

Report for: **Cabinet 17 October 2017**

Item number: 9

Title: **Revised Estate Renewal Rehousing and Payments Policy following consultation**

Report authorised by: **Lyn Garner**

Lead Officer: **Alan Benson**

Ward(s) affected: **All**

Report for Key/
Non Key Decision: **Key Decision**

1. DESCRIBE THE ISSUE UNDER CONSIDERATION

- 1.1. On 13 June 2017, Cabinet approved a draft revised Estate Renewal Rehousing and Payments Policy (ERRPP) for consultation. This consultation was carried out from 3 July 2017 to 10 September 2017. This policy is a revision of the ERRPP approved by Cabinet in July 2016, and sets out a clear set of commitments to residents whose properties will be demolished as part of a renewal scheme.
- 1.2. The revised policy made the following changes to the 2016 policy:
- Clarification of the Council's commitments to tenants
 - Extending the options for leaseholders beyond the statutory minimums set out in the existing ERRPP
 - Extending the commitments to all Haringey Development Vehicle schemes and Housing Association schemes where the Council determines it has a strategic interest
 - Responding to the recent publication of guidance on estate renewal by the Department of Communities and Local Government and the Mayor of London and the issues around the Secretary of State's decisions on the Aylesbury Estate
- 1.3. This report sets out the consultation results and changes to the policy now proposed. It seeks Cabinet approval of the final policy.

2. CABINET MEMBER INTRODUCTION

- 2.1. With estate renewal progressing on Love Lane and High Road West, and with future development taking shape through the Haringey Development Vehicle, it is essential that the Council is clear on its commitments to existing residents to ensure that local people benefit first and foremost from any renewal scheme. This has required a review of the existing Estate Renewal Re-housing and Payments Policy.
- 2.2. In this revised policy, Haringey Council is offering a guaranteed right to return for tenants and resident leaseholders; a commitment on maintaining existing terms and conditions for tenants; and a package of options to ensure that leaseholders are able to purchase a new home. These commitments will apply to all Council schemes as where more than 20 homes are being demolished well as estate renewal undertaken by the Haringey Development Vehicle, and by Housing Associations where Haringey Council has a strategic interest in the scheme.

- 2.3. The commitments in this policy have received overwhelming support from those who completed questionnaires, attended consultation and drop-in events and in written replies. In the light of these responses, the policy has been amended in places, for example it will now cover all schemes of 20 or more properties. In addition, clarifications have been added to address concerns, and a Frequently Asked Questions document has been provided to give additional advice and certainty on what the policy means.
- 2.4. The commitments to our residents in this policy form a benchmark that goes beyond the current standard for regeneration schemes, but can be extended even further on individual schemes. I am therefore proud to recommend this policy for approval.

3. RECOMMENDATIONS

It is RECOMMENDED that the Cabinet:

- 3.1. Notes the Equalities Impact Assessment at Appendix 1.
- 3.2. Notes the contents of the Consultation Report at Appendix 2.
- 3.3. Notes the new commitments approved by Cabinet on 13 June 2017 as set out at 6.9.
- 3.4. Approves the proposal that the implementation date for rehousing priority/status on individual schemes will be determined at a local level by the Director of Housing & Growth in consultation with the Cabinet Member for Housing, Regeneration and Planning, as set out in paragraph 6.23 below and in section 4.1 of the policy.
- 3.5. Approves the inclusion of a set of General Principles in the Policy, as set out in paragraph 6.24 below and in section 3 of the policy, which govern how this policy should be implemented.
- 3.6. Approves the creation of an Estate Renewal & Rehousing Payments Discretion Panel, as set out in paras 6.25 below and in section 3.2 of the report with delegated power to ensure these principles are applied appropriately on individual cases where the policy may otherwise create an unfair or inequitable outcome. Determining the membership and terms of reference of this panel will be delegated to the Director of Housing & Growth in consultation with the Cabinet Member for Housing, Regeneration and Planning.
- 3.7. Approves the changes and clarifications to the draft policy following consultation, as set out in paras 6.21-6.41 below, in particular the limit on the value of the replacement property where an Equity Loan can be used at 6.39-41.
- 3.8. Approves the final Estate Renewal Rehousing and Payments Policy at Appendix 3.

