



ACTION

Item Number: 10

Contains Confidential or Exempt Information	No
Title	Ballots for housing regeneration schemes
Responsible Officer(s)	Tony Clements, Executive Director for Regeneration and Housing clementst@ealing.gov.uk x 9120
Author(s)	Dave Baptiste, Head of Housing Supply x 6858 Peter Gaffikin, Regeneration Manager x 9274
Portfolio(s)	Cllr Mason, Housing
For Consideration By	Cabinet
Date to be Considered	16th October 2018
Implementation Date if Not Called In	29th October 2018
Affected Wards	Hobbayne, Dormers Rise, South Acton
Keywords/Index	High Lane, Regeneration, GLA Grant, Ballot, Golf Links, South Acton, New Build

Purpose of Report:

This report seeks to update members on a new GLA funding condition requiring ballots for housing regeneration schemes – including, in this report, assessments of the housing estates at South Acton, Havelock, High Lane and Golf Links. This is in the light of the GLA's Good Practice Guide to Estate Regeneration, updated GLA Capital Funding Guide and the new London Plan policy for the replacement of affordable homes and the Council's aim to provide 2,500 genuinely affordable homes by 2023.

1. Recommendations

That Cabinet agrees to:

- 1.1 Note the requirements of the new GLA funding condition requiring resident ballots on estate regeneration as outlined in paragraph 3.2 below.
- 1.2 Delegate authority to the Executive Director of Regeneration and Housing to produce and hold a ballot of the residents on estate regeneration schemes where necessary to comply with GLA funding requirements as stated in para 3.2.1 below.
- 1.3 Note and agree in principle to consider extending the redevelopment of the Golf Links Estate to include a fourth phase including Burgess, Disley, Farnham, Thurlestone, and Panmure Courts.

- 1.4 Authorise the Executive Director of Regeneration and Housing to commission a masterplan for Golf Links Estate for the next phases subject to confirmation of GLA funding for Phase 3.
- 1.5 Note that further reports will be brought to Cabinet clarifying and confirming the updated financial position for both High Lane and Golf Links. Currently, there is a £16.121m budget within the HRA for High Lane which is funded from HRA borrowing and this is subject to further review.

2 Reason for Decision and Options Considered

- 2.1 In February this year, the London Mayor through the Greater London Authority (GLA) published its 'Better Homes for Local People - Good Practice Guide to Estate Regeneration' that involve the demolition of people's homes. The Mayor has further strengthened this Guide through the exercising of planning powers and has also confirmed (in the latest update of the GLA Capital Funding Guide) that where funding is sought from the GLA such schemes, depending on the particular circumstances and size of the proposed redevelopment, a ballot should be held of specific groups of estate residents to determine whether the Estate regeneration project should go ahead (see paragraph 3.2.2 below).

3 Key Implications

3.1 Ealing Council Regeneration Programme

- 3.1.1 Ealing Council's housing regeneration strategy was developed following the 2008 review of 34 of the Council's largest estates. The review identified 8 estates where the Decent Homes works alone would not provide the transformational effect that the areas demanded and therefore required a higher level of intervention.
- 3.1.2 For each estate detailed, extensive and meaningful engagement with residents over an extended period contributed to providing a solid basis for progressing each scheme. On each estate residents were encouraged to get involved through surveys, drop ins, public meetings, exhibitions and the establishment of Residents' Steering Groups. Opinions were tested and training provided on what estate regeneration means in terms of decanting, leasehold repurchase, demolitions, design, planning and regulation and finance/viability. At the end of the process, taking between 12 and 18 months, residents agreed their aspirations for the new estate and these were included in the brief to procure a suitable estate redevelopment partner. As the development process progressed, ongoing support for residents steering groups was made available to enable them to oversee and guide the regeneration of the area. This resident focused approach has led to the largest and most successful regeneration programme in (West) London.
- 3.1.3 The Council's objectives of the housing regeneration programme are to:
 - Put residents at the heart of delivering regeneration
 - Transform their deprived and run down neighbourhoods
 - Provide mixed tenure developments including socially rented, affordable and private homes

- Provide environmentally sustainable urban development and improve the public realm
- Provide a better mix of bed sizes
- Contribute to the reduction of the HRA investment gap

3.1.4 In addition to the 8 estates originally identified (South Acton, Havelock, Copley Close, Allen Court, Rectory Park, Dean Gardens, Golf Links and Green Man Lane) High Lane estate was added to the list in 2013 after extensive and detailed consultation with estate residents.

