

Appendix 1 – Large Panel System Blocks Options Report

Description

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Option 1 – Strengthen each block without wider refurbishment

Description

Undertake works to strengthen each block in isolation without considering wider opportunities for refurbishment. Only the minimum works required by the structural engineer's reports would be carried out. Every flat within each block would be included and all flats will need to be vacated in order to carry out these works. There is no option to carry out the work with tenants in occupation.

These works would achieve a 20-year guarantee before reinspection is required. While occupation of the building may continue to be safe after this 20-year period, it cannot be guaranteed, and consideration will need to be given to replacement in the longer-term.

The work to all internal floor slabs and walls includes:

- Strapping to the slab soffits to strengthen the slabs
- Steel angles at wall and floor junctions to tie the horizontal and vertical elements
- Steel frame to flank and cross walls to provide additional strengthening to wall panels
- External steel frame fixed through to angles to provide additional strengthening to flank wall panels (St James' House only)
- Removal of any asbestos materials
- Full strip of internal floor and wall finishes. This will include bathroom and kitchen fixtures and fittings in each property. (Although Nettleton and Dudeney may be able to keep existing fixtures)
- Making good and redecorating

Timescales

Each flat will need to be empty for at least eight weeks based on the following sequence:

- 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

In addition, to ensure the safety and comfort of all residents, it has been recommended that the flat above and below is emptied at the same time whilst work is being carried out. This will extend the vacant period to twenty-four weeks for most properties. A programme will need to be produced by a contractor to see if any improvements can be made to this assumption.

A total estimate for carrying out these works would be four to five years in total allowing for the above sequencing, plus additional design and survey work, submission to the building safety regulator and procurement.

Variations

There is an option to explore an alternative option using Fibre Reinforced Polymer (FRP) instead of a fully steel option. The FRP is stuck to the slab soffit, removing the requirement

for numerous bolts which may result in an approximate 30% time saving, which would in turn reduce the amount of time tenants are away from their home. However, this option will require additional fire protection and on balance still does not produce good value for money for the council.

Is this the recommended option?

No, the strengthening only option is expensive and does not provide any significant improvements to 60-year-old buildings. This option does not include any works to improve accommodation for existing residents and will only retain the status quo. The strengthening works are only guaranteed for 20 years and may need to be revisited after this period.

Financial

Assumptions

The assumptions for this appraisal are as follows:

- The flats are vacant during works.
- Excludes reactive maintenance and short-term safety works to keep the building operational
- The existing strengthened building lifespan is 20 years.
- Based on steel strengthen works opposed to FRP due to higher cost accuracy
- All tenants return based on their existing rents and leaseholders are bought out and repurchased properties relet at existing levels.
- No external funding is available for the works. This has been confirmed by the MHCLG.
- Re-housing costs of approximately £13,000 per existing home.
- 50% of kitchens and bathrooms replaced and 50% retained
- 10% professional fees including consultants and surveys.
- 10% risk allowance including design and construction risks.
- Costs based upon estimates by B&M dated: 07/05/2025 and 27/5/2025

Costs

Estimated cost, Whitehawk £'000	Estimated cost, Hollingdean £'000	Estimated cost, St James' House £'000	Total £'000
58,114	23,808	33,191	115,113

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

Rent type	NPV year 20, Whitehawk £'000	NPV year 20, Hollingdean	NPV year 20, St James' House
All properties let at existing rent levels	47,778	16,437	26,776

Risks

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = catastrophic	Mitigating controls and actions
Strengthening works in isolation do not cover any additional maintenance work	Significant investment is required to the blocks and several building components require replacement.	5	4	Not pursuing this option without considering other alternatives.
More detailed survey and design work required to firm up assumptions	Likely to disrupt existing tenants to complete further surveys. High risk of project team relying on assumptions.	3	3	Works will need to be planned and coordinated in a way to minimise disruption to tenants.
Building Safety Regulator approvals required result in delay	Will increase programme timeframes and uncertainty for both tenants and the council	4	4	Early engagement with regulator to try and minimise delays. Appoint design team with experience of new regulations to improve submission.
Unforeseen risks occur during works resulting in additional costs	Additional costs to council or delays to programme impacting tenants.	4	3	Complete additional surveys required and build upon design information received. Review tenders to ensure no unreasonable exclusions included.
Construction works inflation continue to increase	Current costings are based on existing rates with an allowance for inflation. Inflation may increase further impacting the Housing Revenue Account.	3	4	Continue to monitor construction costs and allow for cost estimate updates at each RIBA stage.
Lack of temporary rehousing options causes significant delay	Existing tenants unable to be rehoused temporarily impacting programme.	4	4	Early consideration of rehousing options and programme designed to minimise amount of vacant homes at once.
No capital grant available for project	No central government grant available for these	5	3	Continue lobbying central government for additional grant.

	works. Fully reliant on HRA borrowing.			
Lifespan of works limited to 20 years	Some works may need to be re-done after 20 years. Likely access hatches will need to be incorporated into tenant flats.	3	4	Monitor works throughout construction process and ensure no areas are closed up without full inspection.