4. REASONS FOR DECISION

- 4.1. The reason for recommendation 3.4 is to clarify when and how the policy will come into force and to ensure that the rehousing priority is managed so that households in early phases have realistic opportunities to move before further residents are given priority.
- 4.2. The reason for recommendation 3.5 is to set out principles to provide guidance on how the policy should be applied.
- 4.3. The reason for recommendation 3.6 is to ensure that there are structures and processes in place to apply discretion in exceptional circumstances, to ensure fair and equitable outcomes.

- 4.4. The reasons for recommendation 3.7 are set out in paras 6.25-6.41 below.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1. To retain the existing policy with no change. This was rejected because the current policy is, in effect, no more than a statement of the statutory minimums to which tenants and leaseholders are entitled. It sets out a general aim to achieve the outcomes set out in the draft revised policy, but makes no commitment to these. It leaves any commitments and any additional offers over and above the statutory minimum to be determined on a scheme by scheme basis. This is a legally defensible position but is not one that promotes confidence among residents and as such does little to garner resident support for these proposed estate renewal schemes.
- 5.2. To make the commitments in the proposed policy absolute and not allow individual schemes flexibility to raise the offer. This was rejected because there are some schemes where the circumstances of existing residents will require, and the financial viability will allow, an improved offer.
- 5.3. In the proposed policy, an Equity Loan of up to 40% is provided for those for whom this is not affordable, and Shared Ownership arrangements are offered with the first 40% rent free. Alternative financial arrangements were considered, as were a range of percentages for both the Equity Loan and Shared Ownership offers. Different respondents to the consultation argued for either higher or lower percentages. It was determined that the percentages on which the consultation was based should be retained, to effectively balance deliverability with a firm guarantee that there will be an option that is affordable to all leaseholders allowing them to return to or move to a new home on the estate.

6. BACKGROUND INFORMATION

Introduction

- 6.1. Priority 5 of Haringey's Corporate Plan is focused on the delivery of new homes to "*Create homes and communities where people choose to live and are able to thrive*". This aim is also key objective 1 of the Haringey Housing Strategy 2017-2020, where the Council committed to "*Achieve a step change in the number of new homes built*".
- 6.2. The drive for new housing forms part of Haringey Council's overall ambitions for renewal and growth. The council's vision for renewal includes new and improved housing alongside other measures including better local town centres; enterprise, employment and training; transport; health; education; community safety; and environmental improvements.
- 6.3. The Housing Strategy also commits to "*minimise the disruption experienced by those living closest to major development sites and give a high priority to involving affected residents at an early stage, so they are able to influence plans and shape the outcomes*".

The current Estate Renewal Rehousing and Payments Policy

- 6.4. On 12 July 2016, the Cabinet approved the Estate Renewal Rehousing and Payments Policy which applies to all Council schemes where 10 or more units are being improved or redeveloped.
- 6.5. The existing policy sets out the statutory disturbance and Home Loss payments for tenants and leaseholders, and details on how to claim. It also sets out a general "aim to offer secure tenants the option of moving to, or returning to, a new permanent home on their estate where possible" but did not make any commitments regarding rent and tenancy conditions.

However, rehousing commitments for leaseholders was left to be decided by each individual estate renewal scheme.

- 6.6. The policy was the subject of extensive discussion and formal consultation with stakeholders, including potentially affected tenants, leaseholders and freeholders and their advisors. The formal consultation on the draft policy started on 17 November 2015 and closed on 14 February 2016. Following consultation, the policy was amended and approved by the Cabinet on 12 July 2016.

