

Item No.	Classification: Open	Date: September 26 2006	MEETING NAME: Executive
Report title:		Rehousing of tenants and homeowners for the Aylesbury Estate Regeneration Programme	
Ward(s) or groups affected:			
From:		Strategic Director of Housing	

Recommendations

1. That the Executive notes the implications of the proposed Policy for rehousing tenants/leaseholders on regeneration schemes for the Aylesbury regeneration scheme, and agree:
 - the proposed review of the underoccupation initiative qualifying criteria to take place by 31 March 2007 (paragraph 19 refers)
 - the proposals for early homeless payment consideration coming into force at the start of the phase 1 decant. (paragraphs 24 - 25 refers)
 - the proposed changes to the allocation appeals process (paragraph 31 refers)
 - the proposals for letting of 'surplus' units (paragraph 38 refers)
2. That the Executive agree the option for tenants rehoused off estate from the SW corner to return to new RSL homes on the Aylesbury footprint (paragraph 32 refers).
3. That the Executive agree that the broad terms of the Elephant and Castle scheme leaseholder options be applied to Aylesbury home owners, plus the option of sitting tenant value (paragraphs 44 – 54 refer).
4. That the Executive request that a detailed financial assessment of the Aylesbury rehousing programme is undertaken by the Strategic Directors of Housing and Regeneration and the Finance Director undertake a detailed financial assessment of the Aylesbury rehousing programme of Finance.

Background

5. In considering the revised strategy for the Aylesbury Estate on 27th September 2005, the Executive resolved the following:

“Executive notes the list of issues raised by the NDC and Council responses (annex B of the report), the existence of the Heygate and former Faraday offers, and gives a commitment to develop a decant and re-housing policy with the 4 Aylesbury Tenants and Residents Associations (T&RA's) that will endeavour to incorporate the best elements of both...”
6. The inaugural Aylesbury Steering Group meeting on 20th December '05 agreed to establish a sub-group to focus on decant issues given the complexity of discussion required for the subject.

7. The sub-group has met 8 times. A number of key issues were identified and worked through in turn; these are explored further below.
8. There have been number of alterations to rehousing t policy for various schemes at various times in recent years. The current policy with borough wide effect that was agreed by Executive has not been fully implemented on any current regeneration scheme for a number of reasons. A new boroughwide policy is to be adopted and a report on the proposed decant policy is the subject of a separate report to the Executive.
9. The Aylesbury Steering Group and Decant Sub Group meetings have discussed the relationship between the development of a decant policy for Aylesbury and the need for a new decant policy borough wide. The Council's preferred approach is to produce a new rehousing policy to be effective across all housing regeneration schemes in the borough. This is an important issue because of the Council's responsibility to act fairly and consistently in the treatment of households both within schemes and outside of them. The rehousing policy (elsewhere on the Executive agenda) forms part of the wider lettings policy, and as such has to have regard to the implications of rehousing schemes on the Council's obligations and the housing opportunities of all people in housing need.
10. Although the rehousing policy covers the general approach, it is recognised that there are factors that are pertinent to particular schemes and that need to be taken into account in delivering the scheme. The purpose of this report is to highlight the relevant issues for Aylesbury.

Key issues for consideration

11. The work undertaken by the decant sub-group has highlighted areas where residents' aspirations do not fully coincide with the Council's preferred approach; these areas are covered below along with the relevant policy considerations and proposals. Given the magnitude and complexity of the rehousing issues for Aylesbury, the work of the sub-group has informed the drafting of the borough wide policy.

Rehousing policy and Aylesbury context.

12. For Aylesbury, the 100% replacement requirement will be part of the masterplan brief; it has already been agreed that the new Aylesbury homes will be provided by RSLs. Resident representatives on the decant sub-group acknowledge that the redevelopment of the Aylesbury depends on working with RSL partners for the new housing provision. However, the residents' preferred approach would be new council housing, and particularly given the anticipated timescale of the scheme, would urge the Council to revisit this issue if Government policy changes to make conditions more favourable for the development of new council housing.

The borough wide rehousing policy provides that all tenants will have the option of either a new (RSL) home built as part of the scheme or a Council (or RSL) relet elsewhere in the borough. Tenants will be required to make a binding decision on the option.

13. The presence of an option to remain a council tenant has been an important issue for Aylesbury tenants. Tenants who opt for a move to an existing

council property will be required to use Southwark Homesearch to bid for an alternative property. With rehousing status, all tenants will attract the highest priority banding for rehousing, from the point the decant goes live for particular parts of the estate. A binding decision on the chosen option will be necessary to enable scheme development, and new build housing will be developed in line with residents' chosen options.

14. In accordance with all current regeneration schemes, it is the Council's objective that within the Aylesbury scheme households will only be required to move once. There may be circumstances where this cannot be guaranteed, but the importance of this approach to minimise disruption to households, cannot be underestimated.
15. The sub-group have requested that provision should be made for households who change their minds about their housing choice, particularly because of the requirement for a binding decision, and that criteria should be established to allow this.
16. Changes of circumstances after chosen options have been agreed, will be taken into account in accordance with normal practice. These will include: change of household bed need, medical factors, other exceptional circumstances e.g. personal safety or documented evidence that it is essential that the person lives in a different area or type of property. The standard of documented evidence of a change in circumstance will be no greater than that required in standard housing transfer assessments. At times, as the scheme progresses, it may not be possible to react to a household's changed circumstances, for example because an alternative property is not available or the change has occurred too close to handover. However, where there is time and the opportunity to change offers to reflect changed circumstances, the Council will do so.
17. Resident representatives on the decant sub-group have taken an interest in changed circumstances, but also in changes of mind. Again, requests to change option where there is not a change of circumstances will be taken into account as the scheme progresses if the time or opportunity permits and no-one else is disadvantaged. The Council will also endeavour to actively promote and support the mutual exchange of offers, preferably at the pre-allocation stage.

Extra bed entitlement for underoccupiers to mirror the Council's underoccupation initiative.

18. Changes to the underoccupation initiative have recently been agreed. The main effect of the change is to extend the extra bedroom entitlement to households of one bedroom need living in three bedroom properties. This would mean for example that, someone in a 3-bedroom property would qualify for a 2-bedroom property. Previously, the initiative was aimed at households living in 4-bedroomed accommodation or larger.

19. The decant sub group have sought to ensure that tenants who are under occupying qualify for an extra bedroom as proposed in the Faraday Housing Association offer, i.e. that any household under occupying would qualify for an extra bedroom above need. There is a gap between the current proposal and Faraday offer for households in 2 bedroom properties. The issues constraining adoption of the former Faraday proposal for Aylesbury include:
- rehousing scheme tenants having more favourable treatment than other tenants giving up rooms
 - the implications for access to 2 bed properties which are most needed overall
 - development capacity and timescale.
 - competition with other design elements
 - the financial implications of developing more larger units than are necessary
20. It is proposed that Officers conduct a full analysis of the financial implications of extending the extra bed entitlement to underoccupying households on the Aylesbury estate in 2 bed properties by 31st March 2007.
21. This will include the extent of potential take up and whether there will be differential benefit to different sections of the community. The initial housing needs survey of tenants within the South West Corner (SWC) is currently underway. This will provide useful information. There are currently no additional Council resources to fund an extension to the entitlement and therefore it is likely that this would be dependent on additional Government resources being made available. The financial analysis be used to support the lobbying process in 2007/2008.

Entitlement to Home Loss and Disturbance payments.

22. All tenants rehoused within regeneration schemes qualify for Homeloss and Disturbance payments. Entitlement to these payments will commence from the rehousing start date for blocks or parts of the estate based on an agreed phasing plan.
23. Rehousing start dates should be set as part of masterplanning / programming based on projected vacant possession dates. For the SW corner, the commencement of the new build construction is likely to be the trigger. Rehousing start dates will also depend on the numbers going through Homesearch in a given timescale. Within any phase, it is likely that the start dates may have to be staggered because of scheme priorities, and also the impact on the Choice Based Lettings system.
24. Residents on the sub-group are keen that tenants who have to move because of an acknowledged medical need that is related to the regeneration scheme and who move through Homesearch should be entitled to the Homeloss and Disturbance payments if they move before the rehousing start date for the phase in which they live.

