

APPENDIX A

LONDON BOROUGH OF CROYDON

HOUSING SUPPLY & NEW BUILD FRAMEWORK

1 Introduction

1.1 Purpose

The purpose of this Framework is to set out the methodology Croydon Council will use to evaluate, enable and deliver the strategic development of Housing Supply for Croydon in a transparent and coherent way. This Framework sits under the **Housing Strategy**, aligning with the **Housing Asset Management Strategy**, and the **Homelessness and Rough Sleeping Strategy**. It is designed to ensure there is a consistent, transparent, and well managed approach in place to bring forward the supply of housing across the Borough that makes efficient use of the Council's resources.

1.2 Overview

The **Framework** makes **communities** and their needs the focus of a **holistic** approach to regeneration and housing supply. It places two key themes at its centre; **Consultation** with estates, residents and communities, and **Transparent decision-making** in relation to the housing supply pipeline

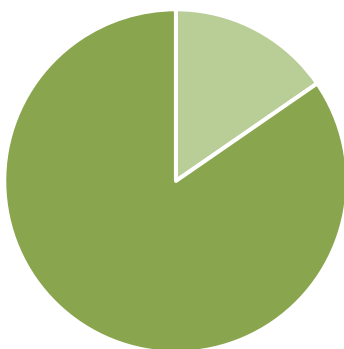
2 Why Investment?

2.1 Council Stock Portfolio

The HRA (Housing Revenue Account) has a total asset base of over 19,600 units, comprising more than 16,000 residential homes.

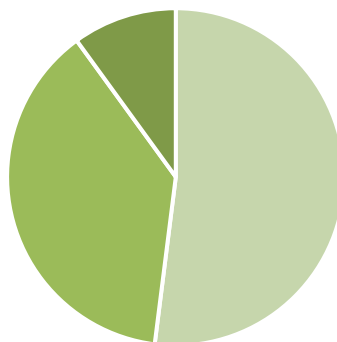
The portfolio comprises a wide range of properties from 1950/60s flats in blocks, to pre-war street-properties and sheltered housing schemes. A breakdown of properties and assets is shown below.

Tenure Breakdown



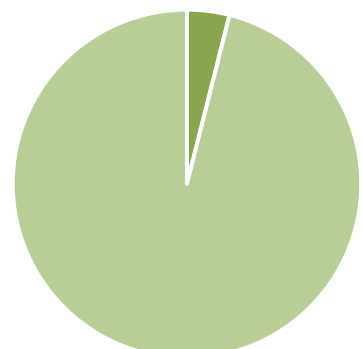
- Leasehold
- Tenanted

Type Breakdown



- Flats
- Houses & Bungalows
- Maisonettes

Blocks: Height Breakdown



- over 7 storeys
- under 7 storeys

Type:	
Flats	52%
Houses & Bungalows	38%
Maisonettes	10%

Tenure:	
Leasehold	2,545
Tenanted	14,000
Total	16,545

Blocks	
Total Block	1143
of which are over 7 storeys	45
Non-Residential Assets	
Garages & Garage Blocks	2,724
Playgrounds & Caravan Plots	348

2.2 HRA Stock Investment

The Housing Asset Management Strategy 2024-29 sets out our long-term approach to managing our housing stock effectively and safely. The assets and their quality, have a direct impact on our residents and communities. Having good quality and well-maintained homes is critical to the health, well-being, and quality of life of our residents.

Factors affecting the long-term viability and quality of Croydon Social Housing that require significant investment include:

- Council homes that do not meet the Decent Homes Standard.
- Poor Energy Rating - ONS data indicates that the average EPC of Croydon's social homes is band C.
- LPS (Large Panel System) blocks - where there are concerns about the long-term viability of this housing
- Damp & Mould - we have seen a significant increase in the number of damp and mould cases reported (c2,000 from 1/4/23-31/3/2024)
- Fire and Building Safety – Upgrade works to meeting the requirements of the Building Safety Act, ensuring our resident's homes are safe.

Investment decisions are aimed at tackling two key housing investment needs:

1. generating new housing supply
2. maintaining and improving the condition of the existing housing stock, including estate regeneration opportunities.

