

Appendix A: The Joint Delivery Plan

Introduction

London is facing a severe housing crisis and the need for high quality housing remains acute both across the city and within Lambeth. The programme being delivered by HfL forms a key part of the Council's ambition to increase the number of homes of all types, particularly affordable housing.

On 30 March 2020, a Cabinet Member Delegated Decision Report ('CMDDR') was approved for the '*HfL Delivery Plan and HfL Corporate Plan*'. This CMDDR and associated appendices set out Homes for Lambeth's ('HfL') plan to deliver homes over a three-year Business Plan period, and also provides a look-ahead to the end of the fifth year of the programme. The CMDDR also set out a series of policies, objectives, targets, and financial parameters for the programme.

The Business Plan, until the end of financial year 2022/23 was approved last year. The purpose of the JDP is to review progress that has been made over the last year, noting any changes in HfL's plans. It also sets out what the main areas of focus will be for the coming year.

Despite the impact of the global pandemic, there have been particular successes with securing a number of planning consents, starting on site at the South Lambeth Estate and the implementation of the Resident Engagement and Social Investment ('RESI') programme, details of which are set out below. It is important to acknowledge that rebuilding estates is complex and directly impacts on people's lives in a very real way. Whilst the HfL programme is critical to ensuring the council provides desperately needed new homes for its residents, there are instances where lessons have been learned over the last year and our approach has been adjusted.

The JDP provides a comprehensive update on the HfL programme and covers the following areas:

1. HfL Build
2. HfL Homes
3. HfL Living
4. Rehousing and compulsory purchase
5. Programme viability update
6. Sustainability
7. Resident Engagement and Social Investment
8. Liveability
9. Governance
10. Key Performance Indicators

1. HfL Build Development Programme

HfL's programme was structured to deliver homes at pace, whilst balancing organisational capacity, financial and sales risks. The programme has also needed to take account of the need to acquire properties lost under the Right to Buy. 2020/21 has been a challenging year with the impacts of the pandemic and of Brexit directly affecting the construction and planning assumptions made last year. In the first lockdown, activity on construction sites ceased and planning and consultation activities adjusted to moving to online media to mitigate the impact of the pandemic. Disruption has continued through the year, but primarily relating to COVID-19 impacting on the ability of the team to collaborate and mobilising / recruiting into both the Council and HfL teams. Despite this, good progress has been made with five planning consents being secured.

Whilst the impacts of Brexit are largely still to be seen, there has been an impact on both labour and materials which has affected the construction industry more widely. Across the HfL programme, the majority of the sites are yet to commence construction and whilst some impact on programme was experienced, this has largely been mitigated. The assumptions made in the 2020/21 Business Plan have been updated for financial year 2021/22 and individual project programmes will continue to be reviewed in detail as the legacy of the pandemic and Brexit begin to be realised.

The table below shows the projects that form the HfL programme. No further projects have been added over the last year, and at this stage it is not intended that any further projects will be added in the coming year.

