

Brighton & Hove City Council

Agenda Item 26

Cabinet

Subject: Large Panel System Blocks - Options appraisal and Recommendations

Date of meeting: Thursday, 17 July 2025

Report of: Cabinet Member for Housing & New Homes

Lead Officer: Name: Corporate Director for Homes & Adult Social Care

Contact Officer: Name: Darren Levy

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Ward(s) affected: All

Key Decision: Yes

Reason(s) Key: Expenditure which is, or the making of savings which are, significant having regard to the expenditure of the City Council's budget, namely above £1,000,000 and is significant in terms of its effects on communities living or working in an area comprising two or more electoral divisions (wards).

For general release

1. Purpose of the report and policy context

- 1.1 This report outlines the options appraisal undertaken for 8 large panel system (LPS) blocks within the housing portfolio. The three options considered are strengthening works, strengthening with refurbishment or demolition of the existing building, and redeveloping the sites into new homes.
- 1.2 This paper also outlines the proposed offer to people living within the LPS blocks, secure tenants, and people living in temporary accommodation provided by the council. The paper also outlines the offer to both resident and non-resident leaseholders as approved by Cabinet in March 2025. The report covers ongoing resident engagement and additional resources needed to deliver the programme.
- 1.3 This proposal accords with the Council Plan 2023 – 2027, specifically:

Outcome 2: A fair and inclusive city

Homes for everyone

1. Improve housing quality

2. Increase housing supply

2. Recommendations:

St James House

- 2.1 Cabinet agrees that in principle the preferred option for addressing the structural and strengthening issues identified in respect of St James House is the demolition and replacement of St James House with new homes in keeping with the housing needs of the city, and regeneration of the site.
- 2.2 Cabinet agrees for officers to progress with the delivery of the design and feasibility work for the development, inclusive of demolition, planning, through appointment of a multi-disciplinary team.
- 2.3 Cabinet agrees for officers to further explore options for the delivery mechanism of any regeneration scheme for St James House, including through Homes for Brighton & Hove LLP or direct council delivery.
- 2.4 Cabinet agrees to proceed to a consultation in respect of the preferred option with leaseholders, tenants, and other relevant stakeholders.
- 2.5 Cabinet notes that subject to approval of recommendation in paragraph 2.1, then, following consultation with the Homemove Manager, may exercise discretion under the Allocations Policy to allocate Priority Band B to secure tenants of St James House seeking transfers to alternative council owned homes.
- 2.6 Cabinet agrees for officers to develop and consult upon a Rehousing Policy and Local Lettings Plan which would apply to the temporary and/or permanent rehousing of all Council tenants who are accommodated by the Council under a statutory duty and who are affected by the regeneration schemes of St James House and which incorporates the proposed tenant offer described in the report, including in relation to the priority of existing Council tenants of St James House for allocation to the new housing on the site, in keeping with the intention to offer right to return.
- 2.7 The Cabinet notes the support and offer to leaseholders outlined in the report and the intention to engage with leaseholders further regarding the development of proposals.
- 2.8 Cabinet agrees to a Housing Revenue Account capital budget of £3.013m to cover initial development work, resident support, and a rehousing programme in line with the anticipated 'tenant offer'.

Nettleton Court and Dudeney Lodge

- 2.9 Cabinet agrees that in principle the preferred option for addressing the structural and strengthening issues identified in respect of Nettleton Court and Dudeney Lodge is their demolition and replacement with new homes in keeping with the housing needs of the city, and regeneration of the site.

- 2.10 Cabinet agrees for officers to progress with the delivery of the design and feasibility work for the development of the site of Nettleton Court and Dudeney Lodge, inclusive of demolition, planning, through appointment of a multi-disciplinary team.
- 2.11 Cabinet agrees for officers to explore delivery options for the site, including through a 3rd party partner.
- 2.12 Cabinet agrees to proceed to a consultation in respect of the preferred option with leaseholders, tenants, and other relevant stakeholders
- 2.13 Cabinet notes that, subject to the approval of recommendation in paragraph 2.9, then, following consultation with the Homemove Manager, may exercise their discretion under the Allocations Policy to agree to allocate Priority Band B to secure tenants of Nettleton Court and Dudeney Lodge seeking transfers to alternative council owned homes.
- 2.14 Cabinet agrees for officers to develop and consult upon a Rehousing Policy and Local Lettings Plan which would apply to the temporary and/or permanent rehousing of all Council tenants who are accommodated by the Council under a statutory duty and who are affected by the regeneration schemes of Nettleton Court and Dudeney Lodge and which incorporates the proposed tenant offer described in the report, including in relation to the priority of existing Council tenants of Nettleton Court and Dudeney Lodge for allocation to the new housing on the site, in keeping with the intention to offer right to return.
- 2.15 Cabinet notes the support and offer to leaseholders outlined in the report and the intention to engage with leaseholders further regarding the development of proposals.
- 2.16 Cabinet agrees to a Housing Revenue Account capital budget of £2.488m to cover initial development work, resident support, tenant offer and future rehousing programme.

Falcon Court, Heron Court, Kestrel Court, Kingfisher Court, and Swallow Court (“North Whitehawk”)

- 2.17 Cabinet agrees in principle that the preferred option for addressing the structural and strengthening issues identified in respect of Falcon Court, Heron Court, Kestrel Court, Kingfisher Court, and Swallow Court is their demolition and replacement with new homes in keeping with the housing needs of the city, and regeneration of the site.
- 2.18 Cabinet agrees to initiate a masterplanning and stakeholder visioning exercise for the wider Whitehawk area.
- 2.19 Cabinet agrees to proceed to a consultation in respect of the preferred option with leaseholders, tenants, and other relevant stakeholders.

- 2.20 Cabinet agrees to a Housing Revenue Account capital budget of £1.988m to appoint a multi-disciplinary project team for the masterplan work, for the feasibility and design of North Whitehawk (phase 1), and to fund additional resident support and future rehousing programme.
- 2.21 Cabinet notes that, subject to approval of recommendation in paragraph 2.17, then, following consultation with the Homemove Manager, may exercise their discretion under the Allocations Policy to agree to allocate Priority Band B to secure tenants of Falcon Court, Heron Court, Kestrel Court, Kingfisher Court and Swallow Court, seeking transfers to alternative council owned homes.
- 2.22 Cabinet agrees for officers to develop and consult on a Rehousing Policy and Local Lettings Plan which would apply to the temporary and/or permanent rehousing of all Council tenants who are accommodated by the Council under a statutory duty who are affected by the regeneration schemes for Falcon Court, Heron Court, Kestrel Court, Kingfisher Court and Swallow Court, and which incorporates the proposed tenant offer described in the report, including in relation to the priority of existing Council tenants for allocation to the new housing on the site, in keeping with the intention to offer right to return.

3. Context and background information

- 3.1 As part of our responsibilities under the Building Safety Act 2022 and Social Housing (Regulation) Act 2023, we commissioned detailed structural surveys on buildings within our housing stock. Structural engineers at Ridge were instructed to carry out investigations into each of the blocks. The original LPS blocks were built in the mid-late 1960s and need significant investment.
- 3.2 The eight council blocks are split across 3 distinct sites and are:
- Dudeney Lodge and Nettleton Court in Hollingdean
 - Falcon Court, Heron Court, Kestrel Court, Kingfisher Court, and Swallow Court in North Whitehawk
 - St James House in Kempton
- 3.3 The structural surveys conducted by Ridge identified that the eight Large Panel System (LPS) blocks do not meet the current safety standards, in relation to their ability to resist a disproportionate collapse in the event of an explosion or large fire. The findings of the assessment in relation to the blocks can be found in Appendix 5. Irrespective of the decision now made about the options for the future of the LPS blocks, it is clear that substantial investment and building works would be needed to bring the blocks to an appropriate standard for residents. These works are outlined in sections 6, 7, and 8 of the report.
- 3.4 As outlined in the 'Large Panel Systems Blocks Programme Update' report to Cabinet on 27th March 2025, the Council has already taken a number of steps, acting on the advice of independent consultants, to introduce

additional safety measures to ensure all 8 blocks remain safe for residents to live in. These actions and measures will be ongoing and under continual review to ensure the ongoing safety of our residents.

These measures include:

- A temporary ban on e-bikes and e-scooters in all areas of the building
- Alternative e-bike and e-scooter storage with an electrical supply has been installed away from all 8 blocks.
- Monitored CCTV 16 hours a day with onsite security providing eight-hour security for the 8 LPS blocks to mitigate the risk of banned items being taken into the building.
- Chapel Street car park, under St James House remains closed.
- A temporary halt to all vehicles parking underneath the building remains in place for the foreseeable future at the North Whitehawk blocks.
- A temporary suspension of the use of the garages behind Nettleton Court and Dudeney Lodge remains in place for the foreseeable future.
- Temporary heating plant has been put in place for St James House to allow for the relocation of the communal heating supply from under the block in the car park.
- Removal of refuse / bin storage areas from under the blocks and regular clearance of bulk waste.
- Resources are now in place to provide 7 day a week, 9am to 5pm floor walks to support fire health & safety and to maintain clear common ways, including entrance and exit ways across all 8 blocks. Housing Estates Service staff are undertaking these floor walks during the week. SES Security at weekends.

In addition:

- 95% of remediation actions arising from LPS block Fire Risk Assessments are complete.
- We have validated that 98% of our homes have smoke alarms / detectors.
- We have completed communal electrical tests for all our high-rise blocks, including LPS blocks.
- We have completed installation of evacuation alarms in the 5 North Whitehawk LPS blocks. We are completing installation of evacuation alarms on Nettleton & Dudeney and are installing evacuation alarms at St James House.

3.5 We continue to provide updates to the Regulator of Social Housing, Building Safety Regulator and East Sussex Fire and Rescue Service. The evacuation and fire safety strategy in relation to the blocks is kept under regular review. The council takes independent advice on all fire safety works and investment will continue where necessary to keep the blocks safe. A waking watch is currently in place for St James House, Nettleton Court, and Dudeney Lodge and this will be monitored regularly.

- 3.6 An 'Individual Cabinet Member Non-Key Decision' was taken in December 2024 to allow for homes that have become empty to be used as temporary accommodation to house people to whom the council owes a housing duty. These properties are being sensitively let to households who are currently being accommodated in higher cost temporary accommodation. The number of temporary accommodation households at each site is outlined further in this report.
- 3.7 In March 2025 Cabinet agreed to the continued buyback of leasehold properties formerly bought under right to buy across all 8 LPS blocks. Following last year's survey report, buyers and existing leaseholders can no longer secure mortgages, limiting options for leaseholders to buy or sell their properties. This ongoing programme demonstrates the Council's commitment to treating leaseholders fairly and equally, providing leaseholders with genuine choice. There are now 43 leaseholders across the 8 blocks, of which 25 have either enquired about a buyback, are in the process of evaluations or have moved through to conveyancing. An update for each site is outlined later in the report.
- 3.8 We have continued to engage and communicate with residents across the 8 LPS blocks, following the home visits carried in late 2024 to every household and other engagement activity as outlined in the March 2025 Cabinet report.
- 3.9 A key focus of this activity has been to ensure awareness and understanding of the options appraisal process outlined at 3.11, to seek resident feedback on the options and crucially to understand resident concerns and needs, so that we can tailor ongoing support and engagement, as we move forward with plans for the blocks. The results and specific details of the community engagement activities held across the 3 sites are detailed further on in this report on a site-by-site basis.
- 3.10 The core focus of this report is on the technical options appraisals for the long-term solution for the buildings, however, the council has to ensure its ongoing support, assistance and engagement with people living in the buildings for whom this will be an unsettling period of time and whose homes will be directly implicated by any recommendations that are taken forward. The budgets requested for each of the sites include funding for additional engagement officers and housing officers who will be dedicated to directly supporting people who are currently living in the buildings.
- 3.11 As outlined in the March 25 Cabinet Report, an options appraisal was initiated to explore the best long-term solution for the buildings following the advice of the original structural engineers who surveyed the buildings. This was to assess three key options:
- Option 1: Strengthening – meaning works to address the structural integrity of the building
 - Option 2: Strengthening and refurbishment – meaning works to address the structural integrity of the building and address core elements of other work required to the building should strengthening work be undertaken

