

Item No. 9.	Classification: Open	Date: 19 January 2021	Meeting Name: Cabinet
Report title:		Tustin Estate Low Rise Programme - Confirmation of undertaking a Tustin Estate Residents' Ballot	
Ward(s) or groups affected:		Old Kent Road	
Cabinet Member:		Councillor Leo Pollak, Cabinet Member for Housing	

FOREWORD - COUNCILLOR LEO POLLAK, CABINET MEMBER FOR HOUSING

The council's Great Estates programme sets out our approach to 'expand and enrich' our council estates, with residents given a decisive influence over how to improve their estate. Following many months of workshops walkabouts and hundreds of conversations with residents across the Tustin Estate we are now looking to bring forward a final agreed option to put to a yes/no ballot to be run this February. This report confirms the council to move forward with Option 5 following a 'whittling down' ballot late last year with residents offering their preferences among different redevelopment and refurbishment options.

Option 5 seeks to redevelop the blocks on the estate - except for the Towers and Manor Grove, both of which will be refurbished - building hundreds of brand new council homes in addition to replacement council homes, as well as the creation of dedicated Over 55s housing, a new park at the centre of the estate, a new Pilgrims' Way Primary School and new retail and business spaces on the Old Kent Road and Ilderton Road.

This redevelopment of the estate would bring with it a broad range of benefits for people living on and around Tustin Estate from larger and better quality homes of all types and for all ages, to a safer, greener and more attractive landscape around the estate. The landlord offer that accompanies the ballot details how we intend to keep the community together through this process, and reflects the priorities set out in the Tustin Community's Association's residents' manifesto.

Needless to say, the final decision lies with Tustin residents and the council will abide by residents' decision, as per the Great Estates terms for redevelopment proposals adopted in December 2018.

I want to put on record my deep thanks to the Tustin Community Association and resident project team, together with the officers and architects whose collaboration to date has helped create this exciting new option for the evolution of the Tustin estate.

RECOMMENDATIONS

Recommendations for the Cabinet

1. To note the detailed resident engagement to date and thank the Tustin Community Association and the Resident Project Team for their work to date.
2. Agree to proceed to a Resident Ballot for the final option, on the basis of the proposals and commitments within the Landlord Offer Document, for the Tustin Estate Low Rise Programme in February 2021. The final option is as described below.

Redevelopment of the low-rise homes with:

- The demolition and replacement with new homes of Bowness House, Heversham House, Hilbeck Close, Kentmere House & Ullswater House
 - Retention of the houses in Manor Grove with improvements to the tenanted homes
 - New houses in between the houses on Manor Grove itself
 - A new park in the centre of the estate
 - A new Pilgrims' Way School
 - New retail and business spaces on the Old Kent Road and Ilderton Road.
3. To note that the proposals align with the Great Estates programme for redevelopment proposals and as such the below five tests will be achieved.
 1. a positive ballot on any new estate regeneration (as per the commitment in the Council Plan 2018-2022);
 2. a net increase in social rent homes alongside increased density, to meet the acute need of families on our waiting list;
 3. a right to remain for all rehoused tenants and leaseholders, for keeping communities together;
 4. intensive co-design of redevelopment proposal, to become co-authors of a new estate plan;
 5. a clear rationale for any redevelopment proposal, including an explanation of how this would increase housing supply (based on comprehensive density modelling) and/or a transparent stock condition survey.
 4. Agree to delegate authority to the Director of Housing in consultation with the Cabinet Member for Housing to make any necessary amendments to the Landlord Offer document in advance of the Resident Ballot.

5. Agree to receiving a report on the outcome of the ballot in March 2021 and a further report on the consequent delivery programme and financial implications in July 2021.
6. Agree to a variation to the Housing Investment Programme, making provision for the estimated costs of developing the delivery programme and assessing financial implications in advance of the Cabinet report in July.

