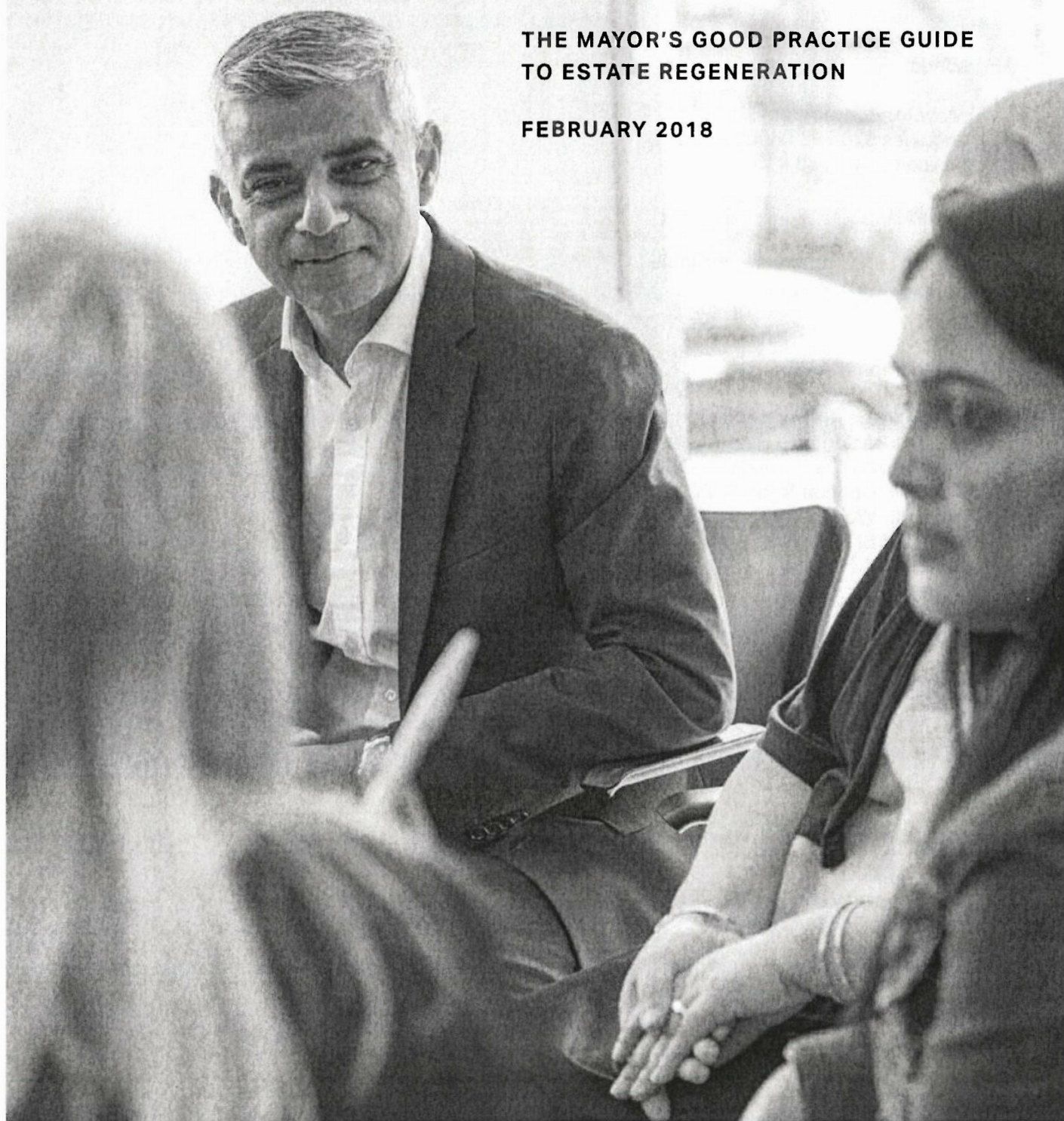


MAYOR OF LONDON

Better homes for local people

**THE MAYOR'S GOOD PRACTICE GUIDE
TO ESTATE REGENERATION**

FEBRUARY 2018



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Foreword

London's social housing, built up over many years, forms the foundation of our mixed city. By offering affordable and secure homes for people on lower incomes, it means Londoners of different means and backgrounds can live alongside each other across the capital.

Social housing has been central to making London the greatest city in the world. And now, genuinely affordable homes are more crucial than ever to making sure it remains a city for all Londoners, after decades during which the capital's jobs and population have grown substantially but new affordable housing has failed to keep pace.

Like many Londoners, I know we must not only protect but increase our social housing, and estate regeneration is a key part of this discussion. When done well, estate regeneration can offer existing tenants and leaseholders better homes, more new and affordable housing, and improvements to the local environment.

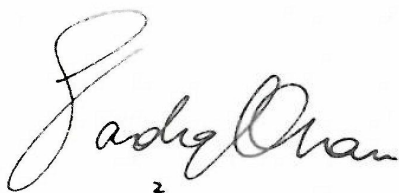
But when done badly, we know estate regeneration can result in disagreement, which can leave residents feeling they have not been properly consulted, social housing being lost, and displaced tenants and leaseholders getting a bad deal.

Although my powers to get involved in estate regeneration are limited, I will do all I can to make sure residents are at the heart of any proposals for regeneration on their estate. I want to support residents and good landlords in developing plans that command widespread support and trust, and that deliver better homes for local people.

That's what this publication sets out to do. Building on my draft good practice guide published at the end of 2016, and extensive consultation last year, *Better Homes for Local People* sets out how I believe plans for estate regeneration should be approached. Importantly, it says how plans that involve the demolition of existing homes should provide an increase in affordable housing, full rights to return or remain for social tenants, and a fair deal for leaseholders and freeholders.

I want the good practice and principles in this guide to be applied on all estate regeneration schemes across London. Where demolition is involved, I intend to use my planning powers, and a new requirement for resident ballots where my funding is involved, to help ensure this is the case.

I want this guide to help residents understand my role as Mayor in the process of estate regeneration, and to support them working together with councils and housing associations to develop regeneration projects that protect affordable housing, improve the quality of homes, and help us build a city for all Londoners.

A handwritten signature in black ink, reading 'Sadiq Khan'. The signature is fluid and cursive, with a small '2' written below the 'Khan' part.

Sadiq Khan
Mayor of London

1. Introduction

London's social housing, built up over many years, forms the foundation of our mixed city. In recent decades, jobs have grown substantially in the capital, but new and affordable housing has failed to keep pace. As a result, genuinely affordable homes are now more crucial than ever to making sure the capital is a city for all Londoners.

The Mayor is committed to building more genuinely affordable homes for Londoners, and to protecting those affordable homes that we already have. These issues are central to discussions over plans for estate regeneration, which the Mayor believes must be developed with residents and deliver better homes for local people.

Although the Mayor's powers to get involved in estate regeneration schemes are limited, he published a draft good practice guide setting out principles for successful schemes in December 2016. This is the first time a Mayor of London has looked to publish such a guide. Following an extensive and wide public consultation on the draft, this final version of the guide will now be adopted as Mayoral policy.

Putting residents at the heart of plans

Estate regeneration is the process of physical renewal of social housing estates through a range of interventions – from refurbishment and intensification, to demolition and rebuilding. Many of London's housing estates have undergone or are undergoing this process, meaning it has come to affect many thousands of Londoners.

When undertaken successfully, estate regeneration can bring genuine benefits to Londoners, with better homes for local people living on the estate, more homes of all tenures, improvements to neighbourhoods, new opportunities for training and employment, and new community facilities.

But alongside these potential benefits, estate regeneration often involves disruption and change to established communities, sometimes over several years, and can result in disagreement between residents and their landlords. Any plan for major changes to a social housing estate needs to be treated carefully and sensitively, and carried out with the close involvement of residents.

The Mayor believes that for estate regeneration to be a success there must be resident support for proposals, based on full and transparent consultation from the very start of the process, and meaningful ongoing involvement of those affected.

Better homes for local people

Where proposals include the demolition and replacement of existing homes, the Mayor believes those social tenants affected should be guaranteed full rights to return (or to remain through a single move), and leaseholders and freeholders must be offered a fair deal.

More widely, other options should be looked at alongside demolition, and if demolition is chosen as a way to proceed, then affordable homes should at least be replaced on a like for like basis, and increased wherever possible.

The Mayor supports the principle of mandatory ballots as part of estate regeneration schemes where demolition is involved. He therefore proposes to encourage the wider use of ballots by requiring them as a condition of his funding, and this is the subject of a further consultation published alongside this guide.

The Mayor's approach

This guide sets out the detail behind the Mayor's principles of successful estate regeneration schemes (Parts 2-4), and the mechanisms he has to encourage them to be followed as widely as possible in London (Part 5).

More broadly, the Mayor believes that social housing residents must be at the heart of decisions about the ongoing management and future of their estates. Comprehensive policies and proposals for the future of social housing are contained in the Mayor's draft London Housing Strategy. Equally, policies and proposals relating to other aspects of development proposals – including environmental requirements and design – are contained in the draft London Plan. The Mayor has also made it clear that, where works must be undertaken to make social housing blocks more fire safe, these must happen quickly, and Government should support councils with appropriate resources.

This guide signposts resources that are available elsewhere rather than replicating them, and so should be read in conjunction with other documents that address related issues in estate regeneration projects. These are listed in the bibliography.



2. Vision and Objectives for Estate Regeneration

The Mayor's vision for estate regeneration in London

The core of the Mayor's vision for estate regeneration in London is to deliver better homes and communities for local people. To underpin this vision, he believes any proposals should include the right to return or remain for social tenants, and a fair deal for leaseholders and freeholders. The Mayor also wishes to see the level of affordable housing – particularly homes where rents are based on social rent levels – maintained and, wherever possible, increased through estate regeneration schemes. He believes plans must be developed through full and transparent consultation and resident involvement.

Key tenets of the Mayor's vision were echoed in responses to the consultation on the draft version of this guide. The responses showed particularly strong support for the principle that estate regeneration schemes should see no loss of affordable housing (particularly homes at social rent levels), broad support for approaches that build trust between residents and landlords, as well as a desire that regeneration should result in an improved local environment with high quality design.

As part of the consultation, resident meetings were held in Brent, Camden, Hackney, and Lewisham. Residents were asked what they considered the most important issues in estate regeneration schemes – the three most popular responses were to provide more affordable housing, to build homes that are better suited to residents' needs, and to provide good community facilities.

Objectives of estate regeneration

The overarching objectives for any estate regeneration scheme will usually be to:

- deliver safe and better quality homes for local people;
- increase the overall supply of new and affordable homes; and
- improve the quality of the local environment through a better public realm and provision of social infrastructure (e.g. schools, parks, or community centres).

Once the objectives of an estate regeneration scheme have been formulated in consultation with residents, the physical interventions required to achieve them can be considered. The approach taken will differ from project to project, depending on factors that include: the existing characteristics and quality of an estate; the financial resources available; any regeneration or redevelopment plans that affect the wider area; and the wishes of residents and other stakeholders.

The range of physical interventions available to support the delivery of estate regeneration projects includes: repairs to, and refurbishment of, existing homes; building new homes on 'infill' sites; and demolition and rebuilding. Different schemes will require different interventions, or a combination of some or all of the above: there is no 'one size fits all' approach.

However, when considering the option of demolishing and rebuilding homes, councils, housing associations and their partners should always consider alternative options to demolition first. They should balance the potential benefits of demolishing and rebuilding homes against the wider social and environmental impacts of this option.

This guide seeks to support a positive relationship between residents and their council or housing association landlord during a process of estate regeneration. Residents should be at the heart of any such process, which means councils and housing associations should engage early and meaningfully with residents to jointly develop priorities for any schemes.