Opportunities

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = fantastic	Realisation controls and actions
Quickest option to rehouse tenants and resolve structural issues	This option will likely be the quickest to resolve the structural issues	4	3	A full programme will need to be produced allowing the project team to maximise opportunity
Lowest carbon impact by selecting this option	More likely to tie into the council's Carbon Neutral City targets based on initial assessment	4	5	Continue to monitor carbon impact throughout project lifecycle
Cheapest option for resolving core structural issues	Likely to be the cheapest option to resolve existing issues with blocks	3	4	Continuous monitoring required of project costs versus projected borrowing

Sustainability– Carbon Neutral City

An assessment of whole life carbon has been produced for the project based on the RIBA stage 1 assessment. For these papers purpose the following scenarios were assumed:

1. A maintenance only option, including strengthening (option 1) and business as usual maintenance such as replacement of glazing at the end of its life and the replacement of heating with a low carbon option at some point during the building's lifecycle.
2. A refurbishment option, in line with an upgrade within Approved Document Part L. This is broadly in line with option 2 and allows upgrade to heating system, external wall insulation, roof replacements and glazing replacements.
3. A deep retrofit option aiming for EnerPHit option, this has not been explored in detail as part of this paper due to time constraints and the high costs for doing this.
4. New build option in line with ECE initial proposals and assumptions around the concrete frame required for high rise buildings.

In all scenarios modelled the new build is the most carbon intensive and refurbishment with an improved heating system the less carbon intensive. However, across all three sites the whole life carbon impact for all options is relatively low.

As part of the ongoing programme, there will need to be consideration at an early stage of incorporating circular economy principles and consider reuse of existing materials where possible.

Option 2 – Strengthen each block with refurbishment

Description

Undertake works to strengthen each block alongside a full refurbishment of the building. This will include replacing components at the end of their lifespan, energy efficiency upgrades and opportunities to address wider building issues and planned maintenance activities. There is also an opportunity to improve the thermal comfort of the building which will include engaging closely with residents and environmental monitoring.

Many of these works will be required throughout the 20-year lifespan of the building achieved by the strengthening works but should be brought forward to ensure the buildings are meeting modern standards. The list below should not be considered exhaustive as refurbishing high-rise buildings is complex and more intrusive investigations will need to be completed which will be highly disruptive to residents. It is highly likely that more works than those listed below will be required and subsequent cost increases will further impact viability of this option.

Examples of the work include:

All blocks (incl Nettleton Court and Dudeney Lodge)	Whitehawk	St James' House
Replacement of kitchen and bathrooms and floor coverings (100%)	Replacement of external plant room	Upgrade of existing heating system (potential Air Source Heat Pump)
Asbestos remediation	Full electrical rewire of building	Electrical rewire of the building
Additional ventilation to prevent damp	New electrical substation	Full facade replacement on the building
Windows and doors replacement	Upgrade of balconies and parapets	Replacement of the curtain walling on staircases
Upgrade drainage systems	Upgrade of the facade due to continual leaks	Concrete repairs to balcony soffits
Full roof covering replacement		Access control to underground car park to prevent electric vehicle access
Cold water system upgrade		
Internal redecoration of communal areas		

Timescales

Refurbishment of the blocks will need to factor in the 24-week period described above in Option 1 for the strengthening works. An additional year should be allowed to complete the full refurbishment and depending upon the contractor sequencing this programme would be between 5-6 years. These timescales will impact upon tenants' ability to return to the block within the 24 weeks for purely strengthening works. Areas such as the facade replacement, for example, may be complex to complete with tenants in situ.

Variations

Areas of the scope above could be phased in a different way to allow the works to be completed in a more gradual process, but this would impact upon contractor costs and increase the overall price for the council. Some areas such as internal redecoration could be removed entirely as these are not required to meet building control requirements.

Is this the recommended option?

No, this option is expensive and has a high likelihood of further cost increases as further due diligence is completed on the existing building. Refurbishment of existing high-rise buildings is complex, and the longevity of these works would be limited by the estimated 20-year lifespan of the strengthening works to the underlying structure of the building. Due to the high amount of investment required and likelihood of increases in costs this option would be high risk.