Recommendation for the Leader of the Council

7. To delegate to the Cabinet Member for Housing the authority to confirm a dedicated Tustin Estate Local Lettings Policy subject to a majority vote in favour of the redevelopment option.

BACKGROUND INFORMATION

8. The Tustin Estate Improvement and Rebuild Programme was initiated in May 2019. It is also known as the Tustin Estate low-rise programme. This programme of work seeks to improve the quality of the low-rise homes on the estate, build more council homes where resident opinion supports this, and improve the wider environment on the estate to support quality of life. This programme of engagement on investment and options for the future of the low-rise homes and the wider estate re-started engagement that did not progress in 2016.
9. The Tustin Estate comprises of a mixed typology of homes totaling 528 homes There are 230 homes in three towers and 298 homes in low-rise blocks. The three towers are currently undergoing major refurbishment and the creation of 13 new hidden homes; one block of non-self contained flats in use as a hostel for residents seeking temporary accommodation (Ullswater); four low rise blocks of flats and maisonettes and terraced houses. The tenure on the estate is also mixed and includes those looking for temporary accommodation; council tenants; private tenants; resident and non-resident leaseholders as well as resident and non-resident freeholders.
10. The programme sits within the framework of Southwark Council's Council Plan which seeks to build more new homes; the Housing Strategy 2043 which seeks to invest in homes, establishes a target for 11,000 new homes at Council rent levels and supports homeownership; the Great Estates 'expand and enrich' programme which seeks to identify appropriate sites on our estates for building new council homes and find new ways of working with residents to improve the look, feel and lived experience of our estates; and the Protocol for Consideration of New Homes, Charter of Principles.
11. This programme has also been developed in line with the Mayor of London's Good Practice Guide to Estate Regeneration. The Mayor of London has placed a condition on landlords to carry out a resident ballot to be eligible for funding for new affordable homes. The GLA requirement state "*A positive ballot is one where there is a simple majority of those eligible*

residents voting that choose “yes” – that is, in favour of the Landlord Offer to regenerate the estate. There is no minimum threshold for turnout in a ballot.”

12. The Tustin Estate Improvement and Rebuild Programme supports resident-led decision making on the future of the estate and consequently a programme of engagement. At the outset of the programme four options for the estate were identified and shared with residents at a public meeting in June 2019 as follows:

- Do nothing
- Refurbish blocks and extend or build more homes between existing blocks
- Knock down some or all of the blocks and replace them with new ones
- Improve and / or expand the school and business space.

13. Subsequent to the June 2019 public meeting the options evolved through discussion with residents, the Resident Project Group and the Tustin Community Association (TCA). A number of steps informed this evolution, notably the drafting of the feasibility and master-planning design brief with resident input; emerging, latest and final options estate wide meetings held between November 2019 and March 2020 and weekly drop in design events held between December 2019 and March 2020.

14. Five final options were confirmed in March 2020. The final options were as follows were option 5 was a sub option of option 4.

Option 1 – Maintain Tustin

Option 2 – Refurbish Tustin with New Infill Homes

Option 3 – Partial Refurbishment and Partial Redevelopment

Option 4 – Redevelop Tustin

Option 5 – Redevelop Tustin and Maintain Manor Grove with New Infill Homes.

15. Subsequent to confirming the final five options and subsequent to a pause in the programme due to the outbreak of the Covid-19 Pandemic, a resident survey on the options took place. It was managed by an independent organisation. The options survey sought to identify one preferred option that had resident support via a single transferable vote and to understand resident opinion on a housing block by housing block basis as well as by tenure.

16. The results of the Options Survey led the decision-making on the final options. The confirmed decision and the details of the decision were made via an Individual Decision Making (IDM) process: ‘The final option for the Tustin Estate Improvement and Rebuild Programme’. This IDM confirms Option 5, the option described in the recommendations, as the final option to be taken to a Resident Ballot. The decision to proceed to a Resident’s Ballot is the subject of this report.