3.1.5 These 9 estates are in differing stages of their redevelopment but in total will replace just over 4,000 existing dwellings, mostly smaller sized homes on poorly designed estates, with nearly 6,200 new larger mostly family sized homes that are well designed, safer, more secure, energy efficient and have had significant input into their design from existing residents. Over 1,700 homes have already been built and a further 1,000 are on site being constructed.

3.1.6 The table below shows the current position of each estate, whether it is being redeveloped by the Council or by a partner.

Estate	Delivery Agents	Phases	Current Phase	Complete Date
South Acton	L&Q and Countryside	20	9	2028
Green Man Lane	A2 Dominion and Rydon	6	3	2023
Havelock	Catalyst Housing	6	3	2026
Rectory Park	Network Housing Group	5	5	2021
Allen Court	Notting Hill Housing Group	2	2	2017
Golf Links	Council Delivered	2	2	2018
Dean Gardens	Clarion (prev Affinity Sutton)	3	2	2021
High Lane	Council Delivered	3	0	2023
Copley Close	Council Delivered	3	2	2026

3.1.7 Currently there are 4 regeneration schemes that may be subject to ballot. South Acton and Havelock are considering proposals to increase density and High Lane and Golf Links are proposing to alter the tenure mix. All 4 schemes will provide additional genuinely affordable housing if supported through planning.

3.2 GLA ballot requirements

3.2.1 The GLA Residents Ballot Requirement (RBR) stipulates that Ballots apply on sites where there is the:

- demolition of any affordable or leasehold homes whose freehold or long leasehold a Registered Provider owns on an existing social housing estate, and/or the demolition of any freehold properties previously acquired under the Right to Buy, Right to Acquire, or Social HomeBuy schemes on an existing social housing estate;
- and

construction of at least 150 new homes, regardless of tenure, within the boundaries of an existing social housing estate.

Exemptions

- The proposed funding condition would not apply where the proposed demolitions already have full or outline planning permission, unless that permission is changed to include demolitions that were not part of it.
- Where the GLA is already in contract to fund an estate regeneration project named in a funding contract with a Registered Provider, ballots would not be mandated, unless the Registered Provider proposes to make a notable change to the scope of the project.
- The GLA will consider, on a case-by-case basis, not applying the proposed funding condition where a ballot of residents has already taken place and secured resident support prior to the publication of the Mayor's proposals for consultation - even if a ballot has not met the precise requirements set out there.
- An estate would only be exempt from conducting a resident ballot where it is necessary to demolish homes on the estate in order to facilitate the physical requirements of major rail or underground service improvements. This would reflect the significant benefits that can be realised through such improvements and the limited options for alternative approaches to these kinds of schemes

3.2.2 Those residents included in the ballot are:

- Social tenants (including those with secure, assured, flexible or introductory tenancies named as a tenant on a tenancy agreement dated on or before the date the Landlord Offer is published).
- Resident leaseholders or freeholders who have been living in their properties as their only or principal home for at least one year prior to the date the Landlord Offer is published.
- Any resident whose principal home is on the estate and who has been on the local authority's housing register for at least one year prior to the date the Landlord Offer is published.
- Residents who have already moved before the introduction of the funding conditions, those with a right to return and meet the other eligibility criteria, should be allowed a vote

3.2.3 Ballots should include a Landlord Offer document that contains information on:

- a. the broad vision, priorities, and objectives for the estate regeneration - to include
 - i. the design principles of the proposed regeneration;
 - ii. the estimated overall number of new homes;
 - iii. the future tenure mix; and
 - iv. proposed associated social infrastructure (such as green spaces, health, or educational facilities).
- b. details of the full right to return or remain for social tenants living in homes that are to be demolished;

