1. Details of Recommendations

Cabinet is asked to approve:

1. The preparation of a programme for regenerating the Council’s housing estates over the next 20 years, as outlined in this report.

2. The preparation of Phase 1 proposals for a full regeneration of the Convent Way Estate – in particular, plans for early, active engagement with its tenants and leaseholders; prepare outline scheme options for the redevelopment; and carry out of a ballot of tenants and leaseholders on whether to take forward the regeneration plans.

3. The allocation of an initial Estate Regeneration Programme budget of £600,000 to be funded from the HRA and GLA grant to support the development of the programme and preparation of outline plans.

4. Delegate authority to the Executive Director for Housing, Planning and Communities in consultation with the Lead Members for Planning, Regeneration, and Housing to take necessary steps to effect the above recommendations.
If the recommendations are adopted, how will the residents and the council benefit?

<table>
<thead>
<tr>
<th>Proposals</th>
<th>Benefits to residents</th>
<th>Benefits to the Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>All proposals for this scheme are within the report.</td>
<td>More affordable homes across the Borough can be developed over the period 2022-2042 for those in housing need.</td>
<td>Reduced use of TA and B&amp;B accommodation. Greater choice of type and tenure of accommodation to meet identified housing need within the borough.</td>
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</table>

2. Report Summary

This report explains the principal reasons for developing a strategic approach to regenerating the Council’s most challenging housing estates, including, to:

- pursue the commitments of our recent Housing Strategy to deliver good quality and decent homes for residents;
- contribute to the delivery of the Council’s pledge to secure 5000 affordable homes, including 3000 for social rent and 2000 for shared ownership, by 2022.
- respond to the aspirations and ambitions of HRA tenants; and
- make best use of the Housing Revenue Account by maximising the social and economic returns of investment in new and existing council housing.

It explains the process for identifying the housing stock that would benefit from regenerating over the next 20 years, an approach for regenerating them, and outline plans for regenerating the Convent Way Estate.

The report seeks approval to allocate a programme budget of £600,000 (£425,000 from the HRA plus £175,000 of GLA grant) to develop our approach and prepare Phase 1 proposals for regenerating the Convent Way Estate. This will focus on early engagement work with its tenants and leaseholders; the preparation of outline redevelopment plans; and the conduct of a ballot of tenants and leaseholders on whether to take forward the regeneration plans.

The report also requests that authority is delegated to the Executive Director for Housing, Planning and Communities, in consultation with the Lead Members for Regeneration and Planning, and Housing to take appropriate steps to progress the recommendations of the report.

Subject to a successful ballot, a further report will be submitted to Cabinet, in the autumn of 2020, regarding approval to prepare detail development plans and a planning application.

3. Reason for the Decision

3.1 Context

3.1.1 Council is faced with significant housing needs with increasing levels of applicants seeking housing assistance. Since the introduction of the Homelessness Reduction Act 2017 in April 2018, there has been an increasing number of
households to whom the council has a duty to provide temporary accommodation and, where a full homeless duty exists, secure longer-term housing.

3.1.2 In order to manage these increasing demands the Homelessness Service has undergone a fundamental review, which has resulted in the creation of the new integrated Homelessness, Independence and Prevention Service (HIPS). The HIPS has recently launched its major Homelessness campaign to raise awareness of the issues surrounding homelessness and how the Council is responding with partners.

3.1.3 On the supply side the Council has been a leading local authority in delivering new council housing – we have built over 700 new homes since 2013. Council is also delivering its Pledge to secure 5,000 new affordable homes (3,000 for social rent and 2,000 for shared ownership) and has made a commitment to build 1,000 new council homes, by March 2022.

3.1.4 The new Housing Strategy 2019 also aims to “create stable communities of thriving neighbourhoods with good opportunities for people to work and live, and which offer housing choices for all people at all stages of their lives at prices they can afford”. It proposes to:

- reduce homelessness and tackle its causes and consequences;
- provide a choice of high-quality energy efficient housing for people;
- raise housing quality and standards across tenures enhancing local areas and supporting thriving communities;
- support our communities to live independently by promoting health and wellbeing; and
- create a cleaner, safer and greener living environment.

3.1.5 Through our Fire Safety and Estate Improvement Programme we are also responding positively to the concerns and aspirations of existing council tenants. This includes projects to enhance compliance, health & fire safety actions; estate inspections and improvement programmes; and support for tenants to improve financial management and debt advice, and access to supporting benefits.

3.2 Benefits of Regenerating Poor Performing Estates

3.2.1 A programme to regenerate our estates should aim to improve the quality of housing, local environments, and quality of life for local residents. It should provide residents with new high quality and energy efficient homes, as well as opportunities for:

- households in overcrowded conditions to be rehoused in larger homes;
- tenants affected by the ‘Bedroom Tax’ to move to more suitable accommodation;
- residents to play an active role in how their new neighbourhood is shaped, designed and managed;
- providing new modern community, health and education facilities, and quality amenity and green spaces;
- improving the social infrastructure required to deliver successful and sustainable communities;
creating new business and employment opportunities; and
making effective investment decisions that deliver best long-term value from the HRA.

3.2.2 A Hounslow Estate Regeneration Programme should also focus on transforming our most challenging estates over the next 20 years. The Programme should commit to:

- working jointly with tenants and leaseholders - ensuring that they have the necessary information and support to develop and appraise the various options and choices;
- increasing the supply of new council homes of high design quality and energy efficiency that contribute to meeting priority local needs;
- creating safe, cohesive and healthy neighbourhoods supported by high quality community buildings and facilities, and public spaces;
- promoting mixed and sustainable communities which provide a high quality of life for people of all ages and backgrounds;
- supporting training, employment and enterprise to enable local people to take advantage of economic opportunity in the borough; and
- supporting the cultural heritage and a sense of place.

3.3 Assessing and Identifying Hounslow’s Poor Performing Housing Estates

3.3.1 The Council manages 171 housing estates and homes, encompassing a total of 16,500 properties that are home to approximately 45,000 tenants and leaseholders. We have carried initial assessment of the major estates to determine their condition and performance, and identify those that could benefit from regeneration taking into account the following:

- estimated 5, 20 and 30-year maintenance costs;
- estimated annual management and maintenance costs, and rental income;
- levels of resident satisfaction, and rates of complaints;
- levels crime and ASB statistics;
- access to local amenities;
- level of rent arrears and void loss;
- average length of tenancy; and
- OFSTED ratings for local schools.

3.3.2 The results show that approximately 90% of our estates are in good condition, and 7% are in a fair condition. The remaining 3% (6 major estates) require major capital investment to redevelop them. The 6 estates comprise a total of 2,000 homes:

- Brabazon, Heston.
- Brookwood, Hounslow.
- Charlton House, Brentford.
- Convent Way, Heston.
- Norman Crescent, Heston.
- Oriel, Feltham.
3.3.3 The six (6) estates were further assessed in order to prioritise those that would benefit most from early regeneration. The following considerations were taken into account:

- estates where the costs of delivering necessary improvements to the council’s Decent Homes standard would be prohibitive – they would be beyond maintenance;
- estates where improvement works in themselves may not address the fundamental physical, social and economic issues that affect the lives of their residents; and
- the scale of wider neighbourhood and community benefits that could be secured to justify full-scale intervention.

3.3.4 The Convent Way Estate stood out amongst the 6 worse estates as the one that would benefit most from early regeneration.

### 3.4 Approach to Regenerating the Convent Way Estate.

3.4.1 The Convent Way Estate was originally built in 1967. It comprises of one 12 story tower block, 16 medium rise (3 to 5 storey) blocks. In total the estate caters for 440 homes. In addition, the estate contains a health centre, community centre, and a small shopping parade. Those properties are of Wimpey No Fines construction, attained poor energy performance ratings, and are costly to heat.

3.4.2 The estate:

- falls short of meeting the expected energy efficiency standards. The target for all homes across the borough’s estates is to have an Energy Performance Certificate rating of C (where A is very efficient, and G is inefficient). Homes across Convent Way, excluding the tower block, have a typical rating of D. The retrofitting costs to attain expected energy efficiency target would prohibitive;
- is expensive to manage and maintain with high annual repair and maintenance costs (£2.8m), which exceeds the projected rental income (£1.7m) in each of the next 10 years;
- is expected to require an estimated net additional investment of £28m in responsive and cyclical maintenance and capital works over the next 10 years.
- suffers significant levels of rent arrears and void loss – void turnaround times are up to 3 months against our general target of 20 days (primarily due to the construction type of the blocks);
- experiences average rent arrears of £51,560 compared with the average across all the total of the other 171 estates as a whole of £36,371;
- generates low levels of tenant satisfaction, which is borne out, by high levels of complaints from residents, including for repairs and ASB. The estate represents 2.6% of our total stock yet generated 7% of all housing complaints in 2018/19;
- is prone to persistent high levels of fly-tipping and traveller incursions, which for example costs £100,000 to clear in 2018/19;
- has health and safety issues which cannot be economically solved by repairs, including extensive use of asbestos in the risers, especially to the tower block; and
has run-down and under-utilised shops and community facilities, and has poor access to local amenities and transport services.