Financial*Assumptions*

- The flats are vacant during works.
- Excludes reactive maintenance and immediate fire safety works that are being resolved
- Based on the above scope of works and strengthening works
- The existing strengthened building lifespan is 20 years.
- All tenants return based on their existing rents and leaseholders are bought out and repurchased properties relet at existing levels.
- No external funding is available for the works. This has been confirmed by the MHCLG.
- Re-housing costs of approximately £13,000 per existing home.
- 100% of kitchens and bathrooms replaced
- 10% professional fees including consultants and surveys.
- 10% risk allowance including design and construction risks.
- Costs based upon estimates by B&M dated: 07/05/2025 and 27/5/2025

Costs

Estimated cost, Whitehawk £'000	Estimated cost, Hollingdean £'000	Estimated cost, St James' House £'000	Total £'000
£85,889	£32,638	£47,733	£166,260

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

Rent type	NPV year 20, Whitehawk £'000	NPV year 20, Hollingdean	NPV year 20, St James' House
All properties let at existing rent levels	£75,553	£25,268	£41,318

Risks

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = catastrophic	Mitigating controls and actions
Strengthening works in isolation do not cover any additional maintenance work	Significant investment is required to the blocks and several building components require replacement.	5	4	Not pursuing this option without considering other alternatives.
More detailed survey and design work required to firm up assumptions	Likely to disrupt existing tenants to complete further surveys. High risk of project team relying on assumptions.	3	3	Works will need to be planned and coordinated in a way to minimise disruption to tenants.
Building Safety Regulatory approvals required result in delay	Will increase programme timeframes and uncertainty for both tenants and the council.	4	4	Early engagement with regulator to try and minimise delays. Appoint design team with experience of new regulations to improve submission.
Unforeseen risks occur during works resulting in additional costs	Additional costs to council or delays to programme impacting tenants.	4	3	Complete additional surveys required and build upon design information received. Review tenders to ensure no unreasonable exclusions included.
Construction works inflation continue to increase	Current costings are based on existing rates with an allowance for inflation. Inflation may increase further impacting the Housing Revenue Account.	3	4	Continue to monitor construction costs and allow for cost estimate updates at each RIBA stage.
Lack of temporary rehousing options causes significant delay	Existing tenants unable to be rehoused temporarily impacting programme.	4	4	Early consideration of rehousing options and programme designed to minimise amount of vacant homes at once.
No capital grant available for project	No central government grant available for these	5	3	Continue lobbying central government for additional grant.

	works. Fully reliant on HRA borrowing.			
Lifespan of works limited to 20 years	Some works may need to be re-done after 20 years. Likely access hatches will need to be incorporated into tenant flats.	3	4	Monitor works throughout construction process and ensure no areas are closed up without full inspection.
Project scope increases impacting upon costs	Refurbishment works are complex and further intrusive surveys works would be required. Likely costs increase.	5	4	Increase contingency for refurbishment works, complete as much due diligence upfront as possible to allow for risks
Longer vacancy period for tenants or considerable disruption to tenants	The works required will increase the time residents will need to be out of their properties. Some works can be carried out with the tenants in occupation, but these will be disruptive for the long-term.	4	4	Refine programme to minimise tenant disruption. Early contractor engagement to improve sequencing of the works.

Opportunities

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = fantastic	Realisation controls and actions
Chance to improve existing building and bring forward planned maintenance	Opportunity to significantly improve the quality of the existing building and bring forward package of works	3	4	Firm up scope alongside wider design team and prioritise actions that improve building quality
Potential to bring down costs of longer term works by bringing them into one contract	Overall saving on costs for the longer-term if the blocks are to be retained	3	3	Continually monitor costings throughout project lifecycle
Improvement to resident living conditions	Opportunity to enhance building for residents' wellbeing and minimise works disruption	3	4	Maximise opportunity to refurbish whilst residents are housed elsewhere to reduce longer-term disruption

Sustainability– Carbon Neutral City

An assessment of whole life carbon has been produced for the project based on the RIBA stage 1 assessment. For these papers purpose the following scenarios were assumed:

1. A maintenance only option, including strengthening (option 1) and business as usual maintenance such as replacement of glazing at the end of its life and the replacement of heating with a low carbon option at some point during the building's lifecycle.
2. A refurbishment option, in line with an upgrade within Approved Document Part L. This is broadly in line with option 2 and allows upgrade to heating system, external wall insulation, roof replacements and glazing replacements.
3. A deep retrofit option aiming for EnerPHit option, this has not been explored in detail as part of this paper due to time constraints and the high costs for doing this.
4. New build option in line with ECE initial proposals and assumptions around the concrete frame required for high rise buildings.

In all scenarios modelled the new build is the most carbon intensive and refurbishment with an improved heating system the less carbon intensive. However, across all three sites the whole life carbon impact for all options is relatively low.

As part of the ongoing programme, there will need to be consideration at an early stage of incorporating circular economy principles and consider reuse of existing materials where possible.

