

Item No.	Classification: Open	Date: 20 February 2018	Meeting Name: Deputy Leader and Cabinet Member for Housing
Report title:		Local Lettings scheme for Southwark Council tenants living at Bromyard House, Peterchurch House, Sarnsfield House and Skenfrith House on the Ledbury Estate	
Ward(s) or groups affected:		Livesey Ward	
From:		Strategic Director of Housing and Modernisation	

RECOMMENDATION

1. To agree the contents of this report and approve the framework below for the local lettings of the new build development known as Sylvan Grove. This new build development will be purchased by Southwark Council to meet the specific housing needs of Southwark Council tenants living at Bromyard House, Peterchurch House, Sarnsfield House and Skenfrith House on the Ledbury Estate. Therefore, subject to the completion of the purchase of Sylvan Grove and the planning variation being agreed the following is recommended.
2. If following the local lettings scheme and allocation of the 80 properties located at Sylvan Grove to Southwark Council tenants at Bromyard House, Peterchurch House, Sarnsfield House and Skenfrith House on the Ledbury Estate, properties remain vacant then all surplus vacant properties will be the subject of a separate report that will be produced by the council's property services team.
3. If any vacant properties remain available following recommendations 1 and 2 of this report then all vacant properties will be offered to homeless customers living in temporary accommodation.

BACKGROUND INFORMATION

Ledbury

4. Ledbury Towers comprises 4 blocks (Bromyard, Peterchurch, Skenfrith and Sarnsfield) of 224 units on the Ledbury Estate in Southwark – most of the units are let under council tenancies.
5. In June 2017, residents alerted the council to the presence of cracks in the building following which the council instructed building engineers Arup to carry out a detailed structural survey of the four towers, to investigate the cause. While Arup were part-way through their investigation, a separate historic issue was raised regarding the gas supply in the blocks. This led to a decision being taken to turn off the gas supply to all Ledbury blocks in mid-August 2017.
6. On 19 July 2017 the council wrote to all tenants to advise them that if they felt unsafe in the Ledbury Tower Blocks and wished to move they may register for rehousing with band 1 priority.

7. The council received a full report from Arup on 20 November 2017. The report concludes that although the structure of the buildings is in good condition, strengthening works are required.
8. Many of the strengthening measures to the concrete walls and floors will require local removal and reinstatement of plaster finishes, floor finishes and floor screeds, heating pipes, radiators, sanitary ware including baths, and kitchens.
9. The extent of the works required means that all residents, who have not already moved will have to move on a permanent or temporary basis to carry out the works to strengthen the blocks.
10. The council is currently working with residents to commission an options appraisal on the future of the blocks for consultation.

Acquisition of 80 units at Sylvan Grove

11. On the 9 December 2014 the cabinet gave delegated authority to the Director of Regeneration to acquire land and housing for the direct delivery of new council housing as part of the council's policy to deliver 1,500 homes by 2018.
12. On 27 November 2017 the Chief Executive, on behalf of the Director of Regeneration, approved the acquisition of 80 units at 8-24 Sylvan Grove SE15 from Hyde Housing.
13. The units at Sylvan Grove are located close to the Ledbury Estate. The reason for purchasing the units at Sylvan Grove is to assist with the rehousing of tenants who wish to move from the Ledbury Estate.
14. Contracts on the acquisition were exchanged in December 2017. The residential block is estimated to be practically completed in March 2018. However current estimates of the acquisition completion and handover will be in late March 2018 to allow Hyde to carry out highway works.
15. The council will not be able to allocate units to social housing tenants until completion of the acquisition (currently estimated to be March 2018). Allocation of all the units for social housing will also be subject to a variation of the development section 106 agreement. Further information relating to the planning position is set out below.
16. The New Homes Delivery Team will co-ordinate the process for bringing the housing into management in line with agreed processes and procedures. The letting strategy for the development is the subject of this report in line with the agreed process for homes developed as part of the new homes programme.