3. Full and transparent consultation and involvement

When developing estate regeneration proposals, councils and housing associations should always engage openly and meaningfully with those affected by the project from the outset. Residents should be given sufficient opportunity to be involved in shaping any proposals that will affect their homes, and they should be proactively supported to do so throughout the planning and design process.

Early consultation and involvement

Early engagement is essential, and residents should be given opportunities to be involved from the outset in developing the vision, options appraisals, design, procurement, and delivery of schemes.

Where social or private tenancies are created, or leasehold or freehold sales are made, on an estate where proposals for regeneration are being considered, prospective residents should be made aware of any plans before signing their tenancy or completing their purchase.

Consultation and engagement methods

Government has issued good practice guidance on consultation and this is augmented by a body of case law, such as the Gunning principles, which councils and housing associations must follow when consulting and engaging with residents.

Consultation should be:

- **transparent** – all the issues and options should be set out in clear, accessible and non-technical language, with information that has influenced any decisions being shared as early as possible;
- **extensive** – every reasonable effort should be made to engage with as broad a range of groups as possible, including primarily the residents of an estate, and also those living and working on or near it;
- **responsive** – consultation should result in clear actions that arise directly from the views expressed by respondents; and
- **meaningful** – views expressed during the process should be considered, and, where landlords do not agree with responses, they should give explanations for the alternative course of action that they have taken.

There are a range of options for consulting and engaging with those affected by estate regeneration. Any successful estate regeneration scheme is likely to involve a mixture of different ways to involve people, such as:

- **Direct proactive engagement of a wide group of residents** – e.g. through surveys, votes, and 'door-to-door' conversations.
- **Involvement of residents in developing the detail of proposals** – e.g. through specialist resident committees, forums, and workshops; steering groups with resident representation; and meetings of Tenant and Resident Associations and neighbourhood forums.
- **Broader opportunities for residents to be kept updated and engage** – e.g. through 'drop-in' days and public meetings; letter, email, and newsletter updates; and web-based consultation tools, such as Commonplace, or Online forums, such as Facebook pages for the estate.

As projects develop and change, and as alternative options are considered with residents, different approaches to consultation and engagement may become appropriate. Councils, housing associations and their partners should always be open to suggestions from residents and other stakeholders about developing more effective consultation and engagement mechanisms. Councils should support residents who wish to set up neighbourhood forums and develop neighbourhood plans for estate regeneration.

Engaging with residents

Residents should be the primary consultees during an estate regeneration project. As well as social tenants, resident leaseholders and freeholders, councils and housing associations should also seek to consult with private tenants or those living in temporary accommodation on the estate, as well as non-resident leaseholders and freeholders.

Consultation approaches should be tailored to residents' needs. For example, bespoke consultation arrangements may be required for elderly residents, those whose first language is not English, or those who have disabilities. Specific consideration should be paid to how best to engage residents about improving the safety of their homes, where this is an objective of regeneration.

Councils and housing associations should engage with Tenant and Resident Associations (TRAs), or similar resident representative bodies, where they exist, in addition to direct contact with residents.

Supporting residents to be involved

Residents should be empowered to engage in consultation exercises by ensuring they are meaningfully involved in as much as possible of the discussion and decisions about issues

like the design, scale, and tenure of new homes. Often residents may need support to be able to engage more effectively in decisions about estate regeneration.

Councils, housing associations and their partners should provide independent capacity-building and advocacy support for residents if they request it. This could include advising tenants on their rights, supporting residents in negotiating with their landlord, or helping residents 'skill up' and be involved in the process of selecting a development partner.

Residents should be given an opportunity to select their own independent tenant and leaseholder advisors (ITLAs), paid for by landlords, and to de-select them if they are unhappy with the advice or support that they are receiving. ITLAs should not seek to impose pre-determined outcomes on a regeneration process. In this way, they can help to build trust and ultimately support a better project through closer engagement and shared understanding between a council or housing association and residents.

Engaging with other stakeholders

Many estates include businesses providing local services and employment. Owners and operators of these businesses should be engaged in the regeneration process, and any proposals should give weight to the importance of minimising disruption to those businesses and retaining local employment opportunities.

Many estates also include other facilities such as places of worship, schools, or community halls. Owners, operators, and users of these facilities should also be consulted and engaged with.

Beyond those stakeholders operating directly on an estate, it is also important to positively engage with: elected local councillors and Members of Parliament; residents, businesses and other stakeholders who may not be located within the boundaries of an estate but who will be affected by the process of regeneration; and other stakeholders such as utility providers, Transport for London (TfL), or Network Rail.

Resident Charters

Resident Charters set out councils' or housing associations' commitments to residents at an early stage of the discussions over estate regeneration proposals. They can be an effective way to engage residents. Commitments set out in a Charter should be clear, specific and deliverable, and written in accessible and non-technical language.

Resident Charters can be adopted for an individual estate regeneration project, or as a broader statement to cover multiple projects or a programme. Appendix 3 includes examples of Resident Charters. The Ministry of Housing, Communities and Local Government's Estate Regeneration National Strategy sets out a template structure that can be used.

Open and transparent options appraisals

Residents should be closely involved in shaping the priorities for estate regeneration and options for achieving these priorities. To achieve this, options appraisals should be open and transparent. They should:

- a) Include the rationale, aims and objectives of the project in the context of: delivering better homes for local people; the landlord's strategic priorities; and neighbourhood, local, and London-wide planning and housing policies.
- b) Set out the factors that have informed the development of the proposed options, and how these have been prioritised and balanced. These factors might include: the existing characteristics and quality of an estate; the safety of existing buildings; the financial resources available; any regeneration or redevelopment plans that affect the wider area; and the wishes of residents and other stakeholders.
- c) Include technical and financial appraisals that have influenced any decisions on options. These should be available in an accessible format with non-technical summaries.
- d) Assess the full range of social, economic, and environmental costs and benefits of different options. This assessment might include:
 - any expected costs and savings resulting from changes in rents, service charges, energy bills and any other impacts on household expenditure;
 - the cost to residents' health of poor quality housing;
 - the financial cost to the landlord of maintaining existing homes to a reasonable standard (given the number of years for which doing so would be effective);
 - the number of other households who might not otherwise have a home, or a home of the right size for their needs, if the regeneration does not go ahead; and
 - the cost of disruption to residents' lives for the duration of the project.
- e) Clearly set out any options that have been discounted as unviable or undeliverable, with a transparent explanation of why they are unviable or undeliverable.
- f) Set out what role residents and other stakeholders have played in developing and shaping options, and how the council or housing association and other agencies have supported them in doing so.