25. It is proposed that any Aylesbury tenant would become entitled to early homelessness and disturbance payments regardless of whether they are scheduled for a rehousing move within a particular phase when:
- their medical vulnerability has been directly caused or exacerbated by the regeneration scheme: and
 - their vulnerability attracts a band 2 or higher priority as a result.
26. Tenants who believe that they have an entitlement must indicate this when submitting a medical needs transfer, and the decision on entitlement will then be considered by the Housing Options Manager on the particular circumstances of the applicant and the medical information available.
27. Early homelessness payments will only be considered once physical regeneration of the estate has commenced at a date to be agreed.
28. Tenants in a rehousing scheme who are in rent arrears will be eligible for transfer as long as there is not an outright possession order or if there is a suspended possession order, where they are complying with the terms. Arrears outstanding at the point of rehousing will be deducted from the Homelessness payment. The Council recognises that it is important that rent arrears recovery work is tailored at Aylesbury and elsewhere to ensure that tenants are in the best possible position at the point of moving.
29. The rehousing process will be based on a one offer policy; the objective will be to make a second offer unnecessary. A detailed referencing exercise will be undertaken by the Council's rehousing team to establish the housing needs of tenants and their chosen rehousing option. Sufficient information about the rehousing options and the new homes will be made available to inform the choice and to minimise the risk of misunderstanding. This will be supported by an information pack that provides all relevant information in an updateable format. Given the time lag to the firm offer and rehousing stage, it is important that information is kept up to date to ensure the needs of each household are adequately met at the point of offer. The Council will provide continued housing support throughout and information on the design process and progress with development.
30. Tenants opting for new build within the regeneration scheme will receive a direct offer based on their needs assessments. Tenants opting for a relet elsewhere in the borough will bid through Homesearch. In certain circumstances it may be necessary to make a direct offer of a Council property. If a tenant does not accept the offer, the Council may pursue possession proceedings through the Court as a last resort. The same will apply to tenants who do not accept their allocated new replacement property. The circumstances requiring a direct offer would include where a householder has made bids but has not accepted a property, or where households have not made bids for whatever reason.
31. Allocations of properties will be made in accordance with the Council's lettings policy to ensure e.g. the correct number of bedrooms for the household's needs, and that relevant medical factors are taken into account. Applicants in receipt of a direct offer may appeal against a decision of unreasonable refusal if these requirements are not met or other exceptional

circumstances emerge. Tenants will have the right of an appeal whether they are made a direct offer of an RSL or council property.

Appeals process

32. The current appeals system is conducted via an Appeals Panel comprised of council officers and is related to allocations generally, not specifically decants. Residents on the decant sub-group have sought resident involvement in the appeals process to ensure fairness and transparency. The introduction of Homesearch has resulted in substantially fewer applications to the panel. The proposed approach to the management of direct offers as outlined above should further reduce the number of tenants submitting an appeal. Given this it is proposed that the appeals process remains with experienced council officers making decisions on whether the Council's obligations have been met. It is proposed however, that a neutral resident's representative be invited to meetings of the panel as an observer. Clearly this process will be constrained by data protection requirements and the rehousing timetable. It is also proposed that tenants who wish to submit an appeal are given assistance and support in the completion of these by the rehousing team, and/or an independent support team, as suggested by residents. A briefing session should also be arranged for the decant sub-group to be taken through how the process works including sample (anonymous) cases, to demonstrate that fairness and efficacy is possible – and expected.

Option to return.

33. As stated above, the overall objective is that households need only move once. However some tenants who move in the first rehousing phase from the South West corner will be moving to new RSL homes that are not being built as part of the scheme. It is proposed that they should have the option to return to the Aylesbury footprint. Such requests will need to be registered at the time of rehousing.

Management and scheme delivery

34. The Council will make appropriate investment in the Aylesbury estate during the whole redevelopment period in order to maintain the physical fabric of the buildings and services to properties and communal areas to a satisfactory standard. Investment will also be made in appropriate security and community safety measures to maintain a safe and tolerable environment on the estate during the redevelopment.
35. It is likely the timetable for each phase of the scheme will be developed during 2006/2007, and will be informed by the Masterplan. The Council will endeavour to keep tenants and leaseholders informed of progress on these matters to assist residents make informed choices about investment in their homes and other matters what will be affected by likely moving dates. The yet to be appointed masterplanner will be required to produce an early indicative programme by June 2007.