Option 3 – Demolition and new build (St James’ House)

Description

New build option for the redevelopment of St James’ House in Kemptown based on initial capacity studies. These studies are based on the current affordable housing brief consisting of 30% one bedrooms, 45% two bedrooms, 25% three bedrooms and includes 10% fully wheelchair accessible properties known as M4(3) within that mix. The initial study totals 97 new homes with community space based on a 14-storey tower block and development around the perimeter of the site.

Timescales

The new build option would take approximately four to five years to redevelop based on a rehousing programme of two to three years. A new build programme would need to run in parallel with relocating the existing tenants to avoid delays. The existing building once emptied would need to be deconstructed carefully by a specialist contractor followed by the new build construction programme.

Variation

The current designs derive from an initial capacity study and can be varied as the appointed design team develops detailed strategies. Options can be developed with a focused advisory group to ensure new proposals are shaped alongside residents. In addition, there is an opportunity to develop the site using the Homes for Brighton & Hove joint venture with Hyde Group. This joint venture has successfully delivered complex sites across the city including socially rented homes for the council.

The current financial position for the joint venture based on existing designs is financially viable with a 50/50 split between socially rented and shared ownership homes. However, the council would need to accept a zero-land value to proceed with this option and further negotiations as well as due diligence will be required.

Is this the recommended option?

Yes, this option offers wider flexibility in the longer term and new build homes are designed to meet a minimum 60-year lifespan. This flexibility can offer a more diverse unit mix meeting a wider range of needs. It is recommended due to the financial viability of the Homes for Brighton & Hove model this option is pursued first.

Financial

Assumptions

- The block is emptied within three years to allow for deconstruction
- Based on the initial ECE capacity study of 97 homes and community space
- The new build block has a 60-year lifespan.
 - Grant funding is available through Homes England and Land Release Funding for the demolition of the building.
- Design risk allowance and construction contingency of 10.0%
- Re-housing costs of approximately £13,000 per existing home.
- Costs based upon estimates by B&M dated: 02/05/2025 and 27/5/2025

- There are variations on the investment rates required for each option due to changes in capitalised interest and introduction of the Community Infrastructure Levy for options with mixed use. These variations are minor and for ease of reading the investment option based on social rents is included below.

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

Although all options are currently showing a subsidy requirement over 60 years through design development, further survey data and negotiations with Homes England will likely close that gap over time. Any final decision on budgets will be taken back through cabinet.

Risks

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = catastrophic	Mitigating controls and actions
Increasing construction costs impact viability	Construction costs may increase further impacting number of homes delivered	3	4	Continuous monitoring of costs throughout project lifecycle with key gateways included
Lack of Homes England funding impacting new homes. Potential issues with replacement homes and additionality.	May restrict the grant levels received, grants have been historically below construction costs.	3	4	Continuous engagement with Homes England. Consider alternative subsidy routes or cross subsidy using other tenures
Complex and constrained construction site	Increased costs for delivery	4	3	Clear construction management strategies and phased approaches.
Total new homes may be less than currently on site due to constraints	Potential decrease in social housing numbers but more diverse unit mix	3	3	Consider higher density design proposals and linking site up with current new homes programme. Focus on Oakley House and Hereford Court.

Building Safety Regulator delays	May cause delays to construction and design programme	4	3	Early engagement with BSR and appointment of experienced design team
Lack of interest in sector for high-rise projects including designers and contractors. Specialist insurance premiums required.	May cause delays to the overall programme and increase costs.	4	4	Early industry engagement to establish appetite. Consider elements of redesign to ensure buildings are under 18m where possible.
Limited rehousing opportunities in the local area	May impact rate of tenants being rehoused	3	4	Link site with local New Homes for Neighbourhood developments such as Oakley House and Hereford Court.

Opportunities

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = fantastic	Realisation controls and actions
Opportunity to provide a more sustainable tenure mix in line with the affordable housing brief	Improved unit mix to house residents in more appropriate accommodation according to need	4	4	Continue to monitor and ensure appropriate briefs are in place.
Improve place making and allow for areas of public realm and green space	Improved resident wellbeing and place creation. Current block is surrounded by solely tarmac	4	5	Continue to work up design detail with a focus on improved public realm and biodiversity gains
Different opportunities to redevelop the site through existing programmes, JV with Hyde or other	Council has flexibility of different delivery models	3	3	Early engagement with Hyde to establish viability for development and long-term opportunities.
Ability to link rehousing of tenants with Oakley House and Hereford Court or alternative sites locally.	Joining up of sites help with a wider net increase in new social housing. Also offers potential rehousing opportunities depending upon programme.	4	3	Continue to monitor programme for wider New Homes for Neighbourhood projects and link in where appropriate.
Additional funding opportunities for the deconstruction process through Land Release Funding or Infrastructure grant	Reduces risk of long-term empty building if funding can be obtained to deconstruct. Allows for early engagement of specialist teams.	4	4	Early engagement with central government bodies to discuss potential grant rates. Early designs in place to assist with deconstruction.
Setting up a resident engagement group allows more direct input into design	Improved long-term outcomes, residents have opportunity to highlight their own priorities.	4	5	The community engagement team is setting up resident engagement groups. Various checkpoints will need to be

				put in place for residents to feed into design.
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Sustainability– Carbon Neutral City

