

**INSIGHT**  
**SEPTEMBER 2021**

# Great Estates

Planning for Estate  
Regeneration in London



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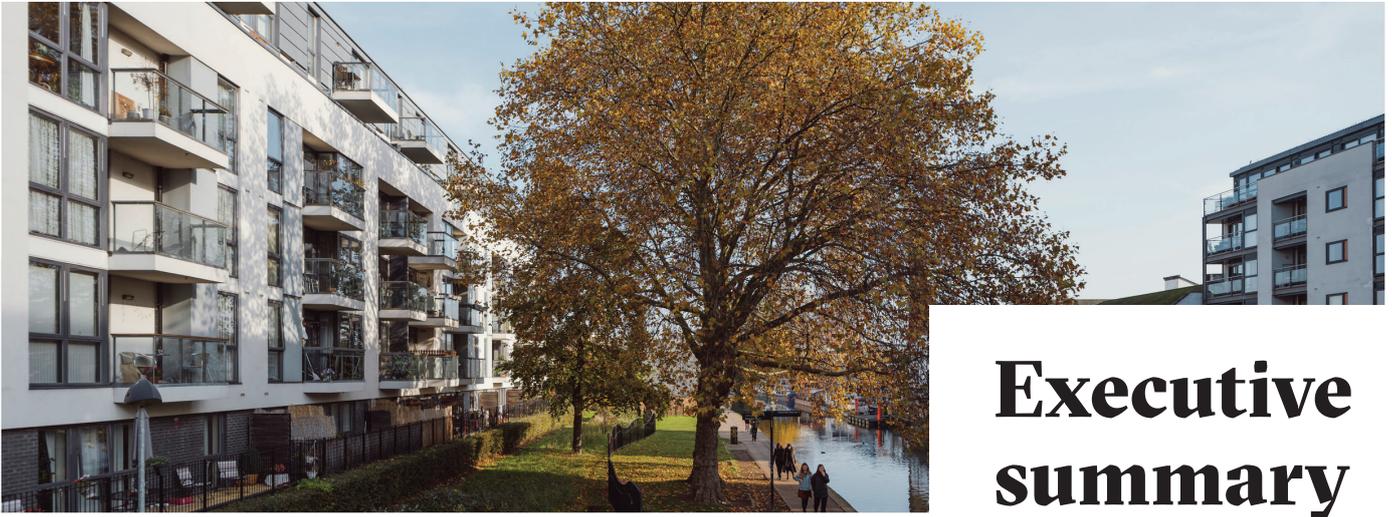
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# Executive summary

**In this Insight, we consider patterns of estate regeneration across London before drawing on our experience to assess the planning challenges and opportunities facing this growing sector. We explore common themes and identify Lichfields' best practice approaches to navigate estate regeneration through the planning process.**

Too many Londoners still live in substandard housing on poorly designed estates, which make suboptimal use of accessible and highly valuable urban land. Estate regeneration across London offers an unparalleled opportunity to help tackle the capital's acute housing crisis, while delivering better homes, enhancing neighbourhoods and improving lives.

The benefits of well-executed estate regeneration are multi-faceted and wide ranging. These projects, however, can be protracted, challenging and contentious. They involve complex interacting planning, design, engagement and socio-economic considerations and require collaboration, commitment and effective communication among landowners, decision takers and particularly residents.

The profound benefits and potential pitfalls of estate regeneration are recognised by Government, the Mayor and many Boroughs. The GLA, in particular, has embraced estate regeneration and we have witnessed progressive growth in the sector in London over recent years.

Our analysis of 200 major projects at London's estates evidences the scale of this opportunity. The developments assessed have the potential to deliver over 90,000 new homes – more than double their existing housing stock. Almost half of these prospective new homes, more than 43,000 dwellings, are affordable. The distribution

of London's estate regeneration though is inconsistent: focussed towards clusters of projects in Inner East and Inner South London, alongside a small number of major regeneration projects in certain outer London boroughs.

Against this background, and drawing extensively on both our own experience and round table discussions with sector leading estate regeneration practitioners, we look to unpack the successive phases and recurring themes common to estate regeneration.

The Insight considers how best to audit estates and identify the housing needs of existing residents. We look at methods for effectively appraising alternative development options at estates - extensions and discrete infill schemes, through to wholesale regeneration. Strategies are appraised for engaging positively with residents and running successful ballots to help engender support for projects and to secure an effective mandate for regeneration. We consider effective approaches to phasing and the decant of residents, and we review the prescriptive affordable housing, tenure and viability requirements associated with estate regeneration.

The Insight ultimately captures our overarching strategy for progressing robust and well evidenced planning applications for estate regeneration. It concludes by drawing together the key messages and lessons learnt to assist in future estate regeneration.

# London's estate regeneration: key trends

**200 estate  
regeneration projects:**

Lichfields has collected and analysed data for 200 major estate regeneration projects in London.

**5 boroughs:**

Individual estate regeneration projects are most common in Tower Hamlets (23 projects), Islington (17), Lambeth (16), Hackney (15), and Southwark (13).

**Inner London:**

Inner London Boroughs include clusters of small and medium estate regeneration projects alongside isolated strategic developments.

**Outer London:**

Some Outer London Boroughs (Barnet, Brent and Ealing) include fewer large estate projects whereas others have very little or no estate regeneration activity.

**Largest regeneration  
projects:**

The largest approved projects include the South Acton Estate in Ealing, Kidbrooke Village in Greenwich, the Aylesbury Estate in Southwark, Woodbury Down in Hackney, Grahame Park in Barnet and Clapham Park in Lambeth, each delivering several thousand homes.

**C. 90,000  
new homes:**

The estate regeneration projects analysed together have the potential to deliver over 90,000 new homes.

**151% uplift:**

This equates to a net uplift of 151% above the estates' existing housing stock.

**48% affordable housing:**

Collectively, around half of the new homes approved are affordable housing: 48%.

# 01 Introduction

In this Lichfields' Insight, we draw upon our estate regeneration knowledge and experience in London to shed light on this growing sector. Our analysis evaluates recent estate regeneration trends across London, before unpacking the key principles and component stages common to successful estate regeneration. The aim is to appraise existing regeneration activity, to identify the common issues, constraints and opportunities encountered, and to explore Lichfields' best practice approaches to overcoming planning hurdles and adding value during estate regeneration projects.

The regeneration and renewal of London's housing estates presents a real opportunity to help tackle the capital's acute housing crisis while creating better places and improving lives. Too many people in London still live in poorly designed estates with substandard housing, buildings in physical decline and low grade public space. Estates make suboptimal use of accessible and highly valuable urban land and can be inward looking and disconnected from surrounding communities.



When done well, estate regeneration can offer existing tenants and leaseholders better homes, more new and affordable housing, and improvements to the local environment.

But when done badly, we know estate regeneration can result in disagreement, which can leave residents feeling they have not been properly consulted, social housing being lost, and displaced.

**Sadiq Khan; Better Homes for Local People: The Mayor's Good Practice Guide to Estate Regeneration (2018)**

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Woodberry Down, Hackney © Lichfields



Edenham Way Estate © Lichfields

London's estates are a latent, often untapped source of significant housing potential. They offer opportunities, through investment and renewal, to deliver greater inclusivity, economic growth and well-being among the communities they house. The prospective benefits of well executed estate regeneration are multi-faceted and wide ranging. These benefits are increasingly recognised by Government, the Mayor and many Boroughs.

Estate regeneration projects though are long term, often challenging developments involving complex interacting planning, design, engagement and socio-economic considerations. They require commitment,

collaboration and effective communication among a variety of landowners, stakeholders and decision takers, as well as the estate's residents. Any project involving the replacement of existing homes where residents remain in situ during the development is of course challenging. The many potential pitfalls must be managed and mitigated effectively through the planning and delivery processes.

Each estate regeneration project presents a unique set of opportunities and challenges and a one-size-fits-all approach to planning for estate regeneration is inappropriate. These projects are varied in scale and character and can proceed by way of a range of physical interventions. Estate renewal can involve the repair and refurbishment of existing housing stock, extensions to existing buildings and discrete infill schemes, through to partial redevelopment and wholesale regeneration. Estate regeneration is also led by a wide range of landlords, providers, developers and delivery partners including Councils, Local Housing Companies, Registered Providers and private sector Joint Venture partners.

Notwithstanding the obvious variety in their scale, character and delivery, developments at residential estates pose common challenges and sensitivities that are just not encountered on other urban development projects. A number of common stages and key principles underpin successful estate regeneration and collectively set estate regeneration apart from other brownfield housing development.

In this Insight, we first analyse current patterns of estate regeneration in London – the distribution and scale of these projects, the proportionate uplift in homes and the affordable housing being delivered. We then review the framework of policy and guidance governing these developments, before exploring the common principles and considerations underpinning estate regeneration. Drawing upon Lichfields' experience, we consider how to successfully navigate estate regeneration through planning, paying specific regard to the following common themes:



Credit: Lichfields

1. How best to audit the existing estate and the housing needs of residents; and how to successfully appraise alternative development options;
2. Strategies for engaging with residents and running a successful ballot process;
3. Developing sensitive and effective phasing and decant strategies;
4. Addressing the prescriptive affordable housing, tenure and viability requirements associated with estate regeneration; and
5. Our thoughts on progressing robust and well evidenced planning applications for estate regeneration.

The Insight concludes by drawing together the key messages and lessons learnt to assist in future estate regeneration.

The analysis draws extensively upon Lichfields' own practical experience of estate regeneration and has been strongly informed by a round table focus group discussion in April 2021, which involved ten sector leading estate regeneration practitioners representing London Boroughs, Registered Providers and private sector developers active in estate regeneration.

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## Current patterns of estate regeneration in London

We have analysed patterns of estate regeneration across London based on data from the Greater London Authority's (GLA's) London Development Database (LDD)<sup>1</sup> and additional research. Planning applications for major estate regeneration projects in London's 32 boroughs have been identified, key development parameters have been collected and the database has been subject to detailed analysis. The objective is to identify London's spatial patterns of estate regeneration; the quantum of potential new homes being delivered by estate regeneration, and the levels of affordable housing provided by these projects.

