there are regeneration projects competing with each other, and/or an overall pressure on the affordable housing pipeline and possible rehousing responsibility arising from sub-let tenancies.

5. Rights to Return

- 5.1 The guidance states there should be a 'full right to return' for existing tenants. The assumption is that residents should not move more than once but this is only possible on large phased schemes.
- 5.2 Consideration should be given in circumstances where an estate has its attendant social problems of vulnerability and criminality –it may not be appropriate to encourage all these people to come back to the same place. If it is possible to keep people in the area and close to the services and people important to them and this can be done relatively quickly then it could amount to a better offer.
- 5.3 The guidance cites case study 8 where 80% of residents chose to move away and take up of replacement properties was very slow. There are two issues here. One is to recognise that regeneration areas often have a stigma attached to them and residents want to get away from this regardless of what is promised in return. Often this may be their only chance of living on a 'normal street property' as opposed to an estate development. The guidance underestimates the attraction of street properties versus new estate properties.
- 5.4 In case study 8 the guidance also mentions the disproportionate number of homeless households rehoused and the fact that viewings were done when the estate was a building site. Firstly, this illustrates the importance of design (perhaps resident design led) and mixed and balanced communities. It also may reflect particular problems with large numbers of homelessness and the challenge this presents for Councils. The problem of marketing homes whilst still an active building site can be mitigated by good web based marketing promoting the vision for the area including on site assistance and importantly, consideration of some 'meanwhile' use if appropriate, to add interest.

6. Summary checklist of key requirements

- 6.1 The summary checklist of key requirements at the end of the guide, taken with the GLA's Toolkit which sits alongside this guide is useful for regeneration staff, partners and residents as a guide to good practice.

Sincerely



Lynne Everett
Team Leader (Housing Strategy)



Draft Good Practice Guide to Estate Regeneration

Response from Brent Council

1. Introduction

1.1 Brent Council welcomes the publication of the draft guidance and the opportunity to comment. Brent has a history of successful regeneration projects and this response draws on our experience and the lessons learnt, in particular through our mature and continuing programme in the South Kilburn area. Much of the good practice identified in the guidance is familiar from our experience, although there are areas in which we believe additional recommendations or greater clarity would be helpful. This response focusses on these areas and is structured to follow the content of the draft guidance with some general comments in the final section.

2. Aims and Objectives of Estate Regeneration

2.1 The summary of principles and approaches is helpful, if very general. In our view, the key point here and elsewhere is that no two regeneration schemes are directly comparable and that guidance needs to reflect the complexity and individuality of schemes and the need to adopt approaches appropriate to the unique circumstances that apply. For example, paragraph 6 refers to appraisal and suggests that this can be a useful tool. Our view is that a clear appraisal process is essential and that there should be a stronger emphasis here, while recognising that the approach is likely to differ in each case.

2.2 It is appreciated that it is difficult to strike a balance in guidance on this subject between an approach that is too prescriptive and one that is too loose. To illustrate this point, the mix between demolition and refurbishment will always require careful and thorough consideration but paragraphs 7-9 appear to suggest a preference for refurbishment while simultaneously indicating that decisions on the best approach should be taken on a case-by-case basis. Our view is that the guidance should offer clear support for the latter point and indicate that any assessment by the Mayor will be made on this basis.

2.3 Brent supports the principle that regeneration should not involve loss of affordable housing. However, it would be helpful if the guidance contained a clear statement (or reference to other relevant documents) as to what constitutes affordable housing in this context. This point is referred to elsewhere but could be made more explicit.

2.4 Paragraphs 11-13 address improvements to the local environment. Although further reference is made elsewhere, our view is that the guidance could say much more on the public realm and, on a related issue, on design and quality, perhaps with reference to planning policy and design guidance. We would also welcome more recognition of the social and economic benefits of estate regeneration in terms of pursuing opportunities for new and improved social infrastructure, local facilities such as retail and improved access to jobs and

training, all of which can improve local environments and integrate communities. Good estate regeneration is about place building, not just creating or re-creating residential units. The area as a whole and its integration into the wider area needs to be incorporated into any schemes, providing the social infrastructure which creates a vibrant sustainable place that looks and feels like somewhere people would choose to live. The guidance hints at this but could be more detailed and explicit as to the Mayor's expectations for successful place-making.

- 2.5 The guidance also has little to say on the economics of estate regeneration. Perhaps that is secondary to its purpose but in the absence of significant levels of public subsidy it tends to be the case that large scale estate regeneration schemes will usually lead to an increase in density – a doubling or tripling of the amount of housing – in order to for a programme to be financially viable. This has consequences that reinforce the importance of place-making and good design is reinforced. A large amount of private housing is usually introduced onto estates to cross subsidise regeneration. In that context, the guidance might consider not only the need to protect the interests of existing tenants and leaseholders, but how 'mixed and sustainable' communities are best supported in estate regeneration schemes. One principle seen in South Kilburn (and elsewhere) is to ensure the new homes are built tenure blind but there are other points that the guidance could stress, such as the integration of different tenures, shared amenity spaces and the role of an intermediate offer within any scheme.

3. Consultation and Engagement with Residents

- 3.1 Brent has undertaken extensive and early consultation in all schemes. In South Kilburn for example, this has included engagement of an independent adviser in an arrangement similar to those referred to in the guidance. This has supported the development of the Master Plan and Supplementary Planning Document, both of which have recently been reviewed and updated in consultation with residents. The former also provides the mechanism through which the scheme is monitored.
- 3.2 In general, the guidance reflects our own experience and provides useful pointers, particularly over the extent and format for any process. However, our experience suggests that development of a master plan is an approach that has been particularly constructive and we would recommend that the guidance should refer to this option, especially in the case of large, complex and long-term schemes.
- 3.3 The guidance rightly emphasises the centrality of residents, across tenures, in the consultation process, while touching on the importance of including other stakeholders such as local businesses and providers of community services. Our view is that more could be said about the role of and engagement with other stakeholders. Depending on the location, nature and extent of any scheme this could include education and health services, TfL and other bodies responsible for significant infrastructure or services. The interests of such bodies may include land ownership or expectations about future capital or revenue investment to support a scheme, as well as concerns about the impact of regeneration on service demand and capacity. In this context, engagement and negotiation can be complex and challenging and it would be helpful if the guidance could offer some indications of good practice, as well as stressing the role that bodies other than local authorities can and should be expected to play in delivering effective schemes.

4. A Fair Deal for Tenants and Leaseholders

- 4.1 This chapter has particular relevance in light of concerns arising from developments in Southwark's programme for the Aylesbury Estate. Where legal challenges are likely to become more common, it is important that the guidance should be clear and realistic and avoid any risk of either over-prescription or loose terminology. We have some specific concerns with the draft in this context, mainly in relation to the position of leaseholders.
- 4.2 Broadly, we agree with the proposals regarding tenants and have followed a similar approach locally. Limiting the number of moves, accepting a right to return and securing new homes at

the same or similar rent levels and with an appropriate number of bedrooms all reflect best practice. However, it would be helpful to have more clarity here. The guidance needs to reflect the reality that new homes will, or should, offer improved accommodation for returning or displaced tenants and that some increase in rent, within reasonable limits and reflecting local affordability issues, is to be expected. Our experience in South Kilburn suggests that calculation of both social and target rents will result in an increase in most cases. It would also be helpful if the guidance were more specific about the desirability of an offer in which tenants on social rents and affordable rents are offered new homes on similar terms. It is puzzling that case study 8 appears to be an example of how not to conduct management of the moving process and it would have been more helpful to see an example of a well-managed scheme here.

- 4.3 With regard to leaseholders, we agree that a mutually agreed acquisition is always the best approach and an offer at market value with appropriate home loss and disturbance payments agreed at an early stage is desirable. On this point, we would suggest that the best approach to independent valuation is to use the District Valuer, whose impartiality is clear.
- 4.4 With regard to the offer to displaced leaseholders, the guidance refers to the basic options but only mentions that other approaches may be available. In the context of the Southwark case, it would be helpful to consider this in more detail. Brent aims to offer a suite of options that can be tailored to individual circumstances, while DCLG guidance cites shared ownership, shared equity, home swap, early buy-back and cash back deals where leaseholders carry out some completion works themselves, enabling personal choice in some aspects of a new home. Reversion to a tenancy may also be an option, although potentially unattractive to many leaseholders unwilling to give up ownership. The guidance could go further in elaborating the available options.
- 4.5 At the same time, it is important to recognise some other factors. First, it should be acknowledged that a small number of leaseholders can represent a significant barrier to delivery where agreement cannot be reached and that, in this situation, compulsory purchase may be necessary. While it is essential that the individual and collective needs and wishes of leaseholders are fully recognised and met, as far as possible, this needs to be balanced against the wider benefits of any scheme to the community and the guidance should explicitly acknowledge this. Second, as has been the experience in several London schemes, high market values present a significant problem for leaseholders wishing to remain in the area. A menu of options should therefore be available but it should also be recognised that, in a minority of cases, some or all of these may not be affordable or practical. As the guidance notes elsewhere, early and transparent engagement, assisted by independent advice and support, will be essential in clarifying the options and highlighting what is and what is not possible.
- 4.6 As it stands, there is no doubt that the guidance sends a clear message to tenants and leaseholders that they have rights and interests that must be respected and addressed in order for the regeneration to proceed. However, the guidance should also reflect more explicitly, perhaps through iteration at appropriate points, the duty on the local authority to balance other considerations with individual needs. For example, in almost any scheme, sales will be essential to finance provision of additional affordable housing and that an authority's objective to build more homes is a legitimate aspect of its strategic housing responsibilities. Also, as with the potential for rent increases for tenants, the reality is that displaced leaseholders are likely to face higher values and therefore higher costs in new build homes. This needs to be a part of discussions with them at an early stage but it would also be helpful if the guidance recognised this and, while acknowledging the difficulties that can occur, also stressed the longer term benefits to leaseholders of an improved local environment and an uplift in the value of their homes that is more likely to be sustained post-regeneration. It may also be worth considering if leaseholders should be informed of the potential impact of regeneration (whether or not there are existing plans) when they first take on a lease, as a matter of good practice.

4.7 Paragraph 60 refers to non-resident leaseholders and evidence suggests that this is a growing group, as properties purchased under the Right to Buy are let to private tenants. The guidance suggests that account should be taken of the length of residency for owners who return before or during the regeneration scheme. In addition, account should be taken of their current housing position – for example, do they own or have they recently disposed of a property elsewhere.

5. General Comments

5.1 It is noted that the draft guidance will be reflected in wider planning and housing policies (more detail on how this will work in practice would assist). In that case, it is essential that the guidance should, as pointed out earlier, strike an appropriate balance between prescription and flexibility. In particular, it is important that terminology around the offer to tenants and leaseholders should be precise in order to mitigate the risk that guidance could be cited in ways that are not intended to block the progress of schemes.

5.2 More guidance and examples of best practice on the role of design, quality and the improvements to the public realm, infrastructure and connectivity between regeneration schemes and neighbouring areas would be helpful, although this is touched on in the draft.

5. Finally, to assist comprehension a glossary of terms would be helpful, as some of the language will be unfamiliar to many readers.

Paul Robinson

From: Shadbolt, Peter [REDACTED]@cityoflondon.gov.uk>
Sent: 21 February 2017 12:22
To: Estate Regeneration Good Practice Guide
Subject: City of London Corporation Planning Comments on draft ER Good Practice Guide

Please find below officer comments from the Planning service of the City of London Corporation on the draft Good Practice Guide to Estate Regeneration.

The City Corporation supports the overall approach set out by the Mayor in this draft guidance and particularly the focus on engagement with tenants and leaseholders and the protection of existing tenant rights. The City Corporation has a small number of comments on individual elements of the draft guidance.

Aims and Objectives for Estate Regeneration

Ensuring no loss of affordable housing

The City Corporation supports the aim, in paragraphs 9 and 10 that estate regeneration should not result in a loss of social housing on an estate. The starting point of regeneration proposals should be the retention of the quantum of social housing already on an estate. The City Corporation considers that the guidance could go further and seek to maximise additional affordable housing provision where this is feasible and viable.

Improving the local environment

The City Corporation supports the guidance in paragraphs 11-13, but considers that the guidance should address the density of development on estate regeneration. Regeneration schemes should be developed at a density which is appropriate to the local area and which doesn't result in a poor quality of life for tenants on the estate or for occupiers of buildings in the surrounding area. Issues of overlooking, privacy, daylight and sunlight should be considered in particular.

A Fair Deal for Tenants and Leaseholders

This section deals, in part, with the rights of tenants returning to estates following regeneration. There should also be guidance covering the situation where existing tenants are retained on-site, or decanted internally within the estate, whilst regeneration takes place. Safeguards need to be put in place to keep required moves to a minimum and to protect the quality of life and environment for any tenants remaining on site during works.

Rights to return

The City Corporation supports the guidance in paragraph 50 indicating that returning tenants should have the right to return to a property of a suitable size and at the same or similar level of rent. The City Corporation considers that the guidance should also address the issue of service charges, and require the total cost to returning tenants (rent, service charge) should be broadly similar or the same. Not including service charge raises the possibility that tenants could not afford to return to estates once regeneration is complete.