An assessment of whole life carbon has been produced for the project based on the RIBA stage 1 assessment. For these papers purpose the following scenarios were assumed:

1. A maintenance only option, including strengthening (option 1) and business as usual maintenance such as replacement of glazing at the end of its life and the replacement of heating with a low carbon option at some point during the building’s lifecycle.
2. A refurbishment option, in line with an upgrade within Approved Document Part L. This is broadly in line with option 2 and allows upgrade to heating system, external wall insulation, roof replacements and glazing replacements.
3. A deep retrofit option aiming fort EnerPHit option, this has not been explored in detail as part of this paper due to time constraints and the high costs for doing this.
4. New build option in line with ECE initial proposals and assumptions around the concrete frame required for high rise buildings.

In all scenarios modelled the new build is the most carbon intensive and refurbishment with an improved heating system the less carbon intensive. However, across all three sites the whole life carbon impact for all options is relatively low.

As part of the ongoing programme, there will need to be consideration at an early stage of incorporating circular economy principes and consider reuse of existing materials where possible. St James’s House offers further opportunity to consider a potential heat network as part of the new build development options.

Option 4 – Demolition and new build (Nettleton Court and Dudeney Lodge)

Description

New build option for the redevelopment of Nettleton Court and Dudeney Lodge based on initial capacity studies. These studies are based on the current affordable housing brief consisting of 30% one bedrooms, 45% two bedrooms, 25% three bedrooms and includes 10% fully wheelchair accessible properties known as M4(3) within that mix. The initial study totals 233 new homes with community space based on one 20 storey tower block, alongside one 13 storey block. The current capacity study incorporates the existing youth services provision on site and a smaller council property.

Timescales

The new build option would take approximately five to six years to redevelop based on a rehousing programme of three to four years with St James's House taking initial priority. A new build programme would need to run in parallel with relocating the existing tenants to avoid delays. The existing building once emptied would need to be deconstructed gradually by a specialist contractor followed on by the new build construction programme.

Variations

The current designs derive from an initial capacity study and can be varied as the appointed design team develops detailed strategies. Options can be developed with a focused advisory group to ensure new proposals are shaped alongside residents; there is also an opportunity to consider creating three separate but less dense tower blocks. Due to the amount of investment required upfront to construct these buildings the council could also consider utilising private finance or alternative joint venture structures.

Is this the recommended option?

Yes, this option offers wider flexibility in the longer term and new build homes are designed to meet a minimum 60-year lifespan. This flexibility can offer a more diverse unit mix meeting a wider range of housing needs. The density of the site can also be increased to create a net gain in new homes. There is a significant opportunity for regeneration on a larger scale by reviewing wider landholdings and working in partnership across the council.

Financial Assumptions

- The block is emptied within two years to allow for deconstruction
- Based on the initial ECE capacity study of 233 homes and community space
- The new build block has a 60-year lifespan.
- Grant funding is available through Homes England
- Design risk allowance and construction contingency of 10.0%
- Re-housing costs of approximately £13,000 per existing home.
- Costs based upon estimates by B&M dated: 02/05/2025 and 27/5/2025

Option 4 – Demolition and new build (Nettleton Court and Dudeney Lodge)

- There are minor variations on the investment rates required for each option due to changes in capitalised interest and the introduction of the community infrastructure levy. For this purpose, the investment option of all social rent at current grant rates is assumed.

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

Although all options are currently showing a subsidy requirement over 60 years through design development, further survey data and negotiations with Homes England will likely close that gap over time. Any final decision on budgets will be taken back through cabinet.

