



Cabinet
12 November 2018

**Report from the Strategic Director
of Community Well-being**

St. Raphael's Estate - Housing Options Appraisal

Wards Affected:	Stonebridge
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	Two: <ul style="list-style-type: none"> • St Raphael's Estate Map • Brent Equality Analysis St Raphael's
Background Papers:	<ul style="list-style-type: none"> • Better homes for local people (The Mayor's Good Practice Guide To Estate Regeneration February 2018)
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1.0 Purpose of the Report

- 1.1 This Cabinet report seeks approval for the work that will lay the foundations for improving life on the St Raphael's Estate. Through robust consultation and engagement, tenants and the community will decide on the best way of doing this.
- 1.2 The Council will put its whole weight behind helping residents to build the thriving, clean, crime-free neighbourhood they want. Depending on the outcomes of consultation, there will be the opportunity to build brand new homes that properly meet the needs of families who live on St Raphael's whilst continuing to play our part in tackling London's shortage of good quality and genuinely affordable housing.
- 1.3 Residents are generally positive about life on the estate, but there is a strong sense that it could, and should, be a much nicer place to live. In talking with the

people who live there, we have heard that, overall, there are three main local priorities:

- Clean, safe streets and open spaces, with crime and anti-social behaviour a thing of the past;
- Better connections and transport links with the rest of the borough; and
- Good quality homes of which to be proud.

1.4 Despite the financial pressures arising from Government budget changes imposed upon local authorities the Council has a unique opportunity to make a difference on the estate. Through our engagement to date we have heard that there are issues that the local residents would wish the Council to address and equally the Council would wish to get to work with the community on making things better, starting with engaging the community in a proper masterplanning process.

2.0 Recommendations

2.1 To work with residents and tenants to set up a governance structure which will oversee this project.

2.2 To agree to officers progressing work on the St Raphael's Estate to assess potential housing improvement and development opportunities for the estate.

2.3 To agree to delegate authority to the Strategic Director of Community Well-being in consultation with the Lead Member for Housing and Welfare Reform for the award of contract for a Multi-disciplinary Design Team and other key consultants as required including cost consultants.

2.4 To agree that an Estate ballot, will take place prior to any final decision to proceed with option 2.

2.5 To note that officers are working on establishing a partnership arrangement with Network Homes and Peabody Trust to take forward any future development of the St Raphael's Estate with any final agreement subject to approval by Cabinet.

2.6 To note that officers will provide an update to Cabinet at appropriate points in the programme.

3.0 St Raphael's Estate

Background

3.1 St Raphael's Estate sits within Stonebridge ward. It is bounded by the North Circular Road on the south and east, Drury Way to the east, industrial premises to the north, and the River Brent to the west. The estate in its entirety is made up of circa 1174 properties within the existing estate boundary, of which Brent Housing Management own and manage 807 dwellings & 27 blocks. The estate also includes properties which are managed and owned by Network Homes (a Registered Provider) and private individuals, as well as privately owned homes, including properties that have transferred from council ownership, e.g. through Right to Buy. This estate also includes a number of commercial units.

- 3.2 The map at Appendix 1 shows the whole estate and identifies three distinct areas, which reflect different mixes of ownership types. A summary of the breakdown of the stock is below:

Area A:

Tenure Type	No. of Units
Council Rented	522
Leaseholder	134
Private Properties	118
Network Homes (private properties)	19
Grand Total	793

Area B:

Tenure Type	No. of Units
Council Rented	126
Leaseholder	24
Private Properties	91
Grand Total	241

Area C:

Tenure Type	No. of Units
Private Properties	113

- 3.3 There are the following non-residential uses and activities within St Raphael's, this is not an exhaustive list, and will be developed through consultation going forward:

- The Living Room
- Abracadabra Preschool
- Henderson House
- Commercial uses
- Sufra
- Hephzibah Day Nursery
- Children's Centres
- Phoenix Arch School
- St Patricks Church
- St Raphael's Estate Residents Association
- Unlocking Potential
- Young Creatives
- An Employment and Skills project

Council Housing Stock Condition

- 3.4 St. Raphael's estate is a mixture of construction types: cavity wall & solid wall, with the majority of the stock constructed between 1967 to 1982. The estate consists of four property types: houses, bungalows, flats (in low level blocks) and maisonettes.

- 3.5 A stock condition survey was undertaken during August and September 2018. The findings of the survey reveal the properties to be in a reasonable state of repair.
- 3.6 A financial forecast of expenditure to fund stock investment over thirty years has been prepared. The thirty year spend profile shows a total of £32.7m investment is likely to be required for the 806 Council properties. The level of investment required per property, per annum (at £1353) is considered to be in line with expectations with respect to an estate that is maintained and meets the decent homes standard. No major investments are required in the next 5 years. Beyond this however, more investment is required, particularly from years 11 to 30, when asset replacements would be due as they end their life-cycle. The previous spend on responsive repairs for the last five years is an average of £624 per property, per annum. This is considered to be a reasonable level of average expenditure.
- 3.7 Although repair costs are reasonable, void costs are relatively higher than properties elsewhere in the borough. This suggests an underreporting of repairs by tenants and perhaps a worse property condition than what is apparent from the survey by tenants but more investigation would need to be done to understand why this is the case.

Overcrowding

- 3.8 There are currently 286 households living on the estate who are on the Council's Housing Register for re-housing. The reason for their housing need is broken down in the table below.