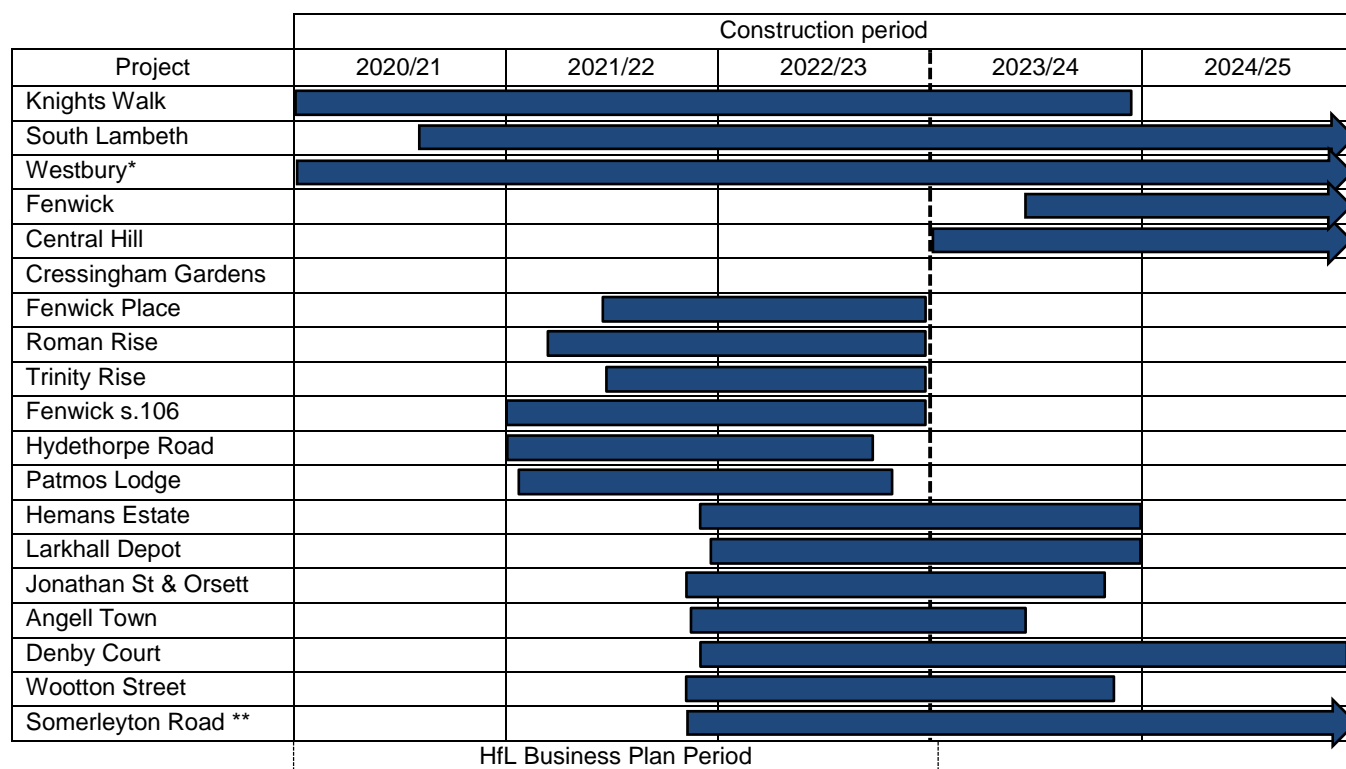
Table 1 HfL Programme

Estate projects	Other projects
Central Hill	Fenwick Place
Cressingham Gardens	Roman Rise
Fenwick Estate	Trinity Rise
Knights Walk	Fenwick s.106 homes
Westbury	Hydethorpe Road
South Lambeth	Patmos Lodge
Lollard Street – homes complete and under management	Hemans Estate
-	Larkhall Depot
-	Jonathan Street & Orsett
-	Angell Town
-	Denby Court
-	Wootton Street
-	Somerleyton Road residential Phase 1
-	Somerleyton Road residential Phase 2

The projects at Fenwick Place, Roman Rise and Trinity Rise are stand-alone projects which have now achieved resolution to grant planning consent. Identified as Phase 1 of Central Hill, Cressingham and Fenwick estates in the previous forecast, they are now formed as projects in their own right and are being brought forward as part of HfL's 'small sites' programme.

The 30 March 2020 CMDDR set out the forecast construction time periods for each of the projects in the HfL programme. An update of the proposed construction periods is provided below.

Figure 1 Project build programme



* including homes being delivered through s.106 agreements cliented by the Council or HfL and transferring to HfL on completion.

** The initial phase of Somerleyton Road is currently on site. This phase is commercial development, including a youth theatre, and the construction is being managed by HfL. The bar in the table above is only for the future residential phases.

The construction start dates for the Hydethorpe Road, Patmos Lodge, Hemans Estate, Larkhall Depot and Somerleyton Road projects have slipped compared to the assumptions last year. This is due to the impact of the COVID-19 pandemic and the associated disruption it has brought. However, the Jonathan Street & Orsett, Angell Town, Denby Court and Wootton Street projects remain planned to start in-line with the assumptions made in the March 2020 CMDDR.

The details of the programme are also shown in the table below, which states the assumptions made last year. Updates are shown in (brackets). Where updates are not shown, the existing assumptions remain.

Table 2 Delivery milestones

Project	To end of year 3 (HfL Business Plan period)	To end of year 5 (HfL Business Plan period, plus two-year look-ahead)
South Lambeth	Phase 1 complete	Phase 2 start
Knights Walk	Phase 1 complete Phase 2 start	Phase 2 complete Estate fully renewed
Westbury	Phase 1 complete Phase 2 start	Phase 2 complete Phase 3 start
Central Hill	Masterplanning well advanced	Masterplan Phase 1 start
Fenwick	Masterplanning well advanced	Masterplan Phase 1 start
Cressingham Gardens	Masterplanning commenced	-
Other projects	Fenwick Place, Fenwick s.106, Lollard Street, Roman Rise, Trinity Rise, Hydethorpe and Patmos complete Hemans and Larkhall start (previously forecast to complete) Carmelita and Orsett, Angell Town, Wootton Street and Denby Court start Somerleyton Road residential Phase 1 start	(Hemans and Larkhall complete) Carmelita and Orsett, Angell Town, Wootton Street and Denby Court complete Somerleyton residential Phase 1 complete Somerleyton residential Phase 2 start

Both the Council and HfL teams have worked hard over what has been a challenging year to keep the programme on target to deliver homes forecast in the Business Plan last year. Unfortunately, the Hemans Estate and Larkhall projects have slightly slipped, albeit with consultation on scheme designs progressing at Larkhall. The consequential impact on delivery of homes over the Business Plan period and to the end of five years is shown in the table below:

Table 3 Number of homes and tenure of homes

	2020-21	2021-22	2020-21	2021-22
Tenure of homes	To end of year 3 *	To end of year 3 *	To end of year 5 *	To end of year 5 *
Council Level Rent	223 (58%)	265 (76%)	439 (37%)	441 (37%)
Other regulated rent **	54 (14%)	9 (3%)	91 (7%)	91 (8%)
Intermediate***	25 (7%)	33 (9%)	119 (10%)	128 (11%)
<i>Sub-total affordable</i>	<i>302 (79%)</i>	<i>307 (88%)</i>	<i>649 (54%)</i>	<i>660 (56%)</i>
Private Sale	81 (21%)	42 (12%)	547 (46%)	524 (44%)
Total****	383 (100%)	349 (100%)	1,196 (100%)	1,184 (100%)

*Number of homes (percentage of total homes within period).