### Methodology: data collection

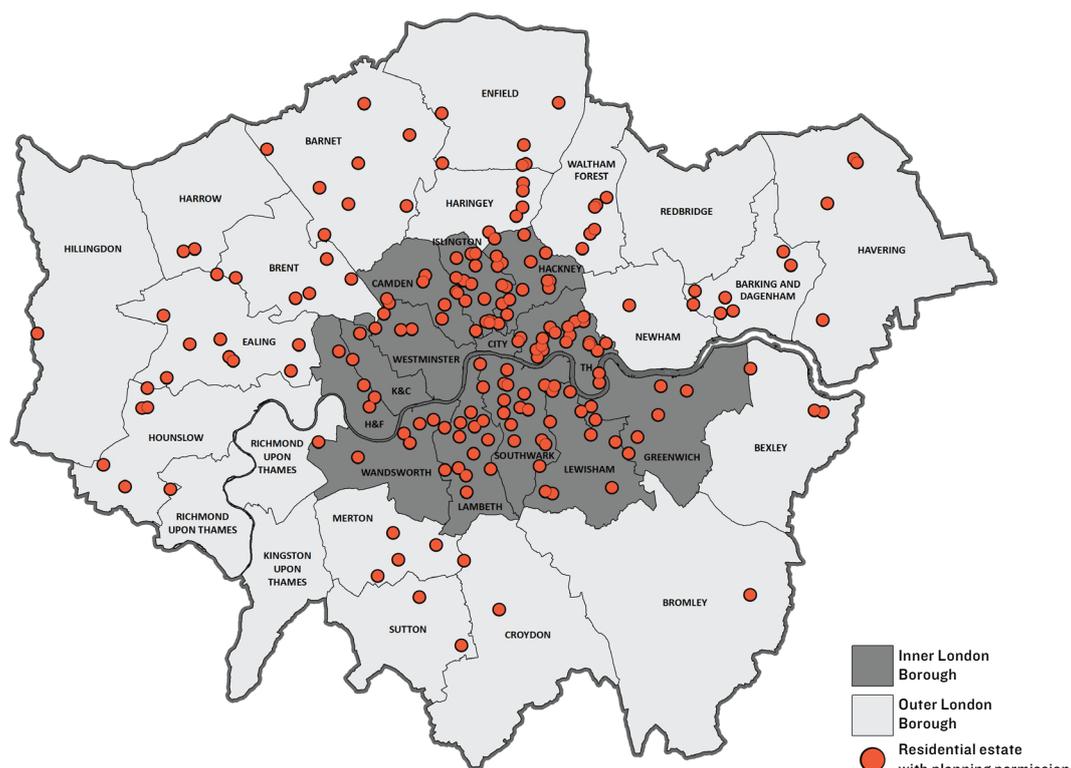
We have interrogated all major estate regeneration projects, defined for the purpose of this analysis as developments delivering more than ten new homes on an existing Council or Registered Provider (RP) estate which have received planning permission since the start of the LDD in 2006. The extended period of analysis reflects the long timeline over which these projects can operate and the desire to capture their entire programme of housing

delivery (i.e. a strategic estate regeneration project can include successive planning applications over a decade or more)<sup>2</sup>.

Our analysis includes infill development delivering new homes alongside an estate's retained housing stock, as well as comprehensive redevelopment projects replacing existing homes. We have omitted projects that focus solely on refurbishing existing housing stock or delivering non-residential improvements to estates.

Having identified estate regeneration projects from the LDD on the basis of the criteria identified the location and parameters of the estates have been corroborated. The location of each planning application has been manually checked by postcode to confirm it falls within an existing residential estate and to ensure that sequential applications and separate development phases at the same estate but with different addresses are neither ignored nor double-counted (i.e. to check each application relates to a genuine estate regeneration scheme and to ensure each estate regeneration project is counted only once). As a check, the database of

Figure I: Distribution of estate regeneration projects across London



<sup>1</sup> <https://www.london.gov.uk/what-we-do/planning/digital-planning/planning-london-datahub>

<sup>2</sup> The data collection took place in December 2020.

projects has been reviewed against individual borough and RP estate regeneration strategies and the GLA's records of estate regeneration projects.

## Extent and distribution of estate regeneration

The data collection process has identified 200 major estate regeneration projects in London which meet the aforementioned criteria. Figure 1 illustrates the distribution of these projects across London.

The map illustrates that the boroughs with the highest frequencies of individual estate regeneration projects with planning permission are Tower Hamlets (23 projects), Islington (17), Lambeth (16), Hackney (15), and Southwark (13). The map clearly illustrates that the highest concentrations of these projects are in Inner North East and Inner South London. This reflects a legacy of public housing and high concentrations of residential estates in these areas, as well as a housing delivery

strategy, policy emphasis and political agenda more focused towards estate regeneration in these boroughs.

Fewer individual estate regeneration projects with planning permission are located in Outer London, although Enfield, Brent, Barnet, Ealing, Barking and Dagenham, Waltham Forest and Hounslow each contain five or more projects. As discussed below, in several of these boroughs, large numbers of new homes are still being delivered through estate regeneration, but the focus is typically on a few, larger-scale, comprehensive schemes.

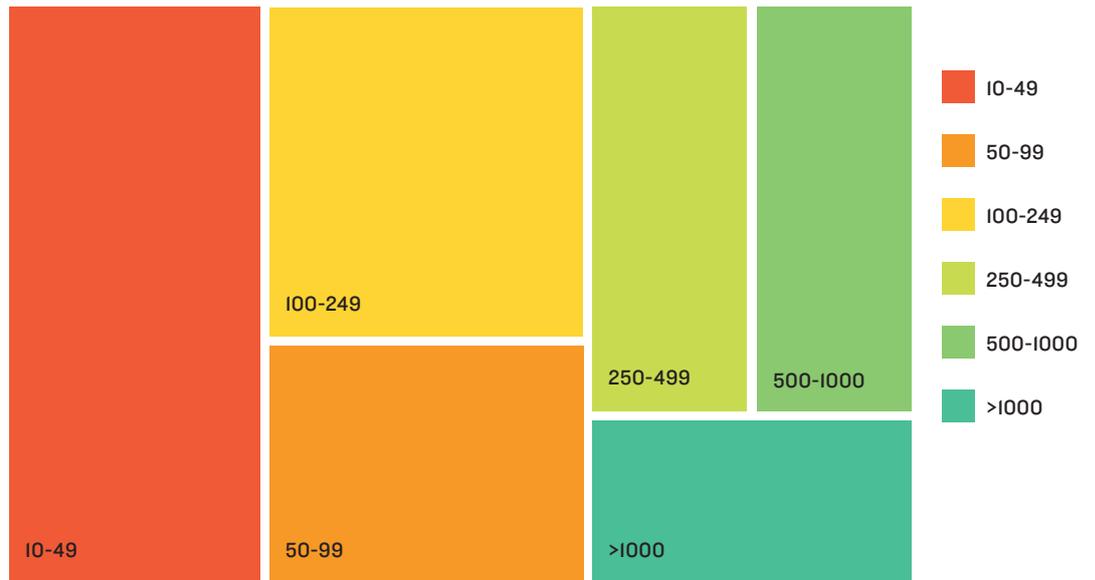
Several of London's outermost boroughs, such as Richmond, Kingston, Bromley and Hillingdon contain few, and in some cases no, estate regeneration projects with planning permission. This is a function of the prevailing suburban housing stock in these areas and perhaps fewer residential estates, but also less political ambition and policy focus on estate regeneration.



Woodberry Down, Hackney © Lichfields

Figure 2: The scale of individual estate regeneration projects across London

**Number of proposed units by size of estate**



**Estates by location and size**

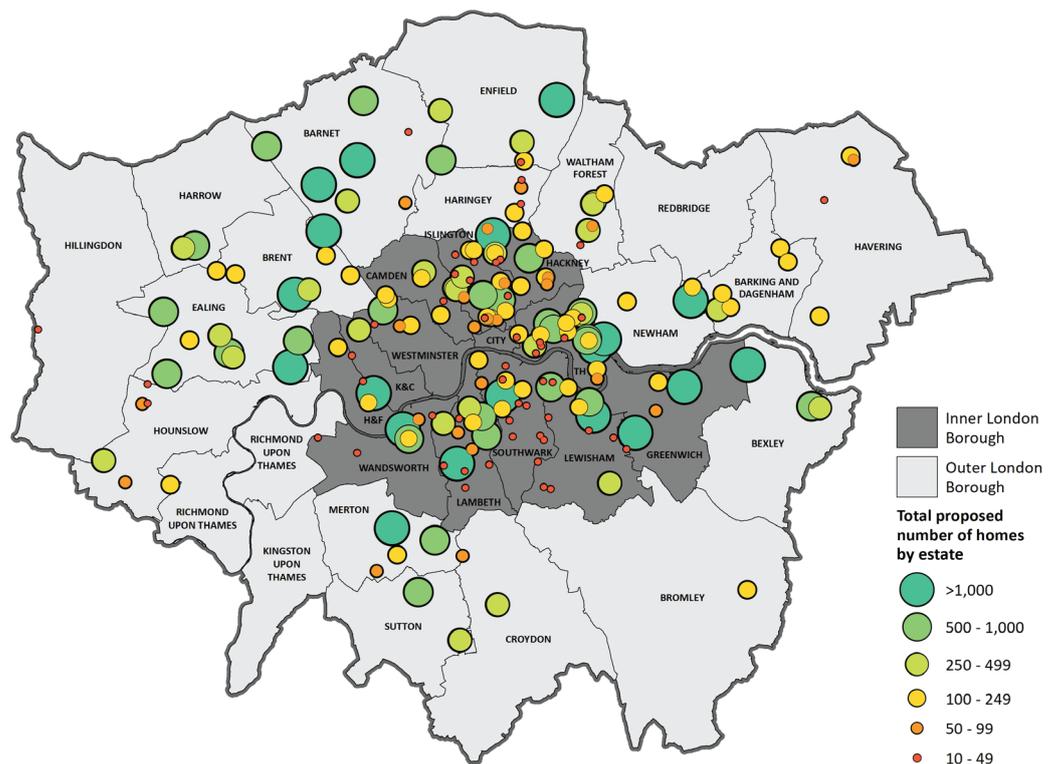


Figure 2 again shows that the highest concentrations of estate regeneration projects with planning permission are in Inner London but also demonstrates that these developments are mixed in scale. Estate regeneration activity in boroughs such as Islington, Hackney, Southwark and Lambeth includes a high proportion of small and medium scale projects (10-249 units), alongside a few larger schemes (250 units+).