The safety of residents must be the highest priority when appraising options. Where the cost of meeting requirements such as fire safety standards undermines the viability of replacing affordable homes, Government must ensure these costs can be met.



4. 'Better Homes for Local People' principles

Where significant regeneration is planned that involves the demolition of existing homes, the Mayor wants to ensure that any proposals include the delivery of better homes for local people. He therefore believes all estate regeneration schemes in London that involve the demolition of existing homes should provide:

- an increase in affordable housing;
- full rights to return or remain for social tenants; and
- a fair deal for leaseholders and freeholders.

These principles are set out in greater detail below. They have been developed by drawing on good practice from estate regeneration projects across London, and through full and open consultation with the public. The Mayor believes they should underpin the offer to residents affected by plans for estate regeneration that include the demolition of existing homes.

I. An increase in affordable housing

The shortage of affordable homes is at the root of London's housing crisis. To help address this crisis, the Mayor has set a long-term strategic target for half of new homes built in London being genuinely affordable, including those based on social rent levels.

In this context, it is vital that estate regeneration plans are used to increase the amount of affordable housing, particularly homes based on social rent levels, wherever possible. As a minimum, plans that involve the demolition of existing homes must ensure that affordable homes demolished are replaced on a like-for-like basis.

Demolition and like-for-like replacement

Demolishing and rebuilding homes is a time-consuming and expensive process, and can be highly disruptive for residents and established communities. Before pursuing demolition as an option, councils and housing associations should consider whether there are alternatives to achieve the vision and objectives of estate regeneration that are more cost effective and have a lesser impact on residents and the environment.

Where demolition and rebuilding are pursued as part of an estate regeneration project, this should only happen where it does not result in a net loss of affordable housing. This must be on a like-for-like basis, so that, for example, homes at social rent levels are replaced with homes based on the same rent levels.

Where an estate is being redeveloped as part of a wider programme then it may be possible to re-provide a different mix of affordable housing on that particular estate (taking account of the wishes of people who want to return to or remain on the estate) if like-for-like replacement is achieved across the overall programme. Where this is proposed, the Mayor will closely scrutinise planning applications and will only agree to them where he is certain that the housing is being genuinely re-provided and that no better option is available.

Gap funding

Where the cost of like-for-like replacement would render an estate regeneration scheme financially unviable, the council or housing association should seek gap funding. The Greater London Authority (GLA) has affordable housing grant funding that can be used for this purpose, though when considering applications the Mayor must be confident that all options for funding the scheme without grant, such as other landlord resources and optimising the density of a proposed scheme, have been fully explored. Given the scale of investment required across London, more significant sums are likely to require central Government support.

Replacement of homes on the basis of floorspace

To ensure that new homes of appropriate sizes are provided, replacement of affordable homes during estate regeneration should be on the basis of floorspace, rather than number of units. In adopting this approach, councils and housing associations may consider altering the mix of homes. For example, if an estate has a high proportion of one-bedroom homes that are being demolished, the landlord may choose to replace some of them with the same or greater floorspace arranged as fewer, family-sized homes. This should be discussed with residents as part of the engagement and consultation process, and landlords should have regard to the impact any changes may have on social tenants who want to return to or remain on the estate.

Building more new homes

In addition to ensuring that estate regeneration does not lead to a net loss in affordable homes, councils and housing associations should use the opportunity to provide as much additional affordable housing as possible. For this reason, all estate regeneration schemes are required under the Mayor's draft London Plan (2017) to follow a 'Viability Tested Route' to planning permission.

Councils and housing associations should look to increase the number of affordable homes as part of an estate regeneration scheme by building at higher densities wherever possible. Options for doing so should be discussed with residents as part of the consultation process. Increasing the density of an estate may improve the viability of a scheme and help to maximise the number of genuinely affordable homes.

Where estate regeneration involves building affordable homes in addition to those needed to rehouse any tenants whose homes are demolished, landlords should adopt local lettings policies for new affordable homes for rent to help ensure that local people benefit from the additional homes being built.

II. Full right to return or remain for social tenants

Where estate regeneration plans involve the demolition of existing homes, councils and housing associations should seek to phase projects wherever possible, with the aim of ensuring that households can remain on the estate by moving no more than once. Where tenants have to move temporarily off the estate, they must have a full right to return.

Right to return or remain for social tenants

Social tenants who have to move as a result of estate regeneration plans, either through a single move or a temporary move off the estate, should have a full right to a property on the regenerated estate of a suitable size, at the same or a similar level of rent, and with the same security of tenure.

Households who are currently overcrowded should be offered homes large enough for their needs and should not be offered homes which, if accepted, would result in overcrowding.

Households who under-occupy their current homes should not automatically qualify for a new home with the same number of bedrooms. For example, landlords may choose to limit the number of bedrooms offered to under-occupiers to a maximum of one greater than their need.

Temporary rehousing

Social tenants who must move into a new home temporarily as a result of estate regeneration should be awarded high priority in the local allocations policy. Any offer of alternative accommodation should be reasonable, in that it meets the needs of the household in terms of the number of bedrooms and any special requirements (such as wheelchair accessibility or adaptations).

Financial compensation for displaced social tenants

Landlords should seek to offer the maximum home loss compensation permitted by legislation to tenants who meet the statutory criteria and who are displaced from their homes due to estate regeneration.

Landlords should pay for the 'disturbance costs' of moving home. This means paying the reasonable costs of moving, such as removal costs, telephone and utility connection costs (including installation of appliances), and the provision of new carpets and curtains. Tenants who must move more than once should receive home loss payments for each move.