17. The resident ballot will ask residents '*Are you in favour of the proposal for the re-development of the low rise homes on the Tustin Estate?*' Where a majority of eligible residents vote 'yes' in favour of the proposals, it will be recommended to proceed with these proposals, the final option. Where a majority of eligible residents vote 'no' against the proposals the option to repair and maintain the estate (option 1) will be recommended to proceed. These recommendations will be subject to detail financial appraisal which will be reported back to Cabinet in July.
18. The option to repair and maintain the estate will exclude separate decision making regarding Ullswater House. Ullswater House is a non-self contained hostel. Due to the implications of social distancing arising from the Covid-19 pandemic, this block was emptied and a separate decision on the block regarding its redevelopment has been made.

KEY ISSUES FOR CONSIDERATION

Resident Engagement and Involvement

19. The IDM on '*The final option for the Tustin Estate Improvement and Rebuild Programme*' sets out the breadth and depth of resident involvement in the feasibility and design of the options as well as involvement in the decision making process.
20. The final option was endorsed by the Tustin Community Association (TCA) and Resident Project Group (RPG) at respective meetings in November 2020.
21. The final option has been subject to further resident engagement related to refining the final option in design terms as well as refining the council's commitments to residents and stakeholders of the estate.
22. Prior to the commencement of the Resident Ballot, further work will be carried out to share details of the final option with households to ensure their vote is based on the most up to date and correct information.

Resident Ballot

23. The Resident Ballot will comply with GLA Estate Regeneration Ballots as the Council support the use of a Resident Ballot on estate regeneration and renewal and to ensure eligibility for GLA grant funding.
24. Estate Regeneration Resident Ballot requirements mean there is no minimum turnout needed, the result will be based on a simple majority, the ballot is conducted by an independent organisation, Civica Election Services, and that voter eligibility criteria applies.
25. The Council support the proposals and as such will campaign for a positive vote in favour of the final option / proposals.

26. The results on the ballot will be presented to Cabinet in March 2021.

Delivery

27. The delivery programme for the outcome of the Resident Ballot will be presented to Cabinet in July 2021 including:

- A financial appraisal
- A procurement strategy
- Resourcing plan
- Resident Engagement Plan.

28. The delivery programme will provide for the duration of the programme allowing for flexibility and change.

Policy implications

29. Both options presented in the Resident Ballot, via the 'yes' and 'no' vote align with the Council Plan, Housing Strategy and Great Estates programme and the Protocol for Consideration of New Homes, Charter of Principles.

30. Discussions with homeowners, resident and non-resident, will be subject to Local Government Act 2000 and payment of homeloss and disturbance payments will be in line with the requirements of compulsory purchase legislation.

31. The options will also align with National, Regional and Local Planning policy frameworks including the Old Kent Road Area Action Plan (OKR AAP).

32. The options have been considered in light of the Council's Climate Emergency Declaration. The carbon footprint associated with each of the options has been modelled against the existing baseline and includes a calculation of the options against an uplift of carbon associated with delivering a similar number of homes in the redevelopment option on an alternative site elsewhere in the borough.

33. Appendix 3, the Sustainability Strategy provides principles for moving forward with the final option and details how the estate will transition from its current operation to a lower carbon estate in both scenarios, a repair and maintain option or a redevelopment option. The strategy details the commitment to reaching Net Zero Carbon and strategies to achieve this as well as connecting to South East London Combined Heat and Power (SELCHP) Network

34. Commitments established in the Landlord Offer Document (see Appendix 1) detail a local lettings policy specific to the Tustin Estate. The principles of a future policy are outlined in the Offer Document. The principles apply existing allocations policy to the

estate. It also states that 100% of the additional council homes on the estate will be made available to residents on the housing waiting list 12 months prior to the Ballot to keep the existing community together.