This focus on smaller scale estate regeneration in certain areas of Inner London is a function of the urban grain and townscape character of these more 'urban' boroughs and the tendency for a higher proportion of their housing delivery generally to come from smaller sites. It may also reflect a greater focus on smaller scale interventions, such as extensions and infill developments, on higher density estates in these boroughs. This is our experience on projects like Morland Mews (pictured) in Islington.

In contrast, estate regeneration in Barnet, Brent, Ealing and Greenwich appears to be focused more towards a smaller number of large transformational projects such as Lichfields' developments at South Kilburn in Brent and Grahame Park in Barnet.

The ten largest estate regeneration projects in the analysis are in Hammersmith and Fulham, Ealing, Greenwich, Southwark, Hackney, Lambeth, Wandsworth, Barking and Dagenham and two in Barnet. Each of these projects includes at least 2,000 new homes. The largest single approved projects include the South Acton Estate in Ealing, Kidbrooke Village in Greenwich, the Aylesbury Estate in Southwark, Woodbury Down in Hackney, Grahame Park in Barnet and Clapham Park in Lambeth.

Of these strategic projects, four were approved in outline, five were hybrid applications and just one was a full planning permission (Clapham Park Estate, Lambeth) however this full permission superseded an original outline permission. On the basis of the analysis, our own experience and that of the focus group, the largest estate regeneration projects typically follow an outline or hybrid planning

application strategy.

The largest estate regeneration projects have particularly long lifetimes, with the original permission often approved in the 2000s or early 2010s and subsequent applications continuing to be progressed until recently. For example, the original outline permissions for Acton Gardens (Ealing) and Kidbrooke Village (the Ferrier Estate, Greenwich) were approved in 2005 and 2009 respectively, and successive permissions have continued for well over a decade. It is clear that an outline or hybrid planning strategy is required for these major, multi-phased projects to ensure permissions retain sufficient flexibility and adaptability to respond to inevitable changes in the market and the estate's demographic composition.

## Housing delivery on London's estates

The analysis indicates that the 200 estate regeneration projects reviewed together have the potential to deliver 90,267 new homes. This equates to a mean housing quantum of 451 new homes per project.

The 200 estates currently contain 35,954 existing homes, and the new housing approved under these developments together represents a net uplift of 54,313 homes. This equates to 151% additional units (i.e. 251% delivery of replacement homes). This is consistent with the rule of thumb that a 2-3 fold increase in homes at an estate is typically required to



Morland Mews © Lyndon Goode Architects



and Greenwich. As discussed above, these are the boroughs with some of the largest single regeneration projects in London.

It is clear from the analysis of the distribution and scale of estate regeneration projects and their approved housing numbers by borough, that the greatest estate regeneration activity is occurring in the boroughs of Inner North East London, Inner South London, and outer North and North West London.

### **Affordable housing**

Collectively, around half of the new homes approved within the 200 estate regeneration projects assessed are affordable (43,026 homes; 48% overall). This includes both the reprovizion of existing affordable housing stock and the uplift in new affordable housing. This suggests that regenerated estates have the potential to deliver high levels of new, superior quality affordable housing, but can also contribute meaningfully to the creation of sustainable, mixed tenure communities.



Trelick Tower © Lichfields

# 03 Estate regeneration in London: policy and guidance

The Government, the Mayor of London and many London Boroughs recognise the profound opportunities offered by estate regeneration to deliver more and better homes, to create better places and to improve lives. A raft of planning policy and best practice guidance exists highlighting these opportunities but also warning of the complexities and potential pitfalls associated with estate regeneration.

In this section we briefly discuss the existing framework of policy and guidance for estate regeneration.

## Estate regeneration national strategy

The Government produced the **Estate Regeneration National Strategy** back in 2016<sup>4</sup>; recognising the opportunity to deliver thousands of net additional new homes at estates over the next 10-15 years. The strategy aims to support local partners, accelerate estate regeneration and drive local growth.

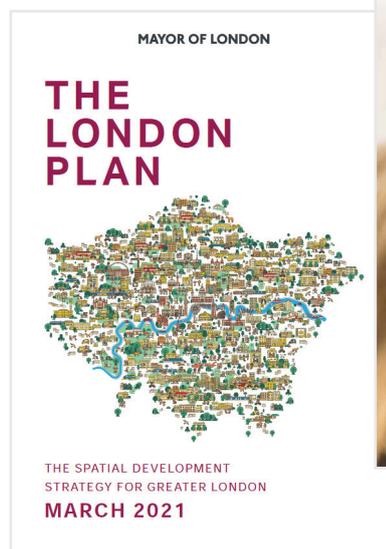
The national strategy is based on three key principles: engaging the community as a partner in estate regeneration; arming local authorities to lead these projects; and promoting joint working with the private sector to draw upon their commercial skills and lever investment into these projects. It outlines the critical role

of local authorities in terms of the strategic use of public sector land, delivering on the Government's design and place-making agenda and their effective use of the planning system to facilitate estate regeneration. A modest pot of public funding was made available concurrently in attempt to help unlock these projects<sup>5</sup>.

## Strategic policy and London-wide guidance

The **London Plan (2021)**<sup>6</sup> recognises the key role of estate regeneration in London's evolution and housing delivery, but also indicates that the Mayor will apply greater scrutiny to these projects. Perhaps unsurprisingly, the Mayor approaches estate regeneration from a different standpoint to Government, promoting a community focus to estate regeneration, extensive consultation and using regeneration to maximise genuinely affordable housing.

London Plan Policy H8 requires the replacement of existing residential floorspace on an estate, re-provision of affordable housing at the same tenure as existing stock and the maximum uplift in affordable homes based on development viability; noting that all estate regeneration projects follow the Mayor's viability tested route for affordable housing. The policy also states that alternative options



<sup>4</sup> DCLG, 2016: Estate Regeneration National Strategy.

<sup>5</sup> The Estate Regeneration Funding Prospectus.

<sup>6</sup> GLA, 2021: London Plan.

including refurbishment, extension and infill development must be fully explored before proceeding with wholesale demolition and redevelopment.

Certain estates are of such an expansive scale and present such significant opportunities for renewal and housing delivery that they are specifically identified in the London Plan's commentary on London's opportunity areas. This includes the Grahame Park Estate in Colindale/Burnt Oak (Barnet), the Ferrier Estates in Kidbrooke (Greenwich), the Cambridge Road Estate in Norbiton (Kingston) and estates in Earls Court/White City (Kensington and Chelsea; Hammersmith and Fulham) and Thamesmead/Abbey Wood (Bexley).

The **London Housing Strategy (2018)**<sup>7</sup> provides more detail on the Mayor's expectations for estate regeneration. The strategy reiterates the requirement for like-for-like reprovizion of existing affordable housing stock on estates. It is clear that reprovizion must be based on floorspace with replacement homes matched to each returning household's needs in terms of dwelling size (para. 4.70). The strategy discusses the importance of ensuring residents are closely consulted on, and involved in, estate regeneration from the outset.

The **Mayor's Good Practice Guide to Estate Regeneration (2018)**<sup>8</sup> expands upon the Mayor's commitments and expectations for estate regeneration. It places existing estate residents at the heart of decisions about the ongoing management and development of their estates.

The guide promotes full and transparent consultation with residents from the outset and throughout each project. It encourages the use of residents' charters, proactive, tailored engagement, and resident involvement in setting the vision/brief and appraising options for the estate. The accompanying **GLA Capital Funding Guide**<sup>9</sup> introduces a requirement for a positive vote in a residents' ballot as a funding condition on significant estate regeneration schemes (150 units+) supported by GLA funding.

Where regeneration is planned that involves the demolition of existing homes, the Mayor's guidance sets out three principles:

1. Reprovizion of existing affordable housing by floorspace on a like-for-like basis, alongside delivery of the maximum viable uplift in affordable housing; noting that estate regeneration always follows the Mayor's viability tested affordable housing route.
2. The right for affordable tenants to remain or return to a property on the regenerated estate of an appropriate size, at the same rent and with the same security of tenure.
3. A fair deal for leaseholders and freeholders where a project's delivery necessitates acquisition of their homes, including providing shared ownership or shared equity options to allow leaseholders and freeholders to remain at the regenerated estate.

The Mayor's approach to estate regeneration introduces more rigorous requirements than previous administrations and correctly places estate residents at the heart of estate regeneration. The Mayor has introduced new requirements such as the residents' ballot and expects greater commitments to be made in other areas like reprovizion of affordable housing stock and dealing more fairly with leaseholders and freeholders.



Credit: Lichfields

<sup>7</sup> GLA, 2018: London Housing Strategy.

<sup>8</sup> GLA, 2018: Better Homes for Local People: The Mayor's Good Practice Guide to Estate Regeneration

<sup>9</sup> GLA, 2019: Affordable Housing Capital Funding Guide (Section 8: Resident Ballots for Estate Regeneration).

The Secretary of State for Housing, Communities and Local Government has openly criticised the ‘onerous conditions’ imposed by the Mayor on estate regeneration, particularly the need to run a residents’ ballot, and suggests that these requirements will jeopardise housing delivery. The reality, though, is that the Mayor’s powers over estate regeneration are rather limited, many Councils and RPs are committed to running ballots on regeneration schemes anyway, almost all of the ballots to-date have been overwhelmingly positive and the frequency and scale of estate renewal projects in London continues to grow.

Lichfields’ view is that the Mayor’s approach to estate regeneration and the ballot process provides clarity and support for well-conceived development at London’s estates. The emphasis on collaboration and inclusion, and the introduction of the ballot provides a mandate for regeneration and the Mayor’s approach allows these often sensitive and charged developments to be progressed in a manner that is acceptable both politically and to communities.

As discussed in the preceding section, London has experienced extensive estate regeneration activity during recent years. It remains to be seen whether this growth will continue in the light of forthcoming changes to the GLA’s funding regime under the Mayor’s upcoming Affordable Housing Programme<sup>10</sup>. Will a move away from a fixed grant rate per unit remove the certainty developers require when assessing development options, or will a more flexible viability-based bidding regime enable greater

amounts of grant to be leveraged to maximise housing delivery?