Assistance for private tenants

Councils and landlords (where the council is not both) should work together to make sure that private tenants on estates being considered for regeneration are aware of their options and rights, including signposting them towards alternative housing options. Councils may also have duties towards private tenants under homelessness legislation.

Additional support and assistance should be offered to more vulnerable households living on estates, regardless of their tenure. In some cases, this may mean that they want to move out of the area or into specialist accommodation. Councils and housing associations should make reasonable endeavours to meet these requirements.

Short-term council and housing association tenancies

It is reasonable to avoid granting new long-term tenancies for homes on an estate once a firm decision to undertake estate regeneration has been made. The use of homes on a temporary basis should be carefully considered for its impact on long-term residents and should be subject to consultation. This should include the benefits of such an approach, including its positive impact on providing accommodation for homeless households and helping to ensure they are accommodated as close to their social networks and places of work as possible.

Where councils or housing associations propose to let homes on short-term tenancies, they should ensure that new tenants are fully informed about any plans to regenerate the estate and are aware of their rights, including how they differ from those on secure tenancies. Short-term tenants should be reminded of these differences to avoid confusion at a later stage. They should also be given as much advance notice as possible of planned regeneration, so that alternative accommodation can be found if necessary.

III. A fair deal for leaseholders and freeholders

Leaseholders and freeholders affected by estate regeneration should be treated fairly and fully compensated if their homes are to be demolished.

Acquiring leasehold and freehold homes

Where it is necessary to acquire homes owned by leaseholders and freeholders, landlords should always seek to do so by negotiation in the first instance. This can help avoid a time-consuming compulsory purchase process, which creates uncertainty for the household and can lead to significant delays in the project. Market value (plus home loss payments where appropriate) should be offered in good faith in the first instance.

Where compulsory purchase is required, the rights of resident and non-resident leaseholders and freeholders are set out in legislation. The purchase should be based on a value of the home undertaken by an independent valuer, paid for by the landlord if requested by the leaseholder or freeholder. The valuation must reflect the value of the property before the impact of any regeneration or proposed regeneration is taken into account.

Re-housing options for resident leaseholders and freeholders

Positive consideration should be given to enabling resident leaseholders and freeholders to combine market value and home loss payments towards the purchase price for a new home. Landlords should consider paying for other costs that might be borne by resident leaseholders and freeholders, such as the cost of moving home or setting up new utility connections.

Councils and housing associations are encouraged to consider other ways to support resident leaseholders and freeholders to move to alternative accommodation. This might include support to use their equity to buy a home on the open market in the local area, with the council or housing association owning the difference between the value of this equity and the market price of the home (either on a shared equity or shared ownership basis). Other approaches could include home swaps, or early buy-back arrangements.

Some resident leaseholders and freeholders may have very little experience of purchasing a home outside the Right to Buy process. The council or housing association should offer them assistance throughout any process of buying a new home.

Councils and housing associations should offer resident leaseholders and freeholders the right to a new home on the regenerated estate through at least the following options:

- a) a shared equity basis, where the resident leaseholder or freeholder owns a proportion of the new home equivalent to the market value of the property that they gave up, with no rent payable on the remaining 'unsold' share. The resident leaseholder or freeholder should be allowed to retain any uplift in the value of their share of the new property between the point of purchase and any eventual sale; or
- b) a shared ownership basis, where the resident leaseholder or freeholder owns a share of a new affordable home, is able to increase the share owned over time, and may pay rent on the remaining share to the council or housing association in the meantime.

If non-resident leaseholders or freeholders return to their home on the estate while regeneration plans are under discussion or being implemented, landlords should take into account the length of their residency before offering them re-housing options.



5. Applying the 'Better Homes for Local People' principles

The Mayor wants the good practice and principles in this guide to be applied on all estate regeneration schemes across London. Although his powers over regeneration schemes are limited, he will use the powers available to him to support this aim as far as possible. The Mayor also strongly encourages residents and landlords to refer to the good practice in this guide, irrespective of the degree to which the Mayor is involved.

To help ensure that better homes for local people are provided through significant estate regeneration schemes that involve the demolition of existing housing, the Mayor will use his planning powers to make sure that these schemes protect existing affordable homes. He will do this by requiring that there is no net loss of affordable homes and that any homes demolished are replaced on a like-for-like basis. The Mayor also expects that these schemes should maximise the delivery of additional affordable homes wherever possible.

Furthermore, where a scheme involves demolition of existing homes, the Mayor's funding will be conditional on the proposed scheme gaining resident support through a ballot.

Planning powers

The Mayor has a statutory planning role in any significant estate regeneration proposals and he has set out his policies for estate regeneration in the draft new London Plan. This makes it clear that estate regeneration should not lead to the loss of affordable housing and that it should aim to deliver an uplift in affordable housing where possible¹.

When considering estate regeneration schemes, the Mayor will therefore expect existing affordable housing floorspace to be replaced on an equivalent basis - i.e. where social rented floorspace is lost, it should be replaced by general needs rented accommodation with rents at levels based on those of homes that have been lost. He will also expect the delivery of additional affordable housing to be maximised, and for that reason all schemes should follow the 'Viability Tested Route' to planning permission.

¹ See Appendix 1

Funding conditions

Many significant estate regeneration schemes in London benefit from GLA funding. In future, where such schemes involve demolition of existing homes, the Mayor wants this funding to be conditional on resident support for the proposed scheme expressed through a ballot.

This condition will be delivered through a change to the GLA's Affordable Housing Capital Funding Guide. A consultation on the proposed new funding condition has been published alongside this guide.

Once responses to the consultation have been considered, the Capital Funding Guide will be updated with a new funding condition.

General conformity

In addition to his funding and planning roles, the Mayor will encourage councils to follow the principles and practices in this guide to ensure their widest possible application. The Greater London Authority Act 1999 specifies that councils' statements of local housing policies must be in general conformity with the London Housing Strategy. The London Housing Strategy is currently being revised following consultation, and the final version will be updated to include any relevant policy changes relating to estate regeneration.



