

NewStatesman

Croydon: Our time is now

Regeneration and housing
What alternatives can we have?



CROYDON

THE NEXT FIVE YEARS

By 2020 Croydon will be south London's prime commercial centre, the most exciting shopping and leisure destination in London and the south-east, and a place where companies, entrepreneurs, tech-city start-ups, art and culture thrive.



£5bn+

Invested in the
regeneration of Croydon

1 million

Square feet of high-quality
office space being created



16,000

New jobs created

9,500

New homes started
over next five years



£1bn

Investment
by Westfield and
Hammerson, creating
one of Europe's largest
retail and leisure malls,
with 1.5 million ft²
of retail space



NEW

Croydon's South
Bank, a cultural
quarter with the
refurbished Fairfield
Halls at its centre.
Home to 16 town and
district centres



2020

If you want to find out more about regeneration and housebuilding in Croydon visit
croydonnow.co.uk or contact the council on **020 8760 6000**.

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Croydon: a new dawn?



Housing: the new models

Housing: new models evolve



Local authorities have never faced a greater challenge. In Croydon we have had a 46 per cent cut in government grant funding since 2010, and we are forecasting a further 25 per cent reduction over the next three years. At the same time, the burden on councils to provide key services for residents continues to increase. We are in the midst of a housing crisis, with increasing levels of homelessness, which the government's £12bn welfare cuts will only worsen.

Councils must reassess what they do and look to partners both within and across local-authority boundaries to deliver services.

Already councils are integrating their services across organisations and sharing services to achieve economies of scale and increase

effectiveness. The government's devolution agenda offers councils the opportunity to use resources more effectively, but the Cities and Local Government Devolution Bill will enable the devolution of a range of powers not to individual local authorities, but to cities with elected executive mayors.

It is time for a new deal between councils and communities, with councils adopting an enabling role, working to strengthen the resilience of individuals and communities so that they can help themselves and focusing scarce resources on the most vulnerable.

This role requires closer working with partners, sharing our assets, skills and systems, and connecting organisations and individuals so that they can collaborate and make use of each other's assets and resources.

This supplement sets out how Croydon is ready to take the next

step, and how we have developed an ambitious programme for regeneration and growth using co-operation as one of the prime delivery mechanisms. We are working with neighbouring boroughs in South London Partnership, colleagues in the Coast to Capital Local Enterprise Partnership, as well as the Greater London Authority and the Mayor of London, Boris Johnson, to unlock the growth in south London.

We are supporting small- and medium-sized businesses to set up and expand through our own investment on high streets and in district centres, and by providing financial and other support, as well as by engaging in a dialogue on how to make Croydon an attractive place to do business.

We are using our role as an employer and commissioner to make Croydon a London Living Wage borough, and to ensure that job, training and apprentice opportunities go to our residents. We are also supporting our residents to overcome the crises and challenges that modern urban life can throw at them, and doing so in a way that helps them help themselves, responds to the full range of their needs, and places them on a stable and sustainable financial footing for the future. ●
Tony Newman is the leader of the council for the London Borough of Croydon

This supplement, and other policy reports, can be downloaded from the NS website at newstatesman.com/page/supplements

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The Croydon story

Croydon, London's next opportunity, is on the brink of huge regeneration that will secure its status as a modern European city. This rapidly changing borough is seeing multibillion-pound investment that will deliver thousands of new homes and jobs for its residents. These are just a few of the reasons why more and more people want to hear Croydon's story

In case you hadn't already heard, the retail giant Westfield has chosen Croydon as the location for one of Europe's largest shopping and leisure malls.

Along with its partner Hammerson, they are investing more than £1bn that will create over 1.5 million square feet of new retail and leisure space, 5,000 new jobs and 600 new homes.

In fact, Croydon is in the middle of what can only be described as a renaissance, with over £5bn being invested over the next five years. It is a remarkable transformation.

Croydon was for many years stuck in a time warp, the legacy of laissez-faire planning policy followed by decades of inertia. It had a half-decent shopping centre, surrounded by largely empty office blocks, but little else to offer.