In Lichfields’ view, the most significant implication for estate renewal projects is the removal of access to funding in all but exceptional circumstances for existing homes that will be demolished and replaced as part of more comprehensive interventions. Often, where existing homes at estates are demolished, they are in a poor state of repair and require prohibitive amounts of investment to bring them up to Decent Homes Standards. The replacement of substandard affordable housing with new higher quality affordable homes is not only a policy requirement but is a significant planning benefit. The removal of certainty around funding for these replacement homes will inevitably place a greater financial burden on projects. This could result in less comprehensive approaches to estate renewal, or a need to develop at a greater density to render an estate-wide intervention viable, in turn introducing greater planning risk. Lichfields is continuing to monitor and review the implications of these changes through our ongoing estate regeneration projects.

### **London Boroughs: policy and guidance for estate regeneration**

Alongside the analysis of estate regeneration patterns, we have reviewed Local Plan policy focusing on estate regeneration across London’s 32 boroughs. This exercise demonstrates that 14 boroughs have adopted policy which explicitly addresses estate regeneration in line with the London Plan and strategic GLA guidance. These local policies mainly tackle housing delivery and affordable housing matters at the boroughs’ estates.

Eleven further boroughs include references to estate regeneration in accompanying text supporting Local Plan policy. These references typically support the principle of estate regeneration or endorse regeneration at specific estates.

Seven boroughs have Local Plans which make no reference to estate regeneration.



Woodberry Down, Hackney © Lichfields

<sup>10</sup> GLA, 2020: Homes for Londoners: Affordable Homes Programme 2021 - 2026.

The boroughs with explicit Local Plan policy addressing estate regeneration are those boroughs where our analysis shows that most estate regeneration activity is happening—boroughs like Tower Hamlets, Lambeth and Hackney. Meanwhile, boroughs with little or no estate regeneration activity, such as Hillingdon

and Kingston, do not have policy covering estate regeneration.

This is not surprising and indicates that the boroughs which have a track record of estate regeneration are those with adopted policy promoting and guiding these projects.



We are going to have to look at informing the plan making process far more than we've done before.

Focus group member's comment on the implications of planning reform for estate regeneration.

## Planning reform: implications for estate regeneration

We are in the midst of fundamental changes to the planning system, with the Government's overarching proposals for radical reform raising questions and implications for all development projects, including estate renewal schemes<sup>11</sup>. While the prospective changes do not specifically reference estate regeneration, the brownfield land first approach and the priority afforded to making efficient use of existing residential land continues to support the principle of estate regeneration.

Under the White Paper's proposals to simplify Local Plans, we expect many existing estates to fall within the "renewal" and "growth" land designations depending on their character and context. In either case, the proposed designations would promote residential intensification through the provision of either outline approval within growth areas or a statutory presumption in favour of development in renewal areas. Certain estates within "protected areas" might also still come forward via the conventional planning application process.

Local authorities will need to take a more proactive role in considering the scope and scale of renewal at existing estates during the plan-making stage. While many details are still unclear, the reforms indicate that estate renewal projects, like development in general, will become far more plan-led. It remains to be seen how the land allocation and plan making process would interact with other specific estate regeneration policy requirements relating to options appraisals,

consultation with existing residents and the residents ballot process (discussed below).

What is clear however, is that planning reform will mean that planning discussions for emerging estate regeneration programmes will potentially become much more front-loaded with the need for landlords and developers to proactively engage in the plan-making process to inform the designation of estates as growth areas. Such earlier engagement with the planning process may require the production of more evidence and earlier commitments to a project to ensure the estate falls in a growth area. This could be before there is an intention to regenerate.

The Government is also placing an emphasis on the delivery of First Homes as part of its commitment to deliver more affordable housing and to boost access to home ownership<sup>12</sup>. This could mean that estate renewal projects are required to deliver an element of discount market sale housing as part of an intermediate product. Again, it is not clear at this stage how this will apply to estate renewal projects. The introduction of first homes could align with overarching objectives to deliver mixed and balanced communities through diversifying estate tenures but should not be at the expense of re-providing and increasing low cost rented housing.

Overall, the reforms are far-reaching but include many uncertainties. Lichfields is monitoring and assessing the implications for estate regeneration and other sectors.

<sup>11</sup> MHCLG, 2020: Planning for the Future.

<sup>12</sup> MHCLG, 2020: First Homes.

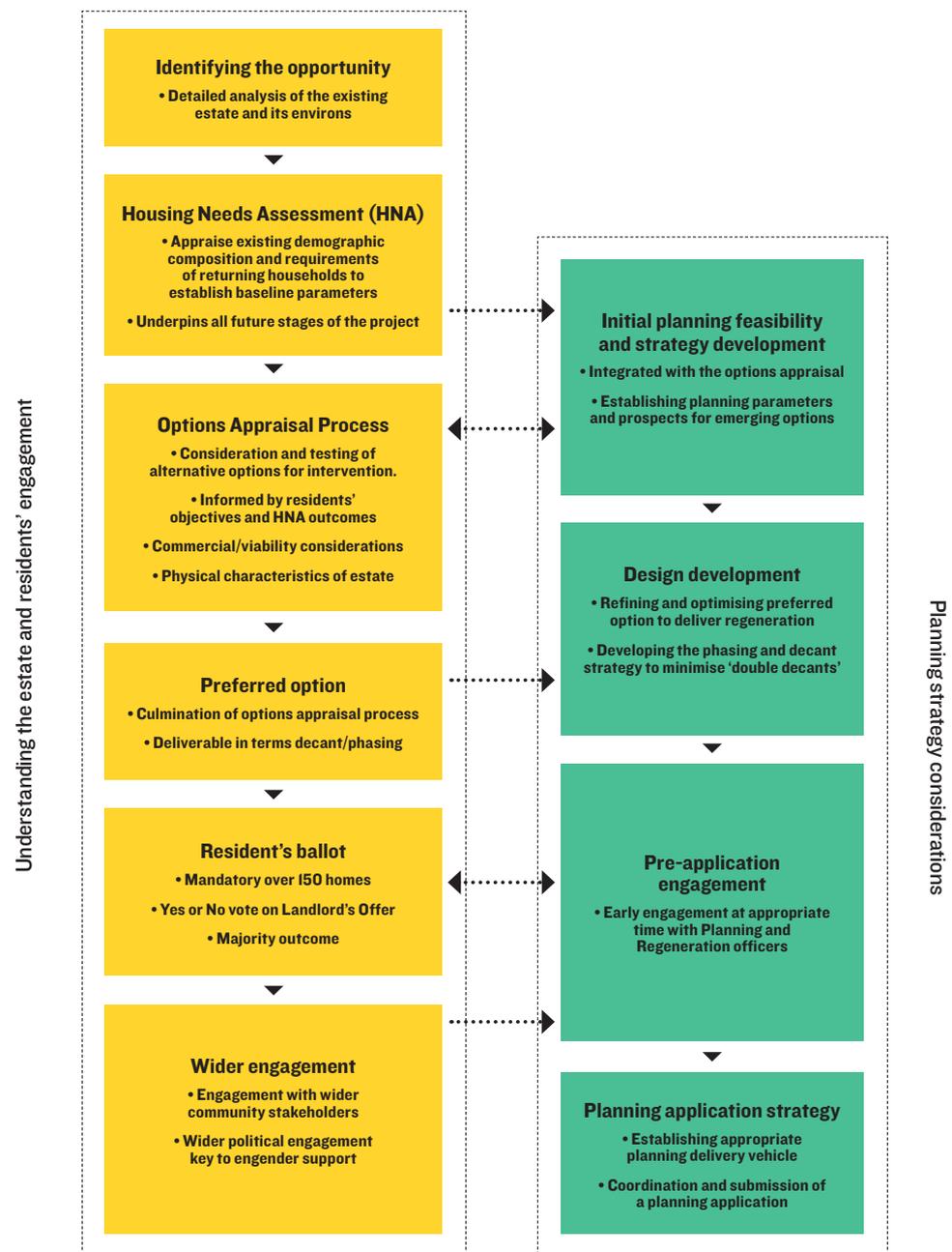
# 04 The process and key stages of estate regeneration

The figure below captures the key stages common to estate regeneration projects and the interactions between evidence gathering and management processes, and planning strategy considerations.

The subsequent sections of the Insight set out Lichfields' thoughts and best practice advice on: the initiating stages of understanding the estate; processes of engagement; issues of phasing and decant; affordable housing and tenure requirements; and how to successfully deliver planning permission for Estate Regeneration.

Figure 4

## Stages of estate regeneration





King Square © Pollard Thomas Edwards

# 05 Understanding the estate and the options appraisal



It's a balance of understanding what residents have now and want, but also what they'll need in the future.

Focus group member comments on HNA.

Developing a robust understanding of the estate and its residents is a critical first stage of any regeneration project whether large or small. This establishes the baseline position which will inform the scope, scale and character of the development. An options appraisal should then be run to establish the nature and scale of interventions required at the estate.

## Housing needs assessment

A core objective of estate regeneration is to improve the lives of an estate's existing residents through the delivery of replacement homes which are of a higher quality and are matched to the estate's specific needs. At the heart of estate regeneration policy is a requirement for existing residents to have a 'right to return' to the estate to a new property of an appropriate size, at the same rent and with the same security of tenure.

Understanding an estate's tenure and housing needs through appraising its existing demographic composition and the requirements of these returning households is an important first stage in estate regeneration. This information is collected through a Housing Needs Assessment (HNA) run by the landlord at the start of a project. The HNA should cover all existing households and should define the estate's baseline requirements to guide all future stages of the project.

A HNA should be undertaken as a critical first stage in the consultation process with an estate's residents. It is important that the HNA is accurate as this will establish the existing tenure split at the estate; defining the proportionate breakdown of tenants, leaseholders and absentee landlords. This information on the estate's baseline tenure composition is critical in defining the quantum and tenure of the replacement affordable housing. It informs voter eligibility for the ballot (where applicable) and establishes the proportion of leaseholders that need to be considered in the landlord's offer for non-tenants. It can also feed into aspects of design and will inform phasing; helping to deliver the development's often-challenging first phase and unlocking the wider decant strategy.

The HNA should define the housing mix requirements for the project. In Lichfields'

experience, many households occupy inappropriate accommodation on estates due to changes in household composition over time. Both overcrowding in smaller units due to multigenerational living and under-occupation of larger units due to changing family circumstances are endemic at many London estates. Carrying out a robust HNA at the earliest opportunity allows a project's new housing stock to be matched to specific household need.