- c. details of the offer for leaseholders and freeholders of homes that are to be demolished; and
 - d. commitments relating to ongoing open and transparent consultation and engagement
- 3.2.4 These requirements would be included in a Landlord Offer document to be sent out with the ballot form. There will be a 21-day voting period.
- 3.2.5 The GLA require an Independent Body to undertake the ballot. They previously suggested the Council could use Electoral Reform Services (ERS) and Council officers have already been in discussion with the ERS and will agree a methodology for balloting tenants

3.3 Ballots on Ealing Council housing estates involved in regeneration

- 3.3.1 As explained in 3.1.7 above, there are four estates that may require ballots before proceeding with either the next phase or in the case of High Lane the whole scheme redevelopment.
- 3.3.2 The guidelines for setting up and holding a ballot as set out by the GLA and explained above in 3.2 are welcome and the Council will follow these guidelines to ensure that residents have a final say and secure the best outcome for their estate.
- 3.3.3 The GLA Good Practice Guide to Estate Regeneration explains how best to engage with estate residents before the selection of a developer partner. As confirmed above the GLA Capital Funding Guide confirms that when proposing a ballot, the Council must to produce an offer document (the Landlord Offer) that explains the plans to demolish and rebuild the estate, how this will affect the residents and sets out their entitlements if the scheme goes ahead.
- 3.3.4 In the last 10 years Ealing Council has developed a successful model of resident engagement, see 3.1.2 above, which has been applied to all its regeneration estates including the four in this report, all of which have appointed development partners. This level of engagement will continue but will now also include a ballot of residents where the criteria set out in para 3.2.1 above are met.
- 3.3.5 For those scheme that require ballots on estates where the Council is working in partnership with Registered Social Landlords, officers will ensure a communications and engagement strategy is developed with its partner to ensure residents understand the issues involved and also the ballot process.

3.4 Position statement for each of the four schemes

South Acton

- 3.4.1 This 20-phase scheme has already produced 603 new homes and over 600 are on site being built. The Council is working with its developer partner, Acton

Gardens (L&Q and Countryside), on a new masterplan that looks to significantly increase the number of homes yet to be built

- 3.4.2 Once the new masterplan has been sufficiently developed, the scheme will be reviewed against the criteria set out in 3.2.1 and if necessary a separate consultation exercise will be implemented to engage and seek residents' views and to hold a ballot.

Havelock

- 3.4.3 This 6-phase scheme has already produced 98 new homes and 189 are on site being built. The Council is working with its developer partner, Catalyst Housing, on new masterplan that looks to increase the number of units yet to be built. This will be the subject of a report to Cabinet for approval
- 3.4.4 Subject to Cabinet approval, once the new masterplan has been sufficiently developed, the scheme will be reviewed against the criteria set out in 3.2.1 and if necessary a separate consultation exercise will be implemented to engage and seeks residents' views and to hold a ballot.

High Lane

- 3.4.5 In July 2013 Cabinet agreed in principle to progress the comprehensive redevelopment option for the High Lane Estate. A preferred developer partner was approved by Cabinet on 25th April 2017.
- 3.4.6 The scheme originally proposed a tenure mix of 137 social rent, 10 shared equity, 37 discount market rent at 80% of market rent level and 277 private sale. In the light of the Council's drive to produce more genuinely affordable rented homes and also the GLAs latest draft policy, the mix needed to change to provide a revised tenure mix of 137 social rent, 10 shared equity, 72 at London Affordable Rent levels and 242 private sale.
- 3.4.7 The revised scheme would increase the cost to the Council because to reduce rent levels and also increase the number of genuinely affordable homes and reduce the number of private sale homes, reduces the income to the scheme. It is estimated that the cost to the Council would increase from £14.775m to £23.071m. Officers have therefore included this scheme in the bid to the GLA for additional resources as described in a report entitled "Outline proposal for delivering 2,500 Genuinely Affordable Homes" elsewhere on this agenda.
- 3.4.8 The necessity to hold a ballot and bid for additional resources will mean that the programme for the scheme must be rescheduled and put back 6 months from the previously communicated programme producing the following milestones if both the ballot result and grant bid have a positive outcome:
- Oct 2018 – GLA announcement of initial funding allocations
 - Nov 2018 – hold ballot
 - Dec 2018 – ballot ends
 - Jan 2019 - ballot result published
 - Jan 2019 - restart design process
 - Jan 2019 – restart negotiations on development agreement