Planning

17. The current section 106 agreement provides for a tenure mix as follows; 50 x shared ownership units, 9 x affordable rent units and 21 social rent units.
18. As referred to in paragraph 15 above, the council will need to make an application to vary the section 106 agreement to use all the units for social rent; we will do this

when we have the freehold of the block.

19. Although the variation is unlikely to be approved by the planning department before the council completes on the acquisition, officers from the New Homes Delivery Team will prepare the appropriate application to the planning department and take the process as far forward as it can so that the application can be dealt with as soon as possible.
20. To provide flexibility, in the event not all the units are taken up by Ledbury tenants in accordance with the scheme proposed in this report, the New Homes Delivery Team will apply for the agreement to be varied to enable all of the units to be used as social rented housing and to enable up to 15% of the units to be converted from social rented housing to shared ownership at a later date.

KEY ISSUES FOR CONSIDERATION

21. Southwark Council will purchase 80 new build properties located at Sylvan Grove from Hyde Housing Association to meet the specific housing needs of Southwark Council tenants living at Bromyard House, Peterchurch House, Sarnsfield House and Skenfrith House on the Ledbury Estate.
22. These 80 new build properties located at Sylvan Grove consist of the following property types:
 - 23 x 1 bedroom flats
 - 41 x 2 bedroom flats
 - 16 x 3 bedroom flats
 - 0 x 4 bedroom flats
 - 0 x 5 bedroom flats.
23. As at the 1 February 2018, there are 113 Southwark Council tenants living at Bromyard House, Peterchurch House, Sarnsfield House and Skenfrith House on the Ledbury Estate with a live housing application on the Choice Based Lettings Housing Register waiting for a transfer to alternative accommodation.
24. The housing needs of these Southwark Council tenants are as follows:
 - 32 tenants require 1 bedroom accommodation
 - 33 tenants require 2 bedroom accommodation
 - 37 tenants require 3 bedroom accommodation
 - 10 tenants require 4 bedroom accommodation
 - 1 tenant requires 5 bedroom accommodation.
25. Consequently, if all Southwark Council tenants bid for the available 80 properties located at Sylvan Grove, the new build development would meet the following percentages of the local housing needs from Southwark Council tenants living Bromyard House, Peterchurch House, Sarnsfield House and Skenfrith House on the Ledbury Estate:
 - 71% of the local need for 1 bedroom accommodation would be met
 - 100% of the local need for 2 bedroom accommodation would be met
 - 43% of the local need for 3 bedroom accommodation would be met

- 0% of the local need for 4 bedroom accommodation would be met
- 0% of the local need for 5 bedroom accommodation would be met.

26. If we analyze the local housing needs of each of the four blocks of flats it reveals the following housing needs:

	1 bed need	2 bed need	3 bed need	4 bed need	5 bed need	
Peterchurch	10	0	12	3	1	26
Skenfrith	11	1	14	2	0	28
Sarnsfield	6	17	6	3	0	32
Bromyard	5	15	5	2	0	27
	32	33	37	10	1	113

27. It can be seen from the above data that there is more housing need from the Southwark Council tenants living at Bromyard House, Peterchurch House, Sarnsfield House and Skenfrith House on the Ledbury Estate than the number of new build flats located at Sylvan Grove and therefore the requirement for a local lettings scheme can be justified.
28. The Sylvan Grove new build development of 80 properties will address the specific identified housing needs of Southwark Council tenants at Bromyard House, Peterchurch House, Sarnsfield House and Skenfrith House on the Ledbury Estate.
29. As identified from the data above the housing needs from the local community is compelling and 100% of the initial allocations of the properties located at Sylvan Grove to this local community can be justified.
30. Section 166A(6)(b) of the Housing Act 1996 provides the legal basis for 'local lettings' policies. This provision enables the Council to allocate particular accommodation to people of a particular description, whether or not they fall within the statutory reasonable preference categories. The LLP will not compromise 'reasonable preference' afforded to the categories of people to whom this must be afforded under the council's overall scheme because the accommodation is being acquired specifically to meet the specific housing needs identified and contained within this report.
31. Section 7.10 of the council's published allocations scheme, which is framed within the context of the Localism Act 2011 makes provision for such local letting policies.
32. Applications for the new homes are only available to existing Southwark Council tenants residing at Bromyard House, Peterchurch House, Sarnsfield House and Skenfrith House on the Ledbury Estate.
33. Households will be prioritised in existing priority bands and priority stars in accordance with our published allocations scheme. If there are two or more tenants who bid for the same property with the same priority status (Band 1 on this occasion), the same priority stars and the same date for the award of the priority status, then priority will be awarded to the tenant with the longest tenancy agreement date at the tenant's current home.