Aside from defining the tenure and housing mix requirements of an estate's returning residents, a well-constructed and effectively managed HNA enables constructive early engagement with residents on a wider variety of issues. It provides an insight into the community and helps build a picture of their concerns and priorities for the estate. Common issues identified through the HNA process include accessibility requirements, existing levels of private parking, residents with access to private amenity space and information on other existing dedicated facilities which may need to be reprovided.

The following key parameters should be established through the HNA process:

1. The existing tenure composition - social housing tenants; leaseholders; absentee landlords.
2. The existing dwelling mix and the housing size mix required to overcome both overcrowding and under-occupation.
3. Households with accessibility requirements.
4. Households with existing dedicated parking provision that should be reprovided.
5. Households with private amenity space.
6. Other specific requirements important to residents (common issues include specific layout requirements, storage space and security needs).

The collection of this information through the HNA process establishes the baseline parameters that underpin all subsequent stages of the project. It is however important to recognise that the housing needs of any existing estate community will change over the regeneration programme. Consequently while this is a critical

first step to understanding the estate, this process must be adaptable and responsive, and may need to be monitored at key milestones throughout the project to ensure residents' evolving needs continue to be met.

### The options appraisal process

London's housing estates are individual in their form and character and vary markedly in their size and density. There is no one-size-fits-all solution to successful estate regeneration and the level of intervention will vary for each project. Policy and the Mayor's best practice guidance requires consideration to be given to alternative options to demolition and redevelopment first, given the environmental, financial and social implications of comprehensive regeneration.

An options appraisal process must be run to assess and evidence the preferred option for a specific estate. The typical options for physical interventions at estates include the following:

1. Repair and refurbishment of existing homes to address maintenance issues and overcome substandard housing; bringing dwellings up to Decent Homes Standards;
2. Extension to existing buildings;
3. Infill development on underutilised parts of the estate, such as garages or open parking areas;
4. Partial demolition and redevelopment (often combined with elements of refurbishment);
5. Comprehensive demolition and redevelopment across the estate, often on a phased basis over an extended programme.

The preferred option should be established following a robust options appraisal considering these alternative interventions. The options appraisal process should be informed by residents' objectives and HNA outcomes, commercial and funding considerations and the physical characteristics and housing stock



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at the estate. From a landlord's perspective, the option that comes forward during the options testing, has to be viable but it does not have to be the most viable – the residents' position should be the decisive factor in establishing the single preferred option, as long as that option is deliverable.

The appraisal should include a fabric survey into the condition of the estate's existing buildings, a review of the efficiency of their layouts, and consideration of the condition of existing housing stock. The appraisal should also assess any buildings or features of architectural merit on existing estates. Indeed, while many of London's estates are unremarkable, architecturally deficient and provide substandard

housing, others are innovative and lauded as design icons; particularly those estates with origins in the ideological period of early post war social housing. Many of these estates are now protected heritage assets and they require a more sensitive process of managing change and conservation and in some cases sensitive alteration and infill development. For example, Lichfields is currently advising the Royal Borough of Kensington & Chelsea on planning and heritage matters in relation to their New Homes Delivery Programme which includes a scheme on the Cheltenham Estate adjacent to Trellick Tower (Grade II\* listed) and the Edenham Way Estate (Grade II listed). The preservation or enhancement of existing heritage assets is critical to such projects.

### Options appraisal checklist

Lichfields has defined a checklist of criteria on which to assess the relative benefits of full regeneration against more moderate estate interventions, during the options appraisal process:

#### Practical and procedural criteria:

- *Consultation:* Does redevelopment have the full support of residents and stakeholders? *or* Is there a preference for more moderate intervention?
- *Viability:* Is redevelopment funded, financially viable and deliverable?
- *Project brief:* Does redevelopment deliver on the project brief's overarching regeneration objectives?
- *Planning:* Is redevelopment likely to be supported by the Planning Authority and GLA?

#### Estate criteria:

- *Existing Fabric:* Is the estate so deficient in terms of design, building fabric and housing stock as to warrant redevelopment? *or* Is the existing estate and its housing stock in reasonable condition and capable of meeting modern

standards through simple refurbishment;

- *Optimisation:* Does the estate make suboptimal use of urban land, such that redevelopment will deliver a material uplift in housing and affordable housing and support development viability? *or* Is the estate an efficient and sustainable existing use?
- *Decant/Phasing:* Is a credible and deliverable decant and phasing strategy achievable?
- *Community:* Do the housing stock benefits and local environmental benefits of redevelopment outweigh and justify the temporary disruption associated with decant and construction activity?
- *Economic:* Does redevelopment deliver wider economic benefits through investment and employment growth?
- *Carbon:* Do the life-cycle carbon implications of redevelopment justify demolition and the loss of embedded carbon.

These procedural and thematic criteria provide a framework for testing alternative interventions during the options appraisal process.

Other important considerations during the options appraisal process relate to the accessibility and location of the estate, the efficiency in its use of urban land and its role in the townscape. Many estates make suboptimal use of accessible and valuable urban land and present a clear opportunity to accommodate a material uplift in new homes - sufficient 'critical mass' to cross-subsidise and unlock regeneration and to warrant the investment and (temporary) upheaval associated with comprehensive regeneration. Others, in contrast, use land efficiently and are better suited to more discrete infill development or refurbishment.

Evidence of a robust options appraisal should be presented during early pre-application engagement, particularly where a programme of demolition and redevelopment is promoted. The process should also be captured in planning application submissions for comprehensive estate regeneration.

Throughout the options appraisal process, the full range of interventions should be considered, developed and refined with residents and in consultation with planning officers prior to a ballot to minimise planning risk and ensure the offer put forward to residents is supported and deliverable. Given that the options appraisal is part of the early feasibility testing of an often long-term regeneration project, it is important that it is carefully documented to demonstrate to new residents/stakeholders why regeneration is happening. This early process of engagement, options analysis and design development not only establishes key regeneration priorities amongst the community, but also helps engender



Kings Crescent, Hackney © Lichfields

early support from residents ahead of a ballot and planning application. This thorough and transparent phase of feasibility testing carried out in collaboration with the community adds significant value in terms of trust building and risk mitigation from the earliest stages of a project.

### Lessons learnt: understanding the estate

1. Establishing and fully understanding the current residential make-up of the estate including homes and household sizes, occupancy and tenures at the earliest opportunity is crucial to inform the scope, scale and nature of the interventions.
2. The data gained from the HNA will be key to informing discussions with planning officers.
3. It is important for the HNA process to be flexible and responsive to evolving housing needs over the long term regeneration programme. This should inform the planning application strategy.
4. A thorough and transparent options appraisal carried out in full view of the community adds significant value. While it can be costly and time consuming it is helpful in generating residents' support for regeneration and assists in the planning process.
5. The refinement of the options should be resident-led and provides an opportunity to not only establish key regeneration priorities for the existing community, but also to engender early support from residents ahead of a ballot.
6. The preferred option should be 'tested' with the relevant planning authority prior to a ballot via pre-application discussions.

# 06 Engagement and the residents' ballot

It goes without saying that the success of estate regeneration hinges on gaining the trust and support of existing residents. An estate's established community must be at the heart of any plans for the future of their homes. Creating a sense of inclusion and securing support from residents from the outset is critical to each project, particularly strategic schemes requiring a residents' ballot.

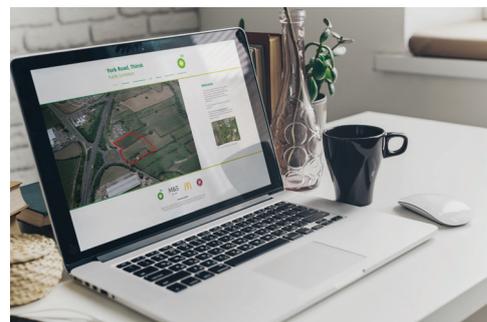
We discuss below, our thoughts on strategies for effective residents' engagement, the ballot process, political engagement and wider stakeholder consultation.

## Resident engagement strategy

An effective engagement strategy must be drawn up and agreed with an estate's residents at the start of each project, giving residents genuine opportunities to shape proposals which will affect their homes. Residents are the most informed on issues and attributes of the existing estate. Any engagement strategy should have tangible objectives for achieving transparent, meaningful and responsive resident consultation through a range of methods that include all households directly affected by regeneration.



Credit: Lichfields



Credit: Lichfields



Credit: Lichfields

## Ten ground rules for effective residents engagement

These ten 'ground rules' provide a framework for effective resident engagement and, by association, for successful estate regeneration.

1. **Undertake feasibility work first:** An initial idea of project feasibility is required prior to resident engagement to understand the extent of intervention in the estate and the broad scale, character and quantum of development. Early feasibility design should be realistic, commercially viable, flexible and clearly presented.
2. **Run an early HNA:** As discussed in the preceding section, a HNA should establish the estate's residents' needs early in the project (tenure, unit sizes, accessibility requirements, parking provision etc.). The HNA will form the framework for the ongoing project so must be robust and comprehensive.
3. **Involve residents in the options appraisal:** Residents should have the opportunity to review alternative development options and inform the preferred option for their estate.
4. **Inclusive engagement employing multiple stages and alternative methods:** Residents should be consulted multiple times based on up-to-date project information at key milestones. A variety of engagement methods should be employed to target all tenants including vulnerable and disenfranchised groups - workshops, one-to-one meetings, focus groups, newsletters and websites etc.
5. **Form a Residents Steering Group (RSG):** On larger estates, a RSG can be an effective delegate for the wider estate, a conduit between the landlord and tenants and a project vanguard.
6. **Use an Independent Tenant and Leaseholder Advisor (ITLA):** Similarly, an ITLA can provide residents with advice and advocacy support and will work as an intermediary between tenants and the landlord. An ITLA helps build trust and a sense of shared understanding and support.
7. **Engagement based on clarity and appropriate detail:** The level of detail on which consultation is based must be carefully considered to allow residents to be meaningfully involved while ensuring engagement is driven by the landlord and professional team. The project must remain viable and must deliver on promises made to residents.
8. **Integrate resident engagement with the planning strategy:** Effective resident consultation must be fully integrated with pre-application discussions and the wider planning strategy with key milestones and outcomes interlinked. Planning Officers are attuned to the engagement process and expect to be kept abreast of consultation with the community.
9. **Avoid tokenistic consultation:** Estate regeneration is subject to scrutiny and its engagement must be meaningful and must inform the design process and planning strategy. An estate's residents can run sophisticated campaigns opposing regeneration which can cause unexpected costs, delays and reputational damage to landlords and developers. Open, inclusive and responsive engagement can avoid such opposition and mitigate against such risks.
10. **Communicate the benefits case:** When done properly, estate regeneration yields multiple benefits for the community. The engagement strategy should not only focus on mitigating risks and problem solving, but should also effectively communicate that benefits case.