- Option 3 Regeneration - involving the redevelopment of the site and including the demolition of existing buildings
- 3.12 The appraisal of the respective merits of these options and the respective business cases can be found in Appendix 1, which considers the options for each site. A small external project team was procured to provide expert third-party support with the options appraisal. Their detailed assessments of the potential of the three sites for each of the options are included in the appendices; capacity studies and 'art of the possible' ideas for development and regeneration which have been produced by ECE Architects can be found in Appendix 2 in relation to St James, Appendix 3 in relation to Dudeney Lodge and Nettleton Court and Appendix 4 in relation to North Whitehawk LPS blocks, and Appendix 5, provided by Ridge, outlines the potential approach for strengthening as well as strengthening and refurbishment.
- 3.13 This report details early capacity studies addressing long-standing structural and regeneration challenges across the three housing estates. The recommended options - redevelopment at St James House and Hollingdean, and a masterplanning approach, inclusive of redevelopment, at Whitehawk reflect a preliminary response to complex problems. At this stage, approval is not sought for any specific scheme. Rather, approval is requested for the resources necessary to progress these initial options into workable solutions through detailed design, community engagement, financial modelling, and further feasibility work.
- 3.14 For the reasons given below, this paper recommends Cabinet take option 3, to regenerate each site forward as a preferred, in-principle decision, across all the sites and to progress with feasibility work and designs that will create new homes for our residents, together with exploring delivery vehicles that will enable financially viable schemes. It also recommends a wider masterplanning and visioning programme to be implemented across the Whitehawk estate, working with our procured partners, stakeholders, and residents in the area to co-produce a long-term vision and masterplan for the estate.
- 3.15 For all 3 sites, we will subsequently be adopting a placemaking approach to delivery, incorporating wider opportunities in each area. Taking a placemaking approach will enable us to deliver in line with our key principles of increasing council housing in the city, ensuring placemaking plans that create diverse communities through mixed tenures and that the plans for the future are financially viable.
- 3.16 The scale of the overarching programme of work across all the LPS sites and wider placemaking opportunities, should Cabinet approve the options to regenerate, will be substantial and likely to well exceed £500m overall.
- 3.17 This report sets out a summary of the options for all three sites in Section 4 and section 5 of the report. More detailed summaries of the options can be found in section 6 (St James), section 7 (Nettleton and Dudeney) and

section 8 (North Whitehawk) together with details of the specific approaches to engagement and consultation, including a proposed tenant offer.

3.18 This report went to a pre-cabinet Place Overview & Scrutiny Committee on Tuesday 1st July 2025. Several important aspects were raised by the committee which included:

- Private renters treated with equal care and compassion even though the council have a different duty to them
- Commitment to co-production needs to be consistent throughout the redevelopment
- All design should be inclusive, considering different residents' needs such as older people and those with disabilities. Open spaces will be accessible, inclusive of benches.
- Commitment to ongoing community engagement and clear communication with residents
- The programme needs to be visible both within the council and externally to residents and local communities.
- Consideration to be given to the appointment of a residents' champion to ensure residents' voices are listened to and considered throughout the programme.

These points have been included within this report in appropriate sections and the programme team will continue to provide updates and reports to overview and scrutiny committees at appropriate times throughout the life of the programme.

4. Summary of Options 1 and 2 Strengthening and Refurbishment options for all sites

4.1 In planning for the future of the LPS blocks, the council has considered three potential options. Options 1 & 2 envisage the retention of the current blocks as follows:

- Option 1 - completing the full strengthening works needed for each block to ensure structural integrity as well as short to long term works to keep the buildings operational. This is the minimum required for each building and there is no option to do anything.
- Option - 2 completing the works as above in option 1 and refurbishing the building by addressing known repairs, replacing components at the end of their life and limited upgrading.

4.2 Key to understanding these two options is the limited guarantee of the strengthening works which is capped at twenty years before a full reinspection is required. This may mean additional works are required in year twenty, and the existing structural life of the blocks cannot be guaranteed beyond this.

- 4.3 The council commissioned a report from Ridge and Partners LLP “Ridge Report” which considers the findings in relation to the LPS blocks and reviews options for strengthening and refurbishing the blocks, the timescales for any related rehousing of residents in the buildings, and an understanding of the implications for the lifespan of the blocks against the investment required. The report can be found in Appendix 5.
- 4.4 The Ridge report outlines that residents would need to leave their homes for approximately eight weeks whilst work is carried out on their property. Additionally, residents will need to vacate their homes whilst the properties above and below them are having works carried out, totaling an estimate of twenty-four weeks vacant. Due to the noise and disruption, the works would cause all tenants to require rehousing, rehousing all residents in the building is recommended and a right to return would be offered post completion.
- 4.5 The appraisals relating to the strengthening and refurbishment works represent a baseline level of expenditure. It is recognised however, that in both cases additional significant capital works programmes are being planned by the Housing Investment and Asset Management team in relation to fire safety and decent homes.
- 4.6 The baseline cost, as outlined within appendix 7, indicates that strengthening works on their own would cost £115,113,000 across the 8 blocks and would not address the extensive repairs or improvements also required to the building. Over the 20-year lifespan the works would cost £24.130m in additional borrowing and given the life expectancy of the works, the capital cost would need to be repaid over that 20-year period, making each of the projects unviable. Subsequently, the baseline refurbishment of the blocks in addition to the strengthening would cost an additional £51,148,000. The breakdown of these costs specific to each of the three sites are set out in sections 6, 7 and 8 of this report.
- 4.7 In addition to these starting figures there would be costs associated with leasehold flats throughout the block. Since the underlying strengthening works in the refurbished building would have a guaranteed lifespan of only 20 years, in either case leaseholders would not be able to secure a mortgage on their property or sell to a buyer who needed a mortgage in order to make the purchase. Recharging leaseholders for the cost of works is unrealistic in this context, so a programme of leaseholder buy-backs has been included to facilitate the works programme for both the refurbishment and the strengthening-only options.
- 4.8 This would therefore create a total spend of £166,261,000 and would be needed to be implemented within the next 5 years to address the structural issues with the blocks. The council's entire 5-year HRA capital budget, as approved at February 2025 Cabinet, totals c. £297,000,000, for its entire portfolio.
- 4.9 Council officers met with representatives from the Ministry of Housing and Local Government (MHCLG) to explore potential funding for remediation efforts. They were informed by officers at MHCLG that there is no current

funding available for LPS-related challenges and this was unlikely to be reviewed as it was not considered a policy priority. The Cabinet Member for Housing and New Homes has written to the housing minister at MHCLG to see if this position can be revisited.

5. Summary of options for Regeneration of all sites

- 5.1 New build capacity studies have been carried out by ECE Architecture, and are included at Appendices, 2, 3 and 4, to help us understand the capacity of each site, together with providing an early indication of possible opportunities and constraints. They include ideas of possible new build options, to provide an early indication of the capacity of the sites if redeveloped. This is known as RIBA stage 1, which is the earliest stage of development. If the principle of regeneration is approved by the cabinet as the preferred option for each site, specific proposals and designs would then be developed in partnership with the resident advisory group for the site. This group would work alongside council officers and the multi-disciplinary design team through co-production and ensure existing residents lived experience and priorities are included within designs. This applies to all the new build options discussed in this report, and the capacity studies should not be considered as final proposals.
- 5.2 If regeneration of the sites is taken forward, there will be a medium-term impact on the Housing Revenue Account (HRA) Business Plan. When buildings become empty, they would then represent a net rental loss to the HRA. Any new build options would be considered on a stand-alone basis in terms of viability. This is considered within the financial implications and in considering the cost of remediation against the impact of rent loss.

6.0 Part 1: Options for the future of St James House

- 6.1 St James House is considered the priority for redevelopment and rehousing of existing residents. The existing building has major works required over and above the LPS strengthening requirements. These works include areas such as concrete repairs to the soffits of balconies and replacement of the full curtain wall to the south elevation staircases resulting in crash deck protection scaffold being installed. This crash deck remains in place today and St James House is in noticeably poorer condition than the other blocks referred to in this report.
- 6.2 The strengthening option for St James House includes the following works:
- Strapping to the slab soffits to strengthen the slabs
 - Steel angles at wall and floor junctions to tie the horizontal vertical elements
 - External steel frame fixed through to angles to provide additional strengthening to flank wall panels
 - A full strip of internal floor and wall finishes including the bathroom, kitchen, and fittings

6.3 The programme would be as follows:

- Week 1: Asbestos removal and removal of finishes
- Week 2-5: Strengthening works carried out
- Week 6-7: Replacement of kitchen and bathroom
- Week 8: Making good and redecorating

Each property within the building would need to be vacated for a period twenty-four weeks as flats above and below would need to be emptied at the same time whilst works are being carried out. The programme above allows for the suggested additional two weeks outlined in appendix 5 for kitchens and bathrooms to be replaced.

6.4 The costs for the strengthening work (option 1 in paragraph 3.11):

Strengthening	St James
Total Cost	33,191,000
Modelled lifespan (years)	20
NPV at end of lifespan	- 26,776,000
Year achieves surplus	Never

6.5 The refurbishment option (option 2 in paragraph 3.11) includes the works outlined at 6.2 and additional works to the wider block as follows:

St James House
Upgrade of existing heating system (potential Air Source Heat Pump)
Electrical rewire of the building
Full facade replacement on the building
Replacement of the curtain walling on staircases
Concrete repairs to balcony soffits
Access control to underground car park to prevent electric vehicle access
Asbestos remediation
Additional ventilation to prevent damp
Full windows and doors replacement
Upgrade drainage systems
Full roof covering replacement
Cold water system upgrade
Internal redecoration of communal areas

6.6 The cost for including this additional work is: £14,542,000 and the table is below:

Refurbishment	St James
Total Cost	£47,733,000

Modelled lifespan (years)	20
NPV at end of lifespan	- £41,318,000
Year achieves surplus	Never

Therefore, the total costs including strengthening and refurbishment for St James House would be at least: £47,733,000 and is unviable. This cost would be for a building with a life cycle of twenty years as outlined in paragraph 4.2 and would be a basic standard of refurbishment. This proposal would not offer significantly enhanced living standards for residents when compared to a new development.

- 6.7 The works cost is based on initial advice from quantity surveyors, Bettridge and Millbridge attached at appendix 7 of this report. The council's on-costs vary from appendix 7 due to the inclusion of homeless payments, leaseholder buybacks, capitalised resources, and interest payments.
- 6.8 It is highly likely that costs would increase if when further survey work and design detail are worked up for the refurbishment option. There are several potential areas where further repairs or replacement may be necessary. The list below outlines this but should not be considered exhaustive:
- Review of all mechanical and electrical services
 - Further intrusive surveys to understand construction build-ups and junctions
 - Acoustic upgrades
 - Review of floor to ceiling heights
 - Dependent on rehousing timescales further consideration will need to be given to installing a category 4 residential sprinkler system and replacement of the common ventilation system
 - Replacement of the second staircase to the building
- 6.9 In the event that the council were to seek to replace St James House in a scheme of regeneration, the initial capacity study suggested the potential development of up to 97 new homes with a mixture of one, two and three beds with 10% meeting fully wheelchair accessible standards m4(3) and community space. There is also the potential for significant areas of public realm and landscaping to improve the environment for residents as currently all areas are tarmacked with no green outdoor space. This would be in line with planning requirements particularly requirements around bio-diversity net gain.

Key ideas for the vision of St James House are as follows:

- Creation of a new neighbourhood, defined by a locally distinctive aesthetic and providing new sustainable homes fit for future living
- Promotion of a high-quality environment and standard of living, which considers the needs of present and future generations

- Delivery of housing to meet local needs, including a mix of housing types and sizes, with potential for affordable housing

6.10 Although the initial capacity study suggests fewer homes directly on the site, the proposed mix provides more housing in terms of habitable rooms and comprises a more sustainable mix of property types including family homes. At present, there is an average wait of eight years on the housing register for three bed homes. In developing options for the St James House site, it has also highlighted wider placemaking opportunities to link up existing Council new build initiatives and other land holdings. The immediate wider place projects include Oakley House and Hereford Court Car park, which subject to further approvals including cabinet and planning, will deliver 76 additional units so in total would see the wider place-based programme delivering 173 new homes in the first instance.