Bibliography

This guide should be read in conjunction with the following documents:

The Mayor's draft London Plan
The Mayor's draft London Housing Strategy
The Mayor's Affordable Housing and Viability Supplementary Planning Guidance

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Appendix 1 – Existing and draft new London Plan policy on replacement of affordable homes

This section sets out the relevant planning policies in the current London Plan and the Mayor's draft new London Plan in relation to the replacement of affordable homes in estate regeneration. The Mayor is seeking to adopt a new London Plan by 2019. It is his intention that the principles set out in this guide are, as far as possible, adopted in this new London Plan.

Existing London Plan policy

1. Existing London Plan policy 3.4 resists the loss of affordable housing unless this is replaced at existing or higher densities with at least the equivalent amount of floorspace reprovided. This principle also applies to other tenures and types of housing.
2. Existing London Plan paragraph 3.82 confirms that the redevelopment of affordable housing should not be permitted unless it is replaced by better quality accommodation and at least the equivalent amount of affordable housing floorspace.
3. The same paragraph sets out the local circumstances which should also be taken into account when considering proposals for estate regeneration. These include:
 - the regeneration benefits to the local community;
 - the proportion of affordable housing in the surrounding area and the need to provide mixed and balanced communities; and
 - the amount of affordable housing intended to be provided elsewhere in the borough.
4. Existing London Plan policy 3.9 'Mixed and Balanced Communities' encourages a more balanced mix of tenures and household incomes across London through small and large scale development, particularly in some neighbourhoods where social renting predominates and there are concentrations of deprivation.
5. Existing London Plan policy 3.12 states that the maximum reasonable amount of affordable housing should be sought when negotiating on private residential and mixed use schemes, having regard to local and strategic affordable housing requirements; affordable housing targets; the need to encourage rather than restrain development; the need to promote mixed and balanced communities; the size and type of affordable housing needed in particular locations; the specific site circumstances; the resources available to fund affordable housing; and the priority to be accorded to affordable family housing.

The Mayor's draft new London Plan policy

6. Paragraph 4.10.2 of the draft new London Plan states that the aims of an estate regeneration project will typically be to maintain safe and good and quality homes, and to improve the social, economic and physical environment in which homes are located.
7. Paragraph 4.10.3 states that any proposals for estate regeneration schemes involving the loss and replacement of homes should take account of the requirements of this Guide.
8. Policy H10, 'Redevelopment of existing housing and estate regeneration', states that the loss of existing housing is generally only acceptable where the housing is replaced at existing or higher densities with at least the equivalent level of overall floorspace.
9. Where loss of existing affordable housing is proposed, the policy states that it should not be permitted unless it is replaced by equivalent or better quality accommodation, providing at least an equivalent level of affordable housing floorspace. Also it should generally produce an uplift in affordable housing provision. All such schemes, including estate regeneration schemes, are required to follow the 'Viability Tested Route' as set out in the draft new London Plan Policy H6 ('Threshold approach to applications').
10. For estate regeneration schemes, the existing affordable housing floorspace should be replaced on an equivalent basis, i.e. where social rented floorspace is lost, it should be replaced by general needs rented accommodation with rents at levels based on those in the homes that have been lost. The delivery of additional affordable housing should also be maximised.
11. Paragraph 4.10.5 states that, where a borough is redeveloping an estate as part of a wider programme, then it may be possible to re-provide a different mix of affordable housing on the estate if the overall level of provision is maintained across the programme. Where this is proposed, the draft new London Plan states that Mayor will closely scrutinise proposals and will only agree to them where he is certain that the housing is being genuinely re-provided and that no better option is available. Given the impact of estate regeneration schemes on existing residents, it is particularly important that information about the viability of schemes is available to the public even where a high level of affordable housing is being delivered.

Appendix 2 – Case studies

The case studies below have been supplied by those indicated in each case. The estate regenerations they refer to do not necessarily reflect the Mayor's good practice principles in full and any views expressed do not necessarily represent those of the Mayor.

1: Using a Resident Charter in the rehousing process (Catalyst Housing Association)

The issue

Wornington Green Estate originally comprised 538 flats and houses which were constructed between 1964 and 1985, predominantly in large deck-blocks typical of public housing of the period. The estate had undergone a series of improvements in an attempt to address problems arising from both its design and construction methodology, but these had failed to resolve inherent problems. An options appraisal was carried out in 2006 and concluded that the complete redevelopment of the estate was the best option to ensure the delivery of better housing for residents.

Catalyst housing association is regenerating the estate over a fifteen-year period, creating a sustainable, mixed tenure community. Portobello Square will be built in three phases delivering approximately 1,000 new homes in total.

What happened

During the consultation on the redevelopment proposals, Catalyst worked with a Residents' Steering Group to develop a Residents' Charter. It included a commitment to "guarantee a new home on Wornington Green to all residents who wish to return to a new home."

It also included commitments to meet residents' housing preferences as well as their housing needs wherever possible, and to offer a single move to a new home wherever possible. Catalyst also offered adult children the opportunity to have their own new social rented home if that was their preference.

The outcome

Phase one of the regeneration, consisting of 324 new homes, 174 of which are for social rent, is now complete. Of the 174 social rent homes, 171 went to existing households from Wornington Green. The other three were offered to the Royal Borough of Kensington and Chelsea to help to meet the high demand for wheelchair accessible homes. 25 of the 171 social rented homes let in phase one were let to adult children who chose to take up the offer of their own new social rented home.

Of the 171 households from Wornington Green, 142 moved straight into their new home. 17 households made a temporary move within the estate, and 12 made a temporary move elsewhere before moving permanently into the new development.

Lessons learned

Catalyst found that developing and agreeing the Residents' Charter as part of the planning process helped to reassure residents that the strong existing community would be maintained.

A dedicated team took the time to get to know each household and understand what was important to them when they were rehoused. Every household was allocated a regeneration coordinator from the on-site team who developed a bespoke package of support for their move.