36. The development of replacement properties will be planned in phases. The number and size of properties in each development phase will at a minimum match the assessed housing need of all tenants in the related decant phase who have opted for the new build option. The matching of each development phase with each decant phase prevents other applicants on the housing list from being disadvantaged by the regeneration programme. Newly developed homes not required for a current phase will be offered to other households by the Council through Homesearch. The Council will determine the approach to be adopted phase by phase in consultation with the Steering Group.
37. At the end of each phase, there are likely to be surplus units given that some tenants will have moved to Council properties rather than to the new RSL housing. Aylesbury tenants in later phases might wish to be considered for these surplus units, but will have no entitlement under the Rehousing Policy.
38. The approach taken to letting of surplus units could have a direct effect on the ongoing management of the Estate during the regeneration scheme, moving Aylesbury tenants from later phases could lead to increased 'pepperpotting' of voids across the Estate. This in turn could lead to an increased prevalence of community safety and housing management problems during the regeneration scheme. Both the Council and Aylesbury tenants agree that the potential housing management problems must be considered when deciding how to allocate surplus properties.
39. It is proposed that first refusal of these surplus units in later phases will be offered to former Aylesbury tenants from Phase One who moved outside of the Aylesbury Footprint to a new RSL unit and now wish to exercise their right to return
40. A balanced approach to allocating the remaining units will be taken. Whilst a general first refusal cannot be offered to Aylesbury tenants because of the housing management implications, priority will be attached to Aylesbury tenants from later phases where moving to these surplus units will speed the process of the demolition and regeneration Programme overall. Remaining units will be allocated to the General List. The level at which surplus units are offered to Aylesbury tenants in each phase will be determined at the time that these surplus units become available, having regard to the priorities set out above. If out of phase offers are made, a clear and transparent case must be made and formally agreed by the Strategic Director of Housing and the Aylesbury Steering Group will be kept informed.
41. The decant sub-group also considered the use of void units which arise naturally on the estate. Currently, natural voids that arise on the estate are being relet normally and this will continue for later phases. The management of the scheme will be based on minimising void loss and security problems, but the number of empty units will increase when the decision is taken to stop letting and then when the active rehousing phase begins. Some voids may be made available for an intra-estate transfer policy as exists on the Heygate, subject to phasing. The Council would be keen to balance this with the use of void properties for temporary accommodation for priority households this will act as an interim security measure and provide much needed temporary housing. All uses of void units would need to be carefully

managed, and decisions taken based on scheme progress and phasing and will be subject to consultation.

42. The Council acknowledges that strong estate management arrangements must be in place during the regeneration process, and undertakes to engage directly with the Community Safety Department in devising a strategy to minimise the potential for anti social behaviour on the Aylesbury Estate during the decant process.

Leaseholder Issues

43. The Aylesbury Leaseholders Group (ALG) was established to represent the interests of leaseholders and freeholders on the estate. The ALG has conducted two well attended open meetings to discuss home owners' issues. The focus of consultation to date has been on the policy agreed for leaseholders in the Elephant & Castle (Heygate) Regeneration in February 2005. The policy options have proved popular with the ALG, and it is proposed that the Elephant and Castle Leaseholder Policy options are adopted for Aylesbury leaseholders and freeholders. All but one option require vacant possession to be provided to the Council. (If adopting STV option) Acquisition of leasehold and freehold interests will be undertaken based on open market value, and primarily by individual negotiation.
44. To ensure that all third party interests in the Aylesbury site can be successfully acquired negotiations will need to take place so that all desirable options can be explored. Following this the Council will, at the appropriate time, need to seek powers of compulsory acquisition. For negotiated acquisitions, the basis of assessment of purchase price will be based on the level of compensation that would be payable in a CPO situation. For resident leaseholders this will usually comprise the market value of the property, a home loss payment of 10% of market value plus disturbance costs such as professional fees and costs associated with moving and acquiring a replacement property.

Options for Leaseholders

45. The following options have been considered in respect of the re-housing of leaseholders with provision either through the private sector, RSLs or the Council:-
 - (a) Buying a property on the open market
 - (b) Buying a shared ownership unit
 - (c) Buying a retained equity unit
 - (d) Comparative value transaction
 - (e) Alternative acquisition (sitting tenant Value) becoming a tenant within one of the new early housing site properties or within the Council's existing stock
46. All of these options are available to leaseholders dependant on their individual circumstances and are explained in more detail below in the following paragraphs.