6.11 If cabinet approves the recommendation in principle to the preferred option being redevelopment of the site, further survey and design work will be undertaken to test the site constraints even further. This design work would be co-produced with existing residents, ensuring residents can influence and shape design as well as highlight their priorities for any new properties and surroundings. All designs need to be inclusive focusing on a wide range of residents including older residents and those with disabilities, to ensure homes and open spaces are accessible and welcoming to all.

6.12 The current financial options based on the capacity studies are:

Costs

Investment	Estimated construction cost	Estimated on costs	Total
	£'000	£'000	£'000
	35,861	13,417	£49,278

60-year NPV Subsidy / (Surplus) and gap funding per unit

Rent type	NPV year 60
	£'000
All social rent (grant level £135k per home)	10,875
All affordable rent (grant level £85k per home)	11,285
All private sale (no grant)	7,432
Mixed tenure (40% affordable and 60% private and no grant)	11,597

6.13 Financial viability remains challenging for the project, however, there are several delivery models the council can review to ensure viability. This includes delivery through Homes Brighton and Hove LLP, a joint venture with Hyde Housing, which has successfully delivered 344 homes across the city. Alternatively, the council has a strong track record of delivering council homes across a range of sites within the city including complex constrained

sites like St James House. These options will need to be explored further with a full viability case and delivery model being presented to cabinet at a later date. It is important to note the recent Government announcement of £39 billion new affordable homes programme which could help unlock viability and is a significant investment in affordable housing.

Community engagement and consultation

6.14 Following open meetings carried out in 2024 with the Chief Executive of the Council and the subsequent personal visits carried out across all households outlined at 6.15, a comprehensive engagement programme has been carried over the course of 2025 to ensure awareness and understanding of the options appraisal process, to seek feedback and views, as well as to address any immediate concerns of individual queries people may have. Feedback has been collected through regular on-site 'drop in' sessions, door knocking and home visits, one-to-one consultations, and then through a Your Voice survey carried out between March-June 2025.

6.15 A summary of engagement activity is provided below:

- Survey participation: 38 responses (30.9% of households)
- Individual consultation sessions: 63 residents (51.2% of households)
- Door knocking and home visits conducted in two phases (March-April: 58 contacts, May-June: 47 contacts)

6.16 Key findings and themes that have emerged from the feedback:

- **Building Design Preferences** - St James House residents showed a preference for building new homes (45.5%) compared to comprehensive refurbishment (39.4%), with 12.1% preferring a mixed approach and 3% unsure. Based on secure tenant responses, this represents a narrow preference for replacement rather than refurbishment alone, with both options receiving some support.
- **Community Connections for Future Development** - Residents highly value community aspects and want these preserved in future housing:
"I love living here and feel part of a community"
"I have good friends nearby which makes living here better"
"Peaceful, spacious, parking, quiet, and clean. I love my home and I can't go anywhere else"
Residents want future development to maintain established community networks and friendships.
- **Essential Features highlighted for Future Housing:**
Energy efficient homes with lower bills (56% priority vs. 43.2% overall)
Good sound insulation for quieter homes
Good security features in the building
Having enough space inside homes
Private outdoor space (balcony or garden)
Better ventilation to reduce damp and mould
Having enough parking
- **Community Facilities Desired for the future:**
Community garden for growing together

Peaceful spots to relax
A warm, welcoming community room
Fun, safe children's play areas
Spaces for young people to gather
Outdoor exercise area

- **Resident Concerns**

- "Fear that new homes might be too expensive for me"
- "Concerned about disruption during building work"
- "Hate moving out, I'd prefer to stay here"
- "Worried about losing contact with neighbours and friends"

6.17 This rich feedback will help shape our future communication and engagement approach with residents and also enable us to target our support and assistance for people living in the block.

6.18 Should the Cabinet agree to the next steps as recommended at 2.4, then the council will carry out a further formal consultation exercise with residents in accordance with s105 of the Housing Act 1985, to seek views on the recommendations and implementation of the next phase of the programme. The results of the consultation will be formally reported back for consideration by cabinet in future cabinet reports.

Tenant and Leaseholder offer St James House

6.19 St James House is made up of 123 homes, occupied by 257 individuals. The homes are made up of 1 one bed, 121 two beds and 1 three bed, with a combination of secure tenants and leaseholders. At the time of the report, 94 are secure tenancies, 24 are leaseholders, one of these leasehold properties is used temporary accommodation by the council but leased and managed by Seaside Homes. Five are council owned temporary accommodation managed by the council.

6.20 We have visited 121 of 123 households in St James House. The visits have provided a thorough understanding of the level of need of these households, which will help inform a tailored approach to the tenant and leaseholder offer and engagement activity.

Secure Tenants

6.21 We understand the impact that a decision to regenerate St James House, if it is made, will have on residents, who will be losing their home and establishing a new one.

6.22 In this scenario, we would make the transition to a new home as smooth as possible. Tenants would be supported, and moves would be carried out in a planned way: sensitively, appropriately, and efficiently with as little disruption possible.

6.23 Whilst there is no legal requirement for the council to give secure tenants the option to return to the redeveloped site, we are committed to helping those

that wish to remain in the area or return to the renewal estate to do so, wherever possible.

- 6.24 A local lettings policy could make provision that tenants moving from St James House would have the priority for new homes on the St James House site or adjacent sites within the place making programme, before other applicants. This would form part of a Local Lettings Plan (LLP) when the new homes are let. They would be offered another secure tenancy until the new build property is ready.

Financial Compensation and Support for Secure Tenants in St James House

- 6.25 Subject to Cabinet approval of the recommendations and to facilitate the potential redevelopment of the site, we would establish a dedicated team to work with secure tenants in St James House from January 2026. These tenants would be the first group of residents, across the eight LPS blocks, to receive tailored support to help facilitate their move. It is estimated rehousing secure tenants from St James House will take approximately two to three years from January 2026.
- 6.26 The support would be outlined within a Rehousing Policy written for the purpose of moving households impacted by the regeneration of all eight LPS blocks and consulted with residents within the respective blocks. The support within the policy would include each household having a single point of contact (SPOC), which will remain in place until the move is complete. Additionally, the SPOC would provide practice advice and support, which made include:
- Understanding legal rights.
 - Assisting with bidding for properties on Homemove.
 - Filling out forms.
 - Support with maintaining benefits, accessing discretionary funding.
 - Linking into support services.
 - Providing interpreters.
 - Decluttering/downsizing
 - Help with removals.
 - Arranging utilities.
 - Ensuring mobility and adaptation needs are met.
 - Disconnection and reconnection of appliances.
 - Help with packing and unpacking
 - Registering with a GP/local health services
 - Viewing properties.
- 6.27 The policy would also reference the use of Notices of Seeking Possession for the purpose of housing regeneration and development, if rehousing is not successful in all cases. Notices would be served up to 12 months prior to the Council requiring possession to commence redevelopment.

- 6.28 If agreed by the Cabinet and in consultation with the Homemove Manager, secure tenants will be banded Band B: Management Transfer, in line with the Council's Housing Allocations Policy.
- 6.29 This would enable secure tenants without an existing Housing Register application, the opportunity to find a new home whilst an LLP is developed and consulted on, which would apply to the temporary and/or permanent rehousing of all Council tenants who are affected by the regeneration schemes of the 8 LPS blocks.
- 6.30 LLPs set out how allocation of social homes will take place in a specific area, including how tenants move to or from that area. The council's Housing Allocations Policy allows for the adoption of LLPs and sets out specific steps that must be followed in developing one. This includes consulting with residents and tenants, which would be carried out alongside the consultation on the Rehousing Policy.
- 6.31 An LLP would allow for greater priority in rehousing secure tenants in St James House by allowing for direct offers of suitable alternative accommodation, reflecting the immediate need to rehouse tenants.
- 6.32 Suitable alternative accommodation refers to accommodation which provides the tenant with a home that meets their needs and has equivalent security of tenure and is similar regarding rent, size, situation as required under Schedule 2, Part III of the Housing Act 1988. Where a tenant is lacking any bedrooms in their current home, a larger property than they currently occupy would be offered.
- 6.33 Secure tenants opting to remain within Brighton & Hove City Council housing stock would retain their security of tenure. This process presents an opportunity for residents to move into housing better suited to their needs and preferences, addressing issues such as overcrowding and accessibility.
- 6.34 The Rehousing Policy would outline the payments secure tenants may be entitled to, which include:
- Home Loss Payments
 - Disturbance Payments
- 6.35 **A Home Loss Payment** is a statutory payment made to compensate tenants for having to permanently move out of their home. This mandatory lump sum payment is fixed by Section 30 of the Land Compensation Act 1973. Tenants become eligible for Home Loss payment following a formal decision to demolish, remove or dispose of their homes having been made by Cabinet.
- 6.36 This Home Loss payment is for an eligible tenant/tenants who has lived in their property as their principal home for at least 12 months prior to the date of agreement for the scheme and is required to move out of their home permanently as a result of the property being demolished, sold or the scheme remodeled to remove their property. In all circumstances the Home Loss payment is limited to one per household – joint tenants will therefore receive one payment between them.

- 6.37 Tenants who have any other housing related debt such as rent arrears, Council Tax arrears, Housing Benefit overpayment, court costs and rechargeable repairs would have these deducted directly from this lump sum payment.
- 6.38 **Disturbance Allowances** payments cover 'reasonable expenses' involved in moving. They can either be statutory or discretionary, depending on how long the tenant has lived at the property.
- 6.39 If the tenant has not lived in the property for twelve months, they would not qualify for a Home Loss Payment. In this instance they would have statutory entitlement to a Disturbance Allowance.
- 6.40 If the secure tenant has lived in the property for over twelve months and qualifies for a Home Loss Payment, Disturbance Allowances are discretionary.
- 6.41 Discretionary payments are payments made over and above the legal obligations and can be used, for example, where a tenant does not qualify to receive a Home Loss payment as they have been resident for less than a year.

Leaseholders

- 6.42 An enhanced voluntary buy-back offer for leaseholders, resident, or non-resident in relation to properties formerly bought under right to buy, in the eight LPS blocks was agreed at Cabinet 20 March 2025. Agenda Item 177. This offer was aligned with the Compulsory Purchase Order regime to facilitate any future council plans for redevelopment or refurbishment.
- 6.43 A new post has been created to provide a single point of contact for leaseholders from the LPS blocks for the buyback of their property. We have received home purchase applications from 12 leaseholders in St James House.
- 6.44 The current enhanced offer for leaseholders of properties formerly bought under RTB in the LPS blocks is set out below and differs for those that are resident (been living at the property for at least 12 months) or non-resident.

Resident Leaseholder	Non-Resident Leaseholder
At application	
Cost of independent valuation up to £500 plus VAT	Cost of independent valuation up to £500 plus VAT
At completion of sale of a council leasehold property	
Purchase of your property based on independent Open Market Valuation plus 10% uplift	Purchase of your property based on independent Open Market Valuation plus 7.5% uplift
Repayment of Right to Buy discount waived	Repayment of Right to Buy discount waived

Reasonable removal costs up to £1,500	
Mortgage redemption fees (if required/subject to evidence) up to a £10,000	
At completion of sale of onward purchase (within 1 year)	
Reasonable onward purchase legal fees up to £2,000	Reasonable onward purchase legal fees up to £2,000
Stamp Duty payments for onward purchase of a property of a similar value	Stamp Duty payments for onward purchase of a property of a similar value

- 6.45 If a decision is taken in principle to the preferred option of the regeneration of the site, the council will be contacting leaseholders individually, to review how this potentially impacts them in the future.

Private Sector Tenants

- 6.46 Private sector tenants living in the LPS blocks—those renting from leaseholders—are included in all block-wide communications and engagement activities. This includes home visits, consultation events, and updates on future plans. While these tenants do not have the same statutory rights or entitlements as secure council tenants, the council is committed to ensuring they are treated with the same level of care, respect, and inclusion throughout the regeneration process whilst living within the blocks. Their views and concerns are actively sought and considered as part of the wider engagement strategy.
- 6.47 Where private tenants require additional support, they are signposted to the council’s homelessness service for advice and assistance. Any duty to help with securing alternative accommodation is assessed in line with homelessness legislation and government guidance. In addition, the dedicated rehousing team will work with private tenants to ensure they are informed, supported, and able to access appropriate services. This includes helping them understand their housing options, liaising with landlords where appropriate, and ensuring that any transitions are managed with sensitivity. This approach reflects the council’s commitment to fairness and consistency in supporting all residents affected by the regeneration of the LPS blocks.

