

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 8.7.03	<b>MEETING NAME</b> Executive
<b>Report title:</b>		Motion Submitted in accordance with Council Procedure Rule 3.9 – East Dulwich Estate	
<b>Ward(s) or groups affected:</b>		East Dulwich, The Lane and Peckham Rye	
<b>From:</b>		Chief Executive (Borough Solicitor & Secretary)	

### **RECOMMENDATION(S)**

1. That the Executive consider the motion as set out in paragraph 2 below.

### **BACKGROUND INFORMATION**

2. At the Council Assembly meeting on 30<sup>th</sup> April 2003 a motion was submitted in accordance with Council Procedure Rule 3.9 (1) by Councillor Peter John and seconded by Councillor Veronica Ward. The motion was subsequently amended and referred to the Executive for consideration:-
  1. That Council Assembly calls on the Executive to receive an urgent and comprehensive report on the East Dulwich Estate to include:
    - (1) A description of the refurbishment needed to achieve the decent homes standard and other estate improvements requested by residents at their Planning for Real Day together with estimated costs of carrying out this work to the Estate and all existing blocks via capital and planned maintenance.
    - (2) A clear explanation of the financial strategy which the Council has adopted to date to fund refurbishment and regeneration on the Estate, including how this relates to the Southwark Estates Initiative (SEI) and the consequences and outcomes of decoupling works to the estate from the SEI programme and refurbishing all of the blocks without any demolition, (eg. time frame, extent of work which could be carried out, etc)
    - (3) A detailed explanation of how any demolition and rehousing would be carried out so that it conforms to the Council's Decanting Policy, given the residents and tenants consistent opposition to such proposals.
    - (4) A full explanation of how residents have been consulted to date and how their choices have been explained to them.
  2. That Council Assembly also requests the Executive to consider how residents should be consulted on the implications of the financing choices above, together with the option of disposing of certain blocks for purposes of rehabilitation rather than demolition and urges that this consultation should take place with every tenant on the Estate.

3. That the Executive is recommended to obtain further and comprehensive advice on the principle of holding a ballot on all feasible options and on the consequences of all possible outcomes resulting from such a ballot.

### **KEY ISSUES FOR CONSIDERATION**

3. In accordance with Council Procedure Rule 3.9 (3), the above motion was referred to the Executive, which shall report upon the outcome of their deliberations upon the motion to the next meeting of Council Assembly.
4. The constitution allocates particular responsibility for functions to Council Assembly, for approving the budget and policy framework, and to the Executive, for developing and implementing the budget and policy framework and overseeing the running of Council services on a day-to-day basis
5. Any key issues, policy or funding implications are included in the advice from the Strategic Director of Housing.

### **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

#### **COMMENTS FROM THE STRATEGIC DIRECTOR OF HOUSING**

The detailed costed options for improving the East Dulwich Estate have been developed over the last couple of years in consultation with the East Dulwich Estate Project Team. The refurbishment works proposed that will specifically address Decent Homes standards are summarised as follows:

Renew/Overhaul roofs; Repair brickwork to parapet walls and chimney stacks; clean and repaint outside walls; renew windows; carry out any other repairs to walls of buildings; repair or replace balconies; upgrade or replace flat entrance doors; renew kitchens and bathrooms; test and upgrade electrical wiring; provide central heating if it does not already exist; improve thermal insulation if necessary; drainage at 'railway' blocks. The elements identified through the Planning for Real exercise that would not contribute to Decent Homes are: Improving security by enclosing staircases; creating a separate identity for each block; improvements to open spaces, such as central green areas, parking; improved public lighting. The estimated cost of this work is £14,989,345 including preliminaries and contingency, but excluding VAT and professional fees. The figures are assuming most works applied to 750 properties, and kitchen and bathroom renewal to 375.