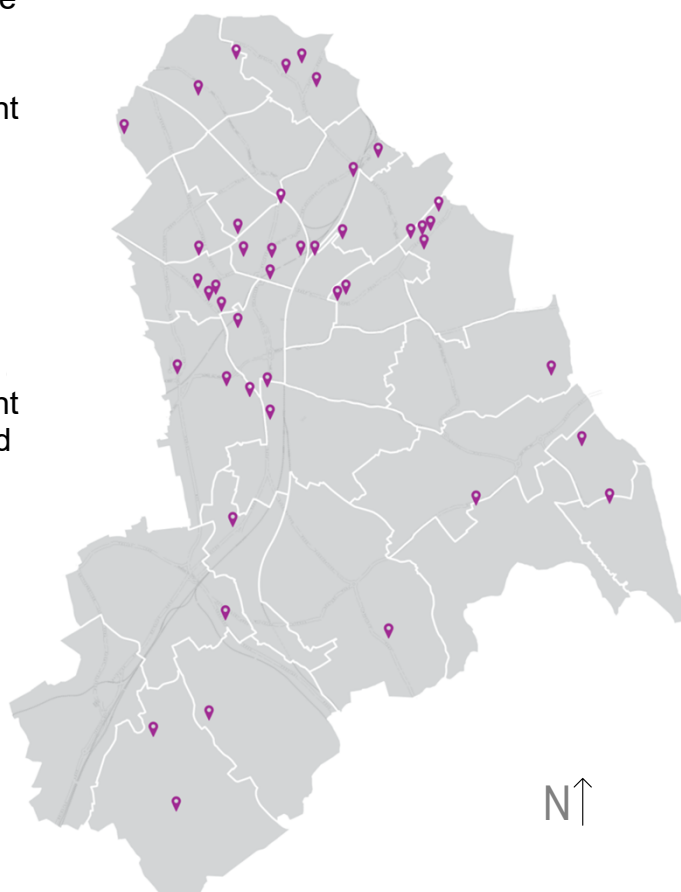


FIG 1 MAP OF BOROUGH SHOWING COUNCIL ESTATES WITH LPS BLOCKS

An **Asset Management Working Group** will be set up to review asset data and housing supply opportunities.

2.3 Demand

There are insufficient affordable homes to house those on the housing register and the supply of housing needs to increase across the Borough.

The **London Plan** sets out housing targets for the delivery of 522,870 new homes between 2019/20 and 2028/29. For Croydon, the target for this period is to deliver 20,709 homes

When combined with the recommendations in the **Strategic Housing Market Assessment 2023 (SHMA)** there is a total housing need of 30,141 dwellings in Croydon over the 2021-2040 period, an average of 1,586 homes per year.

The table below sets out the unit tenure/unit size breakdown required up to 2040

	1 B	2 B	3 B	4+ B
Market	10%	30%	40%	20%
Intermediate	25%	40%	25%	10%
Low-cost rental	15%	30%	35%	20%

FIG 2 TENURE / UNIT SIZE BREAKDOWN - SHMA 2023

In Croydon the need for affordable rented housing options exceeds that of intermediate products. The SHMA recommends the following split of affordable housing tenures:

Tenure	(%)	Products	(%)
Social/Affordable Rented (low-cost rented)	70%	Social Rent	40%
		London Affordable Rent	30%
Affordable Home Ownership (intermediate)	30%	London Living Rent	30%
		Shared Ownership	
		Rent to Buy	

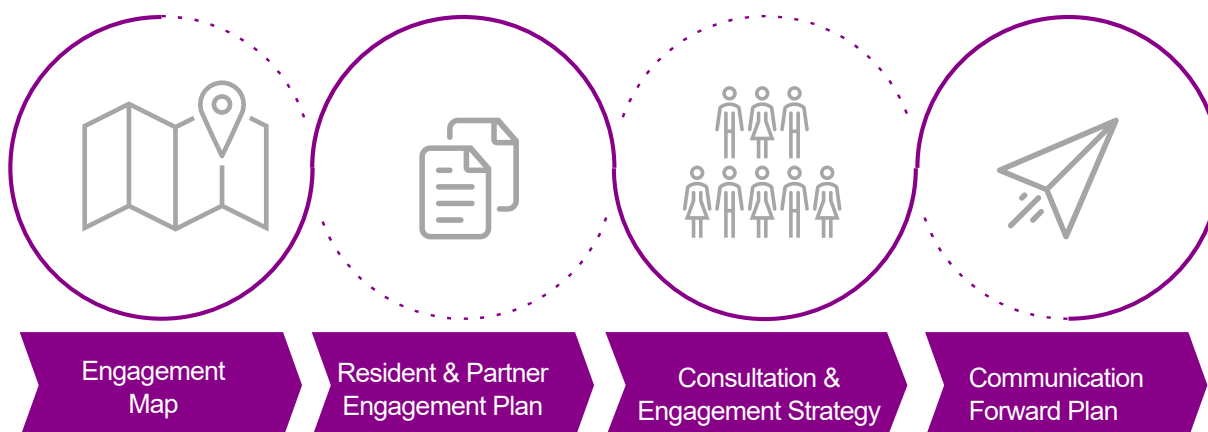
FIG 3 AFFORDABLE HOUSING SUB-TENURE BREAKDOWN - SMHA 2023

Additionally, a need for more extra-care and supported housing for older and people with disabilities has been identified. It is expected that by 2040, 2,300 supported housing units, and an additional 1500 extra-care properties, will be needed in the borough. It is also recommended to increase in the number and mix of accessible and adaptable homes.

3 Resident Consultation and Community Engagement

3.1 Resident Engagement

An essential part of Housing Supply, in particular Regeneration and New Build developments, is the meaningful engagement, consultation and communication with residents, community groups and relevant partners at the early stages. To frame and organise this effectively officers will draw up the following:



The Consultation & Engagement Strategy will align with the **Housing Resident Engagement Strategy for Croydon 2024 – 2029**. The key activities within the above plans will be tailored to the housing supply option under consideration, aligning with the master programme for the project, so that resident involvement is locked into the process at all stages and levels. Partners and associations who function beyond any potential site will also be consulted at an early stage.