Housing Need	Number of households
Elderly Sheltered	2
Homeless	29
Management Transfer	1
Medical	3
No Priority	221
Overcrowding	22
Under Occupation	8
Grand Total	286

- 3.9 The majority of these households (221) have not been awarded any priority on the Council's Housing Register. This is because although they are living in overcrowded accommodation, they only lack one bedroom.
- 3.10 The Council changed the Allocation Scheme in 2014, so that only households who are overcrowded by two bedrooms or more would be placed into a priority band for social housing. This decision was made because there were over 20,000 households on the housing register, the majority of whom were in a priority band because they were lacking one bedroom. As the Council will typically only have 600 units of social housing available to let each year, and around 40% of these are one bedroom units, the majority of households will never be successful in securing social housing. It was therefore agreed that

only households who were overcrowded by 2 bedrooms or more would be prioritised for a move to social housing.

- 3.11 For those 221 families on St Raphael's who are overcrowded by one bedroom, given the wider housing crisis and the lack of social housing supply, unless their situation changes, the Council will not be able to help them with their overcrowding issues unless it was through estate re-development, similar to what the Council has done on South Kilburn.

Beyond housing – the strengths and weaknesses of the estate as a whole

- 3.12 The Council's Regeneration Strategy and Housing Strategy identified that there is a clear and pressing need to tackle deprivation and reduce economic and social polarisation on St Raphael's and the Council would continue to tackle socio-economic issues as part of any plan for St Raphael's. The Council is already delivering with partners a range of support at The Living Room, and would review how these issues can be further addressed as part of a wider plan that takes all issues – housing, environmental and economic together.

- 3.13 The Council is committed to improving the housing, environmental and economic outcomes for those who live on the St Raphael's Estate. The Council is aware from both the feedback and from its own knowledge of the Estate that there are environmental, safety and socio-economic issues for St Raphael's. For example, the Community Profile for St Raphael's identifies some specific challenges for its residents:

- 38% of children are living in poverty in St Raphael's compared with 19% across England
- 25% of people have no qualifications in St Raphael's compared with 22% across England, 18% in London and 19% in Brent
- 27% are in full time employment compared with 39% across England, 40% in London and 36% in Brent

- 3.14 The Council also knows that there are other issues.

- St Raphael's is identified as having a low PTAL (public transport accessibility level), and only 56% of households have a car (compared to 74% nationally).
- The nature of the roads and river surrounding St Raphael's can make it feel isolated even although it is relatively close to Wembley, which is exacerbated by the limited retail offer on the Estate.
- There are also issues in regards to the air quality and noise from the North Circular. The parts of the estate immediately beside the North Circular have high poorer air quality (65-90 NO₂ (ug/m³) – reducing down to <30 NO₂ (ug/m³) further into the Estate and there are areas which have noise at 65-75 dB (potentially some properties >75 dB) - reducing down to 0-55 dB further into the Estate.

- 3.15 The Council is also aware that personal robbery is a prevalent crime on St Raphael's estate, which increased by 107% from last year, compared to an increase of 52% in the rest of the borough. Also increasing, but to a lesser extent, are assault of wounding/Grievous Bodily Harm (GBH). There is also

recorded gang activity on the estate. The Council's Community Safety and Housing Management teams are working very closely with the Metropolitan Police to try and tackle these issues. However, the design and nature of the estate is likely to be a contributing factor in these crimes.

What do we know about what residents think about St Raphael's

- 3.16 To understand what should be improved the Council needs to understand how people feel about life on the Estate. In addition to the housing customer satisfaction surveys and tenancy audits that are done regularly, we commissioned a specific piece of engagement work through Your Shout over summer 2018 in preparation for this report.

Housing Customer Satisfaction Surveys

- 3.17 The Housing Management service carries out annual customer surveys, and as part of this year's survey, the Council commissioned a larger sample of St Raphael's residents. The number of people contacted across St Raphael's was 118. The survey revealed that residents living on the St Raphael's estate indicate significantly lower than average levels of satisfaction; 65% are satisfied with their neighbourhood as a place to live (74% on average in the borough) and only 55% are satisfied with the overall appearance of their neighbourhood (73% on average in the borough).
- 3.18 The survey also identified a specific range of issues which may be driving those lower levels of satisfaction, including:
- Rubbish or litter – 52% indicate this is a major problem (33% on average across the borough)
 - Disruptive children / teenagers – 47% indicate this is a problem (20% a major problem) - (38% / 12% on average across the borough)
 - Abandoned or burnt out vehicles – 33% indicate this is a problem (11% a major problem) - (21% / 6% on average across the borough)
 - Other crime – 52% indicate this is a problem (28% major problem) – (39% / 14% on average across the borough)

Tenancy Audits

- 3.19 Tenancy verification checks highlighted a number of similar estate and environmental issues. In particular, resident's feedback that anti-social behavior (ASB) is common around the estate with many young people congregating in the communal areas and causing noise nuisance as well as distress for other residents. Residents also told us that to effectively mitigate the ASB incidents caused by the young people on the estate, the Council should invest in enhancing the provision of local facilities for local young people to enable them to exercise their energy in a positive way.

Engagement with the community of St Raphael's over summer 2018 – Your Shout

- 3.20 In addition, because the Council is clear that any decision on the future of the St Raphael's estate cannot be taken until local residents have had their say on

the future of the estate, the Council commissioned 'Your Shout' (a company who undertake community consultation for the built environment) to carry out conversations on St Raphael's in August and early September 2018. The aim was to get an initial view on the issues on the estate to feed into this report. Your Shout:

- visited the estate on four occasions to speak to local residents, businesses, shop owners etc
- held two drop in sessions,
- had 5 meetings with specific groups/organisations
- 112 people completed the 'We want your views' paper survey, and
- 112 people completed the 'about you' survey.
- 1 person got in touch to leave their feedback over the phone.
- 3 people emailed their feedback.
- 49 people attended the drop in sessions (these people were part of the 112 people who completed the paper survey).
- 8 people completed the online survey.