47. All of the foregoing with the exception of (a) would be over and above the statutory minimum requirement on the Council as acquiring/housing authority. Option (e) is a development of the usual default position within the rehousing policy for resident leaseholders who cannot afford to buy an alternative property and is specifically designed for the Aylesbury to introduce extra flexibility into the scheme.. Options (b) and (c) are intended to meet the aspirations of Aylesbury leaseholders who wish to remain in the area with a property ownership interest. Option (d) would make provision for leaseholders who wish to stay in owner occupation in an equivalent value property in the borough. Option (f) Therefore it is recommended that options b) c) d) and e) should only normally be provided to leaseholders who meet the following criteria:-
- (a) That the lessee acquired the property either by way of Right to Buy or on the open market prior to 27th September 2005.
 - (b) That a party who is in the process of acquiring by Right to Buy submitted their application prior to 27th September 2005.
 - (c) That the leaseholder must be in actual occupation of the property for at least 1 year prior to the acquisition of the property.
48. It is considered that the introduction of these conditions is justifiable as it would prevent rehousing assistance from being directed to persons who have sought to benefit from the Council's intention to proceed with the decant of the Aylesbury Estate. The Council's intentions to develop the estate have been widely advertised through leaflets, news sheets and letters as well as more exposure in the local and national press and comprehensive consultation exercises. It would mean assistance, if made available, would be properly directed towards residents of the local area who have opted to hold a stake in the area before the regeneration was formally declared.

Qualification

49. Under the provisions set out in this report, a leaseholder household is considered to be able to look after its own needs through the options proposed i.e. owner occupation, shared ownership, retained equity scheme, or comparative value scheme. The Council has no legal duty to offer assistance in the form of tenanted accommodation beyond the normal obligation to rehouse under Section 39 of the Land Compensation Act 1973 (i.e. non-priority rehousing as discussed above). In the context of a regeneration scheme however, the effect of the Council's approach is that any rehousing will normally be undertaken on a priority basis to enable vacant possession to be delivered in accordance with the programme.
50. It is considered highly likely that the value of new build properties on the Aylesbury Estate will be significantly in excess of the market value of the leaseholders existing property. Option (b) - shared ownership - would involve the Council acquiring the leaseholder's current property for market value plus a loss payment of up 10% of that value, plus other disturbance items. The compensation paid would be transferred wholly into a percentage equity ownership (typically around 50%) of a shared ownership unit provided by a Housing Association with rent being paid on the balance equating to about 3% of the outstanding equity. In order to qualify for this

ownership option the leaseholder household would have to meet certain earnings criteria set out by the RSL. However, the council also requires the RSL to make as many affordable homes available as possible. The leaseholder would be able to increase the equity held in the property by, for example, taking on a mortgage in the future which could eventually bring the leaseholder back into full owner occupation.

51. Option (c) – retained equity - would involve the transfer of the compensation into a share of the equity in a new property being built as part of the scheme. No rent would be payable on the outstanding equity, rather a charge would be put on the property so that at the time of a future sale the percentage of outstanding equity would be recovered by the housing provider. The percentage that would have to be acquired will be the subject of negotiation with the RSLs throughout the early housing sites procurement process, but unlike the shared ownership option the percentage that would have to be acquired is likely to be above 80% as no rent would be received by the RSL in respect of the equity it retains. The ability of a leaseholder to be able to qualify for this route is dependant on the outcome of the affordability assessment as set out in this report.

52. Option (d) – a comparative value transaction which would involve the Council buying the existing leasehold interest at Aylesbury, and then selling the leaseholder a leasehold interest in an existing void property. Clear criteria will need to be established to operate the process based on the following principles:
 - The leaseholder has first explored options a, b and c.
 - The transactions are on a like-for-like basis i.e. the two properties are of equivalent value.
 - The Council will determine which property is suitable with regard to the needs information provided by the leaseholder. The value comparison work will only be undertaken for one alternative property.
 - A leaseholder may be considered for an alternative property up to one bedroom more than their assessed housing need subject to valuation considerations.
 - Properties that are particularly useful for meeting lettings needs, for example ground floor properties will not normally be used as alternatives.
 - Only general needs properties will normally be used as alternatives.
 - Lease will be in the form currently used for new leasehold disposals but of equivalent term as the lease being surrendered at Aylesbury.
 - The Council's obligations in respect of best consideration are met.
 - The Council's assessment of the alternative property will include the production of information to explain future liabilities in the same way to the s125 notice for RTB applicants.