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Ealing Council's response to the Mayor of London's consultation on his Good Practice Guide to Estate Regeneration.

March 2017

In 2008 the Council embarked on an ambitious programme of regeneration identifying 9 of its larger estates as being in need of significant work to regenerate both the estates and the localities in which they are placed.

In the 9 years since, we have gained substantial experience in the field of housing regeneration, creating multi tenure estates, improving land use, increasing affordable housing and improving resident satisfaction. We were pleased to see that many of the lessons that we have learned over the regeneration programme are contained within the draft Best Practice document.

The guidance reflects the principles on which we have worked over this period, and, over time, we have developed an enthusiastic housing development team; a highly motivated group of staff with the proven ability to genuinely engage with residents. They help make a clear case for change, make residents part of the solution, and provide the local confidence needed to ensure regeneration schemes progress smoothly, co-operatively and within timescales.

Additionally there is the added advantage of gathering collective experience over a number of schemes and time, and collaborative working with our planners, enabling us to understand and plan for, with partners and stakeholders, technical, design and legal issues that can act as a barrier to the smooth progress of such schemes.

The Council spends a significant time engaging, in detail, with residents, explaining why regeneration is needed and what is entailed. This includes what the offer to tenants and leaseholders is; planning and design; building standards; options for staying or leaving; how buy back valuations are arrived at; details of compensation etc. All in all, there is at least a year of preparatory discussion and training with residents beforehand with the overall aim of ensuring residents can take an active and informed role in the regeneration process.

In respect of securing and maintaining the confidence of residents we have some key principles that are reflected in the guidance. These include:

:

- All schemes replace all existing social rent properties producing more family sized housing
- Lettings ring fenced to existing tenants
- Leaseholders offered a shared equity product to keep the community together
- Each scheme promotes the employment of local labour and provides apprenticeships to local people.

Resident satisfaction with Ealing's regeneration schemes is exemplified by the Acton Gardens development. In the first phases of this scheme, some 80% of residents wanted to leave the estate. In the most recent phases (2012 to 2015) around 80% of residents want to stay.

Experience has also shown that, while at the start of the regeneration programme we employed ITLAs, once the outline product was established, residents in later schemes have had confidence in the council officers to provide all the advice and information as to their entitlements which is published in booklets.

In our early regeneration schemes we experienced the problem that we were substantially changing the mix of homes and there were high numbers of one bed units which were not being replaced to the same extent. As part of the Community Lettings Plan for those estates, we negotiated with tenants to offer a Request to Return rather than a right. This was discussed with tenants as part of the early CLP discussions and has been found to be a good way of

managing this problem and tenants expectations. The success of this in the earlier schemes has meant that we have adopted it as part of all our CLPs.

It is also worth noting that when an RSL partner becomes the landlord of the new properties, it is likely that the rent will increase whereas where the Council retains ownership of the new homes then the rent differential will be less – reflecting a ‘new home’ premium.

In respect of providing a fair deal for leaseholders, in addition to the recommendations in the guide, it should be noted that due to phasing in regeneration programmes, leaseholders may have to move temporarily to a rented unit. In Ealing we guarantee that they will only pay the same outgoings as they would have been paying on the leasehold unit, with the Council picking up any excess.

Overall, we have found that by engaging and working with residents we have not only developed a flexible model to take forward but have established confidence in our local communities that we can and will deliver the regeneration that meets their requirements and aspirations.

Estate Regeneration
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14th March 2017

Email to: erguideconsultation@london.gov.uk

Dear Sadiq,

Re: Response to Draft Good Practice Guide to Estate Regeneration

Thank you for the opportunity to comment on the draft good practice guide to estate regeneration, Homes for Londoners.

I share your belief that the draft good practice guide is an important step towards ensuring that estate regeneration projects across London are progressed with the same core objectives, ensuring that residents are offered a fair deal and are at the heart of the regeneration process. These objectives are already at the centre of what we are doing in Hackney and we were pleased to have been included in the process and the launch.

Hackney Council is a nationally recognised leader in estate regeneration. The Council's 2,826-home Estate Regeneration Programme is London's largest programme of direct Council house building. It is now in its sixth year with 206 homes for social renting, 20 for shared ownership/equity, and 42 for outright sale built so far. There are a further 101 refurbished homes and 644 new homes currently being delivered on site, with many more to come in the next year. In addition, the Council's Housing Supply Programme will provide over 400 more new homes on 13 smaller sites across the borough.

The Council is committed to ensuring that its Regeneration Programme benefits local residents as much as possible, by improving the social, economic and physical



environment of estates and ensuring residents are central to the regeneration process. The Programme is funded solely from the Council's own resources and without any grant funding from central or regional government.

Working closely and transparently with local residents on these Programmes is an integral part of our approach. As an overview, I have provided examples of the level and scope of our engagement with residents:

- 75 tenant groups engaged with
- 18 estate regeneration sites, including 7 completed sites
- 24 estate based resident fun day consultation and engagement events have been held over the past year
- Close involvement with residents throughout the master planning processes for each estate through a series of consultation events held during the daytime, evenings and at weekends. Scheduling the events over a period of several months, each showing a wide range of exhibition material, allowed residents' views to be taken on board and their questions to be answered.
- The development of a refreshed Leaseholder and Freeholder Options Document in close consultation with residents.
- The development of a new Local Lettings Policy - Keeping Communities Together – which will provide opportunities for those tenants in housing need, but who are not required to move as part of regeneration works, to move to a new property on an estate where development is taking place.

It is in the pursuit of full and effective engagement with local residents that we would observe that a range of current and future policy proscriptions by central Government, such as the current restrictions around HRA borrowing headroom, the Council's use of its locally generated right to buy receipts, and the proposed forced sale of Council homes, all seek in different ways to potentially undermine the Council's commitment to full engagement with residents when considering and undertaking housing regeneration work.

In particular, the Government's proscription that right to buy receipts must be spent within three years of a sale is wholly unworkable from an estate regeneration perspective, given that within this time land must be procured, assembled or prepared, a scheme designed and consulted on, residents views sought and fed back, planning permission sought, contractors procured, and homes built. We therefore believe that as part of the Mayor's consultation on and engagement with Central Government and the HCA a more flexible approach should be called for, and as a minimum the time period extended to five years. This would go some way to ensuring that, on schemes where right to buy receipts form part of the funding package, sufficient and appropriate time for to consultation and full engagement with residents is allowed for, as envisaged in the good practice guide.



The majority of the recommendations are already being delivered by Hackney, and have formed a key part of our Estate Regeneration Programme over the past few years. More detailed comments on each section of the draft good practice guide are set out below:

1. Aims and objectives of estate regeneration

We support the proposal that the aims and objectives of estate regeneration should consider the most appropriate combination of physical interventions to achieve the agreed aims, and look to improve the appearance of estates and their relationship with the surrounding area. Ensuring high quality design and delivering generous space standards in new homes are important principles of the Council's Estate Regeneration and Housing Supply Programmes.

The Council is leading on the master planning and design of each of the schemes within its programmes in order to successfully establish these standards, and includes provisions as part of its procurement processes to ensure that they are then delivered by the successful contractor/developer partner. Ongoing design expertise and advice is integral to the successful delivery of each project, ensuring the provision of high quality homes, community facilities and public realm. The Council has a dedicated in-house Design Manager within its Regeneration Division who works closely alongside Project Managers to ensure that all projects comply with the Council's guidance and requirements. In addition, the Council has established a Divisional Programme Office, which manages and coordinates the corporate functions and specialist expertise necessary to effectively deliver successful housing regeneration in Hackney.

The council has commissioned resident surveys to establish a baseline prior to the commencement of any estate regeneration works. For example, the Nightingale Estate Residents Survey sought to ascertain residents' opinions of the estate, their housing, and their use of the estate's community facilities - now and in the future. The research also sought to help understand how community needs may vary in order to help make informed decisions with respect to taking forward possible regeneration work on the estate.

Whilst of course fully supporting the rationale behind the desire to ensure no loss of social housing, we would be concerned if this condition was to be applied on an individual site by site basis, as this could have wider unintended outcomes and in some could respects could actually reduce the level of social rented housing delivered overall compared to a programme wide approach, such as that adopted in Hackney. Some sites, when assessed for planning purposes on an individual basis, may not be viable on the basis of a planning compliant tenure mix or bedroom mix. However, taken overall, the Council's Estate Regeneration Programme will deliver in excess of 50%



genuinely affordable housing, meet the bedroom requirements and housing needs of all returning residents, and provide a planning compliant mix of different sized new homes. The council would strongly reiterate the need to retain flexibility to adjust to local circumstances and local needs across a wider portfolio, which in turn will actually increase the likelihood of this core principle being upheld. Overall our three main regeneration programmes lead to no net loss of social housing and increase the supply of genuinely affordable new housing of all tenures.

We consider that the following points should also be considered for inclusion within the guidance:

- Highlight the important and fundamental role of Ward Councillors, who as local community leaders need to be fully engaged in discussions from a very early stage.
- The need to ensure that any proposals are cost effective, and acknowledging the role that cross subsidy generated from private sale units can play in the ability to carry out a viable estate regeneration project, especially given the restrictions mentioned earlier.
- An emphasis on the need for clarity and consistency concerning tenure mix in schemes over what can be a long process so as to always maximize the level of affordable housing, whilst ensuring as much as possible that the varied housing demand from prospective residents of all housing tenures and local circumstances can be met.

2. Consultation and engagement with residents

We support the proposal that consultation and engagement with residents should be transparent, extensive, responsive and meaningful. The resident steering groups that have been set up on each of the Council's regeneration estates and the wider engagement with local residents allows us to proudly say that all of our regeneration work is resident-led. Residents of all estates and properties included in our Programmes have been and will continue to be consulted and involved in every stage of the redevelopment and regeneration of their estates or properties. We communicate with residents via a wide range of methods, including newsletters, steering group meetings, TRA meetings, design workshops, surveys, social media and community events such as fun-days and jobs fairs, which seek to help tenants with their CV and interview skills and promote the recruitment of local labour.

Residents are encouraged and supported to influence the development of regeneration through design surgeries, participating in the appointment of the ITLA, architects, consultants and contractors, and contributing to discussions on the provision of new



community facilities. We also ensure that we inform and update other stakeholders in the vicinity of the estate who may be indirectly affected by the regeneration works, such as residents living in blocks not owned by the Council, local businesses, and community organisations.

From our experience of working collegiately and transparently with residents we would very much support the suggested caution around the use of ballots or an arbitrary 'one off' referendum on the future of an estate. We would not be in support of and would caution against this being an obligatory aspect of the Mayor's good practice guidance, due to its simplicity and its failure to account for a range of finely balanced, complex and nuanced contextual issues, all of which evolve over a substantial period of time, and the potential risk presented by the polarising nature of a one off, yes/no vote, as highlighted in the draft guidance.

In the process of finalising the good practice guidance, we would suggest it needs to reflect on the implications of 'poor practice' with regards to estate regeneration and particularly with respect to incomplete or limited consultation with residents and feel it would be useful highlight some of these issues within the guidance to avoid such circumstances occurring.

We consider that the following points should also be considered for inclusion within the guidance:

- Equalities:
 - The requirement for an Equalities Impact Assessment at the outset as part of a commitment to residents to demonstrate the potential impact of regeneration on both tenants and leaseholders, and ensure they will not (as far as is possible) be adversely affected.
 - Setting out the importance of involving all groups in the consultation process – considering, for example, those who do not speak English, older residents, single parents who may have childcare commitments which would prevent attendance at 'traditional' consultation events, and younger people.
- The importance of ensuring that the consultation schedule allows residents the flexibility of committing as much or as little time to the process as they have available.
- The requirement to work with existing community groups to carry out consultation and provide communications in a way that is most appropriate to target audiences.

3. A fair deal for tenants and leaseholders

The vast majority of Hackney's estate regeneration projects give every tenant the right to return to a new home on the estate, and various options are offered to leaseholders to allow them to take up the option of moving into a new homes on their estate without being any financially worse off.

Once an estate is awarded decant status, all tenants are invited to a meeting to discuss the rehousing process. They are then invited to one-to-one rehousing interviews to discuss their individual circumstances, which take into account any medical assessments which may be required and their aspirations for their new home. Wherever possible, the Council tries to ensure that tenants will be able to complete a singly move straight into a new property, but if this is not the case, all eligible tenants are offered a Right to Return to the estate once the new homes are complete. If a temporary move is required, households are prioritised in the urgent band on the Housing Register for rehousing. Tenants are supported throughout this process by a dedicated Decant Team and the ITLA. The Decant Team works closely with all residents bidding for new properties, accompanying them to viewings and arranging, where appropriate, for enhanced works such as redecorations to be carried out to the property if required. They also organise removals and disconnection/reconnection of appliances and utilities. Once the new properties are nearing completion, the Decant Team contacts those who have a Right to Return, reassess the household's needs, and arrange for a new property to be allocated to them. They will again accompany them on the viewing and arrange removals and disconnections/reconnections.

Vulnerable tenants are supported throughout this process with enhanced assistance from the Decant Team. For example, the team make weekly contact with some tenants requiring more support, will deliver lists of properties open for bidding directly to residents, and will place bids on their behalf if required. Hackney's Tenancy Sustainment Team also provides further assistance if required.

Private tenants are offered advice from the Council's Housing Options and Advice team, including signposting to other services. In certain circumstances, a homelessness application may be considered.

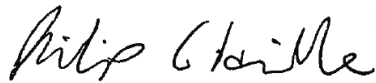
Leaseholders are offered market value for their homes, plus Home Loss and Disturbance payments, and resident leaseholders are offered the option of moving into a new home on the estate on either a shared ownership or shared equity basis. We have listened to residents and learnt from our experience of carrying out a series of leaseholder buybacks across the borough in recent years. We have put this learning into our refreshed Leaseholder and Freeholder Offer Document, approved by Cabinet in November 2016. This revised policy improves the offer available to resident leaseholders and freeholders and provides them with clear and concise information on their options. The updated policy also clarifies and provides further detail on the



buyback process, the compensation to which owners are entitled, and the various housing options that have been put in place should they wish to purchase a new home on their estate. Vulnerable leaseholders are further supported using the Council's Exceptional Cases Panel, which will review an individual households' circumstances and consider their rehousing options and the ways in which they can best be supported. We would be keen to see a similar approach reflected in the recommendations of the good practice guide.

Finally, I would like to emphasise Hackney Council's overall support for the draft good practice guide to estate regeneration. Please do not hesitate to contact us if you would like any further information or details.

Yours sincerely,

A handwritten signature in black ink that reads 'Philip Glanville'.

Philip Glanville
Mayor of Hackney



HOMES FOR LONDONERS: DRAFT GOOD PRACTICE GUIDE TO ESTATE REGENERATION

Dear

The London Borough of Haringey has some of the most significant regeneration schemes in currently underway in London. These are being undertaken in close partnership with the GLA, so the Council welcomes the opportunity to comment on this consultation paper, setting out the Mayor's thoughts on estate regeneration.

Haringey Council explicitly aims to meet the three key tests for regeneration set out in the Guide, that is:

- It believes that a clear business case has been set out for all regeneration schemes being undertaken in the borough,
- It works hard to engaging the community as fully as possible in all regeneration schemes; and
- It is also committed to ensuring that all local residents share in the benefits that regeneration brings.

The Council warmly welcomes the Mayor's Guide, which it sees as a clear statement of the shared commitment of the Council and the GLA to these three aims. The Guide can act as a useful checklist for all Councils when undertaking regeneration initiatives and could serve to assuage some of the opposition to regeneration initiatives that local communities sometimes feel are foisted upon them. Haringey has, indeed, already utilised the draft guidance by measuring some of its current schemes up against its requirements, as can be seen below.

1. Setting the aims and objectives for estate regeneration

The Council supports this broad objective and very much followed its prescriptions when it undertook its major Member-led housing options review. This review resulted in the publication of '*London Borough of Haringey, Future of Housing Review*' in September 2015 (attached). This report set out a clear rationale for regeneration and the overall approach the Council wished to take. It also set the framework for future consultations on individual schemes.

The Council's commitment to following this framework and to delivering this and the other two principles of the Mayor's Guide can best be shown by reflecting on the approach on real schemes, such as Northumberland Park in Tottenham. This is an estate of 1,300 homes badly in need of major investment.

The Council began engagement and consultation with residents on Northumberland Park in 2014 – well before any specific plans had been developed. This engagement clearly set out aims and objectives, which were clear that regeneration would put improving the quality of life of existing residents first and foremost. This was to be achieved through improved public spaces, new homes, social infrastructure etc. The key findings were published in the report '*Tottenham's Future*' (attached). Appendix G in the appendices to this document (also attached) is a useful summary of what each of the 58 Community stakeholder groups who were interviewed identified as their priorities.

There was then intensive engagement to inform the development of the Northumberland Park Strategic Framework (attached). This engagement was a two stage consultation process which involved hundreds of residents having their say (consultation report also attached). The Framework established 'Key Principles for Change' and 'Development Capacity Scenarios' which have since been used as the basis for the development of planning and housing policies for the area. These principles and scenarios have also been used to inform the development of resident-led, community-focused projects and have formed the starting point for negotiations with potential development partners. Throughout the process it has been clear these are guiding principles on what is to be done, rather than being any kind of final masterplan.

2. Consultation and engagement with residents

As with objective setting, the Council fully supports the Guide's aims on ongoing consultation and engagement and this commitment can clearly be seen in its approach to Northumberland Park.

Following the initial engagement above, the Council worked with residents to create three tenant and resident associations, in addition to appointing two dedicated engagement officers and an independent tenant and leasehold advisor. As a direct response to community engagement, the Council invested in a 'community hub' to be a focal point for regeneration information and consultation and resident led community programmes. Lease arrangements were developed which give the local residents association full control and management of the community hub.

Resident associations were asked for their 'key questions' and the Council provided detailed responses to the 17 main questions that emerged. The Council then committed to developing a Residents Regeneration Charter, to be considered by the Council's Cabinet. There is ongoing work by residents and the Independent Tenant and Leaseholder Adviser to develop this, including a 'Residents Aspirations Plan'.

The Council holds monthly information days where residents can drop in for advice or ask questions about the regeneration plans. Working with an independent organisation, residents have been trained to be 'place champions' so they have increased knowledge of the built environment and regeneration and can play a full part in the development of future master plan options. This programme also provides for knowledge transfer between the place champions and their friends and neighbours.

The Council is now creating a joint venture, the Haringey Development Vehicle (HDV). This can deliver at scale and provides the potential for comprehensive regeneration to bring high quality new homes for existing residents as well as thousands of new homes to help tackle London's housing crisis. The HDV will plug into the existing engagement mechanisms and will begin consultation with residents from the first day of its formal existence to ensure that master plan proposals continue to be shaped in line with the wishes of the community.

3. Ensuring a fair deal for tenants & leaseholders

The Council shares the Mayor's commitment to ensuring all residents benefit from regeneration and again this is evidenced at Northumberland Park. The Council is fully committed to its aim that all existing tenants and leaseholders should be able to return to homes in the area if they wish to do so. The aim for tenants is that they should be able to maintain terms and conditions, except that homes provided by the HDV are not expected to

be subject to the Right to Buy. Resident leaseholders will also be supported to remain in the area and will be offered 'first dibs' on the new homes built. Where this is not affordable to them, they will be offered a shared equity deal, whereby they own a proportion of the property equal to the value of their former home, plus any additional equity they may wish to add, but they pay no rent on the unowned part of the home. In addition, there will be many other benefits for residents.

As an early phase of the regeneration plans, a high quality new school will be created. This will give residents in this deprived part of the borough a school of choice and provide enough capacity for the large increase in homes planned across north Tottenham.

The Council is also seeking to maximise the potential of the railway line through Northumberland Park station, working with Network Rail and LB Enfield. This will provide residents with a more frequent connection to the tube network and access to a much larger number of jobs within a reasonable commute from their home.

In closing, the Council would wish to reiterate its welcoming of both the intention and detail of the consultation paper. It is hard to criticise because it so closely chimes with what Haringey wishes to achieve. To that end LB Haringey would be glad to extend a welcome to the Mayor and his team to visit the major estate regeneration schemes in Tottenham.

The Council is sure that the Mayor would agree that in many ways these schemes are ideal examples of best practice in delivering what the Guide is trying to achieve and that this best practice is not in any way limited to Northumberland Park discussed above. Should you wish to arrange such a visit or meeting please contact in the first instance [REDACTED]

Yours

APPENDICES:

Future of Housing Report:

<http://www.minutes.haringey.gov.uk/documents/s80470/150904%20Part%202%20-%20Review%20Group%20Report%20-%20Future%20of%20Housing%20Review.pdf>

Tottenham's Future Report:

https://tottenham.london/sites/default/files/tottenhams_future_consultation_report_pdf_6.9mb.pdf

Tottenham's Future Report Appendices:

https://tottenham.london/sites/default/files/tottenhams_future_consultation_report_appendices_pdf_3mb.pdf

The Northumberland Park Framework:

http://www.haringey.gov.uk/sites/haringeygovuk/files/masterplanframeworkreport_final_compressed.pdf

The Northumberland Park Framework Consultation Report:

http://www.haringey.gov.uk/sites/haringeygovuk/files/northumberland_park_consultation_report_0.pdf

Homes for Londoners: Draft Good Practice Guide to Estate Regeneration

Detailed comments from LB Harrow

Recommendation	Comment
Good Practice in the aims and objectives of estate regeneration	
Set out the aims and objectives of the estate regeneration project transparently and clearly;	Agreed. On all of our estate regeneration projects we have done this either through the Offer document where stock transfer has been proposed or more recently on an estate to the retained by the Council through a Residents Charter. The main objectives were summarised in resident newsletters and details also available in public documents such as Cabinet reports.
Ensure residents and other stakeholders have meaningful and early opportunities to shape proposals;	Agreed. Harrow Council puts meaningful consultation at the heart of all its projects and policy making and has a corporate process for ensuring the agreed process is followed. With regard to estate regeneration the council has always involved residents at the very first options appraisal stage and in the decision making process of the preferred option and then delivery of the preferred option. Where there is no existing Tenant and Resident Association we have set up a Resident Steering group to work with the council.
Consider the most appropriate combination of physical interventions to achieve the agreed aims of regeneration, including repair and refurbishment, investment in public realm, infill and intensification, demolition and rebuild;	Agreed and this is undertaken through the option appraisal process
Where demolition and rebuilding is chosen as part of an estate regeneration, this should only happen where it does not result in a loss of social housing, or where all	This has always been the council's stated aim but should be measured in terms of habitable rooms or persons housed rather than by number of homes. In all of our regeneration schemes we have developed social homes to meet current and

<p>other options have been exhausted or where a range of other affordable alternative tenures have the support of local residents</p>	<p>future needs. This has generally meant an increase in larger homes and reduction in 1 bedroom homes and therefore less social homes in total although same or more habitable rooms. On all of our schemes it is not possible to retain the same level of social housing without grant input – subsidy from private sales is not sufficient on its own even with a significant increase in density. We are encouraged this is now recognised in the current funding programme. There may be situations where it is appropriate to change the tenure mix by a reduction in social housing replaced with other affordable housing tenures such as shared ownership and we suggest a change to the wording of this statement (highlighted in red).</p>
<p>Look to improve the appearance of estates and their relationship with the surrounding area;</p>	<p>Agreed. This is a fundamental principle of good urban design and was an explicit aim for the council and residents in selecting our preferred architect for our current regeneration scheme to see how the estate could be joined back into the surrounding area rather than being cut off as it is now.</p>
<p>Proactively monitor the impacts and outcomes of regeneration, seeking to involve residents where possible</p>	<p>Agreed. The type of social impact monitoring referred to in the case study was taken forward by Home Group for the Rayners Lane estate and carried out by LSE. On our current regeneration schemes, Public Health colleagues have carried out a Health Impact Assessment where they involved residents and which has an action plan to enable monitoring as the regeneration progresses.</p>
<p>Good practice in consultation and engagement with residents</p>	
<p>Ensure that consultation is transparent, extensive, responsive and meaningful;</p>	<p>Agreed. There is extensive consultation with residents on all the regeneration schemes we have progressed. Ensuring all information is in clear and understandable language can be challenging when the issues are complex. Our Grange Farm Steering group who we are working with now on the regeneration of their estate commented recently that they found the Good Practice Guide full of jargon and not that easy to understand. The consultation toolkit was received quite late and addressed these concerns. The ITA used this to consult residents</p>

	of the Steering Group and we hope they have independently responded to this consultation.
Set out every viable option, with landlords sharing supporting information or data as early as possible;	Agreed. We do this starting at the options appraisal stage.
Consider the costs and benefits, both in financial and social terms, of all viable options against “doing nothing”;	We do this at the options appraisal stage although it is more difficult to quantify social costs and benefits.
Consult primarily with social tenants and resident leaseholders, and consider relevant views from other affected parties including private tenants, non-resident leaseholders and business or community tenants;	Agreed. On all of our schemes tenant and leaseholders are invited to events personally and others receive general invitations. We have held meetings specifically for leaseholders and tenants. On our current scheme we have invited 2000 or so to planning consultation events from the estate, wider community including local businesses, schools etc. On a scheme where we transferred homes to a housing association, the Inspector of the CPO Public Inquiry acknowledged that we had carried out consultation with leaseholders in an exemplary way with regular Leaseholder meetings, individual meetings and a specific Offer document for leaseholders.
Use a range of methods of engagement, including surveys, open days, small-scale meetings and written communication, with estate based regeneration teams where possible;	We have used all of the identified forms of consultation. However the methods to be used need to be tailored to each scheme. For example where we have undertaken formal stock transfer we have been required to formally ballot residents and the consultation plan from the outset reflected this requirement. In our current scheme as the new social homes will be retained by the council there has been no requirement for a ballot and consequently the consultation plan does not include for one. In our experience regeneration schemes face very complex issues such as financial viability which change over time as well as long periods before work actually starts and we are not therefore in favour of holding ballots as a matter of course. As the Good Practice Guide indicates these reduce complex issues to simple yes or no responses which if undertaken at the wrong time could mean a scheme is not able to be taken forward. They are also time consuming and the resource used for these would be better used for different approaches to

	<p>involving those residents who are less likely to get involved.</p> <p>The opportunity for having estate based regeneration teams will depend on the size/type of project. Our current scheme does not currently have an office base or other suitable location for this.</p>
<p>Enable meaningful participation by residents through investing in their capacity to engage with estate regeneration projects;</p>	<p>We have always funded an Independent Tenant Advisor, selected by residents, for our regeneration schemes up to the point of transfer in the case of stock transfers. We currently fund an ITA for our current scheme where we are to retain the new social housing. It is important to have clear roles and responsibilities agreed for the ITA and the council. As a result of the training and capacity building provided, representatives from the Steering Group were included in the selection process for the scheme architect and will be involved in selecting our development partner.</p>
<p>Explore “interim offers” to residents during the process;</p>	<p>We are currently in the process of exploring what this might look like on the current regeneration scheme we are progressing.</p>
<p>Good practice in a fair deal for tenants and leaseholders</p>	
<p>Social tenants fully compensated for their inconvenience, and given high priority for rehousing;</p>	<p>On all of our regeneration schemes social tenants are fully compensated through the Home Loss and Disturbance payment process. Our approach to this has been set out either in the Offer document or Resident Charter. On previous schemes tenants have moved from their existing home on the estate to a new one with size of new home being based on current housing need with underoccupiers being able to retain one bedroom in excess of their needs. For our current scheme some of the existing residents need to move away from the estate to allow the first new homes to be built. These tenants receive the highest priority for rehousing and effectively first choice of all voids unless there is an emergency.</p>
<p>Social tenants only to move once where possible and</p>	<p>See above. On our current scheme residents understand that some tenants may</p>

<p>otherwise offered full rights to return to suitable homes with same or similar rents;</p>	<p>have to move twice because some have to move temporarily to allow the first phase to begin. If they move off site they are offered a property to meet their current needs and all offered the option to return to a new home to meet their needs at the time (underoccupiers able to retain one bedroom in excess of their needs) at a social rent (although this will be higher to reflect it is a new property of higher value than the existing properties). As the new homes will be owned by the council they will have the same rights as currently.</p>
<p>Market value plus appropriate home-loss payments offered to leaseholders, with resident leaseholders offered shared equity or shared ownership on the regenerated estate;</p>	<p>We have always offered this to leaseholders and during voluntary negotiations non-resident leaseholders receive the same home loss as resident leaseholders. Resident leaseholders on previous schemes have been offered an equity share of a new home although only a handful exercised this option. We face a more difficult situation with our current scheme as some of the resident leaseholders who are elderly, need to move to enable the first phase of development to start. We have therefore offered the option of an equity share of a property elsewhere to a same size similar value property. We are also exploring the option of a lease swap to a property in a later phase.</p>
<p>Private tenants made aware of their options and rights, including signposting towards alternative housing options, and short term tenants fully informed about the regeneration plans;</p>	<p>Private tenants are able to approach the council's Housing Advice team for assistance. Temporary housing tenants are informed it is only a temporary option because of the planned regeneration and have access to a housing officer for advice.</p>
<p>Extra support and assistance offered to vulnerable or protected groups.</p>	<p>We have a specialist Decant and Rehousing officer to support all tenants who are moving and in particular to provide a hand holding service to vulnerable and protected groups and liaise with other support services in the council and voluntary sector.</p>

Paul Robinson

From: [REDACTED]@kingston.gov.uk>
Sent: 17 March 2017 13:37
To: Estate Regeneration Good Practice Guide
Cc: [REDACTED]
Subject: Royal Borough of Kingston - Response to consultation

Please find below Royal Borough of Kingston's response to the Estate Regeneration Guide consultation. Should you have any queries please do not hesitate to contact me, [REDACTED]

Many thanks
[REDACTED]

RBK response to regeneration guide

RBK welcomes the publication of the London Mayor's good practice guide to estate regeneration. The Borough supports the objectives of the guide, which is to ensure that tenants and leaseholders are treated fairly and the existing affordable housing is protected in estate regeneration schemes.

The Borough accepts the guidance set out in the draft, and is already implementing majority of its recommendation in its Estate Regeneration Programme. It however believes that there should be greater recognition of the fact that it will often be the case that the existing residents (tenants, freeholders and leaseholders) given the extent of disruption and length of time it takes to regenerate will be opposed to the proposals even when the consultation has been transparent, extensive, meaningful and responsive. The Borough therefore recommends that there is a clear acknowledgement of this and a greater discussion around achieving the right balance between consulting and engaging with existing communities and ensuring that the needs and requirements of communities as a whole are considered in a bid to create sustainable communities where several generations live fulfilling lives.

This apparent conflict is brought into sharp focus when seeking to increase the provision of housing numbers and densities on existing housing estates, which is often a moot point with existing residents, however is necessary to address the housing shortage and for scheme viability. The Borough believes, a well considered proposal based on goodpractice urban design and planning principles can deliver high density, high quality environments, and can respond to the requirements and aspirations of existing residents whilst building environments which can support thriving communities.

Disclaimers apply, for full details see :

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BY EMAIL

Dear Sadiq,

Thank you for the opportunity to comment on your draft Good Practice Guide to Regeneration. As you may be aware, Lambeth is currently at the beginning of a significant programme of estate regeneration, our biggest house building programme for a generation, and as such the timing of this consultation is timely.

Lambeth has a history of very positive estate regeneration projects, including varied and successful regeneration stock transfers and the regeneration of Myatt's Field North, one of the biggest housing multi-tenure PFI schemes in country.

However, we know that some schemes in other London boroughs have had a more chequered past, failing to deliver both in terms of the offer to existing residents and the supply of new affordable housing. There has been some very negative reporting of estate regeneration in the press. This has made it more difficult to obtain resident support for boroughs such as Lambeth where we will be increasing the supply of new affordable homes and have a good offer for existing residents. Anything that will improve the reputation and perception of estate regeneration is very welcome.

We do think that estate regeneration will be an essential piece of the puzzle if London is to deliver the new homes it needs, particularly the drive towards 50% of new homes as affordable housing which we fully support. It is essential therefore that the mayor is seen to be publicly supportive of schemes delivered that meet your criteria.

We have already adopted much of the good practice suggested in your guide, particularly through the development of our 'Key Guarantees' for both tenants and leaseholders which we have appended for your information.

We would like to take this opportunity to draw your attention to two schemes in Lambeth that are progressing well.

Westbury Estate

This estate is located in a highly accessible and desirable location, built to a low density with significant under-used areas of land.

We went to residents with a clear message that there was scope to build more homes on their estate. At the residents' request, the initial 6 months proposed of feasibility work was extended to 12 months. There is scope to replace 80 units with over 300, the feasibility work considered infilling which was rejected.

We have provided urban design training to residents, leading to the creation of a resident brief for the future masterplan and homes. The decision to redevelop the estate has been taken at cabinet, initial opposition from residents has given way to residents working cooperatively and constructively with the masterplanning team.

South Lambeth Estate

The South Lambeth estate has a central location with scope for a significant increase in density. Homes are generally in bad condition although it includes a single high-rise slab, which was refurbished within the last 5 years. As with Westbury, we extended the length of the feasibility work leading to a decision to retain the high-rise element (even though alternatives would have provided

more homes). As above, we have worked with residents to provide a design brief for the future masterplan and homes, and the initial scepticism has been replaced with a cooperative and constructive way of working together.

We are in general agreement with your proposals. Our specific comments on the draft guidance are listed below.

AIMS AND OBJECTIVES OF ESTATE REGENERATION

Ensuring no loss of affordable housing

We think that this point is really important. It is also important that target rent social housing isn't replaced with other, less affordable products such as low cost home ownership or intermediate rent. The guidance should make this point more clearly.

Monitoring and Review

It is suggested in para 14 that after regeneration there should be monitoring of a range of factors including resident satisfaction and health and wellbeing. A number of these would be linked to the outcomes the regeneration project promised to deliver. It would be useful if the Mayor could produce a standard set of monitoring tools that could be used across London, to compare projects and see the impact on regeneration on a city wide basis.

CONSULTATION AND ENGAGEMENT WITH RESIDENTS

Estate improvements and their costs

The suggestion in para 24 that landlords should include an assessment of the 'social costs', is more difficult than it sounds. Trying to quantify complex effects on health into financial terms would be very open to conjecture, and likely to generate protracted debates about the assumptions made by those opposed to estate regeneration. We feel that a qualitative assessment would be more practical, linked to the aims and objectives of each project.

There would be a significant cost for each borough to develop an approach and carrying out an assessment.

If this is to be brought forward it would be helpful for the mayor to develop a framework under which such assessments could take place. This would help to ensure consistency, and help counter any perceptions that assessments are unfair and reduce costs.

When should consultation start?

We think that there is a balance to be had between involving residents at the 'earliest' stage and the landlord being clear about what the possible options are. Estate regeneration, and any suggestion that there might be the demolition of homes will undoubtedly cause stress to residents, and potentially blight the sale properties. It is sensible to try to avoid this stress by waiting until landlords are clear that this is an option that is viable and worth pursuing.

It is also helpful to have an indication of what might be possible to manage expectations. We have had a situation where residents were involved very early in the process and told that all options were on the table. Some of these options subsequently removed as more detailed analysis was carried out and this caused delays and costs to be incurred, including due to legal challenge. By having a better understanding of what the viable and feasible options were, including planning considerations, before engagement, some of these problems could have been avoided.

Who should be consulted?

We note the mayor's reference to taking account of the interests of 'future residents who will benefit from the project'. We think this is a very important point and a key driver of our estate regeneration programme.

What form should consultation take?

We agree that a range of different approaches should be taken. We have experienced that formal groups can be taken over by a small number of individuals whose views and personal interests do not reflect those of other residents. There is often a mismatch between the views of homeowners and tenants, with the potential for intimidation towards those who support regeneration proposals. The use of door-to-door conversations and informal drop-in events can help with this and enable wider consideration of the proposals.

We note that the Mayor's position on this varies slightly to the national government's suggested approach as outlined in their '*Estate Regeneration National Strategy*' (Dec 2016). The national proposals state that '*all approaches to regeneration should have the support of a majority of the residents whose lives will be affected by the scheme*', with the suggestion that a vote may be appropriate before complete demolition.

We agree with the position put forward by the Mayor, and that caution should be taken in around using votes or ballots.

As a local authority we should be able to take account of the wider picture, both in terms of the impact of repair obligation costs to the Housing Revenue Account, and the need to meet the housing needs of those on the waiting list. A simple yes / no ballot to those on the estate may not properly take account of these wider considerations to take place.

It is very common for any new development anywhere to be met with local resistance, but if we are to meet demand for new housing then decisions will need to be taken that are not popular with everyone who is affected.

Progressing estate regeneration may involve huge political risks to local authorities and is not an approach that would ever be taken lightly.

Empowering residents to make decisions

We agree that this is very important and time and resource is necessary to build capacity and ensure independent advice is available to all residents affected by proposed regeneration. Clarity of purpose and transparency of process are very important in enabling resident involvement, including what they are able to influence and when.

Interim Offers

We agree that interim offers should be considered so that benefits are felt throughout rather than only at the end of the process, although the financing of this needs to be considered, for example early buybacks for homeowners who want to take that option and meanwhile uses for land and buildings where possible for estates with a long regeneration programme. Minimising uncertainty for residents is also important.

In this, and other areas, the GLA could issue good practice updates regularly to share evidence of what works..

A FAIR DEAL FOR TENANTS AND LEASEHOLDERS

A fair deal for tenants

We agree that tenants should receive the maximum home loss compensation permitted and reasonable disturbance costs.

We support the concept of minimising disruption with households only required to move once. However, it is the council's experience in engaging with residents that there are mixed views on the 'only to move once' objective, where some residents consider that minimising the length of the construction programme to be more important. The council is therefore proposing to commit to working with residents to minimise disruption, rather than a blanket commitment to everyone only moving once.

On the 'Right to Return' with '*at the same or similar level of rent, the same level of security of tenure*'. Lambeth, in common with many other local authorities in London is developing new homes through a special purpose vehicle which is able to draw in additional funding. Doing so means that we are not able to grant secure tenancies (as defined in the Housing Act 1985) but we are looking to replicate the terms in the new tenancies, as with stock transfer tenancies to provide similar levels of tenancy security. The new rents will be still be target rents, although these will be higher than the previous rents because the properties will have a higher notional value feeding into the formula. It would be helpful if the Mayor acknowledged this in his guidance. At Lambeth we have decided to stagger the rent increases over a five year period. We also expect any increase to be off-set to a certain extent by a reduction in tenants' energy bills, although increases in council tax can also occur.

We support the use of local lettings policies to help increase local support for extra homes being built.

We do let empty properties on regeneration estates to homeless households as temporary accommodation. There are obvious financial benefits to local authorities of doing this, and to the homeless families who are likely to be otherwise placed outside of Lambeth. In addition for other residents on the estates it is better that the properties are occupied rather than having to live next to boarded up properties for extended periods.

A fair deal for homeowners

Homeowners are frequently the principal objectors to estate regeneration proposals. The new homes built can be significantly more valuable than the ones demolished and there can be a reluctance to move from full to partial ownership.