** London Affordable Rent and London Living Rent

***the 'Intermediate' homes include a provision of Shared Ownership homes for existing homeowners who wish to remain on the estates. They will pay no rent on any additional value over and above the value of their existing property, in line with the Key Guarantees.

**** the number of homes comprising affordable homes completed by HfL, s.106 schemes completed at Westbury, Fenwick, and Ethelred (Lollard Street) estates, and private homes completed.

The number of council level rent homes forecast to be delivered increases over the 3- and 5-year period. In addition, HfL has optimised the number of homes being delivered across the small sites programme and have identified that a further 47 homes can be delivered across the lifetime of the programme; increasing the total number of homes delivered from 4,842 homes to 4,889 homes.

An overview of the number of homes that is anticipated to be delivered by each type of project is shown in the table below. Whilst prudent assumptions have been made, some schemes are in the early stages of design so the actual number of homes delivered may be subject to change as scheme design for each project progresses, particularly as the masterplans for the estates progress.

Table 4 Number of homes and tenure of homes forecast for each project

Project	Council Level Rent	London Affordable Rent	London Living Rent	Shared ownership ***	Sub-total affordable	Open market sales	Total new homes
Estate Projects*	1,025	60	60	537	1,682	2,464	4,146
Other Projects**	243	45	0	97	385	358	743
Total	1,268	105	60	634	2,067	2,822	4,889

* includes Knights Walk, South Lambeth, Westbury (inc. s.106 homes), Fenwick, Central Hill Cressingham Gardens and Lollard Street

** includes Roman Rise, Trinity Rise, Fenwick Place and all other 'small sites'

*** includes a provision of shared ownership homes for existing homeowners who wish to remain on their estates

Updates on the delivery of homes will be provided on a quarterly basis to the Council's Ownership and Stewardship Panel ('OSP').

Estate masterplanning update

Work will commence in financial year 2021-22 on the next stages of masterplanning of the Central Hill, Fenwick and Cressingham estates.

At Central Hill, it is anticipated that procurement of a consultant team will commence in Q1 of 2021-22, with the consultant team being appointed by Q2/Q3 of 2021-22.

At Fenwick and Cressingham Gardens, it is anticipated that procurement of a consultant team will commence in Q3/Q4 of 2021-22.

Both the Council and HfL are fully committed to engaging residents in the renewal of their estates and will be supporting residents to get involved – it is acknowledged that building trust with communities will be key to successfully delivering the masterplans. As stated in the Key Guarantees, residents will be able to get involved in the design of the new homes, of the estate as a whole and to influence decisions around the phasing of building new homes and the construction works.

Finance update

The impact of project approvals achieved since the March 2020 CMDDR are shown in Table 5. This includes the increase of 47 homes to be delivered over the programme, as referred to in the previous section. The changes in total revenues and costs are not material (each at c.1% of approved Business Plan) but generate a favourable change of £9m in land value payable to the council (c. 4% of approved Business Plan).

Table 5 Development programme finance update

	Approved BP	Updated since BP approval		Adjusted BP	Movement since BP
		S Lambeth approved	Small Sites		
Total Units	4,662	-	47	4,709	47
Total Revenue (£k)	1,970,804	2,359	20,870	1,994,034	23,229
Costs before interest	1,511,110	(10,842)	19,904	1,520,171	9,062
Interest cost	76,986	(4,924)	515	72,577	(4,409)
Margin	165,031	10,181	(339)	174,873	9,842
Total Costs (£k)	1,753,127	(5,585)	20,080	1,767,622	14,495
Land value (to LBL)	217,678	7,944	790	226,412	8,734

Note: The total number of homes above excludes the following, which are part of the overall programme, they are not delivered by HfL Build but will be managed by HfL Homes:

Lollard St s106 (complete and in HfL Homes management)	70
Fenwick Place s106	46
Westbury s106	64
Total	<u>180</u>
Total to be delivered by HfL Build as above:	4,709
All programme total as previous section	4,889

As stated in the March 2020 CMDDR, financial modelling work on the likely number of units that can be built over the entire programme, the likely tenure of those units, the costs, income, and related land payments will be ongoing. Where HfL bring forward individual projects for approval and/or where HfL implement any material revision to their programme-level financial models, officers of HfL and the council work closely to ensure that the financial modelling is robust and, where necessary, is subject to external review before approval and/or adoption.

As projects proceed through approvals during 2021/22, undergoing scrutiny and challenge from both HfL board and the council, including external review, movements when compared to the Adjusted BP value shown in the table above will be tracked and reported to OSP periodically and to Cabinet in next year's JDP report.

2. HfL Homes

Homes being managed by HfL

HfL Homes is a Registered Provider and is currently managing 70 Council Level Rent Homes at Lollard Street on the Ethelred Estate. HfL Homes has not taken on any further new homes during financial year 2020-21 but is due to take possession of two new schemes in 2021-22. At the Westbury Estate, Phase 1 will deliver 64 new homes, and HfL's scheme at Knights Walk will deliver 16 new homes. By the end of 2021-22 HfL Homes will be managing 148 homes at Council Level Rent and 150 homes in total.

The homes at Lollard Street are currently maintained and managed by Pinnacle Group. HfL is currently reviewing its housing management arrangements.

Finally, HfL Homes' Landlord obligations in respect of Health & Safety are monitored and tracked and regularly reported to the HfL Homes Board. There have been no breaches or incidents requiring Regulatory notification during the year.

Resident satisfaction

HfL Homes monitors general satisfaction of its residents on a bi-annual basis. Over the last year resident satisfaction at Lollard Street has increased by 5% as an average of all the satisfaction measures. The most recent satisfaction data can be seen in the table below. The key satisfaction benchmark that regard is given to within the sector is the overall satisfaction with the landlord. HfL has achieved 76% which compares favourably to the largest Registered Providers in London (the G15), where satisfaction with the landlord averages 75%.

Table 6 Resident satisfaction

How satisfied were residents with	% satisfaction
Services provided by Pinnacle	76.7
HfL as your landlord ('Overall Satisfaction')	76
Pinnacle/HfL in keeping you informed	81.3
Being listened to and your views acted on	67.4
Resident activities, e.g. the Better Futures Roadshow in September 2020	82.9
Repairs and maintenance	56.7
Internal and external cleaning	63.3
The response to Covid-19	84.8
The overall housing and estate management service	70.8
Total average	Q1: 68 Q3: 73

Residents' primary concerns have been in respect of communal cleaning, repairs, and maintenance. HfL is working with both Pinnacle and its residents to agree an enhanced cleaning specification that is cost effective. The 'repairs and maintenance' rating reflects issues reported as 'defects' and addressed by the contractor under the two-year post completion warranty. HfL are monitoring closely and expect satisfaction to rise as these are closed out. Whilst this is a standard process in new build, HfL want to minimise this impact on residents and have specialist contract managers overseeing the entire build phase to ensure the number of defects are minimised prior to handover.

In terms of the plan for financial year 2021-22, a review of the approach to resident satisfaction and the methodology used will be undertaken. This is in response to the Social Housing White Paper where revisions to the Regulatory Consumer Standards will compel the collation of defined satisfaction metrics. This will enable a resident focussed set of metrics together with an ability to Benchmark with other providers.

Robust Contract Management will continue to ensure HfL's third Party contractors are delivering in accordance with their contractual terms. Regular performance management and independent resident satisfaction surveys will also be completed to provide additional assurance to HfL and the HfL Homes Board of contract delivery.

Finance update

As the number of homes in management increases over the coming years, the HfL Homes financial plan will be tested and revised, if necessary, by reviewing and learning lessons from actual performance, as well as by comparison with suitable benchmarks and best practice data sources. Any changes will be brought to OSP for consideration as and when they occur and reported to Cabinet in the next occurring JDP report.

3. **HfL Living**

The Council continues to let homes that had been sold under the Right to Buy and subsequently bought back by the Council on either Assured Shorthold Tenancies (ASTs) or as temporary accommodation. The approach to letting homes that are bought back is under review and the implications of the review for the programme will be reported to OSP in due course.

Where the homes that have been bought back are to be let as ASTs, HfL is commissioned by the Council to do this on its behalf, undertaking an appropriate level of refurbishment (if required) and then managing the letting, maintenance, rent collection etc. from these homes.

These AST homes were previously managed by HfL Build, but they were transferred during 2020/21 to HfL Living.

AST portfolio update

The table below shows the current position, and a forecast position to the end of the next financial year. It is not possible to forecast precisely how many homes will be bought back, how many will be refurbished and how many let during the coming year. However, a budget estimate of 30 buybacks, refurbishments and new lets during 2021/22 has been set, taking into account performance in 2020-21.

Table 7 AST portfolio performance

Description	2020/21	2021/22
Homes let	64	120
Homes ready to let	19*	n/a
Homes under refurbishment	7	n/a
Total homes	90	120

*of the 'Ready to Let' homes, four are on the market to let, six have works completed and are being snagged and the remaining nine are awaiting final lease information from the Council which is to be provided shortly

Finance update

Table 8 AST portfolio financial performance

Description	2020/21 £m	2021/22 £m
Rent income	0.9	1.9
Costs in management	(0.3)	(0.6)
Net income	0.6	1.3
Total rent roll (assuming fully let)	1.6	2.1
Costs in management	(0.5)	(0.7)
Net income	1.1	1.4

The rental income budget for 2021/22 is calculated assuming that the 30 new lets are evenly spread across the year and that rents and costs in management are at the average per home experienced in 2020/21.

Refurbishment cost incurred to-date (including commitments for the homes under refurbishment) is £1.0m for 90 homes: an average per home of £11k, which compares favourably with the £15k per home allowed for.

Refurbishment cost for the budgeted 30 homes to be bought back in 2021/22 is estimated at £0.3m, based on the average per home achieved to-date.

4. Rehousing and compulsory purchase

In order to meet the Council's commitment to deliver the renewal of the six estates to be rebuilt, it needs to re-house existing tenants and purchase leasehold and freehold properties that have been sold under the Right to Buy. The approach was set out in the 30 March 2020 CMDDR and this continues to be followed.