The Gunning principles¹ provide good practice guidance for consultation and LBC will follow these when engaging with residents. In accordance with this, Croydon Council will seek to ensure consultation is:

Extensive:

Reasonable effort will be made to connect with as wide a range of groups as possible including the primary residents along with those working and living nearby. Attention will also be given to engaging marginalised, alienated, and hard-to-reach groups.

Transparent:

Issues and options should be set out in clear and accessible non-technical language with information that have informed decisions shared early on.

Responsive:

Consultation should result in clear actions arising directly from views expressed by respondents.

Meaningful:

Views expressed as part of the process should be considered by Croydon Council, and where they do not agree, an explanation must be given for the course of action chosen.

¹ Gunning Principles for Consultation and Engagement:

<https://www.local.gov.uk/sites/default/files/documents/The%20Gunning%20Principles.pdf>

Consultation strategies and approaches will be flexible and will adapt to the needs of a particular project and its residents and partners as the project progresses.

Strategies will be tailored to ensure that vulnerable, alienated, or hard to reach groups are engaged.

Cross-directorate collaboration will take place to ensure that all residents groups are catered for and supported, for example:

- residents who do not speak English as their first language, are provided with translation services and language support
- arrangements are made for residents with disabilities, to ensure they are supported to engage fully.
- specific arrangements are made for elderly residents.

Each Housing Supply Project will have an Engagement strategy as part of the proposal, to maximise resident involvement where appropriate, drawing from a suite of tools including, but not limited to:

- surveys and door to door conversations; to directly engage a wide range of residents
- special residents' committees, forums, workshops, steering groups with resident representation and meeting of the Tenant and Leaseholder Panel, Residents Associations and neighbourhood groups; to involve residents in the detailed proposals
- drop-in days, public meetings, social media, letters, email, and newsletter updates, web-based consultation tools such as Common place and forums such as X or Facebook pages for the estate, to keep residents up to date.

For any Estate Regeneration Scheme, Croydon Council is committed to maintaining the principles set out in the Residents Charter.

3.2 Engagement with Other Partners and Consultees

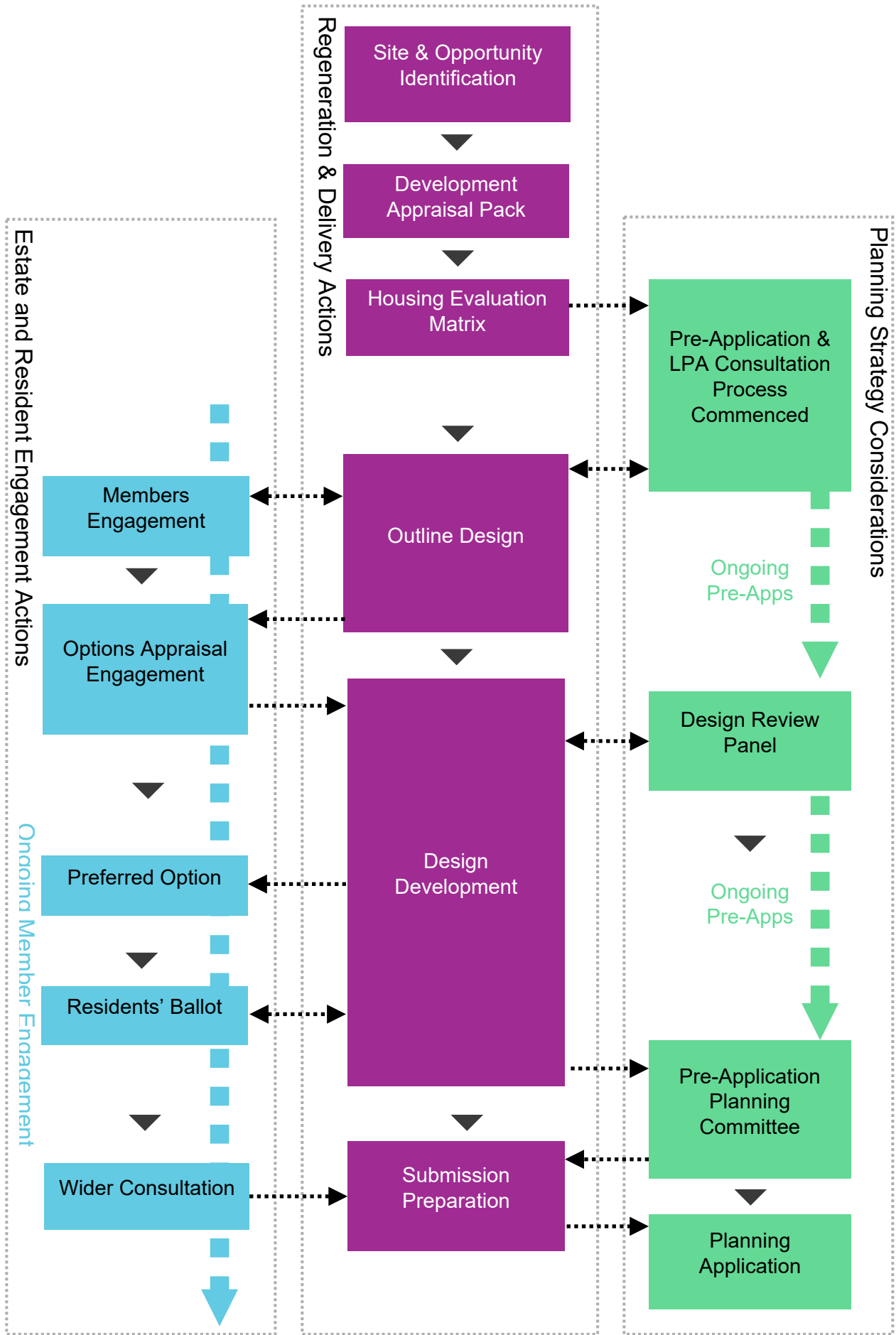
Increasing the supply of safe, warm and dry housing in an area can also enhance business opportunities and inward investment to benefit the local community. Consultation with businesses on and near the estates where development is being proposed will be a key part of any engagement plan and will include strategies to minimise disruption to local businesses during the construction period.