3.21 This is the very start of the Councils engagement. Given the size of St Raphael's this is a limited sample size, and is not representative. As with all communities, contrary and mixed perceptions exist and we will ensure meaningful engagement opportunities for as many people as possible exist at the next stage including ensuring comprehensive representation of community groups.

3.22 What is clear from the responses was that there were a range of issues raised including environmental, social and physical issues. The report identified a number of things which were liked and disliked about St Raphael's and what the community would like to see improved. Some aspects were both liked and disliked. Below are some infographics taken from the report. The feedback will provide a foundation for the Council to build upon for future engagement.

Question 6: What do you like most about St Raphael's Estate?

Most liked



Neighbours/Community



Greenspace



Transportation



Quiet



Access to shops



Nothing



Question 7: Is there anything you dislike about St Raphael's Estate?

Most disliked



Crime/drugs/gangs



Generally unclean



Lack of parking/traffic



Parks not looked after



Nowhere for kids to play



Bin area dirty



Noise



Feels unsafe



Fly tipping



Street lights do not work



Question 8 + 9:
 What would you like to see improved about St Raphael's Estate?
 Any other feedback, or suggestions, you would like to give us?



- 3.23 Within the Your Shout feedback there are some real positives such as people like their neighbours/ community; the green space, the transportation (despite the objectively measured issues such as low PTAL), the quiet and access to shops.
- 3.24 However, as shown in the Your Shout feedback there are a range of issues particularly linked to public realm and security which are - crime/drug/gangs, generally unclean, lack of parking/traffic, parks not looked after, nowhere for kids to play, bin area dirty, noise, feels unsafe, fly tipping and street lights do not work. Respondents also said that they would also like to see safety and the public realm improved being – facilities for youth, parks/greenspace, CCTV/security/patrols, upkeep/modernise, the bin area, parking and pavement/roads. Similar issues are also seen in the Housing Customer Satisfaction Survey.
- 3.25 A number of the above issues are being addressed through our day to day neighbourhood services arrangements. However, the current design of the estate and other socio-economic issues means that to make a real difference might require a longer term and more radical solution.
- 3.26 The Council understands that redeveloping an estate embodies more than the development of new homes and amenities. It can breathe new life into the community by addressing issues that are giving concern to residents, such as overcrowded living conditions, providing young people with a learning environment, designing out crime and enhancing residents' general wellbeing.
- 3.27 These should be supplemented by improving the employability of local residents, removing barriers to prosperity and improving skills and life chances,

whilst fostering community cohesion. These objectives will help revitalise and achieve a more sustainable community, and build upon the good work which is already taking place on the Estate

4.0 Housing Need in Brent

Housing Need

- 4.1 There is a housing crisis in London, the scale of which in Brent is set out below.
- 4.2 The West London Alliance Strategic Housing Market Assessment (SHMA) was produced in August 2018 and concluded that there are 12,200 households currently in affordable housing need in Brent who are unable to afford their own housing. This is the broadest definition of need. Of these households:
- 3,657 currently occupy affordable housing that does not meet the households' current needs, mainly due to overcrowding (this would include the 221 households already identified in this report on the St Raphael's estate)
 - 2,331 households who would be described as concealed, young persons and/or couples living with family when they would prefer to move out for example, and two couples sharing what is normally a single family home
 - 6,212 households who are currently in accommodation they either cannot or are struggling to afford.
- 4.3 As at 25 September 2018, there were 3,504 households in priority Bands A-C on the Council's Housing Register. Bands A-C highlight the numbers of households in the most acute need. They are the households that are eligible to bid for Council housing. A further 17,669 are in Band D, who are deemed to be in need, but less need, for example, the 221 households on St Raphael's who lack one bedroom.
- 4.4 The number of households in Temporary Accommodation (TA) is a sub-set of Band A-C. In September 2018, there were 2,421 homeless households living in TA.
- 4.5 The highest demand is for two and three bedroom houses and, for families in Band C, this means an average wait of 9 and 16 years respectively. There are over 450 families in Bands A-C requiring a 4 bedroom property or larger and, for families in Band C, this is a wait of 18 years.
- 4.6 Demand for social housing by far exceeds supply and is the reason for these long waits. In the 12 month period between 1 April 2017 to 31 March 2018, only 618 units of social housing have become available for allocation, and nearly half of them (270 units) were 1 bed properties. The number of family sized properties that were let were as follows; 193 units were 2 bed, 106 units were 3 bed, 44 units were 4 bed, 1 unit was a 5 bed property and finally 4 units were 6 bed properties.
- 4.7 The fundamental point is that there is not enough social housing, and the housing which is available in the private sector is becoming more expensive and unaffordable to many people.