Steady progress has been made with the acquisition of homes lost under the Right to Buy and rehousing existing residents over the last year. There will be an increasing focus on individual blocks as the phasing of Central Hill, Cressingham Gardens and Fenwick becomes clearer as the masterplans progress.

All work has been progressed in-line with the Key Guarantees which set out the options available to both secure tenants and council homeowners. All home moves have been driven by resident demand and have been undertaken in-line with HM Government guidance with regard to COVID-19. The table below sets out the current position with regard to each estate:

Table 9 Vacant possession position by estate

Estate	Number of leaseholds / freeholds acquired in 2020-21	Number of remaining leaseholders / freeholders	Secure tenants re-housed in 2020-21	Number of remaining secure tenants
Central Hill	8	77	19	206
Cressingham Gardens	1	72	1	120
Fenwick Estate	10	101	6	164
Knights Walk	0	0	1	9
South Lambeth	4	30	1	44
Westbury	6	15	2	33
Total	29	295	30	576

The Key Guarantees give residents living on the estates to be rebuilt the right to be moved or to have their property interest bought back whenever they are ready. This means it is not possible to accurately forecast the number of homes that will be bought back in the coming year, but based on those currently in the system and previous performance, it is estimated that approximately 30 homes may be acquired in the next 12 months.

In addition to the above, to support the Council's response to COVID-19, 45 homes that have been bought back were made available to increase the supply of temporary housing. As referenced in both this decision and the 30 March 2020 CMDDR, work will be undertaken to assess the management and letting arrangements for homes that are bought back from freeholders and leaseholders; it is anticipated that this review will occur in 2021-22.

It is likely that Compulsory Purchase Orders (CPO) will be pursued during 2021-22 on sections of both the Westbury and South Lambeth estates. Cabinet has delegated the decision to make these CPO's to the Cabinet Member for Planning, Investment and New Homes. In addition, the Council will be seeking to

appropriate land for planning purposes across all of the phases / sites that HfL will be starting work on during the period.

Finance update

Expenditure to buy-back leaseholder and freeholder properties, as reported in the March 2020 CMDDR, was £65m out of £70m funding approved in a series of CMDDRs up to April 2019.

The March 2020 CMDDR included approval of an additional £100m of funding, bringing the total of approved funding for these activities to £170m.

Expenditure to the date of this report is £79m, which includes £13m (rounded) in this financial year to buy back the 29 properties acquired in 2020-21, as per Table 9 above. Therefore, £91m of approved funding remains to meet the cost of future buybacks.

As set out in the April 2019 CMDDR – Estate Regeneration – Early Buy-back Funding – the cost of buying back all leaseholder homes at market rate is estimated to be c.£200m but it is likely that a proportion of resident leaseholders will wish instead to take a shared ownership offer. In-line with the Key Guarantees, this shared ownership offer will not require residents to pay rent on the share they do not own. On Myatt's Field North – the example quoted in the 2019 report – 80% of resident leaseholders chose to remain in the new development. If the take-up the estates to be rebuilt in the HfL programme is assumed to be only 20% across the estates in the HfL programme, the total buyback cost would be c. £160m, which is within the available funding of £170m.

The council will continue to monitor the actual cost of buy backs, the take-up of the shared ownership offer and market information in order to maintain and report up-to-date, robust forecasts.

5. Programme viability update

As the March 2020 CMDDR stated, it is expected that the cost of buy-backs, the associated interest cost and costs of project preparation and commissioning will be fully recovered by the council over the lifetime of the programme through a combination of the land value payable to the council, rental income from homes let as ASTs and return on lending to HfL at rates in excess of the notional cost of money in the council's financial regime (as required to accord with State Aid rules).

Table 10 below shows the values in the March 2020 CMDDR viability statement with movements, leading to a revised programme viability forecast.

The revised forecast indicates that the programme remains financially viable, taking into account information available at the time of presenting this report. This will continue to be closely monitored as the programme progresses.

Table 10 Programme viability update

	March 2020 CMDDR	Movement	Revised forecast
	£m	£m	£m
Income			
Expected land value	218	9	227
Capital receipt from disposal of s106 sites	12	-	12
Net return on lending activity	35	-	35
Total income	265	9	274
Costs			
Land assembly costs	169	-	169
Sunk cost capital	30	-	30
Future commissioning cost	25	-	25
Interest cost net of AST income	22	10	32
Total costs	246	10	256
Excess of income over costs	19	(1)	18

Land value: see Section 1 Finance update, Table 5

Net return on lending activity: this is an estimate of the difference between interest payable by HfL to the council and the notional cost of money in the council's financial regime. The approved business plan, HfL's financial modelling and this estimate assume that HfL Build borrow at 6% for the majority of their developments, HfL Group borrow at 6% for working capital and HfL Homes at 3.2% for the funds to buy affordable homes from HfL Build; whereas the current notional rate is 3%. The relatively minor changes reported in this JDP do not point to a materially different estimate for return on lending.