- Mar 2019 – final confirmation from GLA of successful bid for grant
- Mar 2019 – report to Cabinet to approve the Development Agreement
- Apr 2019 – exhibition - latest designs to estate residents and neighbours
- Sep 2019 - submit planning application
- Dec 2019 - planning committee
- Sep 2020 – Phase 1 vacant possession of all homes
- Sep 2020 - works start on site
- Sep 2022 - Phase 1 new build complete

Golf Link's Estate

3.4.9 In November 2014 Cabinet approved the next phase (Phase 3) of the Golf Link's Estate Regeneration, involving the selection of a Development Partner to demolish two blocks (Alnmouth & Portrush Courts) comprising 84 dwellings, and their replacement by circa 176 homes on the site of these blocks and three other small sites on the Estate. The intention was to provide replacement affordable homes by cross-subsidy from outright sale on a 50:50 basis. Officers have also included Golf Links in the bid for funding from the GLA. If the bid is successful there will no need to build on the three smaller sites for sale to cross-subsidise the scheme and the number of homes in the phase will reduce to circa 121 which is below the number of new homes that would trigger a ballot (see para 3.2.1 second bullet point).

3.4.10 It is proposed that the process of partner selection for the next phase (redevelopment of Alnmouth & Portrush and three associated sites) commences in the autumn using the new OJEU compliant GLA Developer's Framework.

3.4.11 If grant at the levels proposed by the GLA are available within the current GLA funding programme, it may be possible, in principle, to extend the scheme into a further phase (Phase 4) encompassing four further blocks to the north of Fleming Road, and another along Greenford Road (see plan of Golf Links at Appendix 1). There are 104 units in the following blocks: Burgess, Disley, Farnham, Thurlestone, and Panmure Courts. Phase 4 re-development could provide circa 237 new homes, a net gain of 133 new homes.

3.4.12 Following discussion with Planning it is also clear that it is in the interests of the proper planning of future phases of Golf Links for a masterplan to be prepared. It is proposed that this should be commissioned should GLA funding be secured for Phase 3.

3.4.13 The current programme for Golf Links Phase 3 envisages partner selection in March 2019 and a start on site in June 2020, and this accords with the GLA and bids timetable.

4 Financial

4.1 The cost of holding a ballot is anticipated to be between £2,000 and £3,000, which will be fully covered within the HRA Revenue budgets earmarked for Capital spend.

High Lane

4.2 The approved budget in the HRA Business Plan is £16.121m (See Table 1 below).

Table 1

Approve Budget Position	18/19	19/20	20/21	21/22	22/23	23/24	Total
Spend Profile	1,261	4,150	2,260	3,150	2,850	3,150	16,121
Funding Source: Borrowing	1,261	4,150	2,260	3,150	2,850	3,150	16,121

4.3 The revised scheme that complies with the Mayor’s latest Estate Regeneration policy shown in para 3.4.6 produces an overall cost to the HRA of £23.071m. The intention is to produce a bid that significantly reduces or eliminates this increase in costs.

4.4 A revised budget position will be brought back to Cabinet once the scheme design has been developed further, providing greater certainty around costs, along with the finalised PDA and the outcome of the bid to the GLA for grant. The source of funding for this additional resource will need to be determined at the point of the bid.

4.5 Currently High Lane development is funded from HRA borrowing, however should funding from GLA materialise this will reduce HRA borrowing need and create further capacity within the HRA head room.

Golf Links

4.6 The current position on Golf Links is unaltered and will be reviewed once the results of the consultation and ballot and success in bidding for GLA grant is known.

4.7 The HRA Capital Programme has a budget of £250k for initial design and project delivery works. This is funded by capital receipts and the need for this will continue regardless of GLA funding being secured.

5 Legal

5.1 The GLA has a number of powers under which is can provide grant funding for affordable housing including s19(3) of the Housing and Regeneration Act 2008. Under s19(4) of the 2008 such funding may be given on such terms and conditions as the HCA considers appropriate (including provision for repayment, with or without interest).