By using properties on the estate that became void, Catalyst was able to temporarily rehouse households who could not move from there straight into a new home, minimising the disruption of making two moves and helping to keep the community together.

2: Mixing refurbishment and rebuild (London Borough of Hackney)

The issue

Hackney Council wanted to improve the quality of housing on its Kings Crescent estate, and found the best approach was through part-demolition and part-refurbishment.

Homes identified for demolition and rebuild would have been very costly to refurbish. Furthermore, their existing building structure contributed to a poor quality of built environment, with high instances of anti-social behaviour and no useful amenity space. By contrast, the blocks identified for retention contained homes with good layouts and space standards, and were financially viable for the council to upgrade and refurbish.

What happened?

Hackney found that the key challenge in mixing rebuild with refurbishment was to effectively integrate existing buildings with the new ones, so that they functioned together as one place. This was achieved through redesign of the public realm, which unified and structured the estate's layout. Both the rebuilt and refurbished blocks used the same palette of high quality materials and similar 'design language' to minimise distinction between the two.

Refurbishment works on the retained homes included new kitchens, bathrooms, lifts, lighting, windows, roofs, and public areas. Other issues were also addressed, such as lack of private amenity space (through the addition of winter gardens and balconies) and narrow deck access (by extending the walkways).

The council also made sure all residents enjoyed equal access to new and upgraded communal and shared amenities, such as landscaped courtyards and bike stores.

The outcome

The project plan includes 275 homes to be retained and refurbished and 490 new homes to be built (of which 274 are for social rent, 115 for shared ownership, and 376 for outright sale).

In this case, not only were the existing homes of a high quality, but the retained blocks were of such a density that demolition and rebuild would have resulted in a relatively small addition to the total number of homes on the estate.

Avoiding demolition where possible considerably sped up the regeneration process, and resulted in less disruption to residents' lives overall.

Lessons learned

The approach described above was not without its challenges. Retaining existing blocks frustrated the optimum planning of the site and full realisation of the physical benefits of wholesale regeneration. There was a greater construction risk associated with carrying out works to existing structures in terms of cost, time, and feasibility. There were also delays caused by difficulties gaining access to, and the inconvenience of working in or nearby, occupied properties. Hackney also faced a challenge of integrating the old and new blocks, and existing residents 'versus' new residents, which raised issues around divides in the local community.

However, enabling some residents to remain in their existing homes resulted in limited disruption to their individual lives. Hackney also found that this approach was more cost-effective for the number of homes achievable on the site.

3: Landlord social impact monitoring (Countryside)

The issue

Ealing Council, L&Q housing association and the developer Countryside were involved in the Acton Gardens estate regeneration scheme. They wanted to measure the social impact of their actions, and report on residents' feelings and experiences of the regeneration throughout the process.

What happened?

Independent academic researchers were commissioned to interview residents on both the existing and the regenerated parts of the estate and in the surrounding area (544 households in total). Through in-depth interviews they were able to gain a deep understanding of how residents felt about the estate regeneration, and how it could be a successful social regeneration as well as a physical one. The research will be carried out every two to three years during the 13-year lifetime of the regeneration process to measure progress against its indicators.

The outcome

As well as recognising the value that residents place on their connections with friends and neighbours in the area, the research identified further areas that would require attention in the coming years. In particular, these included ensuring that existing residents of the estate fully understand the re-housing process; and working to accommodate local organisations that offer informal, but very important, support services to the community.

Lessons learned

This process has helped the landlord better understand what needs to happen for the existing community to make sure they can gain from the social benefits of the regeneration. Residents placed a lot of value on established neighbourhood connections and support structures, which partners recognised they would need to try to maintain and build on as the regeneration progressed.

4: 'Bottom up' community engagement (Greater Carpenters' Neighbourhood Forum)

The issue

The Carpenters' Estate in Stratford, east London, was initially proposed for demolition. The residents successfully opposed this, and then looked to produce a positive community-led vision for the estate.

What happened?

Long term funding from the London Tenants Federation for a community-based organisation and technical support from University College London enabled residents to explore alternative options and undertake their own resident engagement. This engagement included workshops, walkabouts, a door-to-door survey (completed by half of the households) and interviews with local businesses, as well as establishing the Greater Carpenters Neighbourhood Forum and embarking upon a neighbourhood plan.

The outcome

The Neighbourhood Forum has been designated by the planning authority, which gives it statutory consultee status. The Local Plan includes a site allocation for the area which supports the preparation of a neighbourhood plan in co-operation with the local authority in its role as landowner and housing authority. A draft neighbourhood plan has been produced by the residents, and consultation with key stakeholders is underway.

Lessons learned

The key lessons for successful community engagement in estate regeneration have been:

- a) recognising the importance of sustained community development that is supportive of bottom-up tenant and resident involvement defining what they want from the regeneration;
- b) ensuring access to independent technical advice to assist tenants and residents in making informed decisions about the costs and benefits of the options for estate regeneration; and
- c) using neighbourhood planning as a model for community engagement, as it offers possibilities for a collaborative approach between the tenants and residents, planning authority and landowners.

5: Tenant involvement in regeneration (London Borough of Enfield)

The issue

Enfield Council in north London started from the position that the regeneration of Alma Estate would only succeed if it was supported by residents, and that therefore the offer to them should be one that recognised their priorities. The council, architect and developer worked closely with tenants to achieve this.

What happened?

Following discussions with tenants, it was agreed that all of the replacement council homes would be larger than the existing homes, and therefore also significantly larger than the London Housing Design Guide. The design and configuration of the replacement homes was led by residents via a series of design workshops facilitated by the project architects. Resident priorities included separate kitchens and double aspect homes, and the architects and the developer worked with residents to achieve these.

The outcome

The new social homes are larger than the planned private ones on the estate. This was important, not only to ensure that residents are gaining, not losing, space but also because by providing larger council homes it is hoped that there will be more space for families with children. Furthermore, it is hoped that these larger homes will come to be the most desirable homes in the council's stock, thereby changing perceptions of the estate as a place to live.