- All outstanding sums owed to the Council to be cleared as part of the transaction.
53. Option (e) - In appropriate circumstances the Council will take account of the rehousing needs of leaseholders and freeholders whose properties have been acquired as part of a redevelopment scheme and provide Rehousing for them as tenants of the Council or of an RSL partner This will apply only if the leaseholder or freeholder is not in a position to purchase another property on the open market in Southwark, or if the leaseholder is unable to take advantage of a shared ownership home that meets their housing need or equally does not have the funds to purchase a retained equity unit.
54. For Aylesbury residents in this position alternative acquisition at “sitting tenant” value will be available at the earliest option. This will enable the Council to offer the resident market value of the property less approximately one third given the sitting tenant status and provide the resident with a guaranteed offer of a RSL or Council dwelling within the Aylesbury Regeneration area. This type of arrangement benefits the Council in that it is able to then rehouse the leaseholder now as a council tenant at what should result in a more speedy process. The benefit for the leaseholder is that they will receive a correct value for the current status of their property and will be rehoused within the confines of the regeneration scheme, with no possibility of receiving a section 20 notice for major works. However, this process will always need to be completed prior to the compulsory purchase order in all cases.
55. Account will be taken of any specific changes in conditions to include urgent medical needs, employment needs and any previously unknown family circumstances.

Payment plan

56. The Council will develop a package of flexible payment methods for leaseholder charges recognising that different methods of payment will need to fit the individuals’ ability to pay. The possibility of deducting outstanding amounts from, any compensation to be paid for properties will be retained within this policy.
57. The Council is aware that some leaseholders are not in a position to settle their major works charges within a relatively short period of time as set down in the terms of their lease. Various payment schemes to help leaseholders are therefore on offer, these are:
- a) payment of the major works invoice by interest free monthly instalments over a period of 36 months. If payments do not commence promptly upon receipt of the invoice and if any payment is missed then this scheme will no longer be available and the full sum will become due and payable immediately;
 - b) discretionary service charge loan, which help leaseholders to settle major works invoice(s) by monthly instalments over a period of up to 25 years at an interest rate of 1.5% above the base rate of the National Westminster Bank plc, provided there is sufficient equity in the property to cover the loan. There

is an application fee of £430.00 which covers the Council's costs in securing the loan against the property, this amount can be added to the loan;

- c) discretionary voluntary charge loan to enable the Council to secure the major works invoice(s) as a charge over the property provided there is sufficient equity in the property to cover the debt and interest. Interest on the debt accrues at 2% above the base rate of the National Westminster Bank plc. There is an application fee of £430.00, which covers the Council's costs in setting up the charge and securing it against the property, again this amount can be added to the charge.

Future Investment

- 58. Investment and maintenance are not exclusive to the regeneration scheme alone, indeed they are vital tools in engendering residents trust and confidence in the council's commitment to schemes. With large schemes it is essential to maintain estates until the works are about to start, ensuring that where possible dwellings are occupied, external areas are clean and well kept and that decanting takes as late as is reasonably possible. As leaseholders are legally bound to pay a proportion of the charges of ongoing maintenance and repair of the Estate, they would expect that all maintenance schemes or projects proposed during the regeneration process are consistent with the expected lifespan of that block.

Conclusion

- 59. The adoption of a new boroughwide rehousing policy is being recommended for a number of reasons. The scheme depends on Aylesbury blocks being made available for re-development, to create the required capital value. Timing will be important for programme reasons, but more critically, the period of rehousing from specific blocks will need to be controlled to minimise management difficulties and inconvenience and risks for residents. In addition, the re-adoption of the principles of the new policy will not only give residents a clear and open choice of landlord and area, but will also give the Council the flexibility to offer rehousing solutions outside of the immediate regeneration scheme, without having an impact on the net number of new dwellings provided by the end of the redevelopment programme. Tenants who take up the offer of a Council re-let elsewhere in the borough will create a demand for properties at the expense of other applicants on the Housing List between 2007 - 2016 but will free up high quality new housing association properties to meet the needs of other applicants throughout the scheme. This new policy also allows tenants who qualify the possibility of an extra bedroom when being allocated an existing Council property.
- 60. Many of the reasons given for the adoption of the rehousing policy apply equally for leaseholders. The suggested approach would ensure that when rehousing for tenants commences, there is a parallel process for leaseholders. In the appropriate cases, this policy includes consideration of individual leaseholders for rehousing in shared ownership options or as tenants.

Community Impact

61. The rehousing of tenants within the Aylesbury regeneration scheme has benefits for all sections of the community, as all will be rehoused in accordance with their housing needs and specific preferences. New homes will be designed to meet medical needs, relieve overcrowding and offer a better standard of housing. Whilst it is recognised that many leaseholders may consider moves to other parts of the borough or indeed elsewhere, it is anticipated that they will find the shared ownership opportunities within the scheme attractive. If this is indeed the case then it is likely that the communities on the Aylesbury will retain many of the current residents.