## Common resident concerns

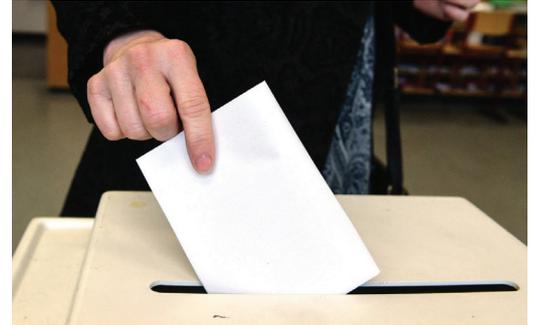
In Lichfields' experience, a number of common concerns are often raised by residents during engagement on estate regeneration projects. Typical issues include:

1. The disruption that demolition and decanting can cause to households.
2. The loss of existing dedicated facilities (gardens, open spaces, parking spaces etc.)
3. Concerns relating to maintenance and security during the regeneration process.
4. Project-specific planning matters, particularly relating to height and scale, residential amenity effects, parking and open/amenity space provision.
5. Requirements for new homes including specific layout requests, storage space, amenity conditions.
6. The perceived dispersal of existing communities and a desire to be re-housed close to friendship groups/ support networks.

These matters are often perceived concerns and are unjustified; stemming from uncertainty and an absence of trust in, and transparency from, developers. A coherent, responsive and transparent approach to consultation can assist in dispelling and addressing these concerns from the outset. Residents may also have their own views on what is special and important to the community in an estate, such as particular landmark or area of public realm. Parish mapping whereby residents are asked to identify and talk about local features can help capture residents' perspectives. It is critical to communicate effectively how development will maintain and strengthen those community attributes and to balance this with the benefits of regeneration as part of the consultation.

## Residents' ballot

The Mayor uses his powers over estate regeneration schemes to require a residents' ballot. A ballot is now mandatory for any development in London involving the demolition of social housing and construction



Credit: Alamy

of more than 150 homes (of any tenure) which is subject to GLA capital funding. In our experience, many RPs and landlords are electing to run a ballot even where it is non-mandatory, to evidence the support for a development amongst an estate's residents.

The Mayor's introduction of a requirement for a residents' ballot on certain major regeneration projects initially encountered scepticism across the industry and has been openly criticised by the Secretary of State who suggested that ballots are unduly onerous and will jeopardise housing delivery. In our experience, extensive design work and residents' engagement do need to be undertaken, at some risk, prior to the ballot process. However, it was strongly recognised by our focus group that a successful ballot outcome carries significant weight throughout a project, illustrating transparency in the engagement process and providing clear and unambiguous evidence to Planning Officers and Councillors of residents' support for estate regeneration.

This reflects Lichfields' experience on our larger estate regeneration projects. We are advising on the South Kilburn Estate project in Brent, which is the largest London estate to have held a ballot to-date. Residents at South Kilburn last year returned a vote of 84% in favour of regeneration (with a 72% turnout). A positive ballot outcome such as this certainly carries weight among stakeholders and decision takers and can help expediate projects.

Almost all mandatory ballots undertaken to-date have seen residents vote in favour of development. Inside Housing undertook Freedom of Information Act requests in March

2020 and found 13 positive estate regeneration ballots had been carried out since they were introduced in July 2018. The average turnout for the votes was 81% and 80% of voters on average supported regeneration<sup>13</sup>. Since this article was published, we are only aware of a single project, Gilbey's Yard and Juniper Crescent in Camden, where residents voted against regeneration in September 2020 although reporting of a negative ballot result to the GLA is not mandatory<sup>14</sup>.



Dover Court, Pollard Thomas Edwards  
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## Residents ballot - key principles

- **Eligible Residents:** Any resident over 16 living on the estate for over a year is eligible to vote. The ballot should be estate-wide, not limited to the immediate area of development or the homes being demolished. There can however be challenges applying this principle to very large estates where only a small development is taking place. The GLA has taken a pragmatic view in agreeing a suitable area to be balloted
- **Landlord's offer:** This is the proposition residents vote on in the ballot. It must include at least a minimal level of information (objectives; design principles; approx quantum of new homes and tenure mix; decant and phasing strategy; and commitments to ongoing consultation). In our experience though, more information and effective communication maximises the prospect of a positive outcome.
- **Timing:** The ballot can be undertaken at any point prior to procurement of a development partner and/or before specification of works. There is no procedural link between the timing of the ballot and the planning process, but there are clear reciprocal benefits in aligning the two. In Lichfields' view, the ballot should be run when pre-application discussions are at a sufficiently advanced stage, the scheme is being crystallised and in-principle support has been secured from Officers. An earlier ballot has less chance of success or might result in abortive work if a development is amended later (and the GLA can reclaim funding if a planning permission materially deviates from the Landlord's Offer).
- **Majority required:** the ballot must offer a 'yes/no' vote on the Landlord's Offer and a simple majority is required to pass the vote, though a large majority demonstrates unambiguous support and clearly carries more weight with planning officers and decision takers. There is no minimum threshold for turnout.
- **Repetition:** There is no limit on the number of ballots that can be held and a revised Landlord Offer can be put to residents in the event of a 'no' vote or if revisions are required. This gives some comfort and flexibility, but the aim should clearly be to secure a 'yes' vote first time around.

<sup>13</sup> <https://www.insidehousing.co.uk/news/news/all-london-regeneration-ballots-passed-since-introduction-65878>

<sup>14</sup> See The GLA Capital Funding Guide for further details [https://www.london.gov.uk/sites/default/files/gla\\_cfg\\_section\\_8\\_resident\\_ballots\\_-\\_18\\_july\\_2018.pdf](https://www.london.gov.uk/sites/default/files/gla_cfg_section_8_resident_ballots_-_18_july_2018.pdf)

## Political engagement & wider public consultation

Political engagement is a key part of the consultation strategy on estate regeneration projects. Ward Councillors, Committee Members and portfolio holders should be briefed on estate regeneration projects to help build local political support. If Members are armed with details of a project and its benefits case, they can assist in addressing queries from constituents, they may become advocates for the scheme and they can assist in securing a positive outcome at committee.

Estate regeneration projects do not exist in isolation and their effects are not only felt by the estate's residents. Effective consultation with surrounding communities and local businesses is an important part of an integrated communication strategy. Wider engagement typically follows the focused consultation process with tenants and is run when the estate residents themselves support the principle of development. Third party consultation might

initially target local community associations, amenity groups, schools and business. It might then take the form of open public consultation events and digital engagement, involving virtual exhibitions, websites, online surveys and discussion forums. Proactive engagement with all these groups can help establish support for a scheme.

It is important for the engagement process on estate projects to be suitably integrated and to provide clear mechanisms to allow for effective two-way communication and for consultation feedback to effectively inform the development. The engagement process on major regeneration projects is likely to cover an extended period and it must be carefully monitored and recorded. Consultees, Officers and Members will want to understand how a scheme has evolved in response to effective and inclusive consultation and each planning application for estate regeneration must include a comprehensive statement of engagement evidencing the consultation process.



Credit: Lichtfields



South Kilburn © Pollard Thomas Edwards

## Lessons learnt: engagement

1. Consultation on estate regeneration projects needs to be handled sensitively and robustly. It has the potential to de-rail projects if done incorrectly. It should be a two-way process with residents' feedback informing the process alongside transparent and up-to-date information from the landlord/developer.
2. The consultation strategy should be closely aligned with the planning strategy. The two should be run together with the design fix occurring when residents are supportive of the scheme.
3. A residents' ballot is increasingly being seen as a method of demonstrating open and transparent consultation. Success relies on early engagement on addressing common resident concerns and communicating how regeneration will strengthen existing attributes at the estate and deliver new benefits.
4. Consultation must include wider engagement with other groups affected by the development. Estates should not be considered in isolation but as part of a wider community.
5. Political engagement is an important consideration for building a swell of support for a scheme. Councillors and planning officers will want to understand how an emerging design has addressed residents' views.
6. Whilst the importance of open and transparent consultation should not be underestimated, it is important that regeneration is driven by the landowner/developer and realistic expectations are set on what can be delivered at each stage.

# 07 Phasing and decant strategies



The needs of existing residents and the estate's capacity to rehouse those residents has a profound effect on the nature, programme and delivery of estate regeneration.

**Focus group member**

Estate regeneration is distinct from other urban development projects in that it involves the displacement and rehousing of existing residents and disruption to established communities. The successful regeneration of an estate requires a well-conceived and coherent phasing plan which is underpinned by a robust HNA and detailed viability analyses. Getting the phasing strategy right is essential to the efficient delivery of estate regeneration.

Before demolition and redevelopment can occur on an estate, existing residents must be decanted to other accommodation either within the estate or locally. The needs of existing residents and the estate's capacity to rehouse those residents has a profound effect on the nature, programme and delivery of estate regeneration. It is critical to fully consider the phasing and decant implications of an estate regeneration project at its outset and to then minimise changes to the phasing strategy.

The phasing strategy should be discussed with existing residents and planning and housing officers early in a project's evolution. Changes to phasing and delays in the estate's delivery programme should be avoided where possible. Indecision and modifications to development phases can cause disruption to existing households.

The project's phasing strategy may have significant viability and delivery implications since there is often a need for surplus profit generated by earlier development phases to cross subsidise and unlock the subsequent phases. Higher value phases are often prioritised early in a project to generate a surplus and financially support the wider regeneration of an estate. This must be considered in the context of existing households' needs and the prioritisation of a single decant.