Risks

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = catastrophic	Mitigating controls and actions
Increasing construction costs impact viability	Construction costs may increase further impacting number of homes delivered	3	4	Continuous monitoring of costs throughout project lifecycle with key gateways included
Lack of Homes England funding impacting new homes.	May restrict the grant levels received, grants have been historically below construction costs.	3	4	Continuous engagement with Homes England. Consider alternative subsidy routes or cross subsidy using other tenures
Building Safety Regulator delays	May cause delays to construction and design programme	4	3	Early engagement with BSR and appointment of experienced design team
Lack of interest in sector for high-rise projects including designers and contractors. Specialist insurance premiums required.	May cause delays to the overall programme and increase costs.	4	4	Early industry engagement to establish appetite. Consider elements of redesign to ensure buildings are under 18m where possible.
Complexity of constructing a 20-storey block may limit third party interest and restrict suppliers	Only specialist contractors may be able to construct the building with the appropriate insurances and specialisms	3	3	Early contractor engagement is needed to establish approach
Limited rehousing opportunities in the local area	May impact rate of tenants being rehoused	3	4	Link site with local New Homes for Neighbourhood developments

Opportunities

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = fantastic	Realisation controls and actions
Opportunity to provide a more sustainable tenure mix in line with the affordable housing brief	Improved unit mix to house residents in more appropriate accommodation according to need	4	4	Continue to monitor and ensure appropriate briefs are in place.
Improve place making and allow for areas of public realm and green space	Improved resident wellbeing and place creation. Current block is surrounded by solely tarmac	4	5	Continue to work up design detail with a focus on improved public realm and biodiversity gains
Different opportunities to redevelop the site through existing programmes or other private sector partners	Council has flexibility of different delivery models	3	3	Early engagement with the wider market could provide funding flexibility to help unlock site.
Additional funding opportunities for the deconstruction process through Land Release Funding or Infrastructure grant	Reduces risk of long-term empty building if funding can be obtained to deconstruct. Allows for early engagement of specialist teams.	4	4	Early engagement with central government bodies to discuss potential grant rates. Early designs in place to assist with deconstruction.
Setting up a resident engagement group allows more direct input into design	Improved long-term outcomes, residents have opportunity to highlight their own priorities.	4	5	The community engagement team is setting up resident engagement groups. Various checkpoints will need to be put in place for residents to feed into design.
Site is extremely prominent from views across the city. Improved design could help improve key views.	Reduces impact of existing structure on views across the city and improves outlook.	3	3	Undertake early technical assessments and planning engagement.

Sustainability– Carbon Neutral City

An assessment of whole life carbon has been produced for the project based on the RIBA stage 1 assessment. For these papers purpose the following scenarios were assumed:

1. A maintenance only option, including strengthening (option 1) and business as usual maintenance such as replacement of glazing at the end of its life and the replacement of heating with a low carbon option at some point during the building's lifecycle.
2. A refurbishment option, in line with an upgrade within Approved Document Part L. This is broadly in line with option 2 and allows upgrade to heating system, external wall insulation, roof replacements and glazing replacements.

3. A deep retrofit option aiming for EnerPHit option, this has not been explored in detail as part of this paper due to time constraints and the high costs for doing this.
4. New build option in line with ECE initial proposals and assumptions around the concrete frame required for high rise buildings.

In all scenarios modelled the new build is the most carbon intensive and refurbishment with an improved heating system the less carbon intensive. However, across all three sites the whole life carbon impact for all options is relatively low.

As part of the ongoing programme, there will need to be consideration at an early stage of incorporating circular economy principles and consider reuse of existing materials where possible.

Option 5 – Standalone demolition and new build (Whitehawk)

Description

New build option for the redevelopment of five blocks in Whitehawk as a standalone scheme based on initial capacity studies. These studies are based on the current affordable housing brief consisting of 30% one bedrooms, 45% two bedrooms, 25% three bedrooms and includes 10% fully wheelchair accessible properties known as M4(3) within that mix. The initial study totals 205 new homes with community space based on seven new blocks with the maximum height being nine storeys and the creation of new public realm.

Timescales

The new build option would take approximately six to seven years to redevelop based on a rehousing programme of four to five years with St James's House taking initial priority. Due to the number of existing residents in the Whitehawk blocks there may need to be further phasing work completed. A new build programme would need to run in parallel with relocating the existing tenants to avoid delays. The existing building once emptied would need to be deconstructed gradually by a specialist contractor followed on by the new build construction programme.

Variations

The current designs derive from an initial capacity study and can be varied as the appointed design team develops detailed strategies. An alternative proposal to deliver 261 homes was reviewed by the design team which envisaged four bulkier tower blocks with public realm in the middle. This design increased density but broadly recreated the existing footprint with a modern design. Alternative options can be reviewed, and ideas will be developed with a focused advisory group to ensure new proposals are shaped alongside residents.

Is this the recommended option?

No, the proposed option to redevelop the site with existing public realm enhancements is a long way from financial viability and it is unlikely this financial gap could be closed through standard mitigation measures such as value engineering, grant uplift and tenure mix changes. Furthermore, consistent resident feedback has highlighted long-standing concerns with overcrowding, connectivity to the wider city, piecemeal development and infrastructure matters. These wider issues cannot be addressed solely through one-off developments and require a longer-term strategic approach.