So what underpins this unlikely change in fortunes, and what can others learn from Croydon's success?

The first thing is to be prepared. Local authorities play a vital role in fostering

economic growth. Obviously this depends on location, infrastructure, local economy and assets, and the market may not always share your view.

However, it helps to create the right environment and enable investors to take advantage of opportunities as they arise.

In 2010 the Mayor of London identified Croydon as an "Opportunity Area" for new office space and housing. Despite this endorsement, simple economics made significant development in Croydon unviable. Major sites acquired before the credit crunch were still too expensive to develop in 2010.

Now, as a result of a true partnership between the council, the private sector and the GLA, construction can be seen all around the centre of Croydon.

The council's 1960s HQ has been demolished to be replaced by over 400 new homes, including affordable housing.

A new 40-storey tower has been built at Saffron Square in Wellesley Road. Construction on Ruskin Square, next to East Croydon Station—the gateway to Croydon

—is well under way. This will also be home to the trendy pop-up mall Boxpark, an even bigger version of its Shoreditch relation. Built entirely out of shipping containers, it is due to open next summer and will provide 200 jobs.

Croydon Council has helped this happen by making it easy to do business, ensuring that decision-making is consistent and predictable, and removing barriers to development.

These are all things that local authorities keen to promote growth should check they are doing well.

Another lesson is to be ambitious. Understanding your USP will only get you so far. People who know Croydon have long recognised its potential.

It has excellent transport links and is just 15 minutes from central London by train, 20 minutes from Gatwick and 40 minutes from Brighton.

But this potential must be translated into a compelling vision that urges people to come with you. *Ambition* was the name of Croydon Labour Party's 2014

election manifesto and is now the council's dominant policy theme.

The Labour administration's vision is for Croydon to become a modern European city, a place where people are proud to live and investors are proud to invest, a city that embraces growth, with 16,000 new jobs and 9,500 new homes by 2020. It wants Croydon to be recognised as south London's primary commercial centre and London's most enterprising borough.

This vision has seen a series of commitments on homes, transport, local economy and, more recently, culture. The first Ambition Festival in Croydon kicked off four days of music and comedy in July, headlined by Soul II Soul and Lee "Scratch" Perry.

Many people might raise a cynical eyebrow at the mention of election commitments and strategic visions, so clear communication, active promotion and commitment to the delivery of the vision make it clear that the authority means business.

The council is also committed to improving the standards of privately rented housing and ensuring that tenants have protection from rogue landlords. This is why we are launching a landlord licensing scheme across Croydon on 1 October. It will help us to raise housing standards across 30,000 private rented properties in the borough.

Recently we also became the first London borough to be awarded social enterprise status, in recognition of the number of social enterprise businesses in the borough that are run for the benefit of the community.

The status was awarded to Croydon by Social Enterprise UK, a national campaign body. We're really passionate about growing our social enterprise community, and this will bring together the council with local businesses and charities, so we can build on our achievements so far.

The final lesson from the Croydon story is to put aside differences and build positive relationships to deliver your ambitions. In times of restraint and austerity, this makes perfect sense, but it is rarely seen in practice. It means putting aside political and other differences, agreeing what is needed and working together to get the best for the local area.

Croydon's leader, Councillor Tony Newman, said recently:

"These are interesting times. Who would have thought I would have ended up working in a true partnership with Boris Johnson, supporting a vision and strategy for Croydon?"

In Croydon, councillors, MPs and senior officers of public agencies take every opportunity to lobby government ministers and to bang the drum for what Croydon needs, such as funding, investment, infrastructure and devolved powers. This "Team Croydon" approach is best illustrated in the very recent cross-party lobbying for London Underground's Bakerloo Line to come to Croydon instead of Bromley.

It also means being prepared to work with central government and other national authorities in return for greater local control, as well as accountability for local services.