Land assembly costs: see section 4 finance update

Sunk capital costs: no change from March 2020 CMDDR

Future commissioning cost: The March 2020 CMDDR included approval of £25m of capital funding to facilitate implementation of the Business Plan:

- Scheme design – progressing the planning strategy, design, and master-planning of projects. This includes the master-planning of Cressingham Gardens, Central Hill, and Fenwick estates, which will require a full professional team to be appointed.
- Land assembly – a budget to support progressing CPOs on sites, where they are required.
- Council commissioning costs – Council costs associated with the project, including professional advisors.

To-date there has been no material expenditure against this approved funding because the activities described above are all in their very early stages, as described elsewhere in the document. Progress with the activities described and their cost will be reported to OSP periodically and any request for additional funding included in a future JDP report to Cabinet.

Interest cost net of AST income: this is an estimate of the financing cost (at a notional 3%) to the council of the buyback expenditure of £169m, partially offset by rental income from ASTs. The movement of £(10)m adverse is a prudent allowance to cover the following:

- that the 45 homes re-allocated from AST to TA in the decision made in COVID-19 Response – Emergency Decision in April 2020 do not return to AST, the impact of which is estimated at c.£(6)m over the entire period for which the homes are expected to be available to let. (The Emergency Decision made by the Head of Paid Services on 6 April 2020 estimated the impact on HfL viability as £1.1m for two years, 2020-21 and 2021-22, after which the homes would revert to AST lets, subject to the outcome of a wider review of the management of these homes.)
- that delays due to COVID-19 in completing refurbishment and letting during 2020/21 are not fully recovered
- the outcome of the review of the use of bought back homes for either ASTs or TA, as referred to in Section 3 above

6. Sustainability

A key aim for HfL is to achieve and be recognised as being at the forefront in sustainability. The March 2020 CMDDR set-out the sustainability strategy HfL is following. This is embedded at the heart of projects HfL is bringing forward and an overview of key achievements over the last year are shown below against the commitments made:

Table 11 overview of sustainability progress

Commitment	Progress update
Demonstrating and sharing best practice	<p>HfL has joined the UK Green Building Council and will work with its supply chain to share expertise and best practice.</p> <p>Designs which are further along in delivery are being benchmarked against the GLA benchmarks with the aim to achieve 'Beyond Best Practice' score with the Considerate Constructors Scheme.</p> <p>HfL is also reporting and monitoring on an array of site-based activities including; CO₂ related to transport, energy consumption, water consumption, noise, and air quality (dust and ground) arising from the site.</p>
HfL Fabric first approach	<p>Substantial reductions in carbon emissions when benchmarked against Part L of the Building Regulations (2013). HfL had committed to a 35% reduction, but has achieved considerably more:</p> <ul style="list-style-type: none"> • Hydethorpe Road: 71.9% reduction • Roman Rise: 73.9% reduction • Fenwick Place: 74.6% reduction • Patmos Lodge: 78.3% reduction • Trinity Rise: 80.0% reduction <p>Designing projects to reduce thermal bridging; balconies and parapet junctions will provide thermal breaks.</p> <p>Efficient heating technologies are being used; air source heat pumps are being proposed at the Patmos Lodge and Hydethorpe Road projects.</p> <p>Seeking to reduce air leakage to reduce heat loss</p>
Reducing, re-using, and recycling during construction	<p>Requiring a pre-demolition audit ahead of demolition to determine if any materials are suitable for reuse/recycling. HfL is committed to recycling 80% of existing materials on site.</p> <p>Regularly monitoring and recording of the site's waste reduction performance against industry standard benchmark targets.</p>

Commitment	Progress update
	<p>Where feasible, HfL will commit to using materials that have been recycled or have recycled content.</p> <p>Sanitaryware specifications will ensure internal daily water consumption of no more than 105 litres per person per day.</p>
Sustainable lived experience	<p>Providing information and supporting learning to residents for use of any new implemented systems and technology, to make sure they are being used effectively.</p> <p>In the last year, HfL have engaged with a consultant to work closely with residents and measure their carbon footprint. The outputs are likely to include Home user guides and video tutorials of operating and maintaining equipment.</p> <p>As and when homes are fitted out, energy display devices, which can monitor electricity consumption will be installed. This can empower the residents to be more aware of their usage.</p> <p>In addition to the above, woodland gardens, community gardens with fruit trees, herb gardens and the introduction of new habitats to attract local fauna are being included within schemes to ensure they contribute to both the lived experience of residents and also the biodiversity of the local area.</p>

All homes that HfL build will meet the HfL Design Principles and Lambeth Council design standards. Many of the principle objectives in the HfL Design Housing Guide were defined with the input of residents and will be reviewed regularly to ensure that residents' priorities are met.

In the coming year, HfL will continue to ensure projects are brought forward in-line with its sustainability strategy.

7. Resident Engagement and Social Investment

Through the HfL programme, the Council wants to maximise economic activity, with support for training employment and enterprise. Specifically, the Council asked HfL to consider:

- The need to support communities through rebuilding and mitigate any adverse health and well-being impacts of the rebuilding process.
- Providing a range of opportunities to support increased financial resilience, improve mental and physical health and reduce inequality over time.
- Have an early focus on leveraging the development process to generate employment and community support opportunities and enhancing resident engagement.

