

Besson Street: The Proper Consultation

A tale of democracy and housing in Lewisham



Introduction

At their Besson Street site in New Cross, the London Borough of Lewisham plan to build 250 units of private rented sector housing on public land. Along with a private partner they will manage these flats and set rent levels that will seek profits and a revenue flow for the council. This is among the first such projects in the UK.

There will be no social housing on the site. While the housing will remain in the hands of the council, Lewisham will be acting like a private business. This private rented project run by a public body is planned to offer 65% of the housing at market rent and 35% at 'Living Rent' level.

When it became apparent Lewisham planned to do very minimal consultation on the project, we decided to do our own consultation. We conducted a questionnaire survey in several different locations, with a focus on those living around the site, receiving a total of 45 responses.

Executive Summary

With some exceptions the response of local residents to the proposals was strongly negative. The breakdown of responses was 2 positive, 11 neither positive or negative, and 31 negative.



Comments include:

“People in this area can’t really afford it. It will bring people from outside. We’ll be the next Shoreditch. It’s not fair on the people here”

“We want more council housing, not private housing. The council just wants to make money.”

“It’s a load of bullshit - just the way it’s going. It’s gentrification.”

Even if the council were to do more consultation, most local residents have no faith that it would be meaningful. Typical comments on council consultations include:

“They are usually fictitious.”

“They happen too late.”

“They are there to present a democratic facade on decisions that are virtually preordained.”

The most common change people wanted to see to the proposals was for the site to have social and affordable housing. Many were also keen to see more public amenities on the site, and community-led development. Typical answers included:

“I’d prefer council housing.”

“I’d like to see a community centre, GP surgery, nursery, play ground, community.”

“Garden, affordable housing.”

“Build a state of the art housing estate according to 21st century environmental standards.”

While the project was largely seen as gentrifying, with a potentially negative effect on local residents on low incomes, few people signalled any intention to resist the plans; resignation was felt more strongly than anger. The Besson Street development seems likely to happen despite being contrary to the wishes of most local residents.

History of the Besson Street site

The site, bounded by Besson Street, Briant Street and New Cross Road, has been empty for years, despite being within 3 minutes' walk of New Cross Gate station and so a desirable place to develop. The social housing on the site was emptied and demolished some years ago, with the tenants largely rehoused. Since then the site has been empty, awaiting redevelopment by the London Borough of Lewisham. Many local residents remember previous proposals, which at different points would have included social housing and a swimming pool.

At one time the site was to be handed over the New Cross Gate Development Trust, an organisation set up to disperse a pot of regeneration money (New Deal for Communities) for the area. The failure of the Trust plans to materialise are a mystery to most people in New Cross Gate, though the NDC money was intended to benefit them. The most recent development plans fell through with the withdrawal of the development partner after the 2008 financial crisis.



The site today - derelict and overgrown

Current proposal

The current proposal is very different from previous proposals. Lewisham plans to develop, together with a private partner, 250 residential units entirely for rent. There will also be a doctor's surgery, developed in partnership with the New Cross Gate Development Trust, a gym, a community space, and some new outdoor public space.

No social housing will be included on the site, and the majority of units, 65%, will be let at market rents, albeit with capped rent rises. Though it has not been made explicit, it seems unlikely the cap will be applied at change of tenancy. The remaining 35% will be 'affordable', defined as 30% of the income of two people working full time on the London Living Wage. Since many households do not have two full time wage earners, and many of those do not earn the London Living Wage, even the 'affordable' segment is not aimed at genuinely low income renters.

None of the residents will be intentionally taken from Lewisham's housing list, so none of the housing is 'council housing', though all of it will be housing owned by the council. Lewisham will, in effect, be acting as a private landlord, and has suggested that they can offer a better service to private tenants than other private landlords.

Lewisham, along with its private partner, yet to be chosen, intends to make a surplus from this private rental development. The profits retained by Lewisham will go to fund local services, with no particular allocation for the money being known at present. The profit split between Lewisham and the private partner is not known, with most financial details not accessible to the public on the grounds of commercial confidentiality.

Lewisham have said that Besson Street is a pilot project for further Private Rented Sector schemes, and have suggested their redevelopment of Achilles Street, New Cross is also likely to include council-owned PRS accommodation.



A previous plan for the site

Council duty to consult

The duty placed on Councils to consult by case law and statutory instruments leaves significant room for interpretation. Lewisham has interpreted their duties to consult here as being restricted to consultation on the building proposals. That is to say, little to no consultation has been carried out on the question of whether Lewisham should be running private rental schemes for profit on public land, nor will one be carried out in the future. The decision to develop Besson Street in this way has already been taken and the search for the private partner has begun. Once the contract with the partner has been signed it could be costly for Lewisham to significantly alter their plans.