Meeting Housing Demand – Housing Supply

- 4.8 The Council is very aware of these challenges. They are clearly set out in its Housing Strategy, its Regeneration Strategy and the Borough Plan 2019-2023. The supply of new housing is a huge challenge that requires the Council and partners to look at every opportunity and every delivery route to increase the supply of affordable new homes. The draft London Plan sets Brent a target of 29,150 new homes over the period 2019/20 to 2028/29 of which the Strategic Target for affordable housing is 50% (14,575)
- 4.9 The Housing Strategy and now the Borough Plan 2019-2023 outline the Council's commitment to tackling this challenge, specifically the commitment is to deliver 5,000 new affordable, good quality homes with decent space provision to high safety standards in the next five years, including:
- Improving relationships with local housing associations so that they can contribute to this target
 - Building 1,000 of these homes directly, and
 - Aiming to ensure that 50% of housing built in Brent is affordable.
- 4.10 Underpinning this objective is a clear plan which will:
- Increase Council house building and other affordable supply through I4B. As part of this, the Council has recently put together a plan to deliver 1,000 new homes within the next three years. This plan underpins the Council's bid for additional borrowing capacity and grant funding from the GLA.
 - Transform the way we work with Housing Associations to maximise their delivery in the Borough, and
 - Working with private developers to ensure wherever possible the affordable housing they deliver meets the needs of Brent residents.
- 4.11 Although this is a significant commitment, underpinned by a clear delivery plan, even if the Council delivers these numbers, there will still be a significant gap as described in the previous section. The Council therefore has to look at options that are capable of delivering additional significant numbers.
- 4.12 St Raphael's estate was built when land was in abundance and therefore the build density is low. This presents an opportunity, for the Council to consider what options are available to maximise housing supply on the estate. By doing so, the Council can start to address the housing needs on the estate, as demonstrated above. Initial indications are that, with careful planning and support of residents on the estate, redevelopment options could produce significantly more homes, of the right size and which are genuinely affordable, than the current residents of the estate require.

Meeting wider demands - improving the socio-economic outcomes for tenants and the community

- 4.13 Physical regeneration, in itself, does not and cannot eradicate the wider socio-economic issues evidenced above and identified through the wider engagement with the local community above. However physical regeneration can provide the opportunity to deliver a wider and more far reaching solution to intractable issues and can address poor design of the physical environment which can make these issues more difficult to manage. It can also be used to fund and provide additional and renewed infrastructure that will enable the local

community to become involved in the self-management of the estate in which they live.

- 4.14 The Council has a successful track record of regenerating its own estates and encouraging similar approaches with Housing Associations located within the Borough. Barham Park Estate is a recently completed regeneration programme which has delivered new homes, retail and community space in an area previously recognised as having similar ASB issues to that which exist on St. Raphael's. South Kilburn is recognised as an exemplar regeneration programme delivering a new mixed neighbourhood and delivering not only new homes but also an infrastructure and public realm which addresses the entrenched problems experienced on this estate for a number of years. The Council works with external agencies such as South Kilburn Trust and the Council's own Employment, Skills & Enterprise Team to address some of the "soft" regeneration issues.
- 4.15 St. Raphael's is an opportunity for the Council to utilise its experience of these successful estate regeneration issues, subject to community support, to bring forward solutions for the issues identified through a mixture of "soft and physical regeneration.
- 4.16 A redevelopment of St Raphael's would include placemaking and the inclusion/improvement of the infrastructure which the community needs to thrive, including making the best use of the greenspaces. For example it would be better to have greenspaces which are seen as being safe and overlooked so that they are well used and enjoyed by the residents of the estate.

5.0 Options to respond to this initial Tenant Engagement and Feedback

- 5.1 Any form of change inevitably and understandably introduces a certain level of concern and consequently it is often the default option of no change that is automatically selected. People naturally prefer the known as opposed to the unknown even when they are aware of imperfections in the current situation.
- 5.2 Therefore before any organisation embarks upon change it should have a rationale for so doing. In the case of an intervention in a residential estate such as St. Raphael's it is important to set out the ultimate goals for this engagement.
- 5.3 In summary the tenants and residents of St. Raphael's Estate have stated that there are good things about living on the Estate, but the Council recognises that there are problems affecting residents on the estate which include, overcrowding, future investment in the Council's housing stock, public realm issues and safety. In response to this, the Council is committed to improve the housing, environment and economic outcomes for those who live on the St Raphael's Estate. It should also be recognised that this may also be an opportunity for the Council to be able to deliver more homes for the borough through the better utilisation of one of its larger Council owned estates which has not been subject to any form of significant physical intervention since original build.

Options Appraisal

5.4 Set out below are the two options which would address the issues identified on the estate. The option which is eventually selected could be a variant of the two set out below. The further views of local residents and the financial impact of each option will need to be assessed and will influence the eventual outcome alongside a ballot. It is important to note that the options will require the inclusion of private for sale homes in order to provide funding for the re-provision and increase in social housing. These homes will however be built and sold by the Council and its Partners i.e. Peabody Trust and Network Homes as opposed to private developers, therefore any surplus profit goes to social housing. The council does not believe that remaining with the current status quo is an option, due to the issues which have been set out above which the Council is seeking to tackle.

1. **Refurbishment with Limited New Build**– This option would retain but increase the height of the existing blocks but could also possibly add new blocks on available land as in-fill to the existing estate. This option would not likely to be able to deliver the best outcomes for St Raphael’s that a re-development could as it would eat into and not re-provide greenspace. It would not facilitate the re-provision of better community facilities.
2. **Re-development** - This option would be the most radical and would likely involve the re-modelling of the estate and also increase the overall numbers of homes located on the Estate and at the same time, address the socio-economic issues affecting residents on the estate through improvements to the infrastructure on the estate. This would require a ballot

Proposed Route to Developing the option(s)

5.5 To reach a decision on either option the Council will need to have a full engagement and consultation process with tenants and the local community, including ensuring a comprehensive representation of community groups. The intention is to employ an agency which will act as Independent Adviser to the tenants and other residents, who would work with residents on these options, with a view to assisting them in arriving at a preferred option. We would support residents to set up a tenants and residents’ board, as part of the governance structure for this specific purpose. We would envisage that this would be a Tenants/Residents/Stakeholders Board with an agreed terms of reference, which initially could draw from an existing group on the Estate. This Board would then be fully involved in the decision making process for St Raphael’s.