6 Value for Money

6.1 A competitive developer selection process has taken place regarding High Lane and will take place for the Golf Links scheme.

7 Sustainability Impact Appraisal

7.1 The new properties:

- Designs will include renewable energy such as PV panels and recycling of water.
- All new homes to be built will be to at least Code for Sustainable Homes Level Four, providing significantly reduced CO2 emissions and ensuring very low cost-in-use. This will also help contribute towards reducing fuel poverty.
- Extensive efforts will take place to ensure that the existing natural environment is enhanced through the regeneration programme. This will include the retention of as many trees as possible.

8 Risk Management

8.1 The decision to bid for resources from the GLA to enable the schemes to comply with the London Mayor's latest estate regeneration policy, which also accords with the Council's key priority on affordable housing, will mean that a ballot of estate residents will be necessary in some circumstances to determine whether the estate regeneration project should go ahead. The Residents Steering Group for High Lane estate is positive about securing a vote in favour of continuing with the regeneration scheme. Residents on Golf Links have supported the current and existing proposals for regenerating the estate

9 Community Safety

9.1 A Project Team will co-ordinate the decanting of the affected blocks in close liaison with Housing Management and the Council's Community Safety team to ensure the safety and security of residents. Void properties will be adequately secured, alarmed where necessary and decommissioned to avoid squatting.

10 Links to the 3 Key Priorities for the Borough

The redevelopment will contribute to achieving Ealing's objectives:

- **Good, genuinely affordable homes**
The genuinely affordable homes provided will be a mixture of social rented homes for existing Council tenants and homes at the London Living Rent level offered to Council nominees. There will also be a mixture of private sale and shared equity homes for existing resident leaseholders to enable them to stay on the estate.
- **Opportunities and living incomes**

A comprehensive jobs and skills training programme for local residents is included with each regeneration project to ensure local people have an opportunity to gain from the development through work opportunities.

- **A healthy and great place**

The comprehensive regeneration will improve public health through better design of housing and the alleviation of overcrowding. Provision is made for residents with disabilities and the provision of wheelchair accessible housing. A newly designed estate will consist of high quality homes designed to improve safety. The Council is committed to working with the Police to ensure developments are “secure by design”.

11 Equalities, Human Rights and Community Cohesion

11.1 An outline Equality Impact Assessment (EIA) has been undertaken for the High Lane regeneration scheme was undertaken during March 2009 by the Housing Regeneration Team. A further EIA for this specific part of the project has also been undertaken, and no disproportionate affects were identified.

11.2 Under the Human Rights Act 1998 which came into force on 2nd October 2000 all public authorities must act in accordance with the European Convention on Human Rights.

11.3 Allocation of some of the proposed new homes being built in each regeneration estate to existing residents, several of which have lived 30 years in the area will help to build and retain community cohesion by ensuring that the current resident community who choose to remain living on the estate can continue to do live in the area.

11.4 A property owner has the right to respect for his/her private and family life and home and there shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary for the economic wellbeing of the country (Article 8). The exercise of powers of compulsory purchase by the Council in accordance with statute is considered a proportionate course of action to secure the economic wellbeing which will follow from the implementation of this major housing scheme.

11.5 A person is entitled to the peaceful enjoyment of his/her possessions and no one shall be deprived of his/her possessions except in the public interest and subject to the conditions provided for by law (Article 1 of the First Protocol). The Council is permitted to control the use of property in accordance with the general interest and the exercise of powers of compulsory purchase in accordance with statute is considered a proportionate course of action to secure in the general interest the implementation of this major housing scheme.

12 Staffing/Workforce and Accommodation implications

12.1 The current Housing Regeneration Team has the resources to deliver this project. Specialist support has already been procured for the advisors required to deliver the project.