Effect of proposed changes

62. For the Council, the ability to take a more flexible approach to the re-housing of Aylesbury tenants would reduce the risks of the supply of new properties not being delivered at the right time, and would enable the decant of the estate to be completed in fewer phases. For the residents of the Aylesbury the adoption of the new borough wide policy will help to make personal planning more tangible. For the leaseholders who are seeking to negotiate sale of their interests to the Council relatively early in the process, the recommended approach provides a degree of certainty. The recovery of any number of properties in this way obviously also contributes to the delivery of overall programme.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Comments of the Borough Solicitor

63. This report sets out the council's proposals for rehousing secure tenants and leaseholders on the Aylesbury estate.
64. The council has a duty under section 39 Land Compensation Act 1973 to provide persons displaced from residential accommodation in circumstances which include where the land is acquired under a compulsory purchase order or a housing order or undertaking and with suitable alternative accommodation if no other accommodation is available to them.
65. The duty to rehouse does not apply to trespassers or persons permitted to reside on the premises pending demolition. Further, it does not apply where the acquisition is pursuant to a blight notice or to persons to whom money has been advanced under discretionary powers conferred on public bodies for the purpose of enabling the person to obtain accommodation in substitution for that from which he is displaced.
66. In considering whether suitable accommodation on reasonable terms is otherwise available, the local authority will need to look at the circumstances of the displaced person. This can include the person's financial circumstances. A local authority will need to have regard to its applicable decant policy.

Comments of the Chief Finance Officer (FIN2011Y)

67. This report brings forward policy proposals for rehousing tenants and leaseholders on the Aylesbury Estate.
68. Given that the Aylesbury project is at a very early stage in its development, there are no specific or quantifiable financial implications arising from this report at this time. As the masterplan and timetable for each phase of the project develops over the coming months, more detailed financial assessment will be undertaken to identify the full resource requirements, which will be the subject of future reports to the Executive.

Comments of the Strategic Director of Regeneration

69. Officers from Regeneration and Housing have worked collaboratively on developing a comprehensive policy for the rehousing programme on the Aylesbury Estate and the Director of Regeneration is confident that any outstanding issues can be resolved in consultation with resident representatives.

Consultation

70. Extensive discussions have taken place with Aylesbury Estate residents' representatives through the decant sub-group and the steering group. The report seeks to address the specific concerns raised by residents and they have had the opportunity to comment and advise on the proposals outlined above.

Reasons for lateness

71. In order to undertake detailed consultation with the Aylesbury steering group and decant sub-group on the principles contained in this report, it was necessary to continue work on report preparation to reach a satisfactory conclusion. The last meeting of the sub group took place on the 14th September 2006 and in order to address all the issues raised up to this point the report was delayed.

Reasons for urgency

72. This policy is urgently required to help to shape the programme for replacement housing in the future regeneration projects of Elephant and Castle and Aylesbury Estates. A commitment has been given to the tenants of the Aylesbury Estate that a decision on the borough wide regeneration rehousing policy is taken at the same time as the detailed paper on the management of the Aylesbury regeneration scheme which will be considered at the September Executive. These two policies combined will allow an early decision on cessation of new lettings to be taken in line with the strict timetable for delivery of this major regeneration scheme.

Background Papers	Held At	Contact
Aylesbury project files, decant policy reports.	a) Housing Regeneration Initiatives, 9 Larcom Street, SE17 1RX, b) Housing Options, Chatelaine House, 186 Walworth Road SE17, c) Chiltern House Portland St London SE17.	a) Maurice Soden 020 7525 1292 b) Miny Jansen 020 7525 4089 c) Chris Le May 020 7525 5480

APPENDIX A Audit Trail

Lead Officer	Keith Broxup – Strategic Director of Housing	
Report Author	<i>Margaret O'Brien – Head of Community Housing Service</i> <i>Rachel Sharpe – Head of Strategy and Regeneration</i>	
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Dated	21.9.06	
Key Decision?	Non key	
<i>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER</i>		
<i>Officer Title</i>	<i>Comments Sought</i>	<i>Comments included</i>
Borough Solicitor	Yes	Yes
Chief Finance Officer	Yes	Yes
Strategic Director of Regeneration	Yes	Yes
Date final report sent to Constitutional Team		21 September 2006