5.6 As well as the engagement of an independent Tenant & Resident Adviser the Council would seek to initially engage a Design masterplanner and cost consultant to review the impact of the options. Clearly this would be “At Risk” work for the Council as the end option is unknown. However, to address the fear of the unknown it is suggested that this would be helpful in providing tenants and residents with a clearer understanding of what could be achieved. For example, there is an opportunity to investigate the feasibility of remediating part of the open space on the Estate which secured, a now lapsed, approved planning application to build a block of flats on an area within the estate. This

could potentially serve both as an example of what the homes on the estate may look like in the future but also enable the Council to meet some immediate housing needs on the estate.

- 5.7 The options above are similar in that they both would require further professional input from a range of consultants. For the purposes of this report as the second option is clearly the most interventionist of the two, this report goes on to set out how this could be approached in order to ensure tenants and residents have the appropriate amount of information in order to make an informed choice/vote.

Guiding Principles for Any Future Redevelopment

- 5.8 Any change is bound to create a sense of uncertainty as such the Council would establish in conjunction with the Tenants/Residents/Stakeholders board guiding principles which will inform the work undertaken to review options. This will be informed by the financial plan of the options as the guiding principles will need to be financially viable. Out of the development of the options Brent Council will develop an Offer to Tenants and Residents based upon the Mayor of London's Guidance on Good Estate Regeneration and the Council's own exemplar offer to South Kilburn, which goes beyond the Mayor's guidance, depending on the option chosen.
- 5.9 These guiding principles could include the offer which would be made to our secure tenants, as well as those who are leaseholders on the Estate. The Council would expect to not only maintain but increase the amount of social housing on the Estate, with all secure tenants having the opportunity of a new home of the right size on the Estate if their current home is redeveloped. The increase in social housing would enable people to move into the estate from temporary accommodation. The Council would need to consider if there would be the need to have temporary moves to facilitate any development. The principles would also set out the expected amount of other forms of affordable housing, along with improved infrastructure to be delivered. This could include the better use of the greenspaces to meet the needs of the community.

Next Steps

- 5.10 Members will need to be aware of the steps that officers will need to take in order to ensure that the local community is able to make an informed choice and for a ballot to take place at the appropriate time.
- 5.11 The section below outlines the actions that will need to take place following this report, if approved. As Option 2 is the more radical proposal the next steps below focus on this outcome, and will be pursued up until the point of the outcome of an estate ballot. Option 1, however, would not likely require a ballot as it would not involve demolition of existing residential units.

Step 1 - Community Involvement

- 5.12 It is envisaged that this work will take a tenant, community and Council partnership approach.

- 5.13 Governance arrangements would be set up to ensure that tenants and the community were formally engaged in this process and are at the forefront of decision-making. It is a priority that engagement with residents and the local community is meaningful and inclusive, so that they are an integral part of the decision making process. We would envisage that this would be a Tenants/Residents/Stakeholders Board with an agreed terms of reference, which initially could be drawn from an existing group on the Estate. This Board would then be involved in the decision making process for St Raphael's

Step 2 - Masterplan and Consultation

- 5.14 External Consultants will need to be engaged to review the options for St Raphael's which could lead to the development of a Masterplan for the Estate. This would include comprehensive consultation and engagement with all of the community.
- 5.15 Cabinet is asked to provide delegated authority to the Strategic Director of Community Well-being in consultation with the Lead Member for Housing and Welfare Reform for the award of contract for a Multi-disciplinary Design Team and other key consultants as required including cost consultants. As discussed above, this would be "At Risk" work for the Council. Step 2 will be concurrently run alongside step 3.

Step 3 - Partnership Arrangements

- 5.16 Whilst this would remain a Council led proposal, with the Council retaining the lead role in the design and planning stages (and maintaining its overall ownership of the estate), it is believed that it should be possible to streamline the procurement and appointment process by an early engagement with key partners. This could lead to speeding up delivery, offering access to finance and creating a more balanced estate than one which is a mono-tenure Council managed estate. Whilst the South Kilburn model has worked through the Council engaging with delivery partners to deliver and manage new private and affordable housing, on St Raphael's the Council will seek to explore with its partners and Council wholly owned companies such as I4B and First Wave Housing, to be able to deliver/manage private sale or market rent housing products, as well as retention of social housing by the Council alongside Network Homes and Peabody Trust.
- 5.17 The two partners that the Council would like to start engagement with are Network Homes and the Peabody Trust. Within the Estate there is a small block owned by Network Homes. It is therefore sensible to seek the involvement of a partner such as Network Homes, who also have extensive experience of estate regeneration and are a large landlord operating within the Borough. Similarly, an organisation such as the Peabody Trust would bring experience, finances and a pipeline of new homes, which will be open to residents of St Raphael's to move into. They have recently expressed an interest in becoming more active in the Borough and are seen as a good fit with the Council's ethos as they promote social rent as an option within their suite of tenures.
- 5.18 Apart from owning homes on the estate and/or sharing the Council's ethos of promoting social rent, Network Homes and Peabody Trust have notable resources and substantial technical and development expertise that the Council

does not currently have. They are both members of the G15 (15 largest Housing Associations in London), which is an indication of their strengths, capabilities and commitment to building more social housing. Network Homes and Peabody Trust could utilise their existing or future housing, where possible, to assist with rehousing residents who may wish to move away from St Raphael's.