In para 58, the guidance proposes to offer leaseholders a share in the new property '*equivalent to the value of the property that they gave up*'. This does not take account of scenarios where homeowners cannot port their mortgage to the new property. In such an instance, the mortgage would have to be redeemed and the homeowner's genuine share value in their original home would be significantly reduced. It is a share equivalent to that reduced value which should be offered in the new home not one equivalent to the original market value.

We no longer plan to offer shared equity because of the EU Mortgage Credit Directive (March 2016) which re-defined shared equity as a financial product. Those who would have been offered a shared equity product will be offered zero rent shared ownership. Those who cannot carry across their mortgage would generally still be eligible for shared ownership but have to pay a rent for the share

retained by the council, where that rent would be determined on the basis of the cost to the council for repaying the existing mortgage. Where homeownership is no longer a feasible option we will explore other options.

The guidance suggest '*other innovative ways*' to support leaseholders to move to alternative accommodation that meets their needs. There may be a role for the GLA to act as a lender of last resort or as a guarantor to those who are unable to port their mortgages.

There is of course a balance between a more generous offer for leaseholders and the viability of providing additional affordable housing as part of new regeneration developments.

Extra support and assistance to more vulnerable households (all tenures)

We agree with this and have included specific commitments in our key guarantees (attached).

London Borough of Lambeth, March 2017

Improving the Key Guarantees

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The council is in the process of setting up Homes for Lambeth, a wholly council owned group of companies, to build the more and better homes that are needed. Homes for Lambeth will grant tenancies and leases for these homes. Homes for Lambeth will adhere to the commitments made to residents by the council. Where reference in this document is made to ‘the council’, such commitment may be delivered by Homes for Lambeth.

Why is the council consulting on the Key Guarantees?

No one at the council underestimates the potential distress that regenerating an estate could cause for residents. To reduce this as much as possible, we are committed to keeping uncertainty to a minimum by giving residents the information and support they need. As a part of this we published the Key Guarantees in July 2015.

The council has always been open to suggestions about how these Key Guarantees could be improved. That is why the council asked TPAS, a well-respected tenant engagement organisation, to review the Key Guarantees and suggest improvements. Following the review by TPAS and feedback from tenants and homeowners across the six estates in the regeneration programme, the council has improved and updated the Key Guarantees, which are set out in this booklet.

The council is now holding one final consultation to get residents' feedback to see whether there is anything more we can do. These amended Key Guarantees will then be adopted by the council and implemented on all estates which are to be rebuilt.

For those estates where a decision has been made to redevelop the estate, please note the current Key Guarantees (adopted in July 2015) are in place and will remain so until the updated guarantees are adopted. It is intended that these improved and updated Key Guarantees, pending any further amendments arising from this consultation process, will be adopted as soon as possible after this consultation.

You can find more information about the existing Key Guarantees at:
http://estateregeneration.lambeth.gov.uk/key_guarantees

What updates and improvements have been made to the Key Guarantees?

- Further emphasis is made on the commitment that future rents will be set in the same way as council rents together with confirmation that any rent increases will be phased in over a 5 year period.
- The Key Guarantees now confirm that residents moving twice will qualify for disturbance compensation payments for both moves, but will only receive one home loss payment (paid on the first move).
- A commitment is now included that the home loss payment will be automatically updated according to Government guidelines.
- Confirmation is provided that residents will have the opportunity to be involved in the design of the new homes.
- Confirmation is provided that adaptations work for households with disabilities will be carried out, wherever possible, prior to moving into a new home.
- There is a commitment to assessing the suitability of alternative homes prior to offers being made to vulnerable residents.
- There is a commitment that Independent Advisers will be retained by the council and available for residents throughout the life of each regeneration project.
- The Key Guarantees have been restructured to make them easier to understand.

The improved Key Guarantees for secure tenants

These Key Guarantees are made to all secure tenants who will have to move home as a consequence of the rebuilding of an estate.

Guarantee 1

If you need to be rehoused during the rebuild of your estate, you will either be able to remain on your estate or take 'Band A' status to move to another council or housing association home of your choice in Lambeth.

You have the following options:

- A.** To choose a newly built home on your estate with an *assured lifetime tenancy* as a tenant of *Homes for Lambeth*.
- B.** To choose an existing home on your estate with a secure tenancy as a tenant of the council (this option only exists where some homes are being retained on your estate and a suitable home meeting your housing need becomes available).
- C.** To bid for an alternative home elsewhere in the Borough through the Choice Based Lettings scheme with the high priority (Band A). Through the Choice Based Lettings system, you can bid for both council and housing association homes in Lambeth; in this case, if you move to another council home, you will retain your secure tenancy
- D.** To ask the council to provide advice and, if possible, assistance to move to another home elsewhere outside of Lambeth.

If you move into another home in Lambeth, then you can choose to retain an **option to return** to your original estate into a newly built home with an assured lifetime tenancy, if a suitable newly built home becomes available.

For items in italics, see Further Relevant Information at back

Guarantee 2

You will be able to move into a home that meets your housing needs. If applicable, your newly built home will be designed to meet your disability requirements.

For options A, B and C, this will mean that:

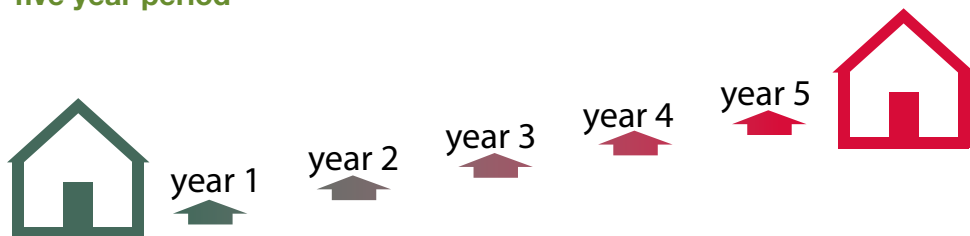
- If you are overcrowded, you will be offered a home in accordance with the Lambeth Housing Allocation Scheme (2013).
- If you are under-occupying, you will be offered a new home with one bedroom more than your need in accordance with the Lambeth Housing Allocation Scheme (2013), or you can choose to take a smaller home that meets your housing need.
- Under the Lambeth Housing Allocation Scheme (2013), adult children would not normally be classified as part of the household. However, provided that any adult children living with you were part of the original tenancy and are still living in your home, the council will allow you to retain up to the same size property as you currently have.

For newly built homes on an estate (option A), this will mean that:

- Where possible, the council will ensure that any aids and adaptations that you may require will be carried out before you move into your new home. Any necessary adaptations will be carried out in consultation with you and with relevant professionals.

Guarantee 3

Your rent, as an assured lifetime tenant living in a newly built Homes for Lambeth home, will be set in the same way as council rents. If you experience an increase in your rent as a result of moving to a newly built home, then your rent increase will be phased in over a five year period



Guarantee 4

You will be compensated for having to move. A home loss payment will be paid to you, plus reasonable disturbance costs.

Compensation will be determined as follows:

- The amount of the home loss payment will be automatically updated each time it is changed by the Government. At October 2016, the home loss payment is £5,800.
- In exceptional circumstances part of the home loss payment can be paid to you before your move to allow that move to take place. This payment could be up to £1,000 and would reduce the final home loss payment by the amount paid.
- Where you opt or are required to move twice, then you will receive disturbance payments for both moves; you will only receive one home loss payment, paid on the first move.

More detail on disturbance payments is provided at the end of this booklet.

Guarantee 5

The council will provide you with help to enable your move, with additional support offered to you if you have special needs or a disability.

Subject to individual circumstances this additional support will include:

- assessing the suitability of a new home prior to making an offer;
- packing and unpacking services at the time of the move;
- help in claiming benefits at the new address;
- liaising with other agencies such as social services; and/or
- special support for vulnerable persons.

Guarantee 6

The council will provide you with advice and information to help you make informed decisions about your future housing.

This will include:

- an Independent Adviser will be available through the life of the regeneration project;
- maintaining communication with you throughout the life of the regeneration project on matters such as the regeneration process and how it will affect you; and
- advice and support to you, if you choose to seek rehousing either elsewhere in Lambeth or outside the Borough.

Guarantee 7

If you choose to stay on your current estate, you will be able to get involved in the design of the new homes and the estate as a whole and influence decisions around the phasing of building new homes and the construction works.

The council will:

- give you the opportunity to get involved in the design process and make it clear to you the way in which you can and cannot influence the design of the new homes and the estate;
- provide choices to you on fixtures and fittings to be included in your new home; and
- involve you in considering how to minimise disruption.

Homeloss and Disturbance Payments – the detail

Homeloss Payments

These payments will be up-dated in October 2016 to £5,800. This is regularly revised by Central Government and the council will up-date you accordingly.

This payment will be paid to each household when you move home. If you need to move twice, then this payment will be made only once – on the first move. The disturbance costs, see below, would however be paid on each move.

In exceptional circumstances, where you require financial assistance to help you with your move, up to £1,000 of the home loss payment can be paid in advance of the move. The remaining £4,800 would then be paid after the move; the Council aims to pay this remainder within 6 weeks of your move

You should be advised that any existing rent arrears will be deducted from this home loss payment.

Disturbance Payments

The council will directly provide the following assistance to you:

- removals service;
- disconnection and reconnection of appliances, including movable fixtures and fittings, e.g. cookers, light fittings;
- provision of a paint pack, where requested; and

- provision of flooring in the new property, where you can choose from a selection of options.

In addition to the above, the council will re-imburse you for the following types of costs:

- travel to view your prospective new home;
- redirection of mail for a period of three months;
- contribution to the purchase of new curtains and blinds;
- refitting of fixed furniture, such as wardrobes (this only applies to furniture that you may have historically paid to have fitted);
- disconnection and reconnection of services (telephone, broadband, cable services, etc.); and
- replacement of an existing, working security alarm

Where you incur direct costs, then these will be re-imbursed by the council, but only where receipts are provided. Before you incur any costs, please discuss this with the Housing Regeneration team to ensure that intended costs will be eligible and what level of cost would be deemed reasonable.

After moving home, you should keep all your receipts and present these to the Housing Regeneration team who will process them and seek to pay you back within 6 weeks of receiving the receipts.

Further Relevant Information

What is Homes for Lambeth?

Homes for Lambeth will be a new group of companies set up by the council and wholly owned by the council. These companies will bring in money from pension funds and other sources which the council can't itself use. They will use this money to build more and better homes in Lambeth to meet the growing demands for homes in the Borough.

Homes for Lambeth will allow the Council to build homes at council rent levels, intermediate rent and market rent, all with options for long tenancies and rent level stability. Homes for Lambeth will also be able to build market sale properties to subsidise the delivery of more affordable homes

Council-rent level properties will be let with lifetime tenancies matching, as closely as possible, existing council tenancies with rents set in the same way as for existing council properties, at about a third of market rent through Homes for Lambeth's own Housing Association. The lifetime tenancies will not include the Right to Buy.

With the council acting as a commercial developer through Homes for Lambeth, we can use the 15-20% development surplus that private developers normally make and reinvest this into our

communities and build more homes for local people, putting local people before private profit.

You can find out more about Homes for Lambeth at:

<http://estateregeneration.lambeth.gov.uk/hfl>

What are Assured Lifetime Tenancies?

An assured lifetime tenancy would give you the right to remain in your property for the rest of your life, so long as you keep to the terms of your tenancy agreement. The assured lifetime tenancy would differ from a secure tenancy in that you would **no longer have a right to buy**, nor right to manage nor right to transfer ownership to a housing association. As an assured lifetime tenancy is a contract between parties, you would have the right to refuse changes to your tenancy without your consent.

How can I have my say on the Key Guarantees?

This consultation runs until 12pm on the 21st November.

You can give your feedback by:

- Going to http://estateregeneration.lambeth.gov.uk/kg_consultation and completing the online form.
- Completing the enclosed form and send it back free of charge to:

FREEPOST RTLA-GHRX-SSXA
77a Tradescant Court
London, SW8 1XJ

After this initial consultation, the council will respond with an updated set of Key Guarantees. These will be sent out to everyone and there will be a final opportunity for comments before the Key Guarantees are finalised and approved by the council Cabinet.

Name:

Phone number:.....

Address:.....

.....

Email address:

Comments:

.....

.....

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.....

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- **W:** estateregeneration.lambeth.gov.uk
- **E:** estateregeneration@lambeth.gov.uk
- **T:** 0207 926 4166

Improving the Key Guarantees

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Why is the council consulting on the Key Guarantees?

No one at the council underestimates the potential distress that regenerating an estate could cause residents. To reduce this as much as possible, we are committed to keeping uncertainty to a minimum by giving residents the information and support they need. As a part of this we published the Key Guarantees in July 2015.

The council has always been open to suggestions about how these Key Guarantees could be improved. That is why the council asked TPAS, a well-respected tenant engagement organisation, to review the Key Guarantees and suggest improvements. Following the review by TPAS and feedback from tenants and homeowners across the six estates in the regeneration programme, the council has improved and updated the Key Guarantees, which are set out in this booklet.