Croydon Council will also consult with other organisations in the area such as places of worship, schools, community halls and owners, operators and users of these amenities will be fully engaged in the consultation process.

Early engagement with organisations and bodies who function beyond the specific site will also be consulted, this includes:

- The Greater London Authority & Homes England
- Local Councillors including the Mayor, Cabinet Members and Scrutiny Committees
- Members of Parliament
- Statutory Undertakers
- Transport for London / Network Rail

The following diagram sets out the key delivery, planning and engagement actions for an Estate Regeneration Scheme, outlining the process and the communication interdependencies.



4 Housing Supply Considerations

4.1 Housing Asset Management Process

As outlined in the **Housing Asset Management Strategy** officers are assessing the need for investment in the HRA Housing assets. Once the levels of investment are established, further options can be considered. This process will require a directorate-wide approach, and to facilitate this, a **Housing Asset Management Working Group** will be set up comprising officers from the Asset Management, Housing and Regeneration teams.

This group will review asset management plans and activities in relation to stock condition surveys, stock reinvestment as well as planned and cyclical maintenance programmes and will also manage the **Housing Supply Evaluation Matrix**.

Terms of Reference and governance for this group will need to be established and there will be a direct link into the Housing Asset Management Strategy in terms of optimising the condition of HRA assets and land, identifying assets and land that are surplus to requirements or could be the subject of stock rationalisation through disposal, development, or incorporation into a wider or comprehensive regeneration project.

Underpinned by the Housing Asset Management Strategy the three key pillars for any option under consideration will be **Strategic Fit, Deliverability Factors, and Community Benefits**.

4.2 The Housing Supply Considerations

Supply Options under consideration for a site can be very complex. Prior to engagement with partners, there are a range of activities that need to be undertaken to assess and compare options.

This framework to considers 'Housing Supply' in the broadest terms, where options of light refurbishment, in-fill development, partial redevelopment, comprehensive regeneration, development acquisition and sale of assets to fund supply elsewhere are considered.

To enable consideration of options in a holistic manner by appraising the potential opportunities, constraints and risks, the following studies will be undertaken.

Asset Condition Information

As condition surveys and compliance data for existing stock as information is compiled.

Technical Due Diligence

This includes the baseline information for the scheme including of measured surveys, geo technical studies, utilities and topographical surveys.

Legal Due Diligence

This confirms the land ownership including Reports on Title, Land Referencing, and due diligence around prescriptive rights, easements, wayleaves, rights of way.

Estate Capacity Reviews, Massing and Feasibility Studies

Estate capacity studies will be undertaken to determine where the opportunities for densification and site intensification lie to optimise the use of HRA assets.

Planning Policy and Pre-App Due Diligence

The planning authority will be engaged at an early stage to ensure any housing regeneration proposals align with policy and meet planning requirements such as height, massing, density, open space, public realm, connectivity and permeability.

Assessment of Infrastructure Requirements Including Access, Utilities, Transport

Early engagement of infrastructure stakeholders such as highway and transport links, utilities requirements (power, gas and water networks etc).

Assessment of Social Infrastructure Requirements

This includes surveys of social and community infrastructure such as schools, community centres, clinics and health centres, nursery provision. It also takes into account the socio-economic information and the deprivation indexes for each estate.

Neighbourly Matters, Partner, and Stakeholder Issues

Identification of any potential issues impacting the adjoining sites, neighbourhoods, and communities to ensure at high-level, the impacts and implications of regeneration activities are understood, and mitigations put in place.

Feasibility Assessment, Financial Appraisal, and Viability Gap

The viability of supply proposals is critical and need to be considered and understood prior to engaging with all partners so that only options that can be implemented are considered. High level assumptions therefore can be made around costs, revenue, grants, and subsidies to determine whether a project is deliverable and to understand the viability gap and as part of this process. Key metrics like NPV (Net Present Value) will be used to assess the success of an option. Potential barriers such as market failure, demolition costs, contamination, infrastructure requirements, location, site specific constraints and market factors, may also be taken into account.

Land Matters and Site Assembly

Any potential adjoining sites in the Council or third-party ownership may be considered to unlock further value through strategic acquisitions to produce a more comprehensive scheme. Partner sites and One Public Estate will also be engaged and considered. This could benefit the council by unlocking a more comprehensive opportunity.