A single decant for all or most existing households on an estate is clearly preferable and many projects now commit to a 'single move promise'. A single decant strategy is dependent on identifying an unencumbered initiating development phase; so, an estate's physical layout and occupancy levels are influential. It requires either a deliverable early phase of new homes on a vacant/ non-residential plot or relying on voids and vacant units to enable

the delivery of the development's first phase. In some cases, a double decant is unavoidable to enable the development to be delivered efficiently. A development's phasing strategy though should be designed to minimise widespread double decanting.

Single-phased developments at smaller 'estates' create their own delivery challenges as these self-contained schemes require a local 'off site' decant of residents before they return. It is often prohibitively costly to use private accommodation in an off site decant in London and options may need to be explored to house those displaced from an estate with the support of other local providers or and/or through the use of a donor site nearby.

Alongside the importance of developing and fixing the phasing and decant strategy early in a project's evolution, the landlord/developer should aim to allocate specific flats to residents prior to delivery of the development phase they are decanting into so that each household is aware of the location and character of their new home and they can inform its design.

An effective HNA should ensure that the new homes are matched to each household's needs. Households that are overcrowded should be offered new homes large enough for their needs rather than identical replacement dwellings in which overcrowding persists. Equally, households that under-occupy their current homes should be offered a new home which meets their needs. The new accommodation should also meet other special household special requirements such as wheelchair accessibility or adaptability.

During the rolling decant of residents as an estate is progressively regenerated, it is important that the old estate blocks are properly managed, and security is maintained throughout the project while residents await rehousing.

Prolonged underinvestment in improvements to housing stock and security owing to blight in anticipation of demolition can have impacts on residents' quality of life and cause distrust of the regeneration project. Where development phases stall or buildings remain vacant for extended periods, there is also scope for them to be repurposed and occupied by meanwhile uses.

## Lessons learnt: phasing and decant

1. Getting the phasing plan and decant programme right early in the project is critical and changes to phasing should be avoided.
2. The phasing strategy should be underpinned by a detailed housing need and occupancy survey and viability considerations.
3. A single decant is preferable and while some double decanting might be a necessary evil, developments should avoid residents being decanted multiple times.
4. Prior allocation of properties is important to avoid multiple decanting and rehousing of residents in inappropriate and disproportionate accommodation.
5. Old estate blocks should be properly managed, and security maintained while residents await rehousing.
6. Options to temporarily repurpose buildings and/or introduce meanwhile uses should be explored as part of the phasing strategy.



Packington Estate © Pollard Thomas Edwards

# 08 Affordable housing and tenure requirements



Many of London's estates are low rise, poorly laid out and represent an inefficient use of accessible urban land.

The UK's housing crisis is perhaps most acutely felt in London. A major factor is the shortage of homes which are genuinely affordable and of a decent quality. The Mayor has set an aspirational 50% strategic target for affordable homes in London. Estate regeneration clearly has a critical role to play in achieving that target.

## Reproviding and optimising affordable homes

An estate's existing affordable housing must, as a minimum, be reprovided through regeneration at the same tenure as existing stock. The development must also secure the maximum uplift in affordable homes based on development viability. There are then two components to an estate development's affordable housing: the 'reprovision element' and the 'uplift element'.

The reprovision element must be based on no-net loss of floorspace and should be matched to the returning households' requirements in terms of space, bed spaces and any other specific needs. As a result, there may be changes to the dwelling mix at the estate, particularly, for example, where an existing estate has an overprovision of overcrowded smaller units and the residents' need is for larger family homes. The requirements must be established early in a project during the housing needs assessment and engagement process (as outlined at Section 5). The tenure of the reprovision element must be on a like-for-like basis; so all social rented floorspace is replaced by better-quality new homes at the same rent levels and residents are guaranteed the same security of tenure.

Alongside the reprovision of existing affordable housing, estate regeneration projects are expected to maximise the delivery of additional new affordable homes on the regenerated estate ('the uplift element'). Estate regeneration projects are expected to provide the maximum viable quantum of new affordable homes and planning applications at estates always follow the Mayor's Viability Tested affordable housing route. This means that each application for estate regeneration

is supported by a viability assessment, based on the residual valuation methodology, the viability position will be thoroughly interrogated by the planning authority (and GLA) and an early and late stage viability review will apply to the planning permission.

Many of London's estates are low rise, poorly laid out and represent an inefficient use of accessible urban land. They provide opportunities to build at far higher densities to deliver value-generating market homes, enabling the cross-subsidisation and optimisation of new affordable homes. A general rule of thumb is that a 2-3 fold increase in homes at an estate is typically required to render a project viable and deliverable, while yielding a meaningful uplift in new affordable homes (this is borne out by the overall 151% uplift in new homes on London's estates identified in the analysis at Section 2). The London Plan expects the uplift in affordable homes to prioritise Social Rent and London Affordable Rented (LAR) accommodation, though the Mayor's new funding guidance strongly promotes the former (requiring that half of all new starts under the latest GLA Affordable Housing Programme are social rent). The delivery of new intermediate accommodation also has an important role in the creation of mixed, balanced and sustainable communities on the regenerated estate. New affordable homes are expected to be targeted towards local people and should follow local lettings policies.



Credit: Lichfields

## Affordable housing tenure

The tenure of the reprovision element of an estate regeneration project's affordable housing is fixed where it is replacing existing social rented housing and facilitating a right of return for existing tenants. Where replacement affordable housing is not providing for a right of return, then it can either be social rent or LAR housing.

The tenure composition of the uplift in affordable housing will be considered in the context of the Mayor's requirements for new homes (30% low cost rented, 30% intermediate and 40% to be determined locally under London Plan Policy H6). Place-making and sustainable community objectives which support a balance of tenures must also be considered.

### Lessons learnt: affordable housing

1. There are two components to an estate's affordable housing: the 'reprovision element' and the 'uplift element'. The former will reprovide floorspace and match returning household needs; the latter will maximise affordable housing based on viability.
2. London's estates often provide opportunities for far higher densities. As a general rule, a 2-3 fold increase in homes is required for a project to be viable and deliverable, while yielding sufficient new affordable homes.
3. The Mayor will expect the uplift in affordable homes to maximise Social Rented accommodation. Intermediate homes also have a role in creating sustainable communities.
4. Leaseholders/freeholders at an estate must be treated fairly and supported by landlords.

## Leaseholders and freeholders

The Mayor requires that leaseholders and freeholders on an estate are treated and compensated fairly in the event their homes are demolished and replaced. Landlords are encouraged to support leaseholders and freeholders moving to alternative accommodation, for example by offering them the right to a new home on the regenerated estate on a shared equity or shared ownership basis.



Woodberry Down, Hackney © Lichfields



Credit: iStock

# 09 Planning applications for estate regeneration

Drawing on preceding sections of the Insight we have given thought to the core principles of effective planning application strategies for estate regeneration.

The three broad objectives of estate regeneration in London are to deliver better homes for local people; to increase the overall supply of new homes and affordable homes; and to improve the quality of the local environment. These core objectives are all firmly controlled through the planning process.

As we have discussed, estate regeneration does not lend itself to a one-size-fits-all approach. Equally, many of the principles we discuss here are common to other large urban housing projects. Nonetheless, planning applications for estate regeneration are in many ways distinct. It is informative to consider the shared attributes and components of successful planning applications for estate regeneration.

## **Stage 1: developing the concept and project feasibility**

The initial stage of work on any estate regeneration project must involve a detailed interrogation of the estate, the vision, objectives and brief for the development and the opportunity it presents. This critical initiating stage establishes the baseline position which will guide and inform all subsequent stages of the project.

This initial stage of work should include initial feasibility analyses and design development, underpinned by the Landlord's Housing Needs Assessments and Options Appraisal. As discussed at Section 5, it is critical to first establish and understand an estate's existing demographic composition and the requirements of returning households through the HNA before appraising alternative development options to establish the nature and scale of interventions appropriate at the estate.

This initial stage of any project must be diligent, front-loaded, analytical, well evidenced and collaborative. It involves joint working between the landlord, planning consultant, project architect and other core professional team members. A key output is the planning strategy; developed in conjunction with, and informed

by, the HNA, the wider engagement strategy, options analyses and early design development.

The objective of this initial concept and feasibility stage of work is to collate the evidence base and provide a strategic framework for the project, while de-risking the planning process, developing mitigation strategies and looking for opportunities to add value.

## **Stage 2: effective resident engagement and pre-application consultation**

Estate regeneration projects require a carefully integrated process of engagement with estate residents and the wider community which dovetails with pre-application consultation. Both resident and community engagement and the pre-application process must be well managed, inclusive and responsive. The process of engagement must be balanced and the estate's iterative design development must be informed concurrently by residents, planning officers and other stakeholders. The developer and professional team must balance and reconcile sometimes-competing needs of residents and the planning authority, but ultimately the endorsement of both must be achieved.

As discussed at Section 6, a key milestone in an estate regeneration project is the residents' ballot. To de-risk the post-ballot planning process, there are benefits in aligning the ballot with advanced stages of pre-application engagement. It is important to ensure the principles of the development are endorsed by planning officers prior to embarking on a ballot. While there is no formal link between the ballot and pre-application engagement, we find that many planning authorities now expect the processes to be integrated.

Engagement with officers and stakeholders should be fluid, integrated and continuous throughout all stages of the project. It is critical that engagement with residents continues post ballot and that planning officers are kept abreast of ongoing consultation. All limbs of the engagement process, including pre-application discussions and residents' consultation, must simultaneously inform the scheme and should

be comprehensively captured for the planning application in a Statement of Community Involvement.

This front-loaded, well evidenced and inclusive approach to pre-application engagement and design development should look to culminate in certainty and a positive platform from which to then coordinate and submit the planning application. In our experience, a final 'confirmatory' pre-application meeting prior to submission of the application can be helpful to secure buy in from Officers; allowing positive and expedient determination of the application.

### **Stage 3: coordinating a successful planning application**

Large estate regeneration projects require comprehensive and well evidenced planning application submissions with inputs from large multi-disciplinary teams. Many regeneration projects will be EIA development and will necessitate multi-faceted submissions including a variety of technical inputs, ES chapters and assessments.

Given the scale of these large projects, and the sensitivities and profile of estate regeneration,

each application must cogently address policy, reflect the underlying project brief and community objectives and relay a consistent and positive narrative. Effective project management, communication and coordination is key to ensuring applications for estate regeneration are robust, accessible and stand up to scrutiny.