Reasons for revising the current Estate Renewal Rehousing and Payments Policy

- 6.7. The existing policy focuses primarily on the payments and rehousing options for tenants. But with estate renewal progressing on Love Lane and High Road West and with future development taking shape through the HDV, it is clear that commitments to affected residents need to be clarified and strengthened, particularly for leaseholders and freeholders where the policy is silent beyond statutory minimums. The draft revised policy sets out much clearer commitments and a full set of options for leaseholders and freeholders.

The draft Estate Renewal Rehousing and Payments Policy approved for consultation

- 6.8. On 13 June 2017, Cabinet approved a revised Estate Renewal Rehousing and Payments Policy (ERRPP) for consultation. This consultation was carried out from 3 July 2017 to 10 September 2017.
- 6.9. The draft Policy contained the following key changes to the existing Policy:
- a) The application of this policy to all estate renewal schemes of 50 or more properties led by the Council
 - b) The extension of this policy to schemes led by the Haringey Development Vehicle, and Housing Association schemes where the Council determines that it has a strategic interest
 - c) The commitment to all residents that:
 - No tenant, leaseholder or freeholder will be financially worse off as a result of estate renewal
 - All tenants will have a guaranteed Right to Return to an appropriate sized home on an equivalent social tenancy at an equivalent rent
 - All tenants who wish to move away will be supported to do so
 - All resident leaseholders and freeholders will have a guaranteed Right to Return, and will have an offer of a home that is affordable to them, either on the open market, with an Equity Loan or on a Shared Ownership basis.

Consultation on the Draft Policy

- 6.10. This proposed policy has been the subject of extensive discussion and formal consultation with stakeholders and in particular potentially affected tenants, leaseholders and freeholders and their advisors. The formal consultation on the draft policy started on 3 July 2017 and closed on 10 September 2017.
- 6.11. A consultation booklet summarising the proposed policy was drafted and a questionnaire developed, asking both general and specific questions on the subjects of the proposed policy. These were distributed at meetings with resident groups and drop ins, and made available on the Council's website.

- 6.12. A letter from Councillor Strickland inviting residents to take part in the consultation was e-mailed/posted to all council housing residents associations in the borough and to over 7000 tenants and leaseholders whose e-mail addresses we hold.
- 6.13. In addition, those estates already identified as estates that might be the subject of estate renewal were targeted with letters inviting them to take part in the consultation meetings, so that tenants and residents most likely to be affected by the proposals would have the opportunity to comment on the proposals. Those estates were Woodside Avenue, Tunnel Gardens and Blake Road, Park Grove and Durnsford Avenue, Leabank, Lemsford and Groveland's, Reynardson Court, Turner Avenue, Barbara Hucklesberry Close and Watts Close, Imperial Wharf, Page High and Sky City. Articles were also placed in newsletters for Northumberland Park, Love Lane and Broadwater Farm.
- 6.14. An article was also placed in the Bridge Renewal Trust's weekly Community Impact Bulletin for the duration of the consultation which is received by over 700 Voluntary and Community Sector organisations in the Borough.
- 6.15. A total of 154 questionnaires were completed and returned either on paper or online. Five written responses were also received from Northumberland Park Residents Association, Love Lane Residents Association, Love Lane Leaseholders Association, Broadwater Farm Residents Association and Haringey Defend Council Housing. In addition, officers attended seven consultation meetings and events to discuss the proposals with residents, as set out in the table below:

Date	Meeting / Event
10 July 2017	Northumberland Park Residents Association Committee Meeting
11 July 2017	Love Lane Leaseholders Association meeting
20 July 2017	Love Lane Residents Association meeting
25 July 2017	Sky City Estate Drop In
27 July 2017	Broadwater Farm Residents Association Executive Committee Meeting
03 Aug 2017	Page High Drop In