The Chancellor of the Exchequer, George Osborne, has promised a revolution in the way that England is governed,

Clear communication and commitment make it clear we mean business

provided there is sufficient democratic accountability.

Over the next five years over 150 regeneration projects are due to start in Croydon, and they require £250m of investment in critical infrastructure to support them. We have been lobbying the government with a "growth zone" proposal to devolve local tax revenues that will help the council to fund the infrastructure needed and accelerate development in Croydon.

Another potential solution is the South London Partnership (SLP), made up of the boroughs of Croydon, Kingston, Merton, Richmond and Sutton, established to take advantage of any devolution to London's subregions.

We believe that south London can become the powerhouse of the capital – if the government devolves powers to us with which we can unlock the region's growth potential.

It also means working with the private sector to secure employment, enable growth and promote your area.

Likewise, local authorities can use their role as commissioners of services and as major local employers to create jobs for local people, provide opportunities for training and to develop skills, and to open up opportunities for local businesses.

At Croydon Council contractors are required to pay their staff the London Living Wage, and to offer a range of apprenticeships and employment opportunities to local people. Croydon has signed a memorandum of understanding with Gatwick Airport to ensure that jobs and growth from a second runway benefit residents and businesses based in the borough.

The council also supports local business associations to ensure that they can take a stronger role in shaping their business community through business improvement districts, town teams and business associations. It also means working with our communities and residents, and providing services and support to achieve a mutually agreed outcome.

The council is setting up a single "gateway" service that will take a holistic look at the needs of families or individuals approaching it for help.

The response will be based on an agreed plan that will include housing, household finances and debt (including access to a bank account), training and employment, and care needs. The challenge for local authorities is to promote the advantages of their district and encourage investment and economic growth.

Funding to facilitate and support this growth is extremely limited and they have little option but to embrace the benefits of co-operation and work in partnership to help achieve their ambitions.

The benefits of successfully employing this approach are substantial.

The story of Croydon's transition from down and out to ambitious and growing hopefully provides some inspiration and learning for other areas looking to change their own fortunes.

As the council leader, Tony Newman, recently said at the launch of Croydon's Boxpark: "Change is now real, cranes are in the air, and Croydon is truly London's growth borough." ●



New models for all

Time for change

By Guy Clapperton

The provision of affordable housing in London is fundamentally broken and it's not much use trying to fix the established models. The London School of Economics has been looking at some alternatives

The housing model in London needs to change: there can be little doubt about it. As this supplement went to press, there were murmurings of the market being skewed in favour of organised criminals from overseas, buying expensive property for money-laundering purposes.

This would be of little concern to the affordable housing client or potential client, except that it pushes every legitimate purchaser a rung further down the ladder – including those who want to offer an

affordable alternative. “Alternative” is actually a vital notion to raise at this point, as the established housing models, whether entirely owned by councils and rented (or sold off) or from housing associations (which may again be sold off, subject to conditions) don't appear to be solving the central problem. Which is why Melissa Fernández Arrigoitia, a research fellow at the London School of Economics specialising in such issues, has been involved in the continuing, year-long study *Housing in London: Addressing the Supply Crisis*.

The study has divided housing into the more social alternatives: for example, co-housing, in which residents participate and help design their neighbourhood in a collaborative manner, as well as eco-alternatives and affordable alternatives that aren't necessarily social.

“We found that the various people involved in both socially and technologically alternative models had different ways of looking at it when we sat them around a table,” says Fernández Arrigoitia. “There were those that were disruptive, which

maps on to the social alternative, and the housing that's complementary." Disruptors are more inclined to change the status quo for access, affordability and equity.

Fernández Arrigoitia and her colleagues have done most work on the co-housing model. In the UK there are about 18 co-housing groups, with five of them in formation in London. One of those five, the Older Women's Co-Housing scheme (owch.org.uk), is currently being built in Barnet. "What has worked for them, and what seems to be working for a second group that is located in Muswell Hill, is their partnership with a housing association as their developer," she said.