Our decision to consult

A group of people at The Field, a local independent community centre, decided to run a consultation ourselves under the title 'Besson Street: The Proper Consultation'. Our interest was partly in this particular project and partly in seeing what residents really wanted in the area.

Who answered the survey?

In order to target local residents in the consultation, we ran two main consultation events at which we invited people to complete a questionnaire. The first saw teams of people knocking on doors on the streets around Besson Street, and a street stall placed on the main New Cross Road nearby. The second happened at a local event, Party in the Park, where we set up a stall to distribute information and collect the views of local residents. A handful of responses also arrived by email.

The Proper Consultation results

In total we received 45 questionnaire responses, the results of which are broken down here question by question. Note that not all respondents answered all questions.

Have you heard of Lewisham's Besson Street development?

Yes: 14

No: 31

It is worth noting that of those consulted on doorsteps on or close to Besson Street, only four had heard of the scheme. We believe Besson Street itself was leafleted by the council but a single leaflet drop does not necessarily reach all, or even any, people in a household.

What do you think of the plans? Be honest.

Positive: 2

Negative: 31

Neither negative nor positive, or mixed: 11

Most people were unaware that local authorities, and Lewisham in particular, are now running or planning PRS schemes. This accounts for some of the uncertain responses. We discovered that people do not always immediately know what they think of housing owned by the council that is not 'council housing', since they are not familiar with the idea.

Even so, the response to the Besson Street plans was strongly negative. The most common reason given was the absence of social or genuinely affordable housing. The official uses of the term 'affordable' in the London housing context were widely seen as something of a bad joke. There were around 15 explicit comments on the lack of social and affordable housing, and several more implicit comments on affordability. It was also clear to many people that this will be a gentrifying project. Several people noted the population shift this would involve due to the effects on local rents.

Those who commented on Lewisham partnering with a private company to develop and run the site saw it as a negative aspect of the scheme. Likewise the notion of the council making profit from housing was seen as negative, apparently feeding a sense that the council's *raison d'être* is increasingly to extract money rather than provide services. The idea of a gym attracted some positive comments but people were unsure if this would be a council-subsidised gym or entirely private – Lewisham have not made it clear – which muted people's enthusiasm.

Alongside the negativity there was a sense of resignation about the proposal.

“Just the way it's going” said one respondent. Few seemed to feel it would be worth letting the council know what they thought, the perception being that their input was not wanted.

“Seems to be little provision for social housing”

“Increasing social housing is important, and not social housing you can buy”

“Happy with building houses for people who pay taxes”

“Surely it's better to be building housing that you and I can afford”

“More affordable housing”

“Not affordable to most”

“Don't think private companies should be making profit from it”

“Shopkeepers will love the influx of people with money coming into the area “

“It's a load of bullshit - just the way it's going. It's gentrification.”

“Increased population might affect traffic, parking.”

“People in this area can't really afford it. It will bring people from outside. We'll be the next Shoreditch. It's not fair on the people here.”

“We want more council housing, not private. The council just wants to make money.”

“Not a good plan - the private rented sector is too expensive.”

“It looks sort of OK from what I have read, but I don't feel that I know enough about them or have been asked about them. ”

“The plans were dependent on the destruction of a (roughly) 1970's housing estate which would have housed about 300 families.”

“Not very happy.”

“Probably really bad.”

“Let's have some real social housing.”

“Surely trying to obtain the best financial outcome, disregarding other key issues.”

“I think the plans are divisive.”

“It is another private block.”

“I am concerned that people can't access good quality housing at prices they can afford and about gentrification. I would like to know what Lewisham will do with the proceeds.”

“Not good for people or the community.”

“Usual suspects, private housing for profit.”

“A shame the housing isn't affordable.”

“It's not very helpful for local community. There will be a lot of social change for people who live there already, who cannot afford the rent.”

“Too much at market rate.”

“Crap. Unfair.”

“Short sighted, self regarding, and turning councils into businesses that exploit their tenants.”

“Housing should be made available to local residents to live comfortably.”

“Doesn't really solve the problem of lack of housing for local people.”

“Gentrification.”

Have you been consulted on the plans?

Yes: 2

No: 43

What do you think of council consultations?

We intended the term 'consultation' to also cover Lewisham's public events that they do not always describe as consultations. At least one event was held near Besson Street but was described as an informative event rather than a consultation. The line between informative and consultative event was however blurred by the presence of a 'feedback' box. Few people knew about the event and it was not busy when we attended.

Overall there is a very high level of negative feeling about council consultations, with respondents using words such as 'fictitious' or 'rubbish'. There is a widespread feeling that consultations only happen once the council has already made up their mind.

We note that the council has recognised at Besson Street the need to do an equalities impact assessment. The proposal will almost certainly alter the ethnic make-up of the area, but it is rather a mystery what the outcomes of this assessment can now be. Certainly the public would be very surprised if Lewisham admitted to a 'whitening' gentrification project and halted the Besson Street development as a result. It is, in truth, unimaginable.

