

Item No.	Classification: Open	Date: 6 March 2018	Meeting Name: Cabinet Member for Regeneration and New Homes
Report title:		Adding Scheme(s) to the New Homes Programme	
Ward(s) or groups affected:		Peckham Ward	
From:		Tim Bostridge, Development Delivery Manager	

RECOMMENDATION

1. That the cabinet member for regeneration and new homes agrees that Bells Gardens Community Centre, surrounding play areas and amenity land is added to the New Homes Programme and the scheme is developed in accordance with the charter of principles and statutory consultation under Section 105 of the Housing Act 1985.

BACKGROUND INFORMATION

2. The cabinet established the Independent Housing Commission in January 2012 in order to secure an unbiased perspective and make recommendations and conclusions for an investment strategy of up to 30 years. On 16 July 2013 cabinet considered the conclusions and next steps following community and stakeholder engagement and set out the council vision to deliver 11,000 new homes by 2043.
3. On 27 January 2015 cabinet agreed its new long term housing strategy for the borough including specific commitments for increasing housing supply, including building 11,000 new council homes for social rent by 2043 (including 1,500 by 2018).
4. In September 2015 cabinet received an update on the new homes delivery programme, approved new sites and delegated the approval of future schemes for inclusion in the new homes delivery programme to the cabinet member for regeneration and new homes.
5. In July 2016 cabinet received an update on the new homes delivery programme. The report set out the structure for resident consultation, outlining the individual stages from initial site identification, to seeking IDM approval and then through the design and development stages until completion.
6. In May 2017 cabinet received an update on the new build programme and the interim target to deliver 1500 homes by the end of 2018.
7. In September 2017, the deputy leader and cabinet member for housing received a report reviewing the charter of principles. The report noted the success of the council's engagement on building new homes with a high level of engagement from tenants and homeowners. The report also suggested

changes to the way the council delivers community engagement on the direct delivery of new council homes; ensuing tenant and resident associations will be at the heart of the decision making and recognises that on some occasions the council may wish to modify the way it works.

KEY ISSUES FOR CONSIDERATION

Bells Gardens and Initial Consultation

8. The site consists of the Bells Gardens Community Centre as well as play areas and amenity land and is next to the Bells Gardens Estate. A map of the site is included as Appendix 1.
9. Bells Gardens Community Centre is one of the councils most successful TRA halls and acts as a key centre for community activity during the day and evening. It is well used by the T&RA for community events and meetings
10. It functions as a standard TRA hall offering venue for hire for private functions, community parties and space for TRA activity and offers the council alternate meeting space for events such as tenant council during purdah, SHU residents' conference at no cost. It raises considerable income from hall hire which enables the TRA to offer activity to local residents.
11. The building also hosts two organisations providing valuable service to the community Southwark Group of Tenants Organisations (SGTO), London Youth Enterprise (LYE). LYE was established in 2000 with a simple aim: to break down the barriers young entrepreneurs from deprived backgrounds face when starting their own business. These included a lack of affordable workspace, finance, advice and support. They have a five year lease which is due to expire in 2019, with a landlords' redevelopment break option which requires 12 months notice. LYE has a sublease to an organisation called KIDS. The councils children's social care team has a contract with KIDS for home visiting services, due to end in 2020. Both LYE and KIDS will be included in the consultation process. As noted in paragraph 15, the option of constructing the new community centre prior to the existing one being demolished means that services could continue to operate from the existing premises for at least the next two years and offer the potential of being relocated in the new centre.
12. SGTO contributes to the smooth running of the hall by managing the hire and caretaking of the centre, and its development as one of the council's digital hubs. The premises are widely identified as SGTO's home and as a base of operation for many of the active tenants in the borough.
13. In line with the process detailed in the July 2016 cabinet report, the site was initially presented to a joint briefing for the cabinet members for regeneration and new homes and housing. Following this, a briefing was sent to ward councilors.
14. An initial meeting was held with two representatives of Bells Gardens T&RA and

two representatives from SGTO to discuss the possibility of including the site within the new homes programme and the benefits that could bring.

15. The new homes team then attended the Bells Gardens T&RA AGM on the 19 February 2018 to inform them of the New Homes Programme and discuss the proposal to develop the site, to include the provision of new council homes, a new community centre, play areas and amenities. It was advised that any new community centre would as a minimum would provide the same space as the existing centre and be built to current standards. The option of a new centre being developed prior to the existing one being demolished so that there would be no loss of service was welcomed. The provision of new council homes was also welcomed, along with the commitment to local lettings. It was emphasized the residents would need to be consulted, and be actively involved throughout the design process, to ensure their views are reflected in the final proposal. Some concern was raised about the impact on neighbouring dwellings and in particular potential loss of light. In response it was outlined that this would be a factor considered during the design phase and reports would be undertaken to assess any impact. Also, the importance of retaining the play areas was stated. The attendees were advised that the meeting was the first step in the process and if included in the programme a consultation approach would be agreed with the T&RA and would probably involve Estate Wide drop in events and resident project groups. The main feedback was that residents wanted to make sure they have a say throughout the process. A letter has also been sent to all residents of the Bells Gardens Estate advising them of the proposal.
16. The New Homes Team were due to attend the SGTO Group meeting on the 28 February 2018 to discuss the proposal. However, the meeting was cancelled due to inclement weather. As a result a brief conversation was had with the chair of SGTO to seek their view concerning progressing with the IDM prior to meeting formally with them. In order to move forward with the process, and address any uncertainty the chair advised this would be an acceptable approach as this was just the first step in the process. However, the chair stressed the importance of the local residents of Bells Gardens and the SGTO having a real say in the development of proposals for the site to ensure support from all parties; and to ensure any scheme provides both new council homes and excellent community facilities.
17. In line with the agreed consultation process the proposal has been shared with the Future Steering Board.
18. In accordance with the process detailed in the September 2016 cabinet report, the cabinet member for regeneration and new homes consulted with the cabinet member for housing following completion of the initial consultation process.
19. It has been estimated that the site could provide for between 60-115 new homes, community centre and new play facilities.

20. It is projected that if the scheme moved forward, works would commence on site in 2019/20 – 2020/21.
21. As highlighted in paragraph 15, the cabinet member needs to be aware that during the initial consultation, some concerns were raised, in particular in relation to the impact on the neighbouring dwellings. Officers emphasised during the initial consultation the benefits of the new build proposals, including the opportunities for local lettings, a new community centre, improved amenities and play facilities that existing residents would benefit from. In addition, any proposal would be worked up in line with the charter of principles, with the T&RA at the heart of the process and the commitment to work with residents at every stage. However, local concerns to the new build will remain a risk to achieving the programme noted in paragraph 20.

Next steps and consultation

22. As noted in paragraphs 14-16, initial consultation has already been undertaken
23. Employers Agents and Architects will be procured through an existing strategy sources from RSL frameworks companies with experience of designing new affordable housing and managing the development process. The architects will design the scheme to achieve planning and enable the scheme to be tendered on a design and build basis.
24. Council officers will prepare engagement plans based on gathering local intelligence in line with the revised charter of principles. The way the council engages will be based on the existing framework developed for schemes that have achieved planning but will allow a flexible approach based on local information. Council officers will work with the Bells Gardens T&RA and the SGTO to develop the local engagement strategy. This way the council will ensure that the T&RA and the wider community and the SGTO will be at the heart of the process and the engagement plans reflect local circumstances whilst acknowledging the need to deliver much needed new affordable housing to meet growing need.
25. The process to date has been that once the architects have been appointed, an initial drop-in event has been held. Following this event, a New Homes Project Group has been established. In order that those taking part in the group can play an active role, the initial meeting has been chaired by a 'Tenant's Friend', and included a training session. The groups are formed on a task and finish basis and continue to meet throughout the life of the project, as outlined below. Where there has been insufficient interest in forming a group, the consultation is tailored appropriately, and could include additional drop-in sessions, newsletters and attendance at T&RA meetings. To meet the requirements of Section 105 of the Housing Act 1985, documents will be made available on the consultation hub for affected council tenants to be kept informed and involved.
26. The New Homes Project Groups (NHPG) will:
 - Act as the first point of consultation throughout the life of the project and to consider and make comment on the following key issues related to the development;

- Advise the council on how to ensure all residents affected by the site have an opportunity to comment on and review any proposals, and support the council in delivering local engagement
- Ensure that the council are aware of local issues that might impact on the proposals
- Identify local priorities that could be met and benefits that might be delivered alongside the scheme or ways to improve the estate as part of the scheme.
- Ensure that the council provides information in a timely and appropriate way to the NHPG and residents affected by the development.
- Comment on and advise the Council on significant publicity material the council produces linked to the delivery of the new homes.
- Continue to meet during the delivery phase of the project to gather resident feed back on delivery progress and discuss and propose solutions to issues that arise during delivery phase.
- Monitor the progress of the delivery of the new homes by providing feed back to monthly contractors monitoring meetings and raise any queries regarding the progress/ manner in which the build is progressing.