- 6.16. The results of the consultation and comments received are set out in the attached Consultation Report at Appendix 2, Following the consultation, the Council has re-considered the policy and made a number of amendments, with the main ones set out in section 3.
- 6.17. In general, there was overwhelming support in the consultation responses for each of the main commitments. More than 80% of all respondents supported each commitment to tenants, with less than 4% disagreeing; while more than 67% supported each commitment for resident leaseholders, with less than 6% against. There was also general support for these commitments in the individual comments received, although these also included a number of requests for clarification. These clarifications have either been addressed in the revised policy itself or explained in the Frequently Asked Questions documents attached at Appendix 4. With the overwhelming support for the commitments, the Council believes it is right to implement the proposals set out in the consultation report.
- 6.18. There was support, albeit at a lower level, for extending the policy to Housing Association residents. This received 56% support, 15% against and 29% unknown. For the non-resident leaseholder commitments only 45% agreed, but only 12% disagreed as 44% were unsure¹. However, although support was lower than for Council tenants and resident leaseholders, these were still broadly supported, so the Council believes it is right to continue to offer these commitments.

¹ These totals do not add up to 100% due to rounding.

- 6.19. The consultation also asked residents about their support for the minimum equity for an Equity Loan and Shared Ownership offers and the 'rent free' percentage for Shared Ownership. Although support for these were lower, with 35% believing the Equity Loan minimum equity of 60% equity was 'about right', opinion was split between 19% believing it should be lower and 21% higher. Similar levels of support and opinions were given for the Shared Ownership percentage and 'rent free' Shared Ownership. The Council has considered the indeterminate nature of these percentages, and the individual comments received in this issue. The range of ownership offers set out in the consultation document was intended to allow residents to move to or return to a new home in the area, or move away from the area if they wished, in a home that was the right size and affordable to them. There was no clear message from the consultation that the offer failed to do this, so no changes are proposed to these percentages.
- 6.20. Finally, the consultation also asked about the minimum number of homes required for a scheme to be automatically covered by the policy. The draft policy set this at 50, which received mixed responses with 28% of respondents stating that 50 was about right, 32% believing the minimum number should be higher and 27% lower. However, although this is, as above a fairly indeterminate response, the minimum number was frequently raised in the detailed written comments. In the light of the concerns raised, the minimum number has been lowered to 20, alongside a clearer statement that the Council will aim to deliver these commitments on all schemes, regardless of size. But it is recognised that there may be exceptions where small schemes cannot feasibly keep to these commitments, for example where a block of general needs homes is being replaced by an Extra Care unit, or where the existing properties are all of one size which it would not be sensible to reprovide in the replacement scheme.

Changes to the proposed policy following consultation

- 6.21. Following consultation, the following changes have been made to the draft policy:

(a) Implementation

- 6.22. Following consultation, it is proposed that this policy will automatically apply in schemes where 20 or more homes are being demolished, and that it is expected that the policy will apply to most smaller schemes. However, it is accepted that this may not be possible in all cases, for example, where the Council is seeking to use the site to build specialist housing such as Extra Care (which may not be suitable for current residents) or where the current properties are all of single size which may limit the provision of additional family units.
- 6.23. On the implementation date, the Policy has been revised to state that following a Cabinet Decision to approve the estate renewal scheme, the implementation date for awarding rehousing priority will be determined by the Director of Housing & Growth in consultation with the Cabinet Member for Housing, Regeneration and Planning.

(b) General principles

- 6.24. In the consultation, many responses revolved around the detailed application of the policy to particular schemes and people's individual circumstances. These cannot all be contained in a policy. To address this, a Frequently Asked Questions Paper will be published alongside the policy (Appendix 4) and a set of general principles have been included in the policy to guide decisions on the implementation of the policy in individual circumstances. These are:
- These commitments are the minimum that all residents are guaranteed, but the Council expects every scheme to seek to go beyond these where it can.

- The policy aims to ensure that there is an offer of a home in the renewal area that is the right size and is affordable to the resident. The offer may not necessarily be an exactly like for like offer in every case.
- These offers are made in order to help people who want to stay to afford to do so. They may not always be available to those who choose to leave the area.
- As far as possible owners with Equity Loans should be treated as having all the rights and responsibilities of any other home owner in the borough.
- The policy aims to ensure that estate renewal schemes never disadvantage existing residents. It does not seek to resolve other problems, which are not caused by the scheme itself, such as people's existing financial problems or costs that are beyond the Council's control.
- Although the Council expects every scheme to seek to go beyond these guaranteed minimums, offers that are overly generous to any one group of residents should be avoided where this imposes an unacceptable cost on, or reduces the quality of the scheme for, other groups of residents.
- The commitments in this Policy will apply to all relevant estates. Neither the Council nor any developer in Haringey can waive these commitments. Any decision to waive some or all of these guarantees can only be made by the residents themselves.

