 Brent	Cabinet 15th July 2019
	Report from Amar Dave, Strategic Director of Regeneration & Environment
Ballot Proposals for South Kilburn Estate	

Wards Affected:	Kilburn
Key or Non-Key Decision:	Yes
Open or Part/Fully Exempt:	Open
No. of Appendices:	Two Appendix 1: Eligible Residents Appendix 2: Draft Landlord Offer
Background Papers:	None
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1. Purpose

- 1.1. In line with the GLA guidelines, Brent Council supports resident ballots in areas of regeneration, in this case South Kilburn. The development in South Kilburn has been ongoing since 2004, and has several more years remaining on the programme.
- 1.2. This paper proposes the following question to be put to residents of South Kilburn via a ballot:

Are you in favour of the proposal to continue with the regeneration of South Kilburn?

YES / NO

- 1.3. 17 remaining blocks due to be demolished are included within the ballot. There are circa 1,000 eligible voters within these blocks. More information on eligible voters is set out in section 5.1-5.4.
- 1.4. The ballot must take place within six months of the Landlord Offer being published.

2. Recommendations

- 2.1. Cabinet agree that a ballot in South Kilburn will take place.
- 2.2. Cabinet agree that the voters in the South Kilburn ballot are the circa 1,000 residents from the remaining 17 blocks due for demolition, that also meet the eligibility criteria set by the GLA.
- 2.3. Cabinet agree the following ballot question, subject to written approval from the Independent Body, Electoral Reform Services;

Are you in favour of the proposal to continue with the regeneration of South Kilburn?

YES / NO

- 2.4. Cabinet agree to delegate authority to the Chief Executive in consultation with the Lead Member for Regeneration, Property and Planning and the Lead Member for Housing and Welfare Reform to agree and finalise the question if not agreed at paragraph 2.3 above or if not approved in writing as set out in paragraph 2.3 by the Independent Body, Electoral Reform Services.
- 2.5. Cabinet agree to delegate authority to the Chief Executive in consultation with the Lead Member for Regeneration, Property and Planning and the Lead Member for Housing and Welfare Reform to finalise, circulate and publish to eligible resident voters the Landlord Offer document which will be the subject of the South Kilburn ballot.
- 2.6. Cabinet agree to delegate authority to the Chief Executive in consultation with the Lead Member for Regeneration, Property and Planning and the Lead Member for Housing and Welfare Reform to agree the dates of the ballot. The intention is for the ballot to take place 3 months following the effective date of Cabinet approval.

- 2.7. Cabinet agree to delegate authority to the Chief Executive in consultation with the Lead Member for Regeneration, Property and Planning and the Lead Member for Housing and Welfare Reform to agree the voting methods for the ballot.

3. Details of the Ballot

- 3.1. In accordance with the GLA's Affordable Housing Capital Funding Guide, local authorities must ask all residents whose homes will be demolished for their approval to re-develop an area of council housing. This will take place in the form of a resident ballot of South Kilburn, where residents will be directly asked whether they want to continue the regeneration of the area.
- 3.2. Officers have worked with the GLA, who support Brent Council's plans for the ballot.
- 3.3. In order to ensure the ballot is conducted in a fair and democratic way, the Council have engaged the Electoral Reform Services (ERS) to oversee the process. They have provided expert guidance and examples of best practice to ensure this ballot is carried out in the correct manner and the ERS have been consulted at every key milestone.

4. Timings of the Ballot

- 4.1. The ballot will run over a three-week period. The three-week period is a requirement from the GLA in order to receive grant funding, and must take place within six months of the Landlord Offer being published.
- 4.2. Communications with residents will begin following the effective date of Cabinet approval of the ballot.
- 4.3. The intention is for the ballot to take place 3 months from that time.