Temporary Accommodation Tenants

- 6.48 In November 2024 the council agreed to the recommendation to let empty properties in the LPS blocks as temporary accommodation as they become empty. Prior to this decision there were already homes let as temporary accommodation across all eight blocks. In St James House there are

currently three homes let as temporary accommodation, this number will grow as secure tenants move, and leaseholders sell their properties back to the council.

- 6.49 Continuing to use homes as Temporary Accommodation will ensure the continued occupancy and security of St James House whilst providing temporary accommodation for people waiting to be housed permanently. In the medium-term, it would also help mitigate some of the financial pressures of homelessness, by reducing the council's reliance on more costly 'spot purchase' accommodation. Rehousing temporary accommodation tenants from St James House will begin in approximately two years' time.
- 6.50 To support the effective management of properties converted to temporary accommodation whilst regeneration and redevelopment opportunities are progressed, additional resources will be allocated to the Council's homelessness services.
- 6.51 These resources will ensure the proper oversight of the increased temporary accommodation stock, facilitate appropriate allocation and letting of properties in line with the agreed lettings plan for LPS blocks. They would also work with these tenants to ensure a smooth transition, when they need to move-on from temporary accommodation into settled accommodation.
- 6.52 The process and rate of rehousing secure tenants and of leaseholder buybacks, and the subsequent backfilling with temporary accommodation households, will be subject to formal review by the Cabinet Member for Housing and New Homes together with the Corporate Director of Homes and Adult Social Care, on a 6 monthly basis. This would inform at what point the decision is made to begin resettling Temporary Accommodation households in order to have an empty block ready for redevelopment.

Seaside Homes Tenants

- 6.53 There is one home which is currently leased to Seaside Homes and used as temporary accommodation for a households for whom the council has accepted a homelessness duty.
- 6.54 In the event that of the decision being made to resettle Temporary Accommodation households, as per 6.52, the council retains a duty to ensure households currently within Seaside Homes properties, are adequately rehoused into alternative accommodation.
- 6.55 The council's contractual relationship with Seaside Homes in relation to this property is subject to negotiation between those parties.

Analysis and consideration of alternative options

- 6.56 The strengthening works on their own, alongside fire safety works, are considered the very minimum the council should be doing to manage the building long-term. The condition of St James's House is poor overall and significant investment would be required to keep the building running. There

is no option to do nothing given the structural integrity of the building and would inevitably result in all residents having to be rehoused and the building remaining empty.

- 6.57 The investment and development market are currently very subdued with developers having difficulty securing funding. The existing use value does not cover the investment costs to strengthen the building. The current new build capacity studies do not create a large return on investment and would need to be reviewed through a commercial lens such as 'build to rent' accommodation if developed for a commercial return through the private sector. This does not meet wider council aims of improving and increasing the number of council and affordable homes, so it has been discounted.

Equalities implications

- 6.58 An Equalities Impact Assessment (EIA) has been completed for St James House and this will be an evolving document as the project progresses. This assessment will help guide our approach when working with individual residents as we support them in moving to a new home and exploring their available options. Due to the relatively small number of residents involved, and in order to protect personal and identifying information, the full EIA will not be included with this report.
- 6.59 When compared with 2021 Census data, the age profile for council housing occupants is generally similar to citywide Brighton & Hove residents of all tenures. The term 'occupants' includes other household members such as partners and children. Council tenants themselves tend to be older than other occupants and citywide residents.
- 6.60 Older residents may face particular difficulties with relocation, and disruption to established support networks. Some of the older Secure Tenants in St James House may want to move into one of the council's 24 Seniors Housing Schemes. We will offer to arrange visits to different schemes and will include arranging transport. A higher proportion of seniors housing becomes available when compared to general needs housing stock. In 2023/24 we let 116 Seniors Housing flats, in 2024/25 we let 90 homes in Seniors Schemes.
- 6.61 When it comes to the occupants of St James, there are comparatively higher proportions of people aged 40 to 59 (34%) and 60 and over (26%) with a notably lower proportion of people aged 18 to 39. The proportion of occupants at St James House aged under 18 was 15% which is fairly similar to all council housing occupants (16%) and citywide residents (17%). We will consider needs of children to be close to schools to help reduce disruption and maintain educational continuity. Most occupants are of working age, which may also help inform preferences for location.
- 6.62 There is a relationship between age and mobility needs. When looking at all council tenants, 60% of those with any mobility needs were aged 60 or over, compared to 32% of those with no mobility needs. When looking at Secure

Tenants at St James House, 56% of those with any mobility needs were aged 60 or over.

- 6.63 29% of St James House occupants have at least one support need which would meet the definition of disability under the Equality Act 2010 which is higher than for all council housing occupants (22%) and citywide residents (19%). The 2021 Census figure is taken from a question which was designed to closely align with the same definition of disability.
- 6.64 Of the Secure Tenants at St James House, 23% have four weeks' or more worth of rent arrears and 22% are in receipt of Universal Credit. Financial support measures will be put in place, to ensure tenants can make informed financial decisions, as part of the support to move. We will provide tailored advice, offering guidance on managing compensation effectively, understanding rights, and accessing financial services.
- 6.65 There are currently 5 properties which are being used as Temporary Accommodation. Should cabinet approve the recommendations in this report and subject to future approval after consultation of the recommended Rehousing policy and Local Lettings Plan, the numbers of households in Temporary Accommodation will increase and the make-up of need and support requirements will change over the next 12-24 months. We will therefore carry out regular reviews of the EIAs for the building and households to ensure they remain updated for each type of tenure.
- 6.66 The council does not currently hold detailed household information for all leaseholders in St James House. The council will provide support and advice to both leaseholders and/or tenants of leaseholders and the EIA for this project will be updated and reviewed to include household information for leaseholders and all relevant stakeholders affected by this project as it progresses and for consideration by Cabinet.

Conclusion St James House

- 6.67 The capacity study for St James House sets out a flexible redevelopment option with the potential to deliver new homes designed to modern standards with a minimum 60-year lifespan. Early capacity studies suggest that the site can accommodate a mixed-tenure development of 97 homes and associated community space. If developed as part of place making programme to enable other sites to progress as well, there is the potential to bring forward 173 new homes in the first instance, with further work to be done during the feasibility and design stage to see if this can be increased further.
- 6.68 While the current cost assumptions result in a subsidy requirement, the capacity study offers a realistic starting point for addressing structural failings and re-providing much-needed affordable homes. The council has a strong track record in delivering new council homes on a wide range of complex sites and unlock developments across the city. This is through both the in-house delivery programme known as "New Homes for Neighbourhoods" and the Homes for Brighton & Hove LLP joint venture with

Hyde.

6.69 Further design, engagement, and funding negotiation will be essential to refine the proposal and improve viability. It is important to note that all expenditure related to developing the site and obtaining vacant possession totaling £3.013m outlined in recommendation 2.8 would be at-risk until a viable project is developed. Additionally, as outlined in the March 2025 cabinet paper there will be further “at-risk” costs related to leaseholder buy backs which are being undertaken on a case-by-case basis as well as ongoing discussions with Seaside Homes.

6.70 Currently, all options show a subsidy requirement, and projects will be brought back to cabinet as required. All projects need to show a break-even position before progressing further.

7. Part 2: Options for the future of Nettleton Court and Dudeney Lodge

7.1 The strengthening option for Nettleton Court and Dudeney Lodge includes the following works:

- Strapping to the slab soffits to strengthen the slabs
- Steel angles at wall and floor junctions to tie the horizontal vertical elements
- Steel frame to flank and cross walls to provide additional strengthening to wall panels

It should be noted within appendix 5, it is possible that the kitchens and bathrooms may not need to be removed due to the less intrusive nature of the works subject to further inspection and survey work. However, it is strongly recommended that all kitchens and bathrooms are replaced as part of these works and this replacement is assumed in the programme below.

7.2 The programme would be as follows:

- Week 1: Asbestos removal and removal of finishes
- Week 2-5: Strengthening works carried out
- Week 6-7: Replacement of kitchen and bathroom
- Week 8: Making good and redecorating

Each property within the building would need to be vacated for a period of twenty-four weeks while works were carried out. Due to disturbance by noise and dust, the flat above and below the property would need to be vacant at the same time. The programme above allows for the suggested additional two weeks outlined in appendix 5 for kitchens and bathrooms to be replaced.

7.3 The costs for the strengthening work (option 1 in paragraph 3.10):

Strengthening	Hollingdean
Total Cost	£23,808,000

Modelled lifespan (years)	20
NPV at end of lifespan	-£16,437,000
Year achieves surplus	77

7.4 The refurbishment option (option 2 in paragraph 3.10) includes the works outlined at 7.1 and additional works to the wider block as follows:

Nettleton Court and Dudeney Lodge
Replacement of kitchen and bathrooms and floor coverings
Asbestos remediation
Additional ventilation to prevent damp
Windows and doors replacement
Upgrade drainage systems
Full roof covering replacement
Cold water system upgrade
Internal redecoration of communal areas

7.5 The cost for including this additional work is: £8,831,000 and the table is below:

Refurbishment	Nettleton Court and Dudeney Lodge
Total Cost	£32,639,000
Modelled lifespan (years)	20
NPV at end of lifespan	-£25,269,000
Year achieves surplus	Never

Therefore, the total costs including strengthening and refurbishment for Nettleton Court and Dudeney Lodge are estimated at: £32,639,000. This cost would be for a building with a life cycle of twenty years as outlined in paragraph 4.2 and would be a basic standard of refurbishment. This proposal would not offer significantly enhance living standards for residents when compared to a new development

7.6 The works cost is based on initial advice from quantity surveyors, Bettridge and Millbridge attached at appendix 7 of this report. The council's on-costs vary from appendix 7 due to the inclusion of homeless payments, leaseholder buybacks, capitalised resources and interest payments.

7.7 It is highly likely that costs would increase if further survey work and design detail are worked up for the refurbishment option. There are several potential areas where further repairs or replacement may be necessary. The list below outlines this but should not be considered

exhaustive:

- Review of all mechanical and electrical services
- Further intrusive surveys to understand construction build-ups and junctions
- Acoustic upgrades
- Review of floor to ceiling heights
- Dependent on rehousing timescales further consideration will need to be given to installing a category 4 residential sprinkler system and replacement of the common ventilation system
- Retrofitting of a second staircase to the block. It is not known if the existing structure could accommodate this extent of alteration.

7.8 The initial capacity study suggests at least 233 new homes with a mixture of one, two and three beds with 13% meeting fully wheelchair accessible standards m4(3) and community space, could be achieved on the site. There is also an opportunity to provide more recreational opportunities such as play spaces, food growing spaces and improvements to ecological habitats.

Key ideas for the vision at Nettleton Court and Dudeney Lodge are:

- Delivery of housing to meet local needs, including a mix of housing types and sizes, with potential for affordable housing.
- Creation of multi-functional green infrastructure that is easily accessible to all and improved ecological habitats
- Consider the positioning and height of new buildings to allow natural light and key views to remain. The existing buildings have considerable impact upon the visual impact of the city.

This design work and long-term vision would be co-produced with existing residents, ensuring residents can influence and shape design as well as highlight their priorities for any new properties and surroundings. All designs need to be inclusive focusing on a wide range of residents including older residents and those with disabilities to ensure homes and open spaces are accessible and welcoming to all.

7.9 This option is considerably denser and would provide more homes than the existing blocks whilst also providing new housing that meets modern standards. The capacity study also incorporates an educational facility currently owned by the council and an additional council-owned house. Reimagining the public realm will offer improved living space and facilities for residents. In addition, there is an opportunity to review and potentially expand the site boundary by working with the Environmental Services team. This has not been explored in detail but would be considered part of the site's development.