Here is a selection of answers to this question:

"It's good to involve local people."

"A lot of people don't care or understand."

"The council should consult people but I don't think it will make a difference."

"BS to be honest - I expect the council to make decisions based on profit."

"Received a letter - good that council tries to get our opinions."

"I've never experienced a council consultation."

"Tell them (Lewisham) people are not happy."

"Rubbish."

"Non-existent - typical Lewisham."

"Most consultations are just a formality. They do not create a proper dialogue."

"I don't know."

"I generally don't think there are enough attempts to get views of local people."

"My sister has similar issues on Achilles Street - she has not been consulted and is worried she'll have nowhere to live."

"Very poor."

"They are usually fictitious."

"They are terrible."

"Happen too late."

"Awful."

"An act of rubber-stamping - sham democracy."

"Local residents need to be aware and get benefits."

"Non-existent."

"I have not been consulted on the Besson Street development. Not that it would have made any difference if a consultation had taken place. They are there to present a democratic facade on decisions that are virtually preordained. Thus I remember the meetings that took place in relation to the post 2010 cuts and later still the closure of New Cross library. The public disquiet expressed on these matters made no difference."

If you were planning the site from scratch, what would you put there?
Imagine anything you want.

With this question we hoped to do what local authorities rarely do: get the ideas of local people at an early planning stage. The phrasing of the question was intended to get people thinking about what they would really want, rather than about what they thought could be got from the council 'realistically' through haggling over their current plans. Social or affordable housing was naturally again high on the list, with some expressing a preference for community owned and managed housing such as cooperatives or CLTs. Many people also mentioned exercise facilities in some form, often with the corollary that they should be cheap or free.

"Low rise affordable housing, along with the health centre."

"Want more social housing."

"Nothing, happy with the plan (x2)."

"Children's centre, gym, more shops."

"More local amenities and shops."

"Should be housing priced reasonably for young people - 1 or 2 bed units."

"Swimming pool."

"Social housing."

"More shop units."

"Some social and properly affordable housing (x2)."

"Affordable housing."

"Actually affordable housing (comment on this - affordable has become a joke)."

"More social housing, more for the local community, free exercise facilities."

"Swimming pool like Wavelengths in deptford, something for people around here."

"A park."

"Real affordable housing."

"Council housing (x2)."

"I'd like to see a community centre, GP surgery, nursery, play ground, community garden, affordable housing."

"Build a state of the art housing estate according to 21st century environmental standards. Furthermore, charge old fashioned local authority rents with similar conditions of tenure.

Please can we have an end to the nonsense of "affordability" and the destruction brought about by "right to buy" (which was based on a bribe organized by central government)?"

"A park and a lido - green space."

"Self build community housing/social space, coop and co-housing, skate park."

"Community led housing - cooperatives etc."

"A community land trust with cooperatives and affordable housing."

"Community space, green space."

"Social housing (x2)."

"Houses that people can really afford on average Lewisham incomes and spaces they can rent at below market prices."

"Independent shops."

"Affordable housing - not very imaginative but so necessary in London."

"A rotunda building at fair rent for social housing with enclosed space for use."

"More play areas, more communal spaces."

"Maybe a community bath and sauna."

"Community gardens, social housing, allotments."

"Garden in the middle and a housing coop."

"More social housing, more community uses."

"Housing coop."

"A housing coop (or 2 or 3), workers coops and social spaces."

"A housing cooperative development with solar energy."

"A living space for the many people who are without one."

"Art/community centre, social housing, space for local SMEs."

"Social housing and a park."

How long have you lived in the area?

0-5 years: 10 respondents

5-15 years: 10 respondents

15+ years: 16 respondents

What do you think of the changes happening here?

We asked this question to try and put the Besson Street development into a wider context. New Cross is a rapidly changing area and likely to change more in the future. With the exception of the Telegraph Hill part of New Cross, most of the area is in the lowest income bracket mapped by the Greater London Authority. However it is in transport Zone 2 and has increasingly good transport links, likely to improve again with the planned extension of the Bakerloo line.

Respondents said of changes in the area:

"The traffic changes have been an improvement (Pomeroy Street)."

"Some smartening up, prices are going crazy."

"It's had an influx of wealthier people."

"Better than it used to be but always one step forward 3/4 step back, hopeless landlords."

"I've seen positive changes."

"Traffic is a bit better."

"I notice the number of new developments."

"Some changes good, some bad, increase in rent."

"I see lots of building."

"Prices going up, rents going up."

"I already see local people being priced out the area."

"Some good, some bad, less local services, we used to have caretakers around the housing. We need some kind of violent revolution to get the crooks out."

"Some renovated houses, but then NDC failed ('New Deal for Communities', the funding stream to the New Cross Gate Development Trust)."