Policy implications

Council Plan 2014/15 to 17/18

27. A new Council Plan was endorsed by Council Assembly on 25 February 2015. This contains the Fairer Future Promise: Quality affordable homes, which states 'We will improve housing standards and build more homes of every kind, including 11,000 new council homes with 1,500 built by 2018'.
28. The approval of the new sites within the New Homes Delivery Programme and a revised process for including new sites within the programme provide further evidence of the ability to meet this Fairer Future promise.

Community impact statement

29. The 2014 Strategic Housing Market Assessment demonstrated a continuing need for affordable housing, with the borough experiencing very high house prices that are outside the reach of many of its residents. It has the highest house prices in the housing sub-region (the average 2 bedroom flat being sold for £360k in 2013). At the time of the 2011 census there were 18,547 overcrowded households in Southwark. A higher number, and a higher percentage (15.3%), than any of the other four boroughs in the sub-region. Over the period 1981-2012 the population of Southwark increased by 34%, the fastest growth in the sub-region by some margin. This helps to demonstrate a continuing need for more homes, and particularly for affordable homes in the borough.
30. The Public Sector Equality Duty requires public bodies to consider all individuals when carrying out their day to day work, in shaping policy, delivering services and in relation to their own employees. It requires public bodies to have due regard to

the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. The council's consultation with residents on the 11,000 council homes programme has been specifically designed to be inclusive of all the borough's communities and provide a range of mechanisms to provide residents with the opportunity to engage.

31. Consultation on sites is being undertaken in line with the Charter of Principles and the Housing Act 1985, Section 105 and continues to provide mechanisms for resident to engage with the development of new homes.

Resource implications

32. The site could deliver between 60-115 new homes and community centre. The rental income will make a positive contribution to the HRA business plan.
33. The new homes delivered will make a positive contribution to the HRA business plan. Funding streams for the New Homes Delivery Programme currently comprise: external grants, Section 106 contributions, RTB and other housing receipts, depreciation major repairs reserve and other HRA revenue contributions and prudential borrowing (which is limited to the debt cap). Funding is determined on a scheme by scheme basis to ensure the optimal financial position for the council in relation to new build, as they are subject to specific financial and regulatory restrictions. However, there is also regard to the overall longer-term funding position with reference to the HRA business plan.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

34. This report refers to the possible inclusion of the Bells Garden Community Centre as an additional site within the New Homes Programme and therefore a potential for the building of new council homes. Progress with the overall Programme has been updated regularly to Cabinet.
35. At this stage, there are no specific legal implications arising from the proposal. The Bells Garden Community Centre site is anticipated to deliver between 60 and 115 new homes. The approval at this stage is merely to include the site in the programme and to undertake further preparatory work concerning its possible redevelopment.
36. However, it should be noted that whilst there have been some initial discussions as set out in paragraph 15 of the report, considerable more discussions and a statutory Housing Act consultation will be necessary. In addition, paragraph 11 of the report refers to two sub-tenants who are in occupation and it will need to be established if either lessee is a protected business tenant. There will therefore need to be title reports prepared and full consultation to be undertaken before

any firm decision can be taken.

37. Accordingly, the cabinet member should be looking for reassurance that any consultations will be conducted in a manner allowing those affected sufficient time to consider the proposal and that the outcome of any consultation is taken into account before any decision is taken.
38. The report refers to the Public Sector Equality Duty at paragraph 30. Since the work on the sites is at a relatively early stage, equalities impact assessments are yet to be prepared and these will need to be undertaken.

Strategic Director of Finance and Governance

39. The strategic director of finance and governance notes the proposed addition of the Bells Gardens scheme to the council's new homes programme. At this stage, there are no immediate financial implications arising from the addition of this scheme, but once developed, the scheme will be funded from the council's housing investment programme. The housing investment programme is not fully resourced over the life of the programme and there is an expectation that external borrowing will be required in the short-term, and potentially as soon as the current year, given the ambitious new build programme and as yet undetermined fire safety commitments arising from the Grenfell tragedy. It is imperative that the programme is actively managed and conflicting commitments prioritised within the prevailing resource constraints that currently exist.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
New Homes Delivery Programme (item 11)	Housing and Modernisation, Southwark Council, 160 Tooley Street, London, SE1 2QH.	Tim Bostridge Development Delivery Manager. 0207 525 1222
New Homes Delivery Programme (item 15)	Housing and Modernisation, Southwark Council, 160 Tooley Street, London, SE1 2QH.	Tim Bostridge Development Delivery Manager. 0207 525 1222

APPENDICES

No.	Title
Appendix 1	Site Map

AUDIT TRAIL

Lead Officer	Michael Scorer, Strategic Director of Housing & Modernisation	
Report Author	Tim Bostridge, Development Delivery Manager	
Version	Final	
Dated	5 March 2018	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	5 March 2018	