

FAQS FOR E16 CLT MEMBERS AND CUSTOM HOUSE RESIDENTS - LANDLORD OFFER/RESIDENT BALLOT SERIES



This evolving Frequently Asked Questions document contains community-led questions and answers about the Custom House Phase 1 Regeneration Landlord Offer, and Resident Ballot, due to open on 23 November 2022. The document contains more comprehensive answers regarding jargon busting terminology noted within the landlord offer, contextualising the landlord offer/resident broader in the broader estate regeneration process, and providing information and links on alternative community-led estate regeneration visions and case studies advocated for by E16 CLT.

GET INVOLVED!

How can I submit questions to the E16 CLT FAQ?

If you are a E16 CLT member, or Custom House residents impacted by the Custom House Phase 1 Regeneration Landlord Offer/Resident Ballot, and have questions on the landlord offer/resident ballot, broader questions on estate regeneration, or alternative community-led estate regeneration, send your questions to our email address at info@e16clt.co.uk, or contact us via one of our many social media outlets (**Facebook, Twitter, and now LinkedIn**). Finally, you can contact one of our CLT board members directly who will be happy to convey your questions on your behalf to the FAQs.

Questions and answers are community-led, so don't forget to submit your questions if you wish for them to be answered in this forum.

JARGON BUSTING!

Q. What is a Landlord Offer?

A. A landlord offer is a proposal made by a Council to local residents for the regeneration of their neighbourhood. It could include proposals to demolish buildings and compensate residents, detail the council's preferred option for the area masterplan, include the number of new homes and tenure mix and associated refurbishment of old homes, and explain the right to return or remain for council tenants.

Q. What is a Residents Ballot?

A. A resident ballot is a vote on whether to go ahead with a regeneration proposal detailed in the landlord offer. If a majority of eligible residents vote 'yes', that gives the Council the mandate (green light) to proceed with their plans/vision for estate regeneration in the area. If the majority of eligible residents vote 'no', the Council will usually revise their plans following recommended re-consultation with the affected community, and present them back to residents for another vote.

Eligible residents in the Custom House phase one ballot area have **25 days** to cast their vote once the residents ballot opens. The residents ballot opens on **Wednesday 23 November 2022** and closes on **Monday 19th December 2022**.

For more information see '*What happens if a majority of residents say 'yes' at the residents ballot?*' below.

Q. Is a Landlord Offer a promise, or a vision?

A. A landlord offer is not a guarantee or a promise. Rather, the offer is an intended vision of the local authority in what it hopes it can provide as a result of the proposed regeneration. As estate regeneration projects are long term projects, the detail of the vision can change in accordance to factors such as the financial viability of the project.

For example, throughout the project a developing partner responsible for delivering the project might be impacted by the heightened cost of materials necessary to build a housing unit (such as what is occurring through inflation at the moment). A contractor, carrying out works on behalf of the developing manager might charge higher costs for providing their services, or to cover the cost of purchasing the building material on behalf of the developing manager. Therefore, a developing manager may reassess the financial viability of the project to see whether it is possible to build affordable housing within the current budget provided by the commissioning authority (in this case Newham Council), and whether they need to make changes in order to either accommodate increased prices to provide affordable housing, or alter the tenure mix in the estate regeneration to cover costs. Therefore, whilst the landlord offer may detail an intended vision for estate regeneration, the offer remains non-binding to allow for flexibility in how the estate regeneration project is delivered.

Q. What does it mean by 'demolition'?

A. In the context of estate regeneration, 'demolition' is defined as 'substantially or completely destroying a building in order to use the land for the purpose of delivery a project', according to paragraph 8.3.2 of the Greater London Authority's GLA Capital Funding Guide: Section 8,

- For more information click the following link:

https://www.london.gov.uk/sites/default/files/3_cfq_section_8_resident_ballots_-_1_8_june_2021.pdf

Q. What is 'affordable rent?'

A. Affordable rent includes any rent that is discounted from market rent. This could be anything from Social Rent (typically around 45% of the market) up to 80%. It is unusual for Councils to build new Social Rent homes, which are typically replaced with more expensive tenures, especially during estate regeneration programmes. Also known as 'intermediate rent' affordable rent/housing has been used to encompass a broad range of housing tenures in London, including Shared Ownership, genuine affordable rent, and London Affordable Rent.