7.10 The current financial options are on these proposals are:

Costs

Investment	Estimated construction cost	Estimated on costs	Total
	£'000	£'000	£'000
	82,850	16,008	98,858

60-year NPV Subsidy / (Surplus) and gap funding per unit

Rent type	NPV year 60
	£'000
All social rent (grant level £135k per home)	10,716
All affordable rent (grant level £85k per home)	11,529
All private sale (no grant)	3,242
Mixed tenure (40% affordable and 60% private and no grant)	19,286

7.11 Again viability is challenging. The high-rise nature of the blocks and complexity following the introduction of the Building Safety Act 2022 will mean increased construction costs. Alternative delivery models to regenerate the site in-house should be explored to ensure viability and officers will work alongside a resident engagement group to develop designs. It is important to note the recent Government announcement of an additional £39 billion new affordable homes programme could help unlock viability and is a significant investment in affordable housing.

Community engagement and consultation

7.12 Following open meetings carried out in 2024 with the Chief Executive of the Council and the subsequent personal visits carried out across all households outlined at 6.14, a comprehensive engagement programme has been carried over the course of 2025 to ensure awareness and understanding of the options appraisal process, to seek feedback and views, as well as to address any immediate concerns of individual queries people may have. Feedback has been collected through regular on-site 'drop in' sessions, door knocking and home visits, one-to-one consultations, and then through a Your Voice survey carried out between March-June 2025.

7.13 A summary of engagement activity is provided by block below:

7.14 Nettleton Court:

- Survey participation: 28 responses (32.2% of households)
- Individual consultation sessions: 11 residents
- Door knocking conducted in two phases (March-April: 23 contacts, May-June: 36 contacts)

7.15 Key findings and themes that have emerged from the feedback:

- **Building Design Preferences** - Nettleton Court residents showed a preference for comprehensive refurbishment (38.5%) compared to building new homes (26.9%), with 19.2% preferring a mixed approach and 15% unsure. Based on secure tenant responses, this indicates residents lean towards improving the current building, though with some support for new homes and some notable uncertainty.
- **Community Connections for Future Development** Residents value community aspects and want enhanced security:
Active community engagement
"The green spaces on the estate. Good telecommunications signals"
Focus on maintaining community whilst improving safety
- **Essential Features highlighted for Future Housing:**
Good security features in the building
Better waste management and recycling facilities
Clean and tidy bin areas
Good sound insulation for quieter homes
Energy efficient homes with lower bills
Having enough space inside homes
- **Community Facilities Desired for the future:**
Community spaces with better security
Outdoor exercise area
Community garden for growing together
Peaceful spots to relax
A warm, welcoming community room
- **Resident Concerns**
Stronger focus on security improvements
More concerns about drug-related anti-social behaviour
Emphasis on communal area maintenance
Ensuring proper building management in future development

7.16 Dudeney Lodge

- Survey participation: 31 responses (35.6% of households)
- Individual consultation sessions: 8 residents
- Door knocking conducted in two phases (March-April: 23 contacts, May-June: 23 contacts)

7.17 Key findings and themes that have emerged from the feedback:

- **Building Design Preferences** - Dudeney Lodge residents showed the strongest preference for comprehensive refurbishment (50%) compared to building new homes (21.4%), with 17.9% preferring a mixed

approach. Based on secure tenant responses, this represents the highest level of support for refurbishment across all LPS blocks, though like Nettleton Court, there is a degree of uncertainty.

- **Community Connections for Future Development** Residents show extremely strong community attachment and support for their homes:
"Everything about Dudeney Lodge, especially the area, is amazing"
"The building is as strong as the tower of London... please do not knock us down"
Stronger resistance to any displacement
More detailed appreciation of building features
- **Essential Features highlighted for Future Housing:**
Energy efficient homes with lower bills
Good security features in the building
Having enough space inside homes
Being able to afford the rent
Good sound insulation for quieter homes
Better ventilation and heating systems
- **Community Facilities Desired for the future:**
Community spaces that preserve existing networks
Peaceful spots to relax
Outdoor exercise area
Community garden for growing together
Fun, safe children's play areas
- **Resident Concerns**
 - Strongest resistance to leaving current homes
 - Concerns about community disruption
 - Emphasis on maintaining current building if possible
 - Worries about losing established community networks

7.18 This rich feedback will help shape our future communication and engagement approach with residents and also help enable us to target our support and assistance for people living in the block.

7.19 Should the Cabinet agree to the next steps as recommended as recommended at 2.4, then the Council will carry out a further formal consultation exercise with residents in accordance with s105 of the Housing Act 1985, to seek views on the recommendations and implementation of the next phase of the programme. The results of the consultation will be formally reported back for consideration by cabinet in future cabinet reports.

Tenant and Leaseholder offer for Nettleton Court and Dudeney Lodge

7.20 Nettleton Court and Dudeney Lodge is made up of 174 homes, 87 in each block. These are all one bed properties apart from one two bed flat in Dudeney Lodge.

7.21 At the time of the report, 147 are secure tenants and 27 leasehold properties across both blocks. Five are resident leaseholders, 22 are used by the Council as Temporary Accommodation. Eight of these Temporary Accommodation units are leased and managed by Seaside Homes.

- 7.22 We have visited all households in Nettleton Court and Dudeney Lodge. These visits have provided a thorough understanding of the level need of these households, which has helped inform a tailored approach to the tenant and leaseholder offer.

Secure tenant offer

- 7.23 We understand the impact that a decision to regenerate Nettleton Court and Dudeney Lodge, if it is made, will have on residents, who will be losing their home and establishing a new one.
- 7.24 In this scenario, we would make the transition to a new home as smooth as possible. Tenants would be supported, and moves would be carried out in a planned way: sensitively, appropriately, and efficiently with the minimum amount of disruption and difficulty.
- 7.25 To facilitate the potential redevelopment of the site, secure tenants in Nettleton Court and Dudeney Lodge would be the second group of residents to be offered tailored rehousing support. The dedicated team reference in paragraph 6.25 would start working with residents in Nettleton Court and Dudeney Lodge by the end of 2026. It is estimated rehousing secure tenants from Nettleton Court and Dudeney Lodge will take approximately three to four years.
- 7.26 If agreed by the Cabinet and in consultation with the Homemove Manager, Secure Tenants will be banded Band B: Management Transfer, in line with the Council's Housing Allocations Policy.
- 7.27 This would enable Secure Tenants, without an existing Housing Register application, the opportunity to find a new home whilst a Rehousing Policy and LLP is developed and consulted on, as outlined in paragraphs 6.25 through to 6.36, with Secure Tenants receiving the same level of support.
- 7.28 Whilst there is no legal requirement for the Council to give secure tenants the option to return to the redeveloped site, we are committed to helping those that wish to remain in the area or return to the renewal estate to do so, wherever possible.
- 7.29 Tenants moving from Nettleton Court and Dudeney Lodge will have the option of having priority for new homes on the site of the replacement blocks before other applicants. This will form part of the LLP when the new homes are let. They will be offered a secure tenancy until the new build property is ready.

Financial Compensation and Support for Secure Tenants in Nettleton Court and Dudeney Lodge

- 7.30 Paragraphs 6.35 to 6.37 and 6.38 to 6.41 sets out the financial compensation secure tenants in Nettleton Court and Dudeney Lodge would be entitled to and support they will be offered to move.

Leaseholders

- 7.31 An enhanced offer for leaseholders of former RTB properties, resident or non-resident, in the eight LPS blocks was agreed at Cabinet 20 March 2025 (Agenda Item 177). This offer was aligned with the Compulsory Purchase Order regime to facilitate any future Council plans for redevelopment or refurbishment.
- 7.32 A new post has been created to provide a single point of contact for leaseholders from the LPS blocks for the buyback of their property. We have received one home purchase application from leaseholders across Nettleton Court and Dudeney Lodge.
- 7.33 Paragraphs 6.42 to 6.45 sets out the enhanced offer for leaseholders in Nettleton Court and Dudeney Lodge. If a decision is taken in principle to the option of regeneration, the council will be contacting leaseholders individually, to review how this potentially impacts them in the future.

Private Sector Tenants

- 7.34 There are no private sector tenants living in homes owned by non-resident leaseholders in Nettleton Court or Dudeney Lodge. If this changes private tenants will be included in wider block communication on future plans and in engagement activity, as outlined in paragraphs 6.46 and 6.47.

Temporary Accommodation Tenants

- 7.36 In November 2024 the council agreed to the recommendation to let empty properties in the LPS blocks as temporary accommodation as they become empty. Prior to this decision there were already homes let as temporary accommodation across all eight blocks.
- 7.37 In Nettleton Court and Dudeney Lodge there are currently 15 homes let as temporary accommodation, this number will grow as secure tenants move and leaseholders sell their properties back to the Council.
- 7.38 Continuing to use homes as Temporary Accommodation will ensure the continued occupancy and security of Nettleton Court and Dudeney Lodge House whilst providing good quality temporary accommodation for people waiting to be housed. In the medium-term, it will also help mitigate some of the financial pressures of homelessness, by reducing the council's reliance on more costly 'spot purchase' accommodation.
- 7.39 To support the effective management of properties converted to temporary accommodation whilst regeneration and redevelopment opportunities are progressed, additional resources will be allocated to council's homelessness services.
- 7.40 These resources will ensure the proper oversight of the increased temporary accommodation stock, facilitate appropriate allocation and letting of

properties in line with the agreed lettings plan for LPS blocks. They will also work with these tenants to ensure a smooth transition, when they need to move-on from temporary accommodation into settled accommodation. Rehousing temporary accommodation tenants from Nettleton Court and Dudeney Lodge will begin in approximately two years' time.

- 7.41 The process and rate of rehousing secure tenants and of leaseholder buybacks, and the subsequent backfilling with temporary accommodation households, will be subject to formal review by the Cabinet Member for Housing and New Homes together with the Corporate Director of Homes and Adult Social Care, on a 6 monthly basis. This will inform at what point the decision is made to begin resettling Temporary Accommodation households in order to have an empty block ready for redevelopment.

Seaside Homes Tenants

- 7.42 There are 8 homes which are currently leased to Seaside Homes and used as temporary accommodation for a households for whom the council has accepted a homelessness duty.
- 7.43 In the event that of the decision being made to resettle Temporary Accommodation households, as per 7.41, the council retains a duty to ensure households currently within Seaside Homes properties, are adequately rehoused into alternative accommodation.
- 7.44 The council's contractual relationship with Seaside Homes in relation to these properties is subject to a negotiation between those parties.

Analysis and consideration of alternative options

- 7.45 The strengthening works on their own, alongside fire safety works, are considered the minimum the council should be doing to manage the building long-term. The condition of Nettleton Court and Dudeney Lodge means significant investment will be required to improve the blocks. There is no option to do nothing given the structural integrity of the buildings and would inevitably result in all residents having to be rehoused and the buildings remaining empty.
- 7.46 The investment and development market are currently very subdued with developers having difficulty securing funding. The existing use value does not cover the investment costs to strengthen the building. The current new build capacity studies do not create a large return on investment and would need to be reviewed through a commercial lens such as 'build to rent' accommodation if developed for a commercial return through the private sector. This does not meet wider council aims of improving and increasing the number of council and affordable homes, so it has been discounted.