Over the last year, HfL has strengthened its relationship with the Council's Employment and Skills team. One of the key activities during the year has been to review the RESI programme KPI's to ensure they're consistent with the Council's objectives and to build best practice in HfL's own recruitment which can be extended through the HfL supply chain as construction activity grows.

Inception of the RESI programme

In 2020 HfL carried out research into the needs of residents living on the six estates which will be rebuilt. As well as engaging with residents and key stakeholders, the plan took as its starting point, the Council's borough plan and the goal of building resilient communities. The research uncovered seven overarching themes which are shown below:

Figure 2 Overarching themes from RESI programme research



These overarching themes are further informed by the Council's Key Guarantees to residents, one of which states that:

'If you choose to stay on your current estate, you will be able to get involved in the design of the new homes and the estate as a whole and influence decisions around the phasing of building new homes and the construction works.'

The output of this research and coordination between the specialist teams in the Council and HfL are a series of programmes of work.

The COVID-19 pandemic has had a major impact on HfL's approach to engagement, with social distancing necessitating a radical shift to online engagement, supported by extensive use of off-line media e.g. newsletters and posters.

From May 2020 to February 2021, HfL undertook the following activities on the six estates that are to be rebuilt:

- Held over 280 sessions with residents
- Printed and sent over 60 different newsletters and letters
- Sent over 150 individual emails to residents and stakeholders

A summary of the RESI programme in 2020/21 are shown below, alongside details of any key activities over the year and planned activities for the coming year.

Table 12 RESI activities over the last year and coming year

Programme	Overarching theme being addressed	Outcomes	Participation levels / activities 2020-21	Planned activities 2021-22
Apprenticeships	Adaptability and reliance	<p>Increase number of Lambeth residents recruited into apprenticeship programmes (HfL and supply chain)</p> <p>Improve long-term job prospects of participants</p> <p>Providing specific skills training for local residents</p>	<p>Virtual Job workshops held</p> <p>Nine Apprentices started with HfL January 2021 with a total of 15 planned by end of 2021 (27% HfL total workforce). Five of these apprentices are Lambeth residents.</p>	<p>HfL is looking to start the recruitment process for six further HfL apprentices in late spring.</p> <p>The forthcoming 'Contractors Event' will encourage supply chain partners to engage with apprenticeship.</p> <p>HfL will focus on strengthening the formed pathways and ensure they complement adult learning, and the broader employment and skills offer. It is noted that one of the key stakeholders in the successful delivery RESI activities are HfL's supply chain. The good practice demonstrated in the current HfL approach to offering employment and training opportunities to residents will now be replicated through its supply chain.</p>
Internship and Kick Start Programme	Adaptability and reliance	<p>Increase number of opportunities for high quality work experience for local residents</p> <p>Develop a skills pathway for residents and route into apprenticeships and permanent employment</p>	<p>Five intern placements. Two have subsequently joined HfL as full-time employees</p>	<p>HfL has bid for six Kickstart Trainees through the council's scheme. It will be working with the council and JCP to recruit trainees and have them in place for the spring/summer this year.</p>

Programme	Overarching theme being addressed	Outcomes	Participation levels / activities 2020-21	Planned activities 2021-22
Digital inclusion	Adaptability and reliance Social and cultural life Voice and influence	Improved contact with families Access to services and learning opportunities Increased opportunity for residents to participate in community activity	Over 15 residents taking part in the tablet lending trial Over 34 residents taking part of in training and support delivered in partnership with Clear Community Web 25 handsets purchased by HfL from the Community Calling project to be distributed to residents	Training and support delivered in partnership with Clear Community Web Computer and Wi-Fi Access Points going into Hubs Continued distribution of Handsets via the Community Calling project Training of digital buddies Expanding the tablet lending trial into hardware lending
Resident wellbeing	Social and cultural life Voice and influence Amenities and social infrastructure	Reduced social isolation Improved health of residents	Yoga classes Drop in sessions Counselling and support sessions Craft club Half Term activities Drama classes Child art competitions Resident surgeries Support on setting up groups and activities Summer Roadshows	Yoga classes Drop in sessions Counselling sessions Craft club Your Team events on the estates when social distancing allows Summer Road show if social distancing allows Continue to support and build up the Resident Engagement Panels where they operate and establish them where they don't operate. As a part of this HfL will continue to efforts to make the REPs more representative of the estates they operate on.

Programme	Overarching theme being addressed	Outcomes	Participation levels / activities 2020-21	Planned activities 2021-22
Resident Training	Adaptability and reliance	<p>Improvement in long-term job prospects by participants</p> <p>Increasing opportunities for local residents</p> <p>Providing specific skills training for local residents</p>	Virtual college, including workshops	<p>Virtual college</p> <p>CV workshops</p> <p>Considering setting up a resident work experience scheme, engaging with of our contractors.</p> <p>This may include:</p> <ul style="list-style-type: none"> • Offering work experience for residents • Mentoring young people • Visits to local schools <p>HfL are working with Council colleagues to ensure their Adult Learning Services and Section 106 requirements are reflected in our activity.</p>

Approach to engagement

To live up to the Key Guarantees commitment for engaging with residents in its 2020/23 Business Plan HfL set out its engagement framework which is set out below:

- **Consult:** We will use accessible and inclusive methods of consulting with residents.
- **Respond:** We will provide accessible options for communities to contact us to seek information and raise issues.
- **Involve:** We will create opportunities for local communities to get involved in our activities.
- **Inform:** We will keep residents informed on the issues that affect them through clear, timely and tailored communications.