The experience of preparing plans for the redevelopment of Alma Estate has had a positive impact on residents who have grown in confidence and have become empowered to do more in their local community. For example, a resident-led social regeneration team has been established to consider ways to tackle social and economic deprivation and the residents are also preparing plans to establish a Tenant Management Organisation.

Lessons learned

Taking time to listen to tenants' priorities and involve them in the design of the new homes, as well as the broader 'offer' to them, resulted in strong tenant support for the regeneration, making the scheme more straightforward and positive for all parties.

6: Landlord funding of an Independent Tenant and Leasehold Advisor (London Borough of Hackney)

The issue

Hackney Council wanted to ensure that residents on one of its regeneration schemes were as fully engaged in the process as possible, and so has funded an Independent Tenant and Leaseholder Advisor (ITLA) for over 10 years. An ITLA's purpose is to provide independent and impartial advice to residents of an estate undergoing regeneration on all aspects of the proposals for the future of their homes, enabling them to fully interact with, and play an informed role in, the process.

What happened?

The ITLA has supported residents through all phases of the regeneration to date. Due to the long-term nature of the regeneration, the ITLA has been crucial in keeping residents engaged throughout the process and has helped build trust between the local authority and residents, ensuring continued support for the project.

Their first task was to assist Hackney to set up a steering group with a robust and inclusive Terms of Reference, and this has met continuously on a regular basis. Council officers attend to report on progress and answer questions. The ITLA coordinates the meetings, sending out the agendas and minutes, providing an independent and impartial record. They spend a considerable amount of time on the estate engaging all of the residents to ensure a broad representation at meetings and to actively encourage participation. They also feedback to vulnerable and elderly residents who are unable to make meetings or drop-in sessions.

The ITLA also:

- a) played a key role in establishing the first TRA on the estate;
- b) along with the council, held monthly drop-in and coffee morning sessions for tenants and leaseholders. These are informal forums for residents to ask questions about the regeneration process and to view/comment on proposals for the new developments; and
- c) helped ensure resident participation in the procurement of architect teams and developer/contractors.

The outcome

The ITLA has widened residents' access to the regeneration process and ensured information has been shared with them, supporting vulnerable residents or those resistant to the proposed changes. This was helpful during the compulsory purchase process in terms of the Council's ability to prove that all residents had been engaged and had a range of options in terms of their future housing. The ITLA helped the local authority engage with hard-to-reach tenants and leaseholders, and ensured the right options and advice were passed on to private tenants of leaseholders. The ITLA is also an extra pair of eyes and ears on the ground, which helps flag up any potential risks and highlights concerns and views of the residents. This has helped the local authority to mitigate risk and proactively respond to residents' views.

The ITLA has ensured that all the procurement processes for design teams and developers/contractors working on the regeneration have included residents. It is often difficult to persuade residents to become involved in this process as it is both time consuming and complex. The ITLA has promoted the need for, and has helped identify, willing resident participants in all the project's procurement processes. It has provided appropriate training and support to ensure residents are able to engage effectively.

Lessons learned

The ITLA provides a beneficial service to residents experiencing the impact of regeneration, spending a lot of time on the estate through monthly drop-in sessions, door knocking and making direct appointments with residents. This amount of resource helps ensure the communication is accessible to all. The ITLA's hands-on regeneration and housing experience has also been key to their success.

However, more could have been done to empower residents throughout the process. There is scope for the service to support wider grass-roots community development, assisting the community of existing and new residents to be more cohesive.

7: Management of the moving process (London Borough of Hounslow)

The issue

The demolition and rebuilding of Beavers Lane estate in Hounslow, west London, saw over 80 per cent of residents choosing to move off the estate and slow take up of the replacement rented homes. Similarly, none of the existing leaseholders chose to buy a replacement home on the new estate, despite the fact that they were newly-built.

What happened?

Hounslow Council adopted a 'move once' policy. Secure tenants were given a choice of being rehoused elsewhere or in one of the new homes built on the estate. Tenants who were overcrowded were prioritised in bidding through the council's choice-based lettings scheme and those who were under-occupying were provided with a financial incentive to downsize. All tenants were provided with statutory home loss payments, reasonable costs and a disturbance allowance. The rehousing policy also provided for a discretionary payment in exceptional circumstances, but none was requested.

Leaseholders were offered open market value plus a home loss payment (10 per cent of the home's value) and had the opportunity to purchase a new build unit on the new estate at full market value, or on equity share or shared ownership terms, according to their circumstances. None of the leaseholders chose these options.

The outcome

Over 80 per cent of residents elected to be rehoused elsewhere and lettings for the rented units were slow with a disproportionate number of allocations going to homeless households. Many of the viewings were conducted while the estate was still an active building site, and feedback indicated that the units were perceived to be small and dark.

Lessons learned

Following poor take up on the initial phase, the council decided that:

- a) better marketing and communications was needed for the rented homes to promote take up and minimise unnecessarily empty homes;
- b) design issues needed addressing, by avoiding single aspect units on subsequent schemes;
- c) there should be better joint working with Social Services to ensure that vulnerable tenants were supported during the moving process;
- d) a closer focus on rehousing was required, with a detailed live operational rehousing plan to monitor allocations, adaptations and support needs;
- e) boilers and copper piping should be removed to reduce theft and flooding in empty homes; and
- f) skips should be provided to prevent fly tipping by residents during moves.

Appendix 3 – Examples of Residents' Charters and similar commitments

Clarion Housing Association - Merton regeneration

http://www.mertonregen.org.uk/regeneration/residents_offer/

Harrow - Grange Farm Regeneration Charter for tenants and leaseholders

http://www.harrow.gov.uk/download/downloads/id/8315/grange_farm_charter

Newham - Carpenters Estate Residents' Charter

<https://www.newham.gov.uk/Documents/Environment%20and%20planning/Carpenters%20Estate%20Residents%20Charter.pdf>

Southwark - Charter of Principles

http://www.2.southwark.gov.uk/info/200539/get_involved/3716/charter_of_principles

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