- 5.19 Introducing acceptable partners into the regeneration scheme would not only help to speed up the delivery phase and provide financial assistance it would have the added benefit of creating a more balanced estate than one which is a mono-tenure Council managed estate. At this time the proposal would be that a partnership would be with social housing providers.
- 5.20 Early indications are that the GLA would be interested in engaging on any proposals to re-develop St. Raphael's. It is proposed that they would be invited to be a part of any Steering Group/ Board eventually established.

Step 4 - Estates Ballot

- 5.21 An Estate Ballot would be required for option 2. A Resident Ballot Requirement (RBR) on projects involving delivery of 150 or more new homes where GLA funding is provided came into effect from 18th July 2018. The Council is committed to following the Mayor of London's requirements.
- 5.22 The area to be included as part of an estate regeneration or for the ballot will be developed as part of the Masterplan work.

Step 5 – Planning

- 5.23 This report proposes that a Masterplan will be developed for St Raphael's. The Design Team would also work on an outline planning permission for the Estate, with a detailed planning application for a first phase which could be submitted for planning should there be a positive ballot outcome.
- 5.24 It is important that potential estate regeneration at St Raphael's features in the emerging Local Plan as this is the main document used to decide planning applications. The emerging Local Plan can provide a supportive and positive framework for estate regeneration, which in consultation with local residents, will be examined independently and will provide certainty for the Council, residents and any partner organisations as a statutory document. This would not, however, override the outcome of any estate ballot on regeneration.

Summary of High Level Timescales

- 5.25 Should there be approval to proceed, officers would expect to complete a Masterplan within approximately 10 months. A ballot would then be expected to take a further 14 weeks (the table below sets this out). In order to develop the Masterplan work, governance arrangements with tenants and the local community would need to be established early. As part of the Design Team, or as separate engagements, there would be a specific role for a consultant(s) who would set out a programme for consultation and engagement, including setting in place the governance arrangements.

	1-35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56
Appointment of an independent body		█	█	█	█	█	█	█	█													
Completion of Masterplan Work									█													
Landlord Offer Completed									█													
Residents register to vote										█	█	█	█	█	█							
Preparation of consultation material												█	█	█	█							
Consultation																█	█	█				
Voting Period (including 1 election day)																			█	█	█	
Result																						█

6.0 Financial Implications

- 6.1 The consultation described with tenants and the community and the engagement of the necessary specialist advisers to help develop and draw up more detailed proposals can be managed within the existing budget. This will include a design team and similar advisers used to co-designing options and proposals in collaboration with residents, as set out in the report, and legal and financial advisers and so on.
- 6.2 Developing proposals to a sufficient point that a well-informed ballot can be held requires the council to commit financial and other resources. This investment will be at risk: if the eventual result of a ballot is not to proceed with the proposed regeneration then it will not be possible to recoup it. It is reasonable for the council to commit funds in this manner, as it would not otherwise be possible to develop proposals to address what the report has identified as a pressing policy priority.
- 6.3 The total cost of the development of the estate, if it does in time proceed, cannot reasonably be forecast at this stage. The consultation process now proposed will impact significantly on the eventual proposals and hence costs.
- 6.4 However, the underpinning fiscal principle for the financing of the scheme should be that it is self-financing, along the same lines as used in South Kilburn. In general terms, although the detail will need to be worked up as part of the consultation, this means that the council would fund the initial and upfront costs, recouping them over time through receipts from sales of those units developed for private sale, thereby cross-subsidising the costs of building more social and affordable units. The Council would also seek grant where possible.
- 6.5 This is essentially the model that a private developer would use, with the fundamental difference that the council would not seek a profit element as a private developer would do. The contributions of the partners described in this report would also need to be factored into the financial model.
- 6.6 The gross costs of either scheme cannot be known at this point, not least because the consultation processes described in this report would impact significantly on the planning and design proposals and hence costs. However, it is evident that regeneration on the scale proposed would be a very substantial financial proposition indeed, and one beyond the council's ability to finance

without some mechanism to recycle the capital receipts from sales. As an illustration, for every £100m of gross costs of all the necessary construction and other works the approximate annual revenue cost of debt servicing and repayment of the principal would be of the order of say £5m. The actual gross cost of the scheme cannot yet be known, but could easily be several times the £100m illustrated above.

- 6.7 Financially, it is therefore evident that private sales will need to be generated in order to finance and cross-subsidise the council's policy objectives of increasing the supply of social and affordable housing.

7.0 Legal Implications

- 7.1 Section 105 of the Housing Act 1985 makes it a requirement for the Council as landlord to consult with those tenants who are likely to be substantially affected by matters of housing management. The terms of section 105 of the 1985 Act provide that matters of improvement and demolition is a matter of housing management.

- 7.2 When authorising the progress of a regeneration scheme following a successful ballot outcome, the Council will also require Cabinet approval to apply to the Secretary of State to enable the Council to obtain vacant possession of properties subject to secure tenancies by relying on Ground 10A of Schedule 2 to the Housing Act 1985 when applying to the Court for possession of such properties. Consideration will need to be given as to whether the Council will allow an option to obtain possession of such properties by making a compulsory purchase order.