### **Stage 4: determination stage**

During the determination stage of planning applications for estate regeneration projects it is important to continue the process of collaboration and negotiation with Officers and stakeholders. Estate residents must be kept abreast of progress and engage positively in the statutory consultation process. As with all major planning applications, consultation feedback should be addressed swiftly and comprehensively to ensure the application proceeds in an efficient and positive manner. For large estate regeneration projects a comprehensive tracker of all consultation responses should be maintained as a central resource for the team and well evidenced responses to the issues raised must be coordinated promptly.



Credit: iStock

It is important to engage with Officers right up to committee, thoroughly review the Committee Report and ensure conditions, obligations and CIL strategies are in place prior to committee.

The objective throughout the project will always be to secure an optimal, viable and deliverable permission which addresses the project brief and firmly meets the needs of an estate's residents.

### Planning application strategy options

The planning application strategy for each estate project will be dictated by the scale of the development, the characteristics of the estate and the extent of interventions proposed. Refurbishment, smaller infill schemes or development at sensitive sites, for example

involving heritage assets, will lend themselves to a full detailed application submission. Larger multi-phased regeneration is better suited to an outline or hybrid application.

A common challenge for larger estate projects is aligning long-term phased regeneration across estates with a planning system, and political cycles, which operate on a short-term basis. These projects can be inherently lengthy and planning applications must allow for inbuilt flexibility and adaptability to address changes to the market, the evolving housing need at an estate owing to changing household demographics and changing political aspirations.

For these reasons, Lichfields' view is that large, comprehensive, multi-phased regeneration projects lend themselves to a hybrid planning application strategy. A hybrid planning application comprises a deliverable initiating phase of development which can unlock the scheme's phasing and decant strategy, underpinned by flexible later phases which are sufficiently agile and flexible to accommodate changes. This approach is endorsed by the National Estate Regeneration Strategy (2016) which recognises the suitability of hybrid applications for large regeneration projects at estates. Of course, outline applications (or the outline components of hybrid applications) typically now include tightly drawn parameters and design codes. Nonetheless, there is still scope for the outline phases of estate regeneration projects to benefit from much needed flexibility in terms of quantum, dwelling mix and detailed design to allow the development's later phases to respond to changing circumstances.



Credit: Lichfields



Kings Crescent, Hackney © Lichfields

## Lessons learnt: planning applications for estate regeneration

1. The planning process for estate regeneration projects must be front-loaded, analytical, well evidenced and collaborative. The planning strategy must be informed by early analysis of the estate, feasibility work and design development, all of which are underpinned by a robust HNA and Options Appraisal.
2. The planning strategy and design development must be informed concurrently by inclusive and responsive engagement with estate residents, the wider community and pre-application consultation.
3. Estate regeneration projects require comprehensive and well evidenced planning application submissions which cogently address policy, reflect the underlying project brief and community objectives, and relay a consistent and positive narrative.
4. The process of collaboration with Officers and stakeholders must continue throughout the application's determination process and estate residents must be kept abreast of progress.
5. The planning application strategy for each estate project will vary, but large multi-phased regeneration projects lend themselves to a hybrid planning application strategy; blending a detailed initiating phase which unlocks phasing and decant with flexible later phases that are sufficiently agile to accommodate change.

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## Summary, conclusions and lessons learnt

This insight considers patterns of estate regeneration in London and sheds light on the salient planning challenges and opportunities encountered across this growing sector. The aim is to explore common themes and to identify Lichfields' best practice approaches to help navigate estate regeneration projects through planning.

### Patterns of estate regeneration in London

Lichfields analysis of 200 major estate regeneration projects across London illustrates the considerable potential of estate regeneration in the capital. Approved developments at London's estates together have the potential to deliver more than 90,000 new homes, equating to a 151% uplift above existing housing stock, and 48% of the approved homes are affordable.

It is clear that the prospective housing delivery at London's estates is vast and that regeneration can concurrently secure qualitative improvements in housing stock, the delivery of mixed and sustainable communities and enhancement of the townscape and public realm.

The spatial distribution of estate regeneration, though, shows these developments are focused towards clusters of boroughs in Inner East and Inner South London, alongside major regeneration projects in certain outer London boroughs. This reflects high concentrations of public housing in these areas, as well as a housing delivery strategy, policy emphasis and political agenda focused towards estate regeneration in these boroughs.

The opportunities for estate regeneration are not yet being realised in some other, mostly Outer, London boroughs where there appears to be less political ambition and less policy focus on estate regeneration.

The Government, the Mayor of London and many London Boroughs recognise the profound opportunities offered by estate regeneration to deliver more and better homes, to create better places and to improve lives. The GLA in particular has embraced estate regeneration with extensive policy and guidance which generally provides clarity and support for well conceived

development at London's estates. Strategic guidance promotes collaboration and inclusion, provides a mandate for estate regeneration and allows these developments to be presented in a manner that is politically acceptable and supported by communities.

Against this background, and drawing on our research and experience of estate regeneration, we have analysed the successive phases of estate regeneration.

The following summarises our lessons and guidance for each stage of the estate regeneration process:

### Understanding the estate

1. Establishing and fully understanding the current residential make-up of the estate including homes and household sizes, occupancy and tenures at the earliest opportunity is crucial to inform the scope, scale and nature of the interventions.
2. The data gained from the HNA will be key to informing discussions with planning officers.
3. It is important for the HNA process to be flexible and responsive to evolving housing needs over the long term regeneration programme. This should inform the planning application strategy.
4. A thorough and transparent options appraisal carried out in full view of the community adds significant value. While it can be costly and time consuming it is helpful in generating residents' support for regeneration and assists in the planning process.
5. The refinement of the options should be resident-led and provides an opportunity to not only establish key regeneration priorities for the existing community, but also to engender early support from residents ahead of a ballot.
6. The preferred option should be 'tested' with the relevant planning authority prior to a ballot via pre-application discussions.

## Engagement and the residents' ballot

7. Consultation on estate regeneration projects needs to be handled sensitively and robustly. It has the potential to de-rail projects if done incorrectly. It should be a two-way process with residents' feedback informing the process alongside transparent and up-to-date information from the landlord/developer.
8. The consultation strategy should be closely aligned with the planning strategy. The two should be run together with the design fix occurring when residents' are supportive of the scheme.
9. A residents' ballot is increasingly being seen as a method of demonstrating open and transparent consultation. Success relies on early engagement on addressing common resident concerns and communicating how regeneration will strengthen existing attributes at the estate and deliver new benefits.
10. Consultation must include wider engagement with other groups affected by the development. Estates should not be considered in isolation but as part of a wider community.
11. Political engagement is an important consideration for building a swell of support for a scheme. Councillors and planning officers will want to understand how an emerging design has addressed residents' views.
12. Whilst the importance of open and transparent consultation should not be underestimated, it is important that regeneration is driven by the landowner/developer and realistic expectations are set on what can be delivered at each stage.
14. The phasing strategy should be underpinned by a detailed housing need and occupancy survey and viability considerations.
15. A single decant is preferable and while some double decanting might be a necessary evil, developments should avoid residents being decanted multiple times.
16. Prior allocation of properties is important to avoid multiple decanting and rehousing of residents in inappropriate and disproportionate accommodation.
17. Old estate blocks should be properly managed, and security maintained while residents await rehousing.
18. Options to temporarily repurpose buildings and/or introduce meanwhile uses should be explored as part of the phasing strategy.

## Affordable housing and tenure requirements

19. There are two components to an estate's affordable housing: the 'reprovision element' and the 'uplift element'. The former will reprovide floorspace and match returning household needs; the latter will maximise affordable housing based on viability.
20. London's estates often provide opportunities for far higher densities. As a general rule, a 2-3 fold increase in homes is required for a project to be viable and deliverable, while yielding sufficient new affordable homes.
21. The Mayor will expect the uplift in affordable homes to maximise Social Rented accommodation. Intermediate homes also have a role in creating sustainable communities.
22. Leaseholders/Freeholders at an estate must be treated fairly and supported by landlords.
13. Getting the phasing plan and decant programme right early in the project is critical and changes to phasing should be avoided.

## Phasing and decant strategies



Credit: Lichfields

### Planning applications for estate regeneration

23. The planning process for estate regeneration projects must be front-loaded, analytical, well evidenced and collaborative. The planning strategy must be informed by early analysis of the estate, feasibility work and design development, all of which are underpinned by a robust HNA and Options Appraisal.
24. The planning strategy and design development must be informed concurrently by inclusive and responsive engagement with estate residents, the wider community and pre-application consultation.
25. Estate regeneration projects require comprehensive and well evidenced planning application submissions which cogently address policy, reflect the underlying project brief and community objectives, and relay a consistent and positive narrative.
26. The process of collaboration with Officers and stakeholders must continue throughout the application's determination process and estate residents must be kept abreast of progress.

27. The planning application strategy for each estate project will vary, but large multi-phased regeneration projects lend themselves to a hybrid planning application strategy; blending a detailed initiating phase which unlocks phasing and decant with flexible later phases that are sufficiently agile to accommodate change.

**Estate regeneration in London presents a unique set of opportunities to deliver a significant quantum of new homes, to improve lives, to stimulate economic growth and to enhance the fabric of the city. The potential benefits of well executed estate regeneration are unparalleled and wide ranging. We hope that by drawing together our key messages and the lessons we have learnt both from this analysis and from our own project experience, this Lichfields Insight will help navigate future estate regeneration projects through planning.**

# The Lichfields perspective

What makes us different? We're not just independent but independent-minded. We're always prepared to take a view. But we always do that for the right reasons – we want to help our clients make the best possible decisions.

We have an energetic entrepreneurial culture that means we can respond quickly and intelligently to change, and our distinctive collaborative approach brings together all the different disciplines to work faster, smarter, and harder on our clients' behalf.

## Sharing our knowledge

We are a leading voice in the development industry, and no-one is better connected across the sector. We work closely with government and leading business and property organisations, sharing our knowledge and helping to shape policy for the future.

## Publishing market intelligence

We are at the forefront of market analysis and we track government policy and legislation so we can give fresh insight to our clients. Our Think Tank is a catalyst for industry-leading thinking on planning and development.

## Read more

You can read more of our research and insight at [lichfields.uk](http://lichfields.uk)

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Considering the value and approach to affordable housing delivery.



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Unlocking small urban sites in the delivery of new homes and affordable housing.



### Insight Focus

How young people engage with town centres, and what this means for centres in the future.

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