

TITLE OF REPORT - Resident Ballots for Regeneration Projects in Hackney**Key Decision No - NH Q91****CABINET MEETING DATE**

14 March 2022

CLASSIFICATION:

Open

WARD(S) AFFECTED

All Wards

CABINET MEMBER

Philip Glanville, Mayor of Hackney
Councillor Guy Nicholson, Deputy Mayor for housing supply, planning, culture and inclusive economy

KEY DECISION

Yes

REASON

Affects two or more wards

GROUP DIRECTOR

Ajman Ali, Group Director for Neighbourhoods and Housing

1. CABINET MEMBER'S INTRODUCTION

- 1.1. Hackney's Council housing provides a safe, stable and affordable place to live for more than 20,000 families in the borough. As the demand for homes has grown and house prices and private sector rents have increased, the availability of Council homes has become more important than ever.
- 1.2. Hackney Council, since 2011 has led on its pioneering, not-for-profit approach to building new homes. This approach has directly delivered more than 1,400 new homes in the borough. More than half the homes built are for social rent, shared ownership or for Hackney Living Rent, and the rest are sold outright to help pay for them – a model now followed by other Councils across London and the UK.
- 1.3. Building new homes can cause huge disruption to local residents and it's only fair that local residents should always be the first to benefit from a new Council development. That's why the Council is committed to always put local residents first in its new developments, which means guaranteeing the right to return for any affected residents or giving first preference for new Council homes to local neighbours in housing need, or putting Hackney residents ahead of others when marketing homes for sale.
- 1.4. The Council's priority is to deliver affordable new Council homes without impacting on existing homes. The focus of the most recent house building programme has been on repurposing underused Council-owned land such as unused garages or car parks. Yet in instances where existing homes do not meet residents' needs or replacing existing homes through redevelopment can deliver significant benefits for residents and the wider community, it is vital that this is delivered through close collaboration with local residents from start to finish.
- 1.5. In 2018, the Council made a promise that it would only ever proceed with proposals to demolish any Council home if the proposal had the support of the residents living there. A residents' ballot is the simplest and most transparent way for everyone to understand the level of support for a proposal to build new Council homes.
- 1.6. This approach has been tested with the residents of Trinity Court on the De Beauvoir Estate, where a strong majority of residents supported the offer of a brand new, high quality new Council home on the estate as part of a wider package of support – plans that also facilitate additional new Council homes for those who need it and further investment in the wider estate.
- 1.7. The 'Resident Ballots for Estate Regeneration in Hackney' commits to holding a ballot for every single eligible regeneration project and will ensure any secure Council tenant whose home is demolished will be guaranteed a new, modern Council home on their estate. It will not apply retrospectively to Council-led regeneration schemes that were subject to formal approval prior

to July 2018. This sits alongside the new Resident's Charter which is also on the agenda at March Cabinet.

- 1.8. We commend this report to Cabinet.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1. Our successful, award-winning estate regeneration programme is helping transform unmodernised estates into new thriving, mixed tenure communities, with high standards of design and community facilities. We are building thousands of new homes, over half of which will be for social rent and shared ownership and Hackney Living Rent.
- 2.2. We fully recognise, however, that our regeneration plans cause major disruption for local people affected by the changes taking place and for existing tenants who have to move out of their homes in order for redevelopment to take place. For this reason, we are committed to listen to and collaborate with existing residents affected by regeneration proposals from start to finish.
- 2.3. The 'Resident Ballots for Regeneration Projects in Hackney' Policy Statement is an essential way of ensuring that existing residents directly affected by regeneration proposals have their say on whether redevelopment involving the demolition of their homes should go ahead.

3. RECOMMENDATION(S)

- 3.1. **That the Cabinet approves the 'Resident Ballots for Regeneration Projects in Hackney' Policy Statement attached as Appendix 1.**

4. REASONS FOR DECISION

- 4.1. As Hackney is facing an unprecedented housing crisis, the Council is building new genuinely affordable homes across a range of sites in the borough to help meet housing demand, engaging and consulting with the local community and putting residents at the heart of any proposals for redevelopment.
- 4.2. To ensure that regeneration brings real benefits to local communities and opportunities are given to existing tenants, the Council has already developed and adopted Local Lettings Policies as well as the Leaseholder and Freeholder Options Document. Moreover, the Council follows the guidance provided in the 'Better Homes for Local People', the Mayor of London's Estate Regeneration Good Practice Guide. The latter sets out good practice and principles to deliver better homes for local communities, and encourages housing providers to openly engage with residents affected by a regeneration project, from its inception. The Mayor of London's Guide encourages the use of ballots when demolition is involved in a regeneration scheme in receipt of

GLA funding (specific requirements for ballots are set out in the GLA's Capital Funding Guide).

- 4.3. If a regeneration scheme is in receipt of GLA funding, the Mayor of London introduced requirements for resident ballots in circumstances where there is large-scale regeneration and proposed demolition of any homes. The 'Resident Ballots for Regeneration Projects in Hackney' Policy Statement (Appendix 1) defines how the Council intends to undertake voluntary resident ballots for future regeneration projects not in receipt of GLA funding and therefore not subject to the Mayor of London's requirements. It provides guidance for regeneration projects developed by the Council itself and will be promoted as a good practice example - via a Hackney Council-Registered Providers Compact - for regeneration projects undertaken by Registered Providers within the borough.
- 4.4. The 'Resident Ballots for Regeneration Projects in Hackney' Policy Statement sets out the Council's commitment to carrying out ballots of residents on future regeneration schemes that involve large-scale demolition where a formal decision was made after 18 July 2018. It reinforces Hackney Council's commitment to placing residents at the heart of decision-making on regeneration projects.
- 4.5. Organising the ballots may generate some additional costs. For instance, independent bodies may have to be procured to give more independence and credibility to the vote. However, Hackney Council already invests in extensive engagement with residents and wider stakeholders when developing regeneration schemes and arranging ballots as part of this engagement process would not result in a relevant increase in costs.

5. DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 5.1. The alternative option would be not introducing the 'Resident Ballots for Regeneration Projects in Hackney' policy. However, this would be a missed opportunity to:
 - a. set out clarity on Hackney Council's approach to voluntary ballots on schemes not in receipt of GLA funding and therefore not subject to the Mayor of London's requirements (as defined in the GLA Affordable Housing Capital Funding Guide);
 - b. provide a policy recommendation on voluntary ballots to Registered Providers proposing to carry out regeneration projects in Hackney;
 - c. fulfil a commitment within the Mayor of Hackney's 2018 Manifesto.

6. BACKGROUND

- 6.1. Resident ballots form part of the good practice examples and principles set out by the Mayor of London in his 'London Estate Regeneration Good Practice Guide: Better Homes for Local People', that recognises Hackney Council's arrangements for consultation with residents as an example of best practice.
- 6.2. The Mayor of London's requirements for resident ballots for estate regeneration projects were introduced in 2018 and are contained within the GLA's Capital Funding Guide, a live document that defines how ballots are implemented and describes them as a milestone in an estate regeneration project.
- 6.3. Undertaking resident ballots, as part of a wide-ranging consultation and engagement plan, is one of the commitments within the Mayor of Hackney's 2018 Manifesto ('Building A Fairer, Safer and More Sustainable Hackney'). The ballots policy was trialled in the De Beauvoir Phase 2 project. A pilot resident ballot for Trinity Court was agreed by the Cabinet in July 2020; the majority of residents voted in favour of the redevelopment of the building.

6.4. Policy Context

In the Hackney's year-long consultation with residents in 2015/16 - 'Hackney: a place for everyone', that informed the Hackney Housing Strategy 2017-22, the surveyed residents expressed concerns about housing availability and affordability in Hackney and suggested that building more social housing and other genuinely affordable housing formed part of the response to their concerns. 'Building high quality, well-designed and genuinely affordable new homes' became the first key theme of the 'Delivering the homes Hackney needs' Housing Strategy.

In combination with other policies, the resident ballots policy statement reinforces Hackney's commitment to build new, genuinely affordable homes for the local communities, taking into account the views' of local residents particularly of those directly involved in redevelopment projects, and ensuring that local communities benefit from the regeneration taking place in the borough.

6.5. Equality Impact Assessment

An Equality Impact Assessment is not required to introduce the resident ballots policy for regeneration projects in Hackney. However, when carrying out voluntary ballots any special needs of residents eligible to vote will be considered to ensure that all eligible voters can cast their vote. The question posed in the ballot will be as direct and unambiguous as possible.

6.6. Sustainability

There would be no new impacts on the physical and social environment from proceeding with the recommendations of this report.

6.7. Consultations

There is no requirement for statutory consultation in relation to introducing the policy on resident ballots for regeneration projects in Hackney. Ballots are themselves a means of engagement to ensure that residents affected by a redevelopment proposal have their say on whether their homes should be demolished. They are a tool to engage with residents and take their views into consideration. However, officers have engaged with:

- officers from relevant council services,
- groups representing residents of regeneration projects.

The responses of these groups have been taken into account in finalising the policy on regeneration ballots in Hackney for consideration by the Cabinet.

6.8. Risk Assessment

Organising and undertaking the ballots may generate additional costs as, for instance, independent bodies may have to be procured to give more independence and credibility to the vote. However, adequate and effective project and cash flow management will ensure that additional costs for ballots-related engagement are manageable.

Ballots may generate delays to projects delivering much needed new homes or even frustrate them. However, extensive consultation with residents involved in the regeneration proposal and engagement with residents whose homes are due to be demolished as part of the redevelopment plans will allow the Council to collect people's views and make decisions taking these into account, thus increasing residents' support. Putting residents at the heart of shaping proposals is an important condition for delivering successful regeneration schemes.

7. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

There are no direct financial implications from this report, however the commitments made in the residents ballot may limit the viability of schemes and therefore ultimately impact on the quantity of affordable homes that can be delivered.

8. VAT Implications on Land & Property Transactions

Not applicable.

9. COMMENTS OF THE DIRECTOR OF LEGAL & GOVERNANCE SERVICES

- 9.1. The Mayor's Scheme of Delegation provides that the Mayor and Cabinet shall approve all corporate policies and strategies, which includes the Resident Ballots Policy exhibited as Appendix 1.
- 9.2. Once formally adopted, the Resident Ballots Policy will give residents certain legal rights to hold the Council to account in terms of its contents and application.
- 9.3. The Hackney Housing Strategy 2017- 2022 is referred to at paragraph 6.4 above and careful consideration should be given by Officers to ensure that the proposed Resident Ballots Policy is complementary to that Strategy and to the Council's other Housing and Regeneration policies.

APPENDICES

Appendix 1 - Policy Statement - Resident Ballots for Regeneration Projects in Hackney

EXEMPT

Not applicable.

BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required

Description of document (or None)

None

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