- 7.3 The Mayor of London gave his approval on 18 July 2018 to introduce the funding condition in relation to the Resident Ballot Requirement by updating the GLA's Affordable Housing Capital Funding Guide, which contains the rules and procedures for GLA investment partners that use funding from the GLA to provide affordable housing. The funding condition requires resident ballots to be undertaken in strategic estate regeneration projects involving any demolition where GLA funding is sought. It also states that any GLA funding that is used in significant estate regeneration projects involving any demolition should be conditional on recipients of funding providing evidence that a positive vote through a ballot of eligible residents has been secured. The Mayor for London has confirmed that some aspects of the funding condition will require the GLA to exercise discretion, including when considering applications for exemption from the Resident Ballot Requirement for estate regeneration projects. It is not envisaged that an application for exemption from the Resident Ballot Programme will be sent to the GLA by Brent Council in respect of the forthcoming regeneration of the St Raphael's Estate.

- 7.4 In regard to any potential Strategic Partnership with other public sector party/developer, whilst each case must be judged on its merits, the Council has previously received Counsel's advice that provided the arrangement with the public sector body is structured in such a way as to properly fall within Regulation 12(7) of the Public Contracts Regulations 2015 (contracts which establish or implement co-operation between contracting authorities) there is no award of a public contract and thus no requirement under the Public Contracts Regulations 2015 to advertise or conduct a competition for the

selection of the public sector body partner. Both Network Homes and Peabody Trust have confirmed that they are classed as a contracting authorities.

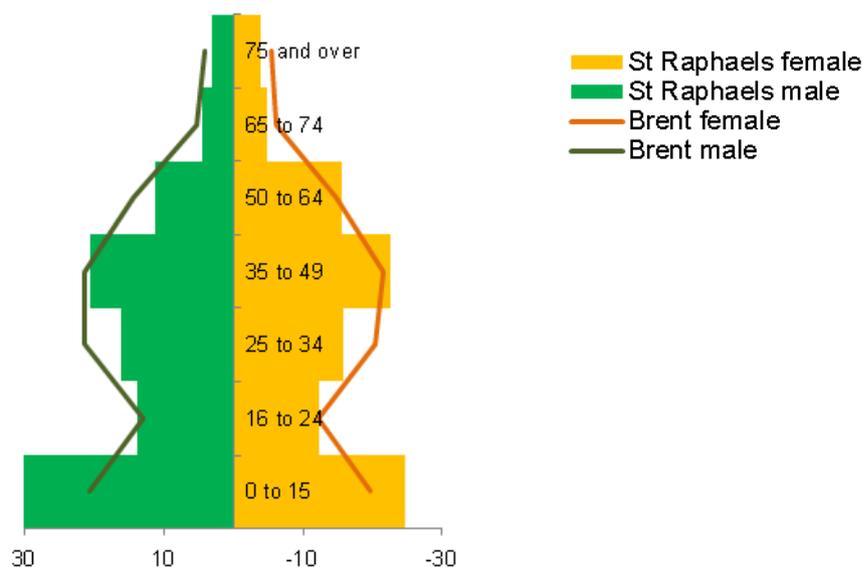
7.5 The recommendations contained within this report will require the procurement of a range of consultancy contracts e.g. procurement of the multi-disciplinary design team. Officers will need to observe the requirements of Contract Standing Orders and Financial Regulations in their procurement and award, to include ensuring that where it is proposed to use frameworks, their use is confirmed to be legally permissible. It is likely that all such contracts can be procured and awarded using powers delegated under Part 3 of the Constitution although it will be noted in Recommendation 2.2 that Officers would intend to seek specific Cabinet delegation to the Strategic Director of Community Well-being in consultation with the Lead Member for Housing and Welfare Reform for the award of contract for the multi-disciplinary design team and other key consultants.