3.4.3 A decision to pursue whole scale redevelopment Convent Way Estate is a complex one, which is likely to raise a number of emotive issues for its tenants and leaseholders. That is why we propose an active and open conversation with residents to explore the various options available, and develop an inclusive approach to regenerating the Estate.

3.4.4 The approach should focus on securing tenant and leaseholder buy-in, and will be guided by the following priorities:

i). creating developments of high quality, well designed and energy efficient homes, community facilities and public realm;

ii). working in close partnership with tenants and leaseholders to determine the form and content of development;

iii). minimising disruption to tenant and leaseholders;

iv). delivering wider benefits to the whole neighbourhood;

v). ensuring collective project governance and management involving tenants, leaseholders, and local councillors; and

vi). phasing of the planning and development of the regeneration programme.

(1) High quality development and public realm

3.4.5 The redevelopment of Convent Way has the potential for creating 1,100 new high-quality homes. It is essential that a development of this scale delivers a good balance of housing tenures aimed at accommodating households on a range of income levels. This will mean a mixed tenure development, rather than a 100% social rent replacement. Our options will, therefore, include consideration of social, intermediate and market rent units; as well as shared ownership, discounted and market sales.

3.4.6 The regeneration of Convent Way Estate should present the Council an opportunity to create a well-designed development that provides high quality and affordable homes. The homes should be designed and built to high energy efficiency standards to contribute to the Council’s climate emergency challenge, as well as helping to reduce energy costs for residents. In addition, the scheme should create new community facilities, leisure and amenity spaces, and significantly enhance the social infrastructure and public transport provision. Our objective should be a cutting edge estate regeneration scheme that contributes in creating new, vibrant and thriving communities.

(2) Close working with tenants and leaseholders

3.4.7 It is essential that tenants and leaseholders are fully engaged throughout the planning and delivery of the development to ensure that we fully understand and address the issues they face. We should commit to working with all residents on the Estate in an open and transparent way throughout the process.

3.4.8 We will prepare a package of support to build the capacity of residents so they can readily access information on all aspects of the scheme, and are best placed to fully understand and contribute to the planning and development stages. These will include a range of communication and engagement options:
- a dedicated Convent Way Regeneration telephone line/email address;
- an on-site presence and information point will be established within the existing shop units, or in the community centre;
- on-line internet presence and scheme presence on our council house building platform;
- planned visits to other regeneration estates; and
- use of CGI and Virtual Reality simulations of the proposed - with external and internal views of the housing units.

### 3.4.9 In addition, we will appoint an independent Resident Advisor to lead engagements with residents. This will include independent advice, training and support, advocacy, and collaboration in the preparation of our “offer” to existing tenants and leaseholders. A key element of this role will be designing and carrying out the independent ballot of tenants and leaseholder on whether to progress the scheme.

### (3) Attractive “offer” to minimise disruption to tenant and leaseholders

#### 3.4.10 Whilst regeneration and renewal can secure significant benefits for residents, the process can also be worrying and stressful for residents. Engaging residents throughout the process will help. However, an important way in which the concerns of residents can be allayed is through positive and decisive responses to their questions, such as “Why are you doing this?”, and “What will happen to me?”

#### 3.4.11 Explaining the reasons for regeneration can be relatively straightforward in the case of poor quality estates that are subject to significant levels of ASB, drug use and crime. Explaining what will happen to tenants and leaseholders, when and how, can more complex. Key to this is our ability to offer positive and guaranteed housing options.

#### 3.4.12 As a minimum, we believe that we should commit to there being no net loss of council homes; and that all existing tenants and leaseholders will be offered an alternative home on the new estate, if they wish to stay. The Council will also look to protect rent levels of existing secure tenants. The preparation of the final offer will be subject to engagement with tenants and leaseholders throughout the process, however, at this stage we consider that an attractive offer should include:

i). a range of re-housing options and a “one move” commitment into a new home for all existing secure council tenants, or the option to move elsewhere if they wish;

ii). financial compensation, where appropriate, for home loss and disturbance;

iii). commitment to more energy efficient homes with significantly reduced energy bills;

iv). rehousing of secure tenants according to their housing needs, which could be ‘like for like’, overcrowded families re-housed in larger accommodation, or under occupying household being downsize to smaller homes;

v). tenant and leaseholders will be given choices in the design of their new homes, including over the internal fit out options of kitchens and bathrooms; and

vi). an attractive and fair leaseholder offer to be developed in conjunction with them.
3.4.13 The Estate Regeneration Programme will take a holistic approach to place
making and improving the quality of the wider Convent Way neighbourhood. It
will promote opportunities to resolve many of the issues facing residents by
providing new and appropriate social infrastructure. The impact of the increase in
housing on local services such as health and education will also be taken into
account. The scheme should also see considerable investment in enhancing and
creating new amenity and public spaces, and community facilities.

3.4.14 A full neighbourhood assessment will be carried out in partnership with the local
community to identify what is lacking or required in the area. The assessment
should inform our aim to maximise the social and economic benefits for residents,
in particular, to secure local employment and training opportunities for residents,
thereby maximising the economic benefits for local people.

3.4.15 In view of the complexity and scope of the issues involved in the regeneration of
the Convent Way Estate, formal project governance and management
arrangements will be established. These will include the setting up of a Project
Board involving lead members, senior council officers as appropriate across the
Council, tenant and leaseholder representatives, and partner representatives.

3.4.16 The Board will be supported by a Project Group comprising leads from
workstream sub-groups that will be set up to explore issues in depth and carry out
the requirements. The workstreams will initially focus on the following areas:
- Scheme Planning and Design.
- Resident Engagement and “Offer”.
- Tenant and leaseholder Ballot.
- Financial Funding and Planning.

3.4.17 We propose to carefully plan and carry out the regeneration of the Convent Way
Estate through five (5) main phases:
- Phase 1: Early scheme design, tenant and leaseholder engagement, and
  ballot (January to September 2020).
- Phase 2: Scheme development and planning submission (October 2020 to
  September 2021).
- Phase 3: Planning Application – community consultation, planning
  consideration and determination (November 2021 to April 2022).
- Phase 4: Partnership, and funding and investment development (May 2022
to August 2022).
- Phase 5: Delivery and construction (from October 2022).

3.5 Financial and Funding Implications

3.5.1 This report is concerned with Phase 1 of the proposed regeneration of the
Convent Way Estate. It is intended to carry out early engagements and scheme
design, and the ballot of tenants and leaseholders. The sequential nature of the programme means that we are not able plan too far ahead of the scheduled milestones – in this instance securing a successful ballot. The financial implications of delivering the overall programme, therefore, is not considered at this early stage. Instead consideration is given to the financial implications of delivering Phase 1.

3.5.2 The Council’s will appoint a dedicated Estate Regeneration Programme Director to lead on the development and implementation of the overall programme, supported by two additional dedicated staff. Provision will also be made for employing a “resident advisor” to support tenants and leaseholders and to lead the preparation and conduct of the ballot, and for consultancy support for early scheme design.

3.5.3 Cabinet is asked to approve an overall budget allocation of up to £600,000 to fund the survey and early feasibility, resident support, and the conduct of the ballot. We propose up to £425,000 of this total should be funded from the HRA (capitalised), and a revenue grant of £175,000 has been agreed from the GLA to support this programme.

3.6 **Next Steps**

3.6.1 Subject to Cabinet approving the recommendations of this report, we will immediate plan to engage with tenants and leaseholders of the Convent Way Estate to explain the overall proposal, address any immediate concerns, and ensure that they are clear of their full involvement throughout the process. We plan to hold early sessions on the Estate on the 22nd and 25th of January 2020.

3.6.2 We will also plan to make the following early appointments and commission:
- Estate Regeneration Programme Director and support staff.
- Master planning architects, who will develop discussion sketches with residents.
- Resident Advisor, who will provide independent support, advice and mentoring for residents, and the conduct of the Ballot.
- Marketing and promotion materials.

3.6.3 A further report to Cabinet will be submitted (in the autumn of 2020) setting out the conclusions of the Phase 1. This will include the outline scheme design for regenerating Convent Way; assessment of tenants and leaseholder engagement; summary of the “offers” to be made to tenants and leaseholders; and the result of the independent resident’s ballot. The report will seek approval to progress to Phase 2 of the programme – develop detail scheme design and preparation of the planning application.

4.0 **Key Implications**

4.1 Targets and measures to be explained here using either paragraphs or table below or both.

<table>
<thead>
<tr>
<th>How is success to be measured?</th>
<th>Defined Outcomes</th>
<th>Unmet</th>
<th>Met</th>
<th>Exceeded</th>
<th>Significantly Exceeded</th>
<th>Date they should be deliver by</th>
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5. Financial Details

a) Comments of the Executive Director, Finance & Resources

This report seeks approval for an initial budget of £600,000 to fund the initial phase (January to September 2020) of the exploration of the opportunities to develop the Convent Way estate.