5. Voter Eligibility

- 5.1. Eligible residents for voting in the ballot are:
 - 5.1.1. Council Tenants. This includes those with secure, assured, flexible or introductory tenancies named as a tenant on a tenant agreement, dated on or before the date the Landlord Offer is published. There are 742 (71%) council tenants eligible to vote.
 - 5.1.2. Households in Temporary Accommodation. There are 235 Households in Temporary Accommodation, making up 23% of the estate.
 - 5.1.3. Leaseholder Occupiers. Those who have been living in their properties as their only or principle home for at least one year prior to the Landlord Offer is published and are named on the lease title for their property. There is a total of 56 (5%) Leaseholder Occupiers on the estate.

- 5.1.4. Leaseholder Investors Tenants. The occupying tenants will be able to vote in the ballot if they are on the Council Housing Waiting List. There are currently 10 (1%).
- 5.1.5. For the purposes of the ballot if a tenancy or lease title is in more than 1 name, all will be eligible to vote.
- 5.2. There are circa 1,000 eligible voters within the proposed ballot area. The proposed residential blocks included within this ballot are detailed in **Appendix 1**. There are 17 remaining blocks in South Kilburn that are due to be demolished and redeveloped. All will be balloted.
- 5.3. Following discussions with the GLA, the following sites are exempt as they have already secured planning permission; Gloucester & Durham, Peel, Cullen House/Queens Park and Chippenham Gardens.

6. Landlord offer

- 6.1. The Landlord Offer document sets out the Council's commitment to tenants and leaseholders in South Kilburn. It covers the housing needs assessment process, compensation packages, housing options as well as overall delivery objectives for South Kilburn. The GLA's Affordable Housing Capital Funding Guide sets out the detail as to what the landlord document should contain, including the following as a minimum:
- The question that will be put to eligible residents in the ballot
 - The timing of the ballot
 - The different ways in which eligible residents may cast their vote in the ballot details of when the results of the ballot will be announced
 - Details of how the ballot will be undertaken by an Independent Body and
 - Contact details for further advice and guidance on any issues related to the strategic estate regeneration project and/or the ballot.

Some detail on the Housing Options is set out as below:

6.2. Council Tenant and Temporary Accommodation Rehousing options:

Council Tenants, and those in temporary accommodation, will be offered:

- A new home on the estate, or a move to another council home elsewhere if preferred
- A £6,800 home loss and disturbance payment when they move
- Removals and other reasonable moving expenses
- A home that is the right size for their needs
- A home adapted to their needs if they have a disability
- Choice of kitchen fittings and floorings plus wall paint colour.
- Safe and secure, meeting all current building regulations
- Well insulated and easy to heat

Officers will contact these residents to carry out a needs assessment to confirm any medical needs, change in circumstances, or other preferences. This will occur a year before any scheduled move.

Most residents will only have to move once, although a small number of short term temporary moves may be required for some households. To date, only 3% of tenants from the South Kilburn estate have had to move twice. We will minimise numbers of households affected and length of short-term move, with all having a guarantee of a right to return.

6.3. **Leaseholder options**

Leaseholders will be offered:

- The choice of either selling their home back to the Council and leaving the estate, or buying a new property on the estate, usually on a shared equity basis.
- At least market value for the home purchase plus;
- 10% home loss payment (owner occupiers), or 7.5% home loss payment (owner investors)
- Solicitors and survey fees and other reasonable moving expenses.

In some cases, it may be impossible for the Council to acquire all property interests by agreement in the projected timeframe or at a reasonable cost. The Council may therefore make a Compulsory Purchase Order via the courts in parallel with negotiations to ensure that the regeneration timetable can be met so the Council can continue to deliver much needed new homes.

There are a number of Housing options for leaseholders which will vary in availability dependent on the timing of their move. They include;

Shared Equity: The leaseholder own part of the property, and the Council owns the remaining share. There is no rent to pay.

Existing Council Property Swap: This enables the leaseholder to 'transfer' equity into a void Council social rented unit that is not due for demolition. Any difference in value could be made up by the council.

Shared Ownership: The leaseholder owns part of the property, and pays rent to a housing association on the remaining share.

The leaseholder can increase their ownership percentage over time if desired.

- 6.4. The draft Landlord Offer is attached in full as **Appendix 2**, and will be finalised and formally published after the Cabinet decision.