The considerations broadly fall into four categories:

	Assets & Legal		Financial & Commercial
	Design & Delivery		Engagement & Consultation

For each option under consideration a comprehensive pack of information will be compiled, called the '**Option Appraisal Pack**'. The template for the Option Appraisal Pack has been set out for the most complex option and can be reduced, as appropriate, for the option under consideration.

4.3 Housing Supply Evaluation Matrix

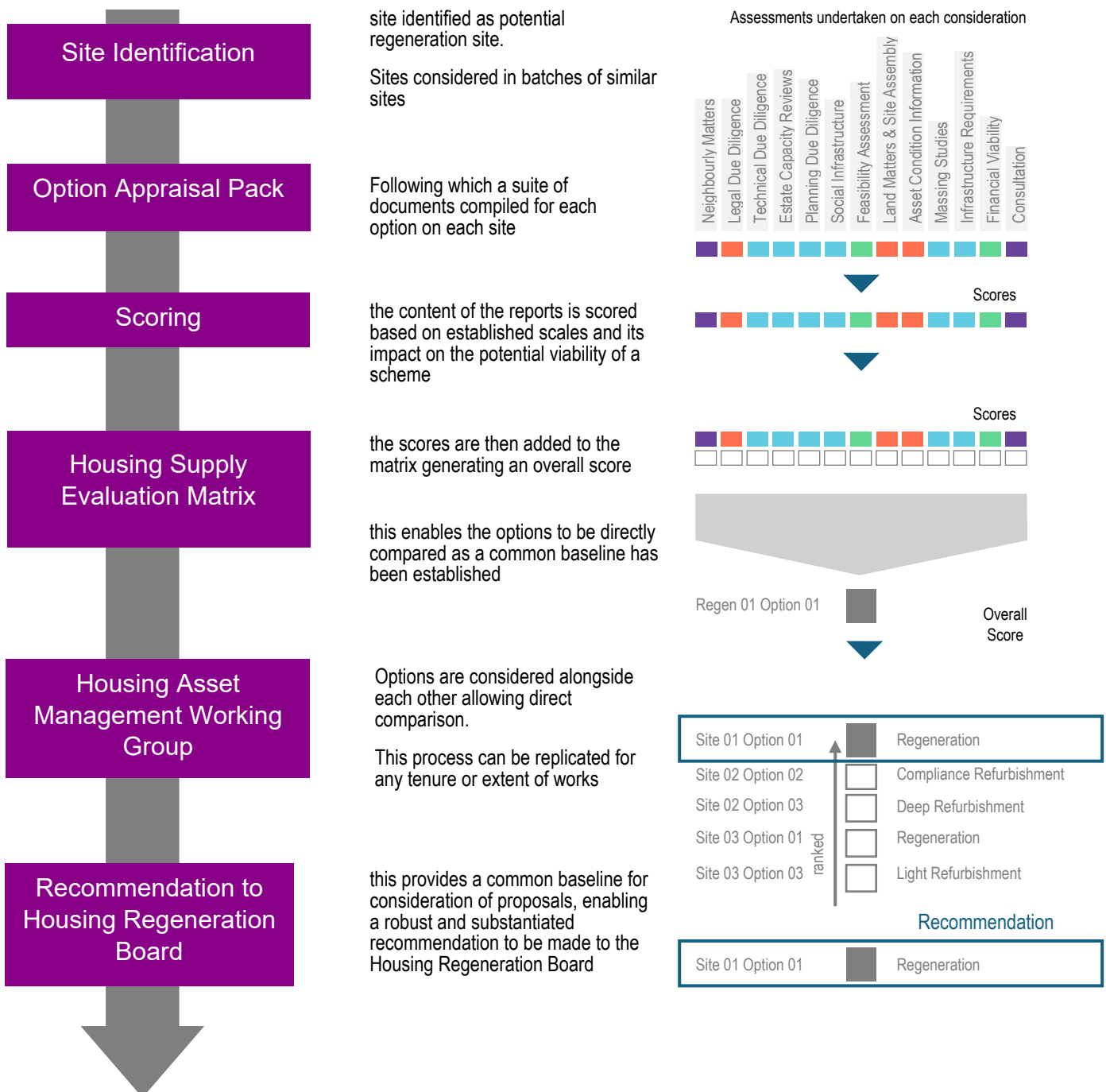
Housing supply opportunities need to be considered carefully, to ensure a transparent process this Framework embeds a **Housing Supply Evaluation Matrix** into the process.

This aids the Council in making decisions by allowing direct comparison between different options on different sites, while also enabling comparison of different options for a particular site, using a common baseline.

The Options Appraisal Pack is reviewed, and each criterion is scored, the parameters of the scoring having been established based on the range of values under consideration. Each Option will then be evaluated through the matrix using the scored criteria.

The result of this process will be a pipeline of comprehensive Housing Supply Options, that have been considered and assessed and meet the Council’s objectives.