(c) Discretion

- 6.25. To apply these principles in exceptional circumstances, it is proposed that an Estate Renewal Rehousing and Payments Discretion Panel is created. This will have authority to apply or amend the application of this policy and, as necessary, other Council policies, where it is reasonable to do so and where otherwise individual circumstances would lead to an inequitable or unfair outcome, which would not be in keeping with the principles above. Details on the composition and terms of reference of this panel will be set by the Director of Housing & Growth in consultation with the Cabinet Member for Housing, Regeneration and Planning.

(d) Under-occupying tenants

- 6.26. The draft policy offered secure and assured tenants "an appropriate sized home for them and any dependants they live with". However, the Housing Allocations Policy permits under-occupiers to retain spare bedrooms if they have more than one spare bedroom and voluntarily choose to downsize
- 6.27. The aim of the policy is to guarantee that tenants have an offer of a new home in the renewal area which is both affordable to them and meets their needs. This commitment does not affect moves to other parts of the borough and so clarification has been added to advise that the policy does not prevent tenants from taking advantage of existing under-occupation provisions and incentives when moving elsewhere in the borough. The policy also allows each scheme to go above and beyond these terms, where approved by Cabinet; and the Discretion panel can also consider offering bespoke offers outside the policy in individual cases.
- 6.28. It is also proposed that where tenants choose to, or are required to, downsize on or off the scheme, they are eligible for all the Under-occupation financial incentives - with the

exception of the payment for removals costs, which are already covered by the Displacement Payments.

e) Applications of rehousing offers to Leaseholders

- 6.29. The draft policy restricted the rehousing offers to those who did not own any other leasehold or freehold interests.
- 6.30. The implementation of this restriction would rely on self-disclosure or comprehensive property investigations on all applications. It was also noted that the ownership of other properties does not diminish the effect of rehousing if the property in the renewal area is their main home.
- 6.31. The proposed policy has therefore been revised to remove this restriction and allow any resident leaseholder to access the Shared Ownership or Equity Loan options if they meet the 12-month residency requirement.

(f) Application to individual schemes

- 6.32. The draft policy guaranteed that the Council will ensure these commitments are honoured in all cases and no estate renewal scheme in Haringey will go ahead if it does not deliver on these commitments. However, there may be circumstances where residents wish estate renewal to go ahead but where these commitments may create barriers to the scheme, and so adherence to them may actually disadvantage residents. Where this is the case, the proposed policy offers the residents of estates the option to waive these commitments for their estate. However, only residents are able to waive these commitments.

(g) Specialist housing

- 6.33. While the draft policy did not refer to specialist housing, the guarantee of a Right to Return would apply to all secure tenants including those in sheltered housing or supported housing with on-site support. However, where this type of specialist housing is to be demolished and replaced with general needs accommodation, the offer of specialist housing on the same site would be impracticable, especially in small schemes.
- 6.34. The proposed policy therefore reaffirms the offer of a Right to Return to the site, with appropriate floating support, or, if preferred, priority to move to the nearest specialist accommodation.

(h) Support for leaseholders to purchase properties

- 6.35. The draft policy offers leaseholders “*practical, non-financial help to assist leaseholders to buy another property outside Haringey*”.
- 6.36. During consultation, the offer of a Leasehold Swap was raised by leaseholders on the Love Lane Estate. This offer was made in the Residents Charter and is popular with some leaseholders, particularly those who have never purchased a property other than through the Right To Buy.
- 6.37. Leasehold Swaps are usually interpreted as meaning that the leaseholder would take over a lease of another Council property in exchange for their current lease. However, limiting the availability of this offer to only vacant Council properties would significantly reduce the number of homes available to these leaseholders. And in many cases, the value of the replacement property may still require an Equity Loan to be affordable.

- 6.38. To give much greater choice to leaseholders, the proposed policy extends the leaseholder swap option to offer intensive support to enable leaseholders to choose from all properties available on the open market, including of course former Council Right to Buy properties. Where required, this support could include the Council purchasing a property on behalf of the leaseholder. This offer provides far more choice and control to leaseholders than a leasehold swap scheme limited to existing council properties. It also removes the lengthier void periods and increased temporary accommodation costs that would be the result of leaseholder swaps into existing council properties.

(i) Limit on the value of the replacement property where an Equity Loan can be used

- 6.39. The draft policy stated that: *“Leaseholders are eligible for this option (shared equity) where they agree to contribute at least 60% of the value of the new home”* and that *“The remaining proportion of the property will be funded by an interest free equity loan”*
- 6.40. This approach potentially places no limit on the value of replacement homes purchased elsewhere in the borough. This could risk funding that should be invested in the scheme, being used instead to finance very high value properties for people who have access to sufficient resources to buy new properties on the estate at full value should they wish.
- 6.41. To prevent this, a double cap on values is to be applied to purchases elsewhere in the borough. The first cap will match the basic offer within the renewal area – ie where the leaseholder’s contribution represents at least 60% of the value of the new property. To ensure an equitable approach, leaseholders buying off the estate are restricted to a property where the value of their existing property plus 10% Home Loss equates to 60% of the value of the new property; ie the maximum replacement property value would be 1.83 times the value of the existing property. The second cap is an absolute value cap. That is, the replacement property must also be valued at less than the upper quartile house price in the borough. The most recent published value is £637,250² as reported by the GLA in August 2017 and will be updated every year.

7. CONTRIBUTION TO STRATEGIC OUTCOMES

Corporate Plan

- 7.1. Priority 4: Sustainable Housing, Growth and Employment - Drive growth and employment from which everyone can benefit

We will focus growth by prioritising new homes and jobs in Wood Green and particularly in Tottenham, where need and opportunity are greatest, and by bringing some of the borough’s key community assets into more active use.

- 7.2. Priority 5: Sustainable Housing Growth and Employment - Create homes and communities where people choose to live and are able to thrive

*Achieve a step change in the number of new homes being built
Drive up the quality of housing for all residents*

Housing Strategy

- 7.3. In November 2016, the Council adopted a new Housing Strategy 2017-2020 with Key Objective 1 set out as “Achieve a step change in the number of new homes built”.

² <https://data.london.gov.uk/dataset/average-house-prices/resource/f01b1cc7-6daa-4256-bd6c-94d8c83ee000>

7.4. Within the strategy, there were specific commitments to renewal, in particular

- **4.1 Harnessing regeneration and growth to deliver our ambition for housing**
The Council's vision for regeneration includes new and improved housing alongside other measures including better local town centres; enterprise, employment and training; transport; health; education; community safety; and environmental improvements
- **5.1 Maximising the number of new homes**
The Council's Local Plan sets out the Council's long term vision for growth and how this can enable a continued supply of housing, including affordable housing.
- **5.4 Promoting Estate Renewal**
Carry out estate renewal in accordance with a fair and transparent policy which sets out residents' rights and expectations if they are affected by a renewal project.
- **8.1 Promoting independence, health and wellbeing**
Ensure that our investment in council-owned homes makes an important contribution to the health and wellbeing of council tenants and leaseholders.
- **8.4 Giving residents a stake in growth**
Seek to minimise the disruption experienced by those living closest to major development sites and give a high priority to involving affected residents at an early stage, so they are able to influence plans and shape the outcomes.

8. **STATUTORY OFFICER COMMENTS**

FINANCE

- 8.1. This report seeks cabinet approval of the revised Estate Renewal Rehousing and Payment Policy.
- 8.2. The core aspects of this document focuses on ensuring that:
- All tenants who are displaced as a result of estate renewal programme are not financially worse off and guaranteed Right to Return to an appropriate sized home on an equivalent social tenancy at an equivalent rent.
 - All tenants who wish to move away will be supported to do so.
 - All resident leaseholders and freeholders will have a guaranteed Right to Return to a home that is affordable to them, either on an open market, using an Equity Loan or Shared Ownership basis.
 - The application of this policy to all schemes led by the Council.
 - The extension of this policy to schemes led by Haringey Development Vehicle and Housing Association schemes where the Council determines that it has a strategic interest.
- 8.3. The payment policy sets out in this report is as shown:

Payment	Description/Amount	Available to
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Home Loss Payments	<p>Lump sum amount set by the Secretary of State and updated annually. Set at £5,300 from October 2015</p> <p>Amount equal to 10% of the property value subject to minimum and maximum thresholds set by the Secretary of State and updated annually. Set at minimum of £5,300 and maximum of £53,000 from October 2015</p>	<p>Secure tenants & Assured tenants</p> <p>Resident leaseholders & Resident freeholders</p>
Disturbance Payments	<p>Costs of moving home includes costs such as removal fees, disconnection and reconnection of services, inbuilt furniture etc</p> <p>Claimants can choose a lump sum payment, or to submit receipts for each expense.</p> <p>Current fixed payment levels (as of September 2014): 1-bedroom property - £1,650 2-bedroom property - £2,000 3-bedroom property - £2,400 For all 3-bedroom plus properties £380 will be added to the 3-bedroom figure above (i.e. £2,400) for each additional bedroom.</p>	<p>Secure tenants, Assured tenants, Resident leaseholders & Resident freeholders</p>
Purchase of the Property	Full market value for the property.	All leaseholders & freeholders
Reasonable costs of purchasing a new property	Costs for purchasing a new property Includes conveyancing costs, stamp duty, solicitor/legal fees etc	All leaseholders & freeholders
Basic loss payments	<p>A lump sum payment for basic loss of property</p> <p>Amount is set at 7.5% of the property value, up to a maximum of £75,000.</p>	Non Resident leaseholders

- 8.4. The Policy allows for individual renewal schemes to offer additional options above and beyond those in this Policy where these are viable and appropriate for the scheme.
- 8.5. It is anticipated that the acquisition cost associated with the purchase of Leaseholder properties will be met from the developers or registered providers, depending on the agreements this may have cashflow implications for the HRA.
- 8.6. There is also a combined leaseholders acquisition and home loss disturbance budget of £12.6m available in 2017/18.
- 8.7. Any Equity Loan and Shared Ownership scheme offered by the Council as a landlord will be subject to separate consideration as this may require additional HRA resources and therefore have financial implications for the HRA.
- 8.8. Some potential loss of revenue income to the HRA from Leaseholders will be negated by potential savings from building maintenance and services costs.