Financial Assumptions

- Based on the initial ECE capacity study of 205 homes and community space
- The new build block has a 60-year lifespan.
- Grant funding is available through Homes England
- Design risk allowance and construction contingency of 10.0%
- Re-housing costs of approximately £13,000 per existing home.
- Costs based upon estimates by B&M dated: 02/05/2025 and 27/5/2025
- There are minor variations on the investment rates required for each option due to changes in capitalised interest. For this purpose, the investment option of all social rent at current grant rates is assumed.

Costs

Investment	Estimated construction cost £'000	Estimated on costs £'000	Total £'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

Risks

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = catastrophic	Mitigating controls and actions
Increasing construction costs impact viability	Construction costs may increase further impacting	3	4	Continuous monitoring of costs throughout project

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = catastrophic	Mitigating controls and actions
	number of homes delivered			lifecycle with key gateways included
Lack of Homes England funding impacting new homes.	May restrict the grant levels received, grants have been historically below construction costs.	3	4	Continuous engagement with Homes England. Consider alternative subsidy routes or cross subsidy using other tenures
Building Safety Regulator delays	May cause delays to construction and design programme	4	3	Early engagement with BSR and appointment of experienced design team
Lack of interest in sector for high-rise projects including designers and contractors. Specialist insurance premiums required.	May cause delays to the overall programme and increase costs.	4	4	Early industry engagement to establish appetite. Consider elements of redesign to ensure buildings are under 18m where possible.
Existing proposals may only retain the existing situation rather than addressing longer term matters	A missed opportunity for placemaking to address long-standing issues	4	4	Consider alternative approaches to address these issues.
Limited rehousing opportunities in the local area	May impact rate of tenants being rehoused	3	4	Link site with local New Homes for Neighbourhood developments such as Swanborough Drive

Opportunities

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = fantastic	Realisation controls and actions
Opportunity to provide a more sustainable tenure mix in line with the affordable housing brief	Improved unit mix to house residents in more appropriate accommodation according to need	4	4	Continue to monitor and ensure appropriate briefs are in place.
Improve place making and allow for areas of public realm and green space	Improved resident wellbeing and place creation. Current block is surrounded by solely tarmac	4	5	Continue to work up design detail with a focus on improved public realm and biodiversity gains
Additional funding opportunities for the deconstruction process through Land Release Funding or Infrastructure grant	Reduces risk of long-term empty building if funding can be obtained to deconstruct. Allows for early engagement of specialist teams.	4	4	Early engagement with central government bodies to discuss potential grant rates. Early designs in place to assist with deconstruction.

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = fantastic	Realisation controls and actions
Setting up a resident engagement group allows more direct input into design	Improved long-term outcomes, residents have opportunity to highlight their own priorities.	4	5	The community engagement team is setting up resident engagement groups. Various checkpoints will need to be put in place for residents to feed into design.

Sustainability– Carbon Neutral City

An assessment of whole life carbon has been produced for the project based on the RIBA stage 1 assessment. For these papers purpose the following scenarios were assumed:

1. A maintenance only option, including strengthening (option 1) and business as usual maintenance such as replacement of glazing at the end of its life and the replacement of heating with a low carbon option at some point during the building’s lifecycle.
2. A refurbishment option, in line with an upgrade within Approved Document Part L. This is broadly in line with option 2 and allows upgrade to heating system, external wall insulation, roof replacements and glazing replacements.
3. A deep retrofit option aiming fort EnerPHit option, this has not been explored in detail as part of this paper due to time constraints and the high costs for doing this.
4. New build option in line with ECE initial proposals and assumptions around the concrete frame required for high rise buildings.

In all scenarios modelled the new build is the most carbon intensive and refurbishment with an improved heating system the less carbon intensive. However, across all three sites the whole life carbon impact for all options is relatively low.

As part of the ongoing programme, there will need to be consideration at an early stage of incorporating circular economy principles and consider reuse of existing materials where possible.

Option 6 – Demolition and wider masterplan (Whitehawk)

Description

The LPS blocks on the Whitehawk estate suffer from serious structural defects that pose long-term safety concerns. As such, inaction is not an option. However, the strengthening and refurbishment options are not viable, and so the redevelopment of these blocks opens the opportunity to undertake a wider review of Whitehawk and to address issues such as employment, connectivity, transport and social infrastructure, local services and amenities and the way the estate relates to and integrates with the rest of Brighton.

This option proposes the development of a wider masterplan for the Whitehawk area with the LPS blocks as the first phase of work. It focuses on placemaking opportunities and the implementation of Brighton’s decarbonisation pathway, regenerating existing housing stock, realising wider strategic priorities and committing to long-term engagement with the residents of Whitehawk to reimagine the existing area.