The Process is outlined below:



4.4 Governance

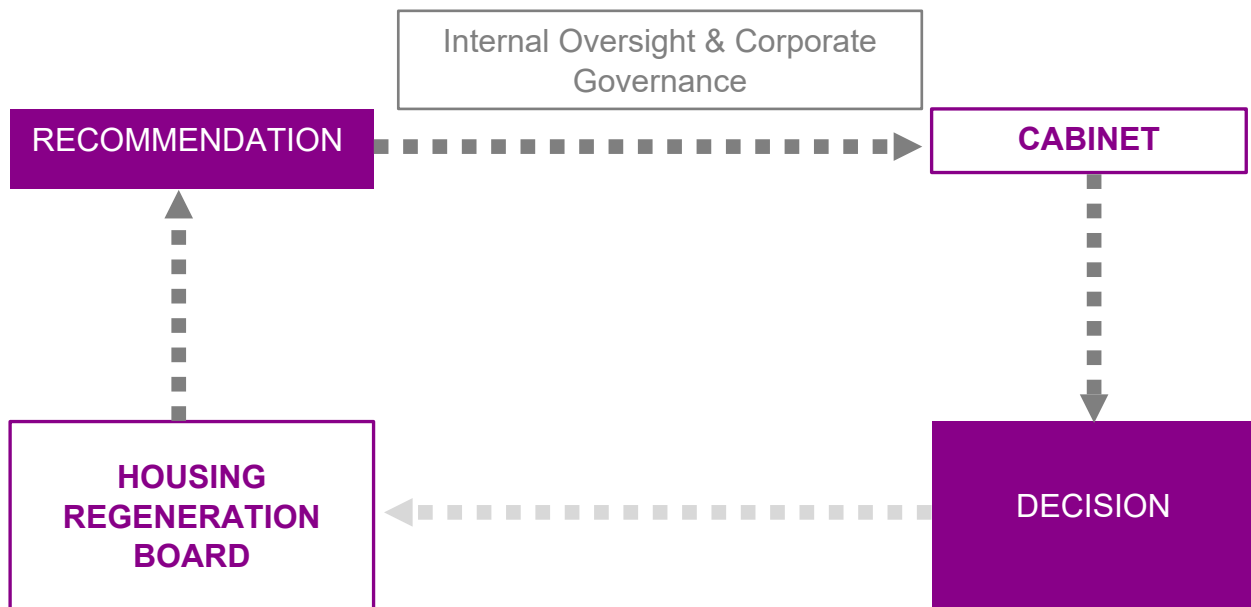
The diagram below sets out the Housing Supply and New Build Framework in its strategic context.



Governance is an essential part of the Housing Supply process, ensuring that the project:

- complies with the Council's statutory obligations around local democracy and decision making and use of public monies.
- meets statutory obligations as a local authority
- work within standing orders and approved schemes of delegation

Supporting corporate governance, it is expected that LBC will have a project and programme board for the development which will report into other corporate boards for information and oversight on both a cyclical basis and at key approval stages.