LEGAL

- 8.9. The Assistant Director of Corporate Governance has been consulted in the preparation of this report and comments as follow:
- 8.10. The council has a duty under section 39 Land Compensation Act 1973 (LCA) to provide persons displaced from residential accommodation in circumstances where there is renewal (which includes where the land is acquired under a compulsory purchase order) with suitable alternative accommodation if no other accommodation is available to them. Under the Housing Act 1996 where the Council is proposing to re-house tenants, the priority given to them has to be in accordance with the Council's Allocations Policy.
- 8.11. The decision by the Secretary of State of Southwark Council's CPO of the Aylesbury Estate has highlighted the importance of Councils of ensuring that housing options are put to leaseholders and freeholders which provide reasonable and affordable alternatives to alleviate the negative impacts of renewal and the importance of having housing options that allow them to remain in the area. This revised policy does that in the form of the commitments to leaseholders and freeholders and the offer of housing options including an Equity Loan and Shared Ownership. DCLG Guidance in the Estates Renewal National Strategy also stresses the need to set out clear commitments to residents and the housing options available to them. These should be developed in Resident Charters for individual schemes. The Mayor of London's Good Practice Guide advises the availability of appropriate Equity Loan and Shared Ownership schemes to assist leaseholders to move to or return to a new home on developed estates.
- 8.12. A General Consent permits the Council to dispose of housing land to existing leaseholders as part of an extended Leaseholder Swap scheme.
- 8.13. Secure and assured tenants and resident leaseholders/freeholders are entitled to a Home Loss payment when they are displaced, provided that they meet certain criteria. The amount of the payment is set by the Secretary of State by Regulations. In addition, tenants and resident leaseholders/freeholders are entitled to disturbance payments to assist with the reasonable expenses of having to move. Non-resident leaseholders are entitled to a basic loss payment. The Policy sets out what the Council will pay.
- 8.14. The Southwark case has also highlighted the need for Equalities Impact Assessments (EQIAs) to address the impacts of renewal on leaseholders/freeholders and to recognise that those impacts may be different for tenants. In approving the final version of the policy after the consultation, the Council must have regard to the Full EQIA and ensure compliance with its Public Sector Equality Duty under section 149 of the Equality Act 2010.
- 8.15. Members are reminded that the Moseley principles of consultation require that the product of consultation must be conscientiously taken into account in finalising any proposals.

EQUALITY

- 8.16. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

- 8.17. The proposed policy does not set out the case for renewal or the impact for residents of particular estates, but sets out mitigations to residents who are required to move due to a renewal scheme.
- 8.18. The proposals to change the Estate Renewal Rehousing and Payments Policy sets out a Right to Return to council tenants and provides options to enable resident leaseholders to purchase a new replacement home on scheme if they wish. The policy also extends the right to return and payments policy to housing association tenants where the Council has a strategic interest in the renewal. The policy does not set out the case for regeneration, but sets out mitigations for residents who are required to move due to regeneration schemes.
- 8.19. The potential impact of any agreed changes were reviewed in an Equality Impact Assessment (EqIA) for this policy.
- 8.20. Residents with protected characteristics are over-represented on council estates, and the proposals set out in the policy should mitigate the impact rehousing might have on these groups. The EqIA has found that residents in protected groups are therefore positively impacted by this policy, particularly women and BAME residents.
- 8.21. Older people and disabled people will benefit from the right to return, although some older people may be impacted by having to downsize on returning to the regenerated estate. But this relatively limited negative impact on one protected group is likely to result in very significant positive impacts on other protected groups who are overcrowded and/or in temporary housing, who will be able to move into the new family sized homes that will be freed up. Older people and disabled people who live in specialist housing will not be covered by this policy as the council will not guarantee replacement of their housing, and therefore the policy has a neutral impact for this group.

9. USE OF APPENDICES

- Appendix 1: Equalities Impact Assessment
- Appendix 2: Consultation Report
- Appendix 3: Proposed new Estate Renewal Rehousing and Payments Policy
- Appendix 4: Frequently Asked Questions, and Answers

10. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Cabinet July 2016 – Approval of existing Estate Renewal Rehousing and Payments Policy
<http://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=118&MId=7844&Ver=4>

Cabinet June 2017 – Approval for of Draft Estate Renewal Rehousing and Payments Policy for consultation
<http://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=118&MId=8287&Ver=4>

Housing Allocations Policy 2015 as amended March 2017
<http://www.haringey.gov.uk/housing/housing-strategies-policies-and-plans/housing-allocations-policy#revised2017>

11. Supporting documents

Department for Communities and Local Government: ‘Estate Regeneration National Strategy’ published December 2016
<https://www.gov.uk/guidance/estate-regeneration-national-strategy>

Greater London Authority: ‘Draft Good Practice Guide to estate Regeneration’ published December 2016
<https://www.london.gov.uk/what-we-do/housing-and-land/improving-quality/good-practice-guide-estate-regeneration>

Statutory Instrument - 2016 No. 789 ACQUISITION OF LAND, ENGLAND Compensation
http://www.legislation.gov.uk/ukSI/2016/789/pdfs/ukSI_20160789_en.pdf