"There used to be more community-based things. This development will take things in the wrong direction - it is privatisation, not for the benefit of local people."

"Prices are rising."

"I have lived in the New Cross area with my family for around 40 years."

"It's changing very fast."

"Gentrification!"

"Changes for the better, but it wouldn't have happened without community pressure."

"The recent developments give priority to development companies and take little account of local communities."

"The changes are not taking local people into consideration."

"I think the communities are fighting for survival as prices rise."

"Change is fast."

"I've seen gentrification creeping in."

"All I see is flats for high income mortgages."

"The rent is increasing."

"Not pleased with the gentrification."

"Gentrification. London will become shit."

"In many respects the changes are good – there will be more money to finance amenities, but disempowering as takeover by capital."

"I think when change is for the good of local residents it is good."

"Not being maintained well - no sense of a joined up plan."

"Too much gentrification."

Our perspective: Local Authority Private Rented Sector (PRS) schemes

Besson Street is not the first local authority PRS proposal in London. Redbridge, Barnet, Newham and several other councils have either started such schemes or are in the process of doing so. Some schemes have involved buying flats and houses on the open market to rent them out. It is not clear that other councils have set their schemes up with the intention of making profit. Lambeth at its Somerleyton Road site is planning a purpose-built PRS or partial PRS scheme. They have, if somewhat imperfectly, tried to involve the local community, and are including units at council rent. Besson Street is likely to be the first purpose-built, social-housing-free, profit-making PRS scheme by a local authority in London. The Besson Street site, while nominally remaining in public hands, will effectively be privatised.

Local authority PRS schemes were made possible by the increased ability of local authorities to set up arms-length companies created by the 'General Power of Competence' section of the Localism Act 2011. This enabling of local authorities to behave as businesses was passed by the central government at the same time as implementing a deliberate policy of starving the local authorities of funds. Councils were forced to implement harsh cuts that first saw many 'non-essential' services cut, including such 'leisure' facilities such as youth clubs and libraries – in fact important resources to many sections of the community – then saw cuts to more essential services such as provision for the destitute or for domestic violence victims.

While the cutting of funds has much to do with appeasing the Conservative supporter base who pay higher taxes, the attempt to encourage local authorities to become more 'entrepreneurial' appears more ideologically driven. The assumption is that the private sector is more 'efficient' and better at providing what people need. While there is ample evidence that the market can provide what well-off people need, it is clear to most that those with less money are often poorly provided by the market. The drive to make local authorities more entrepreneurial is in reality often a drive to focus on providing services to those with the ability to pay. While nobody denies that Lewisham is short of money, this looks like taking advantage of the housing crisis to make back lost funding. The idea of being 'entrepreneurial' in the housing sector in particular just as many people are being forced out of London by prices appears to be a victory for the ideas of the Conservative government.

Lewisham, rather than admitting that with the Besson Street scheme they have been forced into a failure of egalitarian service provision, have boasted of their 'intervention' in the Private Rented Sector. This intervention will, they say, improve the rental situation for those with the ability to pay. This may be true, but for those local people who cannot pay, Besson Street is likely to have a negative effect on their standard of living as it contributes to price rises in the area.

Conclusion

We began the 'Proper Consultation' with the assumption that most local people would prefer to be consulted on changes in their local area. Many people were indeed happy to offer their opinions, though sometimes with reservations: they were scared that if they expressed their views too strongly they would be edited from our report. We have deliberately chosen not to do this.

The result is that we know most local people do not welcome the Besson Street development, nor do they believe it is a housing scheme for the benefit of most local people. There is an acute awareness of the need for housing for those on lower incomes, and among some a desire that it be under community control. It seems that Lewisham have imposed a plan that fits better with the demands of central government than the needs of their own constituents.

For most of those local residents this has not come as a surprise; they see it as part of a long history of disconnection between the council and residents. Their reactions show not so much outright anger as a deep resignation about the changing role of local authorities. They have low expectations of being served by their council, and with the Besson Street development, Lewisham fulfils those expectations.

References and further info

Initial Besson Street report from Lewisham

<https://councilmeetings.lewisham.gov.uk/documents/s40265/Besson%20Street%20PRS%20Development%20Part%201.pdf>

Latest Besson Street report from Lewisham

<http://councilmeetings.lewisham.gov.uk/documents/s44566/Besson%20Street%20Re-development.pdf>

Lewisham answers to questions from the public

<https://councilmeetings.lewisham.gov.uk/documents/s44853/Public%20Questions%20and%20replies.pdf>

The General Power of Competence: Empowering councils to make a difference, LGA

http://www.local.gov.uk/c/document_library/get_file?uuid=83fe251c-d96e-44e0-ab41-224bb0cdf0e

This report and survey was carried out by A Better Besson Street.
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