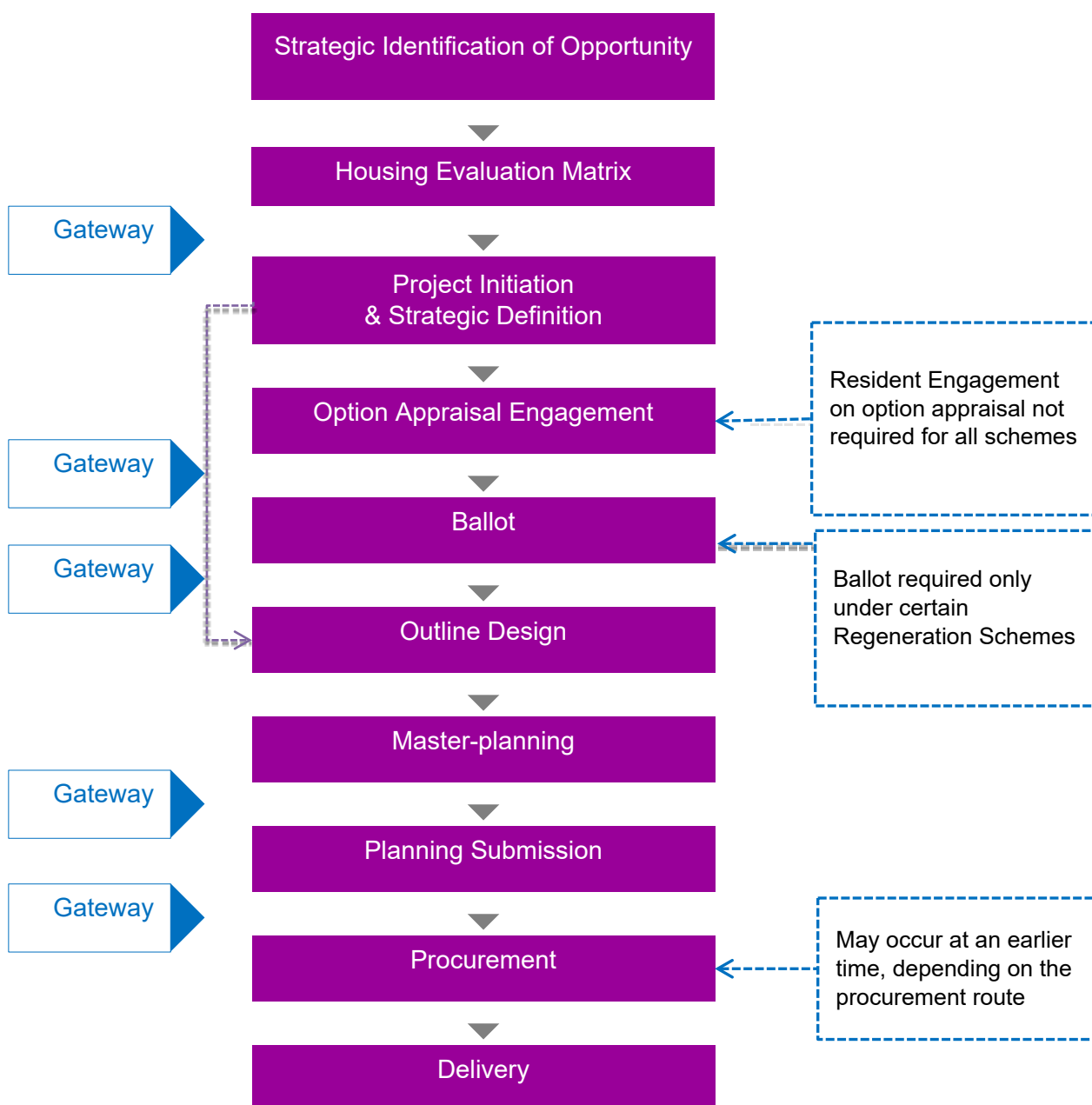


4.5 Gateway Process

Project Gateways are key points in the governance of the development process, where the project is presented by the Project Officers to the Housing Regeneration Board for approval to proceed. They stand separately to regular meetings and take place at key points in the programme, prior to a critical decision.

If a scheme passes through the Gateway, the Housing Regeneration Board can then make a recommendation, that will follow the governance process outlined above.

Each Housing Supply Option will have different key gateways, depending on its process. The Gateways at key stages for an Example Estate Regeneration Scheme is outlined below:



The Gateway is intended to take a holistic approach to reviewing:

- Viability
- Programme
- Engagement
- Design
- Financial/Cost
- Procurement
- Property & Legal
- Risk

The aim is to give each element of the Project due consideration, enabling confidence the decision-making process.

The Gateways and key approval points are set out in the Implementation Plan.

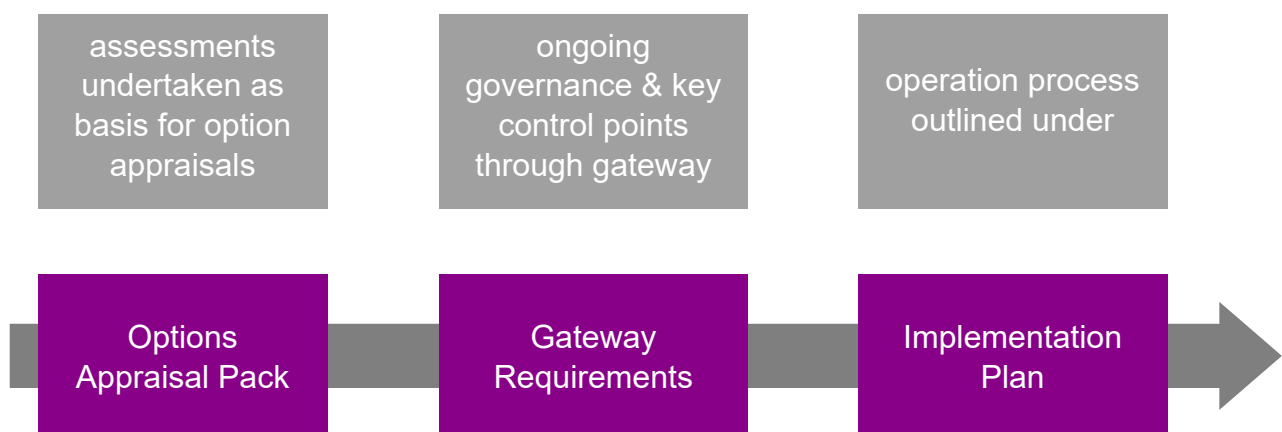
5 Delivery and Implementation

5.1 Implementation Plan

Each Supply Project will have its own bespoke Implementation Plan. It sets out the operational steps and processes required to execute an individual housing initiative successfully.

It is a comprehensive tool that draws together key strategies, management strategies, key deliverables, and milestones.