In 2021/22 HfL will update the approach to resident engagement, to respond to HfL Homes' obligations under the Social Housing White paper. Homes for Lambeth will implement an enhanced engagement framework which:

- captures feedback and comments from residents through formal channels, through regular contact with residents and via informal channels and
- creates a path for this feedback to both the Executive and Board members.

The updated approach will be further building upon structures and reporting which HfL already has in place.

8. Liveability

Lessons learned from other estate rebuilding projects, the Equalities Impact Assessments and experience to date underlines the very real difficulties that can be experienced by residents on their estates ahead of rehousing.

To support residents through the estate renewal process, the 2020 CMDDR set out a set of draft Liveability Commitments which it was intended residents would be consulted on. The consultation has been delayed,

partly due to the impact of COVID-19, the need to focus on residents' immediate needs and the time needed to setup a Liveability Team within the Council to manage and respond to these commitments.

However, notwithstanding this, both the Council and HfL have sought to deliver against the draft Liveability Commitments that were established last year and have made good progress in a number of areas. Highlights include:

Recruitment of a Liveability Estates Service Manager

This newly created role has been recruited to this year. This manager will be solely responsible for housing management across the six estates that are to be rebuilt. Alongside their team of housing officers, project officers and surveyors, the Liveability Estates Team will bring a dedicated focus to these estates to ensure that the Liveability Commitments are adhered to at all times and introduce a new commitment to partnership working.

Creation of a 'Your Team' one stop shop

The Liveability Estates Team has been working very closely with local residents and colleagues in HfL to better understand the issues that are important to residents who lives are, or will be, affected by the rebuilding works. Together with HfL colleagues, they have created "Your Team", a one-stop shop for residents to discuss all their concerns and speak directly to officers responsible for their estates. A virtual introductory day took place in February 2021 with a series of workshops dedicated to topics such as repairs, bidding, leaseholders, and housing management amongst others.

Mitigation panels

To support residents through the disruption that estate renewal will bring, a Mitigation Panel process has been introduced. These allow the individual circumstances of residents living on estates adjacent to construction sites to be considered holistically by a panel Chaired by the Liveability Estates Service Manager and are also attended by relevant HfL and Council officers, plus the affected resident and any representatives they wish to invite. This enables mitigations to be applied expeditiously where necessary.

A coordinated approach

In addition to the above, the Liveability Estates team has instigated a series of workstreams to improve areas including pest control measures, drain clearance and fly tipping. In addition, at Central Hill, we have worked with a local charity (Rathbone) to bring the former area housing office into temporary use for youth / community facilities.

The Liveability Estates Team is also working closely with partners, including the police, public protection, adult social care, and regulatory service to seek to deal with Anti-Social Behaviour at an early stage.

Health Impact Assessment

It is proposed that the piloting of a Health Impact Assessment will be undertaken in the coming year.

9. Governance

Following approval of the March 2020 CMDDR, the Ownership and Scrutiny Committee ('OSC') met in May 2020 to review the decision. A recommendation from this meeting was that an external governance review should be undertaken. This report, undertaken by the law firm Bevan Brittan, was presented back to OSC in December 2020. In addition, the report to OSC reviewed a number of themes identified in a recent Report in the Public Interest concerning LB Croydon's financial position, including a number of recommendations in relation to its wholly owned company, Brick by Brick. The OSC report compared these

themes to the HfL governance arrangements and deemed that the arrangements being implemented were satisfactory.

The report identified that there are aspects of the HfL structure and related governance arrangements that are an effective and appropriate approach for meeting the Council's objectives and that are consistent with what can be considered the norm or best practice amongst similar structures. This was in line with the PWC Internal Audit report issued in April 2020 which determined the assurance level for the HfL programme is considered to be reasonable.

However, it was noted that there are elements of the arrangements that can be updated to give an appropriate platform for the next phase of activity. It was recognised that what was appropriate during the start-up phase of the structure is not necessarily the most appropriate for the next phase and consequently some revisions to the structure are to be made. The report to OSC set-out the Council's response to these revisions, many of which were already in progress. The Council and HfL have continued to progress since the OSC meeting in line with the actions outlined in the report to OSC dated 9 December 2020.

10. Key Performance Indicators

The performance of the schemes and the overall programme is measured with a set of Key Performance Indicators (KPIs). These indicators allow the Council as shareholder to track actual progress against the planned programme.

The KPIs include key measures such as

- a. the number of homes commissioned by LBL
- b. the number of homes submitted for planning consent
- c. the number of homes under construction
- d. the number of homes completed
- e. consolidated earning
- f. loan drawdowns
- g. the number of interns and apprentices
- h. the number of participants in online courses/workshops
- i. the number of residents engaged with

The actuals for Q4 2020/21 and KPIs for 2021-22 are set out in an annex to this JDP.