Until now, only small groups of friends with a lot of capital have got off the ground, Fernández Arrigoitia says. Frankly, you need a fair bit of money to have a say in the design of your home, so the need for a partner is obvious.

"Hanover Housing Association wanted to be the pioneer in housing for older people. It got involved six years ago and it has been very much a learning experience for the group and for the housing association. It's been very slow." It is worth mentioning that although she refers to "older" people, some residents in the OWCH scheme are as young as their mid-fifties. This isn't a retirement home alternative.

The gestation has been long. Two or three years ago, she would have said Hanover would have been a major developer of this sort of housing; given the costs since then, she wouldn't be surprised if it was rethinking. In another group analysed by the LSE, only nine out of 33 units were going to fall into the "affordable housing" bracket because it has to be sustainable.

Other models abound. There are self-build groups emerging. "National Government is supporting self-build and custom-build as one of its priorities in housing supply," Fernández Arrigoitia says. "That falls a bit more into the 'technological' side of housing, even though it engages communities in a different way.

"It's more on the side of complementing existing models because it's a market option, and the government is selling it as that, not as something that's going to change the way people are living."

London-based self-build is happening in the south-eastern borough of Lewisham, for instance. This is not a complete self-build model, however, but one in which putative residents have a say in

some of the options surrounding how their home will be designed.

Y:Cube from the YMCA is another alternative. Looking slightly like the prefabricated houses of the 1960s (the proverbial "prefabs"), the modern version a great deal of promise, according to the LSE's findings. Starting in parts of the city such as Mitcham, for one, local authorities are showing a lot of interest.

When Fernández Arrigoitia visited the Mitcham site she was joined by local authority representatives, eager to see whether they could fit the model into their own mix. "They have spaces where they can actually get this done, so the local authorities see it as a win-win."

More on the "complementary" side are pocket homes, pitched as "starter homes for city-makers". This is intended to be an affordable option on the open market, but the view local authorities are expressing to LSE is that the reason pocket homes are succeeding is that they have capable people on their boards and can market themselves to the Greater London

Other models abound. There are self-build groups emerging

Authority and the councils. "They know the politics and how it works, and can get their feet in the door," says Fernández Arrigoitia. "That's something other alternative groups simply don't have – they don't have the knowledge or resources, so when there's some sort of competition in which a local authority is keen to develop some sort of alternative, you get the pocket home winning."

Croydon is keen to promote its joint ownership scheme, which has already been tried in various guises: housing associations were doing it in the 1980s. People from Haringey and elsewhere have also been keen on the model, according to the LSE report.

What is clear, whether it's due to master criminals moving into London, uneven recovery in the economy or an inability of the larger economy to keep up with housing demand, is that something has to change if London is to remain a sustainable city.

The new approaches and willingness to try them can only be a good start. ●

CROYDON

One borough with multiple approaches

The London Borough of Croydon has ten housing priorities:

- Setting up a development company to build new homes and a revolving investment fund (which reinvests profits) to finance this work.
- Increasing the affordable housing requirement in the area to 50 per cent and seeking to control office-to-residential conversions given the poor-quality and substandard-size housing being produced.
- Regenerating housing estates to create more affordable housing for local residents.
- Improving the safety and energy efficiency of private-sector housing for vulnerable people.
- Introducing a borough-wide selective licensing scheme to tackle fly-tipping and antisocial behaviour and drive up standards for 30,000 private-sector tenants.
- Increasing the number of extra care homes for older people and developing a modern, mixed-tenure, retirement housing "village" in the borough.
- Actively tackling homelessness and rough sleeping by working with the faith and voluntary sectors; also welcoming Crisis in setting up a new Skylight Centre in Croydon providing education, health, housing advice and employment services.
- Tackling crime and ASB to ensure residents feel safe in their homes.
- Setting up an Opportunity and Fairness Commission to look at housing and homelessness, among other things.
- Changing how the council assesses people's needs to tackle the underlying causes of homelessness and housing need – increasing employability and financial stability, and improving access to digital and financial services.