Community impact statement

35. Section 149 of the Equality Act, lays out the Public Sector Equality Duty (PSED) which requires public bodies to consider all individuals when carrying out their day to day work – in shaping policy, in 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 Approach to Equality (“the approach”) commits the council to ensuring that equality is an integral part of our day to day business.
36. The Equality and Health Impact Assessment (EHIA) can be found at Appendix 2. The EHIA was carried out independently by Mott Mc Donald. The EHIA focuses on the potential effects, including health effects, likely to be experienced by those living and working in the community in light of their ‘protected characteristics under the Equality Act 2010. It identifies any differential or disproportionate effects, both positive and negative, on those with protected characteristics from the programme and from the options and sets out mitigation or enhancement measures that the council can put in place. It looks at these factors ahead of confirming decisions and policy.
37. This report was produced having established the demographic baseline of the estate and with community engagement and analysis of the ‘Starting the Conversation Questionnaire’ which sought to understand resident’s needs.
38. The EHIA has been developed in two stages. The first stage supported the options process and resident and council decision making on the option. The second stage considers refinements to the Final Option.
39. The report considers the design as well as the emerging council commitments to residents that have formed the basis of the programme and consultation.
40. The EHIA considers each option during the process of renewal as well as after the completion of works or renewal.
41. Equality and health impact analysis demonstrates that the decision shows no potential for discrimination and the council has taken all appropriate opportunities to advance equality of opportunity and foster good relations between people with different protected characteristics.
42. The mitigation measures outlined in the report will be taken forward in the delivery programme.

43. The Human Rights Act 1998 (“the 1998 Act”) incorporates into domestic law the European Convention on Human Rights.
44. In the Council’s view the first recommendation of this report engages certain human rights under the 1998 Act. The term ‘engage’ simply means that human rights may be affected or relevant matters for consideration.
45. In the case of the recommendation to redevelop the low-rise homes a number of rights are potentially engaged and the Council has given these matters due consideration, namely:
- Article 8: The right to respect for private and family life – the recommendation proposes to partially demolish and regenerate the Tustin Estate. This would lead to the re-provision of new homes and public realm, and the demolition of some homes; and
 - Article 1, Protocol 1: Protection of Property – Article 1 protects the right of individuals to the peaceful enjoyment of possessions. No individual can be deprived of his/her possessions except in the public interest and subject to the relevant national and international law. The Council recognises the potential for interference with individuals’ right to peaceful enjoyment of existing and future homes upon the implementation of the recommendation, should that option be selected.
46. Notably, not all human rights operate in the same way. Few rights are absolute and thus cannot be interfered with under any circumstances. Other ‘qualified’ rights, including the aforementioned Article 8 and Protocol 1 rights, can lawfully be interfered with or limited in certain circumstances. The extent of legitimate interference is subject to the principle of proportionality whereby a balance must be struck between the legitimate aims to be achieved by a local authority in seeking to bring about regeneration in the public interest against potential interference with individual human rights.
47. It is acceptable for the Council to strike a balance between the legitimate aim of regeneration for the benefit of the community as a whole, and the additional benefits of regeneration such as the new park and school, against potential interference with some individual rights where residents are re-housed, in some cases where they may not have supported the regeneration or voted for it in a ballot.

Resource implications

48. The recommendations made in this report do not in themselves give rise to any financial implications. However, should the recommendation proceed to a Resident Ballot for the final option be approved, the options put forward will have financial implications and these will be subject to a financial appraisal which will be reported back to Cabinet in July 2021.