The council is now holding one final consultation to get residents' feedback to see whether there is anything more we can do. These amended Key Guarantees will then be adopted by the council and implemented on all estates which are to be rebuilt.

For those estates where a decision has been made to redevelop the estate, please note the current Key Guarantees (adopted in July 2015) are in place and will remain so until the updated guarantees are adopted. It is intended that these improved and updated Key Guarantees, pending any further amendments arising from this consultation process, will be adopted as soon as possible after this consultation.

You can find more information about the existing Key Guarantees at:
http://estateregeneration.lambeth.gov.uk/key_guarantees

What updates and improvements have been made to the Key Guarantees?

- Key Guarantee (no. 5) from the commitments adopted in July 2015 has been amended from *Shared Equity to Shared Ownership*. This does not change the financial nature of the offer to resident homeowners, but does represent a different form of legal ownership structure. The Shared Ownership lease structure is more common and better known than Shared Equity lease structures; mortgage providers are more familiar with Shared Ownership leases.
- Key Guarantee (no. 6) from the commitments adopted in July 2015 has been amended such that the council will charge rent of up to 2.75% per annum (as opposed to fixed at 2.75% per annum) of the value of the share owned by the council.
- Confirmation is provided that valuations of properties will be based on the assumption that the fabric and structure of the property is in good condition.
- The Key Guarantees now confirm that residents moving twice will qualify for disturbance payments for both moves, but will only receive one home loss payment (paid on the first move).
- Confirmation that valuations will take account of whether a home is owned freehold or leasehold.
- A commitment is now included that the home loss payment will be automatically updated according to Government guidelines.
- Confirmation is provided that residents will have the opportunity to be involved in the design of the new homes.
- Confirmation is provided that adaptations work for households with disabilities will be carried out, wherever possible, prior to moving into a new home.
- There is a commitment to assessing the suitability of alternative homes prior to offers being made to vulnerable residents.
- There is a commitment that Independent Advisers will be retained by the council and available for residents throughout the life of each regeneration project.
- The Key Guarantees have been restructured to make them easier to understand.

For items in italics, see Further Relevant Information at back

The improved Key Guarantees for homeowners

These Key Guarantees are made to all homeowners who will either have to move home or sell their property as a consequence of the rebuilding of an estate.

These Key Guarantees apply to both freeholders and leaseholders.

Guarantee 1

If you, as a resident homeowner, wish to continue to live on your new estate, you will be given the opportunity to do so. You will be offered a range of options depending on your personal financial circumstances. If none of these options are adequate to enable you to continue living on your estate, the council will explore alternatives with you. (This Guarantee does not apply to non-resident homeowners.)

You have the following options.

- A** Leasehold – buying a new home outright.
- B** Zero Rent Shared Ownership - buying a shared ownership new home – where your existing mortgage can continue or a new mortgage can be obtained.
- C** With Rent Shared Ownership - buying a shared ownership new home – where your existing mortgage cannot continue nor can a sufficient new mortgage be obtained.
- D** Alternatives - where home ownership is no longer a feasible option the council will explore other options with you, including a rented home on the rebuilt estate.

A Leasehold – buying a new home outright.

You would be able to swap the value of your existing home together with your home loss payment into a newly built home and then make an additional lump sum payment so that you can own the new home outright (100%).

Criteria:

- You would have to put the full value of your existing property together with your home loss payment into the new property.
- You would have to make up the difference to the value of the new property with a lump sum contribution.
- You would have to renew or port or take up a new mortgage of the minimum of the same size as your current remaining mortgage.
- You would be offered a 125 year lease on the new property.
- You would be required to notify the council if you put your home on the market for an intended sale, assignment, sublet or underlet.
- You would not be allowed to let your home without the council's permission, not to be unreasonably refused.
- If you wish to downsize to a smaller home and the value of your existing home plus home loss payment turns out to be of higher value than your new home, then the council will pay you the difference in value.

Buying a new home outright



B Zero Rent Shared Ownership. Buying a shared ownership new home – where your existing mortgage can continue or a new mortgage can be obtained

You would be able to swap the value of your existing home, together with your home loss payment, into a newly built home with the same number of bedrooms or less. You would obtain an equivalent value share of the new home and be able to live in it without making any additional lump sum payment. The remaining share of the property would be retained by the council; you would not have to pay any rent for the share owned by the council.

Criteria:

- You would have to put the full value of your existing property together with your home loss payment into the new property.
- You would have a shared ownership lease with zero rent.
- You would have to renew or port or take up a new mortgage of the same size as your current remaining mortgage.
- You would have to pay 100% of future service charges.
- We would expect that the share of the property that you retain would probably be more than 60%.
- You would be offered a 125 year lease on the new property.
- You would have the ability to “staircase” – to buy additional percentage shares of your new home up to 100%.
- You would be required to notify the council if you put your home on the market for an intended sale, assignment, sublet or underlet.
- You would be permitted to transfer your leasehold interest to a spouse, civil partner or family member nominated by you and who has been living with you for more than a year.
- You would not be allowed to let your home without the council’s permission, not to be unreasonably refused.

Buying a shared ownership new home where a existing mortgage can continue or a new mortgage be obtained





With Rent Shared Ownership. Buying a shared ownership new home – where your existing mortgage cannot continue nor can a sufficient new mortgage be obtained

You would be able to swap the value of your existing home (minus your current remaining mortgage) together with your home loss payment, into a newly built home with the same number of bedrooms or less. You would obtain an equivalent value share of the new home and be able to live in it without making any additional lump sum payment. The remaining share of the property would be retained by the council; you would have to pay rent for the share owned by the council to cover the cost to the council of acting as a lender of last resort.

Criteria:

- You would have to put the full value of your existing property minus your current remaining mortgage together with your home loss payment into the new property.
- You would have a shared ownership lease.
- You would have to pay a rent for the share retained by the council, where that rent would be determined on the basis of the cost to the council for repaying your current existing mortgage and acting as lender of last resort; the rent would be up to 2.75% per annum of the value of the share of the property owned by the council; this would be calculated on the basis of the interest only cost to the council.
- We would expect that the share of the property that you retain would probably be more than 25%.
- You would be offered a 125 year lease on the new property.
- You would have the ability to “staircase” – to buy additional percentage shares of your new home up to 100%.
- You would be required to notify the council if you put your home on the market for an intended sale, assignment, sublet or underlet.
- You would be permitted to transfer your leasehold interest to a spouse, civil partner or family member nominated by you and who has been living with you for more than a year.
- You would not be allowed to let your home without the council’s permission, not to be unreasonably refused
- You would have to pay 100% of future service charges.

Process:

- You would need to notify the Housing Regeneration team that you are unlikely to be able to obtain a new mortgage.
- You would be put in touch with an independent financial adviser, who specialises in the affordable housing market, who would explore your options to identify whether there are any other mortgage providers who may be able to assist.
- If no mortgages are available, then the Council could step in and pay off your existing mortgage. The Council would advise you what rent would be chargeable that would cover the cost to the Council of acting as a lender of last resort. The Council would need to be confident that you would be able to pay this rent.

Buying a shared ownership new home – where existing mortgage cannot continue nor sufficient new mortgage be obtained



D Alternatives – where home ownership is no longer a feasible option the council will explore other options with you, including a rented home on the rebuilt estate.

Where none of the other options (A to C) are feasible, then the council will explore with you the best option available to enable you to move into a new built home on your estate. The following process will be applied:

Process:

- You would need to notify the Housing Regeneration team that you are unlikely to be able to obtain a new mortgage.
- You would be put in touch with an independent financial adviser, who specialises in the affordable housing market, who would explore your options to identify whether there are any other mortgage providers who may be able to assist.
- If no mortgages are available and you are unable to pay the rent proposed by the Council, then the Council will work with you to identify what choices you could afford with a view to enabling you to remain living on your estate; this could include renting a new home.

Where home ownership is no longer a feasible option
the council will explore other options with you



Guarantee 2

If you, as a homeowner, do not wish to live in a home on the newly built estate, you will have to sell your home at the market value to the council after an independent valuation and make your own new housing arrangements. (This Guarantee is the only option available to non-resident homeowners.)

- You will be able to choose your own professional valuer to agree a market valuation with the council's appointed valuer.
- The purchase of the property will be at market value with home loss compensation.
- You will be compensated to cover reasonable conveyancing costs, agreed in advance with the council.

Guarantee 3

The valuation of your property will be independent and based on market values and you will be compensated for having to move home.

Valuation process:

- The valuation will be carried out by a RICS professional valuer.
- All valuations on behalf of the council will be done as if no regeneration is taking place so that the value is not made lower or higher by the regeneration proposals.
- The valuation will be based on historic and current sales and purchases in the surrounding area.
- The valuation will take account of whether the property is leasehold or freehold.
- Valuations will be done on the premise that the structure and fabric of the property is in a good condition.
- You will be able to get your own independent professional valuation advice and the council will pay the reasonable cost of this.
- As with any normal property transaction, you will also be able to employ your own solicitor for the transaction and these reasonable costs will also be paid.

For more information about indicative property values, see Further Relevant Information at the back of this booklet.

Compensation:

There are two types of compensation: home loss / basic loss and disturbance. These are explained in more detail at the end of this booklet. For resident homeowners who choose to stay on their current estate, where you opt or are required to move twice, then you will receive disturbance payments for both moves; you will only receive one home loss payment, paid on the first move.

Guarantee 4

The council will provide you with help to enable your move, with additional support offered to you if you have special needs or a disability.

Subject to individual circumstances this additional support will include:

- assistance will be given with the property transaction and moving home if required, including for example how to find alternative properties, dealing with estate agents, etc.;
- the council will provide reasonable advice, information and support to homeowners seeking rehousing within the UK;
- additional support will be offered to residents with special needs or disabilities during the move, including packing and unpacking services at the time of the move and liaising with other agencies such as social services; and
- special support will be provided to those deemed to be vulnerable persons.

Guarantee 5

The council will provide you with advice and information to help you make informed decisions about your future housing.

This will include:

- an Independent Adviser will be available through the life of the regeneration project;
- maintaining communication with you throughout the life of the regeneration project on matters such as the regeneration process and how it will affect you;
- information on indicative values for existing properties and new build properties;
- a market valuation and advice on where to find independent valuation advice; and
- contact details will be provided for specialist financial advisers who have experience in the affordable housing mortgage market.

Guarantee 6

If you choose to stay on your current estate, you will be able to get involved in the design of the new homes and the estate as a whole and influence decisions around the phasing of building new homes and the construction works.

The council will:

- give you the opportunity to get involved in the design process and make it clear to you the way in which you can and cannot influence the design of the new homes and the estate;
- provide choices to you on fixtures and fittings to be included in your new home; and
- involve you in considering how to minimise disruption.

Guarantee 7

If you choose to stay living on your estate and if you require adaptations due to a disability or that of a family member, you will be able to have these adaptations made to your new home.

- Where possible, the council will ensure that any aids and adaptations that you may require will be carried out before you move into your new home. Any necessary adaptations will be carried out in consultation with you and relevant professionals.
- The costs of such adaptations would be deducted from your home loss payments.

Definition of resident

Are you are “resident” or “non-resident”?

You are understood by the council to be a resident if, at the point in time when you wish to or have to move home,

- you have already been living in your home on your estate for more than a year and can prove that your home on your estate is your primary place of residence; and
- you are living in your home on your estate as your primary place of residence at the time that the council either makes a compulsory purchase order for your estate or submits a planning application for a masterplan for your estate (whichever is earlier) and you remain living on the estate until you have to move home.

Local lettings policies will be developed in collaboration with residents on each estate. These policies will define the criteria by which new homes will be allocated and made available to different categories of residents on the estate. Current non-resident homeowners need to be aware that it is probable that length of residency on the estate is likely to be a criterion that will inform the prioritisation process for allocation of new homes.

Compensating you for moving

As the council is seeking to acquire your home through negotiation in the shadow of a compulsory acquisition, you are entitled to compensation over-and-above the market value of your property.

The level of compensation varies according to whether you are a resident homeowner or a non-resident homeowner – see definition above.

Resident Homeowners will qualify for: market value of property, home loss, legal and surveyors fees, disturbance payments and an option to remain living on your estate (as set out earlier in this booklet).

Non resident Homeowners will qualify for: market value of property, basic loss, legal and surveyors fees and limited disturbance.

Where, at the time of the purchase or value swap, you are still within the Right To Buy 5-year discount period, you will not have to pay back the discount.

Home loss payment for Resident Homeowners

A home loss payment is additional compensation that you are entitled to if you are moving because your home will be demolished in a regeneration scheme. This payment is in addition to the payment of the value for your

home. To claim home loss, you must have lived in your property as your only or main home for at least one year. The amount of home loss payment is 10% of the market value of your home, with a maximum payment of £58,000 (as at October 2016). Central Government tends to revise this sum annually and the council will match any future amendments.

Basic loss payment for Non-resident Homeowners

Non-resident homeowners are entitled to 7.5% of the market value up to a maximum payment of £75,000. You must have owned the property for at least a year. If you have owned your property for less than a year, you are only entitled to the minimum payment of £5,800 (as at October 2016). Central Government tends to revise these sums annually and the council will match any future amendments.