7. **Ballot Question and Voting Methods**

- 7.1. ERS advise that the question on the ballot paper is preceded by an introductory pre-amble, followed by a non-leading question with a clear and unambiguous meaning.
- 7.2. ERS have agreed orally that the proposed ballot question is framed in a format as set out below;

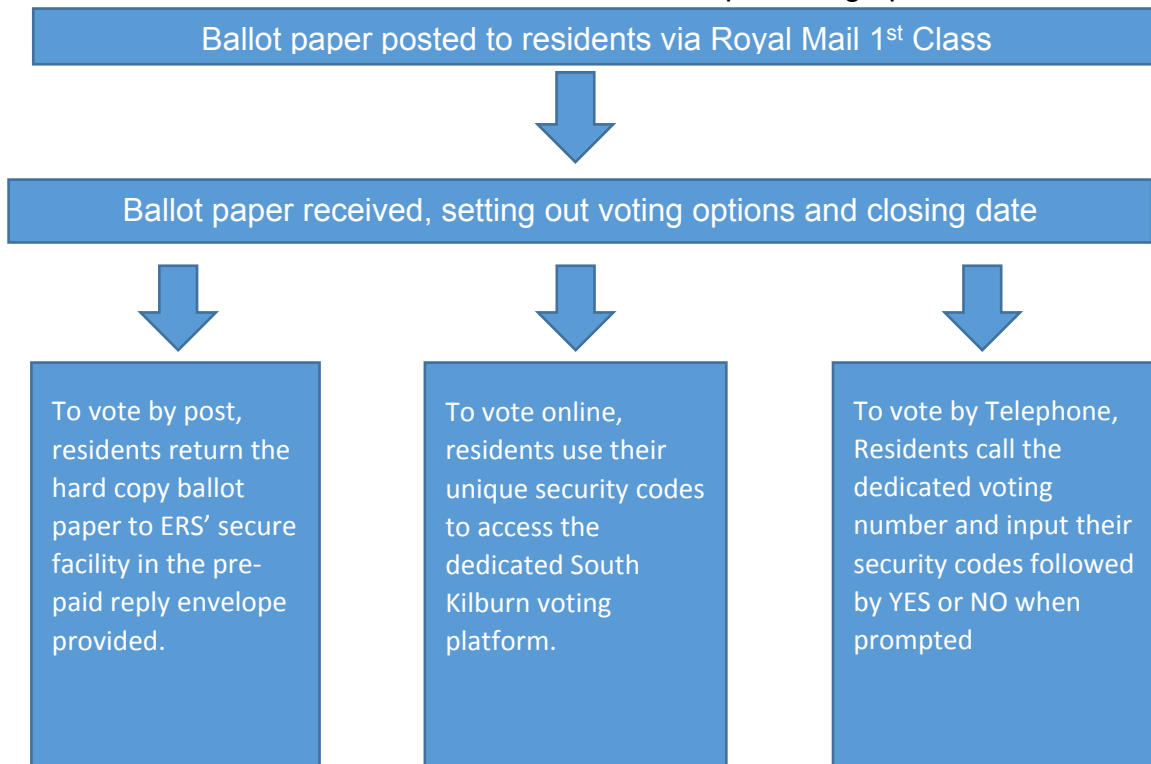
The London Borough of Brent has asked Electoral Reform Services Ltd to conduct this ballot. You should have received a Landlord Offer document recently which provides details of the proposal for the South Kilburn Estate.

It is this proposal you are being asked to vote on below.

Are you in favour of the proposal to continue with the regeneration of South Kilburn?

YES / NO

- 7.3. ERS provide multiple options for those eligible to vote: in person, phone/text, postal, and online.
- 7.4. The below from ERS describe how these multiple voting options will work:



- 7.5. Details of the voting methods to be used for eligible voters will be determined at the same time the ballot dates are announced.

8. Communications Strategy

- 8.1. A comprehensive communications and engagement plan has been developed, to ensure all residents have the required information before the ballot.
- 8.2. Awareness raising will begin from the announcement of the Cabinet's decision, followed by direct engagement. This would begin at an appropriate stage before the ballot, once the dates are confirmed.
- 8.3. As well as Brent's own consultation events, ERS will make contact with residents' mid-way through the ballot as a way to increase engagement.

9. Legal Comments

- 9.1. 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. The GLA will determine whether to apply exemptions on a case-by-case basis with reference to the guidance set out in the funding condition. The guidance sets out five exemptions, which include securing planning permission on or before 18 July 2018.
- 9.2. Details regarding arranging a ballot on proposed estate regeneration projects are set out in section 8 of the GLA's Affordable Housing Capital Funding Guide ("the GLA Guide"). The GLA's Guide states that where the Resident Ballot Requirement applies, "investment partners" (which refers to the Council in the context of the South Kilburn regeneration) are required to:
 - Identify residents that are eligible to vote in the ballot
 - Appoint an Independent Body to undertake the ballot
 - Ensure the principles of resident ballots set out in the guidance are adhered to
 - Produce and publish a Landlord Offer document for residents
 - Prior to claiming grant, complete the GLA Resident Ballot Compliance Checklist in a form satisfactory to the GLA
 - Provide residents and the GLA with regular reports detailing progress they are making towards delivering the Landlord Offer

- 9.3. Section 8 of the GLA's Guide also states what needs to be set out in the Landlord Offer document(s). The GLA's Guide also states that the ballot period must end within six months of the date the Landlord Offer was published. Officers propose that the finalised Landlord Offer should be published pursuant to the recommendation in paragraph 2.5 of this report.
- 9.4. Section 8 of the GLA's Guide also states that the question posed in a ballot must be as unambiguous and direct as possible and compliance with this requirement will be confirmed through the completion of the GLA Resident Ballot Compliance Checklist, which must be signed by the Independent Body, which is Electoral Reform Services.
- 9.5. The proposal for those persons who are currently in temporary accommodation with non-secure tenancies in the proposed ballot area in South Kilburn to bid for a new build property in the South Kilburn programme was subject to consultation as part of the Allocations Scheme review and the Cabinet has made a decision on the revised Allocations Scheme and the changes to the same in July 2019.
- 9.6. The Localism Act 2011 devolved the housing and regeneration functions of the Homes and Communities Agency (now known as Homes England) in Greater London to the Greater London Authority (GLA), including responsibility for housing investment programmes. The GLA is empowered in the Greater London Authority Act 1999, amongst other things, to make grants available for the development and provision of affordable housing. The GLA has power to provide and recover grant funding and where legislation requires, according to such terms and conditions as the GLA considers appropriate and/or principles determined by the GLA. The main types of grant funding are: (i) Financial Assistance payable under section 19(3) of the Housing and Regeneration Act 2008 and (ii) Social Housing Assistance payable under section 19(6) of the Housing and Regeneration Act 2008;

10. Finance Comments

- 10.1. The requirement for a resident ballot (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, however this potentially causes some complications at South Kilburn due to the presence of a large number of Temporary Accommodation residents (TA) occupying various homes on the estate.
- 10.2. On the basis that any future Temporary Accommodation offer is on a par with the offer to existing social tenants (e.g. guaranteed social housing on the South Kilburn estate) the council would need to build approximately 230 additional social housing units and potentially match this with another 200 private units to assist affordability and viability of the South Kilburn Programme.

- 10.3. This offer will require a substantial capital contribution and could significantly alter the financial model for South Kilburn which up until now has been self-financing within the funding envelope generated from on-going land receipts which are reinvested back into the site, to enable the rolling programme of regeneration.
- 10.4. A budget of £100,000 has been allocated for the ballot, coming from the Estate Regeneration revenue reserves.
- 10.5. This amount is being used for various communications strands, resident engagement material, extra internal resourcing, and use of the Electoral Reform Service (ERS) to independently oversee this ballot.
- 10.6. There has been initial commitment of resource from communications, procurement, finance and legal. There will be additional resource needed at the consultation stages comprising a cross departmental project team from Estate Regeneration, Democratic Services, Housing and Communications with other staff added as and when required.

Report sign off:

Amar Dave

Strategic Director of Regeneration
and Environment.