Equalities implications

- 7.47 An Equalities Impact Assessment (EIA) has been completed for Nettleton Court and Dudeney Lodge and this will be an evolving document as the project progresses. This assessment will help guide our approach when working with individual residents as we support them in moving to a new home and exploring their available options. Due to the relatively small number of residents involved, and in order to protect personal and identifying information, the full EIA will not be included with this report.
- 7.48 There are a total of 147 (84.5%) secure tenants and 27 (15.5%) leasehold properties across both blocks. Five are resident leaseholders, 22 are used by the Council as Temporary Accommodation. Eight of these Temporary Accommodation units are owned and managed by Seaside Homes.
- 7.49 The number of temporary accommodation tenants will increase as secure tenants move out and leaseholders sell their properties back to the council. A dedicated housing team will be in place to support these tenants to move when we need vacant possession of the building. Where leaseholders have rented out their homes to private tenants, they have been included in engagement activity, communication, consultation and home visits. If private sector tenants need assistance, they will be signposted to the council's homelessness service for advice.
- 7.50 When compared with 2021 Census data, the age profile for Council housing occupants is generally similar to citywide Brighton & Hove residents of all tenures, but occupants of Nettleton Court and Dudeney Lodge tend to be older than both. 50% of occupants in Dudeney and Nettleton are over 65 years old, with 7% over 80. There are no children under 18 in either of the blocks. Secure Tenant lets to these blocks, in accordance with the Housing Allocations Policy have been prioritised to people over 55 years old.
- 7.51 There is a relationship between age and mobility needs. When looking at all Council tenants, 60% of those with any mobility needs were aged 60 or over, compared to 32% of those with no mobility needs. When looking at council tenants at Nettleton Court and Dudeney Lodge, 82% of those with any mobility needs were aged 60 or over.
- 7.52 Older residents may face particular difficulties with relocation, disruption to established support networks. Some of the older residents in these two blocks may want to move into one of the Council's 24 Seniors Housing Schemes. We will offer to arrange visit different schemes and will include arranging transport. A higher proportion of seniors housing becomes available when compared to general needs housing stock. In 2023/24 we let 116 Seniors Housing flats, in 2024/25 we let 90 homes in Seniors Schemes.
- 7.53 We will ensure mobility needs are met when carrying out assessments for rehousing options of Secure Tenants. This will take into account mobility needs when agreeing with the secure tenant levels of support with the practical aspects of the move. Where necessary, additional adaptations to

new homes will be arranged ahead of a move to accommodate tenants' specific needs, ensuring independence and safety.

- 7.54 58% of occupants at Nettleton Court and Dudeney Lodge have an additional support need which would meet the definition of disability under the Equality Act 2010. This is higher than for all council housing occupants (22%) and citywide residents (19%). Moving home can be challenging, for individuals with support needs this can present additional barriers. The SPOC will complete a full assessment of support needs with Secure Tenants and agree strategies with the Secure Tenants to reduce stress and uncertainty, ensuring transitions are handled sensitively and with empathy. Information will be provided in accessible formats, communication will be clear, timely, and tailored to individual needs. Providing guidance throughout the process, including additional help with things such as packing, moving logistics, and settling into the new home.
- 7.55 Feedback from tenants on support provided throughout this process will help inform ongoing improvements based on tenant experiences.
- 7.56 There are currently only 22 properties which are being used as Temporary Accommodation therefore it is not appropriate to review details in a public report of such a small number. Should cabinet approve the recommendations in this report and subject to future approval after consultation of the recommended Rehousing policy and Local Lettings Plan, the numbers of households in Temporary Accommodation will increase and the make-up of need and support requirements will change over the next 2-3 years. We will therefore carry out regular reviews of the EIAs for the building and households to ensure they remain updated for each type of tenure.
- 7.57 The council does not currently hold household information Nettleton Court and Dudeney Lodge on for all leaseholders. The council will provide support and advice to both leaseholders and/or tenants of leaseholders and the EIA for this project will be updated and reviewed to include household information for leaseholders and all relevant stakeholders affected by this project as it progresses and for consideration by Cabinet.

Conclusion Nettleton Court and Dudeney Lodge

- 7.58 The recommended preferred option for Nettleton Court and Dudeney Lodge involves full redevelopment based on an initial capacity study suggesting the potential to deliver at least 233 new homes. This option provides an opportunity to address both the structural condition of the buildings and the underuse of the wider site. It also allows for an increase in density while improving the housing mix and public realm.
- 7.59 In addition to the housing-led redevelopment, there is a significant opportunity to work in partnership with Environmental Services to review and potentially expand the site boundary. This would allow for a more integrated and sustainable regeneration approach, with the potential to co-locate service functions, enhance environmental performance, and contribute to broader placemaking objectives.

- 7.60 Though the current financial model does not yet present a viable scheme, the strategic case for redevelopment is strong. This proposal sets out a coherent direction that now requires further development, testing, and funding alignment to unlock deliverability. It is important to note that all expenditure related to developing the site and the tenant offer would total £2.488m outlined in recommendation 2.16 would be at-risk until a viable project is developed. Additionally, as outlined in the March 2025 cabinet paper there will be further “at-risk” costs related to leaseholder buy backs which are being undertaken on a case-by-case basis as well as ongoing discussions with Seaside Homes.
- 7.61 Currently, all options show a subsidy requirement, and projects will be brought back to cabinet as required. All projects need to show a break-even position.
- 7.62 The strong feedback from residents of both blocks, regarding their preference to retain the existing buildings, does need to be both noted and acknowledged. While retaining the blocks is simply unaffordable and does not provide a long terms solution, the Council needs to recognise residents 'views and work closely with people living in these blocks, to develop new plans for the site.

8. Part 3: Options for the future of Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court (North Whitehawk)

- 8.1 The strengthening option for Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court includes the following works:
- Strapping to the slab soffits to strengthen the slabs
 - Steel angles at wall and floor junctions to tie the horizontal vertical elements
 - Steel frame to flank and cross walls to provide additional strengthening to wall panels

8.2 The programme would be as follows:

- Week 1: Asbestos removal and removal of finishes
- Week 2-5: Strengthening works carried out
- Week 6-7: Replacement of kitchen and bathroom
- Week 8: Making good and redecorating

Each property would need to be vacated for a period of twenty-four weeks while works were carried out. Due to disturbance by noise and dust, the flat above and below the property would need to be vacant at the same time. The programme above allows for the suggested additional two weeks outlined in appendix 5 for kitchens and bathrooms to be replaced.

8.3 The costs for the strengthening work (option 1 in paragraph 3.10):

Strengthening	Whitehawk
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Total Cost	£58,114,000
Modelled lifespan (years)	20
NPV at end of lifespan	-£47,778,000
Year achieves surplus	Never

- 8.4 The refurbishment option (option 2 in paragraph 3.10) includes the works outlined at 8.1 and additional works to the wider block as follows:

Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court
Replacement of kitchen and bathrooms and floor coverings
Asbestos remediation
Additional ventilation to prevent damp
Windows and doors replacement
Upgrade drainage systems
Full roof covering replacement
Cold water system upgrade
Internal redecoration of communal areas
Replacement of external plant room
Full electrical rewire of building
New electrical substation
Upgrade of balconies and parapets
Upgrade of the façade due to continual leaks

- 8.5 The cost for including this additional work is: £27,775,000 and the table is below:

Refurbishment	Whitehawk
Total Cost	85,889,000
Modelled lifespan (years)	20
NPV at end of lifespan	-75,553,000
Year achieves surplus	Never

Therefore, the total costs including strengthening and refurbishment for Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court is estimated at: £85,889,000. This cost would be for a building with a life cycle of twenty years and would be a basic standard of refurbishment. This option would not offer significant enhancements to the existing building.

- 8.6 The works cost is based on initial advice from quantity surveyors, Bettridge and Millbridge attached at appendix 7 of this report. The council's on-costs vary from appendix 7 due to the inclusion of homelessness payments, leaseholder buybacks, capitalised resources and interest payments.

8.7 It is highly likely that costs would increase if further survey work and design detail are worked up for the refurbishment option. There are several potential areas where further repairs or replacement may be necessary. The list below outlines this but should not be considered exhaustive:

- Review of all mechanical and electrical services including finalising the strategy for heating and using a centralised system
- Further intrusive surveys to understand construction build-ups and junctions
- Acoustic upgrades
- Review of floor to ceiling heights
- Dependent on rehousing timescales further consideration will need to be given to installing a category 4 residential sprinkler system and replacement of the common ventilation system
- Retrofitting of a second staircase to the blocks. It is not known if the existing structures could accommodate this extent of alteration.

8.8 The new build initial capacity study suggested the potential to deliver up to 205 new homes with a mixture of one, two and three beds with 12% meeting m4(3) standards and community space across seven blocks. There is public realm for parks, green space and new community areas suggested. Alternatively, a denser proposal of 261 homes is possible, utilising existing infrastructure, however, leaves little room for placemaking and public realm improvements.

8.9 The current financial appraisal on the 205-capacity study are:

Costs

Investment	Estimated construction cost	Estimated on costs	Total
	£'000	£'000	£'000
	67,998	21,161	89,158

60-year NPV Subsidy / (Surplus) and gap funding per unit

Rent type	NPV year 60
	£'000
All social rent (grant level £135k per home)	17,943
All affordable rent (grant level £85k per home)	20,401
All private sale (no grant)	33,588

Mixed tenure (40% affordable and 60% private and no grant)	32,927
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- 8.10 The option to redevelop the existing blocks into 205 new homes is not financially viable as outlined above, but there is a wider opportunity for place-making in Whitehawk with the LPS blocks becoming the first phase of a masterplan for the area. Alternative delivery models to regenerate the site in-house should be explored to ensure viability, and officers will work alongside a resident engagement group to develop designs. It is important to note the recent Government announcement of an additional £39 billion new affordable homes programme could help unlock viability and is a significant investment in affordable housing as well as incorporating into a wider masterplan exercise.
- 8.11 A new development adjacent to the 5 blocks, known as Swanborough Drive, has been subject to resident consultation and is now in the planning process. Given its proximity, it would be intended to bring this development into the first phase of the masterplan, alongside any redevelopment of the 5 blocks.
- 8.12 The council owns large areas of the Whitehawk area and several housing sites are allocated in the current city plan, as well as separate projects looking to improve the area, including East Brighton Park. The area is also a key focus within the Council’s published Decarbonisation Pathway, so a masterplanning exercise would allow the council to develop and plan strategically alongside residents for the future. No recommendation for the delivery vehicle is made for any regeneration proposal in Whitehawk as the wider masterplan may impact upon the approach.
- 8.13 There is the opportunity to create a one council placemaking approach to Whitehawk, coordinating different projects and working with residents, stakeholders and community groups to co-produce a vision for the area. A more coordinated approach could improve issues such as connectivity, infrastructure and links with the City Plan 2041. Various consultations events have been held with residents as well as the development of the East Brighton Neighbourhood Action Plan (NAP) 2023-2026 which is appendix 8 of this report. This has identified a number of resident priorities that could be addressed as part of the masterplanning exercise. All design work and wider masterplans would be co-produced with existing residents, ensuring residents can influence and shape design as well as highlight their priorities for any new properties and surroundings. All designs need to be inclusive focusing on a wide range of residents including older residents and those with disabilities to ensure homes and open spaces are accessible and welcoming to all.

Community engagement and consultation

- 8.14 Following open meetings carried out in 2024 with the Chief Executive of the Council and the subsequent personal visits carried out across all households outlined at 6.14, a comprehensive engagement programme has been

carried over the course of 2025 to ensure awareness and understanding of the options appraisal process, to seek feedback and views, as well as to address any immediate concerns of individual queries people may have. Feedback has been collected through regular on-site 'drop in' sessions, door knocking, one-to-one consultations, and then through a Your Voice survey carried out between March-June 2025.

8.15 A summary of engagement activity is provided by block below:

8.16 Falcon Court

- Survey participation: 44 responses (81.5% of households) - excellent response rate
- Door knocking conducted in two phases (March-April: 22 contacts, May-June: 36 contacts)
- **Building Design Preferences** - Falcon Court residents showed a preference for building new homes (43.9%) compared to comprehensive refurbishment (34.1%), with 14.6% preferring a mixed approach and 7% unsure. Based on secure tenant responses, this indicates residents prefer replacement rather than refurbishment, with some support for improving the current building.

8.17 Kingfisher Court

- Survey participation: 22 responses (38.6% of households)
- Door knocking conducted in two phases (March-April: 22 contacts, May-June: 24 contacts)
- **Building Design Preferences** - Kingfisher Court residents showed the strongest preference for building new homes (75%) compared to comprehensive refurbishment (20%), with 5% preferring a mixed approach. Based on secure tenant responses, this represents the highest level of support for replacement rather than refurbishment across all LPS blocks, indicating residents want completely new housing rather than improvements to the current building.

8.18 Kestrel Court

- Survey participation: 33 responses (57.9% of households)
- Door knocking conducted in two phases (March-April: 22 contacts, May-June: 18 contacts)
- **Building Design Preferences** - Kestrel Court residents showed a preference for comprehensive refurbishment (42.3%) compared to building new homes (34.6%), with 19.2% preferring a mixed approach and 4% unsure. Based on secure tenant responses, this represents moderate support for refurbishment over replacement.