This would need to be phased over many years, prioritising the LPS blocks in the north of Whitehawk in the first seven years.

Timescales

Due to the potential scale of the masterplan a timescale of up to twenty years should be allowed to deliver the vision and the masterplan. There would need to be an architectural practice appointed to manage the masterplan work and alternative practices working up the detail of each phase. This would allow for efficient progress on the individual phases without the programme becoming too unwieldy.

There will need to be a significant time allowance for coproduction workshops and residents will need to be equal partners in the design process to ensure any proposals are adequately addressing issues raised.

Variations

Due to the scale of masterplanning there are several variations and options that need to be reviewed, and a final red line plan will need to be agreed between all parties. This may involve including existing council owned land and working with other landowners in the area.

Is this the recommended option?

Yes, this approach would allow the LPS blocks to be redeveloped in the context of more strategic placemaking and development with a longer-term view. Grouping together existing council projects, community projects and potentially private sector land into one masterplan would unlock significant investment and a strategic vision for the future of Whitehawk.

Risks

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = catastrophic	Mitigating controls and actions
Unrealistic expectations about	Rushed approach to masterplanning can lead to poorer	3	4	Allow for adequate time in the programme to ensure options are properly tested

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = catastrophic	Mitigating controls and actions
timescales for delivery	long-term outcomes			before moving onto the next stage.
Lack of resident buy-in could lead to ideas feeling “imposed” rather than coproduced.	Uncollaborative approach can mean outcomes are not linked to resident priorities	3	5	Long term engagement strategies need to be developed, and early visioning exercise needs to take place
Competing stakeholder priorities can lead to conflict	Lack of clear direction and delays with the project	5	3	Develop clear terms of reference for all engagement strategies. Build consensus over time.
Longer-term vision for area needs to be prioritised to avoid unclear briefing	Delays in design development, assumptions made about what is needed	3	4	A visioning workshop needs to place with stakeholders before procuring a design team
Large financial investment will be required from the council to unlock the priorities	Amount of investment needed is unknown. Potential for unrealistic expectations	5	3	Programme will need to be managed in detail and scale of programme will need to be determined at early stages.
North Whitehawk could be “forgotten” about considering scale of masterplan proposed	Delays to developing existing blocks with known problems.	3	4	North Whitehawk blocks will need to be the first phase of development. Programme will need to be reviewed regularly to ensure redevelopment is on track.

Opportunities

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = fantastic	Realisation controls and actions
Ability to address systemic issues raised by residents	Reduces the amount of piecemeal development and provides a more cohesive approach to the area	4	5	Early resident engagement and clear vision to progress opportunities

Description	Potential consequences	Likelihood 1 = almost impossible 5 = almost certain	Impact 1 = insignificant 5 = fantastic	Realisation controls and actions
Opportunity to provide a more sustainable tenure mix in line with the affordable housing brief	Improved unit mix to house residents in more appropriate accommodation according to need	4	4	Continue to monitor and ensure appropriate briefs are in place.
Improve place making and allow for areas of public realm and green space	Improved resident wellbeing and place creation. Current block is surrounded by solely tarmac	4	5	Continue to work up design detail with a focus on improved public realm and biodiversity gains
Likely to attract different opportunities for funding including grant and private sector initiatives	Helps potentially secure a wide range of investment to support the project	4	5	Work early with external partners to unlock funding opportunities
Improved connectivity and infrastructure	Working within a masterplan will allow more detailed exploration of improving transport links and other infrastructure options	4	4	Will need to form part of the initial project brief and visioning exercise
Introduction of more commercial space	Whitehawk is currently a heavily residential area lacking in some areas for commercial space. This could be addressed carefully to supplement existing businesses.	3	4	An initial assessment will need to be carried out to understand the area's needs. Offer will need to be discussed with residents and tested with businesses.

Sustainability– Carbon Neutral City

No whole life carbon assessment has been carried out currently as the scope of the wider masterplan is unknown and it is unfeasible at this stage to carry out estimates.

Summary and wider programme

The strengthening of the LPS blocks whilst technically feasible is complex and costly. There would need to be temporary rehousing of all residents, and this would be approximately twenty-four weeks. Due to the lack of external capital grant, all funding for the strengthening work would need to come from Housing Revenue Account borrowing which is currently unaffordable. The works could only be guaranteed for twenty years, and this limits the potential lifespan of the building. The refurbishment elements only increase the costs and further impact upon viability; it is likely the refurbishment costs would increase as further detail is developed.

It is recommended that the new build options for St James's House and Nettleton and Dudeney are explored and developed further, alongside a wider masterplan for the Whitehawk area to deliver long-term change. These options would need to be developed alongside resident engagement groups to incorporate existing tenant feedback into the design process.