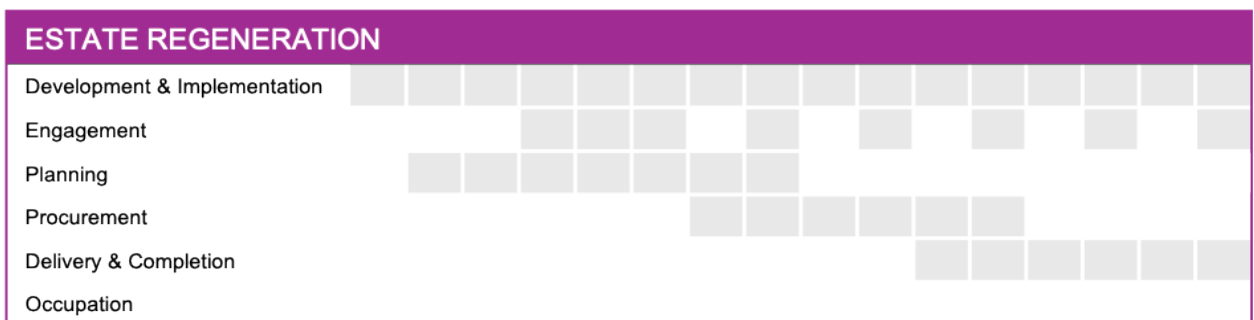
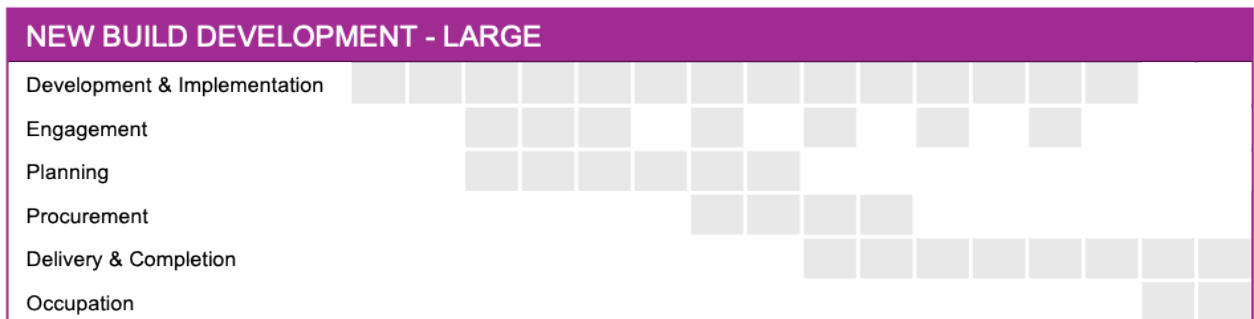
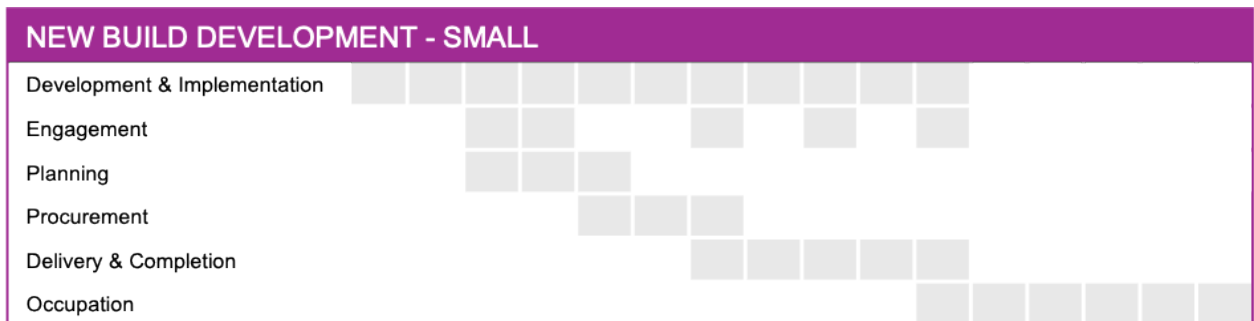
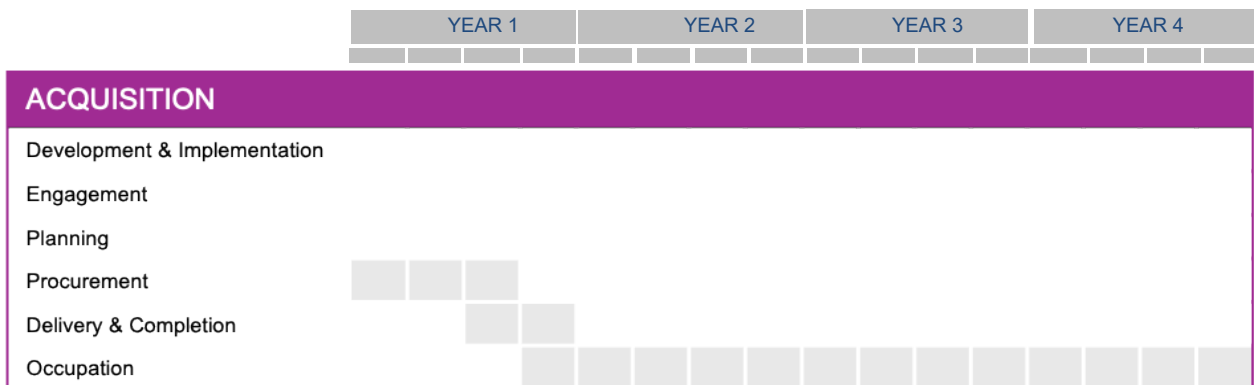
This process commences once a scheme is considered a potential regeneration scheme the actions, activities, milestones and key governance points required to ensure successful delivery. The plan addresses all aspects of the project and is monitored at the Project Board, The Housing Regeneration Board and through the Gateway process the below diagram sets out the information requirements for the Implementation Plan.





5.2 Indicative Timelines

Outlined below are some indicative timelines for different housing supply typologies



[End]