13 Property and Assets

13.1 The housing regeneration schemes outlined in this paper include all housing and non-dwelling HRA assets on the estates referred to

14 Any other implications

14.1 None

15 Consultation

15.1 Consultation under s105 of the Housing Act 1985 to High Lane residents has included:

- June 2013 - letter sent to all residents informing them of the Council's decision to work with its consultants to assess possibilities for improving the estate along with a newsletter and survey to gather resident's views on their estate
- September 2013 – letter sent to all residents explaining the results of the survey and the Cabinet decision to proceed in principle with comprehensive redevelopment.
- November 2013 – start of an 8-month training programme through workshops and site visits to enable the Residents Steering Group (RSG) to better understand what regeneration means, how it is undertaken and how residents are affected and can be involved.
- July 2014 – residents' aspirations for the estate established
- November 2014 – newsletter sent to all residents updating them on the work of the RSG, the aspirations established and the next steps to progress the regeneration
- February 2015 – update letter to all residents
- June 2015 – presentation to RSG explaining procurement process to select a development partner for the Council
- August 2015 - update letter to all residents
- November 2015 - update letter to all residents
- March 2016 – newsletter to all residents keeping them informed about the procurement of a developer partner and likely timetable for redevelopment and how residents will be affected
- April 2016 – housing needs and preferences survey sent to all residents
- July 2016 - letter sent to all private properties that adjoin the estate to update them on the Council's intentions and possible timetable
- September 2016 – newsletter to all residents updating on procurement of a developer partner and likely timetable for redevelopment and how residents will be affected
- March 2017 - update letter to all residents
- June 2017 – update letter to neighbouring properties
- June 2017 – newsletter to all estate residents
- July 2017 – Phase 1 tenants decanting workshop
- July 2017 – Phase 1 leaseholder buy back workshop
- October 2017 – newsletter to all estate residents

- October 2017 – design workshop for estate residents
- December 2017 - design workshop for estate residents
- February 2018 – newsletter to all estate residents
- March 2018 – newsletter to all estate residents
- April 2018 - update letter to neighbouring properties
- June 2018 – letter to all estate residents and neighbouring properties explaining the bid for GLA resources

16 Timetable for Implementation

16.1 These dates are indicative and may change during the planning process.

High Lane

Key stages and dates	
Start Decanting Process	Sep 2017
Complete Principal Development Agreement (PDA) Negotiations	Feb 2019
Return to cabinet for Approval of PDA	Mar 2019
Submit Planning Application	Sep 2019
Phase 1 Start on Site	Sep 2020
Phase 1 Completes	Sep 2022

Golf Links (current scheme)

Key stages and dates	
Start decanting Alnmouth & Portrush	Sep 2018
Development partner selection	Mar 2019
Complete Principal Development Agreement	Mar 2020
Submit detailed planning application	Mar 2020
Alnmouth, Portrush demolition, start on site	June 2020

17 Appendices

Appendix 1 – Plan of Golf Links Estate

18 Background Information

High Lane

- Cabinet Report 25th April 2017 - High Lane Estate Regeneration – Selection of a preferred partner
- Cabinet Report 14th February 2017 - Procuring an Employers Agent for the High Lane Estate Regeneration Scheme
- Cabinet Report 18th October 2016 - High Lane Estate Regeneration Shortlisting of Development Partners
- Cabinet Report 14th June 2016 – High Lane Estate Regeneration - Procurement of an Employers Agent

- Cabinet Report 22nd March 2016 - Housing Regeneration Update including High Lane estate
- Cabinet Report 21st July 2015 - High Lane Estate Regeneration
- Cabinet Report 21st October 2014 - High Lane Estate Regeneration
- Cabinet Report 23rd July 2013 - Housing Regeneration Update including High Lane estate
- Cabinet Report 25th July 2012 - Medium Intervention Estates and HRA land use

Golf Links

- Cabinet Report 14th November 2017 – Golf Links Estate, Southall – Regeneration Update
- Cabinet Report 10th April 2018 –Golf Links Estate Regeneration Update (Alnmouth & Portrush)

Better Homes for Local people – The Mayors’ Good Practice Guide to Estate Regeneration – February 2018

Mayor of London’s consultation paper - Proposed New Funding Condition to require resident ballots in estate regeneration February 2018

Mayor of London’s Funding Prospectus – Building Council Homes for Londoners May 2018 and addendum June 2018

Section 8 GLA Capital Funding Guide ‘Resident Ballots for Estate Regeneration Projects – July 2018