The home loss / basic loss payment is paid at the same time as the payment for the purchase of your property or, as set out in the Key Guarantees, in the case of a value swap would be used to increase the percentage share that you would own in a new built home.

Disturbance payments

Disturbance payments are further payment that resident homeowners are entitled to, which compensate you for money you have paid out because of your move. For all compensation claims, evidence and explanation must be provided for the proposed claim.

Examples of items which can be claimed are:

- removal expenses;
- legal fees arising from the acquisition of a replacement property within one year;
- stamp duty land tax arising from the acquisition of a replacement property within one year;
- surveyors fees arising from the acquisition of a replacement property within one year;
- survey fees and costs associated with the transfer of an existing mortgage or raising a new one within one year;
- altering soft furnishings and moveable fittings and fixtures to fit your new purchased home within one year;
- disconnection and reconnection of services telephone, electricity, etc, for your new purchased home within one year;
- forwarding of post (for a three month period);
- incidental costs of acquiring a replacement property within one year;
- where you renew a mortgage of the same size as your existing remaining mortgage in order to take up the value swap offer (Option B) and the cost of the new mortgage is higher, then you will be compensated for the cost difference for the first 12 months: and
- where you take up the value swap offer (Option C), then such compensation would automatically be reflected in your rent for the first year.

For the most part the right to disturbance compensation is restricted to occupiers. There is, however, a limited right for investment owners to recover their incidental charges or expenses incurred in acquiring, within a period of one year, a replacement investment property in the United Kingdom.

Further Relevant Information

Shared Equity compared to Shared Ownership

Shared equity and shared ownership represent different legal structures of property ownership. Under shared equity, a resident homeowner would have legally owned 100% of the property and the council would have a charge on the property (equivalent to a mortgage charge) of a certain percentage. Under shared ownership, a resident homeowner would legally own a percentage of the property below 100% and the council would own the remaining percentage; the council is able to charge a rent of between 0% and 2.75% per annum of the value of the share owned by the council.

The switch to offering only Shared Ownership (zero rent and with rent) options to homeowners has arisen because of the EU Mortgage Credit Directive (March 2016), which re-defined shared equity as a financial product.

What share of the value of a new home could you expect to acquire?

The council has made available to homeowners estimates of the values of existing properties (as if no regeneration is taking place) and of new built properties. This provides an indication of the potential share of the value of a new home that a resident homeowner would be able to obtain if they put the full value of their existing property plus home loss payment into a new home. This information can be accessed at:

<http://estateregeneration.lambeth.gov.uk/homeownership>

What is Homes for Lambeth?

Homes for Lambeth will be a new group of companies set up by the council and wholly owned by the council. These companies will bring in money from pension funds and other sources which the council can't itself use. They will use this money to build more and better homes in Lambeth to meet the growing demands for homes in the Borough.

Homes for Lambeth will allow the Council to build homes at council rent levels, intermediate rent and market rent, all with options for long tenancies and rent level stability. Homes for Lambeth will also be able to build market sale properties to subsidise the delivery of more affordable homes

Council-rent level properties will be let with lifetime tenancies matching, as closely as possible, existing council tenancies with rents set in the same way as for existing council properties, at about a third of market rent through

Homes for Lambeth's own Housing Association. The lifetime tenancies will not include the Right to Buy.

With the council acting as a commercial developer through Homes for Lambeth we can use the 15-20% development surplus that private developers normally make and reinvest this into our communities and build more homes for local people, putting local people before private profit.

You can find out more about Homes for Lambeth at: <http://estateregeneration.lambeth.gov.uk/hfl>

How can I have my say on the Key Guarantees?

This consultation runs until 12pm on the 21st November.

You can give your feedback by:

- Going to http://estateregeneration.lambeth.gov.uk/kg_consultation and completing the online form.
- Completing the enclosed form and send it back free of charge to:

FREEPOST RTLA-GHRX-SSXA
77a Tradescant Court
London, SW8 1XJ

After this initial consultation, the council will respond with an updated set of Key Guarantees. These will be sent out to everyone and there will be a final opportunity for comments before the Key Guarantees are finalised and approved by the council Cabinet.

Name:

Phone number:.....

Address:.....

.....

Email address:

Comments:

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- **W:** estateregeneration.lambeth.gov.uk
- **E:** estateregeneration@lambeth.gov.uk
- **T:** 0207 926 4166

Greater London Authority: Draft good practice guide to estate regeneration

London Councils Response

1. Introduction

London Councils welcomes the opportunity to comment on the GLAs draft good practice guide to estate regeneration. Estate regeneration can play an important role in improving the areas where much of London's population lives and increasing housing supply of all tenures. This guidance is rightly focused on ensuring the views of existing estate residents are captured as early as possible in estate regeneration schemes and on the importance of ongoing dialogue that is required to develop and shape regeneration plans. The guidance recognises that initial uncertainty and resistance to more ambitious regeneration plans can be addressed through appropriate explanation and cooperation with residents and other stakeholders. This guidance document can identify best practice mechanisms that can capture the perspectives of existing and future residents and other stakeholders who are essential to successful estate regeneration.

Carrying out estate regeneration is a long term proposition that will often be delivered across electoral and funding cycles and is resource intensive for boroughs. Agreeing key objectives at an early stage and providing certainty going forward through housing zone or other designations can facilitate regeneration. Current national policy can bring additional complexity and risk to the process. For example, uncertainty in terms of social housing rent policies will undermine the delivery of affordable housing. Caps on housing revenue account borrowing can limit the financial ability of boroughs to carry out estate regeneration.

The right to buy can often add an extra level of complexity and expense to estate regeneration schemes. If a many properties on an estate have been sold through the right to buy the process of estate regeneration becomes more expensive as leaseholders and freeholders need to be bought out. Further to this, current national restrictions on the utilisation of right to buy receipts can work against long term investment plans.

These financial constraints can often prevent estate regeneration from taking place. This document can provide a greater level of analysis of the impacts of regional and national policy on estate regeneration in London and particularly identify innovative funding models which can help reduce the financial pressure on boroughs and enable estate regeneration to happen.

This document can also provide further guidance on how all of the stakeholders required to make estate regeneration successful can collaborate effectively. Bodies such as Transport for London can have objectives that might run counter to area improvement and renewal objectives set out by boroughs. This document could provide guidance and best practice examples on how collaboration between different stakeholders can lead to infrastructural improvements which help support estate regeneration schemes.

2. Aims and objectives for estate regeneration

London Councils agrees that the broad aims of estate regeneration are to maintain and deliver good quality homes, support the supply of new housing and improve the social, economic and physical environment in which those homes are located. Many of London's boroughs have been successful in carrying out estate regeneration ranging from small infill development on existing estates to complex demolition and rebuild schemes. The range of methods utilised by boroughs to carry out estate regeneration is demonstrated in previous London Councils [research](#).

The draft guidance does not provide analysis of the impacts that regional and national policy has on estate regeneration. Existing policies such as the 1% reduction in social rents and housing revenue account borrowing caps make resource intensive estate regeneration higher risk and complex for boroughs. The financial implications of these policies often constrain boroughs. Grant funding cycles that tend to run on a four yearly basis can also fail to recognise the much longer term investment required to support estate regeneration.

It would be useful for the guidance to identify innovative funding methods that have been utilised to fund estate regeneration and to explore further whether area designations such as 'Housing Zones' and 'Opportunity Areas' might provide a greater level of certainty and reassurance. Additionally, the London Mayor may wish to promote the strategic use of assets and opportunities to deliver a higher level of affordable housing on estate regeneration schemes. For example, greater flexibility over the use of commuted sums and right to buy receipts could enable the delivery of a higher level of affordable housing on estate regeneration schemes.

An example of an innovative funding model for regeneration has been used by the London borough of Ealing who have entered a sale and development agreement with a private developer to fund regeneration. The essence of the agreement is the transfer of a number of small sites in Ealing's ownership (often located on estates) to the developer in return for the delivery of approximately 214 mixed tenure homes. Overall some 87 of the units developed will be new affordable homes, which will be built on land to remain in Ealing's ownership. The cost of delivering these homes will be covered by cross-subsidy generated from the private sale of homes, without recourse to Housing Revenue Account borrowing. (Please see [here](#) for further details).

Many properties on estates in London have been purchased by occupiers through the right to buy. It is estimated that approximately 40% of these homes are now rented privately. The right to buy can add extra complexity and expense estate regeneration schemes. If a majority of homes on estates have been sold through the right to buy estate regeneration can often become unviable due to the costs associated with purchasing these properties. This can prevent estate regeneration from taking place, particularly in the context of current financial pressures and enabling boroughs to access greater level of resource upfront resource is often the only solution to this issue.

London Councils agrees that estate regeneration should improve local environments and believes that improving both built form and accessibility should be key objectives of any estate regeneration scheme. Often estate regeneration can lead to increased densities and the guidance promote the consideration of the requirements and benefits that increased populations can bring. Increased levels of housing should not be a burden on existing services but lead to plans to increase the capacity of services where necessary. It is important that service providers (such as Transport for London and the National Health Service) are consulted early in the regeneration process and understand the objectives and likely impacts of a regeneration scheme and the opportunities it can bring.

Monitoring and review are an essential part of the estate regeneration process. It is important that boroughs put in place processes to continually engage with local residents to understand their views on emerging improvement plans, options and delivery. This should be through a range of different methods including one to one engagement, exhibitions and surveys. This can better enable boroughs to adapt plans and delivery to respond to resident concerns and views. It should also be noted that monitoring the impact of estate regeneration is complex, and while necessary it should not be overly burdensome. Each estate regeneration scheme is different and

boroughs require flexibility to select the most appropriate mechanism to monitor progress and resident perceptions in each case.

3. Consultation and engagement with residents

London Councils agrees that consultation should be an ongoing process throughout the life cycle of a regeneration scheme. Consultation should be transparent, extensive, responsive and meaningful. Many boroughs are well practiced at ensuring successful estate regeneration consultation and have ensured that residents are able to clearly understand when and how they can contribute their perspectives.

For instance, Wandsworth Council has been surveying, engaging and consulting with residents since 2012 on the Winstanley and York road estate regeneration scheme. Following this extensive period of consultation, four different regeneration options were developed and presented to the local community. This enabled 70% of residents to support a scheme involving demolition, instead of a proposed £20 million refurbishment programme which was another option put to local residents. A particular focus has been one to one and group engagement on a continuing basis and ensuring that council tenant and leaseholder offers were established early in the formulation process to provide reassurance. Consultation and engagement has continued and further developed with an on-site office opening early on in the process. The preferred option was presented to the community in February 2014 had unanimous cross party support and has now been approved by the Council's Executive Committee (please see [here](#) for further details).

It is vital that boroughs are able to transfer knowledge on successful bottom up consultation methods such as those utilised by Wandsworth. The guidance could recommend or provide some commitment to enabling the sharing of best practice, utilising resources both from the GLA and London Councils.

The document states that 'local authorities and housing associations should not waste their time, or more importantly that of estate residents, by consulting on options which are not viable or deliverable.' While London Councils believes that schemes for estate regeneration must be realistic, viability is a complex concept and changeable with differing market conditions. Changing economic cycles means it is difficult to predict the viability of estate regeneration schemes, particularly if they have a long life cycle. Therefore, London Councils believes that the guidance should be amended to reflect the nature of viability and encourage planned schemes to build in an element of flexibility which can respond to market conditions.

Consultation should be a continuous process throughout the life of an estate regeneration scheme. London Councils believes that this document should identify best practice mechanisms for capturing the views of likely future residents of estates. Strategic housing market assessments are important in identifying the tenures of housing that are most in demand in boroughs. Estate regeneration can play a significant role in increase housing supply in all tenures and especially those most in demand. It would be useful for this document to identify best practice mechanisms which demonstrates how their views of future residents be captured successfully.

The methods of consultation that are identified in the report are useful and many of London's boroughs have a successful track record of utilising wide-ranging methods to capture the view of stakeholders. However, boroughs are under significant financial pressure and it will be difficult for them to employ independent capacity building and advocacy support for residents in every case. In reality, it is likely that independent capacity building and advocacy support can only be used on large and complex estate regeneration schemes. Also, while the aims of such approaches may be right and laudable, it must be recognised that there is a risk that such an

approaches may give a voice to a minority of views that may outweigh a majority view that would wish to see a different form of change.

4. A fair deal for tenants & leaseholders

Each estate regeneration scheme is unique and there is a need for boroughs to enter into different arrangements with leaseholders and tenants for each scheme. Understanding the objectives and desires of estate residents and flexibility are key to achieving the most successful outcomes. It is the objective of all boroughs to abide by legislation and ensure that each tenant and leaseholder is treated fairly and given a suitable right to return when needed and desired.

For example, the London Borough of Wandsworth made a number of rehousing commitments to social tenants and resident and non-resident leaseholders on the Alton area estate regeneration scheme at an early stage in the regeneration process. Commitments to social tenants include an offer of an alternative home on a social rent within the new development or in the local area with no less security of tenure or rights as a council tenant including the right to buy. Resident leaseholders and freeholders will be offered the market value of their property plus a 10% homeless payment which they can use to purchase a new build home in the regeneration area (on a shared equity basis where they cannot afford to purchase at the market price). Non-resident leaseholders and freeholders will be offered the market value of their property plus a 7.5% basic loss payment. Both the home loss payment and the basic loss payment are in line with national legislation. These offers were made at the earliest possible stage to allow maximum certainty in the regeneration scheme (Please see [here](#) for further details).