8.19 Swallow Court

- Survey participation: 26 responses (45.6% of households)
- Individual consultation sessions: 4 residents

- Door knocking conducted in two phases (March-April: 22 contacts, May-June: 22 contacts)
- **Building Design Preferences** - Swallow Court residents showed the most balanced preferences across all options: 32% supporting comprehensive refurbishment, 28% preferring building new homes, and 28% preferring a mixed approach, with 12% unsure. Based on secure tenant responses, this indicates residents want flexibility in development approach.

8.20 Heron Court

- Survey participation: 25 responses (52.1% of households)
- Individual consultation sessions: 3 residents
- Door knocking conducted in two phases (March-April: 22 contacts, May-June: 29 contacts)
 Building Design Preferences - Heron Court residents showed a clear preference for building new homes (50%) compared to comprehensive refurbishment (21%), with 8% preferring a mixed approach and 21% unsure. Based on secure tenant responses, this represents a strong preference for replacement rather than refurbishment of the current building, though with some notable uncertainty.

8.21 Key findings and themes that have emerged from the feedback are below and have been collated across the 5 blocks in Whitehawk as many shared similar themes. This can be broken down by block if required:

- **Community Connections for Future Development** - Residents highly value community aspects and want these preserved in future housing: Strong emphasis on maintaining friendships and community network
 "I have good friends nearby which makes living here better"

 "I love living here and feel part of a community"

 Strong emphasis on maintaining friendships and community networks
- **Essential Features highlighted for Future Housing:**
 Good security features in the building
 Having enough space inside homes
 Private outdoor space (balcony or garden)
 Being able to afford the rent

 Energy efficient homes with lower bills
- **Community Facilities Desired for the future:**
 Fun, safe children's play areas
 Community garden for growing together
 A warm, welcoming community room
 Outdoor exercise area
 Peaceful spots to relax
 Spaces for young people to gather
- **Resident Concerns**

"Fear that new homes might be too expensive for me"

"Unsure if my needs will be considered in any plans"

"Concerned about how long changes might take"

"Concerned about disruption during building work"

- 8.22 This rich feedback will help shape our future communication and engagement approach with residents and also help enable us to target our support and assistance for people living in the block.
- 8.23 Should the Cabinet agree to the next steps as recommended as recommended at 2.4, then the council will carry out a further formal consultation exercise with residents in accordance with s105 of the Housing Act 1985, to seek views on the recommendations and implementation of next phase of the programme. The results of the consultation will be formally reported back for consideration by cabinet in future cabinet reports.

Tenant and Leaseholder offer in the North Whitehawk Blocks: Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court

- 8.24 If the recommendations are approved and to facilitate the potential redevelopment of the site, tenants in the North Whitehawk blocks would be the final group to vacate their homes. This would be the largest regeneration programme of the three LPS sites.
- 8.25 We recognise that the timescales for this proposed development may create a prolonged period of uncertainty for residents. Through consultation and careful planning, we aim to create opportunities to enhance the neighbourhood for period the blocks remain occupied, ensuring that opportunities are fully utilised to make improvements to the neighbourhood. Investment in the buildings will also continue.
- 8.26 The five North Whitehawk blocks are made up of 261 homes, occupied by 563 individuals. The homes are all two bed properties apart from 1 one bed. Of these, 194 are secure tenancies, 50 are leaseholders, of which 36 of these are temporary accommodation by the Council but owned and managed by Seaside Homes. 16 are homes used as temporary accommodation by the Council and managed by the Council.
- 8.27 We have visited 100% of households living in these five blocks. This has given us a good understanding of the housing and the additional need of each of these households is helping to inform our tailored approach to the tenant and leaseholder offer and engagement activity going forwards.

Secure tenant offer

- 8.28 We understand the impact that a decision to regenerate Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court, if it is

made, will have on residents, who will be losing their home and establishing a new one.

- 8.29 In this scenario, we would make the transition to a new home as smooth as possible. Tenants would be supported, and moves would be carried out in a planned way: sensitively, appropriately, and efficiently with the minimum amount of disruption and difficulty as possible
- 8.30 The dedicated team referenced in paragraph 6.26 would likely start working with residents in Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court in October 2027. It is estimated rehousing secure tenants within these blocks will take approximately three years starting in October 2027, given some will have already moved due to housing need or subject to Cabinet approval via having a Priority B status.
- 8.31 If agreed by the Cabinet and in consultation with the Homemove Manager, secure tenants will be banded Band B: Management Transfer, in line with the Council's Housing Allocations Policy
- 8.32 This would enable secure tenants, without an existing Housing Register application, the opportunity to find a new home whilst a Rehousing Policy and LLP is developed and consulted on, as outlined at 6.25 through to 6.36, with Secure Tenants receiving the same level of support
- 8.33 Whilst there is no legal requirement for the council to give secure tenants the option to return to the redeveloped site, we are committed to helping those that wish to remain in the area or return to the renewal estate to do so, wherever possible.
- 8.34 Tenants moving from Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court will have the option of having priority for new homes on the site of the replacement blocks before other applicants. This will form part of the LLP when the new homes are let. They will be offered secure tenancy until the new build property is ready.

Financial Compensation and Support for Secure Tenants in Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court

- 8.35 Paragraphs 6.35 to 6.37 and 6.38 to 6.41 sets out the financial compensation secure tenants would also be entitled to and the support they will be offered.

Leaseholders

- 8.36 An enhanced offer for leaseholders, resident or non-resident, in the eight LPS blocks was agreed at Cabinet 20 March 2025 (Agenda Item 177). This offer was aligned with the Compulsory Purchase Order regime to facilitate any future council plans for redevelopment or refurbishment.
- 8.37 A new post has been created to provide a single point of contact for leaseholders from the LPS blocks for the buyback of their property. We

have received five home purchase applications from leaseholders across the five North Whitehawk blocks.

- 8.38 Paragraphs 6.42 to 6.45 sets out the enhanced offer for leaseholders. If a decision is taken in principle to the preferred option of the regeneration of the site, the council will be contacting leaseholders individually, to review how this potentially impacts them in the future.

Private Sector Tenants

- 8.39 Private sector tenants living in the LPS blocks—those renting from leaseholders—are included in all block-wide communications and engagement activities. This includes home visits, consultation events, and updates on future plans. While these tenants do not have the same statutory rights or entitlements as secure council tenants, the council is committed to ensuring they are treated with the same level of care, respect, and inclusion throughout the regeneration process whilst living within the blocks. Their views and concerns are actively sought and considered as part of the wider engagement strategy.
- 8.40 Where private tenants require additional support, they are signposted to the council's homelessness service for advice and assistance. Any duty to help with securing alternative accommodation is assessed in line with homelessness legislation and government guidance. In addition, the dedicated rehousing team will work with private tenants to ensure they are informed, supported, and able to access appropriate services. This includes helping them understand their housing options, liaising with landlords where appropriate, and ensuring that any transitions are managed with sensitivity. This approach reflects the council's commitment to fairness and consistency in supporting all residents affected by the regeneration of the LPS blocks

Temporary Accommodation Tenants

- 8.41 In November 2024 the council agreed to the recommendation to let empty properties in the LPS blocks as temporary accommodation as they become empty. Prior to this decision there were already homes let as temporary accommodation across all eight blocks.
- 8.42 Continuing to use homes as Temporary Accommodation will ensure the continued occupancy and security of these blocks whilst providing good quality temporary accommodation for people waiting to be housed. In the medium-term, it will also help mitigate some of the financial pressures of homelessness, by reducing the council's reliance on more costly 'spot purchase' accommodation.
- 8.43 To support the effective management of properties converted to temporary accommodation whilst regeneration and redevelopment opportunities are progressed, additional resources will be allocated to council's homelessness services.

- 8.44 These resources will ensure the proper oversight of the increased temporary accommodation stock, facilitate appropriate allocation and letting of properties in line with the agreed lettings plan for LPS blocks. They will also work with these tenants to ensure a smooth transition, when they need to move-on from temporary accommodation into settled accommodation. Rehousing temporary accommodation tenants from these blocks will begin in approximately three years.
- 8.45 The process and rate of rehousing secure tenants and of leaseholder buybacks, and the subsequent backfilling with temporary accommodation households, will be subject to formal review by the Cabinet Member for Housing and New Homes together with the Corporate Director of Homes and Adult Social Care, on a 6 monthly basis. This will inform at what point the decision is made to begin resettling Temporary Accommodation households in order to have an empty block ready for redevelopment.

Seaside Homes Tenants

- 8.46 There are 36 homes which are currently leased to Seaside Homes and used as temporary accommodation for a households for whom the council has accepted a homelessness duty.
- 8.47 In the event that of the decision being made to resettle Temporary Accommodation households, as per 7.41, the council retains a duty to ensure households currently within Seaside Homes properties, are adequately rehoused into alternative accommodation.
- 8.48 The council's contractual relationship with Seaside Homes in relation to these properties is subject to negotiation between those parties.

Analysis and consideration of other options

- 8.49 The strengthening works on their own, alongside fire safety works, are considered the minimum the council should be doing to manage the building long-term. The blocks are in adequate condition but are dated and significant areas of improvement have been identified. There is no option to do nothing given the structural integrity of the buildings and would inevitably result in all residents having to be rehoused and the buildings remaining empty.
- 8.50 The investment and development market are currently very subdued with developers having difficulty securing funding. The existing use value does not cover the investment costs to strengthen the building. The current new build capacity studies do not create a large return on investment and would need to be reviewed through a commercial lens such as 'build to rent' accommodation if developed for a commercial return through the private sector. This does not meet wider council aims of improving and increasing the number of council and affordable homes, so it has been discounted.

Equalities implications

- 8.51 An Equalities Impact Assessment (EIA) has been completed for the five North Whitehawk blocks and this will be an evolving document as the project progresses. This assessment will help guide our approach when working with individual residents as we support them in moving to a new home and exploring their available options. Due to the relatively small number of residents involved, and in order to protect personal and identifying information, the full EIA will not be included with this report.
- 8.52 When it comes to the 563 occupants of the Whitehawk LPS blocks, they tend to have comparatively higher proportions of people aged under 18 and 60 or over, and lower proportions for the age groups in-between.
- 8.53 22% of occupants are children. When working with households to move we would consider the needs of children to be close to schools to minimise disruption and maintain educational continuity.
- 8.54 Older residents may face particular difficulties with relocation, disruption to established support networks. Some of the older residents in these five blocks may want to move into one of the Council's 24 Seniors Housing Schemes. We will offer to arrange visits different schemes and this will include arranging transport. A higher proportion of seniors housing becomes available when compared to general needs housing stock. In 2023/24 we let 116 Seniors Housing flats, in 2024/25 we let 90 homes in Seniors Schemes.
- 8.55 The Brighton and Hove census 2021, showed that 19% of residents in Brighton and Hove have a disability, in the North Whitehawk blocks, 30% of occupants have a disability under the definition of the equality act 2010. We will ensure mobility needs are met when carrying out assessments for rehousing options. This will take into account mobility needs when agreeing with the secure tenant levels of support with the practical aspects of the move.
- 8.56 43% of occupants are identified as having an additional support need. This includes Mental health conditions; other health issues; learning difficulties; children with Special Educational Needs; literacy, hearing, sight and speech. Moving home can be challenging, for individuals with support needs this can create additional stress. The SPOC will consider strategies to reduce stress and uncertainty, ensuring transitions are handled sensitively and with empathy. Information will be provided in accessible formats, including large print, Easy Read, and translation services where needed. Communication will be clear, timely, and tailored to individual needs. Providing guidance throughout the process, including additional help with things such as packing, moving logistics, and settling into the new home. Where additional adaptations to new homes are needed, these will be arranged ahead of a move to accommodate tenants' specific needs, ensuring independence and safety.

- 8.57 Feedback from tenants on support provided throughout this process will help inform ongoing improvements based on tenant experiences.
- 8.58 There are currently 16 properties which are being used as Temporary Accommodation therefore it is not appropriate to review details in a public report of such a small number. Should cabinet approve the recommendations in this report and subject to future approval after consultation of the recommended Rehousing policy and Local Lettings Plan, the numbers of households in Temporary Accommodation will increase and the make-up of need and support requirements will change over the next 3 years. We will therefore carry out regular reviews of the EIAs for the building and households to ensure they remain updated for each type of tenure.
- 8.59 The council does not currently hold household information for all leaseholders. The council will provide support and advice to both leaseholders and/or tenants of leaseholders and the EIA for this project will be updated and reviewed to include household information for leaseholders and all relevant stakeholders affected by this project as it progresses and for consideration by Cabinet.