THE BROADER ESTATE REGENERATION PROCESS

Q. What is the significance of the Resident Ballot in the broader scheme of estate regeneration? #technical

A. Resident ballots form a broader part of a prerequisite required by the **Greater London Authority (GLA)** in order for GLA funding to support the development of regeneration schemes where that estate regeneration involves the **demolition (see definition above)** of social housing. For those with a greater interest into what this entails, resident ballots are required where there involves demolition of housing units which are:

- 'Any affordable or leasehold homes whose freeholder or long leasehold a Registered Provider (housing association) owns on an existing social housing estate;
- and /or the demolition of any freeholder properties previously acquired under Right to Buy, Right to Acquire, or Social HomeBuy of an existing social housing estate; and;
- Construction of at least 150 new homes, regardless of tenure, within the boundaries of an existing social housing estate.

Where the estate regeneration involves the above, the provision of GLA funding is dependant upon whether the 'investment partner' (in this case Newham Council) can provide evidence that there has been a positive ballot ('a yes' vote) on a resident ballot following the production of the landlord offer, in favour of the development of the proposed site (in this case 'Phase 1' regeneration area in Custom House (shown on the map on page 9). Therefore, eligible residents permitted to vote at the residents ballot must demonstrate that they are in favour of the proposed landlord offer in order for any GLA funding to be awarded to, in this case, Newham Council.

Q. What happens if a majority of residents vote 'yes' at the residents ballot?

A. A 'yes' vote, or positive ballot, is one where there is a 'simple majority' (anything above 50% of the eligible resident voters), voting in favour of the landlord offer to regenerate the estate, at the residents ballot. For example, on the Carpenters Estate in Stratford, Newham, a 'yes' vote received 73% of the vote, with a turnout of 66% of eligible resident voters.

If a 'yes' vote is achieved, then the Council will proceed in delivering its plans and visions stated on the landlord offer.

PLEASE NOTE: There is no 'minimum threshold for turnout' in a ballot, meaning that the ballot doesn't need a minimum number of people to vote for the ballot in order for the result to be considered 'valid'. For example, if 100 people are considered eligible to vote at the residents ballot on the proposed landlord offer, and only 30 people out of 100 turn out to vote in favour of the estate regeneration, this would be considered a legitimate vote in favour of the landlord offer, despite a turnout of only 30%.

Q. What happens if a majority of resident's vote 'no' on the residents ballot?

A. The council's plans won't go ahead as planned. Without a majority of eligible residents 'voting' yes in the residents ballot, the council would not be eligible for the additional funding provided by the GLA. In this case, the regeneration project *can* be effectively 'paused'.

In this instance, the Council would then be encouraged to re-consult with eligible residents, make amendments to the landlord offer following the outcome of the consultation, and resubmit the landlord offer for eligible resident's scrutiny and vote. According to Newham Council, a failure to achieve a 'yes' vote may result in the 'potential loss of the allocated GLA funding, which is currently £8.7 million',

PLEASE NOTE: Saying 'no' to a residents ballot does not mean that estate regeneration in the area is no longer possible. There is no strict limit to the number of residents ballot in which the Council can hold on the estate it wishes to 'regenerate'. As has been the case with the Carpenters Estate in Stratford, Newham, landlord offers may undergo a number of rejections and iterations before eligible residents vote in favour of a landlord offer.

FUTURE UPDATES:

As said, this document is an evolving document in accordance with the questions that are submitted by the community. Every few days the document will be updated, in the form of a patch. The document will be edited, with the version stated in the title. At the end of each version there will be a description of the future patch detailing features/questions to be updated. Additionally, edited documents will show at the beginning of the document what the patch includes in that version.

PATCH **1.2** will include:

Q. What information am I supposed to have in order to make a decision on the landlord offer?

Q. What is 'affordable housing/rent'? (Greater detail of the variations of affordable housing/rents)

Alternatives: Providing E16 CLT supported community-led alternative visions with Pdf attachments and case studies.