The regeneration of this estate provides an opportunity to replace homes that are expensive to maintain and provide residents with more energy efficient homes within a redesigned environment.

This is complex project with significant challenges around particularly engagement with tenants and leaseholders, developing a mixed tenure scheme with a social rent component that is financially viable within the context of the HRA Business Plan and the delivery of both the logistical and financial aspects of the programme.

This initial budget allocation is for the expected costs of Phase 1 of the programme. £425K needs to be funded via the Housing Revenue Account. Depending on the nature of the expenditure and outcome of the programme some of this expenditure may be able to be capitalised otherwise it will need to be met from HRA revenue budgets. At this stage of the project much of the expenditure is likely to be revenue rather than capital expenditure. Any expenditure that is capitalised may need to be written off and funded from revenue budgets if the schemes does subsequently create enhanced or new assets.

If this report is approved the £425K will need to be financed via the HRA Business Plan. This will reduce the resources available for funding investment in the existing stock in the short term. If the redevelopment of the estate progresses it will affect the cash flows within the HRA over the period of the re development but in the long term a regenerated estate should have lower maintenance costs.

6. Legal Comments of the Head of Governance

The project will have a range of potential legal implications, including those relating to statutory consultation requirements, the procurement planning and property implications of the proposed development agreements, and the financing of the scheme. Detailed legal advice will be taken at the feasibility planning stage, and a further report will be submitted to Cabinet in due course.

The proposed governance arrangements for the Convent Way Estate project are set out at paragraph 3.4.15 above.
7. Value For Money

The construction of these schemes will provide a supply of new homes for housing households in housing need. This will assist with reducing the use and costs of temporary accommodation, while providing new income streams to the Housing Revenue Account.

8. Sustainability Impact Appraisal

The new HRA schemes, which will be developed under this Plan, will be designed to meet the London and Local Plan sustainability criteria.

9. Risk Management

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<thead>
<tr>
<th>Risks</th>
<th>Uncontrolled Risk</th>
<th>Controls</th>
<th>Controlled Risk</th>
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</thead>
<tbody>
<tr>
<td>Construction Cost inflation. There is a risk that prices will rise in future to higher levels than currently estimated.</td>
<td>Build cost inflation.</td>
<td>The continuous assessment of the feasibility of these proposals.</td>
<td>The additional income from the new homes.</td>
</tr>
</tbody>
</table>

10. Links to Council Priorities

**LB Hounslow Corporate Plan – Outcome 2:**

We will work with a wide range of partners to help create a borough where, **People Live in Good Homes and Neighbourhoods** –

**This means:** Residents enjoy a good quality of life, living in homes that work for them and in communities that support and nurture people.

**How we can check we're on track:** i) housing numbers ii) homelessness rate iii) involvement in the community (+ Delivery Against The Housing Pledge)

11. Equalities, Human Rights and Community Cohesion

The Council has to give due regard to its Equalities Duties, in particular with respect to general duties arising from the Equality Act 2010, section 149 and for the purposes of this report, section 20, Part 2 of the Equality Act. The latter provision creates a duty on public and private organisations to make adjustments for disabled people. Having due regard to the need to advance equality also involves, in particular, the need to remove or minimise disadvantages suffered by persons. All of our new homes will be developed to Lifetime homes standards. 10% of these will be also be developed to wheelchair standards.

An equality impact analysis has not been carried out at this stage as it is not considered that anyone with a protected characteristic: Age; Disability; Gender Reassignment; Pregnancy and maternity; Race; Religion or belief; Sex and
Sexual Orientation will be adversely affected by the proposals within this report.

12. **Staffing/Workforce and Accommodation implications.**

   As the proposal develop the significant increase in stock may mean additional housing staff maybe required.

13. **Property and Assets.**

   This report considers the future use of land and property held within the HRA. Land already held within the HRA will use HRA resources to fund the development and marketing of new schemes. Other general fund assets will be developed within corporate procedures for the disposal of land and buildings.

14. **Any Other Implications**

   None.

15. **Consultation**

   Extensive resident and member consultation will be undertaken as part of the planning and delivery of this proposal.

16. **Timetable for Implementation**

   The project if approved has a target commencement date of February 2020, with the development of feasible proposals by December 2020, with a resident ballot and planning applications being undertaken during 2021.

17. **Appendices**

   None.

18. **Background Information**

   All relevant background information has been included in this report.