49. At this stage, the estimated cost of the options are indicative only. The estimated cost of Option 1 (the repair and maintain option) for homes over 30 years is a minimum of £32.7m excluding improvements, cyclical and responsive maintenance, professional fees, contractors preliminaries, and equality act adaptations. The estimated cost of refurbishment of the school over 30 years is 4.6m.
50. The estimated cost of Option 5 (redevelopment of the estate) is £290m. These costs allow for the replacement and refurbishment of all council homes, the replacement of leaseholder homes and the construction of an estimated 400 – 500 new homes with 50% of new additional homes being council homes and 50% being private for sale homes. These costs also include a new school built to meet future needs and temporary and new commercial units to replace those lost via demolition. The costs allow for Climate Change commitments including connection to SELCHP (South East London Combined Heat and Power), net zero carbon for new and refurbished homes. It is anticipated that the redevelopment will attract grant funding of up to £43.4m, generate net land receipts of over £20m and attract considerable private finance towards the costs of the homes for sale. These funding sources will be assessed further in advance of the report to Cabinet in July 2021.
51. Staffing for the delivery of the outcome of the Resident Ballot will be presented in the delivery programme due to be presented to Cabinet in July.
52. Both options would form part of the Council's Housing Investment Programme, and the costs will be met from Housing Revenue Account (HRA) resources supporting that programme, which is likely to include GLA grant and borrowing where necessary and appropriate.
53. The scale of the Tustin Low Rise programme is such that it is likely to require a review and re-prioritisation of other elements within the Housing Investment Programme to ensure it remains affordable and sustainable.

Consultation

54. The recommendation to proceed with a Resident Ballot is based on a resident-led decision making process.
55. The delivery programme will provide for ongoing consultation and engagement with residents and stakeholders of the estate and the programme of consultation and engagement will be established with residents.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Governance

56. From 18 July 2018 the Mayor of London made it a requirement that any landlord seeking GLA funding for estate regeneration projects involving the demolition of social housing would have to show that residents had supported the proposals through a ballot. The background to this was to make sure that GLA funding only supported estate regeneration projects where residents had had a clear say in the plans and support them going ahead.
57. This report sets out the ways in which the Council has sought to engage with residents throughout this project. The ballot itself, which is the subject of this report, is being organised and run in accordance with the recommendations of the GLA Capital Funding Guide, which sets out how ballots should be run. In particular the guide requires the appointment of an independent body to undertake the ballot, and the report confirms at paragraphs 14 and 23 that an independent body has been appointed.
58. The Equality Act 2010 requires the Council in the exercise of its functions to have due regard to the need to a) eliminate discrimination; b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. Relevant protected characteristics for the purposes of the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
59. An Equality and Health Impact Assessment has been commissioned and the report sets out details of this and how its findings will inform the council's implementation of the option as chosen by residents in the ballot.
60. The report also sets out how the implications of the Human Rights Act have been considered and how a balance will need to be struck between the rights of individuals and the benefits to the wider community which may be brought forward, depending on the option chosen by residents.

Strategic Director of Finance and Governance (H&M 20/120)

61. This report seeks Cabinet approval to proceed to a Resident Ballot for the final option for the Tustin Low Rise Programme as outlined in this report. Although the report's recommendations do not give rise to any immediate financial implications, the outcome of the Ballot, should it proceed, will. This outcome will be reported to Cabinet in March 2021 with a further report on the consequent delivery programme and financial implications in July 2021. As outlined in the financial implications of this report, any outcome from the

Ballot will form part of the Council's Housing Investment Programme and will be met by HRA resources supporting that Programme. If selected, the recommended option will incur significant capital expenditure, which is likely to necessitate a review of the overall Housing Investment Programme to ensure that it remains affordable and sustainable.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
IDM 'The final option for the Tustin Estate Improvement and Rebuild Programme'	Regeneration South, Chief Executive's Department	Sophie Hall-Thompson, 07849 093070
Link: (please copy and paste into browser) http://moderngov.southwark.gov.uk/mgDecisionDetails.aspx?Ild=50024583&O pt=1		

APPENDICES

No.	Title
Appendix 1	Landlord Offer Document
Appendix 2	Equalities and Health Impact Assessment (EHIA)
Appendix 3	Sustainability Strategy

AUDIT TRAIL

Cabinet Member	Councillor Leo Pollak, Housing	
Lead Officer	Mike Tyrrell, Director of Ledbury	
Report Author	Sophie Hall-Thompson, Regeneration Manager	
Version	Final	
Dated	11 January 2021	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	11 January 2021	