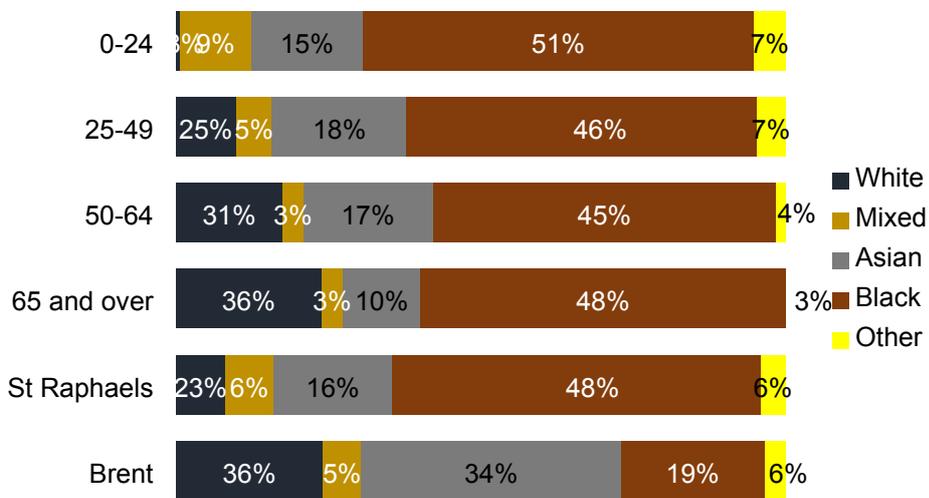
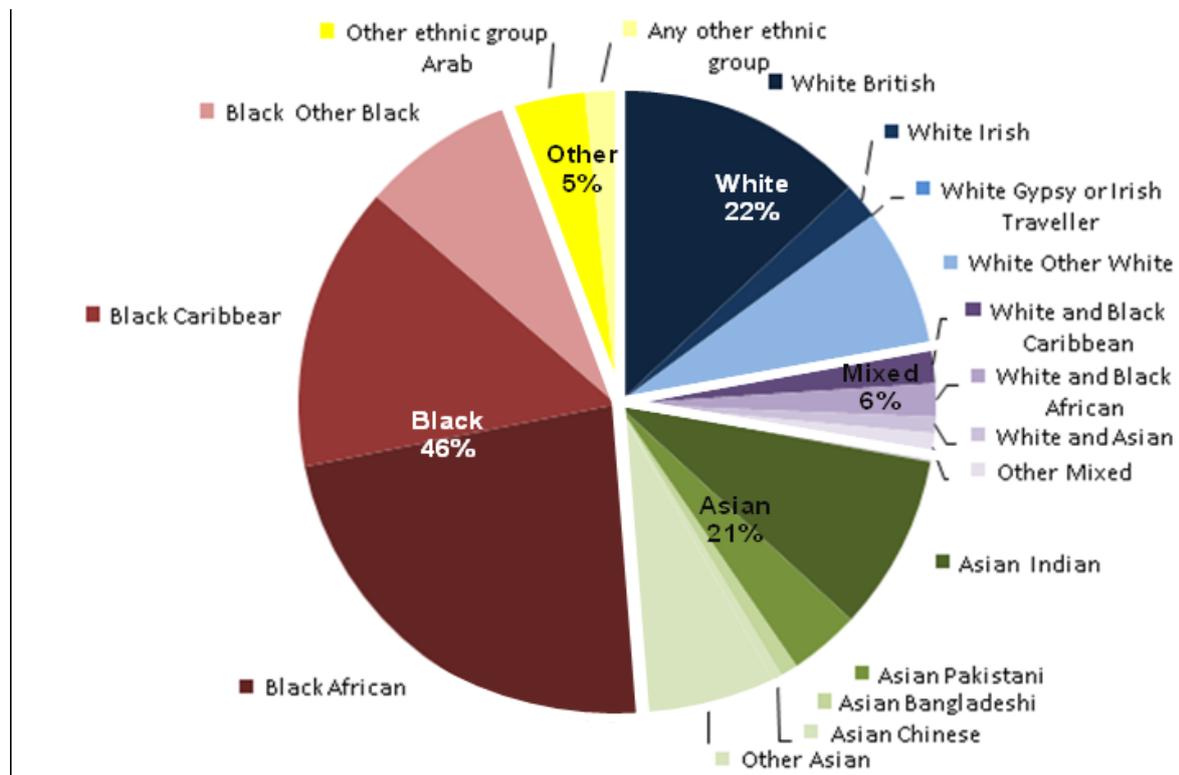
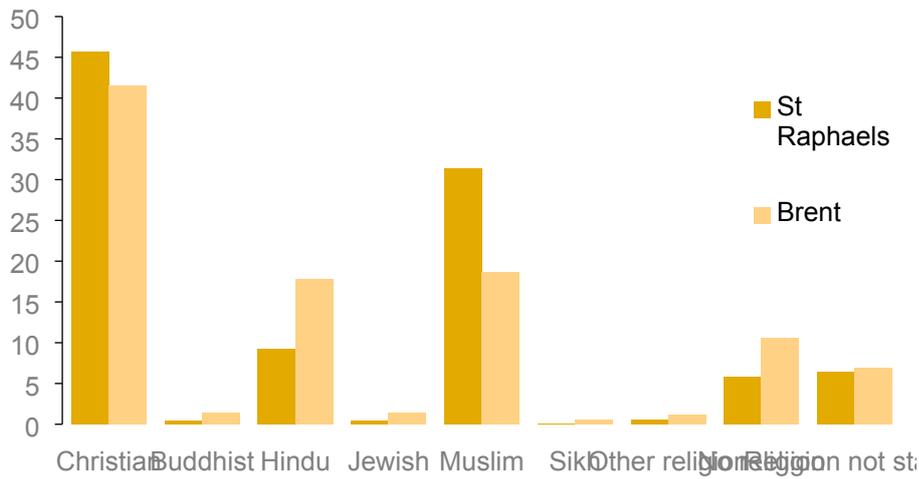
7.6 The legislative framework that governs the process of review for the Local Plan is contained within the Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Planning) England Regulations 2012.

8.0 Equality Implications

8.1 The Public Sector Equality Duty means we have to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity for those with protected characteristics, and foster good relations between those with and without protected characteristics.

8.2 The following demographic data is extracted from the 2011 census, from LSOAs approximately coinciding with the boundaries of the St Raphael's area.





Ethnic profile by age above

8.3 An initial equality analysis has been undertaken (appendix 2). As options develop this will be reviewed and will take an iterative approach as plans develop. The guiding principles and the Offer to Tenants and Residents will also need to be considered in the equality analysis.

8.4 A base line of current empirical data should be developed which could then be used in the future to test the success of the preferred option.

9.0 Consultation with Ward Members and Stakeholders

9.1 Consultation with the Lead Member for Housing and Welfare Reform and Ward Councillors has taken place. Officers and the lead Cabinet Member have met the Ward Members as well as the Ward Councillors being invited to participate in the St Raphael's Conversation, with Councillors meeting with Your Shout.

9.2 Section 3 above details engagement to date with residents and stakeholders on St Raphael's. Stakeholders were invited to participate in the St Raphael's Conversation (undertaken by Your Shout).

10.0 Human Resources/Property Implications

10.1 Depending on the option, a new staffing complement would be required to take forward the regeneration.

10.2 It is envisaged that any internal team established will be made up of dedicated Estate Regeneration officers working alongside officers from Housing, Planning, Transport, Finance and Legal Services. Also likely to be required will be external consultancy support e.g. legal, cost consultant, technical land and building specialists. Departments would need to provide an identified time resource to this programme with named officers. This is in addition to a Full Design Team.

Report sign off:

PHIL PORTER

Strategic Director of Community Wellbeing