The guidance could also consider encouraging the delivery of an element of build to rent housing on estate regeneration schemes. This could be particularly welcome on estates where there are a high proportion of tenants renting privately. Build to rent housing is likely to become an increasingly important tenure in London and the GLA have recently promoted it in other policy documents. It is also a form of tenure that can maintain and sustain development across market absorption and economic cycles. Covenants could ensure that build to rent units are first offered to qualifying private renters who have left their tenancy because of forthcoming estate regeneration scheme.

The build out rates at which build to rent housing can be delivered also can have a positive impact on the cash flow of an estate regeneration project. For example, Tower Hamlets have used the delivery build to rent housing successfully on the renewal of the Aberfeldy village. Developers were able to deliver 170 homes in the first phase enabling the immediate delivery of the first phase of development and bringing forward the second phase by two years. Subsequent phases are focused on social housing and all social units on the site are being replaced as minimum. (Please see [here](#) for further details).

Mayor of London: Draft Good Practice Guide to Estate Regeneration Response from Westminster City Council

The City Council welcomes the opportunity to comment on the Mayor's draft guide and has an ambitious regeneration programme underway, which aims to provide nearly 800 affordable homes, so is well placed to comment. We are regenerating two estates at Tollgate Gardens and Ebury Bridge and have one area based scheme at Church Street which has Housing Zone status.

General points

Overall the council welcomes production of, and consultation on, the draft guide and the opportunity it gives to clarify the key principles that should be addressed in estate regeneration. We already implement many of the approaches it identifies in its programmes.

We would suggest that in its final version, the document is more positive in tone about the importance of estate regeneration in London and recognises London's housing pressures. The Mayor has rightly emphasised the importance of ensuring that land in the capital is used with maximum efficiency, embodying modern design and environmental standards and maximising the delivery of new homes (and affordable housing in particular). As national government has recognised in its Housing White Paper, estate regeneration has an important role to play in achieving these objectives and it is likely to be given greater support in national planning policy. It is absolutely right that those directly affected are given high priority, but the wider interest also needs to be reflected.

Our experience shows that circumstances vary widely from estate to estate and project to project. What works in one place and at one time may well not in others. Top down, prescriptive guidance is unlikely to be universally applicable or allow sufficient flexibility to address issues that may be locally specific. The current draft is in places very detailed and prescriptive; there will be cases in which it will not be practical or possible to do everything it suggests and to imply otherwise risks raising expectations to an unrealistic extent.

The best approach would be to identify some key principles and then provide examples of approaches that might be considered to deliver on them – providing a toolbox of measures that authorities, registered providers and residents can choose from that meet their particular needs.

It would be useful if the final guide could make clear its non-statutory status as a statement of Mayoral policy. In particular, there should be a clear demarcation between the advice in this guidance and the supplementary planning guidance on housing published to support the London Plan.

The final guide could also include a bibliography pointing to other helpful guidance.

Overarching principles

The document may overstate the extent to which options short of demolition and rebuilding will be practicable if regeneration and renewal objectives are to be realised. It is highly unlikely that local authorities would pursue estate regeneration initiatives without giving very careful consideration to the costs and benefits involved, including the impacts on current residents. The draft also probably understates the benefits that more comprehensive approaches can have – providing modern buildings embodying up-to-date standards of resource efficiency may well outweigh the ‘sunk cost’ of embedded carbon, for example.

We support the principle of explaining to residents/stakeholders how their estate fits into the council’s overall regeneration/housing policy so it is clear why work is being considered. Our experience is that a clear statement of the rationale for the project is crucial and an important way of communicating why regeneration is proposed.

A residents’ charter can be a useful way of setting out high level commitments so residents and stakeholders know what they can expect from the council. Westminster set out its commitments in this way when it launched its housing regeneration programme in 2010. However, our experience is that residents’ charters also need to take into account the complexity of regeneration and that commitments can be open interpretation and might be best expressed as general aims.

Approaches to physical regeneration

The guide proposes an appraisal process to determine the best option for a scheme. We agree that an option appraisal process should be interactive and be used as tool to bring residents’ views and aspirations to the attention of the project team. We use NPV calculations and satisfaction data to prioritise investment decisions - along with looking at the costs and outcomes from public spending on estates – physical renewal is therefore only one part of the story. In Westminster, the two regeneration schemes currently underway demonstrate a mix of interventions – on each estate some existing buildings are being retained and upgraded while others are being demolished and replaced with better quality homes at higher densities.

Ensuring no loss of affordable housing

We strongly support the principle that no affordable housing (and not just social rented housing) should be lost where demolition and rebuilding is chosen and this is both a core objective of our regeneration programme and a key policy principle in our City Plan. Alongside this the guide could also set out that regeneration does present an opportunity to diversify the tenure mix of estates and the benefits this can bring.

Improving the local environment

We agree that place making is a central consideration of an effective regeneration scheme, covering the buildings, the spaces between buildings, connection to and through the area as well as social and community infrastructure to support social and economic inclusion. That said, this section strays into areas of detailed design and planning policy that go beyond the principal functions of the document and may raise confusion about its status and function of the kind referred to earlier. The question of tall buildings in particular is a complex one which raises a number of considerations that are particularly locationally-specific and the overview here is likely not to be helpful in practice.

Monitoring and review

This section deals with a number of complex issues at a level of detail that will raise expectations without providing guidance about how they might be met. In practice, the most important principles are to ensure that arrangements are proportionate and fit for purpose given the circumstances of each case, and that they result in information that is relevant and useful for all concerned. Monitoring and review should always genuinely add value and be directed to clearly identified objectives.

In particular, the guide (paragraph 14) refers to taking into account social and health costs etc. It is not clear whether this means in a general sense or if it suggests truly calculating these i.e. the economic cost to society/to the council etc. This section also refers to monitoring including those residents who are displaced by the scheme and who do not return to the estate once the project is concluded. While this is a good aspiration it might not be practicable and it raises the question of how long it should be done for.

Consultation and engagement

Again, consultation and engagement arrangements have to be tailored to the circumstances of each case and the characteristics and likely concerns of the range of those to be consulted. While we support many of the principles set out in this section of the guide, the nature of the guidance indicates that everything it suggests will be appropriate in every case, and this might be an area in which identification of some core principles and a “toolbox” of approaches that can be adopted and adapted as appropriate may be more sensible. The guiding principle should be to ensure arrangements that are effective, agreed among those concerned and deliverable within the resources available.

That said, we have the following detailed comments:

Paragraphs 23-26 go beyond consultation to deal with matters of scheme development and appraisal. These are complex matters and have a significance that goes beyond engagement, and in some cases the practicality of providing information about all the factors suggested may simply lead to attempts to quantify the essentially unquantifiable.

Paragraph 24 refers to “the costs of all the options presented should be set out in both financial and social terms”. We suggest that this section also needs to recognise that in many cases private sector partners will need to make a profit in order for a scheme to be delivered and be viable - and this needs to be clearly communicated to residents. There is a risk of “over promising” following intensive consultation and the guide could make it clear that councils need to balance residents’ aspirations and asks with the commercial reality which is necessary to make the scheme happen. This process might involve identifying the most important key asks from residents which might change in different circumstances. The guide could also stress the need to utilise all opportunities across London to build more homes, and for many authorities (particularly those in inner London), new housing sites are few and far between; the greatest opportunities come from redeveloping existing estates to higher densities. It can’t be done by just relying on private sector development.

With regard to consulting on the option of doing nothing (also in paragraph 24) the guide rightly notes that this has an impact on households that would not otherwise have had a home – however most of these households will be living outside the regeneration area - so wouldn’t be included in the consultation methods in the guide. Most estate regeneration projects are built around improving the homes of the residents already in situ and keeping them on the estate - and this tension could be noted more fully in the guide alongside some principles for consulting with “future” residents.

With regard to ballots – there are advantages and disadvantages to holding these. The council has held five – and in three of these residents voted for regeneration to go ahead. Positive votes can give a clear mandate and provide a platform to raise awareness. On the negative side, voting is restricted to local people which can be unfair to those in housing need more generally (i.e. future residents) who do not have a say. Deciding on the right question is difficult i.e. are residents asked to support the principle of regeneration or a specific scheme - which may change? There is also a problem with ballots if regeneration plans change - as they raise the question of if another one should be held.

They can also encourage a simplistic approach to complex issues which do not lend themselves to a simple yes/no answer. As such they can also be counterproductive and lock both councils and residents in to a specific scheme which might need to change. Ballots can also be a focal point for local campaigns and can be polarising. The council has decided to move away from holding ballots for future regeneration schemes for these reasons and also for those set out in the guide in favour of meaningful ongoing consultation which for us means:

- Endeavouring to build a consensus around proposals – which may evolve and develop over time
- Building networks and developing relationships in order to build trust

- Working with people and networks over time to help them develop the skills and confidence they need to participate
- Recognising the importance of a continuous approach.

Also, a No vote can stop all work being done, when there may well be some parts of the proposal that residents agree with. It is very difficult to go back to an area that has noted No, so those residents that voted Yes can be left in limbo for many years, and ultimately the council is left with continuing to manage a deteriorating/non performing asset.

We have found the use of social media such as a website to be of benefit as it allows 'external' stakeholders to learn about a regeneration project and contact officers/residents' groups if they wish.

With regards to who should be consulted (paragraphs 29-32) this could include residents and businesses who are outside of the estate, but directly adjacent to it. They will also be affected by the regenerated estate so should be involved in drawing up plans for it.

A fair deal for tenants and leaseholders

We agree with most of the principles in this section. A right to return for most tenants and resident leaseholders is at the heart of our policies. However the guide could also highlight the difficulties of replicating existing rights and costs in some cases and that this should be presented as a general aim rather than an objective that should be observed in every case. For example paragraph 50 says that returning social housing tenants should pay the same or similar rent in the new homes. The council's policy is to charge target rents in these circumstances, to reflect the quality and energy efficiency (which will reduce bills) of the new homes, rather than existing rents which can be lower.

With regard to leaseholders we have developed a suite of options to enable resident leaseholders to return to the regeneration area through: buying one of the new homes outright; with an equity loan; or as a shared owner; and becoming a social housing tenant in some cases. Our offer also includes help to buy a property outside the regeneration area in some cases. Additional support is offered to more vulnerable leaseholders.

The guide could be clear that it is impossible to replicate leaseholders existing rights/ownership through alternative products however (shared equity/equity loans and shared ownership) where the market values of the new homes are higher and that this needs to be made clear to leaseholders. For example it can be harder to get a mortgage on these products compared with buying outright; the HCA equity loan model requires a long stop (i.e. for the loan to be paid back after 20/25 years) and leaseholders can need permission to sublet or remortgage. Our experience is that leaseholders can view these products as a "downgrading" of their home ownership status.

It would also be useful for the guide to make it clear with shared equity/equity loans if the Mayor supports a minimum contribution, or if the home loss payment should be included to form the leaseholder's equity share. Our interest free equity loan offer for returning leaseholders requires them to contribute the value of their existing home (with no minimum) plus their home loss payment.

The guide could cover some principles about options for leaseholders when they might need to move away from the estate for a period while the new homes are being built. Our experience is that leaseholders are concerned about any period when they are not homeowners as they are missing out on drawing down on their mortgage and benefiting from the capital appreciation of their homes.

The guide could also mention the new provisions in the Housing and Planning Act 2016 and how they might be used as these allow councils to pay more than market value to displaced owners where this would avoid the need for a CPO.

We would like to work with the Mayor on the innovative ways to support leaseholders to return to the regeneration area when they are displaced. The Mayor could lobby to simplify the legal framework in order for councils to offer interest free equity loans more easily. Councils can use Sections 435-438 of the Housing Act 1985 which enables them to advance money by way of loan to assist people in the purchase of housing, but it requires them to charge interest on that loan. Sections 24 and 25 of the Local Government Act 1988 can be used for this purpose, but Section 24 enables councils to only give financial assistance to any person in relation to the provision of privately let accommodation.

We support the proposal that the length of residency of non resident leaseholders should be taken into account before offering them rehousing options, if they return before or during regeneration, but consider that this needs some local definition to provide the necessary checks and balances. We define a non resident leaseholder (that is eligible for rehousing options) as one that has been in occupation for 12 months preceding the date of the notification letter that the council intends to acquire their property by agreement. However our policy confirms that this will not be applied inflexibly and there may be cases where special circumstances apply – for example where someone has been working away from home for a period.

Finally with regards to the use of short term/temporary tenancies (paragraph 54) in regeneration areas and their role in helping to address homelessness, while they can provide a source of temporary accommodation – they do not play a role in reducing homelessness in the long term.

Summary/Checklist of Key Requirements

While a summary of key principles is helpful, calling it a “checklist” is not. It gives a misleading impression of the document's formal weight, but perhaps more importantly it

suggests that these issues can be approached in a “tick box” way, with all of the issues raised being applicable in every case.

Contact/s

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