The financial strategy for East Dulwich Estate is based on all the elements of the SEI funding plan, namely capital receipts produced by disposal and expenditure on refurbishment and new build works. The strategy uses the 1997 Local Authorities (Capital Finance) Regulations to recycle 100% of the receipts generated within the scheme, rather than have the normal set aside rules apply. At a meeting of the Leader, the Executive Member for Housing, South Camberwell Ward Members and representatives of the East Dulwich Estate Project Team in October 2002, it was agreed that Counsel's opinion should be sought on the legal basis of funding the improvements to East Dulwich Estate. This advice was intended to explore whether the Project

Team's preferred option of no demolition and disposal could take place. The clear opinion received was that the only option for significant investment under the current funding arrangements was for a level of disposal on the estate.

The new decanting policy agreed in December 2002 would apply to East Dulwich. Under this policy, the scheme itself needs to generate new or improved units to rehouse tenants into rather than decanting into existing Council stock or existing Registered Social Landlord nomination arrangements. The current proposals for the estate reflect this policy. Under these proposals, the intention is to rehouse all secure tenants affected by the demolition proposals locally.

Residents have been consulted over the last four years about proposals for the estate through exhibitions, planning for real events, meetings, newsletters, opinion surveys and questionnaires. The consultation process has been steered by the Project Team. Work with the Project Team has focussed mainly on progress with the masterplan development and implications flowing from them, consideration of specific issues, eg decant policy and funding.

The broader exercises have used exhibition material, staff to discuss, and questionnaires. These have concentrated on explaining the masterplan and elements of it e.g. outline new build design and refurbishment standards. Key to this has achieving balance between refurbishment and disposals.

In summary form the consultation undertaken (including officer attendance at meetings where SEI was discussed) is as follows: 30 Project Team meetings; 2 exhibitions; newsletters; public meetings; TRA meetings; an opinion survey; a Planning for Real event. The specific consultation planned to take place in the near future with residents is: Letter to each household explaining proposals to deliver the scheme and the implications for residents; Further open day or days in early June to explain and discuss proposals / implications incorporating feedback; Individual referencing visits to residents of blocks identified for demolition in the masterplan.

The Government has introduced a floor target under which all social housing needs to meet a defined decent home standard by 2010. On the basis of the 1998 Stock Condition Survey, East Dulwich Estate is 95% non-decent and it is estimated would require at least £12m of investment to make it decent. Due to the limited resources in the Housing Investment Programme, there is little scope for funding this scale of improvements to the estate from other resources. If the decision was taken not to proceed with the East Dulwich Estate scheme at this stage, the land receipt resources currently identified would need to be redirected towards another project which meets the funding criteria due to time constraints on their use. The obligation to meet decent homes would result in officers presenting a further set of proposals for the estate at a later stage which is likely to require a higher level of disposal in order to generate an increased level of land receipts from the scheme.

The issue of holding a ballot on East Dulwich Estate was discussed by the Leader and the Executive Member for Housing with the South Camberwell ward members on 5<sup>th</sup> March. At that meeting it was agreed that due to the obligation to meet decent homes, there was no point in carrying out a ballot. On 18<sup>th</sup> March, representatives from the East Dulwich Estate Project Team

were advised by these Members of the Council view that given the condition of the estate and the obligations under decent homes, the Council has to invest considerable resources in the estate. As the ability to use the Southwark Estates Initiative funding is dependent upon the scheme taking place as currently proposed, it is the considered view that it is not practical to carry out a ballot as a negative result is not a viable option.

Officers are continuing to develop the scheme for the estate in accordance with the Strategic Committee decision of January 2000. On this basis and reflecting the detailed consultation that has taken place with Members and tenant representatives on these issues, there would be limited value in preparing a further report for Executive to consider.

Background Papers	Held At	Contact
Motions submitted in accordance with Standing Order 3.9 (1).	Town Hall, Peckham Road, London. SE5 8UB	Lesley John Constitutional Support Unit 020 7525 7228

## APPENDIX A

### Audit Trail

<b>Lead Officer</b>	Ian Millichap, Constitutional Support Manager (Executive)	
<b>Report Author</b>	Lesley John, Constitutional Support Unit	
<b>Version</b>	1 <sup>st</sup> draft	
<b>Dated</b>	6 <sup>th</sup> May 2003	
<b>Key Decision?</b>		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Chief Officer	Yes	Yes
<b>Executive Member</b>	No	No
<b>Date final report sent to Constitutional Support Services</b>		