Conclusion Kestrel Court, Falcon Court, Heron Court, Kingfisher Court and Swallow Court

- 8.60 The issues at Whitehawk extend beyond the fabric of the LPS blocks. Long-standing concerns around connectivity, infrastructure, and fragmented investment suggest that a wider masterplanning approach is required.
- 8.61 The recommended option proposes a phased and resident-led process that integrates decarbonisation, housing renewal, and improved public realm across the estate. While the financial case has not yet been made, and will require considerable work over time, there is an opportunity here to secure the long-term benefits of a comprehensive and coordinated plan, while prioritising the North Whitehawk 5 blocks for the first phase of regeneration, alongside the Swanborough Drive development.
- 8.62 The initial masterplan approach allows the council to respond to immediate structural concerns of the blocks while creating a framework for sustained investment and better outcomes for residents. It is important to note that all expenditure related to developing the site and masterplanning totalling £1.988m outlined in recommendation 2.20 would be at-risk until a viable project is developed. Additionally, as outlined in the March 2025 cabinet paper there will be further “at-risk” costs related to leaseholder buy backs which are being undertaken on a case-by-case basis as well as ongoing discussions with Seaside Homes.
- 8.63 Currently, all options show a subsidy requirement, and projects will be brought back to cabinet as required. All projects need to show a break-even position.
- 8.64 The aim now is to consult on the preferred option, to secure the resource and capacity to co-produce the vision and masterplan in partnership with residents and the local community.

9. Financial implications

- 9.1 The report has implications for the council's General Fund and the HRA.
- 9.2 The financial implications for each option are detailed in the main body of the report. The overall capital budget being requested at this stage totals £7.489m which comprises of £3.013m for St James' House, £2.488m for Nettleton and Dudeney and £1.988m for Whitehawk.
- 9.3 The financing costs will range between £0.448m and £0.470m per annum based on repayment periods of 30 or 60 years. The interest rates assumed are 5.98% and 6.28% respectively, which is based on the HRA taking on a maturity loan with no requirement to set aside a minimum revenue payment. This is over and above the deficits already projected on the HRA in the medium-term financial plan and would need to form part of the discussion to look at financial recovery measures.
- 9.4 The proposals will result in a reduction in opportunity rental income across these sites depending on the work agreed and timescales. For context, the forecast overall annual rental income for 2025/26 across the 8 blocks is £2.9m, assuming a 2% void rate.
- 9.5 The additional resources requested represent 19 FTE of dedicated temporary resource up to financial year 2029/30, which will not form part of the Council's staffing establishment when the project ceases. However, this will create a financial burden in future years as employees with over 2 years of service will gain the same rights as permanent staff so enter the redeployment pool and then if not successful, would be entitled to redundancy packages.
- 9.6 Paragraph 4.6 outlines the cost estimates for option 1 Strengthening, and option 2 Strengthening and Refurbishment. The cost estimate for option 1 is £115.113m (including leaseholder buybacks but excluding repairs or improvements required to the buildings), and the cost estimate for option 2 is £166.261m (including leaseholder buy-backs). Given the 20-year lifespan of this work, the borrowing costs for the two options are estimated at £7.137m and £10.308m per annum based on an interest rate of 6.2%. These financing costs are over and above the deficits already projected on the HRA in the medium-term financial plan.
- 9.7 The current use of empty properties in the LPS blocks as temporary accommodation is having a positive impact on the Council's General Fund budget but will create a financial pressure in future when the sites are being redeveloped, and individuals and families need to be resettled.
- 9.8 If approved, any budget variations will be reported to Cabinet via the council's budget monitoring procedure known as Targeted Budget Monitoring (TBM) and the budget will be included within the 2025/26 HRA budget report to Full Council as part of the overall capital strategy.

- 9.9 The overall capital budget request in this report will be apportioned into any future development projects and regeneration options (option 3). New projects included in the HRA capital programme have to demonstrate a breakeven position as a minimum to mitigate any financial risk to the HRA that could jeopardise investment in existing stock.
- 9.10 Borrowing decisions for this project will be made in consultation with the council's Treasury Management team to ensure that it is undertaken in accordance with the council's borrowing strategy, authorised borrowing limits and prudential indicators.

Name of finance officer consulted: Sophie Warburton Date consulted: 04/06/2025

10. Legal implications

- 10.1 The options considered by the report in relation to the LPS blocks identified fall within the council's wide Housing Act powers to manage its housing stock. Irrespective of the option selected the Council must ensure that the LPS blocks identified in the report meet the statutory and regulatory requirements for building and fire safety.
- 10.2 Having considered the tenant engagement to date, and before any further decision can be made as to the demolition and regeneration of the sites concerned the Council has a statutory obligation under Section 105 of the Housing Act 1985 to consult with secure tenants on "matters of housing management". There are similar obligations under Section 137 of the Housing Act 1996 for consulting with Introductory Tenants.
- 10.3 In addition the council will need to engage and consult with leaseholders who own properties on the sites referred to both in relation to the proposals for demolition and redevelopment and in relation to the offer of financial compensation and general assistance.
- 10.4 As set out in the report under the Council's Allocations Policy and following consultation with the Homemove Manager, Housing Management have the power to agree there are management grounds to allocate Priority Band B to secure tenants of the LPS blocks seeking transfers to alternative council owned homes.
- 10.5 The report recommends the development of a local lettings Policy as provided for in the Council's Allocations policy. The Allocations policy expressly provides that this will involve consulting with residents and existing tenants and involving them in the development of any proposals for local lettings plans. In this instance because the policy will impact upon the waiting list the consultation will need to be made available to all those potentially impacted. Full Equality Impact Assessments will be carried out on all plans. If adopted a local lettings policy will override the current eligibility criteria identified in the Allocations policy.

- 10.6 In formulating proposals to manage the decant, regard must be had to Human Rights Act rights, especially Articles 8 (Right to respect for family and private life) and Article 1 of the First Protocol (Protection of Property).
- 10.7 In developing all the proposals and policies referred to the Council must have due regard to the Public Sector Equality Duty as set out in section 149 of the Equality Act 2010
- 10.8 In procuring the services of the multi-disciplinary teams, the Council is required to comply with legislation in relation to the procurement and award of contracts above the relevant financial thresholds for services. The Council's Contract Standing Orders (CSOs) will also apply.

Name of lawyers consulted: Natasha Watson and Siobhan Fry
Date consulted 12/06/2025

11. Risk implications

- 11.1 The body of the report covers steps being taken to mitigate existing risks within the buildings and the options appraisal is a step to mitigate risks further. Should Cabinet agree the recommendations outlined in this report, then individual risk registers will be created for the next phase of the programme, on a site-by-site basis.
- 11.2 A full risk log was set up for the initial phase of the programme, and this is reviewed fortnightly internally, to track risks and escalate where required.

12. Sustainability implications

- 12.1 An initial assessment of the sustainability implications of the options appraisal has been carried out based on estimates. As options develop further, further detailed assessments will be carried out to fine-tune these assumptions.

13. Health and Wellbeing Implications:

- 13.1 To ensure that residents receive the necessary support during the regeneration process, we are committed to providing a range of services designed to respond to concerns and facilitate a smooth transition. Our approach includes ongoing communication, practical advice and assistance, to address the various challenges that residents may face.
- 13.2 We will maintain regular engagement with residents, ensuring they are fully informed about the process and involved in key decisions. Clear and transparent communication will be prioritised to reduce uncertainty and provide reassurance, address concerns, and offer guidance on options for relocation.
- 13.3 Recognising the emotional impact of moving, we will provide tailored support to help residents manage stress and anxiety. This includes one-on-one consultations, signposting to specialist support where needed.

- 13.4 When tenants need to move, we will offer practical assistance to make the process as seamless as possible. This includes support with finding suitable alternative accommodation. Help with logistics such as moving arrangements, securing necessary documents, and accessing financial assistance will be available to ensure minimal disruption.
- 13.5 Additionally, we recognise the importance of maintaining social networks and access to essential local services. Where possible, efforts will be made to help residents remain in their preferred areas or relocate close to familiar support networks. Assistance in accessing healthcare providers, schools, and other vital services will be provided to minimise the impact of the move.
- 13.6 As part of our wider strategy, we will implement a Health and Wellbeing Impact assessment for each of the three sites, working with other agencies and Council services to ensure that residents' needs are fully considered. Our commitment extends beyond relocation, aiming to foster healthier housing environments, stronger communities, and improved opportunities in the redeveloped areas.
- 13.7 By working closely with residents and key partners, we strive to promote long-term wellbeing, ensure security of tenure, and facilitate an inclusive and supportive transition for all affected households.

Other Implications

14. Procurement implications

- 14.1 Each project will have separate procurements for the wider design team and masterplanning services. The initial costs for these procurements and fees for the design team have been allowed under each recommendation.

15. Crime & disorder implications:

- 15.1 To minimise the duration these homes remain vacant ahead of potential regeneration or remediation, a comprehensive management plan will be implemented. This plan will ensure the properties are kept secure, reducing the risk of them attracting anti-social behaviour.
- 15.2 Environmental measures will be thoughtfully considered to deter unwanted activity and enhance safety for the wider community. These interventions will help create a more secure and welcoming environment during periods of low occupancy.
- 15.3 Using these homes as temporary accommodation will minimise the time properties are empty and ensure the properties continue to serve a valuable purpose within the community while awaiting long-term redevelopment.

16. Housing Register implications

- 16.1 Rehousing and regenerating the 8 LPS blocks will have implications for households on the council's Housing Register.
- 16.2 At time of writing, there are 4,670 households on the council's Housing Register with a 'live' application.
- 16.3 Regenerating the 8 LPS blocks would place an additional 337 Secure Tenant households onto register, banded B: Management Transfer. 98 households already have a 'live' application.
- 16.4 This is to give residents the opportunity to find new homes whilst an LLP and Rehousing Policy for the 8 LPS blocks is developed, consulted on and implemented across the sites.
- 16.5 However, this is likely to mean that households already on the Housing Register will have to wait longer to be successfully allocated social housing, due to the increased volume of households on the register and fewer social homes available in the city (for a period of time) - on average, around 600 social homes are let every year through the council.
- 16.6 The below table outlines the number of households on the Housing Register with a 'live' application by band:

Band	No. households with a 'live' Housing Register application
A	454
B	498
C1/2	3710
D	8

- 16.7 The below table outlines the average 'waiting times' for households by band and bedroom size:

Bedroom size	Band A	Band B	Band C1/2
Studio	2-months		8-months
1-bedroom	2-years and 2-months	2-years and 8-months	2-years and 4-months
2-bedroom	2-years and 6-months	2-years and 8-months	3-years and 4-months
3-bedroom	5-years and 2-months	4-years and 3-months	8-years and 5-months

4-bedroom	8-years and 4-months	4-years and 4-months	
5-bedroom	3-years		
Seniors housing	2-years and 9-months	2-years and 4-months	2-years

16.8 Regeneration of the LPS buildings provides an opportunity to increase the supply of affordable family sized accommodation within the city, which as evidenced within the table in paragraph 16.7 is where the greatest demand for social homes is, based on average 'waiting times.

16.9 Further, anticipated supply (including properties purchased as part of the council's 'buy back' scheme) include over 600 new social homes in the years 2025/26, 2026/27 and 2027/28 will help to reduce the medium-term impact of the regenerating the LPS blocks on the housing register.

16.10 The proposed approach to phase the rehousing of secure tenants over a 5-year period in total, will help to reduce the impact on the wider housing register. As part of the report that will come back to cabinet on the proposed Rehousing Policy and Local Lettings Policy, further detail of any potential equalities impact of those policies, will be included within those reports.

Supporting Documentation

1. Appendices

1. Business Case
2. St James House New Build document
3. Nettleton Court and Dudeney Lodge New Build Document
4. Whitehawk New Build Document
5. Ridge Summary Report – Strengthening, Strengthening and Refurbishment and New Build
6. B&M New Build Cost Estimate
7. B&M Strengthening and Refurbishment Cost Estimate
8. East Brighton Neighbourhood Action Plan