Homelessness

34. Due to the current levels of homeless customers living in expensive temporary accommodation (over 2,000 households in Southwark), it has been decided to offer the remaining accommodation to homeless customers if there are any vacancies in this development following recommendations 1 and 2 being acted on.
35. Homelessness is a growing issue for council's across England with a 65% increase in homelessness reported by central Government since 2010.
36. The need to offer the remaining vacancies to homeless customers will allow the council to provide a permanent housing solution to some of the 2,136 households living in temporary accommodation.

Policy Implications

37. Southwark Council will ensure the local lettings scheme for Sylvan Grove follows the Southwark Council housing allocations scheme that is in operation at the time of the initial lettings. Section 7.10 of the council's published allocations scheme, which is framed within the context of the Localism Act 2011, makes provision for local letting policies. The Human Rights, Care Act and Children's Act duties placed on the council will be protected and the equal opportunities of the local community will be promoted through the local lettings scheme.

Community impact statement

38. The Housing Solutions service will adopt the recommendations contained within the report to further improve the quality, efficiency, cost effectiveness, and customer journey through the service going forward.
39. It is hoped this development will help to improve the life chances, education attainment and well being of customers in housing need.
40. The council is committed to ensure this development has a positive impact on the local communities.

Resource implications

41. There are no staffing resource implications contained within the report and the aim of this report is to address the specific housing needs of the local community. In addition to this there are no resource implications and the administration of the local lettings scheme is embedded in the work of existing teams and budgets.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

42. Local lettings policies providing for the allocation of particular council accommodation to people of a particular description are permissible provided there is overall compliance with the council's obligation to give reasonable preference to certain categories of people to whom the council is required, under Part 6 of the Housing Act 1996, to give reasonable preference under its main allocation scheme.

43. The cabinet member, when making a decision on the recommendations in this report is required to have due regard to the public sector equality duty (PSED) in section 149 of the Equality Act 2010. This duty requires the council to consider all individuals when carrying out its functions. Specifically, to have due regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity and foster good relations between people with protected characteristics and those who do not. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The PSED also applies to marriage and civil partnership, but only in relation to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct.

Strategic Director of Finance and Governance

44. The Strategic Director of Finance and Governance notes the recommendations in this report. There are no financial implications arising directly from this report. Where the local lettings scheme has financial implications, these will be managed within the existing agreed budgets for 2017-18 and subsequent years for the council’s housing revenue account.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact

APPENDICES

No.	Title
Appendix 1	Southwark Council Housing Allocations scheme

Cabinet Member	Stephanie Cryan, Deputy Leader and cabinet member for housing	
Lead Officer	Michael Scorer, Strategic Director of Housing and Modernisation	
Report Author	Cheryl Russell, Ledbury Area Manager	
Version	Final	
Dated	13 November 2017	
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	13 November 2017	

AUDIT TRAIL

Cabinet Member	Councillor Cryan Cabinet Member for Housing	
Lead Officer	Michael Scorer, Strategic Director of Housing and Modernise	
Report Author	Ian Swift, Head of Housing Solutions	
Version	Final	
Dated	20 February 2018	
Key Decision?	No	
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	20 February 2018	