

WESTMINSTER CITY COUNCIL

STATEMENT OF DECISION

SUBJECT: EBURY ESTATE RENEWAL – DELIVERY STRATEGY & VIABILITY POSITION

Notice is hereby given that , Cabinet Member for Climate Action, Regeneration and Renters, Cabinet Member for Finance and Council Reform, has made the following executive decision on the above mentioned subject for the reasons set out below.

(
Delivery strategy for the future phases and associated viability positions for each option.
)

Summary of Decision

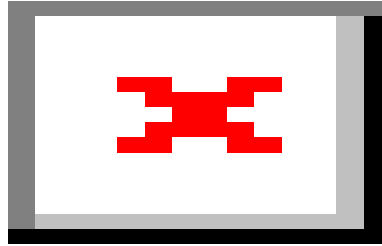
1 Recommendations

1.1 The Cabinet Member for Climate Action Regeneration and Renters and Cabinet Member for Finance and Council Reform are recommended to:

- 1.1.1 Approve the revised tenure mix and distribution for the scheme as set out in section 3 of this report;
- 1.1.2 Approve in principle the submission of a Section 73 Application in respect of the updated tenure mix and distribution and the Council entering into the related planning obligation as required;
- 1.1.3 Approve the termination of the Agreement for Lease as the letting of intermediate rent and intermediate ownership units within Phase 1 do not form part of the revised tenure mix;
- 1.1.4 Note the intention to hold an independent resident in ballot in line with the [GLA's Affordable Housing Capital Funding Guide \(section 8.6\)](#)
- 1.1.5 Delegate authority to the Executive Director of Growth Planning & Housing to approve any necessary steps and to approve deeds or documents to put these matters into effect.

2 Reasons for Decision

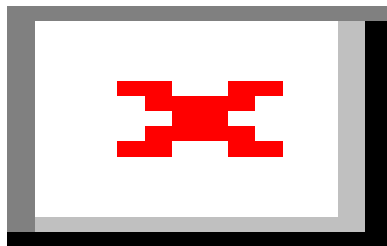
2.1 Current Scheme (Planning Consent)



2.1.1 The current scheme that has received planning consent includes:

- Mixed tenure blocks on the drawing above blue showing the market homes, orange the intermediate homes and yellow the social homes.
- A 51% affordable housing uplift across the masterplan.
- Affordable housing comprised of 60% intermediate tenure and 40% social rent tenure.
- In terms of the social rent units, the current scheme provides 198 social rent replacement units and 41 new social rent units.

2.2 New Proposal



2.2.1 The new proposal includes:

- Separation of the market units into single tenure units in Blocks 5, 7 and 9.
- A 56% affordable housing uplift across the masterplan.

- An affordable housing split to comprise 91% social rent tenure and 9% intermediate tenure. The intermediate tenure will be limited to the returning leaseholders from the Ebury Bridge Estate.
- In terms of social rent the new proposal provides 198 social rent replacement units and 172 new social rent units.
- The below table demonstrates the updates made to the scheme in respect of each tenure. The final unit numbers and mix are subject to design development and further reserved matters applications.

Entire Scheme	Total	
	Consented Scheme	New Proposal
Social Rent (affordable)	41	172
Social Rent Replacement (affordable)	198	198
Intermediate Affordable Rent (affordable)	86	0
Intermediate Ownership (affordable)	21	21
Discounted Market Rent (affordable)	19	0
Market Rent (Market)	178	178
Market Sale (Market)	238	212
Total	781	781

(A full breakdown of the comparison between the consented scheme and the new proposal can be found in Appendix A).

2.3 There are a number of factors influencing the decision to update the tenure mix and distribution as follows:

- Due to the rise in construction costs and inflation, the viability position of the scheme has become more challenging. The updated tenure distribution allows the market values to be optimised, which in turn helps viability and the provision of more social rent homes.
- Ongoing affordability for returning residents - service charges, energy bills and rents become a lot more reasonable for returning residents with the updated tenure distribution.
- Opportunity to maximise the number of new social homes being delivered to align with the manifesto. The new proposal provides 131 more social rent homes than the current scheme.
- Retention of management for Council.
- There are opportunities to access funding via the GLA in the region of £40M due to the increased amount of social homes on the scheme.

2.4 The implications of the above changes include:

- A variation to the Phase 1 contract with the main contractor with cost and programme implications yet to be confirmed.
- A Section 73 Application will be required to amend the existing planning consent with regards to the affordable housing tenure mix within Phase 1.

- Following the changes proposed to the affordable housing tenure mix within Phase 1, there would be a decrease to 51% in the total number of affordable homes provided in Phase 1 (compared to 63% in the approved application). However, this change will enable an overall increase in the number of affordable homes delivered as part of the outline application, and subsequently, across the masterplan as a whole.
- Updates are also required, therefore, to the section 106 Unilateral Undertaking which relates to the hybrid planning permission so that it will also apply to development brought forward under the section 73 planning permission and to update the number of affordable housing units and redistribution of tenure locations. More detail on the Section 73 can be found in Appendix 2.
- To obtain the relevant GLA funding to deliver the new proposal, a resident ballot is required. More information on the ballot is outlined below.

2.5 Resident Ballot

- 2.5.1 The Council has outlined its intention to seek external funding to maximise the number of truly affordable homes (council homes for social rent). The Ebury Bridge Estate project presents an opportunity to bid for Greater London Authority (GLA) funding for affordable homes. To receive GLA funding, estate regeneration projects that involve the demolition of any social homes and the construction of 150 or more homes (of any tenure) must be supported by residents in a ballot.
- 2.5.2 Although the construction of Phase 1 started on site in Autumn 2021 the GLA have confirmed that a ballot on the Landlord Offer which contains the current proposals for the scheme can take place. Following consistent and meaningful engagement with residents throughout the delivery of the project to date, the binding resident ballot will give both residents still living at the Ebury Bridge Estate and those who have temporarily moved away to provide their views on the proposals outlined in this paper.
- 2.5.3 The Council submitted a funding bid to the GLA for circa £40m in November 2022.
- 2.5.4 Residents will soon be asked to vote on the current regeneration proposals. Civica Election Services (CES) will manage the resident vote and have written to all eligible voters.
- 2.5.5 The Council's engagement team will contact every eligible voter to discuss the scheme and the voting process.

Reasons for Decision

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Publication Date: 16 January 2023

Implementation Date:

Reference: